



## Исполнительный совет

104-я сессия

Луксор, Египет, 30 октября – 1 ноября 2016 г.

Пункт 7 с) предварительной повестки дня

CE/104/7(с)

Мадрид, 18 августа 2016

Язык оригинала: английский

### Доклад Генерального секретаря

#### Часть III: Административные и уставные вопросы

##### с) Доклад о ходе реформирования Организации (выполнение Белой книги)

#### I. Введение

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1. В 2011 году резолюцией A/RES/602(XIX) Генеральная ассамблея утвердила Белую книгу (БК), подготовленную Генеральным секретарем.
2. В 2013 и 2015 гг. первый и второй доклады о ходе реформирования Организации, а также документы A/20/5(I)(e) и A/21/8(I)(f), соответственно, были представлены Генеральной ассамблее и утверждены ей.
3. В резолюции A/RES/656(XXI) Генеральная ассамблея обратилась с просьбой к Генеральному секретарю “включать в следующие доклады по этой теме новые вопросы, касающиеся управления ЮНВТО, в особенности, но не исключительно, соответствующие рекомендации Объединенной инспекционной группы или внешних ревизоров Организации”. Во исполнение этой резолюции Секретариат включил в доклад 49 новых рекомендаций, принятых Исполнительным советом на его 99 – 101 сессиях в решениях CE/DEC/14(XCIX), CE/DEC/5(CI) и CE/DEC/6(CI).
4. В таблицах, представленных в приложении, содержится обзор различных рекомендаций, предпринятых действий и уровень достигнутого прогресса в осуществлении соответствующих рекомендаций (таблицы 1, 2 и 3). 120 рекомендаций, о выполнении которых было сообщено в предыдущих докладах, представлены в таблице 4 и считаются закрытыми в соответствии с резолюцией A/RES/656(XXI).

#### II. Меры, рекомендуемые Исполнительному совету

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5. Исполнительному совету предлагается:
  - а) утвердить настоящий доклад; и



b) просить Генерального секретаря продолжать работу по продвижению процесса реформирования Организации в соответствии с критериями, установленными в Белой книге, и представить Генеральной ассамблее на ее 22-й сессии доклад о ходе его осуществления.

## Annex: Progress report tables

Table 1: White Paper Recommendations in progress

Reference in WP	Progress Level	Actions taken as of July 2016
1. Par. 66-71: "(...) The Organization must therefore move towards innovative funding models involving its non-governmental partners, particularly those from the private sector and partner with other international and regional organizations, in order to leverage its limited resources. (...)")	75%	<ul style="list-style-type: none"> <li>Increased engagement with the private sector through initiatives such as UNWTO Prototypes which aim to carry out product development exercises and leverage funding for the Organization.</li> <li>A Tourism for Development Facility (Fund) has been developed in 2015/16 that shall help to increase awareness on UNWTO's work in the field among donors and thus increase funding</li> <li>Renewed cooperation with UN Agencies, in particular UNDP and others through an established Steering Committee on Tourism for Development and Regional Development Banks, such as European Bank for Reconstruction and Development and European Union. Since June 2011, UNWTO has become ODA-eligible on a bilateral basis, as approved by the OECD-DAC Committee.</li> </ul>
2. Par. 101-111, and 123: external entities	50%	<ul style="list-style-type: none"> <li>In 2015, the General Assembly, through resolution 656(XXI), adopted a set of principles and criteria developed by the Secretariat for existing and new external entities, following the model of governance adopted in 2011, through resolution 602(XIX).</li> <li>These principles and conditions consist of a twofold approach where an entity can either be an integral part of the Organization to which UNWTO rules and regulations apply (Category I) or else a non-controlled entity (Category II), completely independent from the Organization.</li> <li>This set of criteria and conditions, that existing and new external entities should comply with, are in line with the policy and practice of the United Nations and its specialized agencies. They ensure that whether the entity is a controlled or non-controlled, it falls under the correct legal framework and thus reduce the legal and financial exposure of the Organization.</li> <li>Regarding new entities, the establishment of entities under Category I has to be approved by the General Assembly in accordance with Article 12(j) of the Statutes. In addition, an agreement</li> </ul>

Reference in WP	Progress Level	Actions taken as of July 2016
		<p>with the Host Country should be signed and include at the minimum the conditions contained in Annex II of document A/21/8(I)(f), in view of the legal implications and responsibility of the Organization over these entities. To cooperate with non-controlled entities, an agreement will be concluded with the entity and it should include at the minimum the conditions established in the said document.</p> <ul style="list-style-type: none"> <li>• In relation to the existing entities mentioned in the Annex of document A/20/5(I)(e), the Secretariat will pursue its efforts, in cooperation with the host governments of these entities, for the revision and update of the constitutive agreements to ensure their adherence to the conditions established in Annex II of document A/21/8(I)(f).</li> </ul>
<p>3. Par. 23: “1. (...) leadership can and should also be provided through the provision of well-conceived guidelines for tourism policy definition by governments, (...)”</p>	<p><b>Ongoing</b></p>	<ul style="list-style-type: none"> <li>• A proposal was submitted to, and approved by, the Executive Council in order to give to the technical committees on sustainability and competitiveness a normative role regarding guidelines, standards and definitions, in line with the modus operandi of the technical committee on Statistics and TSA. Reports on activities of technical committees are systematically submitted to the Council. Committees are operational and first normative outputs have been approved by the Council (see Annexes I, II and III of document CE/103/5). UNWTO Secretariat has advanced in drafting the Convention on the Protection of Tourists/Consumers and Travel Organizers. The final text of the Convention will be presented in the next General Assembly for its approval</li> <li>• Also contributing to the normative role of the Organization and the production of guidelines, it has been proposed by the WCTE that the Global Code of Ethics in Tourism become a convention.</li> </ul>
<p>4. Par. 30: “The relevance of the Organization will also be strengthened when some key nations, (...) now absent in the membership, decide to join UNWTO, so that they participate in the global tourism debate with governmental peers from the rest of the world</p>	<p><b>Ongoing</b></p>	<ul style="list-style-type: none"> <li>• Negotiations with non-UNWTO members are permanent.</li> <li>• Contacts with the following countries to explore membership opportunities have taken place: <ul style="list-style-type: none"> <li>○ Europe: Estonia, Sweden, Luxembourg.</li> <li>○ Americas: USA, Canada, Guyana, Grenada.</li> <li>○ Africa: Union of the Comoros,</li> </ul> </li> </ul>

Reference in WP	Progress Level	Actions taken as of July 2016
(...)"		<p style="text-align: center;">Somalia</p> <ul style="list-style-type: none"> <li>• Barbados and Samoa officially joined the Organization in 2015.</li> </ul>
5. Par. 44: "(...) it is proposed that the Chairs of the Regional Commissions maintain regular exchanges, including annual meetings"	<b>100%</b>	<ul style="list-style-type: none"> <li>• Regional Commission Chairs are permanent invitees in the meetings of the Executive Council and the Programme and Budget Committee, using them as platforms for exchange.</li> <li>• They are also encouraged to participate in other regional commission meetings.</li> </ul>
6. Par. 60: "(...) enhance and ensure permanent communication with the Members (...)" Par. 63-64: UNWTO Focal Points Network	<b>100%</b>	<ul style="list-style-type: none"> <li>• Forms are distributed in every regional commission meeting in order to collect updated information on contacts for the country</li> <li>• The Secretary-General has created an internal committee in the Secretariat: the Member Relations Committee (MRC) that groups all the Regional Programmes, the Affiliate Members Programme and the special field projects (Silk Road).</li> <li>• The MRC acts as the main instrument of the UNWTO Secretariat for: <ul style="list-style-type: none"> <li>○ Ensuring efficient and coordinated relations with all our Members</li> <li>○ Synchronizing the work of the Affiliate Members Programme with the work of the Regional Programmes</li> <li>○ Speaking with one voice to all Members, in line with the recommendations of the Communications Programme</li> <li>○ Learning from cross-regional experiences</li> </ul> </li> </ul>
7. Par. 65: "(...) a need to address the rather limited use apparently made by Members of the substantive volume of work undertaken by the UNWTO Secretariat (...)"	<b>100%</b>	<ul style="list-style-type: none"> <li>• A publication policy has approved by the 100th session of the Executive Council. See document CE/100/3(g).</li> <li>• The UNWTO website is being renewed in order to make it more user-friendly and interactive and the new website will be presented at the 2017 General Assembly.</li> <li>• A monthly newsletter is sent to all MS as well as an alert on the occasion of any new report.</li> <li>• Access to the e-library particularly by IP, has been extensively promoted at Regional Commission meetings and bilateral meetings with Members and has increased substantially.</li> <li>• A print-on-demand process has been established</li> </ul>

Reference in WP	Progress Level	Actions taken as of July 2016
		and an internal publication marketing strategy finalized.

**Table 2: JIU Recommendations newly added to the WP Implementation Plan**

JIU Reference	Progress Level	Status and actions taken as of July 2016
JIU/REP/2007/1. Voluntary Contributions in the United Nations		
8. The legislative bodies of each United Nations fund and programme should establish an intergovernmental working group to develop proposals for a voluntary indicative scale of contributions for core resources, based on the model adopted by UNEP, for the consideration and approval of the legislative bodies.	100%	<b>Status:</b> accepted, implemented UNWTO established a working group of Member States to consider voluntary contributions within the framework of ODA. The scope of work of the Working Group was exclusively on ODA matters. Its work ended during the 103rd Executive Council in May 2016 and resulted in the creation of a Tourism for Development Facility (TDF).
9. Executive heads should develop, or continue to develop, flexible funding modalities, such as thematic funding and pooled funding, for the consideration and approval of the legislative bodies.	100%	<b>Status:</b> accepted, implemented <b>Proposed actions:</b> UNWTO created a Tourism for Development Facility active as of 1 January 2016, implements projects funded by the EU on thematic areas (e.g. Nearly Zero Energy Hotel Solutions) and Prototype projects with Affiliate Members.
10. Executive heads should review the existing policies and procedures of their respective organizations that guide interactions with donor countries and revise them, as appropriate, to ensure that those interactions are conducted in a systematic and open manner.	75%	<b>Status:</b> accepted, under implementation <b>Proposed actions:</b> Revision of internal rules and procedures for being more donor-friendly.
11. The legislative bodies of United Nations system organizations that have not already done so should request their respective executive heads to develop a	75%	<b>Status:</b> Accepted, in progress. UNWTO has established a programme specifically tasked with resource mobilization. <b>Comments:</b> A draft Resource Mobilization Policy and Strategy have been developed in 2015 and await finalization in 2016.

JIU Reference	Progress Level	Status and actions taken as of July 2016
corporate resource mobilization strategy for the consideration and approval of the legislative bodies.		
12. Executive heads should ensure that the resource mobilization strategy developed for their respective organizations includes a centralized coordinating entity and that the roles, responsibilities and any delegated authorities for resource mobilization are clearly specified in appropriate administrative instruments.	100%	<b>Status:</b> accepted, implemented UNWTO has established a resource mobilization programme that is coordinating relevant resource mobilization efforts of the Organization.
JIU/REP/2008/6. Review of Management of Internet Websites		
13. The executive head of each United Nations system organization should ensure that clear policies and corresponding mechanisms are adopted for the good governance and management of the organization's website.	50%	<b>Status:</b> Accepted, in progress. UNWTO's website is under the coordination of Communications with ICT providing technical support. <b>Comments:</b> web policies, guidelines and technology are being upgraded.
14. The executive heads of each United Nations system organization should ensure that the website strategy be regularly updated and linked with and taking account of the other business strategies of the organization and report on the measures taken to the governing body on a regular basis.	50%	<b>Status:</b> accepted, in progress. UNWTO's website is under the coordination of Communications with ICT providing technical support. <b>Comments:</b> web policies, guidelines and technology are being upgraded.
15. The executive head of each United Nations system organization should ensure that policies and guidelines are in place that, among other things, specify requirements and standards relating to (a) web layout and	25%	<b>Status:</b> accepted, in progress. UNWTO's website is under the coordination of Communications with ICT providing technical support. <b>Comments:</b> web policies, guidelines and technology are being upgraded.

JIU Reference	Progress Level	Status and actions taken as of July 2016
design; (b) editorial control and review of web content and (c) web accessibility		
JIU/REP/2010/3.Ethics		
16. The executive heads should ensure that mandatory ethics training is provided to all staff of their respective organizations, and should take the lead by participating in this training, including mandatory refresher courses that should take place every three years.	100%	<p><b>Status:</b> accepted, completed. CE/94/3(III)(e) and contract with UNOPS for provision of ethics services clarify this point.</p> <p><b>Closed:</b> Mandatory training on ethics to all UNWTO personnel provided on June 2015.</p>
17. The legislative bodies should direct their respective executive heads to put forward proposals for an internal mechanism to be established that would set out the modalities for the ethics office and/or the internal oversight service to investigate or undertake reviews of allegations brought against the executive head of the organization, including reporting the outcome of the investigation or review directly to the respective legislative body.	100%	<p><b>Status:</b> completed any situation to be handled through the ethics service provided by UNOPS. CE/94/3(III)(e) and contract with UNOPS for provision of ethics services clarify this point.</p>
JIU/REP/2010/5. Audit Function		
18. To enhance accountability, controls and compliance, the legislative bodies should revise the mandates of audit/oversight committees to include the review of both internal and external auditors' performance as well as other responsibilities, including governance and risk management.	50%	<p><b>Status:</b> partially accepted, review of external auditor's mandate in accordance to change in number of auditors in Statutes.</p> <p>The report by the external auditor is submitted to the Executive Council.</p> <p>Due to its size, the UNWTO Secretariat does not have internal audit. The Programme and Budget Committee reviews the implementation of the programme of work before its submission to the Executive Council and General Assembly.</p> <p><b>Comments:</b> See recommendation on reducing number of auditors.</p>

JIU Reference	Progress Level	Status and actions taken as of July 2016
JIU/NOTE/2011/1. Procurement		
19. Executive heads should assess and identify the importance of the procurement function for organizational activities at their respective organizations, position this function appropriately in the managerial hierarchy and provide the required human resources for procurement activities based on an analysis of volume, complexity and workload involved	100%	<b>Status:</b> accepted, completed. Specific procurement function and dedicated resources have been established in 2010.-Procurement implementation as of 1 January 2015 and yearly Annual Procurement Plan.
20. Executive heads should develop a procurement training policy based on the assessment of the competencies needed in procurement, with a view to ensuring that staff dealing with procurement are well trained and provide highly professional services.	100%	<b>Status:</b> accepted, completed. The legal and contracts coordinator is providing training on demand and presentation on procurement to staff will be conducted in 2014. <b>Closed:</b> presentation on procurement to staff done in November 2014.
21. Executive heads should ensure that the procurement process, contract management and data collection capabilities are integrated into the information systems of their organizations.	100%	<b>Status:</b> accepted, completed. Appropriate procurement circuit is in place in accordance to procurement manual. <b>Closed:</b> presentation on procurement to staff done in November 2014.
22. Executive heads should regularly review the performance of LTAs and try to maximize their use by collecting and analysing relevant statistics and seeking more standardization and demand aggregation in the procurement of goods and services.	100%	<b>Status:</b> accepted, completed. LTAs are included in the procurement manual and Annual Procurement Plan at the UNWTO.
23. Executive heads should ensure that there is	100%	<b>Status:</b> accepted, completed. Legal and Contracts prepares Annual Procurement Plan for approval by

JIU Reference	Progress Level	Status and actions taken as of July 2016
regular internal (to senior management) and external (to governing bodies) reporting with respect to procurement activities.		management and updates time schedules for each tender accordingly.
JIU/REP/2011/2. Senior appointments		
24. The General Assembly should endorse the guidelines in paragraph 87 (a) to (l) of this report and direct the Secretary-General to follow the guidelines in selecting and appointing senior managers in tandem with the process outlined in the Secretary-General's accountability report (A/64/640).	100%	<p><b>Status:</b> partially accepted The Secretary-General is appointed by the General Assembly. The Secretary-General proposes to the GA the Executive Directors s/he has chosen</p> <p><b>Comments:</b> senior appointments to be linked to Secretary-General's term when no open competitive process is followed.</p>
JIU/NOTE/2013/1: Reference Checks in the United Nations System Organizations		
25. JIU invites the executive heads of the United Nations system organizations to adopt the benchmarks set out in the present note with a view to ensuring that their respective organizations have sound reference checking procedures, and to report progress made to the legislative/governing bodies.	75%	<p><b>Status:</b> accepted and in progress except benchmark 5, not accepted. While the UNWTO does conduct reference checking, its mechanism does not comply with the benchmarks below.</p> <p><b>Proposed actions:</b> (i) Develop procedure for checking references (ii) apply reference checking to all externally recruited staff (iii) do reference check to selected candidate only</p>
JIU/REP/2014/4: post-Rio+20 review of environmental governance within the United Nations system		
26. The Secretary-General as the Chair of CEB should prepare where necessary, under the appropriate guidance of the General Assembly, a common policy and related guidelines to prevent the conflict of interest of any members and experts participating in technical and scientific panels and	25%	<p><b>Status:</b> accepted, pending implementation. UNWTO follows ICSC's standards of conduct and conflict of interest. Members of all technical committees are subject to approval by the Executive Council.</p> <p><b>Proposed actions:</b> adopt CEB guidelines on conflict of interest when available.</p>

JIU Reference	Progress Level	Status and actions taken as of July 2016
committees in the field of environment, to be followed by all United Nations system organizations and by multilateral environmental agreements.		
27. The Secretary-General, after consultation with the executive heads of member organizations of CEB in his capacity as its Chair, should submit to the UNEA of UNEP and the high-level political forum on sustainable development, for approval, proposals for a system-wide framework of measuring and monitoring resources required for the implementation of environment protection and sustainable development within the United Nations system organizations.	25%	<p><b>Status:</b> accepted, in progress. UNWTO is part of the mechanisms established by the CEB for environmental protection and sustainable development. It needs, however, to be kept in mind the small amount of resources available to the UNWTO.</p> <p><b>Proposed actions:</b> adopt CEB framework with due consideration to resources required for its implementation. Together with leading countries, UNWTO and the UN Statistics Division (UNSD) have launched Measuring Sustainable Tourism (MST) to develop a system-wide, international statistical framework for measuring tourism's role in sustainable development, including the environment. A pillar of the framework is the linking of two UN standards: the Tourism Satellite Account (TSA) and the System of Environmental-Economic Accounting (SEEA).</p> <p>Note: it is recalled that UNWTO has been working for years on the implementation of a network of observatories for sustainable tourism at destinations (framework submitted to the UNWTO Executive Council and General Assembly).</p>
JIU/REP/2014/5. Follow-up inspection of the 2009 review of Management and Administration in the World Tourism Organization		
28. The UNWTO General Assembly should provide the required resources to permit the use of Chinese language as an official language of the Organization in accordance with UNWTO General Assembly resolution 521 (XVII)	25%	<p><b>Status:</b> accepted, in progress. Implementation requires entry into force of the amendment to Article 38 of the Statutes. This amendment has not been yet ratified by two-thirds of the Members and is therefore not enforceable.</p> <p><b>Proposed actions:</b> (i) Remind Members who have not yet ratified amendment of the Statutes to do so, (ii) seek voluntary contributions to enable interim implementation of the recommendation.</p> <p><b>Comments:</b> In 2015, the General Assembly, resolution 622(XXI), urged Member States to ratify all the amendments (including that of Article 38) to the Statutes and Financing Rules as soon as possible.</p>
29. The Secretary General should develop modalities of cooperation with the respective foundations and	50%	<p><b>Status:</b> accepted, in progress</p> <p>No JIU investigation was ever carried out. See actions 42 and 43 of A/20/5(I)(e). Reform of relations with entities on track.</p>

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offices and submit them to the 2011 UNWTO General Assembly for consideration and approval, together with the outcome of the mentioned JIU investigation on the subject		<p><b>Comments:</b> New arrangements are being developed for Nara, Bonn, Themis and ST-EP. Other entities have become non-controlled.</p> <p>UNWTO is following up with the Government of Korea the establishment of the new ST-EP International Organization and the consequent dissolution of the ST-EP Foundation.</p>
30. The Secretary General should ensure that written summary records/minutes of the governing body meetings are duly produced	50%	<p><b>Status:</b> partially accepted, electronic records of Governing Bodies discussions to be kept by Secretariat</p> <p>By decision of the Governing Bodies, summary records were discontinued. Nevertheless, each governing body meeting has a report with the decisions taken and fully discussed prior to its adoption. Further, audio tapes of meetings are kept.</p> <p><b>Proposed actions:</b> use technologically efficient systems</p>
31. The practice of appointing the Director of Affiliate Members by a single Member State should be discontinued. The position maybe financed from extra-budgetary resources, but the selection process has to be done according to an open, competitive and transparent recruitment process. The Inspector recommends that the earliest opportunity be found for a renegotiation of the issue with the host country and that the cost of that post be reasonably shared by all member states in the interest of compliance with the principle of equal rights and equal duties for full members.	25%	<p><b>Status:</b> partially accepted,</p> <p>The Programme Director of Affiliate Members is under a non-staff contract paid through a voluntary contribution of a Member. The SG chooses amongst several candidates.</p> <p><b>Proposed actions:</b> expand Secretary-General's choice of candidates from Member financing the Fund-in-Trust</p>
32. The UNWTO General Assembly should endorse the results-based management (RBM) framework developed by the JIU and request the Secretariat to use it in the implementation of RBM. The Secretary-General, making use of the results based	25%	<p><b>Status:</b> partially accepted:</p> <p>The Secretariat prepares a programme of work based on the priorities of its Members, and recurrently reports on its implementation.</p> <p><b>Proposed actions:</b> (i) Members could assess information gaps required in the programme of work and its implementation (ii) new approaches to formulating, implementing and reporting/evaluating the programme of work could be explored</p>

JIU Reference	Progress Level	Status and actions taken as of July 2016
benchmarks and framework developed by the JIU, should present to the Programme and Budget Committee in 2015 a report demonstrating how, within its particular constraints in terms of size and resources, the Secretariat has moved towards the implementation of the results-based management (RBM).		
33. The Secretary General should develop a rule defining the exceptional circumstances under which the extension of contracts over the age of retirement could be granted	25%	<p><b>Status:</b> partially accepted, As a general rule, staff leaves on the planned retirement date. Exceptional extensions of up to two years of highly qualified staff have been made fully in compliance with staff regulation 28.</p> <p><b>Proposed actions:</b> Secretary-General to report to the Executive Council extensions beyond retirement age other than for securing overlap with new incumbent</p>
34. The UNWTO General Assembly should modify the Statutes of the Organization in order to provide for the selection of a single external auditor with a specified term limitation as well as country rotation	50%	<p><b>Status:</b> Accepted, in progress</p> <p><b>Proposed actions:</b> brought to the GA 21st which requested the SG to present an amendment to the Statutes along these lines to the 22nd GA</p>
35. It is suggested that the Secretary General review the functions, staffing (with status and grades), costs (gross and net from any compensation of services with the UN Women Fund) of the UNWTO New York Liaison Office and submit a report thereupon to the Executive Council (item newly raised)	25%	<p><b>Status:</b> accepted, in progress</p> <p><b>Proposed actions:</b> The Secretariat to prepare a report on the functions, staffing and costs of UNWTO's liaison office</p>
36. The Secretary General could, in the context of the appointment of the EDs, formulate and publish formal job descriptions and inform the UNWTO governing bodies on measures to	25%	<p><b>Status:</b> Partially accepted, The Secretary-General informs the Executive Council of the structure of the Secretariat and of his choice and terms of EDs</p> <p><b>Proposed actions:</b> Job descriptions for Executive Directors to be prepared and Executive Council informed of Secretary-General's choices</p>

JIU Reference	Progress Level	Status and actions taken as of July 2016
enhance the transparency of their grade, selection and appointment process (item newly raised)		
37. The Inspector is of the view that the Secretary General could take measures to improve the gender balance at the senior grade level (item newly raised)	25%	<b>Status:</b> accepted, in progress. 6 of the 18 staff at grades P5 and above are female. <b>Comments:</b> Vacancies at senior levels provide opportunities to improve gender balance.
38. It is suggested that this forthcoming report (by the JIU on non-staff) be used to review the employment of non-staff personnel in liaison with the Human Resources network of the CEB (item newly raised)	100%	<b>Status:</b> accepted, completed. <b>Comments:</b>
JIU/REP/2014/6: Analysis of the evaluation function in the United Nations System		
39. The executive heads of United Nations system organizations should adopt a balanced approach in addressing the purpose of evaluation for accountability, and for the development of a learning organization that has the appropriate incentive systems for innovation, risk-taking and the use of multidisciplinary perspectives.	50%	<b>Status:</b> Accepted, in progress. The Secretariat reports on the implementation of the programme of work and budget to the Programme and Budget Committee, Executive Council, Regional Commissions and General Assembly; in addition an annual report stating key achievements of the Organization for the year is being published since 2010; evaluation of key events done since 2008; technical missions evaluated from 2008-2010 and since 2010 replaced by back-to-office reports. <b>Comments:</b> The Secretariat will progressively continue introducing new evaluation tools above existing ones, taking into account costs-benefits of such tools.
JIU/REP/2014/8: use of non-staff personnel and related contractual modalities in the United Nations System organizations		
40. The executive heads of the United Nations system organizations should revise their non-staff policies, including the definition of non-staff and the criteria for the use of non-staff personnel, by using the employment relationship	100%	<b>Status:</b> accepted, completed.

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principle in accordance with relevant labour recommendations of the International Labour Organization.		
41. The legislative/governing bodies of the United Nations system organizations should systematically exercise their oversight functions on the use of non-staff personnel through regular reviews of non-staff personnel information/data provided by the respective executive heads.	25%	<b>Status:</b> Under consideration. Currently no reports on non-staff personnel are submitted to governing bodies. <b>Proposed actions:</b> consider reporting of non-staff personnel to governing bodies.
42. The executive heads of the United Nations system organizations should review the use of non-staff personnel with a view to identifying long-serving non-staff personnel under a de facto employment relationship and establish a plan (short- to medium-term) to terminate the inappropriate prolonged use of non-staff personnel. The plan, including resources required, should be presented to the legislative/governing bodies for endorsement and provision of the necessary financial support.	100%	<b>Status:</b> accepted, completed.
43. The executive heads of the United Nations system organizations should strengthen their internal monitoring, control and oversight of the use of non-staff personnel, through the sustained application of effective internal control mechanisms, systematic corporate monitoring and information/data collection,	100%	<b>Status:</b> accepted, completed.

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analysis and audits. They should ensure that a central department/unit at the corporate level is held responsible for global monitoring, analysis and reporting on the issue.		
44. The executive heads of the United Nations system organizations should ensure periodic analytical reporting both internally (to senior management) and externally (to the respective governing body) on the use of non-staff personnel in their organizations. Such reports should include detailed data and analysis on the use of non-staff, including the number of non-staff and associated expenditure, their weight in the total workforce, the breakdown of contractual modalities and the areas and locations used, the developing trends and the potential risks and corresponding measures.	25%	<p><b>Status:</b> Under consideration. Internal reporting is done regularly, currently no reports on non-staff personnel are submitted to governing bodies.</p> <p><b>Proposed actions:</b> consider reporting of non-staff personnel to governing bodies.</p>
45. The executive heads of the United Nations system organizations should ensure that updated and consolidated practical guidelines on the use of non-staff personnel are in place to guide managers involved in decision-making on the use of non-staff contractual modalities.	100%	<b>Status:</b> accepted, completed.
46. The executive heads of the United Nations system organizations should ensure that there is a clear, fair and rational mechanism for the determination and adjustment of remuneration levels of non-staff personnel,	100%	<b>Status:</b> accepted, completed.

JIU Reference	Progress Level	Status and actions taken as of July 2016
particularly in respect of long-serving non-staff.		
JIU/REP/2014/9: Contract management and administration in the United Nations System		
47. The legislative bodies of the United Nations system organizations should direct the executive heads of their organizations to put in place a system whereby the persons designated to manage contracts after award are notified in writing about their accountability and responsibilities when managing a contract, and possess the required qualifications to manage the contract.	100%	<b>Status:</b> Accepted, completed. Training on procurement has been delivered to all staff including summary introduction to contract management in November 2014.
48. The executive heads of the United Nations system organizations should develop a specific contract-management training programme in their organizations that would include courses offered as a requirement for all persons managing contracts of a certain size, value and complexity.	25%	<b>Status:</b> Accepted, pending implementation. Training on procurement has been delivered to all staff including summary introduction to contract management. <b>Proposed actions:</b> provide training on contract management.
49. The executive heads of the United Nations system organizations should ensure that a system exists in their organizations for documenting and reporting on a contractor's performance in meeting contract requirements, and assign responsibility and management accountability for completeness of the contractor's performance reporting.	25%	<b>Status:</b> accepted, pending implementation. Certification of delivery is made for each contract. Each manager monitors performance of the contractor. <b>Proposed actions:</b> To develop a registry containing contractors with unsatisfactory performance.

**Table 3: External auditors' recommendations newly added to the WP Implementation Plan**

Auditors Report Reference	Progress Level	Status and actions taken as of July 2016
Auditors Report for the Financial Closing of 2013		
50. Of all 86 Voluntary Contribution (VC) funds, no financial transactions were observed in 27 VC funds, of which 15 were hold in USD and 12 were hold in EUR. We recommend that the Secretariat should obtain confirmation from the programme managers at the end of the year about the funds which are closed. (Para no. 32 ) We recommend that the Secretariat should obtain confirmation from the programme managers at the end of the year whether the works under any of the VC projects during the year have been completed or future project activities will be made.	75%	<b>Status:</b> accepted, in progress. The Secretariat undertook to include information on non-operating VC in financial statements in the next closing of accounts. <b>Actions:</b> In the first semester of 2016, several internal meetings have taken place to discuss what to do with the balance in VC funds, which are closed. Whenever the agreements and/or donors allowed it, arrangements have been made to transfer outstanding balances to Reserve Funds in UNWTO. In several cases, donors requested the return of outstanding balances, which has been done, whereas in other cases arrangements have been made or are being made with donors and beneficiary countries to use outstanding balances for other project activities in the countries.
51. We observed that 5 projects under MDTF and JPs had no expenditure during 2013. There is a balance of USD 19.341,87 under these projects which is required to be refunded back to UNDP. We recommend that since this is a liability of UNWTO towards UNDP, the amount may be transferred to the Provisions in the balance of MDTF and JPs. (Para no. 38 )	100%	<b>Status:</b> accepted, completed.
52. We observed that the balances available under Provisions ASHI <sup>1</sup> and OSGR <sup>2</sup> as on 31st December 2013	100%-periodical reporting to the	<b>Status:</b> accepted, in progress. Provisions for these liabilities have been created and amounts planned in the budget proposal. The recently created ASHI working group (WG) of the

<sup>1</sup> After Service Health Insurance<sup>2</sup> End of Service Benefit

Auditors Report Reference	Progress Level	Status and actions taken as of July 2016
<p>were EUR 1.155.177,98 and EUR 364.351,83 respectively. According the Actuarial Valuation done by the consultant Aon Hewitt, the Net Liability as on 31st December 2013 in respect of ASHI and OSGR is EUR 9.194.092,00 and EUR1.515.593,00 respectively. The appropriations made to these provisions are on ad-hoc basis. We recommend that UNWTO prepares a comprehensive plan to meet its post-retirement liabilities in future. (Para no. 27)</p>	governing bodies needed.	<p>UN Finance and Budget Network (UNFBN) under the auspices of the Chief Executives Board (CEB) is working on identify actions to be taken developing common approaches by the UN system organizations.</p> <p>UNWTO is therefore closely following developments in the work of this WG prior to presenting proposals to the governing bodies on the funding of ASHI.</p> <p><b>Comments:</b> Following CE/98/3(II) (b). Add.1. Annex I (Recognition and funding of after-service employee benefit liabilities). BDFN will present proposals to the EC subsequent to the deliberations of the ASHI WG of the UNFBN. UNWTO annual Financial Report that precedes the UNWTO annual Financial Statements shows ASHI current treatment and progress of the ASHI WG.</p>
<p>53. DFR para 5.01 states: "This contribution (of New Members) shall be considered sundry income for the current financial year." In a similar wording the Detailed Financial Rules (DFR) para IV.1 states that the contributions of New Members "shall be considered miscellaneous revenue for the current financial year." As we understand, this provision applies to all financial years until these contributions will be included in the assessment of contributions for the following financial period. The Secretariat agreed that the provision would be clarified in the next proposed amendment of the Detailed Financial Rules.</p>	100%	<b>Status:</b> accepted, completed
Auditors Report for the opening balance of 2014		
<p>54. Note 7 of the financial position states that the UNTWO headquarters'</p>	100%	<b>Status:</b> accepted, completed

Auditors Report Reference	Progress Level	Status and actions taken as of July 2016
<p>building in Capitán Haya, in Madrid, is regarded as a contribution in-kind by the Government of Spain under IPSAS and therefore treated as an operating lease. No opening adjustment had been required. The External Auditors hold the view that for the purpose of establishing the accounting treatment to be given to the aforementioned transaction under IPSAS, the consideration should also be given to the provisions established in Appendix A to IPSAS 1, that is, the prevalence of substance over form. It is pertinent to consider the provisions contained in Article I of the Special Agreement on the Headquarters Building UNWTO, saying that “The Spanish Government accords to the Organization, which accepts, the right to use for an indefinite period the building at No. 42 calle Capitán Haya, at Madrid (...) as the permanent Headquarters of the Organization.” Furthermore, Article IV of the same agreement establishes that the Organization shall pay to the Government of Spain an annual nominal rent of one US dollar only. In addition, the Para 9 of IPSAS 23 states that when an entity receives resources with no consideration or a nominal consideration in return, (such as a “symbolic” one dollar per year) the transaction is likely to fall in the category of a</p>		

Auditors Report Reference	Progress Level	Status and actions taken as of July 2016
<p>non-exchange one.</p> <p>In this regard, the legal form of a lease at a nominal value, being very much lower than the market price, is indicating in another way the fulfilment of the conditions relating to a non-exchange transaction. We, at the same time, need to consider that UNWTO does not seem to have full control over the asset in the sense that rewards have been transferred, while major part of the risks associated with the property have been retained by the Government of Spain. This stands in the way of considering the property as an asset in the financial statements of UNWTO. However, taking into account the materiality of this property and its significant impact on the financial statements, UNWTO should treat this property as a service in-kind according to IPSAS 23 and make the necessary adjustments. This means that UNWTO should recognize the revenues in-kind and the expenses in-kind in the statement of financial performance and make disclosures with adequate information in the notes to accounts.</p>		
<p>55. The financial position reveals that the net asset/equity of UNTWO consists of accumulated surplus and reserves. The reserves, on the other hand, composed of working capital fund, special contingency reserve and replacement</p>	100%	<b>Status:</b> accepted, completed

Auditors Report Reference	Progress Level	Status and actions taken as of July 2016
<p>reserve. Para 7 of IPSAS 1 defines net assets/equity as the “residual interest in the assets of the entity after deducting all its liabilities”.</p> <p>The FR 10(2) (f) of Financial Regulation of UNWTO stipulates that “if a member withdraws its membership in the Organization, any credit it may have in the working capital fund shall be used towards liquidation of any financial obligation such a member may have to the Organization. Any residual balance shall be refunded to the withdrawing member”.</p> <p>This suggests that the working capital fund is a liability and cannot be considered as a part of net asset or equity. Hence, presentation of the same under the category of net assets/equity violates the principles of fair representation of financial position. The fact remains that working capital fund is refundable to the members withdrawing from the Organization. Hence it cannot be considered as a residual interest to form part of net assets or equity. It may be noted that the working capital fund may not have fixed maturity but it does have regulatory obligation to refund. In the same logic, the redeemable preference shares with contractual obligation to refund are not considered as part of the equity in corporate books of accounts. The UN system organizations may rethink</p>		

Auditors Report Reference	Progress Level	Status and actions taken as of July 2016
about its presentation if situation demands so.		
56. In comparison to closing balance as at 31st December 2013, several accounts were reclassified. The transactions between UNWTO and satellites were shown in the financial position as "Interfunds". This merits more information in the notes, e. g. an explanatory table, to make the disclosure more useful to the users.	100%	<b>Status:</b> accepted, completed.

**Table 4: Recommendations closed as per resolution A/RES/656(XXI)**

<b>White Paper Recommendations</b>
57. Par. 37 to 41: Collecting Members' opinions "(...) Most Members surely understand the major challenge of having to select priority areas and omit some other areas for the sake of efficiency (...)"
58. Par. 42, 43 and 45: "(...) Regional Commissions should identify aspirations and needs of Member States in their respective regions and define suitable programmes to respond to such needs (...)" "(...) The programme Committee should also ensure that the various Technical Committees are fully involved in the programme formulation process"
59. Par. 45: "(...) The option of formulating a four-year instead of a two-year Programme of Work should also be considered (...)"
60. Par. 46: Merging PC and CBF
61. Par. 47: "(...) working on the basis of technical networks, with specialized experts and representatives of other relevant organizations, appointed to serve as advisors in each committee (...)"
62. Par. 48-49: WCTE "(...) The General Assembly is, therefore, called to re-examine the way in which the Committee has been functioning and the necessary changes in its format, composition and methods of work. ...)"
63. Par. 54-59: "(...) routine matters should be reserved to the extent possible for the Executive Council. (...)"
64. Par. 61: "(...) production of an authoritative "Country Factsheet" with key indicators (...)" "(...) A "Regional Report" will be issued every four months (...)"
65. Par. 89: "UNWTO's Affiliate Members bring knowledge and diversity but their present composition (about 400 members of different sizes, out of which 220 are Europeans), still lacks, for different reasons, broader coverage in terms of geographic and sectoral representation."
66. Par. 91: "According to a recent survey conducted by the Secretariat of the Affiliate Members, the majority expects their membership to mean a global outreach, exchange of knowledge, experience, best practices, know-how and market intelligence."

67. Par. 94: "Therefore, in order to strengthen the Organization and the position of Affiliate Members, non-governmental members need to be taken care of in a regionalized approach by the Regional Commissions"
68. Par. 127: "(...) a number of administrative reform initiatives are being progressively introduced, including: Adoption of International Civil Service Commission's standards of conduct, aiming at higher ethical conduct and establishing a framework for staff accountability. (...)"
69. Par. 127: "(...) A staff position of Procurement and legal officer, redeployed from existing resources, has been recruited since March 2010 in order to assist the Legal Adviser and to improve current procurement practices and enhance competition among suppliers. (...)"
70. Par. 127: "The corresponding work plan, including the development of specifications for a gap analysis between the "as is" and the "to be" situation is finalized. Yet, the need to adapt IPSAS and other UN administrative guidelines and standards to the very small size of the Organization is being constantly kept in mind."
<b>JIU/REP/2007/1. Voluntary Contributions in the United Nations</b>
71. The legislative bodies of United Nations system organizations should request their respective executive heads to expedite work on the harmonization of support cost recovery policies that is currently being carried out under the auspices of the United Nations System Chief Executives Board for Coordination (CEB).
72. The legislative bodies of United Nations system organizations should request their respective executive heads to ensure that agreements negotiated with individual donor countries for associate expert/junior professional officer programmes include a funding component for candidates from under- and unrepresented countries.
<b>JIU/REP/2008/6. Review of Management of Internet Websites</b>
73. For relevant, timely and high quality website content, the executive head of each United Nations system organization should ensure the implementation of a CMS which offers full support to Latin, non-Latin and bi-directional scripts and, as far as practicable, be compatible with CMS used by other organizations. When selecting an appropriate CMS, they should give serious consideration to adopting common information exchange standards and also consider the benefits of a common CMS across the United Nations system.
74. The executive head of each United Nations system organization should ensure that sufficient and sustained funding for staffing and training are allocated to website management. If such funding could not be provided through redeployment or other means, it should be reported to the governing body for its consideration in order to implement those recommendations contained in this report, which have financial implications, inter alia, CMS, staffing, training, language parity, adoption of common information exchange standards, etc.
75. The governing bodies of the United Nations system organizations should establish an ad hoc committee dealing with the implementation of multilingualism on their corporate websites. The governing bodies shall review the report submitted by the ad hoc committee on the measures and financial implications to achieve language parity on their websites and take appropriate action.
76. The executive heads of the United Nations system organizations should establish a mechanism reporting to the HLCM, with the participation of all stakeholders, for coordination purposes and to establish common policies, standards and guidelines on websites.
77. The governing bodies of United Nations system organizations should request the executive heads to report to their next session on the implementation of the recommendations contained in this report addressed to the executive heads, in particular those aimed at reforming website governance, updating website strategy and policy, and implementing multilingualism.

**JIU/REP/2009/8. Selection Executive Heads**

78. The legislative bodies of the United Nations, specialized agencies and IAEA, which have not yet done so, should conduct hearings/meetings with candidates running for the post of executive head, in order to enhance transparency and credibility of the selection process and to make the process more inclusive of all Member States.

79. In order to enhance transparency and ensure accountability in the appointment process of executive heads of the United Nations funds, programmes, other subsidiary organs and entities, the Secretary-General of the United Nations, in consultation with the organizations concerned, should:

- (a) Issue vacancy announcements for all the posts of executive head on the organization's website and in public media, such as relevant journals, periodicals and newspapers;
- (b) Establish criteria and terms of references, including required competencies, qualifications and experience, expected to be possessed by candidates for the said posts of executive head;
- (c) Establish rigorous criteria and procedures for screening candidates for the posts of executive head of the United Nations funds, programmes, other subsidiary organs and entities, and for interviews with candidates conducted by the ad hoc panels and by the Secretary-General.

80. In order to enhance transparency of the appointment of executive heads of the United Nations funds, programmes, other subsidiary organs and entities, and to make the process more inclusive of Member States, the Secretary-General should ensure that hearings/meetings be conducted with the shortlisted candidates by members of the executive boards, advisory committees and/or the other legislative bodies of the United Nations funds, programmes, other subsidiary organs and entities.

81. The legislative bodies of the United Nations system organizations, which have not yet done so, should establish timelines for the selection process of their executive heads ending at least three months before the expiring date of the mandate of the incumbent, in order to ensure a smooth transition between the incumbent and the incoming executive head.

82. The legislative bodies of the United Nations system organizations should request all candidates for the post of executive head to submit, together with their curriculum vitae, a certificate of good health signed by a recognized medical facility.

83. The legislative bodies of the United Nations system organizations should adopt provisions to limit the terms of their executive heads to a maximum of two successive terms not exceeding five years each, if such provisions have not yet been adopted.

84. The legislative/governing bodies of the United Nations system organizations should condemn and prohibit unethical practices such as promises, favours, invitations, gifts, etc., provided by candidates for the post of executive head or their supporting governments during the selection/election campaign, in return for favourable votes for certain candidates.

85. The legislative bodies of the United Nations system organizations should adopt provisions comprehensively addressing conflicts of interest pertaining to, and/or wrongdoing/misconduct allegedly committed by, executive heads, if such provisions have not yet been adopted.

86. The legislative bodies of the United Nations system organizations should direct the internal oversight or ethics office/function, as appropriate, or JIU to conduct investigations into alleged cases of wrongdoing or misconduct, including retaliation and irregularities relating to financial disclosure statements, allegedly committed by executive heads of system organizations. The investigating authority should report the outcome of the investigation directly to the legislative body of the respective organization for action on the matter. The JIU, however, can undertake on its own initiative such investigations, should it so decide.

87. The legislative bodies of the United Nations system organizations should establish rigorous policies regarding the acceptance of gifts, honours, decorations, etc., by their executive heads, where no such policies currently exist.

88. The legislative bodies of the United Nations system organizations should include in the terms of appointment of their executive heads a provision for a possible termination allowance based on ICSC standards, where such a provision is missing.
<b>JIU/REP/2010/3.Ethics</b>
89. The legislative bodies of the smaller organizations should direct their respective executive heads to put forward proposals for providing the ethics function through either a joint ethics office established by a group of organizations on a cost-sharing basis or in-sourcing to the ethics office of another organization on a cost-sharing/cost recovery basis.
90. The executive heads should ensure that the post of head of the ethics office in their respective organizations has ethics qualifications and experience as a requirement, and this should be included in the job description for the post and in the vacancy announcement.
91. The executive heads should ensure that the vacancy for the appointment of the head of the ethics office in their respective organizations is open to both internal and external candidates on an equal basis, and that the vacancy announcement is widely publicized.
92. The executive heads should ensure that the vacancy announcement for the appointment of the head of the ethics office in their respective organizations is prepared in full consultation with the staff representatives.
93. The executive heads should ensure that a staff representative serves on the appointment board for the selection of the head of the ethics office.
94. The legislative bodies should direct their respective executive heads to apply term limits to the appointment of the head of the ethics office, which should be a non-renewable appointment of seven years, or no more than two consecutive appointments of four or five years, with no possibility of re-employment by the same organization.
95. The legislative bodies should direct their respective executive heads to ensure that the head of the ethics office submits an annual report, or a summary thereof, unchanged by the executive head, directly to the legislative body, together with any comments of the executive head thereon.
96. The legislative bodies should direct their respective executive heads to ensure that the head of the ethics office has informal access to the legislative bodies which is enshrined in writing.
97. The executive heads of United Nations system organizations who have not already done so should expedite the process of seeking membership for their respective organizations in the United Nations Ethics Committee.
98. The legislative bodies of the smaller organizations should direct their respective executive heads to put forward proposals for providing the ethics function through either a joint ethics office established by a group of organizations on a cost-sharing basis or in-sourcing to the ethics office of another organization on a cost-sharing/cost recovery basis.
99. The executive heads should ensure that the post of head of the ethics office in their respective organizations has ethics qualifications and experience as a requirement, and this should be included in the job description for the post and in the vacancy announcement.
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seven years, or no more than two consecutive appointments of four or five years, with no possibility of re-employment by the same organization.
104. The legislative bodies should direct their respective executive heads to ensure that the head of the ethics office submits an annual report, or a summary thereof, unchanged by the executive head, directly to the legislative body, together with any comments of the executive head thereon.
105. The legislative bodies should direct their respective executive heads to ensure that the head of the ethics office has informal access to the legislative bodies which is enshrined in writing.
106. The executive heads of United Nations system organizations who have not already done so should expedite the process of seeking membership for their respective organizations in the United Nations Ethics Committee.
<b>JIU/REP/2010/5. Audit Function</b>
107. To enhance accountability and transparency, the legislative/governing bodies should require that the financial statements be finalized no later than three months after the end of the financial period to enable the external auditor to submit his/her report, first to the audit/oversight committee and then, no later than six months after the end of the financial period to the legislative/governing body, and to have it published on the website of the organization.
108. The legislative/governing bodies in the United Nations system organizations direct the executive heads at each organization to inform them of all third-party audit/verification requests, after consulting the audit/oversight committees and the external auditors.
109. The legislative bodies should require that the charter of the audit/oversight committees be reviewed regularly, at least every three years, and any change be submitted for the approval of the legislative bodies
110. The legislative/governing bodies should elect/appoint the audit/oversight committee members, the number of whom should vary between five and seven members with due regard to professional competency, geographical distribution and gender balance so as to represent the governing bodies' collective interests. The candidates should be screened by a committee, unless the audit/oversight committee is a subcommittee of the legislative/governing bodies, to ensure compliance with the said requirements, including independence before their appointment.
111. To ensure transparency and disseminate best practices, the chair of the audit/oversight committee should submit at least one annual report directly to legislative/governing bodies with separate comments by executive heads, if any, which should be published on the website of the organization, in line with best practices.
<b>JIU/REP/2010/06. IPSAS</b>
112. The legislative bodies should request their respective executive heads to issue regular progress reports on the implementation status of IPSAS.
113. The legislative bodies should provide the support, staffing and funding required to ensure successful and effective transition to IPSAS.
114. The Executive Heads should ensure that the set of 16 best practices identified in the present JIU report is applied when implementing the IPSAS project.
<b>JIU/REP/2010/7. Trust Funds</b>
115. The legislative bodies of the United Nations system organizations should strengthen the integrated management of the regular budget and extrabudgetary resources in order to ensure that the extrabudgetary resources, including the trust funds, are in line with the strategic and programmatic priorities of the organizations.
116. The legislative bodies of the United Nations system organizations should invite all donors to respond favourably to the efforts made by the organizations to increase the portion and volume of thematic trust funds and other types of pooled funds, in order to facilitate more efficient trust fund

management.
117. The executive heads of the United Nations system organizations should ensure that risks related to trust funds are assessed, and measures are taken to manage them.
118. The executive heads of the United Nations system organizations should review, consolidate and update existing legal instruments relating to the administration and management of trust funds in their organizations, and ensure that they are available to and accessible by all staff concerned in a user-friendly format.
119. The Secretary-General, in his capacity as Chairman of the CEB, should develop a common position regarding the conditions and modalities for accepting and receiving resources for trust funds from regional financial institutions and development banks. Once such a common position has been developed, the rules, regulations and policies of the organizations should be updated and submitted to the respective legislative bodies for approval.
120. The Secretary-General, in his capacity as Chairman of the CEB, should revitalize the inter-agency work with a view to come to an agreement among the United Nations system organizations on the harmonization of cost recovery policies and principles for trust funds, as well as activities financed by other extrabudgetary resources. Such cost recovery policy should include an unambiguous rule on the programme support cost (PSC) rate and the categories of costs to be charged directly to the programmes.
121. The legislative bodies of the United Nations system organizations should review the harmonized cost recovery policies and principles for trust funds and activities financed by other extrabudgetary resources, once they have been agreed within the CEB, with a view to updating the cost recovery policies of their organizations accordingly.
122. The executive heads of the United Nations system organizations should ensure that their current and future ERP systems can provide the required financial data for managing, monitoring and reporting on trust funds and trust-fund-financed activities.
123. The executive heads of the United Nations system organizations should review and update the provisions for delegation of authority with regard to trust fund management with a view to adjusting to the changing and increasing role of the regional and country offices.
124. The executive heads of the United Nations system organizations should ensure that training programmes for field staff include adequate training on trust fund administration and management.
<b>JIU/NOTE/2011/1. Procurement</b>
125. Executive heads should integrate risk management into the procurement process. This should include the operation of procurement units, analysis of procurement activities and the implementation of individual procurements.
126. Executive heads should, with the guidance of governing bodies, develop and gradually implement environmentally responsible procurement policies and guidelines in compliance with the principle of competition and with all due respect for the access of developing countries and countries in transition to procurement.
127. Executive heads should review their ethics policies and practices on procurement with a view to aligning them with best practices.
128. Executive heads should adopt a vendor sanction policy as a matter of priority so as to enhance transparency and accountability in procurement activities.
129. Executive heads should develop a formal mechanism to review vendor complaints in order to enhance objectivity, fairness, transparency and consistency in the procurement process.
130. Executive heads should ensure the development and implementation of knowledge mechanisms to identify, share and disseminate lessons learned and best practices in procurement activities across their organizations.

<b>JIU/REP/2011/9. ICT governance</b>
131. The executive heads of the United Nations system organizations should ensure that the ICT governance committee, or equivalent, is composed of the most senior business managers representing all major services of the organization, and chaired by an executive manager, preferably at the level of deputy head of the organization or equivalent.
132. The executive heads of the United Nations system organizations should ensure that the ICT governance committee, or equivalent, is convened regularly with the fullest possible participation of its members, adequate documentation is provided in a timely manner and meeting records are kept, so as to make full use of the committee's work and function.
133. The executive heads of the United Nations system organizations should ensure that the function and performance of the ICT governance committee, or equivalent, is reviewed and evaluated regularly, but not less than every three years, so as to ensure its effectiveness and facilitate improvement.
134. The executive heads of the United Nations system organizations should ensure that the Chief Information Officer (CIO), or equivalent, should be placed at an appropriate senior level with overall responsibilities and authority, and have access to executive management.
135. The executive heads of the United Nations system organizations should ensure that corporate ICT strategies are prepared, endorsed and periodically reviewed and updated, in order to ensure that they are closely aligned to the organization's business needs and priorities and yield value for their ICT investment.
136. The legislative bodies of the United Nations system organizations should request the executive heads to present the corporate ICT strategies to Member States for their information and support.
137. The executive heads of the United Nations system organizations should make sure that their ICT strategies are closely aligned to the organization's medium- and long-term strategic plans or equivalent, so as to ensure that ICT sustains and supports the organization's business needs and mandates.
138. The executive heads of the United Nations system organizations should establish monitoring mechanisms for the implementation of their ICT strategies, ensuring that the ICT strategy and its implementation roadmap, deliverables and performance indicators are continuously monitored and regularly reported on to the ICT governance committee, or equivalent.
139. The executive heads of the United Nations system organizations should strengthen their efforts in keeping track of the ICT costs in their organizations, including the total annual recurring and ad hoc ICT costs, as well as details on the main cost elements.
140. The executive heads of the United Nations system organization should ensure that post-implementation reviews of major ICT investments and projects are conducted in line with the organization's ICT investment methodologies and policies.
<b>JIU/REP/2014/5. Follow-up inspection of the 2009 review of Management and Administration in the World Tourism Organization</b>
141. The Secretary General should elaborate a detailed phased work plan, including necessary resources, for the implementation of IPSAS and submit it to the General Assembly for approval.
<b>JIU/REP/2014/6: Analysis of the Evaluation Function in the United Nation System</b>
142. The executive heads of United Nations system organizations should make the use of evaluation an organizational priority based on a well-defined vision, strategy and results framework for the evaluation function, and report to their legislative bodies on the level, nature and impact of use of evaluation.

**JIU/REP/2014/8: Use of non-staff personnel and related contractual modalities in the United Nations system Organizations**

143. The executive heads of the United Nations system organizations should ensure that individuals working for the organization under third-party/outsourcing contracts have decent working conditions, including a fair salary and social benefits and entitlements.

144. The executive heads of the United Nations system organizations should ensure that the gender balance policy and related measures include non-staff personnel, including United Nations Volunteers (UNVs). Gender balance in non-staff personnel recruitment should be promoted and monitored as part of the overall gender equality policy.

145. The executive heads of the United Nations system organizations should allow long-serving non-staff (including UNVs) to apply as internal candidates for vacant staff positions, with a view to ensuring fairness and providing a measure to reduce long-serving non-staff in the organizations.

146. The executive heads of the United Nations system organizations should ensure that long-serving non-staff personnel (including UNVs) have access to appropriate formal internal justice mechanisms. To that end, the executive heads should consider allowing them access to existing mechanisms or establish another practical system for their use.

147. The executive heads of the United Nations system organizations, as a matter of priority, should ensure and formalize the access of non-staff personnel (including UNVs) to mediation, the ethics office, the office of the ombudsman and other informal conflict-resolution mechanisms, and ensure that such personnel have recourse to the policies on the prevention of harassment and whistle-blowing. Furthermore, non-staff should be informed of those rights.

**JIU/REP/2014/9: Contract Management and Administration in the United Nations system**

148. The legislative bodies of the United Nations system organizations should direct the executive heads of their organizations to update and, when necessary, develop specific policies, procedures, guidance and follow-up systems to ensure effective and efficient management of post-award contract activities.

149. The executive heads of the United Nations system organizations should incorporate in their annual statements of internal controls certifications, by individuals with procurement and contracts management authority, that the execution of contracts has been in full compliance with the organization's policies, procedures and rules.

150. The executive heads of the United Nations system organizations should re-assess the financial and human-resource needs for post-award contract management in terms of current and projected contract volume, value, complexity and type and decide on the best support structures required (e.g. centralized or decentralized) to ensure best value for money and the achievement of the organization's objectives.

151. The executive heads of the United Nations system organizations should ensure that supervisors of persons managing contracts incorporate contract-management criteria in these persons' annual performance evaluations.

152. The executive heads of the United Nations system organizations should conduct a study in their organizations to analyse the causes of modifications in contracts above certain thresholds and identify systemic deficiencies contributing to cost increases and delays. Remedial action should follow to address such deficiencies.

153. The executive heads of the United Nations system organizations should ensure that, when applicable, appropriate levels of liquidated damages and other remedies are included in the standard clauses of contracts and are judiciously enforced to protect the interests and rights of their organizations.

### **JIU/NOTE/2014/1: Use of retirees and staff retained beyond the mandatory age of separation at United Nations Organizations**

154. Executive heads should set up effective mechanisms to capitalize on the knowledge and experience of staff due to retire and of retirees when rehired through coaching and mentoring programmes, in line with good practices identified.

155. Executive heads should (a) set up a coherent regulatory framework for the approval of exceptions, to retain staff beyond the mandatory age of separation and for the employment of retirees, regardless of the type of contract and funding, based on good practices identified in the United Nations and other system organizations, taking into account the specific needs of certain highly specialized technical agencies; and (b) ensure strict compliance with this framework.

156. Executive heads of organizations, particularly those with a large number/proportion of staff retained beyond MAS and retirees rehired, should: (a) take immediate action to limit such cases to exceptions which are fully justified and regularly monitored and reported to legislative bodies; and (b) ensure that their employment in senior executive and general service positions is restricted to instances where needs cannot be met by current staff, and that they are rehired as consultants, when applicable, with due regard to the specific needs of organizations.

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### **Auditors Report for the Financial Closing of 2013**

158. We recommend that to improve the transparency of the VC funds; it will be more appropriate to give detailed information about income, expenses and balances of all different VC funds in line with the information given in respect of UNDP funds and MDTFs. In addition, it will be more appropriate to show the contribution amounts of income in Annex VI in addition to USD also in EUR.

159. We recommend that Part XI of the Report on Accounts which gives information about UNDP Operating Funds should contain the information about funds received, expenditure incurred during the year and balances under different projects as presented in respect of MDTF and JPs.

160. We observed that in respect of projects NIC MDGF1941 and NIC MDGF 1827 the information of expenditure is recorded only on receipt of expenditure details from UNDP Nicaragua. In these two projects, the information about expenditure incurred was very old and most of the expenditure recorded under these projects belonged to the year 2012. We recommend that the information about expenditure may be obtained timely so that correct information can be presented in Financial Statements. (Para no. 39)

161. Old Provision for security / New Restricted Acc Surpl SECU  
We observed that there is balance of EUR 121.067,17 under the Provision for Security. UNWTO presently has no plan of expenditure under this head in foreseeable future. We recommend that this balance may be treated as Reserves and not as Provision. (Para no. 28 )

162. The reason to classify this fund (replacement reserve) as extra-budgetary is not clear as it is one of the reserves of the Organization. We recommend that classification of this reserve under Extra-Budgetary part may be re-examined.

163. We reviewed a sample of financial transactions regarding travel expenses charged to VC funds. In some of these cases, it was not clear whether charging a particular travel expense have been done in compliance with the agreements under the related VC funds.

**Auditors Report for the opening balance of 2014**

164. According to Para 9 of IPSAS 2, an investment normally qualifies as a cash equivalent when it has a short maturity of three months or less. It is, however, observed that in the financial statement two investments with a maturity of one month are regarded as short term investments (with a maturity of more than three but less than twelve months).

165. The accounting policy says that UNWTO will reduce assessed contributions receivables from full and associate members by applying an allowance as follows: (i) No allowance is applied to those whose arrears are for the current and prior year contributions; (ii) In arrears exceeding the current and prior year contributions (two years) but with payment plans, an allowance of 50 % of total outstanding receivables is applied; (iii) An allowance of 100% of total outstanding receivables will be applied for those in arrears without payment plans or those with payment plans but who are in default in the last two years. In respect of Central African Republic, Burkina Faso and Iraq it is, however, observed that the allowances have not been provided in compliance with accounting policy.

166. In terms of Para 76(b) of IPSAS 1 an asset shall be classified as current if it is expected to be realized within twelve months from the reporting date. It is observed that UNWTO has made 100 % provisions in respect of many full members where contributions remained outstanding for years together but classified those assets as current assets. This classification is apparently in contradiction with the principles of IPSAS as expectation of UNWTO to receive those arrears within a year is not based on facts, because there is no payment plan indicating the intention of paying the arrears and the past payment experience does not support the expectation. The past payment experience of those defaulting countries does not support the expectation of realising the arrears in the operating cycle or in the next 12 months from the reporting date. However, it is recommended that UNWTO should soon put all efforts to get into payment plans with all defaulting countries and classifying the arrears receivable as per payment plans.

167. The contributions receivable, as figured in the financial position, are composed of contributions receivables of different kinds with number of sub-groups having material value. The information regarding the sub-groups has not been incorporated. Para 89 of IPSAS 1 states categorically that "Additional line items, headings, and sub-total shall be presented on the face of the statement of financial position when such presentation is relevant to an understanding of the entity's financial position".

168. It was observed that miscellaneous receivables (VAT) have been re-classified under the heading of contributions receivable. This was inappropriate because both are in no way associated with each other.

169. In case of the contributions receivable, the financial year 2014 has been considered as current year for the purpose of presentation of the opening balances as at 1st January 2014. The Financial Regulations, however, state that the contributions and advances shall be due and payable in full within the first month of the financial year to which they relate. As at 1st January of the following calendar year, the unpaid balance of such contributions and advances shall be considered to be one year in arrears. In view of above provision, it does not appear to be appropriate to consider the year 2014 as current year for restated balances as at 31st December 2013. Moreover, there is no justification for considering the contribution for the year 2014 as arrear as at 1st January 2014.

170. UNWTO is a member of UNJSPF, a multi-employer defined benefit plan for providing pensions to employees in their post-employment days. It is, however, observed that UNWTO considers the same as a defined contribution scheme and, accordingly, has not assessed the accumulated liability on that count as at 1st January 2014. According to IPSAS 25, if any defined benefit plan is considered as a defined contribution plan, the entity has to disclose that the plan is defined benefit plan and the reason why the sufficient information is not available to account for the

<p>plan as a defined benefit plan. However, no such disclosure has been found in the financial position.</p>
<p>171. UNWTO has recognized accrued annual leave payable, accrued end of service payable and accrued ASHI payable as defined benefits plans and assessed the liabilities as at 1st January 2014. The disclosures, as required under Para 141 (b), (d) and (n) of IPSAS 25, have not been provided.</p>
<p>172. A liability shall be classified as non-current, if it does not satisfy one of the criteria given in Para 80 of IPSAS 1. It is, however, observed that current liabilities include the contributions received in the year 2013 from the full member Congo in the amount of EUR 6,964.47 that are due to be settled in the year 2015. According to IPSAS this liability shall be classified as non-current.</p>
<p>173. Para 150 of IPSAS 1, among other things, states that – “An entity shall disclose the following, if not disclosed elsewhere in information published with the financial statements: (a) The domicile and legal form of the entity, and the jurisdiction within which it operates; (b) A description of the nature of the entity’s operations and principal activities; (c) A reference to the relevant legislation governing the entity’s operations;” No such disclosure has been found on the face of the financial position and that needs to be included as applicable in respect of UNWTO.</p>
<p>174. According to Para 27 of IPSAS 4 an entity shall translate foreign currency monetary items into its functional currency at each reporting date. It shall use the closing rate at the reporting date. UNWTO determined the following exchange rates (direct quotation) at 31st December 2013: (i) 1 USD = 0.725 EUR (UN Operational Rate of Exchange, UNORE) (ii) 1 USD = 104.93 YPN (UNORE). It is, however, observed that, in some cases, the indirect quotation was used to translate foreign currencies, with an exchange rate, correct to three decimal places. This caused rounding differences</p>
<p>175. Explanatory note 1 to the financial position shows “Cash at banks – current accounts” and “Short Term deposits” in Euro, while part of these amounts are originally valued in a different foreign currency (USD). It is required that these amounts are shown separately in their original currencies.</p>
<p>176. UNWTO took lease of two photocopiers in 2013. The lease period shall be four years and the future lease payments shall be EUR 44.850,78. The economic life of photocopiers is estimated to be five years. According to Para 15 of IPSAS 13 a lease shall be recognized as a finance lease, if e. g. (i) At the inception of the lease the present value of minimum lease payments amounts to substantially all of the fair value of the leased asset and/or (ii) The lease term is for the major part of the asset’s economic life, even if title is not transferred. UNWTO recognised this lease as an operating lease instead of finance lease without assigning any reason in the financial position. The External Auditors hold the view that the contract should be recognised as a finance lease because lease term covers the majority of the assets economic life (80 %). Moreover it is not documented that the asset’s fair value is less than the present value of minimum lease payments and there is no evidence to prove that the lessor still holds the risk and reward of the property leased out.</p>