

### Addendum

1. Regarding the final considerations of the Report from the Ethics Officer annexed to document [A/24/5\(c\)](#), the Secretariat would like to provide the clarifications below.
2. Since 1 January 2018, the Secretariat has focused on the implementation of several recommendations made by the Joint Inspection Unit, notably in its two reports on the Management and Administration in the UNWTO issued in 2009<sup>1</sup> and 2014<sup>2</sup>, prioritizing those that have an impact on budget control and cost optimization for the Organization while reinforcing compliance with UN standards and policies, such as on travel policies, human resources and internal oversight.
3. In relation to internal oversight, although the General Assembly<sup>3</sup> expressly requested the Secretary-General in 2011 to implement an internal oversight function at UNWTO in line with the measures recommended in the White Paper<sup>4</sup> and considering the recommendation made by the JIU in this regard<sup>5</sup>, no action was taken until 2018 regarding internal audit and evaluation. These functions, together with the Ethics Function, are the basic pillars of good governance in all organizations of the UN System. They are normally conducted by internal staff.
4. Since 2012, the Secretary-General's reports to the Executive Council on the implementation of the JIU's recommendations state that there are no resources to perform internal oversight functions and that UNWTO does not meet the criteria to establish an internal oversight unit<sup>6</sup>.
5. At its 94th session the Executive Council endorsed the establishment of the Ethics function at UNWTO to be carried out by the United Nations Office for Project Services (UNOPS) effective as of 1 January 2013. The former UNWTO-UNOPS Ethics Officer, Mr. David Mitchels, recalled in his report that UNOPS could also provide internal oversight tasks in addition to the Ethics Function. In particular, he said:

"It will be noted that the JIU, in its general review of UNWTO (JIU/REP/2009/1), at page 23, recommends (Recommendation 22) the "UNWTO General Assembly should in-source the internal audit, inspection,

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<sup>1</sup> "Review of management and administration in the United Nations World Tourism Organization (UNWTO)" JIU/REP/2009/1

<sup>2</sup> "Follow-up inspection of the 2009 Review of Management and Administration in the World Tourism Organization (UNWTO)" JIU/REP/2014/5

<sup>3</sup> Resolution 602(XIX).

<sup>4</sup> "Addressing audit and evaluation needs through the creation of an Internal Oversight function with additional full-time staff positions appears unaffordable and unnecessary for a small agency such as UNWTO. Alternative mechanisms for complementing the function already provided by the Auditors designated by the General Assembly, either through outsourcing or cost-sharing with other small UN bodies, are being considered. Furthermore, an internal oversight function will be created within the Secretariat, to oversee the management and operation of the Organization, to take note of any complaints, and to advise the Secretary-General as necessary. This function could be deployed with external support and it is expected would deliver annual reports to the Secretary-General on their findings and recommendations." (paragraph 131 of the White Paper – document [A/19/11](#))

<sup>5</sup> "The UNWTO General Assembly should in-source the internal audit, inspection, evaluation, investigation and monitoring functions to any other organization in the United Nations system that has the capacity to respond.

Alternatively, The UNWTO General Assembly should provide the necessary resources, three positions, for the above-mentioned functions for the 2010-2011 biennium." (Recommendation 22, JIU/REP/2009/1)

<sup>6</sup> See [CE/94/3\(II\)\(b\)](#) (page 5) and [CE/96/2\(g\)](#) (pages 96-99)

evaluation, investigation and monitoring functions to any other organisation in the United Nations system that has the capacity to respond. Alternatively, the UNWTO General Assembly should provide the necessary resources, [three] positions, for the above-mentioned functions for the 2010-2011 biennium". As I understand it, the GA has not provided resources for three positions, in 2010/11 or 2012/13, and thus in-sourcing would seem to be the best approach. UNOPS would be prepared to look at whether it could supply these services, if asked, and whilst there must clearly be a cost, it is unlikely it would be as much as the cost of hiring three staff members."

No actions were taken in this regard.

6. The first two full-fledged internal audits of UNWTO conducted by independent entities took place in 2018 and 2021. The first internal audit (and its follow-up review in 2020) was conducted by KPMG. The firm submitted a comprehensive report to the Secretary-General with recommendations on concrete actions to establish an appropriate Governance, Risk and Compliance (GRC) model in a cost-efficient and timely manner. An executive summary was submitted to the 108th session of the Executive Council held in May 2018 in document CE/108/5(b)<sup>7</sup>. The results of this internal audit, which were also shared with the External Auditor<sup>8</sup>, showed primarily that the Organization lacked any GRC structure in terms of internal control, compliance and internal audit as well as a comprehensive framework for accountability and segregation of duties.
7. In addition to the production of an action plan pursuant to KPMG's review, measures were taken in 2018 to reduce the deficit of the Organization as of 31 December 2017. Indeed, the Executive Council, at its 110th session held in June 2019, thanked the Secretary-General for correcting the deficit of previous years and ensuring the sound financial stability of the Organization within one year of his mandate<sup>9</sup>. The following chart shows the impact of the Secretary-General's reforms for correcting the deficit of the Organization as per the audited Financial Statements for 2018<sup>10</sup>:

	2017	2018
Regular Budget Cash Balance	-749,598 EUR	2,423,634 EUR
Net Equity	-3,065,961 EUR	468,839 EUR

8. The Internal Oversight function (internal audit, evaluation, inspection and investigation services) is an essential pillar to assist the Secretary-General in fulfilling his oversight responsibilities in respect of the resources and staff of the Organization and to ensure accountability at all levels. This function, non-operational in the Organization until 2018, has been outsourced to the United Nations Office for Internal Oversight Services (OIOS), as approved by the General Assembly in resolution 719(XXIII). As a first step, an agreement was signed with OIOS in December 2019 for the conduct of a three-year audit plan (including developing an internal audit risk-based annual work plan and implementing an approved internal audit assignment and an initial risk assessment) for an amount of 60,000 EUR. OIOS conducted a risk assessment at the end of 2020 and has started to work on its first assignment (a review of project management) in April 2021.
9. More information in relation to the status of JIU recommendations may be found in the document A/24/15 rev.1 submitted to the present session of the General Assembly.
10. Indeed, the reform of the Organization and the strengthening of its internal governance through the provision of adequate resources and staff is an ongoing discussion since 2010

<sup>7</sup> See Annex III.

<sup>8</sup> In accordance with Financial Regulation 16 (2) and the Annex thereto, the External Auditors may make observations with respect to internal financial controls and review the accounts to satisfy themselves that the internal controls, including the internal audit, are adequate.

<sup>9</sup> Decision 4(CX)

<sup>10</sup> see document CE/110/4(d)

and continuous improvements must be made. The Secretary-General notes the comments made by the Ethics Officer in her 2020 report in this regard and will take action as appropriate by proposing to the Governing Bodies the creation of 3 positions for internal oversight, ethics and monitoring and evaluation.

11. Regarding the concerns raised by the Ethics Officer on internal practices related to promotions, post reclassifications and appointments, the Secretariat would like to clarify the following:
12. At its 90th session held in June 2011<sup>11</sup>, the Executive Council was informed that a working group on the internal structure of the Secretariat recommended that the Organization recruit an external classification specialist to review and confirm the post levels in the Secretariat, in line with its revised internal structure, introduced in March 2010 and in accordance with the classification standards of the International Civil Service Commission. The purpose of the exercise was to put in place a Professional Growth Plan (PGP), that would allow career advancement and lateral transfers, which were not readily available at the time.
13. Human resources/workforce planning involves the systematic assessment of current and future staffing requirements in terms of numbers and levels of skills and competencies, and formulation of plans to meet those requirements. These must match longer-term programme needs of the Organization and there must be a continuous review to ensure that the Organization is making good use of these in terms of its mandate, structure and workforce size.
14. Taking into account (a) the revised structure of the Secretariat announced at the 108th Executive Council, (b) the need to further align with good practices on staffing and internal mobility in the United Nations, while considering the needs and structure of UNWTO, the general principles of nurturing a workforce that is dynamic, adaptable and global, one that can also effectively meet current and future mandates and evolving operational needs, (c) alignment with JIU recommendations regarding the development of tools and control mechanisms to guarantee that recruitment and promotion is based on transparent, comparative evaluations of the professional competencies of candidates (d) the small size and budgetary constraints of UNWTO and (e) the need to have a model in place that is both sustainable financially while aligned with UN policies and practices, it was announced at the 109th Session of the Executive Council that the PGP would be discontinued<sup>12</sup>, of which the Council, at its 109th session held in October 2018, took note in its decision 8(CIX).
15. To ensure alignment with good practices on staffing and internal mobility in the United Nations and following the discontinuance of the PGP, a policy that was not aligned with the existing promotion policies of the United Nations, a comprehensive review of the policy on reclassifications of posts subject to the Staff Regulations and Rules was carried out in February 2020, in line with those of the United Nations. A relevant administrative issuance was issued internally on the matter with the purpose of enhancing the transparency of the process. Due to the global impact of the COVID-19 pandemic, and the related uncertain financial outlook reported to the 113th session of the Executive Council during the pandemic<sup>13</sup>, the reclassification exercise was temporarily suspended in UNWTO, as it has been the practice in all UN system organizations during the pandemic, and is expected to be resumed shortly.
16. In relation to appointments and promotions, the Secretariat wishes to reiterate that positions continue to be filled in accordance with the relevant Staff Regulations and Rules and following a rigorous competitive selection procedure. Moreover, in 2019 the Organization revised its policies on personnel not subject to the Staff Regulations and Rules, inter alia, to improve on its recruitment practices and ensure adherence to competitive selection through the corresponding calls for expression of interest. All vacancies are posted on the Organization's employment page and Intranet site. In accordance with Staff Regulation 15(c), without the prejudice to the recruitment of fresh

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<sup>11</sup> See document [CE/90/5\(a\) Add. 3](#)

<sup>12</sup> See document [CE/109/3\(d\)\(ii\)](#)

<sup>13</sup> See document [CE/113/3\(b\)](#)

talent at all levels, the fullest regard is given, when filling vacancies, to the requisite qualifications and expertise of persons already in the service of the Organization.

17. An amendment to Staff Rule 15(1) was approved by the Executive Council at its 110th session through decision 6(CX) in relation to the Appointment and Promotion Board<sup>14</sup>. The purpose of the Appointment and Promotion Board (APB) is to provide advice on the appointment, promotion and review of officials in the General Service and Professional categories. Following the concerns of both Management and the Staff Association to improve the composition and functioning of the APB, and considering the practice of the United Nations and its specialized agencies, a clarification to the roles of the Chair, the Human Resources representative and that of the hiring manager in the Board were approved by the Executive Council. The General Assembly was informed of this decision at its 23rd session<sup>15</sup>.
18. Regarding communications published by former officials of the Organization and allegations made in public fora against the Governing Bodies of the Organization, the delegates of Member States and the staff members of UNWTO, the Secretariat wishes to recall that the Standards of Conduct for the International Civil Service, adopted by the United Nations General Assembly in 2013 in its resolution 67/257, are binding for all international civil servants, including UNWTO's even after they have left the service, and that Member States and their representatives are also committed to respect them in order to preserve the independence and impartiality of the international civil service. In this regard, it should be noted that officials who have left the service with the UNWTO must not, in accordance with Staff Regulation 5 and the Standards of Conduct of the International Civil Service, take personal advantage of their former official functions and positions, including through unauthorized use or distribution of privileged or confidential information known to them by reason of their official position; nor should they attempt to unduly influence the decisions of the Organization in their interest or at the interest or at the request of third parties with a view to seeking an opportunity to be employed by such third parties. It is recalled that under the terms of their employment with the Organization, staff members commit to having acquainted themselves with and accepted the conditions laid down in the Staff Regulations and Rules and in the Standards of Conduct of the International Civil Service, which form an integral part of their employment contract.
19. The Secretariat categorically denies all allegations made against the Organization, its staff members, its Governing Bodies and its Member States and further notes that the calendar for nomination of the Secretary-General by the Executive Council as well as the dates of the meetings of the Governing Bodies are fixed by the Governing Bodies themselves. The Secretariat has strictly complied with the instructions provided by the Executive Council for the election process of the Secretary-General, which included the participation of the Chair of the Executive Council (Chile) in the screening of the applications received, to ensure their compliance with the requirements defined as mandatory and essential by the Executive Council in its decision 14(CXII)<sup>16</sup> and its document CE/112/6 rev. 1<sup>17</sup>, particularly regarding the required support by a Government.

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<sup>14</sup> See document [CE/110/4\(f\)](#)

<sup>15</sup> See document [A/23/6](#)

<sup>16</sup> "4. *Requests* candidates to submit, together with the letter of endorsement from the Member State, biographical and career information, as well as a statement of policy and management intent, expressing their views on the manner in which they would perform the functions of Secretary-General".

<sup>17</sup> "15. The procedure stated in this document has been put into practice successfully, and without giving rise to any particular difficulty, for the appointments carried out since 1992. The endorsement of a candidature by the Government of a Member State is an essential requirement and its withdrawal will result in the disqualification of the candidate or the nominee."