

Agenda item 3(c)

**Report on the financial situation of the
Organization**

CE/116/3(c) rev.1
Madrid, 26 May 2022
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Executive summary

Part I: UNWTO Financial Report for the period ended 31 March 2022

There is uncertainty on the financial outlook of UNWTO due to the potential financial impact of international events, i.e. the world-wide coronavirus pandemic and the conflict in Ukraine and the sanctions on Russia. As of 31 March 2022, the Secretary-General reports the plan of income and expenditure of the Regular Budget for 2022 with the commitment to restrict expenditures to available and expected cash resources and to take mitigating actions if a severe downside scenario would arise, in particular high levels of inflation.

The budgetary income and expenditure for the year 2022 has been estimated at EUR 13,300,000. As at 31 March 2022, the total budgetary income received (cash-in) amounts to EUR 7,438,216, including the Members' arrears received (EUR 365,969); as of the same date, the budgetary expenditure amounts to EUR 12,400,714. The Secretary-General submits the Organization's interim provisional Statements of Financial Position and Financial Performance for the period ended 31 March 2022 as well as financial performance and position highlights for the same period. The Secretary-General also transmits to the Executive Council updated information on the Members falling under the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2022.

Part II: UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2021

The Financial Statements of the World Tourism Organization for the year ended 31 December 2021 have been prepared in accordance with the UNWTO Financial Regulations, UNWTO Detailed Financial Rules, the International Public Sector Accounting Standards (IPSAS), and in line with the United Nations (UN) policy that IPSAS be used as the accounting standards by UN system organizations. At the time of drafting this report, the Financial Statements are being subject to external audit in accordance to the Financial Regulations. The Audited Financial Statements will be submitted to the Executive Council for approval.

The UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2021 includes the UNWTO Financial Report of the Secretary-General for the year 2021 and the UNWTO Financial Statements for the year ended 2021 with the opinion of the External Auditor upon finalization of the external audit, the notes to the Financial Statements and the unaudited annexes. The 2021 Financial Report shows that the 2021 Regular Budget budgetary cash balance and the Secretary-General's proposal for its use as well as analyses the net equity of the Organization at 31 December 2021. The 2021 Financial Report also shows a chapter on after-service employee benefits (ASEB) liabilities including ASEB funding projections and payroll charge analysis as well as a special note on the potential financial impact of international events, i.e. COVID-19 coronavirus pandemic and the conflict in Ukraine and sanctions on Russia.

Part III: Modifications to the procurement rules for the simplification of the processes

Proposed amendments to Detailed Financial Rule (DFR) VI.33 (d) to update procurement thresholds are also included in this document and Annex II.

DRAFT DECISION¹

Agenda item 3(c)

Report on the financial situation of the Organization
(document CE/116/3(c) rev.1)

The Executive Council,

Having examined the report,

- I. UNWTO Financial Report for the period ended 31 March 2022*
1. *Takes note with appreciation* of the comprehensive information contained in the documents and their annexes;
2. *Takes note* of the Secretary-General's Financial Report for the period ended 31 March 2022 and the information presented in the document and its annexes and approves, as presented in this document:
 - (a) The revised appropriations of the Regular Budget at 31 March 2022,
 - (b) The Plan of income and expenditure of the Regular Budget for the financial year 2022 presented by the Secretary-General at 31 March 2022,
 - (c) The co-financing projects with UNWTO and donors contributions for the period ended 31 March 2022;
3. *Also takes note* with satisfaction of the submission of the interim provisional unaudited UNWTO Statement of Financial Position at 31 March 2022 and the UNWTO Statement Financial Performance for the period ended 31 March 2022;
4. *Thanks* the Members that have made the necessary efforts in order to fulfil their financial obligations, urges Members that have not yet complied with their financial obligations to take the necessary steps to pay their contributions for 2022, and reminds Members to pay their contributions within the time period stipulated by regulation 7(2) of the Financial Regulations;
5. Welcomes with gratitude the initiative of Cameroun and Nigeria to carry out the necessary procedures in order to fulfil their financial obligations, whether partially or in full, to fall out of the provisions of Paragraph 13 of the Financing Rules attached to the Statutes as well as to the Democratic People's Republic of Korea that at the date of this document is no longer under these provisions;
6. Notes that in accordance with paragraph 6 of resolution A/RES/736(XXIV) excerpts shown in Annex 1.D.4, the stipulations of Article 34 of the Statutes and/or of paragraph 13 of the Financing Rules attached to the Statutes are once again applicable as of 1 April 2022 to the Full Members, Chad, Iraq, Kyrgyzstan and Vanuatu;
7. Endorses the payment plans submitted by the Full Member Uganda and the Affiliate Member Adventure Travel and Trade Association to the present session of the Executive Council for approval by the 25th session of the General Assembly;

¹This is a draft decision. For the final decision adopted by the Council, please refer to the Decisions document issued at the end of the session.

8. *Requests* the Secretary-General to inform the General Assembly at its next session, about the Members' compliance with the agreements made with a view, as the case may be, to maintaining the temporary exemption from the provisions of paragraph 13 that they were granted by the General Assembly or reapplying those provisions to them if they have not fulfilled their commitments;
 9. *Supports* the Secretary-General's proactive approach for the settlement of current year and arrear contributions in order to contribute towards the Organization's programme of work, especially in view of the rising demands on the Organization to assist the tourism sector to recover from the challenges resulting from the impact of international events on the sector with its limited resources.
- II. UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2021*
10. *Takes note that*, due to the exceptional circumstances that the External Auditors for the period 2022-2023, i.e. for the external audit of the Financial Statements for the years ended 31 December 2021 and 2022, were elected by silence procedure on 26 March 2022 (A/RES-PS/1(2022)), at the time of drafting this report the UNWTO Financial Statements for the year ended 31 December 2021 are still under the external audit process and, request the Secretary-General to submit the Organization Audited Financial Statements for the year ended 31 December 2021 to the Executive Council upon conclusion of the external audit together with the External Auditor opinion and the Secretary-General Financial Report for the year ended 31 December 2021;
 11. *Thanks* the Secretary-General for the work done for the issuance of the UNWTO Financial Report and Financial Statements for the year ended 31 December 2021 compliant with IPSAS and in line with other UN organizations; and
 12. *Expresses its gratitude* to the Chair and Vice-Chair of the Programme and Budget Committee (Switzerland and Peru, respectively) and the External Auditor (Spain) for their work.
- III. Modifications to the procurement rules for the simplification of the processes*
13. *Decides* to approve the amendments to Detailed Financial Rule DFR VI.33 (d) to update procurement thresholds as proposed by the Secretary-General.

I. UNWTO Financial Report for the period ended 31 March 2022

A. Budgetary performance of the Regular Budget for the period ended 31 March 2022

Introduction

1. The UNWTO Regular Budget (RB) is financed from assessed contributions from Members and budgetary allocations. The Regular Budget of the Organization covering the two-year budget period 2022-2023 (A/24/5(b) rev.1) was approved by the General Assembly (A/RES/733(XXIV)) at EUR 30,438,000 broken down by the 2022 and 2023 annual budgets which amounted to EUR 15,048,000 and EUR 15,390,000 respectively.
2. The structure of the 2022-2023 budget approved by the General Assembly has evolved since its approval in 2021 and up to 31 March 2022. The main changes since its last structure update at 31 March 2021 (A/24/5(b) rev.1) referred to movements of staff posts among parts and sections including to and from the section Staff vacancies & ASEB (after-service employee benefits) provisions. These changes have resulted in the redeployment of appropriations amongst parts and sections within the approved resources.
3. Annex I.A.1, "2022 approved and revised appropriations-Regular Budget", shows the approved 2022 Regular Budget appropriations by A/RES/733(XXIV)) and the revised Regular Budget appropriations for 2022 in line with the Secretary-General's proposal of structure modification at 31 March 2022. Irrespective of these structural changes, the RB envelope of the Organization for 2022 remains unchanged at EUR 15,048,000.
4. Annex I.A.2 establishes a comparison between: (a) the approved income and appropriations for the year 2022 (approved income/original budget column), (b) an estimate of income receivable and consistent expenditure limits for the year 2022 as at 31 March 2022 (plan of income and expenditure column), and (c) the budgetary cash balance at 31 March 2022 based on cash received to date and actual expenditures to date and commitments to 31 December 2022 (budgetary cash balance column).

Plan of income and expenditure of the Regular Budget for 2022

5. In accordance with UNWTO Detailed Financial Rule (DFR) III.4, in line with the practice in previous years, the Secretary-General prepares a plan of income and expenditure in light of: (a) the approved budget and forecast income, (b) the experience of previous financial years, (c) the recommendation of the General Assembly at its 24th session that care be taken to ensure that the programme of work and budget is executed according to the amounts collected (A/RES/733(XXIV).IV.13) and (d) the UNWTO Financial Report and Financial Statements for the year ended 31 December 2021 (Annex II of this document) Special note on the potential financial impact of international events (COVID-19 coronavirus pandemic and the conflict in Ukraine and sanctions on Russia) outlining that there is uncertainty on the financial outlook of UNWTO due to both, this world-wide pandemic and the conflict in Ukraine and the sanctions imposed on Russia as well as, the Secretary-General's commitment to restrict expenditures to available and expected cash resources and to consider steps to reduce expenditures to offset high levels of inflation if needed. The plan of income and expenditure shows the forecast of budgetary income receivable, the proposed level of budgetary expenditure and the forecast of budgetary result for the financial year 2022.
6. This section shows the plan of income and expenditure prepared by the Secretary-General at 31 March 2022.

Planned budgetary income

7. Budgetary income from contributions assessed from Full, Associate and Affiliate Members to be received in the current financial year has been estimated at EUR 11,268,000, i.e., 80 per cent of total assessed contributions budgeted. This estimate is based on the average percentage of contributions received in the past five years (81%), in the 2021 collection rate (83%), in the variation of collection of assessed contributions in the years 2021/2020 (5.2%), 2020/2019 (-4.7%), 2019/2018 (5.4%), and in the uncertain financial outlook for 2022 due to the COVID-19 and the conflict in Ukraine and the sanctions on Russia, brought up to date using information on income actually received as of 31 March 2022.

8. The level of contribution receipts from Full, Associate and Affiliate Members at 31 March 2022 (EUR 6,140,381) represents 54% of the estimate plan of income. This percentage is lower than in the period 2018-2021 (59% in 2021, 55% in 2020 61% in 2019 and 65% in 2018) and below the average level of collection of the past five years (2018-2022) at this date (i.e., EUR 6,312,616).
9. The budgetary allocations from prior years RB budgetary cash balance and the Publications store accumulated surplus have been maintained at the level approved by the General Assembly (A/RES/733(XXIV)) (EUR 582,000, and EUR 350,000 respectively), so the budgetary income estimated for the financial year and its implementation stand at 100%.
10. As for budgetary income from arrear contributions, it has been estimated that an amount of around EUR 1,100,000 will be received during 2022 based on the year-end average level of collection of the period 2012-2021 (EUR 1,589,564) and 2017-2021 (EUR 1,853,637) taking into account that 2018 and 2019 arrears collection (EUR 2,770,676 and EUR 2,260,231 at 31 December 2018 and 2019 respectively) was significantly above the average of previous years due to the management of the Secretary-General, the arrears received at 31 March 2022 (EUR 365,969) and also taking into account the uncertain financial outlook for 2022 due to the potential financial impact of international events, brought up to date using information on income actually received as of 31 March 2022.
11. The amount of arrears collected to 31 March 2022 (EUR 365,969) represents 33% of the estimated income. This percentage is lower than in the previous four years (41% in 2021, 47% in 2020, 64% in 2019 and 83% in 2018) but higher than in period 2017 (28% in 2017) and is lower than the average level of collection of the past five years (2018-2022) (i.e., EUR 731,410). Despite the Secretariat's best efforts and the good intentions of the Members with arrears, some Members are not yet in a position to make a firm commitment to repay their contribution arrears or to adopt a suitable payment plan. The Secretariat will persist in its policy of encouraging those Members that are in arrears with their contributions to present proposals for the payment of their arrears at least in instalments.
12. All in all, budgetary income for the year 2022 has been estimated at EUR 13,300,000. The income received to date represents 56% of the estimated plan of income which is a higher percentage than in 2020 (50%) but a lower percentage than in 2021 (60%) 2019 (61%), in 2018 (68%) and 2017 (63%). In order to meet the proposed plan of income, the Secretary-General will continue making a proactive approach to the Members to encourage them to settle their current year and arrears contributions in order to avoid hampering the execution of the Organization programme of work and the Organization's commitment to focus on the effective implementation of its programmatic activities and strategic objectives dealing with the unprecedented situation resulting from the impact of COVID-19 on the tourism sector and the conflict in Ukraine and the sanctions on Russia.

Planned budgetary expenditure and budgetary difference

13. Budgetary expenditures in this financial year have been planned to be EUR 13,300,000 at 31 March 2022 which corresponds to the estimated income and amounts to 88% of the approved appropriations (83% in 2021, 89% in 2020 and 87% in 2019).
14. The budgetary expenditure to date represents 93% of the estimated plan of expenditure for the current year, a similar percentage than in 2021, and a higher percentage than in the period 2020-2018 at 31 March (82% in 2020 and 87% in both 2019 and 2018). For non-staff costs, the implementation level stays at 79% at 31 March 2022, the same percentage than in 2021 and a higher percentage than in the period 2020-2018 at the same date (47% in 2020, 60% in 2019 and 69% in 2018). As for staff costs, the implementation level amounts to 100%, a percentage that is similar than in the period 2021-2018 (100% in 2021 and 2020, 98% in 2019 and 94% in 2018). It should be noted that budgetary expenditures to date include budgetary and legal commitments up to the end of the year. Annex I.A.3 shows staff cost information by virtue of Article 16 of the "Agreement between the United Nations and the World Tourism Organization" adopted on 23 December 2003.
15. In order to meet the proposed plan of expenditure, the Secretary-General will adopt measures to maintain expenditures at a level of around 88% over the approved budget. This level may also be adjusted downwards due to the impact of the increasing level of inflation over the staff

and non-staff costs, in particular in Spain where UNWTO has its headquarters. At March 2022, the 2022 annual estimated inflation in Spain amounts to 9.8%² while the inflation for the approved Regular Budget for the year 2022 was estimated at 1.7% (A/24/5(b) rev.1).

16. Through these adjustments, the budgetary income and expenditure for the financial year are expected to be in balance. Therefore, as of 31 March 2022, the overall RB plan of income and expenditure for 2022 established by the Secretary-General, as shown in Annex I.A.2, is presented for Members' consideration.
17. The Secretary-General will closely monitor the plan of income and expenditure. Members will be kept informed of any possible severe downside scenario impacting the operations of the Regular Budget and mitigating actions which may be taken to reduce costs.

Budgetary result of the Regular Budget at 31 March 2022

18. This section analyses the status of the budgetary result (cash balance) of the Regular Budget at 31 March 2022 based on cash received to date and actual expenditures to date and commitments to 31 December 2022.

Budgetary income (cash-in)

19. The total budgetary income received (cash-in) amounts to EUR 7,438,216, including the Members' arrears received during the period ended 31 March 2022 and budgetary allocations from accumulated surplus approved by the GA (EUR 931,866). The income received to date represents 49% of the approved budgetary income (49% in 2021, 50% in 2020 and 54% in 2019).
20. The level of contribution receipts for the current year from Full, Associate and Affiliate Members amounts to EUR 6,140,381 which represents 44% of the assessed contributions receivable of this year (i.e., EUR 14,071,341), the same percentage than in 2021, a higher percentage than in 2020 (42%) but a lower one than in the last previous years (47% and 51% at 31 March 2019, 2018 respectively). Out of the challenging budgeted amount of Affiliate Members contributions (EUR 799,000), the amount of EUR 754,690 was invoiced.
21. Arrear contributions received to date (EUR 365,969) are below those received in the previous four years at 31 March (EUR 526,504, EUR 773,854, EUR 870,125 and EUR 1,120,599 in 2021, 2020, 2019 and 2018 respectively) and also below the ones in the period 2017-2014 and similar to the ones received in 2013.
22. Budgetary allocations from accumulated surplus approved by the GA (EUR 931,866) represent a 6% over total budget.

Budgetary expenditure

23. The budgetary expenditure amounts to EUR 12,400,714 which includes accrued expenses and reconciling items up to 31 March 2022 (EUR 2,985,488) and commitments up to 31 December 2022 (EUR 9,415,226). For non-staff costs, budgetary and legal commitments up to 31 December 2022 amount to 76% (71%, in 2021, 67% in 2020, and 76% in 2019) and accrued expenses and reconciling items up to 31 March 2022 to 24% (23% in 2021, 33% in 2020 and 24% in 2019). As for staff costs, the amount paid in the form of salaries and allowances during the first three months of the year amounts to EUR 2,155,719.01, an amount that is similar to the previous two years (EUR 2,182,171 in 2021 and EUR 2,110,473 in 2020) and above the ones in 2019 and 2018 (, EUR 1,966,499 in 2019 and EUR 2,038,711 in 2018) representing 24% (23% in 2021 and 2019 and 24% in 2020) and budgetary commitments up to 31 December 2022 represent 76%.
24. At 31 March 2022 accrued travel expenses amounted to EUR 147,730.42 (EUR 32,972 in 2021, EUR 125,531 in 2020 and EUR 219,431 in 2019 at same date 31 March) representing an increase of 78% over the previous year at the same date broken down by non-donated travel (80% over 2021) and donated travel (73% over 2021).

² Source: Statistics National Institute of Spain (www.ine.es)

Budgetary result (cash balance)

25. At 31 March 2022, the budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) may result in a cash deficit of EUR -4,962,497.57 (EUR -4,329,722 in 2021, EUR -3,313,645 in 2020 and EUR -3,158,002 in 2019). Presently, on the basis of actual budgetary expenditures to date, there is a treasury surplus of EUR 4,452,728 (EUR 4,505,450 in 2021, EUR 4,669,219 in 2020 and EUR 5,082,118 in 2019).
26. The budgetary cash balance is dependent on the timing of the payment of assessed contributions by Members. The Organization's ability to meet its short-term obligations and comply with the programme of work could be impacted if delays are encountered in the collection of Members' contributions. Paragraph 12 of the Financing Rules attached to the Statutes stipulates: "The Members of the Organization shall pay their contribution in the first month of the financial year for which it is due..."
27. In compliance with the above rule, at 31 January 2022 contributions received from Members totalled EUR 1,557,719 (EUR, 2,469,596 in 2021, EUR 3,280,290 in 2020, EUR 2,928,229 in 2019 and EUR 3,278,564 in 2018 at same date) representing 11% of the total amount receivable for 2022 Members' contributions (i.e., EUR 14,071,341), a lower percentage compared with 18% in 2021, 23% in 2020, 21% in 2019, 25% in 2018 and also 11% of the budgeted contributions approved for 2022 (i.e., EUR 14,116,000), a lower percentage compared with 17% in 2021, 23% in 2020, 25% in both 2019 and 2018.

B. Provisional interim Financial Statements for the period ended 31 March 2022

28. In accordance with UNWTO Financial Regulation (FR) 14.7, the Secretary-General submits an interim financial statement to the Executive Council. Annex I.B.1 to this document include the provisional interim unaudited UNWTO Statement of Financial Position at 31 March 2022 and UNWTO Statement Financial Performance for the period ended 31 March 2022.

C. Financial performance and position highlights for the period ended 31 March 2022

29. This section includes other relevant financial information for the period ended 31 March 2022.

Assessed contributions

30. Assessed contributions due to the General Fund amounts to EUR 27,478,138 at 31 March 2022 (EUR 26,719,450 at March 2021 and EUR 25,401,852 at 31 March 2020). Annex I.C.1 contains the "Statement of contributions due to the General Fund at 31 March 2022" and Annex I.C.2 "Arrear contributions received from Members due to the General Fund for the period ended 31 March 2022".

Reserve and other GF projects

31. Annex I.C.3 shows the reserves, other RB projects and non-RB projects within the General Fund movements for the period ended 31 March 2022.

Voluntary and miscellaneous projects contributions received and in-kind contributions

32. Total voluntary and miscellaneous project contributions received (cash-in) for the period to 31 March 2022 amount to EUR 5,140,699, a higher amount compared to the voluntary contributions received at the same date for the period 2021-2018 2020 (EUR 692,097 in 2021, EUR 838,278 in 2020 EUR 601,836 in 2019 and EUR 405,735 in 2018). This increase is due to the voluntary contribution received (USD 5,000,000) from Saudi Arabia for the implementation UNWTO Regional Office for the Middle East (ROME). The remaining voluntary contributions received at 31 March 2022 amount to EUR 576,916. Annex I.C.4 "Voluntary and miscellaneous project contributions received for the period ended 31 March 2022" shows a list of voluntary and miscellaneous project contributions received (cash-in) by project.
33. The Organization also receives in-kind contributions in the form of travel and use of conference facilities. For the period to 31 March 2022 these donations amount to EUR 398,202 (EUR 265,325 in 2021, EUR 559,512 in 2020, EUR 559,453 in 2019 and EUR 205,761 in 2018). This increase is also due to the UNWTO ROME premises in Riyadh. Annex I.C.5 "In-kind

contributions received for the period ended 31 March 2022” shows a list of in-kind contributions received per type and by donor.

Initiative and Project support costs project balances

34. Annex I.C.6 shows the PSC (Project Support Cost) and PRF (project reserve funds or initiative projects) projects movements for the period ended 31 March 2022. PRF groups unused balances on completion of voluntary contributions projects which remain at UNWTO for aims of the Organization following stipulations of the agreement or subsequent agreement with the donor (CE/DEC/8(CIV) of document CE/104/7(a) rev.1).

Projects with UNWTO and donors contributions

35. Annex I.C.7 shows Projects with UNWTO and donors contributions for the period ended 31 March 2022.

D. Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules

Introduction

36. In accordance with FR 8.3, the Secretary-General transmits to the Executive Council updated information on the Members falling under the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2022, texts shown in Annex I.D.1, thanking those that have made the necessary efforts in order to fulfil their financial obligations and reminding Members of the importance of settling their contributions within the time period stipulated thereby averting delays that could hamper the Organization’s programme of work execution.

Members subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes pursuant to resolution A/RES/217 (VII)

37. At 31 March 2022, the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes are applied to the 23 Full Members listed in the table shown in Annex I.D.2 as well as to the Associate Member Aruba. These Members have been deprived of Member’s privileges in the form of services and the right to vote in the Assembly and Council. The stipulations of Article 34 of the Statutes and/or of paragraph 13 of the Financing Rules attached to the Statutes are applicable as of 1 January 2022 to the Full Members Ethiopia, Democratic People’s Republic of Korea, Islamic Republic of Iran, Madagascar, Palau, Somalia and the Union of Comoros respectively.
38. The Secretary-General has addressed letters to all the Members subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes, urging them to discharge their debts or propose plans for their payment in installments over a period of years according to their circumstances.
39. The update from the previous statement as of 31 October 2021 A/24/6(b) on the amount due by Members subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2022 as well as those Members no longer subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes are also shown in tables of Annex I.D.2. A, B and C.
40. In accordance with paragraph 6 of resolution A/RES/736(XXIV) excerpts shown in Annex 1.D.4, the stipulations of Article 34 of the Statutes and/or of paragraph 13 of the Financing Rules attached to the Statutes are once again applicable as of 1 April 2022 to the Full Members, Chad, Iraq, Kyrgyzstan and Vanuatu.

Members granted temporary exemption from the application of paragraph 13 of the Financing Rules

41. The table in Annex I.D.3 shows the degree of compliance with the conditions laid down by the Assembly for Members with agreed payment plans for the settlement of their outstanding balance, and which have been granted a temporary exemption from the application of the stipulations of paragraph 13 by the 24th session of the General Assembly. At the request of the Members mentioned in said table, the General Assembly agreed, in its resolution

A/RES/736(XXIV), excerpts shown in Annex I.D.4, to grant them temporary exemption from the application of the aforementioned provisions, once an instalment payment plan of their arrear contributions was agreed upon.

42. The Full member Uganda and the Affiliate member Adventure Travel and Trade Association request temporary exemption from above mentioned provisions and respectively submit to the present session of the Executive Council a twenty year-long and an eight year-long payment plan in instalments for approval.
43. All the communications received from Members after the date of this document requesting temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes will be submitted to the present session of the Executive Council for its consideration.

II. UNWTO Financial Report and Financial Statements for the year ended 31 December 2021

44. In accordance with Financial Regulation 14, the Financial Statements of the World Tourism Organization for the year ended 31 December 2021 under the mandate of Mr. Zurab Pololikashvili as Secretary-General have been prepared in accordance with the UNWTO Financial Regulations, UNWTO Detailed Financial Rules, the International Public Sector Accounting Standards (IPSAS), and in line with the United Nations (UN) policy that IPSAS be used as the accounting standards by UN system organizations.
45. The Organization has prepared annual Financial Statements compliant with IPSAS. The basis of IPSAS is the accrual accounting concept whereby transactions are recorded and reported when they occur and not when they are paid. IPSAS-based Financial Statements provide greater insights into an organization's revenue, expense, assets, liabilities and reserves and improves decision-making, financial management and planning at management and governance levels.
46. Due to the exceptional circumstances that the External Auditors for the period 2022-2023, i.e. for the external audit of the Financial Statements for the years ended 31 December 2021 and 2022, were elected by silence procedure on 26 March 2022 (A/RES-PS/1(2022)), at the time of drafting this report the UNWTO Financial Statements for the year ended 31 December 2021 are still under the external audit process in accordance with Annex 1 to the Financial Regulations. Upon conclusion of the external audit, the Organization Audited Financial Statements for the year ended 31 December 2021 together with the External Auditor opinion and the Secretary-General Financial Report for the year ended 31 December 2021 will be submitted to the Executive Council in accordance with Financial Regulation 17.2.
47. The UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2021 include: i) the UNWTO Financial Report of the Secretary-General for the year 2021, ii) the submission of the UNWTO Financial Statements at 31 December 2021, iii) the opinion of the External Auditor, iv) the UNWTO Financial Statements for the year ended 2021 including the notes to the Financial Statements and, v) the unaudited annexes.

III. Modifications to the procurement rules for the simplification of the processes

48. In compliance with DFR VI.33 (d), in order to carry out purchases for an amount that exceeds 5,000 EUR, under the standard procedure it is necessary to conduct a competitive bidding process. Otherwise, it would be necessary for the initiator to request an exception to the competitive bidding process, in accordance with DFR VI.35.
49. While aiming to ensure effective competition between suppliers, considering the time and work involved in the bidding process, and that a plurality of the goods and services acquired by the organization involve easily comparable proposals of the suppliers, the following updates of the thresholds included in the Detailed Financial Rules are requested, having as reference the ones established by other Agencies and Funds of the United Nations (see Annex II):
 - (a) informal requests for quotations for contracts whose intended value does not exceed EUR 15,000;

- (b) limited competitive bidding for contracts whose intended value does not exceed EUR 50,000; and
- (c) open competitive bidding for contracts whose intended value exceeds EUR 50,000.

Annex I.A.1: 2022 Approved and revised appropriations – Regular Budget

2022 Approved and revised appropriations - Regular Budget
at 31 March 2022

Euros

Approved appropriations					Revised appropriations in accordance to new structure proposed by the Secretary-General						
Parts / sections	Posts ¹		Appropriations ²			Parts / sections	Posts ¹		Appropriations ³		
	P	G	Staff	Non-staff	Total		P	G	Staff	Non-staff	Total
	106						106				
Total	55	51	10,330,000	4,718,000	15,048,000	Total	55	51	10,330,000	4,718,000	15,048,000
A Member Relations	12	5	1,764,000	546,000	2,310,000	A Member Relations	12	5	1,764,000	546,000	2,310,000
A01 Regional Programme, Africa	4	0	488,000	181,000	669,000	A01 Regional Programme, Africa	4	0	488,000	181,000	669,000
A02 Regional Programme, Americas	2	2	364,000	80,000	444,000	A02 Regional Programme, Americas	1	2	242,000	80,000	322,000
A03 Regional Programme, Asia and the Pacific	3	1	426,000	96,000	522,000	A03 Regional Programme, Asia and the Pacific	4	1	548,000	96,000	644,000
A04 Regional Programme, Europe	2	1	304,000	113,000	417,000	A04 Regional Programme, Europe	2	1	304,000	113,000	417,000
A05 Regional Programme, Middle East	0	0	0	76,000	76,000	A05 Regional Programme, Middle East	0	0	0	76,000	76,000
A06 Affiliate Members	1	1	182,000	0	182,000	A06 Affiliate Members	1	1	182,000	0	182,000
B Operational	18	12	3,028,000	929,000	3,957,000	B Operational	14	11	2,368,000	929,000	3,297,000
B01 Sustainable Development of Tourism	4	2	608,000	82,000	690,000	B01 Sustainable Development of Tourism	4	1	548,000	82,000	630,000
B02 Technical Cooperation and Silk Road	3	2	598,000	8,000	606,000	B02 Technical Cooperation and Silk Road	2	2	364,000	8,000	372,000
B03 Statistics	3	2	486,000	92,000	578,000	B03 Statistics	2	2	364,000	92,000	456,000
B04 Tourism Market Intelligence and Competitiveness	3	2	486,000	209,000	695,000	B04 Tourism Market Intelligence and Competitiveness	2	2	364,000	209,000	573,000
B05 Ethics, Culture and Social Responsibility	1	2	242,000	92,000	334,000	B05 Ethics, Culture and Social Responsibility	1	2	242,000	92,000	334,000
B06 Innovation, Education and Investments	1	1	182,000	360,000	542,000	B06 Innovation, Education and Investments	1	1	182,000	360,000	542,000
B07 Institutional Relations and Partnerships	3	1	426,000	86,000	512,000	B07 Institutional Relations and Partnerships	2	1	304,000	86,000	390,000
C Support - Direct to Members	16	8	2,880,000	1,197,000	4,077,000	C Support - Direct to Members	16	9	2,828,000	1,197,000	4,025,000
C01 Conferences Services	4	2	608,000	129,000	737,000	C01 Conferences Services	5	1	670,000	129,000	799,000
C02 Management	11	4	2,030,000	754,000	2,784,000	C02 Management	10	6	1,916,000	754,000	2,670,000
C03 Communications	1	2	242,000	314,000	556,000	C03 Communications	1	2	242,000	314,000	556,000
D Support - Indirect to Members	9	26	2,658,000	2,046,000	4,704,000	D Support - Indirect to Members	13	26	3,370,000	2,046,000	5,416,000
D01 Budget and Finance	2	2	364,000	319,000	683,000	D01 Budget and Finance	3	1	426,000	319,000	745,000
D02 Human Resources	1	1	182,000	167,000	349,000	D02 Human Resources	1	1	182,000	167,000	349,000
D03 Information and Communication Technology	2	3	424,000	378,000	802,000	D03 Information and Communication Technology	1	2	242,000	378,000	620,000
D04 General Services	0	5	300,000	482,000	782,000	D04 General Services	0	5	300,000	482,000	782,000
D05 Staff vacancies & ASEB Provisions	4	15	1,388,000	700,000	2,088,000	D05 Staff vacancies & ASEB Provisions	8	17	2,220,000	700,000	2,920,000

Remarks:

¹ P posts include P and above posts

² Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1. Movements of posts among sections are annually considered.

³ Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1 and the Secretary-General proposal of structure modification at 31 March 2022. Movements of posts among sections are annually considered.

Annex I.A.2: Comparison of budget, plan of income and expenditure and budgetary cash balance - Regular Budget

Comparison of budget, plan of income and expenditure and budgetary cash balance - Regular Budget
at 31 March 2022
Euros

	Approved income / Original budget ¹	Plan of income and expenditure	Budgetary cash balance (cash-in less expenditure)
Budgetary difference	0	0	-4,962,498
<i>Budgetary income</i>	<i>15,048,000</i>	<i>13,300,000</i>	<i>7,438,216</i>
Contributions from Full and Associate Members	13,317,000	10,900,000	5,900,679
Full Members	13,061,000	10,670,000	5,670,081
Associate Members	256,000	230,000	230,598
Other income sources	1,731,000	1,300,000	1,171,568
Allocation from Accumulated Surplus - PY RB cash balanc	582,000	582,000	581,866
Allocation from Publication store accumulated surplus	350,000	350,000	350,000
Affiliate Members	799,000	368,000	239,702
Arrear contributions		1,100,000	365,969
Full Members		1,000,000	328,709
Affiliate Members		100,000	37,259
<i>Budgetary expenditure</i>	<i>15,048,000</i>	<i>13,300,000</i>	<i>12,400,714</i>

Remarks:

¹ Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/715(XXIII) of document A/23/5(b) rev.1, its structure updates approved by CE/DEC/6(CXII) of document CE/112/3(d) rev.1. and CE/DEC/3(CXIII) of document CE/113/3(b) and the Secretary-General proposal of structure modification.

Annex I.A.3: Staff costs by virtue of Article 16 of the “Agreement between the United Nations and the World Tourism Organization” adopted on 23 December 2003

1. By virtue of Article 16 of the “Agreement between the United Nations and the World Tourism Organization” adopted on 23 December 2003, UNWTO agreed to accept the Statute of the United Nations International Civil Service Commission (ICSC) and to develop with the United Nations uniform standards of international employment.
2. The remuneration of staff in the Professional and higher categories consists of a base salary and a post adjustment. The base salary scale is periodically published and updated by the ICSC. The post adjustment is an amount paid in addition to base salary which ensures that no matter where United Nations system staff work, their remuneration has a purchasing power equivalent to that at the base of the system, i.e., New York. The post adjustment index is monthly published by the ICSC reflecting the evolution of the cost of living, i.e. Madrid, Geneva, Nara and Riyadh in the case of UNWTO, and is normally updated every five years following the ICSC methodology based on place-to-place salary surveys. The last place-to-place survey for Madrid took place in late 2021 and it is expected to receive its results in the near future. The ICSC promulgated salary scales showing annual gross salaries and net equivalents after application of staff assessment applicable to staff in the Professional and higher categories with effect as from 1 January 2022 referred to annual salaries and 1 February 2022 referred to the annual pensionable remuneration.
3. The remuneration of staff in the General Service category is based on a salary scale published by the ICSC and is annually updated on the basis of the 90% of the Madrid consumer price index (CPI) movement from the latest increase if such movement is positive following the ICSC methodology. The ICSC promulgated a revised scale for staff in the General Service category effective 1 October 2021.

Annex I.B.1: Provisional interim Financial Statements for the period ended 31 March 2022

Statement of financial position - provisional at 31 March 2022 Euros

	31/03/2022	31/03/2021	31/12/2021
Assets	56,277,852	43,310,292	42,071,884
<i>Current Assets</i>	<i>55,216,575</i>	<i>42,629,976</i>	<i>41,133,499</i>
Cash and cash equivalents	34,780,515	25,477,161	28,399,536
Inventories	28,793	30,921	28,793
Members assessed contributions receivable, net	12,618,137	12,658,312	4,521,399
Other contributions receivables, net	7,277,567	4,061,130	7,607,911
Other receivables, net	262,900	289,497	290,204
Other current assets	248,663	112,955	285,656
<i>Non-current assets</i>	<i>1,061,277</i>	<i>680,316</i>	<i>938,385</i>
Investments	199,641	132,595	199,641
Members assessed contributions receivable, net	7,506	0	7,506
Property, plant and equipment	561,676	197,052	410,257
Intangible assets, net	289,285	347,501	317,812
Other non-current assets	3,169	3,168	3,169
Liabilities and Net Assets/Equity	56,277,852	43,310,292	42,071,884
Liabilities	46,584,314	41,217,245	48,238,284
<i>Current Liabilities</i>	<i>11,488,780</i>	<i>7,835,261</i>	<i>13,887,583</i>
Payables and accruals	1,106,912	1,022,455	1,787,875
Transfers payable	69,202	93,250	254,672
Employee benefits	128,041	535,747	547,332
Advance receipts	9,664,033	5,628,064	10,782,512
Provisions	519,471	552,649	513,847
Other current liabilities	1,121	3,096	1,345
<i>Non-current Liabilities</i>	<i>35,095,534</i>	<i>33,381,984</i>	<i>34,350,701</i>
Employee benefits	35,091,393	33,380,838	34,346,633
Other non-current liabilities	4,141	1,146	4,068
Net Assets/Equity	9,693,538	2,093,047	-6,166,400
Accumulated surplus/(deficit)	3,188,216	-4,298,289	-12,670,887
Reserves	6,505,322	6,391,336	6,504,487

**Statement of financial performance - provisional
for the year ended 31 March 2022**

Euros

	31/03/2022	31/03/2021	31/12/2021
Revenues	20,623,831	15,351,284	25,173,267
Members assessed contributions	14,605,793	14,617,443	14,612,860
Other contributions (VC and FIT), net of reduction	4,866,283	219,735	6,917,965
Publications revenue, net of discounts and returns	59,891	56,229	289,083
Changes in currency exchange differences	440,985	82,064	375,648
Other revenues	650,879	375,813	2,977,711
Expenses	4,762,657	3,996,397	22,042,159
Wages, salaries and employee benefits	3,774,488	3,372,988	14,633,001
Grants and other transfers	30,093	51,495	328,998
Travel	147,730	32,972	655,977
Supplies, consumables and running costs	738,310	493,432	3,977,729
Depreciation, amortization and impairment	46,165	36,204	160,510
Other expenses	25,871	9,306	2,285,944
Surplus/(deficit) for the year	15,861,174	11,354,887	3,131,108

Annex I.C.1: Statement of contributions due to the General Fund at 31 March 2022
**Statement of contributions due to the General Fund
at 31 March 2022
Euros**

Members	Years	Arrear Contributions	Contributions due 2022	Total
Total		19,165,018.84	8,313,119.34	27,478,138.18
<i>Full Members</i>		<i>16,793,489.93</i>	<i>7,407,617.19</i>	<i>24,201,107.12</i>
<i>Budgetary Contributions</i>		<i>16,673,084.93</i>	<i>7,390,907.19</i>	<i>24,063,992.12</i>
Afghanistan	81-87,89-08,10,12,14,19-22	759,828.91	27,850.00	787,678.91
Albania	22	0.00	1,975.74	1,975.74
Algeria	22	0.00	55,700.00	55,700.00
Andorra	22	0.00	50,129.00	50,129.00
Angola	22	0.00	55,700.00	55,700.00
Antigua and Barbuda	-	0.00	0.00	0.00
Argentina	20-22	171,944.34	167,098.00	339,042.34
Armenia	22	0.00	46,133.00	46,133.00
Austria	-	0.00	0.00	0.00
Azerbaijan	-	0.00	0.00	0.00
Bahamas	19, 22	50,129.00	55,700.00	105,829.00
Bahrain	-	0.00	0.00	0.00
Bangladesh	-	0.00	0.00	0.00
Barbados	20	33,419.00	0.00	33,419.00
Belarus	-	0.00	0.00	0.00
Benin	22	0.00	27,850.00	27,850.00
Bhutan	-	0.00	0.00	0.00
Bolivia	81-87, 89-98, 19-22	521,143.57	41,515.00	562,658.57
Bosnia and Herzegovina	22	0.00	50,129.00	50,129.00
Botswana	22	0.00	55,700.00	55,700.00
Brazil	21-22	254,302.00	235,229.00	489,531.00
Brunei Darussalam	-	0.00	0.00	0.00
Bulgaria	-	0.00	0.00	0.00
Burkina Faso	21-22	27,850.00	27,850.00	55,700.00
Burundi	77-07, 11-13, 15-22	892,031.78	27,850.00	919,881.78
Cambodia	85-92, 22	210,175.11	46,133.00	256,308.11
Cameroon	20-22	66,829.00	33,419.00	100,248.00
Cape Verde	21-22	257.62	27,850.00	28,107.62
Central African Republic	07-22	364,014.20	27,850.00	391,864.20
Chad	12-22	266,892.56	27,850.00	294,742.56
Chile	-	0.00	0.00	0.00
China	22	0.00	356,477.00	356,477.00
Colombia	21-22	30,652.87	104,570.00	135,222.87
Comoros	20-21	50,130.00	0.00	50,130.00
Congo	19-20, 22	63,689.02	33,419.00	97,108.02
Costa Rica	-	0.00	0.00	0.00
Côte d'Ivoire	22	0.00	33,419.00	33,419.00
Croatia	-	0.00	0.00	0.00
Cuba	22	0.00	66,840.00	66,840.00
Cyprus	-	0.00	0.00	0.00
Czech Republic	-	0.00	0.00	0.00
Democratic People's Republic of Korea	19, 21-22	55,700.00	27,850.00	83,550.00
Democratic Republic of the Congo	19-20, 22	55,695.00	27,850.00	83,545.00
Djibouti	03-22	430,350.00	25,065.00	455,415.00
Dominican Republic	22	0.00	75,752.00	75,752.00
Ecuador	20, 22	6,335.68	66,840.00	73,175.68
Egypt	22	0.00	88,167.00	88,167.00
El Salvador	22	0.00	50,129.00	50,129.00
Equatorial Guinea	13-15, 17-22	276,706.00	48,318.00	325,024.00
Eritrea	21-22	27,850.00	27,850.00	55,700.00
Ethiopia	17-18, 20-22	122,252.00	33,419.00	155,671.00
Fiji	-	0.00	0.00	0.00
France	-	0.00	0.00	0.00

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
Gabon	15-22	380,969.56	55,700.00	436,669.56
Gambia	01-05, 08-10, 13, 22	181,875.69	27,850.00	209,725.69
Georgia	-	0.00	0.00	0.00
Germany	-	0.00	0.00	0.00
Ghana	22	0.00	29,884.90	29,884.90
Greece	22	0.00	195,785.00	195,785.00
Guatemala	22	0.00	55,700.00	55,700.00
Guinea	96, 98-00, 07-09, 14-22	349,615.01	27,850.00	377,465.01
Guinea-Bissau	92-96, 99-22	640,692.55	27,850.00	668,542.55
Haiti	18, 20, 22	28,446.67	27,850.00	56,296.67
Honduras	22	0.00	33,419.00	33,419.00
Hungary	-	0.00	0.00	0.00
India	-	0.00	0.00	0.00
Indonesia	22	0.00	167,098.00	167,098.00
Iran, Islamic Republic of	19-22	229,823.00	111,399.00	341,222.00
Iraq	92-06, 12, 21-22	1,699,149.47	58,299.00	1,757,448.47
Israel	-	0.00	0.00	0.00
Italy	22	0.00	356,477.00	356,477.00
Jamaica	-	0.00	0.00	0.00
Japan	22	0.00	356,477.00	356,477.00
Jordan	20, 22	859.77	66,840.00	67,699.77
Kazakhstan	22	0.00	75,752.00	75,752.00
Kenya	22	0.00	33,419.00	33,419.00
Kingdom of Eswatini	22	0.00	33,419.00	33,419.00
Kuwait	98, 22	34,309.21	133,680.00	167,989.21
Kyrgyzstan	98-10, 12-15, 21-22	409,385.46	27,850.00	437,235.46
Lao People's Democratic Republic	92-95, 04, 22	93,894.65	33,419.00	127,313.65
Lebanon	22	0.00	75,752.00	75,752.00
Lesotho	22	0.00	27,850.00	27,850.00
Liberia	12-22	266,899.00	27,850.00	294,749.00
Libya	14-22	477,448.00	52,901.00	530,349.00
Lithuania	-	0.00	0.00	0.00
Madagascar	17-19, 21-22	108,654.44	27,850.00	136,504.44
Malawi	11-22	289,673.99	27,850.00	317,523.99
Malaysia	-	0.00	0.00	0.00
Maldives	21	152.00	0.00	152.00
Mali	22	0.00	27,850.00	27,850.00
Malta	-	0.00	0.00	0.00
Mauritania	79-05, 16-19, 22	701,365.58	27,850.00	729,215.58
Mauritius	22	0.00	66,840.00	66,840.00
Mexico	20	222,798.00	0.00	222,798.00
Monaco	-	0.00	0.00	0.00
Mongolia	19, 21-22	35,558.00	33,419.00	68,977.00
Montenegro	-	0.00	0.00	0.00
Morocco	-	0.00	0.00	0.00
Mozambique	22	0.00	27,850.00	27,850.00
Myanmar	22	0.00	38,444.00	38,444.00
Namibia	22	0.00	50,129.00	50,129.00
Nepal	22	0.00	27,850.00	27,850.00
Netherlands	22	0.00	264,501.00	264,501.00
Nicaragua	22	0.00	33,419.00	33,419.00
Niger	84-87,90-07,10-11,14-17,19-22	735,832.81	27,850.00	763,682.81
Nigeria	22	0.00	42,169.22	42,169.22
Oman	22	0.00	75,752.00	75,752.00
Pakistan	19-20, 22	88,324.19	50,129.00	138,453.19
Palau	22	0.00	16,710.00	16,710.00
Panama	22	0.00	75,204.03	75,204.03
Papua New Guinea	22	0.00	33,419.00	33,419.00
Paraguay	22	0.00	46,133.00	46,133.00
Peru	22	0.00	1,098.98	1,098.98
Philippines	22	0.00	75,752.00	75,752.00

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
Poland	-	0.00	0.00	0.00
Portugal	-	0.00	0.00	0.00
Qatar	22	0.00	211,659.00	211,659.00
Republic of Korea	-	0.00	0.00	0.00
Republic of Moldova	-	0.00	0.00	0.00
Romania	-	0.00	0.00	0.00
Russian Federation	-	0.00	0.00	0.00
Rwanda	22	0.00	27,850.00	27,850.00
Samoa	22	0.00	16,710.00	16,710.00
San Marino	22	0.00	50,129.00	50,129.00
Sao Tome and Principe	86-14, 18-22	661,010.65	16,710.00	677,720.65
Saudi Arabia	-	0.00	0.00	0.00
Senegal	21-22	17,354.03	33,419.00	50,773.03
Serbia	-	0.00	0.00	0.00
Seychelles	22	0.00	16,710.00	16,710.00
Sierra Leone	83-00, 03-20, 22	833,848.12	27,850.00	861,698.12
Slovakia	-	0.00	0.00	0.00
Slovenia	-	0.00	0.00	0.00
Somalia	20-22	55,700.00	27,850.00	83,550.00
South Africa	22	0.00	133,680.00	133,680.00
Spain	22	0.00	356,477.00	356,477.00
Sri Lanka	22	0.00	46,133.00	46,133.00
Sudan	89-03, 06-08, 13-14, 18-20, 22	540,995.18	41,515.00	582,510.18
Switzerland	-	0.00	0.00	0.00
Syrian Arab Republic	12-20, 22	483,048.21	43,521.00	526,569.21
Tajikistan	-	0.00	0.00	0.00
Thailand	-	0.00	0.00	0.00
The former Yugoslav Republic of Macedonia	-	0.00	0.00	0.00
Timor-Leste	21-22	3,968.35	33,419.00	37,387.35
Togo	05-06, 19, 22	41,044.83	27,850.00	68,894.83
Trinidad and Tobago	22	0.00	66,840.00	66,840.00
Tunisia	22	0.00	55,700.00	55,700.00
Turkey	-	0.00	0.00	0.00
Turkmenistan	95-98, 00-12, 16-22	773,289.40	50,129.00	823,418.40
Uganda	99-00, 02-04, 10-12, 15-18, 22	275,007.18	21,858.32	296,865.50
Ukraine	22	0.00	59,955.00	59,955.00
United Arab Emirates	22	0.00	211,659.00	211,659.00
United Republic of Tanzania	20, 22	35,925.00	41,515.00	77,440.00
Uruguay	03, 22	72,577.22	75,752.00	148,329.22
Uzbekistan	-	0.00	0.00	0.00
Vanuatu	10-17, 20-22	219,461.00	27,850.00	247,311.00
Venezuela	16, 18-22	452,991.27	132,143.00	585,134.27
Viet Nam	22	0.00	67,420.00	67,420.00
Yemen	79-89, 95, 14-22	486,133.45	33,419.00	519,552.45
Zambia	21-22	6,826.33	33,419.00	40,245.33
Zimbabwe	22	0.00	27,850.00	27,850.00
<i>Extrabudgetary Contributions</i>		<i>120,405.00</i>	<i>16,710.00</i>	<i>137,115.00</i>
Antigua and Barbuda	22	0.00	16,710.00	16,710.00
Comoros	18-19	32,356.00	0.00	32,356.00
Palau	20-21	33,420.00	0.00	33,420.00
Somalia	18-19	54,629.00	0.00	54,629.00
<i>Associate Members</i>		<i>76,251.35</i>	<i>25,065.00</i>	<i>101,316.35</i>
Aruba	19-22	75,195.00	25,065.00	100,260.00
Flemish Community of Belgium	-	0.00	0.00	0.00
Hong Kong, China	-	0.00	0.00	0.00
Macao, China	-	0.00	0.00	0.00
Madeira	-	0.00	0.00	0.00
Puerto Rico	18, 21	1,056.35	0.00	1,056.35

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
<i>Affiliate Members</i>		1,257,827.37	879,812.15	2,137,639.52
<i>Former Full Members</i>		918,478.93	0.00	918,478.93
<i>Former Associate Members</i>		1,947.90	0.00	1,947.90
<i>Former Affiliate Members</i>		117,023.36	625.00	117,648.36

Remarks:

Full Members	Financial year start month
United Republic of Tanzania	July
Malawi	June
Bangladesh	July
Gambia	July
Uganda	July
Colombia	May
South Africa	April
Egypt	July
Iran, Islamic Republic of	March
Japan	April
Botswana	April
Indonesia	April
Lesotho	April
Mauritius	July
Turkey	March
Gabon	June
Pakistan	July

Annex I.C.2: Arrear contributions received from Members due to the General Fund for the period ended 31 March 2022

Arrear contributions received from Members due to the General Fund
for the period ended 31 March 2022

Euros

Members	Contribution year	31/03/2022
Total		391,086.02
<i>Full Members</i>		<i>328,709.46</i>
Cameroon	17-20	89,320.33
Lesotho	21	27,850.00
Nigeria	15-21	135,787.13
Peru	21	75,752.00
<i>Affiliate Members</i>	<i>18-21</i>	<i>62,376.56</i>

Annex I.C.3: Reserves, other and non-RB projects within the GF movements for the period ended 31 March 2022

Reserves, other and non-RB projects within the GF movements
for the period ended 31 March 2022
Euros

Description	Net assets		Net assets 31/03/2022	Assets & reconciling items	Actual amounts 31/03/2022	Outstanding commitments	Actual amounts after commitments 31/03/2022
	01/01/2022	Movements					
<i>Reserves</i>							
<i>Replacement reserve projects</i> ¹	1,498,865.12	-47,699.92	1,451,165.20	319,760.09	1,131,405.11	343,957.50	787,447.61
Infrastructure ICT	177,112.07	-366.93	176,745.14	31,813.21	144,931.93	144,000.00	931.93
IPSAS	140,533.92	-17,566.74	122,967.18	122,967.18	0.00	0.00	0.00
HQ infrastructure improvement ²	200,000.00	-29,766.25	170,233.75	164,979.70	5,254.05	0.00	5,254.05
RRP Pool	781,219.13	0.00	781,219.13	0.00	781,219.13	0.00	781,219.13
Athena III ²	200,000.00	0.00	200,000.00	0.00	200,000.00	199,957.50	42.50
<i>Working Capital Fund</i>	4,590,142.87	835.50	4,590,978.37	0.00	4,590,978.37	0.00	4,590,978.37
<i>Special reserve for contingency project</i> ³	415,478.88	-3,778.53	411,700.35	86,280.39	325,419.96	0.00	325,419.96
All Special Contingency Reserve	194,419.96	0.00	194,419.96	0.00	194,419.96	0.00	194,419.96
Lobby Reform	31,949.16	-1,357.29	30,591.87	30,591.87	0.00	0.00	0.00
Floor Reform	58,109.76	-2,421.24	55,688.52	55,688.52	0.00	0.00	0.00
New Website & CRM	131,000.00	0.00	131,000.00	0.00	131,000.00	0.00	131,000.00
<i>Other Regular Budget projects</i>	-32,374,417.96	-400,917.72	-32,775,335.68	0.00	-32,775,335.68	0.00	-32,775,335.68
After Service Employee Benefit	-32,374,417.96	-400,917.72	-32,775,335.68	0.00	-32,775,335.68	0.00	-32,775,335.68
<i>Non-Regular Budget projects</i> ⁴	2,052,898.21	507,178.91	2,560,077.12	53,348.25	2,506,728.87	251,625.05	2,255,103.82
Publications Store	1,292,523.71	258,037.97	1,550,561.68	28,793.12	1,521,768.56	94,886.63	1,426,881.93
Affiliate Members Programme of Work	678,265.00	250,164.90	928,429.90	1,964.48	926,465.42	156,738.42	769,727.00
Security at HQ - allocation	82,109.50	-1,023.96	81,085.54	22,590.65	58,494.89	0.00	58,494.89
<i>Miscellaneous project</i>	-152,015.60	148,935.37	-3,080.23	0.00	-3,080.23	0.00	-3,080.23
Miscellaneous revenue project pool	-156,295.60	148,935.37	-7,360.23	0.00	-7,360.23	0.00	-7,360.23
Provision of ad hoc legal advisory service ⁵	4,280.00	0.00	4,280.00	0.00	4,280.00	0.00	4,280.00

Remarks:

¹ Actual amounts include basis differences (assets & reconciling items column) as detailed in chapter Financial Statements Highlights / Budgetary performance of the Regular Budget / Comparison of financial performance to budgetary result of the Regular Budget.

² Approved by the following decisions/resolutions: i) Infrastructure ICT: CE/DEC/6(LXXXVII) in document CE/88/5(b), ii) IPSAS: CE/DEC/7(LXXXV) in document CE/85/5b, iii) Headquarters Infrastructure: CE/DEC/3(CXIV) in document A/24/5(b) rev.1, iv) cloud-based HHRR: CE/DEC/3(CXIV) in document A/24/5(b) rev.1, v) Athena III: CE/DEC/3(CXIV) in document A/24/5(b) rev.1

³ Approved by the following decisions/resolutions: i) Lobby Reform: CE/DEC/8(CIII) in document CE/103/7(a), ii) Floor Reform: CE/DEC/8(CIV) in document CE/104/7(a), iii) New Website & CRM: CE/DEC/10(c) in document CE/100/5(a) and A/RES/690(XXII) in document A/22/10(III)(b) (also as CE/DEC/2(CV) in document CE/106/2(a)). Lobby and floor reforms were capitalized (registered as assets) in 2016 and 2017 respectively; these assets remain in books until full depreciation.

⁴ Approved by the following decisions/resolutions: i) Security at HQ - allocation A/RES/498(XVI) in document A/16/14(a).

⁵ Proposal to submit to GA

Annex I.C.4: Voluntary and miscellaneous project contributions received for the period ended 31 March 2022

Voluntary contribution received
for the period ended 31 March 2022
Euros

Project	Donor	Curr	Amount	EUR
Total				5,140,698.63
Formulation of a Tourism Master Plan for Kasane/Kazungula	Botswana	USD	292,380.00	260,218.22
UNWTO Regional Office of the Middle East	Saudi Arabia	SAR	18,750,000.00	4,563,782.99
Facilitating Tourism Recovery in Aftermath of Covid-19 - Tunisia	European Bank for Reconstruction and Development	EUR	33,545.00	33,545.00
Zimbabwe National Tourism Satellite Account (ZIMITSA) Implementation	International Finance Corporation	USD	34,100.00	29,939.80
Covid-19 Tourism Recovery Technical Assistance for the Dominican Republic	IC Net Limited	EUR	49,940.00	49,940.00
The Development of Tourism Statistics for the Compilation of a Tourism Satellite Account for the UAE	United Arab Emirates	USD	25,500.00	22,465.50
Global Mapping of Climate Action in Tourism	Germany	EUR	25,000.00	25,000.00
Understanding and Quantifying Tourism in Mountains	Food and Agriculture Organization	USD	40,000.00	35,240.00
Para la Celebración del Seminario/Taller el Sistema de Calidad	Dominican Republic	EUR	10,000.00	10,000.00
UNWTO.TEDQUAL para Programas Formatii				
Women Empowerment and Tourism Recovery Project - Timor-Leste	United Nations Office for Projects Services	USD	92,000.00	81,880.00
UNDP Nepal / Capacity Building for the Compilation of the First Preliminary Experimental TSA	UNDP	USD	940.00	828.14
Socio-Economic Impact Assessment of the COVID-19 in the tourism sector in Zambia	UNDP	USD	31,622.00	27,858.98

Remarks:

¹ Contributions received in currency other than EUR are converted to EUR using UN Operational Exchange Rate (UNORE) at the date of reception of fund.

Annex I.C.5: In-kind contributions received for the period ended 31 March 2022

In-kind contributions received for the period ended 31 March 2022		
Euros		
Donor	Project	Total
Total		398,202.39
<i>Use of conference facilities and premises</i>		
Spain	Headquarter premise	247,130.96
International Trade Centre	Geneva premise	5,368.28
Saudi Arabia	UNWTO Regional Office of the Middle East	102,228.74
Egypt	For the Holding of the 48th UNWTO Regional Commission for the Middle East and the Tourism Awareness	36,583.00
<i>Donated travel</i>		
Egypt		16,078.96
United Arab Emirates		6,982.67
Andorra		4,795.83
UNDP Tanzania		4,061.39
La Gruyere Tourisme		2,180.24
Antalya Diplomacy Forum		1,336.54
Montreux Tourism Aut.		1,335.39
Donors with contribution below EUR 1,000		6,703.39

Annex I.C.6: Project support costs (PSC) and Initiative projects (PRF) movements for the period ended 31 March 2022

Project support costs (PSC) and Initiative projects (PRF) movements
for the period ended 31 March 2022
Euros

Description	Net assets		Net assets 31/03/2022	Assets & reconciling items	Actual amounts ¹ 31/03/2022	Outstanding commitments	Actual amounts after commitments 31/03/2022
	01/01/2022	Movements					
<i>PSC and Initiative projects</i>							
Project support cost projects ²	868,517.02	-38,461.84	830,055.18	0.00	830,055.18	205,026.87	625,028.31
Initiative projects ³	135,730.69	0.00	135,730.69	0.00	135,730.69	0.00	135,730.69
PRF-EU Horizon 2020 ⁴	3,000.00	0.00	3,000.00	0.00	3,000.00	0.00	3,000.00
China Initiative Fund - Asia	55,693.01	0.00	55,693.01	0.00	55,693.01	0.00	55,693.01
Technical Cooperation Initiative	77,037.68	0.00	77,037.68	0.00	77,037.68	0.00	77,037.68
PRF-TECO ⁵	35,842.53	0.00	35,842.53	0.00	35,842.53	0.00	35,842.53
China-Initiative-Funds-TECO	41,195.15	0.00	41,195.15	0.00	41,195.15	0.00	41,195.15

Remarks:

¹ Actual amounts include basis differences (assets & reconciling items column) as detailed in chapter Financial Statements Highlights / Budgetary performance of the Regular Budget / Comparison of financial performance to budgetary result of the Regular Budget.

² DRF Annex III.

³ PRF groups unused balances on completion of voluntary contributions projects which remain at UNWTO for aims of the Organization following stipulations of the agreement or subsequent agreement with the donor (CE/DEC/8(CIV) of document CE/104/7(a) rev.1).

⁴ PRF-EU Horizon 2020 (Project reserve fund – European Union Horizon 2020).

⁵ PRF-TECO (Project reserve fund – Technical Cooperation).

Annex I.C.7: Projects with UNWTO and donors' contributions for the period ended 31 March 2022**Projects with UNWTO and donors contribution
for the period ended 31 March 2022**

Euros

Project	Title	Agreement		Donor		UNWTO		Contribution % Share		
		Date	Donor	In-kind	Cash	In-kind	Cash	Total	Donor UNWTO	
Korea - Asia Activity Fund / Promotion in the Least Developed Countries in Asia	Agreement Between the World Tourism Organization (UNWTO) and the Department of Tourism of the Philippines (DOT)	29/03/2022	Department of Tourism of Philippines	2,000.00	0.00	0.00	4,800.00	6,800.00	29%	71%
Holding of the 116th Session of the Executive Council at Riyadh, The Kingdom of Saudi Arabia	Agreement Between The World Tourism Organization and The Government of the Kingdom of Saudi Arabia	28/03/2022	Saudi Arabia	509,865.84	0.00	13,668.00	0.00	523,533.84	97%	3%

Remarks:

- Contributions as shown in the agreements signed between UNWTO and the donor/s.
- Agreements with extensions signed during the year and without additional financial implications than those in the original agreement are not included in this table.
- UNWTO recognizes donated services as per IPSAS in the Financial Statements in accordance with UNWTO IPSAS Policy Guidance Manual, i.e.: i) donated premises based on the fair value shown in the agreements or supporting documentation provided at the time of the agreement signing, ii) donated travel based on the fair value calculated at the time of issuing the corresponding regular staff travel authorizations which is considered a more reliable fair value calculation than the one shown in the agreements. Donated travel to personnel other than regular staff is not recognized as its estimated fair value cannot be reliably measured, and iii) in-kind donations other than donated premises and travel, i.e. expendable goods and other services, are not recognized in the Financial Statements.

Annex I.D.1: Texts of Article 34 of the Statutes and Paragraph 13 of the Financing Rules attached to the Statutes

Article 34 of the Statutes

1. Article 34 of the Statutes concerning the suspension of Members provides as follows:

"1. If any Member is found by the Assembly to persist in a policy that is contrary to the fundamental aim of the Organization as mentioned in Article 3 of these Statutes, the Assembly may, by a resolution adopted by a majority of two-thirds of Full Members present and voting, suspend such Member from exercising the rights and enjoying the privileges of membership.

"2. The suspension shall remain in force until a change of such policy is recognized by the Assembly."

2. At its seventh session the General Assembly adopted the following resolution A/RES/217(VII) concerning the application of these provisions:

A/RES/217(VII)

Suspension of Members in arrears in the payment of statutory contributions: Article 34 of the Statutes

The General Assembly,

"Considering decision CE/DEC/2(XXX) by which the Executive Council recommended the Assembly to apply Article 34 of the Statutes and consequently to suspend the Members of the Organization whose contribution arrears are equal to or exceed the contributions owed by such Members for four financial years and who have not, within six months, agreed with the Secretary-General on a payment plan for reimbursing these arrears,

"Considering document, A/7/10(j) prepared by the Secretary-General pursuant to the above Executive Council decision,

"Recognizing that Article 34 of the Statutes, which provides the sanction of suspension when a Member persists in a policy that is contrary to the fundamental aim of the Organization as mentioned in Article 3 of the Statutes, becomes applicable in the case of prolonged non-payment of obligatory contributions to the Organization's budget, such an attitude clearly constituting a policy contrary to the aims of WTO,

"1. Decides to apply henceforward the measure of suspension provided for in Article 34 of the Statutes:

(a) when a Member of the Organization has accumulated contribution arrears in respect of any four financial years, which need not be consecutive, partial payment of contributions not preventing the measure of suspension being applied, and;

(b) when the aforementioned Member has not agreed a payment plan for the contribution arrears with the Secretary-General within a period of one year from the date of the resolution by which the Assembly noted that the measure of suspension was applicable to the Member pursuant to Article 34 of the Statutes;

.....

3. Requests the Secretary-General to apply the present resolution and to inform each session of the Executive Council concerning its application."

Paragraph 13 of the Financing Rules attached to the Statutes

4. The provisions of paragraph 13 of the Financing Rules attached to the Statutes read as follows:

"13. A Member which is in arrears in the payment of its financial contributions to the Organization's expenditure shall be deprived of the privileges enjoyed by the Members in the form of services and the right to vote in the Assembly and the Council if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two financial years. At the request of the Council, the Assembly may, however, permit such a Member to vote and to enjoy the services of the Organization if it is satisfied that the failure to pay is due to conditions beyond the control of the Members."

5. In this regard, at its sixth session the Assembly adopted the following resolution:

A/RES/162(VI)

"The General Assembly,

.....

"Confirms the following provisions;

"When a Full Member becomes subject to the provisions of paragraph 13 of the Financing Rules and Regulation 8(7) of the Financial Regulations, the Assembly may restore that Member's right to vote and to enjoy the services of the Organization, only on an exceptional basis, when:

"1. the Member has explained the reasons for its failure to pay in writing and has requested the restoration of its rights in writing;

"2. the Council finds that the circumstances are beyond the Member's control;

"3. the Council and the country concerned have agreed to the measures which should be taken in order to settle the arrears."

Annex I.D.2: Application of Article 34 of the Statutes and Paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2022 pursuant to resolution A/RES/217(VII)

A. Members subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes

Statement of Members subject to provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes
at 31 March 2022
Euros

Full Members	Para. 13	Art. 34	Years	Number of years	Arrear contributions
					EUR
<i>Total</i>					8.645.602,55
Bolivia	X	X	81-87,89-98,19-21	20	521.143,57
Burundi	X	X	77-07,11-13, 15-21	41	892.031,78
Central African Republic	X	X	07-21	15	364.014,20
Democratic People's Rep. Korea	X		19-21	2	55.700,00
Djibouti	X	X	03-21	19	430.350,00
Equatorial Guinea	X	X	13-15,17-21	8	276.706,00
Ethiopia	X	X	17-18,20-21	4	122.252,00
Gabon	X	X	15-21	7	380.969,56
Guinea	X	X	96,98-00, 07-09,14-21	15	349.615,01
Guinea Bissau	X	X	92-96, 99-21	28	640.692,55
Islamic Republic of Iran	X		19-21	3	229.823,00
Liberia	X	X	12-21	10	266.899,00
Malawi	X	X	11-21	11	289.673,99
Madagascar	X	X	17-19,21	4	108.654,44
Mauritania	X	X	79-05,16-19	31	701.365,58
Niger	X	X	84-87,90-07,10-11,14-17,19-21	31	735.832,81
Palau	X		20-21	2	33.420,00
Sao Tome et Principe	X	X	86-14,18-21	33	661.010,65
Somalia	X	X	18-21	4	110.329,00
The Union of Comoros	X	X	18-21	4	82.486,00
Turkmenistan	X	X	95-98,00-12, 16-21	23	773.289,40
Uganda	X	X	98-00,02-04,10-12, 15-18	13	275.007,18
Venezuela	X	X	16,18-21	5	452.991,27

* At the date of this document above mentioned provisions are no longer applicable to DPRK.

B. Movements of amount due by Members subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes

Movements from previous statement of the amount due by Members subject to provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes
at 31 March 2022
Euros

	31/10/2021	Increase	Decrease	31/03/2022
<i>Amount due</i>	9.620.278	1.100.861	2.041.409	8.770.967

C. Members no longer subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes

Members no longer subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes
Update from previous statement
at 31 March 2022
Euros

	Para. 13	Art. 34	Arrears settled
Cameroun	-	-	Partially
Nigeria			In full

Annex I.D.3: Members granted temporary exemption from the application of paragraph 13 of the Financing Rules (Resolution A/RES/736(XXIV))

Members granted temporary exemption from the application of Paragraph 13 of the Financing Rules attached to the Statutes
Compliance with the conditions laid down by the 23rd General Assembly (A/RES/736(XXIV))
at 31 March 2022

Full Member	Arrears payment plan approval and details				Strict fulfilment of the agreed payment plan		
	GA/EC approval		Details		Payment made		
	Year	Payment made	Start from	Number of years	Year	Contribution for the year	Annual arrears
Cambodia	2006	Yes	2006	30	2006-2021	Yes	Yes
					2022	No	No
Chad	2019	No	2018	10	2018-2022	No	No
Gambia, Islamic Republic of	2015	Yes	2016	15	2016-2021	Yes	Yes
					2022	No	No
Iraq	2010	Yes	2014	25	2014-2020	Yes	Yes
					2021	Partial	No
					2022	No	No
Kyrgyzstan	2017	Yes	2016	21	2017-2019	Yes	Yes
					2020	Part	No
					2021-2022	No	No
Lao People's Dem. Republic	2005	Yes	2005	26	2005-2021	Yes	Yes
					2022	No	No
Pakistan	2017	Part	2018	10	2018	Part	Yes
					2019-2020	No	No
					2021	Yes	Part
					2022	No	No
Sierra Leone	2021	No	2022	20	2022	No	No
Sudan	2021	Yes	2021	30	2021	Yes	Part
					2022	No	No
Uruguay	2017	No	2017	13	2007-2021	Yes	Yes
					2022	No	No
Vanuatu	2019	Yes	2019	10	2019	Yes	No
					2020-2022	No	No

Annex I.D.4: Excerpts of Resolution A/RES/736 (XXIV)

The General Assembly,

Having examined the report in document A/24/6(b) and A/24/6(b) Rev.1 transmitted by the Secretary-General containing updated information on the Members falling under the above-mentioned provisions,

(...)

- 2. Decides in view of their compliance with the agreed payment plans during the period of reference of this document, to renew the temporary exemption from provisions of Paragraph 13 of the Financing Rules attached to the Statutes to the Full Members Cambodia, Republic of the Gambia, and Uruguay and to grant temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes to Full Members Sierra Leone and Sudan;*
- 3. Also decides to maintain the temporary exemption to the Full Members Chad, Iraq, Kyrgyzstan, Lao People's Democratic Republic, Nicaragua, Pakistan and Vanuatu as well as to the Affiliate Members Azerbaijan Tourism and Management University and Pacific Asia Travel Writers Association PAWTA, albeit making it clear that these provisions will be reapplied to these Members if they are not up to date with their payment plans by 1 April 2022;*
- 4. Establishes the following conditions for the Members requesting temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes and which propose payment plans to settle their arrears in instalments: (i) to discharge the contribution corresponding to the present year before the General Assembly session at which their case is reviewed, and (ii) strict observance of the plan agreed for the settlement of arrears;*

Having regard to Afghanistan's, Libya's, Syrian Arab Republic's and Yemen's the special circumstances,

- 5. Renews the temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes to Afghanistan and Libya until further revision by the forthcoming 25th session of the General Assembly, grants to the Syrian Arab Republic and Yemen the temporary exemption from the above mentioned provisions and calls upon them to agree on a payment plan for the settlement of their arrears to be submitted to the 25th session of the General Assembly; and*
- 6. Requests the Secretary-General to report to the Governing Bodies about the application of this resolution and the Members' compliance with the agreements made with a view, as the case may be, to maintaining the temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes or reapplying those provisions to them if they have not fulfilled their commitments.*

Annex II: Modifications to the procurement rules for the simplification of the processes

Considering the request to update the thresholds established for the procurement processes in the Detailed Financial Rules (DFR); it would be necessary to modify some of the provisions of said document as well as in the UNWTO Procurement Manual. The needed changes are detailed below, including a comparison summary of the thresholds established by other United Nations Agencies and Funds.

AMENDMENT TO DFR

ACTUAL TEXT	PROPOSED TEXT
<p>DFR VI.33 Consistent with the principles set out in Rule VI.30 and except as otherwise provided in Rule VI.35, procurement contracts shall be awarded on the basis of effective international competition, and to this end the competitive process shall, as necessary, include:</p> <p>(a) procurement planning for developing an overall procurement strategy and procurement methodologies;</p> <p>(b) market research for identifying potential suppliers;</p> <p>(c) consideration of prudent commercial practices;</p> <p>(d) use of solicitation processes as follows:</p> <p>(i) informal requests for quotations for contracts whose intended value does not exceed EUR 5,000;</p> <p>(ii) limited competitive bidding through invitations to bid or requests for proposals addressed to at least five potential bidders, for contracts whose intended value does not exceed EUR 30,000</p> <p>(iii) open competitive bidding through invitations to bid and requests for proposals advertised at least on the UNWTO website for a minimum period of fifteen calendar days for contracts whose intended value exceeds EUR 30,000.</p>	<p>DFR VI.33 Consistent with the principles set out in Rule VI.30 and except as otherwise provided in Rule VI.35, procurement contracts shall be awarded on the basis of effective international competition, and to this end the competitive process shall, as necessary, include:</p> <p>(a) procurement planning for developing an overall procurement strategy and procurement methodologies;</p> <p>(b) market research for identifying potential suppliers;</p> <p>(c) consideration of prudent commercial practices;</p> <p>(d) use of solicitation processes as follows:</p> <p>(i) informal requests for quotations for contracts whose intended value does not exceed EUR 15,000;</p> <p>(ii) limited competitive bidding through invitations to bid or requests for proposals addressed to at least five potential bidders, for contracts whose intended value does not exceed EUR 50,000</p> <p>(iii) open competitive bidding through invitations to bid and requests for proposals advertised at least on the UNWTO website for a minimum period of fifteen calendar days for contracts whose intended value exceeds EUR 50,000.</p>

The modification of the said document affects DFR VI.341.

¹ "UNWTO shall use the following methods of solicitation:

(a) Whenever the nature of the goods or services can be sufficiently specified and the goods or services are readily available in the market, procurement actions shall be carried out by means of invitations to bid, and the contract shall be awarded to the qualified offeror whose bid substantially conforms to the technical requirements of the invitation to bid and has been evaluated as the bid with the lowest cost.

(b) When the goods or services cannot be sufficiently specified to allow for the use of invitations to bid, procurement actions may be carried out by means of request for proposals. Requests for proposals shall always include a list of all factors, including price, that will be evaluated and the methodology for their evaluation. The procurement contract shall be awarded to the qualified offeror whose proposal is considered to be the most responsive to the requirements set forth in the request for proposals.

(c) Subject to the provisions in Rule VI.33 (d), procurement of readily available off-the-shelf goods, standard specification commodities, or simple services may be carried out by comparing price quotations obtained from at least three different offerors by means of informal requests for quotations, provided that the process assures competitive prices.

(d) The Director of Administration may in the interest of the UNWTO, reject any or all bids or proposals for a particular procurement action, recording the reasons for the rejection in writing, including but not limited to unrealistically low bids, and cancellation of the procurement action."

COMPARISON OF THRESHOLDS BETWEEN UN AGENCIES²

	Threshold for Very Low Value/Micro Purchase Orders/Direct Procurement/No Competition	Threshold for RFQ
AFDB	<3,000 EUR	<12,000 EUR (national) 60.000 (international)
CTBTO	<4.000 USD	<70.000 USD
FAO	<5,000 USD	<50,000 USD
ICAO	<5,000 USD	<100,000 USD RFQ (<10,000 allows telephone quotes, website prices... documented in a note, RFQ>10,000 requires formal quotes)
ICC	<3,000 EUR	<10,000 EUR
IFAD	<10,000 EUR	<50,000 EUR
ILO	<2,500 USD	<50,000 USD
IMO	<500 GBP	<25,000 GBP
ITC	<4,000 USD	<40,000 USD
OPCW	<5,000 EUR	<50,000 EUR
PAHO	<5,000 USD	<150,000 USD
SLT	<2,500 EUR	<40,000 EUR
UN Secretariat	<10,000 USD	<150,000 USD
UN Woman	<5,000 USD	<50,000 USD
UNAIDS	<2,500 USD	<25,000 USD
UNDP	<5,000 USD	<200,000 USD
UNESCO	<5,000 USD	<50,000 USD
UNFPA	<10,000 USD	<100.000 USD
UNFCC	<10,000 USD	<40,000 USD
UNHCR	<4,000 USD	<40,000 USD
UNICEF	<10,000 USD	<30,000 USD
UNIDO	<5,000 USD	<40,000 USD
UNOPS	<5,000 USD	<50,000 USD
UNRWA	<5,000 USD	<30,000 USD
UNU	<4,000 USD	<40,000 USD
UPU	<20,000 CHF	<50,000 CHF
WFP	<5,000 USD	<50,000 USD
WHO	<2,500 USD	<25.000 USD
WIPO	<20,000 CHF	<75,000 CHF
WMO	<1,000 CHF	<5,000 CHF
WMU	<6,500 SEK	<42,000 SEK
World Bank Group	<10,000 USD	<50,000 USD
WTO	<4,000 CHF	<20,000 CHF

² Please note that thresholds refer to the method of solicitation required and not for the need to conduct an evaluation when requesting an exception to the competitive process. Based on UNGM information updated in Dec 2020