

Agenda item 3(c)

Financial situation of the Organization

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Executive summary

Part I: UNWTO Financial Report for the periods ended 30 June 2022 and 30 September 2022

There is uncertainty on the financial outlook of UNWTO due to the potential financial impact of international events. As of 30 June 2022, the Secretary-General updated the plan of income and expenditure of the Regular Budget (RB) 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 due to high levels of inflation. The budgetary income and expenditure for the year 2022 has been estimated at EUR 13,600,000. As at 30 June 2022, the total budgetary income received (cash-in) amounted to EUR 11,228,221, including the Members' arrears received (EUR 1,200,238); as of the same date, the budgetary expenditure for 2022 amounted to EUR 13,276,722.

As of 30 September 2022, the Secretary-General adjusted the updated plan of income and expenditure of the Regular Budget (RB) for 2022. The budgetary income and expenditure for the year 2022 has been re-estimated at EUR 13,800,000. As at 30 September 2022, the total budgetary income received (cash-in) amounts to EUR 13,293,138, including the Members' arrears received (EUR 1,426,225); as of the same date, the budgetary expenditure for 2022 amounts to EUR 13,535,499.

The Secretary-General also analyses the current environment of a historically and unpredictably high inflation, the challenges it imposes on the current biennia RB in terms of real resource reductions and a proposal to include this inflation component in the next biennium's draft RB. Based on current projections, the inflation estimates would require increases to the Regular Budget and therefore to the assessed contributions of Members in 2024 and in 2025.

The Secretary-General submits the Organization's interim provisional Statements of Financial Position and Financial Performance for the periods ended 30 June 2022 and 30 September 2022 as well as financial performance and position highlights for the same periods. 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 30 September 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.

The Financial Statements were subjected to external audit and received an unqualified (positive) audit opinion in the report of the External Auditor. 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 including the opinion of the External Auditor, the notes to the Financial Statements and the unaudited annexes.

At 31 December 2021 the net equity of the Organization amounts to EUR -6,684,639, an increase over the previous year (EUR -9,087,603.34 at 31 December 2020 restated at 1 January 2021) mainly due to the increase of the after-service employee benefit liabilities (ASEB) (EUR -34,731,027).

The 2021 Financial Report shows that the 2021 Regular Budget budgetary cash balance resulted in a cash surplus of EUR 917,393 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., the COVID-19 coronavirus pandemic, the conflict in Ukraine, and sanctions on Russia.

DRAFT DECISION¹

Agenda item 3(c)

Financial situation of the Organization
(document CE/117/3(c) rev.1)

The Executive Council,

Having examined the report,

I. UNWTO Financial Report for the periods ended 30 June 2022 and 30 September 2022

1. *Takes note with appreciation* of the Secretary-General's Financial Reports for the periods ended 30 June 2022 and 30 September 2022, the comprehensive information contained in the document and its annexes and approves, as presented in this document:
 - (a) The revised appropriations of the Regular Budget at 30 June 2022 and at 30 September 2022,
 - (b) The updated Plan of income and expenditure of the Regular Budget for the financial year 2022 presented by the Secretary-General at 30 June 2022 and at 30 September 2022,
 - (c) The Secretary-General's proposal on the Replacement Reserve, as already authorized by the EC Chair, to allocate the amount of EUR 250,000 to the Headquarters (HQ) infrastructure improvement project, and
 - (d) The projects with UNWTO and donors' contributions for the period ended 30 June 2022 and 30 September 2022;
2. *Also takes note* with satisfaction of the submission of the interim provisional unaudited UNWTO Statement of Financial Position at 30 June 2022 and 30 September 2022 and the UNWTO Statement Financial Performance for the periods ended 30 June 2022 and 30 September 2022;
3. *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;
4. *Endorses* the request made by the Full Member Iraq and recommends a favourable resolution by the General Assembly at its forthcoming twenty-fifth session;
5. *Also endorses* the payment plan submitted by the Affiliate Member "International Institute for Research and Development of Special Interest Tourism SITI-1" and requests a favourable resolution from the General Assembly;
6. *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 with its limited resources;

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.

7. *Takes note of* the current (unbudgeted) and expected continued inflation and of the negative impact of inflation on the execution of the Regular Budget in the biennium 2022-2023;
8. *Strongly supports* the Secretary-General's proposal to maintain the real resource levels available to carry out the Organizations activities through an increase of the budgetary estimates and assessed Members' contributions in 2024 and in 2025 to offset this inflationary component and requests the Secretary-General to present the draft Regular Budget for the biennium 2024-2025 to this effect to the Executive Council in 2023;

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

9. *Takes note with satisfaction* of the unqualified opinion of the External Auditor that the UNWTO Financial Statements for the year ended 2021 present a true image of the financial position of the UNWTO as at 31 December 2021 and of its performance, its cash flows and changes in equity for the year ended 31 December 2021, in compliance with UNWTO Financial Regulations and Rules and International Public Sector Accounting Standards (IPSAS), and recognizes with appreciation that the production of IPSAS compliance Financial Statements is a major achievement of an Organization of the size of UNWTO;
10. *Approves* the UNWTO Audited Financial Statements for the year ended 31 December 2021;
11. *Takes note* with appreciation of the Secretary-General's financial report for the year ended 31 December 2021 including the net assets/equity analysis, the mitigating actions which may be undertaken to respond to a possible severe downside scenario, and other information presented in the document and its annexes, and approves, as presented in the report:
 - (a) The Secretary-General's proposals to allocate the 2021 RB budgetary cash surplus to the General Fund to increase the RB programme of work operating activities in the forthcoming biennium 2024-2025,
 - (b) The Regular Budget appropriation transfers in accordance with Financial Regulation 5.3(a) and 5.3(b),
 - (c) The cofinancing projects with UNWTO and donors' contributions for the period 2021;
12. *Appreciates* the detailed ASEB funding projections and payroll charge analysis as presented in this document and takes note that the Secretary-General will consider the outlined funding strategies and will present the most optimal proposal and proposed implementation date in a future session of the EC;
13. *Also takes note* that an annual separate allocation in the Regular Budget to cover, at a minimum, the ASEB on a pay-as-you-go basis, ideally similar to the most updated servicing costs calculated by a professional actuary at the time of preparing the budget, will continue to apply;
14. *Recommends* that the Secretary-General continue in 2022 his approaches to Members that owe contributions to the Organization in order to secure their payment; and
15. *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 the work carried out.

I. UNWTO Financial Report for the periods ended 30 June 2022 and 30 September 2022

A. Regular Budget Plan of income and expenditure for 2022 and Budgetary result at 30 June 2022

Introduction

1. The UNWTO Regular Budget (RB) is financed from assessed contributions from Members and budgetary allocations². 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 30 June 2022. The main changes since its last structure update at 31 March 2022 (CE/116/3(c)) 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 CE/DEC/4(CXVI) and the revised Regular Budget appropriations for 2022 in line with the Secretary-General's proposal of structure modification at 30 June 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 30 June 2022 (plan of income and expenditure column), and (c) the budgetary cash balance at 30 June 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. The plan notes: (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 Audited Financial Statements for the year ended 31 December 2021 (Annex II of this document) with its special note on the potential financial impact of international events (COVID-19 coronavirus pandemic, the conflict in Ukraine and sanctions on Russia).
6. It also includes 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. 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.
7. In view of the expected severe impact of inflation on the budgeted expenditures of UNWTO, a separate section of this document discusses this subject.
8. This section shows the plan of income and expenditure prepared by the Secretary-General at 30 June 2022.

Planned budgetary income

9. Budgetary income from contributions assessed from Full, Associate and Affiliate Members to be received in the current financial year has been estimated at EUR 11,168,000, i.e., 79 per cent of total assessed contributions budgeted. This estimate is based on the level of contributions

² Entity, basis and presentation differences between the Regular Budget and accounting bases are shown in the UNWTO Financial Report for the year ended 31 December 2021 (CE/117/3(c) rev.1 Part II).

received in recent years and on the uncertain financial outlook for 2022 due to COVID-19, the conflict in Ukraine and the sanctions on Russia, brought up to date using information on income actually received as of 30 June 2022. The level of contribution receipts from Full, Associate and Affiliate Members at 30 June 2022 (EUR 9,096,116) represents 81% of the estimated plan of income compared to 88% at 30 June 2021.

10. 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%.
11. As for budgetary income from arrear contributions, it has been estimated that an amount of around EUR 1,500,000 will be received in 2022 based on the average level of collection of the period 2012-2021 (EUR 1,589,564). The amount of arrears collected to 30 June 2022 (EUR 1,200,238) represents 80% of the estimated income. This amount is slightly above the average level of collection of the past five years (2017-2021) (i.e., EUR 1,134,546) at the same date.
12. 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.
13. All in all, budgetary income for the year 2022 has been estimated at EUR 13,600,000. The income received to date represents 83% of the estimated plan of income which is similar to that of recent years.
14. 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 arrear contributions in order to avoid hampering the execution of the Organization's 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

15. Budgetary expenditures in this financial year have been planned to be EUR 13,600,000 which amounts to 90% of the approved appropriations (86% in 2021)
16. The budgetary expenditure to date represents 98% of the estimated plan of expenditure for the current year, a similar percentage to that in 2021 (99%). For non-staff costs, the implementation level stays at 93% at 30 June 2022, a percentage that is lower than that in 2021 (96%). As for staff costs, the implementation level amounts to 100% at 30 June 2022, a percentage that is in line that of the period 2021-2018. It should be noted that budgetary expenditures to date include budgetary and legal commitments up to the end of the year. Annex 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.
17. In order to meet the proposed plan of expenditure, the Secretary-General may adopt measures to maintain expenditures at a level of around 90% of the approved budget. This level may also be adjusted downwards due to the impact of the increasing level of inflation on costs, in particular in Spain where UNWTO has its headquarters.
18. Through these adjustments, the planned budgetary income and expenditure for the financial year are expected to be in balance. Therefore, as of 30 June 2022, the overall RB plan of income and expenditure for 2022 established by the Secretary-General, as shown in Annex I.A.2, is updated from the previous RB income and expenditure plan for 2022 at 31 March 2022 (CE/116/3(c) Part I) and has been further updated as at 30 September as shown in Part II.

Budgetary result of the Regular Budget at 30 June 2022

19. This section analyses the status of the budgetary result (cash balance) of the Regular Budget at 30 June 2022 based on cash received to date and actual expenditures to date and commitments to 31 December 2022.

Budgetary income (cash-in)

20. The total budgetary income received (cash-in) amounts to EUR 11,228,221 including the Members' arrears received during the period ended 30 June 2022 and budgetary allocations from accumulated surplus approved by the GA. The income received to date represents 75% of the approved budgetary income (74% in 2021).
21. The level of contribution receipts for the current year from Full, Associate and Affiliate Members amounts to EUR 9,096,116 which represents 65% of the assessed contributions receivable of this year (i.e., EUR 14,069,883), a percentage lower than in 2021 (68%) at 30 June. Arrear contributions received to date (EUR 1,200,238) are above those received at 30 June 2021 (EUR 802,082). Budgetary allocations from accumulated surplus approved by the GA (EUR 931,866) represent 6% of the total budget.

Budgetary expenditure

22. The budgetary expenditure amounts to EUR 13,276,722 which includes accrued expenses and reconciling items up to 30 June 2022 (EUR 6,436,316) and commitments up to 31 December 2022 (EUR 6,840,406). For non-staff costs, budgetary and legal commitments up to 31 December 2022 amount to 50% and accrued expenses and reconciling items up to 30 June 2022 to 50%. As for staff costs, the amount paid in the form of regular staff salaries and allowances during the first six months of the year amounts to EUR 4,337,818 representing 48%, and budgetary commitments up to 31 December 2022 represent 52%.

Budgetary result (cash balance)

23. At 30 June 2022, the budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) may result in a cash deficit of EUR -2,048,501 (EUR -1,657,350.57 in 2021).

Inflation

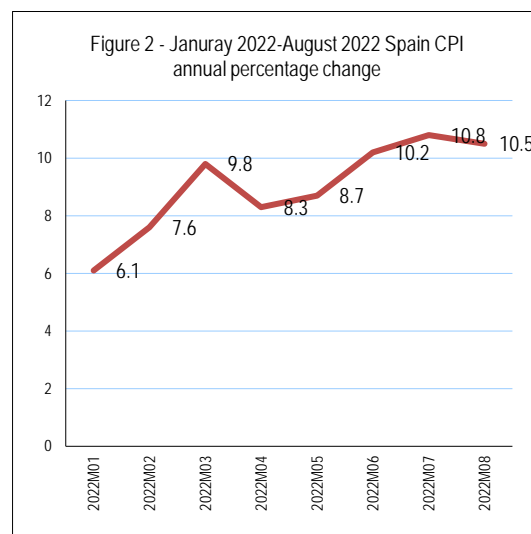
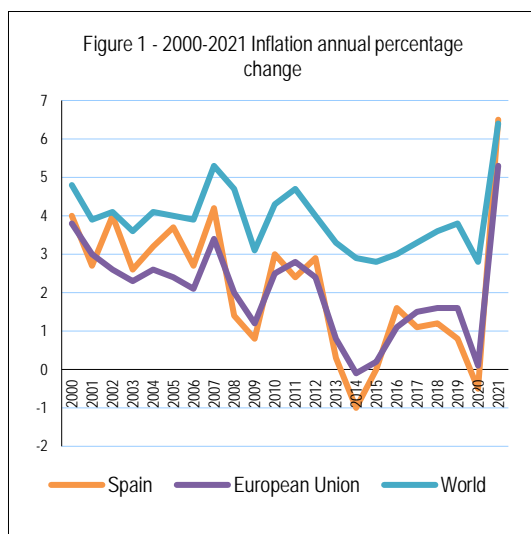
Background

24. The marked pick-up in inflation experienced in 2021, in particular towards the end of the last quarter, has exceeded the officially published predictions. While this steep inflation trend was mainly driven by the surge in energy prices, it was also linked to a broad set of post-pandemic economic adjustments, localized wage pressures, the monetary policy responses in major economies and related trickle-down effects. Against this background of volatility and macroeconomic uncertainties, the Ukraine conflict has exacerbated the challenges on multiple fronts. The inflation rate indicator as published by International Monetary Fund (IMF³) in 2021 has been the highest one of the last 20 years, i.e., for the period 2000-2021, in the world (6.4%), European Union (5.3%) and Spain (6.5%) as shown in Figure 1.
25. As the UNWTO Headquarters is in Madrid, most of UNWTO expenses are incurred or are related to prices in Spain, particularly RB staff salary scales and fixed operational costs. The relevant price adjustment indicator for Spain is the Consumer Price Index (CPI) as provided by the Spanish National Statistics Institute ("Instituto Nacional de Estadística" (INE⁴)). CPI for Spain has grown from December 2021 (6.5%) to August 2022 reaching 10.5% as shown in Figure 2. Annex I.A.4 also shows 2000-2021 CPI for Spain as published by INE.
26. As the 2022-2023 Regular Budget of the Organization was calculated at 31 March 2021, the inflation for the approved Regular Budget for the years 2021, 2022 and 2023 was estimated at 0.8%, 1.6% and 1.6% based on the inflation indicator forecast published by the IMF (A/24/5(b) rev.1).

³ International Monetary Fund (www.imf.org)

⁴ National Statistics Institute of Spain (www.ine.es)

27. Additionally, during 10 years within the last 14 years of the period of 2010-2023, the Organization has applied a zero nominal growth policy in Members' contributions (refer to the GA approved Regular Budgets for the biennia 2010-2011 (A/RES/572(XVIII)), 2012-2013 (A/RES/603(XIX)), 2016-2017 (A/RES/651(XI)) and 2020-2021 (A/RES/715(XXIII)) and 2022-2023 (A/RES/733(XXIV)) except for the biennia 2014-2015 (A/RES/619(XX)) and 2018-2019 (A/RES/688(XXII)).



Challenges

28. Managing the RB in an environment of historically and unpredictably high inflation and navigating a climate of extreme volatility and uncertainties imposes an unprecedented challenge, mainly on how to absorb increases in mandatory UN ICSC salary scales and deal with fixed costs, particularly on utilities and others.
29. The difference between the inflation for Spain at August 2022 (10.5% as per INE) and that one estimated in the approved 2022 RB for 2022 as per the IMF (1.6%) may lead to an additional increase of 8.9%, which over the 2022 RB (EUR 15,048,00) would add EUR 1,339,272 and, over the RB plan of expenditure at 30 June 2022 (EUR 13,600,000), an additional EUR 1,210,000.
30. As per current UNWTO Financial Rules and Regulations there is no flexibility to ask for a supplementary budget to offset this inflationary impact. Therefore, assuming that the inflation for Spain for the years 2022 and 2023 would continue as estimated in August 2022 (10.5% in each year), UNWTO's additional unbudgeted expenditure will have to be absorbed within the available budgetary income for those years. To avoid budgetary shortfalls in 2022 and 2023 UNWTO will need to adopt cost reduction measures.

Proposal

31. In view of the application of Members' contributions zero nominal growth policy in the past years as well as the present and continuing expected high levels of inflation, there is expected to be a negative impact in 2022 and 2023 on the real resource levels available to implement the programme of work. To ensure that the Organization can continue to operate effectively, it is essential that the impact of current and anticipated inflation be included in the 2024-2025 budget. Therefore, it is proposed for Members' consideration that the budgetary estimates and assessed contributions be increased in 2024 and in 2025 to offset the negative impact of inflation.

B. Provisional interim Financial Statements for the period ended 30 June 2022

32. In accordance with UNWTO Financial Regulation (FR) 14.7, the Secretary-General submits an interim financial statement to the Executive Council. Annex B.1 to this document includes the provisional interim unaudited UNWTO Statement of Financial Position at 30 June 2022 and the UNWTO Statement of Financial Performance for the period ended 30 June 2022.

C. Financial position and performance highlights for the period ended 30 June 2022

33. This section includes other relevant financial information for the period ended 30 June 2022.

Assessed contributions

34. Assessed contributions due to the General Fund amount to EUR 23,004,637 at 30 June 2022 (EUR 22,150,744 at 30 June 2021). Annex C.1 contains the "Statement of contributions due by Members at 30 June 2022" and Annex I.C.2 shows "Arrear contributions received from Members for the period ended 30 June 2022".

Reserves and other GF projects

35. Annex I.C.3 shows the reserves, other RB projects and non-RB projects within the General Fund movements for the period ended 30 June 2022.
36. In regards to the Replacement Reserve (RR), pursuant to DFR VI.21, the Secretary-General reports for confirmation by the Programme and Budget Committee and the Executive Council, as already authorized by the EC Chair, the proposal to allocate the amount of EUR 250,000 within the RR to the Headquarters (HQ) infrastructure improvement project for some refurbishment works.

Voluntary and miscellaneous projects contributions received and in-kind contributions

37. Total voluntary contributions received (cash-in) for the period to 30 June 2022 amount to EUR 5,699,871 (a lower amount than in 2021, EUR 6,436,444), but a higher amount compared to the voluntary contributions received for the same period in 2020 (EUR 872,702). Annex I.C.4 "Voluntary and miscellaneous projects contributions receipts for the period ended 30 June 2022" shows a list of voluntary and miscellaneous contributions received (cash-in) by project.
38. The Organization also receives in-kind contributions in the form of travel and use of conference facilities. For the period to 30 June 2022 these donations amount to EUR 1,599,521 (EUR 728,398 in 2021). Annex I.C.5 "In-kind donations for the period ended 30 June 2022" shows a list of in-kind contributions received per type and by donor.

Initiative and Project Support Cost project balances

39. Annex I.C.6 shows the PSC (Project Support Cost) and PRF (project reserve funds or initiative projects) projects' movements for the period ended 30 June 2022. PRF groups unused balances on completion of voluntary-contribution 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). The variable indirect costs recovered from voluntary contributions are grouped under the Project Support Cost (PSC) project to support services which cannot be traced unequivocally to voluntary contributions, typically administrative units' services.

Projects with UNWTO and donors' contributions

40. Annex I.C.7 shows Projects with UNWTO and donors' contributions for the period ended 30 June 2022.

D. Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules at 30 June 2022

Introduction

41. 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 30 June 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)

42. At 30 June 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 25 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, Islamic Republic of Iran, Madagascar, Palau, Somalia and the Union of Comoros respectively.

43. The Secretariat 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 instalments over a period of years according to their circumstances.
44. The update from the previous statement as of 31 March 2022 (CE/116/3(c)) 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 30 June 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 A, B and C of Annex I.D.2.
45. 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.
46. On 26 September UNWTO's Secretariat received written communication from the Full Member Iraq informing about the reasons beyond its control that led to the delay in the settlement of their financial commitments with the Organization and in consequence to the noncompliance of the conditions laid out in its payment plan. Moreover, the Full Member Iraq submits to the present session of the Executive Council, for endorsement, its appeal to continue benefitting from the payment plan in force up to 1 April 2022, date on which the provisions of Paragraph 13 of the Financing Rules attached to the Statutes and Article 34 of the Statutes were reapplied as per resolution A/RES/736(XXIV) in Annex 1.D.4. Furthermore, it confirms its availability to settle the 2023 contribution as well as the corresponding instalment of arrears before the 25th session of the General Assembly.

E. Regular Budget Plan of income and expenditure for 2022 and Budgetary result at 30 September 2022

Introduction

47. This section presents updates as at 30 September to the information provided above as at 30 June 2022.
48. Annex I.A.1, "2022 approved and revised appropriations-Regular Budget", shows the approved 2022 Regular Budget appropriations by CE/DEC/4(CXVI) and the revised Regular Budget appropriations for 2022 in line with the Secretary-General's proposal of structure modification at 30 September 2022⁵. Irrespective of these structural changes, the RB envelope of the Organization for 2022 remains unchanged at EUR 15,048,000.
49. 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 30 September 2022 (plan of income and expenditure column), and (c) the budgetary cash balance at 30 September 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

50. This section shows the plan of income and expenditure prepared by the Secretary-General at 30 September 2022, with updated figures relative to the situation at 30 June presented above.

Planned budgetary income

⁵ Annex I.A.1 "2022 approved and revised appropriations-Regular Budget" of this document CE/117/3(c) rev.1 shows the approved 2022 Regular Budget appropriations by CE/DEC/4(CXVI) and the revised Regular Budget appropriations for 2022 in line with the Secretary-General's proposal of structure modification at 30 June 2022 and at 30 September 2022.

51. Budgetary income from contributions assessed from Full, Associate and Affiliate Members to be received in the current financial year has been re-estimated at EUR 11,368,000, i.e., 81 per cent of total assessed contributions budgeted, up from the estimate of 79 per cent as at 30 June. It was brought up to date using information on income actually received as of 30 September 2022. The level of contribution receipts from Full, Associate and Affiliate Members at 30 September 2022 (EUR 10,935,047) represents 96% of the estimate plan of income compared to 98% at 30 September 2021.
52. The budgetary allocations from prior years' RB budgetary cash balance and the Publications store accumulated surplus are unchanged from those made at 30 June (see para. 10).
53. As for budgetary income from arrear contributions, it has been estimated that an amount of around EUR 1,500,000 will be received in 2022 based on the average level of collection of the period 2012-2021 (EUR 1,589,564). The amount of arrears collected to 30 September 2022 (EUR 1,426,225) represents 95% of the estimated income. This amount is below the average level of collection of the past four years (2018-2021) (i.e., EUR 1,760,509) at the same date.
54. All in all, budgetary income for the year 2022 has been re-estimated at EUR 13,800,000. The income received to date represents 96% of the estimated plan of income which is a similar to that of recent years.

Planned budgetary expenditure and budgetary difference

55. Budgetary expenditures in this financial year have been planned to be EUR 13,800,000 which amounts to 92% of the approved appropriations (87% in 2021). (cf. plan as at 30 June in para. 15)
56. The budgetary expenditure to date represents 98% of the estimated plan of expenditure for the current year, same percentage than in 2021 (98%). For non-staff costs, the implementation level stays at 94% at 30 September 2022, same percentage than that in 2021 (94%). As for staff costs, the implementation level amounts to 100% at 30 September 2022, a percentage that is in line that of the period 2021-2018. It should be noted that budgetary expenditures to date include budgetary and legal commitments up to the end of the year.
57. In order to meet the proposed plan of expenditure, the Secretary-General may adopt measures to maintain expenditures at a level of around 92% over the approved budget (compared to 90% in the plan as of 30 June, para. 17). This level may also be adjusted downwards due to the impact of the increasing level of inflation over the costs, in particular in Spain where UNWTO has its headquarters.
58. Through these adjustments, the planned budgetary income and expenditure for the financial year are expected to be in balance. Therefore, as of 30 September 2022, the overall RB plan of income and expenditure for 2022 established by the Secretary-General, as shown in Annex I.A.2, is updated from the previous RB income and expenditure plan for 2022 at 30 June 2022 (see para. 18 above) and presented for the Members' consideration.
59. The Secretary-General will closely monitor the RB 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 30 September 2022

60. This section analyses the status of the budgetary result (cash balance) of the Regular Budget at 30 September 2022 based on cash received to date and actual expenditures to date and commitments to 31 December 2022.

Budgetary income (cash-in)

61. The total budgetary income received (cash-in) amounts to EUR 13,293,138 (up from EUR 11,228,221 at 30 June) including the Members' arrears received during the period ended 30 September 2022 and budgetary allocations from accumulated surplus approved by the GA. The income received to date represents 88% of the approved budgetary income (85% in 2021).
62. The level of contribution receipts for the current year from Full, Associate and Affiliate Members amounts to EUR 10,935,047 which represents 78% of the assessed contributions receivable of this year (i.e., EUR 14,013,013), a similar percentage to that in 2021 (77%) at 30 September. Arrear contributions received to date (EUR 1,426,225) are above those received at 30 September 2021

(EUR 1,395,708). Budgetary allocations from accumulated surplus approved by the GA (EUR 931,866) represent 6% of the total budget.

Budgetary expenditure

63. The budgetary expenditure amounts to EUR 13,535,499 which includes accrued expenses and reconciling items up to 30 September 2022 (EUR 9,575,424) and commitments up to 31 December 2022 (EUR 3,960,076). For non-staff costs, budgetary and legal commitments up to 31 December 2022 amount to 31% and accrued expenses and reconciling items up to 30 September 2022 to 69%. As for staff costs, the amount paid in the form of regular staff salaries and allowances during the first nine months of the year amounts to EUR 6,534,477 representing 72%, and budgetary commitments up to 31 December 2022 represent 28%.

Budgetary result (cash balance)

64. At 30 September 2022, the budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) may result in a cash deficit of EUR -242,362 (EUR 14,939 in 2021).
65. 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..."

F. Provisional interim Financial Statements for the period ended 30 September 2022

66. 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 30 September 2022 and UNWTO Statement Financial Performance for the period ended 30 September 2022.

G. Financial performance and position highlights for the period ended 30 September 2022

67. This section includes other relevant financial information for the period ended 30 September 2022.

Assessed contributions

68. Assessed contributions due to the General Fund amounts to EUR 21,441,605 at 30 September 2022. Annex I.C.1 contains the "Statement of contributions due by Members at 30 September 2022" and Annex I.C.2 "Arrear contributions received from Members for the period ended 30 September 2022".

Reserves and other General Fund projects

69. Annex I.C.3 shows the reserves, other RB projects and non-RB projects within the General Fund movements for the period ended 30 September 2022.

Voluntary and miscellaneous projects contributions received and in-kind contributions

70. Total voluntary contributions received (cash-in) for the period to 30 September 2022 amount to EUR 6,841,985, a similar amount compared to the voluntary contributions received for the same period in 2021 (EUR 6,875,947). Annex I.C.4 "Voluntary and miscellaneous projects contributions receipts for the period ended 30 September 2022" shows a list of voluntary and miscellaneous contributions received (cash-in) by project.
71. The Organization also receives in-kind contributions in the form of travel and use of conference facilities. For the period to 30 September 2022 these donations amount to EUR 2,156,167 (EUR 1,506,938 in 2021). Annex I.C.5 "In-kind donations for the period ended 30 September 2022" shows a list of in-kind contributions received per type and by donor.

Initiative and Project support costs project balances

72. Annex I.C.6 shows the PSC (Project Support Cost) and PRF (project reserve funds or initiative projects) projects movements for the period ended 30 September 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). The variable indirect costs recovered from voluntary contributions are grouped under the Project Support Cost (PSC) project to support services which cannot be traced unequivocally to voluntary contributions, typically administrative units' services.

Projects with UNWTO and donors contributions

73. Annex I.C.7 shows Projects with UNWTO and donors' contributions for the period ended 30 September 2022.

H. Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules at 30 September 2022

Introduction

74. In accordance with FR 8.3, the Secretary-General transmits to the Executive Council updated information on the Members falling under above-mentioned provisions as of September 2022, texts shown in Annex I.D.1.

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)

75. As of 30 September, there are no movements in the list of members under the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes as indicated in Annex I.D.2 tables A, B and C.
76. Likewise, there are no further movements to be reported during the period concerning compliance with the conditions laid in their payment plans by Members granted temporary exemption from above mentioned provisions.
77. The Affiliate Member International Institute for Research and Development of Special Interest Tourism SITI-1 partially reduced its arrears and submits to the present session of the Executive Council for approval a two year-long payment plan for the settlement of its outstanding balance.

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

78. 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.
79. 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.
80. The Financial Statements were subjected to external audit in accordance with Annex 1 to the Financial Regulations. The audit opinion and report of the External Auditor on the Financial Statements is submitted to the 117th session of the Executive Council in accordance with Financial Regulation 17.2.
81. The UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2021 (included in Annex II) 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.

Financial Report for the year 2021

82. The UNWTO Financial Report of the Secretary-General for the year 2021 includes a discussion and analysis of UNWTO's financial position and financial and budgetary performance for the financial year ended 31 December 2021.
83. The 2021 financial report includes a chapter on the budgetary performance of the Regular Budget (RB) for the year ended 31 December 2021. The RB budgetary cash balance is dependent on the timing of the payment of the assessed contributions by Members. The 2021 RB was adjusted by transfers without altering the total appropriations approved.
84. The 2021 RB budgetary cash balance resulted in a cash surplus of EUR 917,393. The Secretary-General proposes that the 2021 RB budgetary cash surplus be allocated to the General Fund to increase the RB programme of work operating activities in the forthcoming biennium.
85. The Organization's 2021 financial report also includes: i) a special note on the potential financial impact of international events, ii) detailed analysis of its revenue and expenses including the list of 2021 cofinancing projects with UNWTO and donor contribution, iii) detailed analysis on its assets, liabilities and net assets/equity particularly on assessed contributions, after-service employee benefits (ASEB) liabilities cash and cash equivalents and working capital fund, and iv) chapters on financial risk management as well as financial transparency and accountability.

Special notes on the potential financial impact of international events

86. There is uncertainty on the financial outlook of UNWTO due to the COVID-19 world-wide pandemic, the conflict in Ukraine and the sanctions imposed on Russia. In order to respond to events as they unfold, the Organization will continue with the following mitigating actions to reduce costs, optimize the Organization's cash flow and preserve liquidity:
 - (a) closely monitor the Members' current year and arrear assessed contribution receipts and plan for potential reductions by restricting expenditures to available and expected cash resources;
 - (b) manage liquidity risk on Member contribution receivables using the Working Capital Fund if required;
 - (c) consider steps to reduce expenditures to offset high levels of inflation if needed;
 - (d) keep Members informed on the programme and financial situation and of any plans being considered to scale back the operations of the Regular Budget; and
 - (e) delay donor-based projects until the respective cash resources to meet expenditures have been received.
87. Based on these factors and with the continued support of its Members and donors, UNWTO expects to meet its programmatic and financial responsibilities notwithstanding the ongoing pandemic and the conflict in Ukraine.

After-service employee benefits liabilities

88. The correlation between the net assets of the Organization and the after-service employee benefits liabilities and the significant impact of the after-service employee benefits (ASEB) liabilities on the net assets is shown in the report. At 31 December 2021, net assets/equity of the Organization amounts to EUR -6,684,639 and after-service employee benefits liability to EUR -34,731,027.
89. UNWTO presented a strategy to fund ASEB liabilities (UNWTO ASEB liabilities funding strategy) to the 110th Executive Council through document CE/110/4(d) (UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2018) which was approved by decision CE/DEC/4(CX) 4(c).
90. The UNWTO ASEB liabilities funding strategy requires the calculation of a payroll charge by a professional firm of actuaries to cover the annual ASEB expected costs and progressively reduce the ASEB funding gap. Annex VI "ASEB funding projections and payroll charge" shows the analysis made of four scenarios of ASEB funding projections up to 2050 based on 31 December

2020 ASEB valuation including the assumed contribution strategy, contributions as a percentage of payroll and percentages of assets/liabilities.

91. In all scenarios except in Scenario #1, the ASEB percentage payroll charge would be included in the Regular Budget appropriations estimates and would require additional income for the RB. Therefore, unless alternative sources of income can be sourced to meet the annual and accumulated ASEB liabilities of UNWTO, this increase in the appropriations would result in an increase in the level of Member contributions to the Regular Budget.
92. The Secretary-General is further considering and analysing the outlined funding strategies and will present the most optimal proposal and proposed implementation date in a future session of the EC for Members' consideration and approval. Until a decision is taken, UNWTO will continue to apply an annual separate appropriation in the Regular Budget to cover, at a minimum, the ASEB on a pay-as-you-go basis, which ideally should be similar to the most updated servicing costs calculated by a professional actuary at the time of preparing the budget.

UNWTO Financial Statements for the year ended 31 December 2021 and audit opinion

93. UNWTO has prepared its 2021 Financial Statements in accordance with IPSAS. By adopting and implementing IPSAS in 2014 and consolidating its implementation in the following years, UNWTO has enhanced its ability to produce relevant and useful financial information, its transparency and visibility using internationally recognized accounting standards. This increase in the quality, consistency, and credibility of financial reporting leads to increased confidence of Member States and donors as to the accountability of the Organization and is a major achievement for an organization of the size of UNWTO.
94. The Financial Statements consist of: i) a statement of financial position, ii) a statement of financial performance, iii) a statement of changes in net assets/equity, iv) a cash flow statement, v) a comparison of budget and actual amounts – Regular Budget, and vi) notes to the Financial Statements. The Financial Statements also present information on the separately identifiable business segments, namely: a) the Programme of Work Services and, b) Other Services.
95. The External Auditor (Spain) has issued an unqualified (positive) opinion on the UNWTO Financial Statements for the year ended 2021. As expressed in the External Auditor's opinion, the UNWTO Financial Statements "present, in all material respects, a true image of the net assets and financial situation of the UNWTO as at 31 December 2021, as well as of its performance and cash flows corresponding to financial year ended on such date, in conformity with the applicable regulatory framework for financial reporting (identified in note 2 of the Financial Statements), and in particular, with the accounting principles and criteria contained therein".

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

at 30 June 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	1	2	242,000	80,000	322,000	A02 Regional Programme, Americas	1	2	242,000	80,000	322,000
A03 Regional Programme, Asia and the Pacific	4	1	548,000	96,000	644,000	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	14	11	2,368,000	929,000	3,297,000	B Operational	14	11	2,368,000	929,000	3,297,000
B01 Sustainable Development of Tourism	4	1	548,000	82,000	630,000	B01 Sustainable Development of Tourism	4	1	548,000	82,000	630,000
B02 Technical Cooperation and Silk Road	2	2	364,000	8,000	372,000	B02 Technical Cooperation and Silk Road	2	2	364,000	8,000	372,000
B03 Statistics	2	2	364,000	92,000	456,000	B03 Statistics	2	2	364,000	92,000	456,000
B04 Tourism Market Intelligence and Competitiveness	2	2	364,000	209,000	573,000	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	2	1	304,000	86,000	390,000	B07 Institutional Relations and Partnerships	2	1	304,000	86,000	390,000
C Support - Direct to Members	16	9	2,828,000	1,197,000	4,025,000	C Support - Direct to Members	14	9	2,584,000	1,197,000	3,781,000
C01 Conferences Services	5	1	670,000	129,000	799,000	C01 Conferences Services	3	1	426,000	129,000	555,000
C02 Management	10	6	1,916,000	754,000	2,670,000	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	13	26	3,370,000	2,046,000	5,416,000	D Support - Indirect to Members	15	26	3,614,000	2,046,000	5,660,000
D01 Budget and Finance	3	1	426,000	319,000	745,000	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	1	2	242,000	378,000	620,000	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	8	17	2,220,000	700,000	2,920,000	D05 Staff vacancies & ASEB Provisions	10	17	2,464,000	700,000	3,164,000

Remarks:

¹ P posts include P and above posts² 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 CE/DEC/4(CXVI) of CE/116/3(c) 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, CE/DEC/4(CXVI) of CE/116/3(c) rev.1 and the Secretary-General proposal of structure modification at 30 June 2022. Movements of posts among sections are annually considered.

2022 Approved and revised appropriations - Regular Budget
at 30 September 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 ⁴		
	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	13	5	1,886,000	546,000	2,432,000
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	1	2	242,000	80,000	322,000	A02 Regional Programme, Americas	2	2	364,000	80,000	444,000
A03 Regional Programme, Asia and the Pacific	4	1	548,000	96,000	644,000	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	14	11	2,368,000	929,000	3,297,000	B Operational	14	11	2,368,000	929,000	3,297,000
B01 Sustainable Development of Tourism	4	1	548,000	82,000	630,000	B01 Sustainable Development of Tourism	4	1	548,000	82,000	630,000
B02 Technical Cooperation and Silk Road	2	2	364,000	8,000	372,000	B02 Technical Cooperation and Silk Road	2	2	364,000	8,000	372,000
B03 Statistics	2	2	364,000	92,000	456,000	B03 Statistics	2	2	364,000	92,000	456,000
B04 Tourism Market Intelligence and Competitiveness	2	2	364,000	209,000	573,000	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	2	1	304,000	86,000	390,000	B07 Institutional Relations and Partnerships	2	1	304,000	86,000	390,000
C Support - Direct to Members	16	9	2,828,000	1,197,000	4,025,000	C Support - Direct to Members	14	9	2,584,000	1,197,000	3,781,000
C01 Conferences Services	5	1	670,000	129,000	799,000	C01 Conferences Services	3	1	426,000	129,000	555,000
C02 Management	10	6	1,916,000	754,000	2,670,000	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	13	26	3,370,000	2,046,000	5,416,000	D Support - Indirect to Members	14	26	3,492,000	2,046,000	5,538,000
D01 Budget and Finance	3	1	426,000	319,000	745,000	D01 Budget and Finance	3	0	366,000	319,000	685,000
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	1	2	242,000	378,000	620,000	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	8	17	2,220,000	700,000	2,920,000	D05 Staff vacancies & ASEB Provisions	9	18	2,402,000	700,000	3,102,000

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 and CE/DEC/4(CXVI) of CE/116/3(c) rev.1. Movements of posts among sections are annually considered.

⁴ Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, CE/DEC/4(CXVI) of CE/116/3(c) rev.1, the Secretary-General proposal of structure modification at 30 June 2022 (CE/117/3(c)) and the Secretary-General proposal of structure modification at 30 September 2022 (CE/117/3(c) Add.1. 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 30 June 2022

Euros

	Approved income / Original budget ¹	Plan of income and expenditure	Budgetary cash balance (cash-in less expenditure)
Budgetary difference	0	0	-2,048,501
<i>Budgetary income</i>	<i>15,048,000</i>	<i>13,600,000</i>	<i>11,228,221</i>
Contributions from Full and Associate Members	13,317,000	10,800,000	8,823,903
Full Members	13,061,000	10,570,000	8,593,305
Associate Members	256,000	230,000	230,598
Other income sources	1,731,000	1,300,000	1,204,079
Allocation from Accumulated Surplus - PY RB cash balance	582,000	582,000	581,866
Allocation from Publication store accumulated surplus	350,000	350,000	350,000
Affiliate Members	799,000	368,000	272,213
Arrear contributions		1,500,000	1,200,238
Full Members		1,400,000	1,132,678
Affiliate Members		100,000	67,560
<i>Budgetary expenditure</i>	<i>15,048,000</i>	<i>13,600,000</i>	<i>13,276,722</i>

Remarks:

¹ Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, CE/DEC/4(CXVI) of CE116/3(c) rev.1 and the Secretary-General proposal of structure modification at 30 June 2022.

Comparison of budget, plan of income and expenditure and budgetary cash balance - Regular Budget
at 30 September 2022

Euros

	Approved income / Original budget ¹	Plan of income and expenditure	Budgetary cash balance (cash-in less expenditure)
Budgetary difference	0	0	-242,362
<i>Budgetary income</i>	<i>15,048,000</i>	<i>13,800,000</i>	<i>13,293,138</i>
Contributions from Full and Associate Members	13,317,000	11,000,000	10,634,403
Full Members	13,061,000	10,770,000	10,403,805
Associate Members	256,000	230,000	230,598
Other income sources	1,731,000	1,300,000	1,232,510
Allocation from Accumulated Surplus - PY RB cash balance	582,000	582,000	581,866
Allocation from Publication store accumulated surplus	350,000	350,000	350,000
Affiliate Members	799,000	368,000	300,644
Arrear contributions		1,500,000	1,426,225
Full Members		1,400,000	1,336,410
Affiliate Members		100,000	89,814
<i>Budgetary expenditure</i>	<i>15,048,000</i>	<i>13,800,000</i>	<i>13,535,499</i>

Remarks:

¹ Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, CE/DEC/4(CXVI) of CE116/3(c) rev.1, the Secretary-General proposal of structure modification at 30 June 2022 (CE/117/3(c)) and the Secretary-General proposal of structure modification at 30

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 surveys for Madrid and Geneva took place in late 2021 and their results, 4.8% and 2.6% change in net remuneration in Madrid and Geneva respectively, were applicable since 1 August 2022.
3. 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.
4. 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 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 and it is expected to promulgate an updated one with effect from 1 October 2022. At the time of writing this report the Madrid CPI at August 2022 amounts to 9.3%.
5. The ICSC promulgated an updated salary scale for the General Service staff based in Riyadh applicable as of 1 January 2021.

Annex I.A.4: 2000-2021 Consumer Price Index for Spain as published by INE

2000-2021 Consumer Price Index for Spain as published by INE
at 31 August 2022

Annual variation

Year	% CY/PY1
2021	6.50
2020	-0.50
2019	0.80
2018	1.20
2017	1.10
2016	1.60
2015	0.00
2014	-1.00
2013	0.30
2012	2.90
2011	2.40
2010	3.00
2009	0.80
2008	1.40
2007	4.20
2006	2.70
2005	3.70
2004	3.20
2003	2.60
2002	4.00
2001	2.70
2000	4.00

Remarks

INE (Instituto Nacional de estadística/Spanish National Institute) (www.ine.es)

Annex I.B.1: Provisional interim Financial Statements for the period ended 30 June 2022 and 30 September 2022

Statement of financial position - provisional at 30 June 2022 Euros			
	30/06/2022	30/06/2021 ¹	31/12/2021 ¹
Assets	53,306,548	50,208,249	41,553,645
<i>Current Assets</i>	<i>41,032,480</i>	<i>49,264,534</i>	<i>40,161,399</i>
Cash and cash equivalents	24,301,540	31,451,880	28,399,536
Inventories	28,793	30,921	28,793
Members assessed contributions receivable, net	8,185,378	8,926,741	3,587,254
Other contributions receivables, net	7,640,228	8,388,721	7,569,958
Other receivables, net	432,689	307,587	290,204
Other current assets	443,852	158,684	285,654
<i>Non-current assets</i>	<i>12,274,068</i>	<i>943,715</i>	<i>1,392,246</i>
Investments	10,892,641	132,595	199,642
Members assessed contributions receivable, net	513,390	225,188	423,413
Other contributions receivable, net	21,903	66,145	37,953
Property, plant and equipment	554,412	192,618	410,257
Intangible assets, net	288,553	324,000	317,812
Other non-current assets	3,169	3,169	3,169
Liabilities and Net Assets/Equity	53,306,548	50,208,249	41,553,645
Liabilities	47,024,658	46,653,340	48,238,284
<i>Current Liabilities</i>	<i>11,640,827</i>	<i>12,921,518</i>	<i>13,887,583</i>
Payables and accruals	1,677,159	1,058,940	1,787,875
Transfers payable	193,561	128,632	254,672
Employee benefits	191,121	482,742	547,332
Advance receipts	9,161,480	10,623,500	10,782,512
Provisions	414,775	549,956	513,847
Other current liabilities	2,731	77,748	1,345
<i>Non-current Liabilities</i>	<i>35,383,831</i>	<i>33,731,822</i>	<i>34,350,701</i>
Employee benefits	35,371,532	33,730,698	34,346,633
Advance receipts	0	0	0
Other non-current liabilities	12,299	1,124	4,068
Net Assets/Equity	6,281,890	3,554,909	-6,684,639
Accumulated surplus/(deficit)	-223,432	-2,836,427	-13,189,126
Reserves	6,505,322	6,391,336	6,504,487

Remarks:

¹ Balances shown as restated at 01/01/2021 after audit adjustments.

**Statement of financial performance - provisional
for the period ended 30 June 2022**

Euros

	30/06/2022	30/06/2021	31/12/2021
Revenues	35,651,228	21,025,030	25,158,255
Members assessed contributions	14,603,293	14,617,443	14,612,860
Other contributions (VC and FIT), net of reduction	6,079,928	5,425,840	6,917,965
Publications revenue, net of discounts and returns	148,608	118,182	289,083
Changes in currency exchange differences	917,983	0	375,648
Other revenues	2,560,966	863,565	2,962,699
Expenses	11,340,450	8,446,486	22,990,857
Wages, salaries and employee benefits	8,078,065	6,759,835	14,633,001
Grants and other transfers	165,452	204,684	328,998
Travel	791,870	189,980	655,977
Supplies, consumables and running costs	2,162,701	1,183,502	3,977,729
Changes in currency exchange differences	0	4,102	0
Depreciation, amortization and impairment	100,067	80,604	160,510
Other expenses	42,295	23,779	3,234,642
Surplus/(deficit) for the year	24,310,778	12,578,544	2,167,398

Statement of financial position
at 30 September 2022

Euros

	30/09/2022	30/09/2021 ¹	31/12/2021 ¹
Assets	48,866,619	46,547,124	41,553,645
<i>Current Assets</i>	<i>36,542,148</i>	<i>45,632,711</i>	<i>40,161,399</i>
Cash and cash equivalents	22,780,400	29,557,493	28,399,536
Inventories	20,724	28,785	28,793
Members assessed contributions receivable, net	6,002,164	7,276,995	3,587,254
Other contributions receivables, net	6,838,084	8,151,297	7,569,958
Other receivables, net	523,516	403,943	290,204
Other current assets	377,260	214,198	285,654
<i>Non-current assets</i>	<i>12,324,471</i>	<i>914,413</i>	<i>1,392,246</i>
Investments	10,892,641	132,595	199,642
Members assessed contributions receivable, net	504,890	225,188	423,413
Other contributions receivable, net	23,011	66,145	37,953
Property, plant and equipment	569,068	182,523	410,257
Intangible assets, net	331,692	304,793	317,812
Other non-current assets	3,169	3,169	3,169
Liabilities and Net Assets/Equity	48,866,619	46,547,124	41,553,645
Liabilities	46,413,804	46,597,333	48,238,284
<i>Current Liabilities</i>	<i>10,672,733</i>	<i>12,164,440</i>	<i>13,887,583</i>
Payables and accruals	1,505,412	990,634	1,787,875
Transfers payable	145,118	56,032	254,672
Employee benefits	107,200	132,211	547,332
Advance receipts	8,497,246	10,280,060	10,782,512
Provisions	416,685	550,305	513,847
Other current liabilities	1,072	155,198	1,345
<i>Non-current Liabilities</i>	<i>35,741,071</i>	<i>34,432,893</i>	<i>34,350,701</i>
Employee benefits	35,728,853	34,431,748	34,346,633
Other non-current liabilities	12,218	1,145	4,068
Net Assets/Equity	2,452,815	-50,209	-6,684,639
Accumulated surplus/(deficit)	-4,052,507	-6,441,545	-13,189,126
Reserves	6,505,322	6,391,336	6,504,487

Remarks:

¹ Balances shown as restated at 01/01/2021 after audit adjustments.

Statement of financial performance
for the period ended 30 September 2022

Euros

	30/09/2022	30/09/2021 ¹	31/12/2021 ¹
Revenues	44,208,178	22,655,016	25,158,255
Members assessed contributions	14,622,043	14,614,943	14,612,860
Other contributions (VC and FIT), net of reduction	7,122,407	5,944,127	6,917,965
Publications revenue, net of discounts and returns	175,845	181,480	289,083
Changes in currency exchange differences	1,584,153	72,776	375,648
Other revenues	3,168,795	1,841,690	2,962,699
Expenses	17,534,935	13,638,093	22,990,857
Wages, salaries and employee benefits	12,552,043	10,467,370	14,633,001
Grants and other transfers	280,317	240,436	328,998
Travel	1,176,651	416,903	655,977
Supplies, consumables and running costs	3,190,820	2,314,065	3,977,729
Depreciation, amortization and impairment	160,821	112,774	160,510
Other expenses	174,283	86,545	3,234,642
Surplus/(deficit) for the year	26,673,243	9,016,923	2,167,398

Annex I.C.1: Statement of contributions due to the General Fund at 30 June 2022 and 30 September 2022

Statement of contributions due to the General Fund at 30 June 2022

Euros

Members	Years	Arrear Contributions	Contributions due 2022	Total
Total		18,307,859.22	5,332,759.70	23,640,618.92
<i>Full Members</i>				
<i>Budgetary Contributions</i>		<i>15,989,520.98</i>	<i>4,484,392.55</i>	<i>20,473,913.53</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	-	0.00	0.00	0.00
Angola	22	0.00	55,700.00	55,700.00
Antigua and Barbuda	-	0.00	0.00	0.00
Argentina	22	0.00	161,892.28	161,892.28
Armenia	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
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	195,162.54	0.00	195,162.54
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	46,736.57	27,850.00	74,586.57
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	2,593.16	8,928.84
Egypt	-	0.00	0.00	0.00
El Salvador	22	0.00	50,129.00	50,129.00
Equatorial Guinea	22	0.00	48,318.00	48,318.00
Eritrea	-	0.00	0.00	0.00
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
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

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
Ghana	22	0.00	29,884.90	29,884.90
Greece	-	0.00	0.00	0.00
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	20, 22	408.89	27,850.00	28,258.89
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	93-06, 12	1,580,710.65	0.00	1,580,710.65
Israel	-	0.00	0.00	0.00
Italy	-	0.00	0.00	0.00
Jamaica	-	0.00	0.00	0.00
Japan	22	0.00	356,477.00	356,477.00
Jordan	20	859.77	0.00	859.77
Kazakhstan	-	0.00	0.00	0.00
Kenya	22	0.00	33,419.00	33,419.00
Kingdom of Eswatini	-	0.00	0.00	0.00
Kuwait	98, 22	34,309.21	133,680.00	167,989.21
Kyrgyzstan	00-10, 12-15	330,842.35	0.00	330,842.35
Lao People's Democratic Republic	92-95, 04	82,305.18	0.00	82,305.18
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, 22	80,804.44	27,850.00	108,654.44
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	12,850.00	12,850.00
Malta	-	0.00	0.00	0.00
Mauritania	79-05, 16-19, 22	701,365.58	27,850.00	729,215.58
Mauritius	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Myanmar	-	0.00	0.00	0.00
Namibia	22	0.00	50,129.00	50,129.00
Nepal	-	0.00	0.00	0.00
Netherlands	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Oman	-	0.00	0.00	0.00
Pakistan	19-20, 22	88,324.19	50,129.00	138,453.19
Palau	22	0.00	16,710.00	16,710.00
Panama	-	0.00	0.00	0.00
Papua New Guinea	22	0.00	33,419.00	33,419.00
Paraguay	22	0.00	46,133.00	46,133.00
Peru	-	0.00	0.00	0.00
Philippines	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
San Marino	-	0.00	0.00	0.00
Sao Tome and Principe	86-14, 18-22	661,010.65	16,710.00	677,720.65

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
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	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Spain	-	0.00	0.00	0.00
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	41,044.83	0.00	41,044.83
Trinidad and Tobago	-	0.00	0.00	0.00
Tunisia	-	0.00	0.00	0.00
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	271,898.75	0.00	271,898.75
Ukraine	22	0.00	59,955.00	59,955.00
United Arab Emirates	22	0.00	105,829.50	105,829.50
United Republic of Tanzania	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Yemen	79-89, 95, 14-22	486,133.45	33,419.00	519,552.45
Zambia	21-22	6,826.33	7,208.97	14,035.30
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
<i>Affiliate Members</i>		<i>1,202,161.69</i>	<i>822,677.15</i>	<i>2,024,838.84</i>
<i>Former Full Members</i>		<i>918,478.93</i>	<i>0.00</i>	<i>918,478.93</i>
<i>Former Associate Members</i>		<i>1,947.90</i>	<i>0.00</i>	<i>1,947.90</i>
<i>Former Affiliate Members</i>		<i>119,498.37</i>	<i>625.00</i>	<i>120,123.37</i>

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

Statement of contributions due to the General Fund
at 30 September 2022
Euros

Members	Years	Arrear Contributions	Contributions due 2022	Total
Total		18,065,631.53	3,375,973.49	21,441,605.02
<i>Full Members</i>		<i>15,785,789.07</i>	<i>2,673,893.49</i>	<i>18,459,682.56</i>
<i>Budgetary Contributions</i>		<i>15,665,384.07</i>	<i>2,657,183.49</i>	<i>18,322,567.56</i>
Afghanistan	81-87,89-08,10,12,14,19-22	759,828.91	27,850.00	787,678.91
Albania	-	0.00	0.00	0.00
Algeria	22	0.00	55,700.00	55,700.00
Andorra	-	0.00	0.00	0.00
Angola	22	0.00	55,700.00	55,700.00
Antigua and Barbuda	-	0.00	0.00	0.00
Argentina	22	0.00	161,892.28	161,892.28
Armenia	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Botswana	22	0.00	55,700.00	55,700.00
Brazil	21-22	93,691.31	235,229.00	328,920.31
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	195,162.54	0.00	195,162.54
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	-	0.00	0.00	0.00
Colombia	22	0.00	103,911.10	103,911.10
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	-	0.00	0.00	0.00
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	46,736.57	27,850.00	74,586.57
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	-	0.00	0.00	0.00
Ecuador	20, 22	6,335.68	2,593.16	8,928.84
Egypt	-	0.00	0.00	0.00
El Salvador	22	0.00	50,129.00	50,129.00
Equatorial Guinea	22	0.00	48,318.00	48,318.00
Eritrea	-	0.00	0.00	0.00
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
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

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
Germany	-	0.00	0.00	0.00
Ghana	22	0.00	29,884.90	29,884.90
Greece	-	0.00	0.00	0.00
Guatemala	-	0.00	0.00	0.00
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	20, 22	408.89	27,850.00	28,258.89
Honduras	-	0.00	0.00	0.00
Hungary	-	0.00	0.00	0.00
India	-	0.00	0.00	0.00
Indonesia	-	0.00	0.00	0.00
Iran, Islamic Republic of	19-22	229,823.00	111,399.00	341,222.00
Iraq	93-06, 12	1,580,710.65	0.00	1,580,710.65
Israel	-	0.00	0.00	0.00
Italy	-	0.00	0.00	0.00
Jamaica	-	0.00	0.00	0.00
Japan	-	0.00	0.00	0.00
Jordan	20	859.77	0.00	859.77
Kazakhstan	-	0.00	0.00	0.00
Kenya	22	0.00	33,419.00	33,419.00
Kingdom of Eswatini	-	0.00	0.00	0.00
Kuwait	98	34,309.21	0.00	34,309.21
Kyrgyzstan	00-10, 12-15	330,842.35	0.00	330,842.35
Lao People's Democratic Republic	92-95, 04	82,305.18	0.00	82,305.18
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, 22	80,804.44	27,850.00	108,654.44
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	-	0.00	0.00	0.00
Malta	-	0.00	0.00	0.00
Mauritania	79-05, 16-19, 22	701,365.58	27,850.00	729,215.58
Mauritius	-	0.00	0.00	0.00
Mexico	20	222,798.00	0.00	222,798.00
Monaco	-	0.00	0.00	0.00
Mongolia	19, 21	35,558.00	0.00	35,558.00
Montenegro	-	0.00	0.00	0.00
Morocco	-	0.00	0.00	0.00
Mozambique	-	0.00	0.00	0.00
Myanmar	-	0.00	0.00	0.00
Namibia	-	0.00	0.00	0.00
Nepal	-	0.00	0.00	0.00
Netherlands	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Oman	-	0.00	0.00	0.00
Pakistan	19-20, 22	88,324.19	50,129.00	138,453.19
Palau	22	0.00	16,710.00	16,710.00
Panama	-	0.00	0.00	0.00
Papua New Guinea	22	0.00	33,419.00	33,419.00
Paraguay	-	0.00	0.00	0.00
Peru	-	0.00	0.00	0.00
Philippines	-	0.00	0.00	0.00
Poland	-	0.00	0.00	0.00
Portugal	-	0.00	0.00	0.00
Qatar	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
San Marino	-	0.00	0.00	0.00
Sao Tome and Principe	86-14, 18-22	661,010.65	16,710.00	677,720.65

Members	Years	Arrear	Contributions due	Total
		Contributions	2022	
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	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Spain	-	0.00	0.00	0.00
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	41,044.83	0.00	41,044.83
Trinidad and Tobago	-	0.00	0.00	0.00
Tunisia	-	0.00	0.00	0.00
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	271,898.75	0.00	271,898.75
Ukraine	22	0.00	59,955.00	59,955.00
United Arab Emirates	22	0.00	105,829.50	105,829.50
United Republic of Tanzania	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Yemen	79-89, 95, 14-22	486,133.45	33,419.00	519,552.45
Zambia	21-22	6,826.33	7,208.97	14,035.30
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
<i>Affiliate Members</i>		<i>1,202,161.69</i>	<i>822,677.15</i>	<i>2,024,838.84</i>
<i>Former Full Members</i>		<i>918,478.93</i>	<i>0.00</i>	<i>918,478.93</i>
<i>Former Associate Members</i>		<i>1,947.90</i>	<i>0.00</i>	<i>1,947.90</i>
<i>Former Affiliate Members</i>		<i>119,498.37</i>	<i>625.00</i>	<i>120,123.37</i>

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 30 June 2022 and 30 September 2022

Arrear contributions received from Members due to the General Fund
for the period ended 30 June 2022

Euros

Members	Contribution year	30/06/2022
Total		1,246,345.64
<i>Full Members</i>		<i>1,132,678.41</i>
Equatorial Guinea	13-15, 17-21	276,706.00
Argentina	20-21	171,944.34
Nigeria	15-17, 20-21	135,787.13
Iraq	92-93, 21	118,438.82
Cameroon	17-20	89,320.33
Kyrgyzstan	98-21	78,543.11
Peru	21	75,752.00
United Republic of Tanzania	20	35,925.00
Haiti	18, 20	28,037.78
Eritrea	21	27,850.00
Lesotho	21	27,850.00
Madagascar	21	27,850.00
Cambodia	85	15,012.57
Lao People's Democratic Republic	92	11,589.47
Democratic People's Republic of Korea	19	8,963.43
Uganda	99	3,108.43
<i>Affiliate Members</i>	<i>15-21</i>	<i>113,667.23</i>

**Arrear contributions received from Members due to the General Fund
for the period ended 30 September 2022**

Euros

Members	Contribution year	30/09/2022
Total		1,488,573.33
<i>Full Members</i>		<i>1,336,410.32</i>
Equatorial Guinea	13-15, 17-21	276,706.00
Argentina	20-21	171,944.34
Brazil	21	160,610.69
Nigeria	15-17, 20-21	135,787.13
Iraq	92-93, 21	118,438.82
Cameroon	17-20	89,320.33
Kyrgyzstan	98-21	78,543.11
Peru	21	75,752.00
United Republic of Tanzania	20	35,925.00
Colombia	21	30,652.87
Haiti	18, 20	28,037.78
Eritrea	21	27,850.00
Lesotho	21	27,850.00
Madagascar	21	27,850.00
Cambodia	85	15,012.57
Lao People's Democratic Republic	92	11,589.47
Democratic People's Republic of Korea	19	8,963.43
Uruguay	03	8,500.00
Timor-Leste	21	3,968.35
Uganda	99	3,108.43
<i>Affiliate Members</i>	<i>14-21</i>	<i>152,163.01</i>

Annex I.C.3: Reserves, other and non-RB projects within the GF movements for the period ended 30 June 2022 and 30 September 2022 (provisional)

Reserves, other and non-RB projects within the GF movements
for the period ended 30 June 2022
Euros

Description	Net assets 01/01/2022	Movements	Net assets 30/06/2022	Assets & reconciling items	Actual amounts 30/06/2022 ⁶	Outstanding commitments	Actual amounts after commitments 30/06/2022
<i>Reserves</i>							
<i>Replacement reserve projects ¹</i>	1,498,865.12	-71,344.03	1,427,521.09	323,912.98	1,103,608.11	316,160.50	787,447.61
Infrastructure ICT ²	177,112.07	-733.86	176,378.21	31,446.28	144,931.93	144,000.00	931.93
IPSAS	140,533.92	-35,133.48	105,400.44	105,400.44	0.00	0.00	0.00
HQ infrastructure improvement ²	200,000.00	-35,476.69	164,523.31	159,269.26	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	27,797.00	172,203.00	172,160.50	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 ³</i>	415,478.88	-7,557.06	407,921.82	82,501.86	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	-2,714.58	29,234.58	29,234.58	0.00	0.00	0.00
Floor Reform	58,109.76	-4,842.48	53,267.28	53,267.28	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	-793,707.08	-33,168,125.04	0.00	-33,168,125.04	0.00	-33,168,125.04
After Service Employee Benefit	-32,374,417.96	-793,707.08	-33,168,125.04	0.00	-33,168,125.04	0.00	-33,168,125.04
<i>Non-Regular Budget projects ⁴</i>	2,050,814.21	541,477.02	2,592,291.23	51,587.61	2,540,703.62	308,355.25	2,232,348.37
Publications Store	1,291,689.71	325,745.80	1,617,435.51	28,793.12	1,588,642.39	169,046.62	1,419,595.77
Affiliate Members Programme of Work	677,015.00	217,779.14	894,794.14	1,227.80	893,566.34	139,308.63	754,257.71
Security at HQ - allocation	82,109.50	-2,047.92	80,061.58	21,566.69	58,494.89	0.00	58,494.89
Miscellaneous project	-239,000.60	111,218.80	-127,781.80	0.00	-127,781.80	0.00	-127,781.80
Miscellaneous revenue project pool	-243,280.60	111,218.80	-132,061.80	0.00	-132,061.80	0.00	-132,061.80
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 Approved by the following decisions/resolutions: i) Infrastructure ICT: CE/DEC/6(LXXXVIII) in document CE/88/5(b). ii) IPSAS: CE/DEC/7(LXXXV) in document CE/85/5b.

² Approved by the following decisions/resolutions: i) Headquarters Infrastructure: CE/DEC/3(CXIV) in document A/24/5(b) rev.1. ii) cloud-based HHRR: CE/DEC/3(CXIV) in document A/24/5(b) rev.1 iii) 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(CVI) in Lobby and floor reforms were capitalized (registered as assets) in 2016 and 2017 respectively; these assets remain in books until full depreciation (not fully depreciated in 2021) though the "funds" of the projects would have been already utilised.

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 be submitted to GA

⁶ 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.

Reserves, other and non-RB projects within the GF movements
for the period ended 30 September 2022
Euros

Description	Net assets 01/01/2022	Movements	Net assets 30/09/2022	Assets & reconciling items	Actual amounts 30/09/2022 ¹	Outstanding commitments	Actual amounts after commitments 30/09/2022
<i>Reserves</i>							
<i>Replacement reserve projects ²</i>	1,498,865.12	-94,988.14	1,403,876.98	391,454.26	1,012,422.72	300,510.40	711,912.32
Infrastructure ICT	177,112.07	-1,100.79	176,011.28	74,839.35	101,171.93	100,240.00	931.93
IPSAS	140,533.92	-52,700.22	87,833.70	87,833.70	0.00	0.00	0.00
HQ infrastructure improvement	200,000.00	-41,187.13	158,812.87	178,076.71	-19,263.84	51,017.40	-70,281.24
RRP Pool	781,219.13	0.00	781,219.13	0.00	781,219.13	0.00	781,219.13
Athena III	200,000.00	0.00	200,000.00	50,704.50	149,295.50	149,253.00	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 ³</i>	415,478.88	-11,335.59	404,143.29	78,723.33	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	-4,071.87	27,877.29	27,877.29	0.00	0.00	0.00
Floor Reform	58,109.76	-7,263.72	50,846.04	50,846.04	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	-1,179,780.38	-33,554,198.34	0.00	-33,554,198.34	0.00	-33,554,198.34
After Service Employee Benefit	-32,374,417.96	-1,179,780.38	-33,554,198.34	0.00	-33,554,198.34	0.00	-33,554,198.34
<i>Non-Regular Budget projects ⁴</i>	2,050,814.21	444,366.12	2,495,180.33	50,195.31	2,444,985.02	397,558.48	2,047,426.54
Publications Store	1,291,689.71	295,404.48	1,587,094.19	28,793.12	1,558,301.07	203,192.84	1,355,108.23
Affiliate Members Programme of Work	677,015.00	152,033.52	829,048.52	859.46	828,189.06	194,365.64	633,823.42
Security at HQ - allocation	82,109.50	-3,071.88	79,037.62	20,542.73	58,494.89	0.00	58,494.89
<i>Miscellaneous project</i>	-239,000.60	62,305.55	-176,695.05	0.00	-176,695.05	0.00	-176,695.05
Miscellaneous revenue project pool	-243,280.60	62,305.55	-180,975.05	0.00	-180,975.05	0.00	-180,975.05
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 and cloud-based HHRR: CE/DEC/6(LXXXVIII) in document CE/88/5(b) and A/RES/733(XXIV) in document A/24/5(b) rev.1; ii) IPSAS: CE/DEC/7(LXXXV) in document CE/85/5b; iii) Headquarters Infrastructure: A/RES/733(XXIV) in document A/24/5(b) rev.1; iv) Athena III: A/RES/733(XXIV) 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(CVI) in Lobby and floor reforms were capitalized (registered as assets) in 2016 and 2017 respectively; these assets remain in books until full depreciation (not fully depreciated in 2021) though the "funds" of the projects would have been already utilised.

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 be submitted to GA

Annex I.C.4: Voluntary contributions received for the period ended 30 June 2022 and 30 September 2022 (provisional)

Voluntary contribution received for the period ended 30 June 2022 Euros				
Project	Donor	Curr	Amount	EUR ¹
Total				5,699,871.13
UNWTO Regional Office for the Middle East	Saudi Arabia	SAR	18,750,000.00	4,563,782.99
Formulation of a Tourism Master Plan for Kasane/Kazungula	Botswana	USD	292,380.00	260,218.22
Tourism Development Project	Tajikistan	USD	154,661.60	138,576.79
Georgia: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	European Bank for Reconstruction and Development	EUR		118,488.00
Sponsorship for Launching Digital Futures for SMES	Mastercard Europe SA	EUR		100,000.00
Montenegro: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	European Bank for Reconstruction and Development	EUR		92,306.25
Women Empowerment and Tourism Recovery Project - Timor-Leste	United Nations Office for Projects Services (UNOPS)	USD	92,000.00	81,880.00
Covid-19 Tourism Recovery Technical Assistance for the Dominican Republic	IC Net Limited	EUR		49,940.00
Understanding and Quantifying Tourism in Mountains	Food and Agriculture	USD	40,000.00	35,240.00
Facilitating Tourism Recovery in Aftermath of Covid-19 - Tunisia	European Bank for Reconstruction and Development	EUR		33,545.00
Support for the Global Youth Tourism Summit	Mastercard Europe SA	EUR		30,000.00
Zimbabwe National Tourism Satellite Account (ZIMITSA) Implementation	International Finance Corporation	USD	34,100.00	29,939.80
Socio-Economic Impact Assessment of the COVID-19 in the tourism sector in Zambia	UNDP	USD	31,622.00	27,858.98
Global Mapping of Climate Action in Tourism	Germany	EUR		25,000.00
Uzbekistan: Facilitating Tourism Recovery in Aftermath of Covid-19	European Bank for Reconstruction and Development	EUR		23,478.00
Dans la mise au point du système des statistiques du tourisme et du développement d'un compte	Benin	USD	24,788.00	23,052.84
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
Para la Celebración del Seminario/Taller el Sistema de Calidad UNWTO.TEDQUAL para Programas Formativos	Dominican Republic	EUR		10,000.00
Support for the Global Youth Tourism Summit	HILTON Worldwide	EUR		10,000.00
Support for the Global Youth Tourism Summit	Azerbaijan	USD	10,000.00	9,200.00
Sustainable Tourism Development in the Central Asia Regional Economic Cooperation Region	Asian Development Bank	USD	8,432.00	8,077.86
UNDP / JPOs	UNDP	USD	6,688.35	5,992.76
UNDP Nepal / Capacity Building for the Compilation of the First Preliminary Experimental TSA	UNDP	USD	940.00	828.14

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.

**Voluntary contribution received
for the period ended 30 September 2022**
Euros

Project	Donor	Curr	Amount	EUR
Total				6,841,985.04
UNWTO Regional Office for the Middle East	Saudi Arabia	SAR	18,750,000.00	4,563,782.99
Le renforcement des capacités d'un cohorte de cinquante-quatre (54) guides de tourisme	Benin	USD	295,949.00	280,855.59
Formulation of a Tourism Master Plan for Kasane/Kazungula	Botswana	USD	292,380.00	260,218.22
Regional Support Office of Asia Pacific VC	Japan Tourism Agency	JPY	31,234,000.00	217,581.05
Tourism Development Project	Tajikistan	USD	193,327.00	177,126.19
Montenegro: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	European Bank for Reconstruction and Development	EUR		159,075.00
Georgia: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	European Bank for Reconstruction and Development	EUR		152,732.00
Facilitating Tourism Recovery in Aftermath of Covid-19 – Assessment for Egypt	European Bank for Reconstruction and Development	EUR		136,308.40
Tanzania Tourism Recovery Through Digital Transformation and Local Economy Development	UNDP	USD	113,030.70	112,691.61
Sponsorship for Launching Digital Futures for SMES	Mastercard Europe SA	EUR		100,000.00
For the Evaluation of Tourism Statistics System	Saudi Arabia	USD	100,000.00	96,500.00
Women Empowerment and Tourism Recovery Project - Timor-Leste	United Nations Office for Projects Services	USD	92,000.00	81,880.00
Uzbekistan: Facilitating Tourism Recovery in Aftermath of Covid-19	European Bank for Reconstruction and Development	EUR		70,435.00
La Celebración de un Concurso de Innovación en Productos Turísticos Transformadores para el	Panama	EUR		54,732.11
Covid-19 Tourism Recovery Technical Assistance for the Dominican Republic	IC Net Limited	EUR		49,940.00
Understanding and Quantifying Tourism in Mountains	Food and Agriculture Organization	USD	40,000.00	35,240.00
Facilitating Tourism Recovery in Aftermath of Covid-19 - Tunisia	European Bank for Reconstruction and Development	EUR		33,545.00
Sustainable Tourism Development in the Central Asia Regional Economic Cooperation Region	Asian Development Bank	USD	33,726.00	32,081.86
Support for the Global Youth Tourism Summit	Azerbaijan	EUR		30,000.00
Zimbabwe National Tourism Satellite Account (ZIMITSA) Implementation	International Finance Corporation	USD	34,100.00	29,939.80
Socio-Economic Impact Assessment of the COVID-19 in the tourism sector in Zambia	UNDP	USD	31,622.00	27,858.98
Global Mapping of Climate Action in Tourism	Germany	EUR		25,000.00
2022 UNWTO Students' League - Switzerland	Switzerland	EUR		25,000.00
Dans la mise au point du système des statistiques du tourisme et du développement d'un compte	Benin	USD	24,788.00	23,052.84
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
Support for the Global Youth Tourism Summit	Mastercard Europe SA	EUR		10,000.00
Para la Celebración del Seminario/Taller el Sistema de Calidad UNWTO.TEDQUAL para Programas Formation	Dominican Republic	EUR		10,000.00
Support for the Global Youth Tourism Summit	HILTON Worldwide	USD	10,000.00	9,200.00
UNWTO Technical Assistance for the COVID-19 Tourism Recovery for Skiathos Island, Skiathos Island	Municipality of Skiathos Island	EUR		6,852.00
UNDP / JPOs	UNDP	USD	6,688.35	5,992.76
"UNWTO Tourism Stories pacific - Resilience Through Crisis" publication and video series	APTEC	EUR		1,070.00
UNDP Nepal / Capacity Building for the Compilation of the First Preliminary Experimental TSA	UNDP	USD	940.00	828.14

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 30 June 2022 and 30 September 2022 (provisional)

In-kind contributions received for the period ended 30 June 2022		
Euros		
Donor	Project	Total
Total		1,599,521.07
<i>Use of conference facilities and premise</i>		<i>1,178,808.29</i>
Spain	Headquarter premise	467,545.05
Saudi Arabia	Regional Office for the Middle East premise	227,912.62
Maldives	34th UNWTO Commission for East Asia and the Pacific	197,462.96
Saudi Arabia	116th Session of the Executive Council at Riyadh, Saudi Arabia	185,950.41
APTEC	Sending UNWTO Staff to the UNWTO RSOAP Nara	37,704.44
Egypt	48th UNWTO Regional Commission for the Middle East and the Tourism Awar	36,583.00
Fundación Mallorca Turism	La Cumbre de Destinos Sostenibles - Liderando al Transformación	15,000.00
International Trade Centre	Geneva premise	10,649.81
<i>Donated equipment</i>		<i>3,882.48</i>
Saudi Arabia	Regional Office for the Middle East	3,882.48
<i>Donated travel</i>		<i>416,830.30</i>
Saudi Arabia		148,709.38
Uruguay		72,043.10
Maldives		55,021.24
Tourism Committee of Armenia		21,482.37
United Republic of Tanzania		18,485.32
Egypt		18,068.88
United Arab Emirates		6,982.67
SENATUR		6,966.52
UNDP Tanzania		6,322.64
South African Tourism		6,207.20
Korea World Travel Fair (KOFTA)		5,292.36
Andorra		4,928.37
Fundación Mallorca Turisme		4,237.53
Donors with contribution below EUR 4,000		42,082.72

**In-kind contributions received
for the period ended 30 September 2022**

Euros

Donor	Project	Total
Total		2,156,166.66
<i>Use of conference facilities and premise</i>		<i>1,553,125.91</i>
Spain	Headquarter premise	701,267.58
Saudi Arabia	UNWTO Regional Office for the Middle East	344,373.96
Maldives	34th Joint Meeting of the UNWTO Commission for East Asia and the Pacific	197,462.96
Saudi Arabia	116th Session of the Executive Council	185,950.41
APTEC	UNWTO Regional Support Office of Asia Pacific	56,556.66
Egypt	48th UNWTO Regional Commission for the Middle East and the "Tourism Awareness"	36,583.00
International Trade Centre	Geneva premise	15,931.34
Fundación Mallorca Turismo	La Cumbre de Destinos Sostenibles - Liderando al Transformación	15,000.00
<i>Donated PPE/IA</i>		<i>3,882.48</i>
Saudi Arabia	UNWTO Regional Office for the Middle East	3,882.48
<i>Donated travel</i>		<i>599,158.27</i>
Saudi Arabia		152,022.99
Uruguay		72,043.10
Maldives		55,021.24
Indonesia		41,573.59
United Republic of Tanzania		41,069.03
ENIT-Organismo Oficial Italiano para el Turismo		23,842.54
Tourism Committee of Armenia		21,562.37
Egypt		18,068.88
Tanzania		11,805.78
United Arab Emirates		9,912.75
Nara Prefectural Government		9,738.98
JATA-Japan Association of Travel Agents		9,385.85
ICRTH Secretariat		7,561.31
SENATUR		6,931.18
Nigeria		6,768.12
UNDP Tanzania		6,461.42
South African Tourism		6,207.20
Korea World Travel Fair (KOFTA)		5,322.36
UNWTO/Reg.Supp.Office-Japan		5,265.67
Namibia		5,082.96
African Airlines Association		5,011.30
Andorra		4,928.37
Lufthansa Group		4,817.03
Fundación Mallorca Turisme		4,771.67
Italy		4,768.89
Meta (Facebook)		4,175.15
Donors with contribution below EUR 4,000		55,038.54

Annex I.C.6: Project support costs (PSC) and Initiative projects (PRF) movements for the period ended 30 June 2022 and 30 September 2022 (provisional)

Project support costs (PSC) and Initiative projects (PRF) movements
for the period ended 30 June 2022
Euros

Description	Net assets 01/01/2022	Movements	Net assets 30/06/2022	Assets & reconciling items	Actual amounts 30/06/2022 ⁴	Outstanding commitments	Actual amounts after commitments 30/06/2022
<i>PSC and Initiative projects</i>							
<i>Project support cost projects ¹</i>	868,517.02	-72,803.99	795,713.03	0.00	795,713.03	347,237.03	448,476.00
<i>Initiative projects ²</i>	135,730.69	0.00	135,730.69	0.00	135,730.69	0.00	135,730.69
PRF-EU Horizon 2020 ³	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
<i>Technical Cooperation Initiative</i>	77,037.68	0.00	77,037.68	0.00	77,037.68	0.00	77,037.68

Remarks:

¹ DRF Annex III.

² PRF groups unused balances on completion of voluntary contributions projects which remain at UNWTO for aims of the Organization following stipulations of the

³ PRF-EU Horizon 2020 (Project reserve fund – European Union Horizon 2020).

⁴ 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.

Project support costs (PSC) and Initiative projects (PRF) movements
for the period ended 30 September 2022
Euros

Description	Net assets 01/01/2022	Movements	Net assets 30/09/2022	Assets & reconciling items	Actual amounts 30/09/2022 ¹	Outstanding commitments	Actual amounts after commitments 30/09/2022
<i>PSC and Initiative projects</i>							
<i>Project support cost projects ²</i>	868,517.02	113,292.22	981,809.24	0.00	981,809.24	374,497.55	607,311.69
<i>Initiative projects ³</i>	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

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).

Annex I.C.7: Projects with UNWTO and donors' contributions for the period ended 30 June 2022 and 30 September 2022 (provisional)**Projects with UNWTO and donors contribution**

for the period ended 30 June 2022

Euros

Project	Title	Agreement		Donor		UNWTO		Contribution		
		Date	Donor	In-kind	Cash	In-kind	Cash	Total	% Share	
									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	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%
Hosting of the "UNWTO Global Conference on Linking Tourism, Culture and Creative Industries: Pathways to Recovery and Inclusive Development", in Lagos, Federal Republic of Nigeria	Agreement between The World Tourism Organization (UNWTO) and The Government of the Federal Republic of Nigeria	19/04/2022	Nigeria	83,298.00	0.00	3,464.60	0.00	86,762.60	96%	4%
For the Holding of the 34th joint Meeting of the UNWTO Commission for East Asia and the Pacific and the UNWTO Commission for South Asia, Ministerial Roundtable on Tourism Resilience Through Innovation and Digitalization in Asia and the Pacific and UNWTO Global Summit on Community-Based Tourism	Agreement Between The World Tourism Organization (UNWTO) and The Government of the Maldives	31/05/2022	Maldives	363,380.00	0.00	30,000.00	0.00	393,380.00	92%	8%
"UNWTO Tourism Stories Pacific - Resilience Through Crisis" publication and video series	Cooperation Agreement Between The World Tourism Organization and The Asia Pacific Tourism Exchange	07/06/2022	APTEC	35,320.17	1,070.00	6,491.84	0.00	42,882.01	85%	15%

Remarks:

1. Contributions as shown in the agreements signed between UNWTO and the donor/s.

2. Agreements with extensions signed during the year and without additional financial implications than those in the original agreement are not included in this table.

3. 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.

Projects with UNWTO and donors contribution
for the period ended 30 September 2022
Euros

Project	Title	Agreement		Donor		UNWTO		Contribution		
		Date	Donor	In-kind	Cash	In-kind	Cash	Total	% Share	Donor JNWTO
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%
Hosting of the "UNWTO Global Conference on Linking Tourism, Culture and Creative Industries: Pathways to Recovery and Inclusive Development", in Lagos, Federal Republic of Nigeria	Agreement between The World Tourism Organization (UNWTO) and The Government of the Federal Republic of Nigeria	19/04/2022	Nigeria	83,298.00	0.00	3,464.60	0.00	86,762.60	96%	4%
For the Holding of the 34th joint Meeting of the UNWTO Commission for East Asia and the Pacific and the UNWTO Commission for South Asia, Ministerial Roundtable on Tourism Resilience Through Innovation and Digitalization in Asia and the Pacific and UNWTO Global Summit on Community-Based Tourism	Agreement Between The World Tourism Organization (UNWTO) and The Government of the Maldives	31/05/2022	Maldives	363,380.00	0.00	30,000.00	0.00	393,380.00	92%	8%
"UNWTO Tourism Stories Pacific - Resilience Through Crisis" publication and video series	Cooperation Agreement Between The World Tourism Organization and The Asia Pacific Tourism Exchange Center (APTEC) and The South Pacific Tourism Organization (SPTO)	07/06/2022	APTEC	35,320.17	1,070.00	6,491.84	0.00	42,882.01	85%	15%
For the Digital Futures for SMEs	Organization and Mastercard for Digital Futures for SMEs	24/06/2022	Mastercard Europe SA	159,341.27	0.00	198,306.00	0.00	357,647.27	45%	55%

Remarks:

- Contributions as shown in the agreements signed between UNWTO and the donor/s, regardless UNWTO source of funding.
- 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 30 June 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 30 June 2022
Euros

Full Members	Para. 13	Art. 34	Arrear contributions		
			Years	Number of years	EUR
<i>Total</i>					<i>10,788,799.12</i>
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
Chad	X	X	10	10	266,892.56
Djibouti	X	X	03-21	19	430,350.00
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
Iraq	X	X	93-06,12	15	1,580,710.65
Islamic Republic of Iran	X		19-21	3	229,823.00
Kyrgyzstan	X	X	00-10, 12-15,20	15	330,842.35
Liberia	X	X	12-21	10	266,899.00
Malawi	X	X	11-21	11	289,673.99
Madagascar	X	X	17-19	3	80,804.44
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	99-00,02-04,10-12, 15-18	12	271,898.75
Vanuatu	X	X	10-17, 20-21	10	219,461.00
Venezuela	X	X	16,18-21	5	452,991.27

* The Executive Council at its 116th session endorsed a payment plan for the Full Member Uganda to be ratified by the 25th session of the General-Assembly.

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 30 June 2022
Euros

	31/03/2022	Increase	Decrease	30/06/2022
<i>Amount due</i>	<i>8.754.257</i>	<i>2.594.888</i>	<i>560.346</i>	<i>10.788.799</i>

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 30 June 2022

Euros

	Para. 13	Art. 34	Arrears settled
DPR Korea	-	-	Partially
Ecuatorial Guinea	-	-	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 24th General Assembly (A/RES/736(XXIV))
at 30 June 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	2006-2022	Yes	Yes
Gambia, Islamic Republic of	2015	Yes	2016	15	2016-2021	Yes	Yes
					2022	No	No
Lao People's Dem. Republic	2005	Yes	2005	26	2005-2022	Yes	Yes
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

* As of the date of this document the Full Member Uruguay has complied with the conditions laid out in its payment plan for 2022.

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,

78. (...)

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;*
79. *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: UNWTO Financial Report and Audited Financial Statements for the period ended 31 December 2021



UNWTO FINANCIAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2021

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UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2021

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Table of Contents

Financial Report of the Secretary-General for the year 2021	7
Introduction	7
Special notes on the potential financial impact of international events.....	7
COVID-19 coronavirus pandemic	7
Conflict in Ukraine and sanctions on Russia	8
Conclusion8	
Overview of the Financial Statements	9
Aims, membership and strategic objectives of UNWTO.....	12
Financial Statements highlights.....	13
Budgetary performance of the Regular Budget	13
Budgetary result of the Regular Budget.....	13
Comparison of financial performance to budgetary result of the Regular Budget.....	14
Financial performance	16
Revenue analysis	16
Expense analysis.....	16
Performance segment analysis	17
Financial position.....	18
Assets, liabilities and net equity analysis.....	18
Assessed contributions.....	20
Cash and cash equivalents	21
After-service employee benefits liabilities	21
<i>UNWTO ASEB liabilities funding strategy</i>	23
Working Capital Fund	25
Position segment analysis	25
Financial risk management	26
Exchange risk.....	26
Interest risk.....	26
Credit risk 26	
Counterpart risk.....	26
Financial transparency and accountability.....	27
Submission of the Financial Statements at 31 December 2021	29
Opinion of the External Auditor	31
Financial Statements	40
I. Statement of Financial Position at 31 December 2021	40
II. Statement of Financial Performance for the year ended 31 December 2021	41
III. Statement of Changes in Net Assets/Equity for the year ended 31 December 2021.....	42
IV. Cash Flow Statement for the year ended 31 December 2021	43

V. Statement of Comparison of Budget and Actual Amounts for the year ended 31 December 2021 – Regular Budget	44
VI. Notes to the Financial Statements.....	45
Note 1 – Reporting organization.....	45
Note 2 – Significant accounting policies	45
Note 3 – Accounting estimates.....	53
Note 4 – Segment reporting	53
Note 5 – Cash and cash equivalents.....	55
Note 6 – Investments.....	55
Note 7 – Inventories	56
Note 8 – Contribution receivables.....	56
Note 9 – Other receivables.....	59
Note 10 – Other assets.....	59
Note 11 – Property, plant and equipment.....	60
Note 12 – Intangible assets	60
Note 13 – Payables and accruals.....	61
Note 14 – Transfers payable	62
Note 15 – Employee benefits	62
Note 16 – Advance receipts and deferred liabilities.....	67
Note 17 – Provisions	68
Note 18 – Other liabilities	68
Note 19 – Net assets / equity	69
Note 20 – Revenues.....	70
Note 21 – Expenses	71
Note 22 – Statement of comparison of budget and actual amounts – Regular Budget	73
Note 23 – Commitments and contingencies	74
Note 24 – Losses, ex-gratia payments and write-offs.....	74
Note 25 – Related party and key management disclosures	75
Unaudited Annexes.....	77
Annex I: Contact information	77
Annex II: Appropriations transfers at 31 December 2021 - Regular Budget.....	78
2021 Approved and revised appropriations – Regular Budget at 31 December 2021	78
Annex III: Cofinancing projects for the period ended 31 December 2021	81
Annex IV: Contributions due to the General Fund and the Working Capital Fund.....	83
Statement of contributions due to the General Fund at 31 December 2021	83
Statement of contributions due to the Working Capital Fund at 31 December 2021	87
Annex V: Voluntary contributions received for the year ended 31 December 2021.....	88
Annex VI: ASEB funding projections and payroll charge.....	90
Background	90
Plan rules, census and assets data, other assumptions and methods and actuarial statements	90
<i>Plan rules</i>	90
<i>Census and assets data</i>	90
<i>Other assumptions and methods</i>	91

<i>Actuarial statements</i>	91
Contribution strategies.....	91
Payroll charge impact per scenario compared to current ASEB provision appropriation.....	93
Conclusion and proposal.....	93
Annex VII: Working Capital Fund available balance and advance to the Regular Budget.....	95
Working Capital Fund (WCF) available balance at 31 December 2021.....	95
Budgetary cash balance of the Regular Budget and WCF advance at 31 December 2021.....	96
Annex VIII: Project support cost (PSC) and Initiative projects (PRF) movements for the year ended 31 December 2021.....	97
Annex IX: Sub-funds reporting	98
Statement of financial position by sub-funds at 31 December 2021	98
Statement of financial performance by sub-funds for the year ended 31 December 2021	99
Annex X: Reserves, other and non-RB projects within the GF movements for the year ended 31 December 2021	100
Acronyms	102

Financial Report of the Secretary-General for the year 2021

Introduction

1. In accordance with Financial Regulation (FR) 14.7 I have the honour to submit to the Executive Council (EC) the Financial Statements (FS) of the World Tourism Organization (UNWTO) for the year ended 31 December 2021.
2. The Financial Statements were subjected to external audit in accordance with Annex I to the Financial Regulations. The audit opinion and report of the External Auditor (EA) on the Financial Statements are submitted to the Executive Council in accordance with Financial Regulation 17.2.
3. This section, the financial report, presents the Secretary-General's discussion and analysis of UNWTO's financial position and financial and budgetary performance for the financial year ended 31 December 2021.

Special notes on the potential financial impact of international events

COVID-19 coronavirus pandemic

4. The 2019 and 2020 Financial Reports and Financial Statements indicated that UNWTO's financial outlook was uncertain due to the COVID-19 coronavirus pandemic. The impact resulting from the pandemic on the financial performance of the UNWTO depended on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the global economy, all of which were highly uncertain and could not be reliably predicted.
5. Having regard to the above external factors, in 2021 UNWTO continued to focus on the implementation of its programmatic activities and strategic objectives and continued with efforts to mitigate the impact of the pandemic on UNWTO's financial situation and activities¹. Members and donors continued to support UNWTO during this period.
6. The COVID-19 pandemic manifested itself in a variety of ways in the activities of UNWTO during 2021. While the impact on the way UNWTO conducted its business was profound, the direct, visible and measurable impact on the financial performance for 2021 and the financial position at the end of the year was limited. Furthermore, there can be no objective, exact or systematic determination of the impact of the COVID-19 pandemic on these Financial Statements as accounting and reporting systems are not intended or designed to report costs, revenues and balances based on a specific underlying cause, such as a pandemic. Despite this, the following broad trends can be identified:
 - (a) No material impact can be attributable as a direct result of the pandemic in regard to the allowance for assessed and voluntary contributions receivable. Member States and donors were assiduous in paying outstanding contributions;
 - (b) During 2021 a number of new voluntary contribution agreements were signed for COVID-19 mitigation activities, including in certain cases reprogramming for COVID-19 relief activities. New voluntary contribution receivables for 2021 were higher than those of the previous four years 2017-2020. Thus, it would be reasonable to conclude that the pandemic did not influence the level of voluntary contributions;

¹ See detailed information on A/24/5(a) rev.3 Implementation of the General Programme of Work, Part II Implementation of the programme of work 2020-2021 – A major focus on the response to the COVID-19 crisis.

- (c) Some projects that were under implementation have been impacted both financially and in terms of the expected completion date by physical access restrictions. A review of ongoing projects has been made and while there may be a financial impact these are either not considered material or cannot be reasonably quantified;
 - (d) There has been an overall decline in 2021 in deposit and investment revenue caused by the lower or zero interest rates in USD and EUR deposits respectively due, in part, to the economic situation brought about by the pandemic;
 - (e) Travel expenses (non-donated and donated) decreased by 77%, from EUR 1,575,631 in 2019 to EUR 655,977 in 2021 primarily as a result of significantly reduced travel during the pandemic;
 - (f) The limitations on physical movements that applied in locations where UNWTO operated resulted in a majority of staff and personnel continuing to work remotely;
7. The long-term impact of the COVID-19 pandemic is still being evaluated and it is too early to assess any impact on the carry value UNWTO assets. UNWTO expects to continue to successfully manage any operational and financial impacts from the effects of the pandemic.

Conflict in Ukraine and sanctions on Russia

- 8. The conflict in Ukraine is resulting in loss of life. As at mid March 2022 more than 3.5 million refugees have fled Ukraine according to United Nations High Commissioner for Refugees (UNHCR)².
- 9. In Ukraine, in addition to the human suffering, the economic damage is substantial including to the physical infrastructure and the tourism industry. Ukraine will face significant recovery and reconstruction costs.
- 10. Unprecedented sanctions have been imposed on Russia which may negatively impact on the global economy. The outlook is uncertain and the economic consequences may be very serious. Energy and commodity prices have surged, adding to inflationary pressures.
- 11. In many countries, including Spain where UNWTO has its headquarters, the crisis is adding to inflation already experienced through elevated price pressures. The 2022-2023 Regular Budget³ was calculated under the assumption that 2022 and 2023 inflation would amount to 1.7% while inflation in Spain⁴ at February 2022 amounted to 7.4%.
- 12. UNWTO has taken immediate actions to evaluate the potential impact on tourism of the conflict in Ukraine⁵. UNWTO will continue to assess the evolving situation and support on tourism related matters to its Members in close collaboration with the UN and other international organizations.

Conclusion

- 13. In conclusion, 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. In order to respond to events as they unfold, the Organization will continue with the following mitigating actions to reduce costs, optimize the Organization's cash flow and preserve liquidity:

² UNHCR site on live operation data on Ukrainian refugee situation (<https://data2.unhcr.org/en/situations/ukraine>)

³ A/24/5(b)rev.1 approved by A/RES/733(XXIV)

⁴ Consumer price index as per the National Statistics Institute of Spain (<https://www.ine.es/daco/daco42/daco421/ipcia0222.pdf>)

⁵ CE/URG-2/2 rev.1 approved by CE/DEC/1(URG-2)

- (a) closely monitor receipts of Members' current year assessed contributions and arrears and plan for potential reductions by restricting expenditures to available and expected cash resources;
 - (b) manage liquidity risk on Members' contribution receivables using the Working Capital Fund if required;
 - (c) consider steps to reduce expenditures to offset high levels of inflation if needed;
 - (d) keep Members informed on the programme and financial situation and of any plans being considered to scale back the operations of the Regular Budget; and,
 - (e) delay donor-based projects until the respective cash resources to meet expenditures have been received.
14. Based on these factors and with the continued support of its Members and donors, UNWTO expects to meet its programmatic and financial responsibilities notwithstanding the ongoing pandemic and the conflict in Ukraine.

Overview of the Financial Statements

15. The Financial Statements are prepared in accordance with the UNWTO Financial Regulations, UNWTO Detailed Financial Rules, the International Public Sector Accounting Standards (IPSAS)⁶, and in line with the United Nations (UN) policy that IPSAS be used as the accounting standards by UN system organizations.
16. 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 ensure proper disclosure in the reporting of an organization's revenue, expense, assets, liabilities and reserves and improves decision-making, financial management and planning at management and governance levels.
17. The Financial Statements consist of:
- (a) **A statement of financial position**
Provides information on UNWTO's assets, liabilities, accumulated surplus/deficit and reserves at year end. It gives information about the extent to which resources are available to support future operations.
 - (b) **A statement of financial performance**
Presents the net surplus or deficit for the year, the difference between revenue and expense. It provides information on the nature of about the UNWTO's programme delivery expense and the amounts and sources of revenue.
 - (c) **A statement of changes in net assets/equity**
Highlights the sources of changes in the overall financial position.

⁶ FR 14.1

(d) **A cash flow statement**

Provides information on UNWTO's liquidity and solvency including the sources and utilization of cash during the financial period. It explains the difference between the cash coming in and cash going out.

(e) **A comparison of budget and actual amounts – Regular Budget**

Highlights the extent to which approved Regular Budget (RB) resources were utilized and presents the difference between the actual budgetary expenditure and the approved budget appropriation.

(f) **Notes to the Financial Statements**

Assist in the understanding the Financial Statements. Notes comprise of a summary of significant accounting policies and other detailed tables and explanatory information. The notes also provide additional financial statement information and disclosures as required by IPSAS.

18. The Financial Statements also present information on the separately identifiable business segments, namely:

(a) **The Programme of Work Services (PoWS)**

The Programme of Work Services segment, being the General Fund (GF) mainly financed from the assessed contributions of the Members, covers (i) the main operations of the Organization for which programme appropriations for the financial period are voted by the General Assembly (the Regular Budget's (RB) programme of work) and, (ii) other non-RB activities within the GF such as, publications store activities, affiliate members programme of work activities, working capital fund, other reserves and other non-RB project activities within the GF (after-service employee benefits, unbudgeted miscellaneous revenue, projects previous to 2014 and accounting adjustments).

(b) **Other Services (OS)**

The Other Services segment comprises the Voluntary Contributions Fund (VCF) and the Funds In Trust (FIT) and mainly relates to projects and activities financed from voluntary funding provided by donors through agreements or other legal authority. Included under this segment are the UNWTO Regional Support Office for Asia and the Pacific (RSOAP) and UNWTO Regional Office for the Middle East (ROME) and activities financed by project support cost recovery and balances of closed projects.

19. The major financial reporting and disclosure aspects under IPSAS are:

- (a) All UNWTO financial transactions are reported in a single set of Financial Statements with detailed information and segment information presented in the notes.
- (b) Revenue for assessed contributions is recognized when UNWTO has the right to receive the contribution, that is to say, at the beginning of each year. Voluntary contributions are fully recognized as revenue on the receipt of a confirmed contribution unless they contain performance conditions, which are to be met before recognition. In-kind contributions such as rent-free premises or material services such as travel or capitalized equipment are also recognized as revenue. All other revenue is recognized on an accrual basis in the period the transaction occurred.
- (c) Allowances are made where the receipt of receivables is considered doubtful.
- (d) Expense is presented in the Financial Statements by nature of expense and is recognized when goods and services have been received.

- (e) Inventories of a material nature such as publications are expensed on sale or distribution.
 - (f) The recognition of all employee liabilities to be paid out in future periods on an accrual basis including accumulated annual leave, end of service benefits and after-service medical liabilities determined by independent actuaries.
 - (g) Fixed and intangible assets are presented under IPSAS accounting policies.
 - (h) Recognition of the in-kind contribution of the annual lease of the Headquarters building in Madrid provided on a no-cost basis by the Government of Spain.
 - (i) Reconciliation is provided between the Statement of Financial Performance prepared on an accrual basis and the Statement of Comparison of Budget and Actual Amounts which is prepared and utilized on a modified accrual basis.
 - (j) Unspent approved budgetary provisions at year end are included in accumulated surpluses pending their utilization.
 - (k) Reserves are those specifically approved by the UNWTO governing bodies.
 - (l) Budgetary commitments do not represent liabilities unless they are payables resulting from goods or services delivered during the financial year.
 - (m) Additional disclosure is made in respect of the financial risk management of the Organization and in respect of the remuneration of the key management personnel comprising personnel at and above D2 level.
20. Several key financial definitions under IPSAS are presented below to enhance the usability and understanding of these Financial Statements:
- (a) **Assets** are resources controlled by UNWTO as a result of past events in which future economic benefits or service potentials are expected to flow to UNWTO.
 - (b) **Liabilities** are present obligations arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits or service potential.
 - (c) **Net assets** are the residual interest in the assets of UNWTO after deducting all its liabilities.
 - (d) **Revenue** is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets.
 - (e) **Expenses** are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in net assets.
 - (f) **Non-exchange transactions** are those transactions for which UNWTO either receives from or gives value to another entity without directly giving or receiving approximately equal value in exchange.
 - (g) **Monetary items** are units of currency held and assets and liabilities to be received or paid in fixed or determinable amounts.
 - (h) **Surplus for the period** is the excess of all items of revenue over expense recognized in a period.
21. Under the accrual basis of accounting, revenues and expenses are recognized in the Financial Statements in the period to which they relate. The excess of revenues over expenses results in a surplus

which is carried forward to the accumulated surplus. These accumulated surpluses represent the unexpended portion of contributions to be utilized, as authorized, in requirements of the Organization.

22. Most transactions in the public sector are non-exchange transactions which means that revenues received do not provide equal value in return while the services provided do not receive equal value in return. The focus of IPSAS is the financial position, which is evidenced by the recognition of assets, when there is sufficient control, and of liabilities, when the criteria to recognize liabilities exist.

Aims, membership and strategic objectives of UNWTO

23. UNWTO's aims, as summarized in Article 3.1 of its Statutes, are "the promotion and development of tourism with a view to contributing to economic development, international understanding, peace, prosperity, and universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language or religion".
24. At 31 December 2021, UNWTO's membership includes 159 countries, 6 Associate Members and some 497 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities.
25. The Organization's governance, through the General Assembly (GA) and the Executive Council, is defined in the UNWTO Statutes⁷.
26. The Programme of Work (PoW) (A/23/5(a)rev.2)⁸ sets out the strategic objectives of UNWTO over the period 2020-2021:
- (a) *Objective 1: Position tourism as a policy priority*, aims at ensuring that the tourism sector continues to serve as a major force for sustainable development and thus for the achievement of the 2030 Agenda and its 17 Sustainable Development Goals requires a holistic and integrated policy framework and an effective and accountable system of governance that enable and encourage multi-stakeholder collaboration in tourism planning, development and management.
 - (b) *Objective 2: Lead in knowledge creation and policy*, aims at guiding the development of tourism policies that promote responsible, sustainable and universally accessible tourism;
 - (c) *Objective 3: Build better value for Members and expand membership*, aims at addressing the needs of all Members and expanding membership;
 - (d) *Objective 4: Increase resources and strengthen UNWTO's capacity through partnerships*, aims at exploring new and innovative ways to increase its regular budget and extra-budgetary resources in order to further strengthen the delivery to Members and for the Secretariat.
27. Throughout the current financial period, the Organization continued to make significant efforts in a challenging environment to ensure programme delivery towards the attainment of strategic objectives.
28. Funding of UNWTO is mainly through Regular Budget assessments on Members and through voluntary and trust fund contributions in support of the strategic objectives⁹.

⁷ Articles 9 to 20 of the Statutes

⁸ Approved by resolution A/RES/714(XXIII)

⁹ FR 6, 10.3 and 10.4

Financial Statements highlights

Budgetary performance of the Regular Budget

Budgetary result of the Regular Budget

Table 1 - Comparison of budget and actual amounts and budgetary cash balance - Regular Budget
for the year ended 31 December 2021

Euros

	Approved income / Original budget ¹	Final budget ²	Actual amounts on comparable basis	Differences budget and actual ³	Budgetary cash balance (cash-in less expenditure)
Budgetary difference	0.00	0.00	1,596,900.76	-1,596,900.76	917,393.26
<i>Budgetary income</i>	<i>15,197,000.00</i>	<i>15,197,000.00</i>	<i>14,884,817.35</i>	<i>312,182.65</i>	<i>14,205,309.85</i>
Contributions from Full and Associate Members	13,321,000.00	13,321,000.00	13,318,093.00	2,907.00	11,479,208.89
Full Members	13,076,000.00	13,076,000.00	13,073,569.00	2,431.00	11,260,588.80
Associate Members	245,000.00	245,000.00	244,524.00	476.00	218,620.09
Other income sources	1,876,000.00	1,876,000.00	1,566,724.35	309,275.65	1,134,566.99
Allocation from PY RB Budgetary cash balance	537,000.00	537,000.00	537,017.85	-17.85	537,017.85
Allocation from Publication store Accumulated Surplus	200,000.00	200,000.00	200,000.00	0.00	200,000.00
Affiliate Members	1,035,000.00	1,035,000.00	726,137.00	308,863.00	293,979.64
Allocation from Project Reserve Fund (pool) balance	104,000.00	104,000.00	103,569.50	430.50	103,569.50
Arrear contributions	0.00	0.00	0.00	0.00	1,591,533.97
<i>Budgetary expenditure</i>	<i>15,197,000.00</i>	<i>15,197,000.00</i>	<i>13,287,916.59</i>	<i>1,909,083.41</i>	<i>13,287,916.59</i>
A Member Relations	2,579,000.00	2,300,260.59	2,300,260.59	0.00	2,300,260.59
B Operational	3,448,000.00	3,610,392.35	3,610,392.35	0.00	3,610,392.35
C Support, Direct to Members	3,875,000.00	4,240,916.54	4,240,916.54	0.00	4,240,916.54
D Support, Indirect to Members	5,295,000.00	5,045,430.52	3,136,347.11	1,909,083.41	3,136,347.11

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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b)Rev.1 at 30 June 2021. Movements of posts among sections are annually considered.

² After 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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b)Rev.1 at 30 June 2021, and the Secretary-General proposal of structure modification at 31 December 2021. Movements of posts among sections are annually considered.

³ Differences between final and actual budgetary income are due to: (a) rounding difference, and (b) Affiliate members budgetary income was prepared based on an estimated number of Members.

29. This section analyses the Regular Budget (RB) as approved by the General Assembly. The Regular Budget is voted by the General Assembly of UNWTO for a biennium of two consecutive calendar years beginning with an even-numbered year¹⁰. The biennial budget is presented on an annual basis to cover the proposed programme of work of the Regular Budget for each financial year of the financial period¹¹.
30. The Regular Budget is financed from assessed contributions from Members¹² and budgetary allocations. Appropriations are available for budgetary commitments during the financial period to which they relate and for a further twelve months¹³.
31. The Regular Budget of the Organization covering the two-year budget period 2020-2021 (A/23/5(b) rev.1) was approved by the General Assembly (A/RES/715(XXIII)) at EUR 30,096,000 broken down by the 2020 and 2021 annual budgets which amounted to EUR 14,899,000 and EUR 15,197,000 respectively. The 2021 annual budget was adjusted by transfers¹⁴ of EUR 1,128,211 as explained in Annex II on Appropriations transfers - Regular Budget.
32. In 2021, total RB budgetary income and total RB budgetary expenditure amounted to EUR 14,884,817 and EUR 13,287,917 respectively, resulting in an implementation rate of 89% out of the total budgetary income. Therefore, the RB budgetary result (total budgetary income less total budgetary expenditure)

¹⁰ FR 2, FR 4.4

¹¹ FR3, DFR IV.4

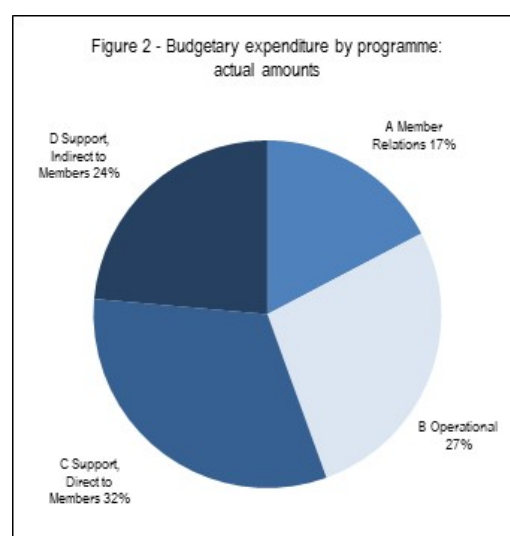
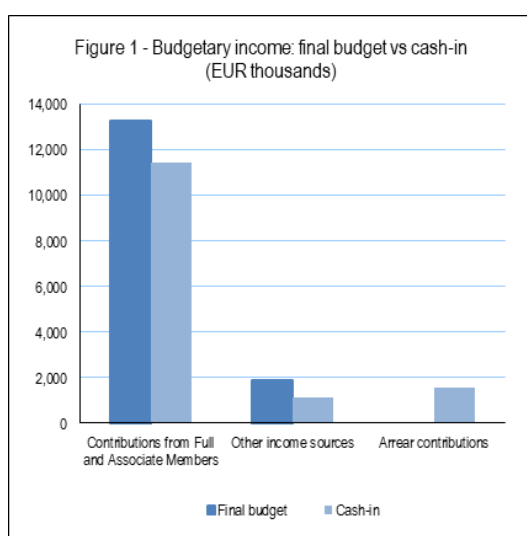
¹² FR 6

¹³ FR 5.1(a), FR 5.2 (a)

¹⁴ FR 5.3 (b)

shows a surplus of EUR 1,596,901. UNWTO reports bi-annually to the Executive Council on the status of the biennial budget implementation¹⁵ of the Regular Budget.

33. The total budgetary income received (cash-in) amounts to EUR 14,205,310, including the Members' arrears received during the year ended 31 December 2021 (EUR 1,591,534), which represents 93% of the approved budgetary income. Arrears received in 2021 are similar to the average of the arrears received in the period 2014-2020.
34. The RB budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) resulted in a cash surplus of EUR 917,393. Therefore, no advances from the Working Capital Fund (WCF)¹⁶ were required.
35. The Secretary-General proposes that, subject to the approval of the Members, the 2021 RB budgetary cash surplus amounting to EUR 917,393 be allocated to the General Fund to increase the RB programme of work operating activities in the forthcoming biennia.



Comparison of financial performance to budgetary result of the Regular Budget

Table 2 - Reconciliation of financial performance with budgetary result of the Regular Budget for the year ended 31 December 2021

Euros

	31/12/2021
<i>Financial surplus/(deficit) in the Statement of financial performance</i>	<i>2,167,398.53</i>
<i>Entity differences</i>	<i>3,959,872.85</i>
<i>Basis differences</i>	<i>-3,389,375.08</i>
Budgetary result in the Statement of comparison of budget and actual amounts	1,596,900.76

36. The budget and the accounting bases differ. Consequently, the following differences have to be taken into account in the reconciliation between the financial performance (Statement of Financial Performance) and the budgetary result (Statement of Comparison of Budget and Actual Amounts):

(a) Entity differences

The Statement of Financial Performance includes all operations of UNWTO while the Statement of Comparison of Budget and Actual Amounts is limited to the operations related to the Regular Budget.

¹⁵ DFR III.4

¹⁶ FR 10.2(b)

The General Fund¹⁷ of the Organization is established for the purpose of accounting: (i) financial transactions in relation to the Regular Budget and (ii) other financial transactions not related to the Regular Budget (such as non-RB projects within the GF, e.g., publications store, affiliate members programme of work, as well as reserves, unbudgeted miscellaneous revenue, working capital fund and other non-RB projects). The latter transactions (ii) as well as the VCF and the FIT, not being part of the Regular Budget, are entity differences eliminated in the reconciliation.

(b) Basis differences

The Statement of Financial Performance is prepared on a full accrual basis in compliance with IPSAS while the Statement of Comparison of Budget and Actual Amounts is prepared on modified accrual basis in accordance to the Regular Budget.

The Regular Budget is approved on a modified accrual basis, whereby income is budgeted on an accrual basis (Members' contributions) plus allocations from accumulated surplus and expenditures are budgeted when it is planned that expenses will be accrued except for:

- (i) Property, plant and equipment, intangible assets and finance lease liabilities which are budgeted when it is planned that payments will be made;
- (ii) After-service employee benefits expenses for after-service health insurance (ASHI) and other after-service benefits accrued in accordance with IPSAS but which are in excess of budgetary appropriations, which are partially based on accrued service costs covering expected annual disbursements (pay-as-you-go (PAYG) approach);
- (iii) Previous years' adjustments to accumulated surplus and unpaid receivables adjustments related to RB projects expenditures;
- (iv) Allowance of unpaid Members' contributions and other accounting differences (such as, application of allowance, foreign exchange differences, investment in joint venture, in-kind donations, depreciation/amortization, impairment and loss on sale of PPE and IA) which are unbudgeted; and
- (v) Transfer to the Replacement Reserve¹⁸ which is budgeted based on the depreciation and amortization of the previous year.

(c) Presentation differences

The Statement of Financial Performance uses a classification based on the nature of expenses while the Statement of Comparison of Budget and Actual Amounts classifies expenses by parts/sections.

In the Regular Budget, the expenditures are classified between Member Relations (Part A), Operational (Part B), Support – Direct to Members (Part C) and Support – Indirect to Members (Part D)¹⁹. The financial impact of the presentation differences is zero.

¹⁷ FR 10.1, FR 4.4, FR 2

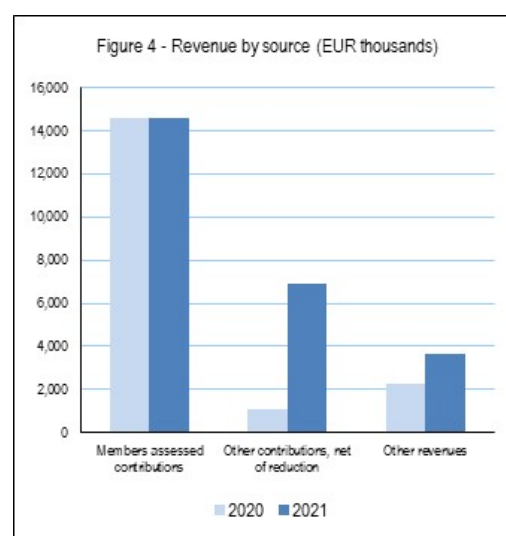
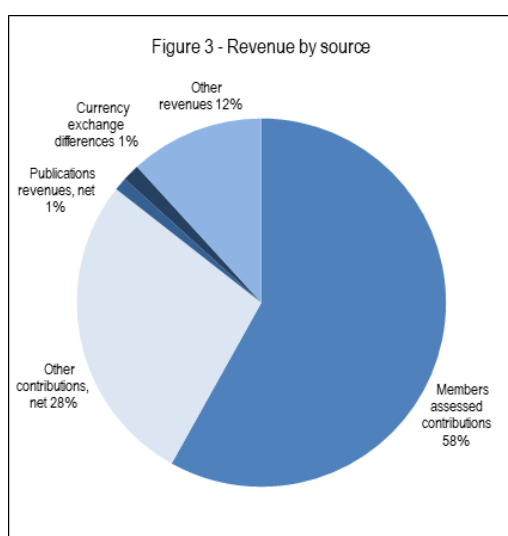
¹⁸ DFR VI 21-23

¹⁹ FR 4.3

Financial performance

Revenue analysis

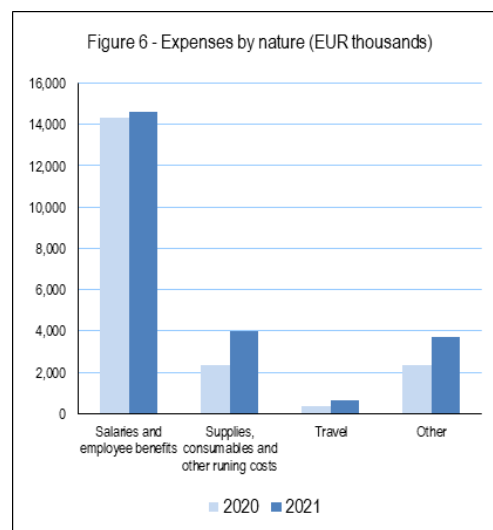
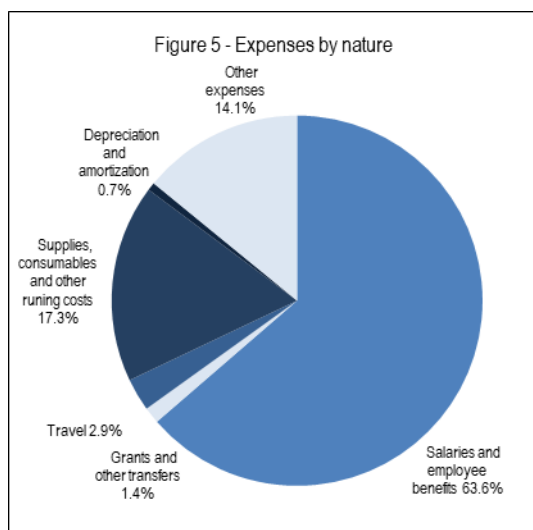
37. Total revenue amounted to EUR 25,158,254. UNWTO's activities are mainly funded by assessed contributions on its Members. Net revenue of EUR 14,612,860 from Members' assessed contributions represents 58% of the total revenue.
38. Revenue from other contributions (Voluntary Contributions and Funds In Trust) amounting to EUR 6,917,965, represented 27% of the revenue. From 1 January 2019, UNWTO management decided that milestones will represent conditions in donor agreements. Therefore, from 1 January 2019, in accordance with UNWTO accounting policies, UNWTO considers non-exchange transactions related to donor agreements with milestones as conditional and other contributions revenue (Voluntary Contributions and Funds In Trust revenue) related to those agreements is recognized as project expenses are delivered.
39. All of the amounts recorded as revenues may not ultimately be received. For this reason, UNWTO recognizes allowances for doubtful accounts and provisions for returns to donors for donor-based projects previous to 2019.
40. The remaining 14% of the revenue came from other revenue amounting to EUR 3,627,430. Other revenue mainly includes publication sales (EUR 289,083), in-kind contributions (EUR 2,500,107). In-kind donations are recognized mainly in respect of donated premises and conference facilities (EUR 2,147,334), donated travel (EUR 186,293) and donated goods (EUR 166,480).



Expense analysis

41. Total expense amounted to EUR 22,990,856. Salaries and employee benefits, the main category of expenditure, represent 64% of the total expenses (EUR 14,633,001). Salaries of regular staff amounted to EUR 9,038,571 (62% of salaries and employee benefits). A further EUR 3,952,373 (27%) was spent on temporary personnel and consultants to support the delivery of projects. The remaining EUR 1,642,057 (11%) relates to accrual of after-service employee benefits and actuarial gains or losses relating to accumulated annual leave (AAL) and end-of-service benefits (EoSB) for current and retired staff.
42. Supplies, consumables and other running costs amount to EUR 3,977,729 and represent 17% of total expenses. This category mainly includes supplies and consumables (EUR 466,941), rental expenses, including in-kind rental (EUR 2,285,770), contractual services (EUR 1,034,967) and expendables (EUR 148,561).

43. The list of projects cofinanced²⁰ by UNWTO is shown under Annex III.



Performance segment analysis

Table 3 - Summary financial performance by segment for the year ended 31 December 2021

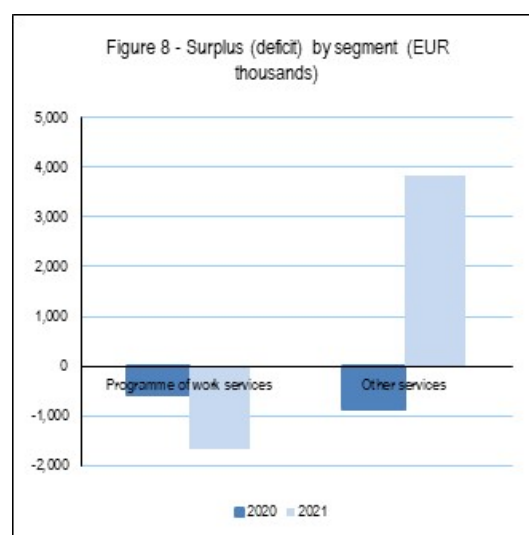
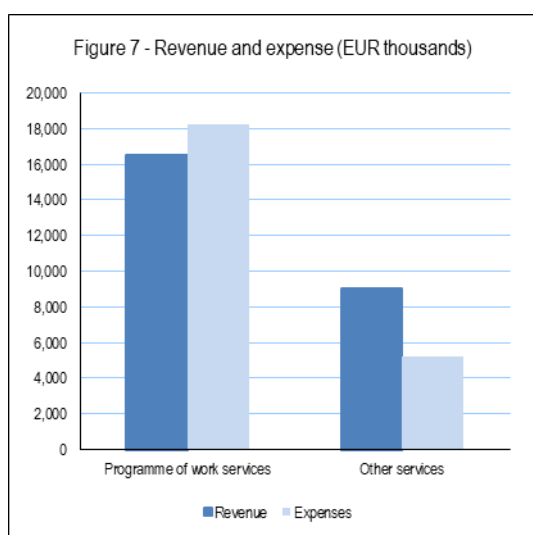
Euros

	Programme of work services	Other services	Inter-segment elimination*	Total UNWTO
Revenue	16,532,760.05	9,039,039.75	-128,753.89	25,443,045.91
Expenses	18,193,641.89	5,210,759.38	-128,753.89	23,275,647.38
Surplus/(deficit) for the year	-1,660,881.84	3,828,280.37	0.00	2,167,398.53

*Internal activities lead to transactions between segments. They are reflected here to accurately present this financial statement

44. The Programme of Work Services segment recorded a deficit of EUR -1,660,882. The deficit is mainly due to the increase of supplies, consumables and running costs expenses (EUR 189,865), currency exchange differences (EUR 205,163) and other expenses (EUR 1,219,756) over the previous year.
45. The Other Services segment recorded a surplus of EUR 3,828,280. This surplus is mainly explained by the increase in other contributions (VC and TF) (EUR 5,814,597), other revenues (EUR 819,147) and currency exchange differences (EUR 241,008) over the previous year.
46. The result shows current year expenses for which revenue has been recognized in previous years on the basis of signed agreements and in accordance with UNWTO accounting policies for unconditional non-exchange transactions. From 1 January 2019, UNWTO management decided that milestones will represent conditions in donor agreements. Therefore, from 1 January 2019, in accordance with UNWTO accounting policies, UNWTO considers non-exchange transactions related to donor agreements with milestones as conditional, and revenue is recognized when project expenses are delivered.

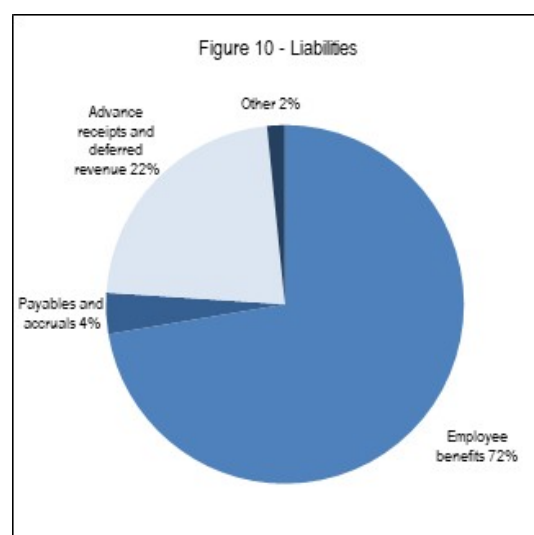
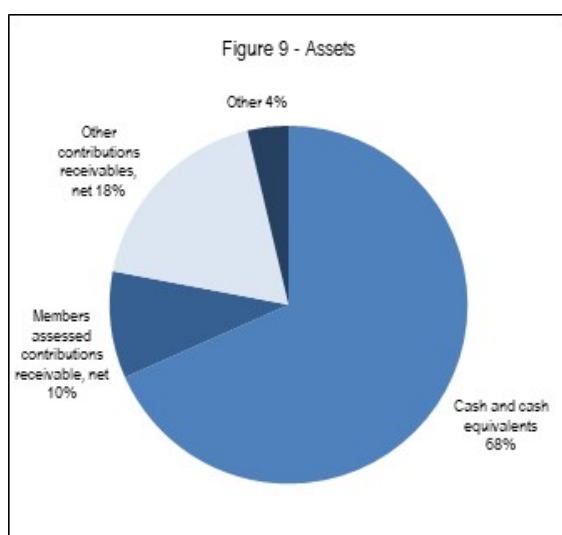
²⁰ DFR III.8



Financial position

Assets, liabilities and net equity analysis

47. Assets as at 31 December 2021 totalled EUR 41,553,645 (EUR 32,170,055 as at 2020 restated at 01 January 2021). The Organization has cash and cash equivalent balances of EUR 28,399,536, representing 68% of total assets. Net outstanding contributions amount to EUR 11,618,578 representing 28% of total assets. Property, plant and equipment and intangible assets have a total net book value of EUR 728,070.
48. Liabilities as at 31 December 2021 totalled EUR 41,553,645 (EUR 41,257,658 as at 31 December 2020). Payables and accruals amount to EUR 1,787,875 and advance receipts and deferred liabilities amount to EUR 10,782,512 together representing 26% of total liabilities. 72% of total liabilities of the Organization are attributable to employee benefits most of which are non-current after-service employee benefits liabilities. Of the total employee benefits liabilities (current and non-current) of EUR 34,893,965, EUR 547,332 (2%) are current.
49. An overall working capital (current assets less current liabilities) of EUR 26,273,816 indicates a strong liquidity position. However, the Organization's ability to meet budgetary expenditures and short-term obligations could be impacted if delays are encountered in the collection of Members' contributions.
50. The impact of the non-current after-service employee benefit liabilities results in a non-current position (non-current assets less non-current liabilities) of EUR -32,958,455 which will be met as they become payable from future contributions or reserves.



51. At 31 December 2021 the net equity of the Organization amounts to EUR -6,684,639, an improvement over the previous year (EUR -9,087,603 as at 2020 restated at 01 January 2021), represented by:

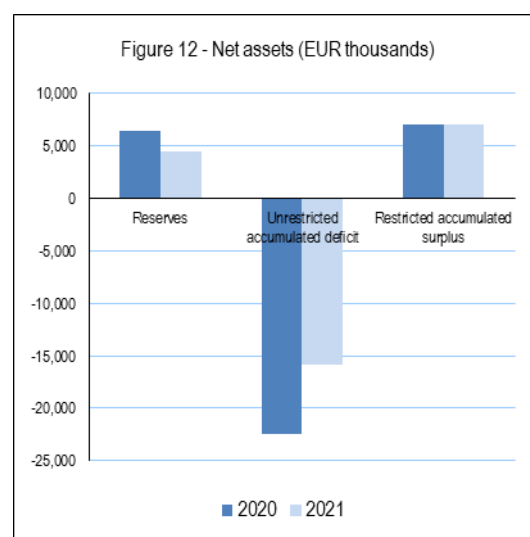
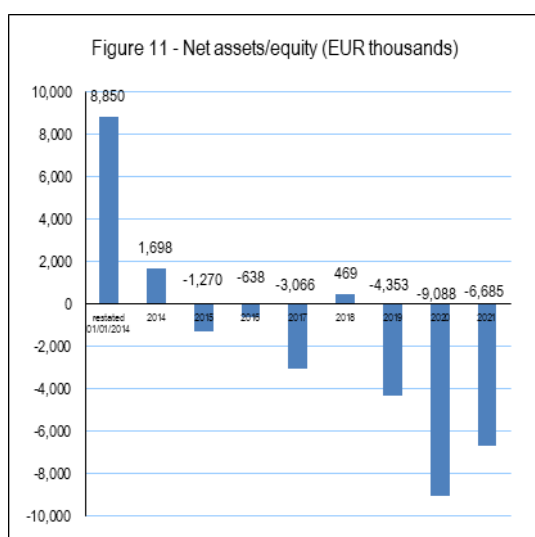
**Table 4 - Net assets/equity
at 31 December 2021**
Euros

	31/12/2021
Net assets/equity	-6,684,638.94
Reserves	6,504,486.87
Unrestricted accumulated deficit	-25,474,432.38
Unbudgeted after-service employee benefits	-32,374,417.96
General Fund, unbudgeted miscellaneous revenue and Publications Store	6,899,985.58
General Fund	5,847,296.47
Publications Store	1,291,689.71
Unbudgeted miscellaneous revenue	-239,000.60
Restricted accumulated surplus	12,285,306.57

52. It should be noted that the reserves and the restricted accumulated surplus available to the Organization for future use are not without restrictions. Such net assets can only be utilized in accordance with the terms of reference of the reserve or project concerned (e.g. project support costs project, affiliate members programme of work project) or the appropriate contractual agreement with the donor, and as such there are restrictions on their future use. The improvement in the net assets is due to a significant voluntary contribution in 2021 which will be implemented in future years.
53. The unrestricted accumulated deficit includes unbudgeted miscellaneous revenues of the General Fund²¹ (EUR -239,001) and publications store (EUR 1,291,690). The publication store and the unbudgeted miscellaneous revenues²², including netted realized foreign exchange differences of the GF, may represent a source of funding for a next biennium budget of the Regular Budget or compensate the GF unrestricted accumulated deficit if positive.

²¹ DFR V.8..

²² FR 10.1(f)

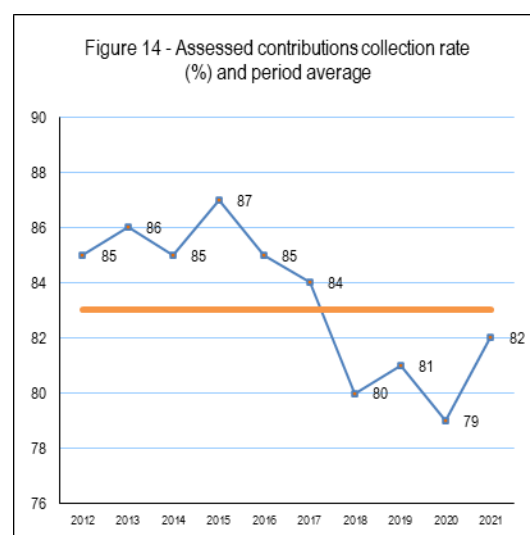
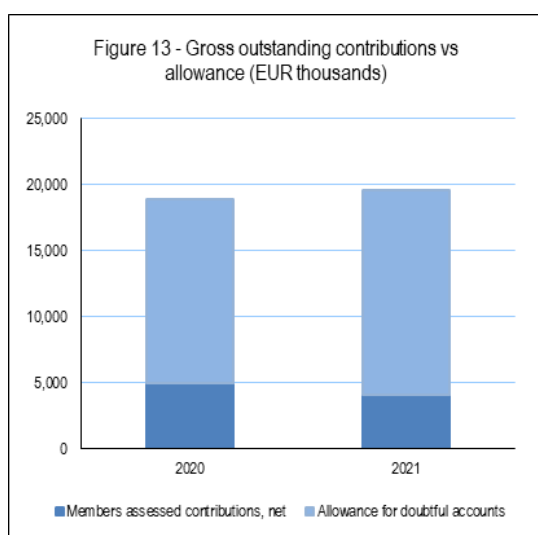


Assessed contributions

54. Gross outstanding assessed contributions amounted to EUR 19,561,717 (EUR 18,884,543 at 31 December 2020). In accordance with UNWTO accounting policies, an allowance of EUR -15,551,051 was made against the amount outstanding, bringing the net assessed contributions in the Statement of Financial Position to EUR 4,010,666. The gross assessed contributions are due and payable to the Organization in accordance with the Statutes²³ and Financial Regulations²⁴ of the Organization and none of the balance is written off.
55. The collection rate of assessed contributions has deteriorated in the last decade and at the end of 2021 represented 82% of contributions, which is one percentage point below and one percentage point above the average of the last ten and five years respectively (83% and 81% respectively). The General Fund cash balance, and ability of the Organization to meet its day-to-day and short-term obligations, is dependent on the timing of the payment of assessed contributions by Members.
56. The list of Members' outstanding assessed contributions as at 31 December 2021 is shown under Annex IV on the Statement of contributions due to the General Fund and the Working Capital Fund.
57. At 31 December 2021, 8 Full Members and 2 Affiliate Members have payment plans to settle their outstanding contributions.

²³ Statutes/Financing Rules Annex, para. 12

²⁴ FR 7.2



Cash and cash equivalents

58. The Organization's cash and cash equivalents as at 31 December 2021 is EUR 28,399,536 (EUR 22,654,881 at 31 December 2020). This level is above the average of the five-year period 2016-2020 mainly due to increase in the levels of other contributions and the improvement in the collection of Members' contributions and arrears. Annex V "Voluntary contributions received for the year ended 31 December 2021" shows a list of voluntary contributions received (cash-in) by project in this period.

After-service employee benefits liabilities

59. At UNWTO after-service employee benefits (ASEB) liabilities include: After Service Health Insurance (ASHI), Accumulated Annual Leave (AAL) and End of Service Benefits (EoSb) (repatriation grant, end-of-service grant, end of service transport costs and removal expenses). These liabilities are based on calculations by a professional firm of actuaries. The most recent actuarial valuation carried out by UNWTO is dated 31 December 2020 as calculated by professional actuaries.
60. ASHI is the most significant after-service employee liability. Staff members with at least 10 years of service from the date of entry at UNWTO and having reached the minimum age of 55 at the time of separation can continue to benefit from the Organization's health insurance scheme.
61. The ASHI liability reflects the total future costs associated with providing health insurance benefits to existing retirees and current staff upon retirement. The ASHI liability valuation is a point-in-time estimate based on the staff and retiree profile as well as on actuarial assumptions as at the date of valuation. Variances in the valuation can be significant, as the liability is highly sensitive to the values determined for the key actuarial factors: discount rate, medical trend rate, life expectancy, and length of service.
62. At 31 December 2021, after-service employee benefits liability amounts to EUR 34.7M representing an increase of EUR 1.4M from 2020 liability. This liability has been increasing steadily over the last nine years. Out of total ASEB liability, the total ASHI liability as at 31 December 2021 amounted to EUR 31.2M (90% of total ASEB liability), an increase of EUR 1.2M or 3.7% over the 2020 level.
63. The aggregate defined benefit obligation (DBO) from all plans at 31 December 2020 has increased by EUR 7.3M from EUR 26.1M since the prior valuation at 31 December 2018, primarily due to the following factors:
- The DBO was expected to increase by EUR 2.5M based on the prior valuation;
 - A decrease of EUR 2.7M due to favourable claims experience;

- (c) An increase of EUR 8.7M due to a decrease in the discount rates;
- (d) A decrease of EUR 1.7M due to all other assumption changes;
- (e) An increase of EUR 0.5M due to the net effect of other demographic changes.

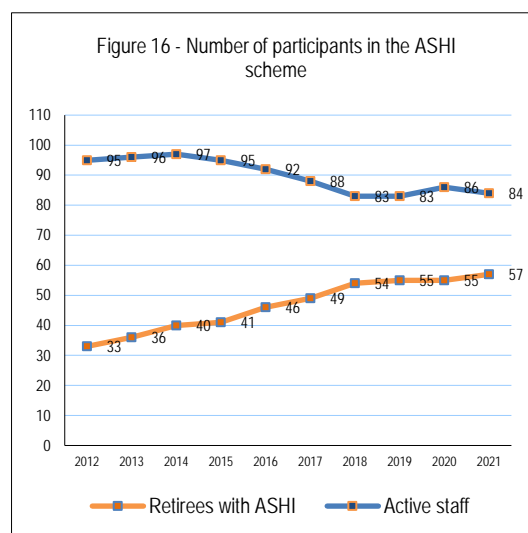
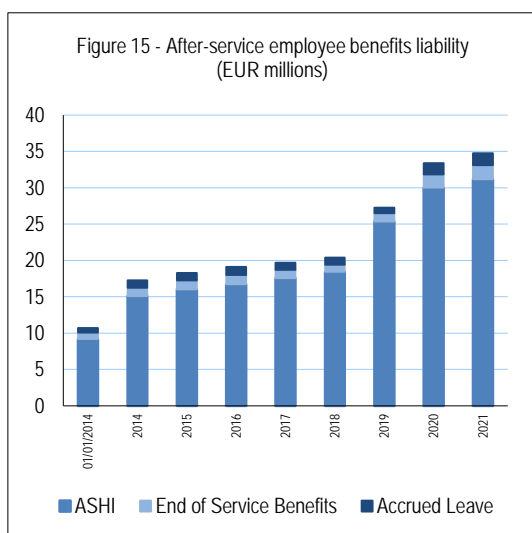
64. Some of the key factors that impacted 2020 ASHI valuation results are:

- (a) Discount rate experience unfavourable. The discount rates are critical assumptions for the valuations. Lower discount rates produce higher liabilities because the future cash flows are discounted less.

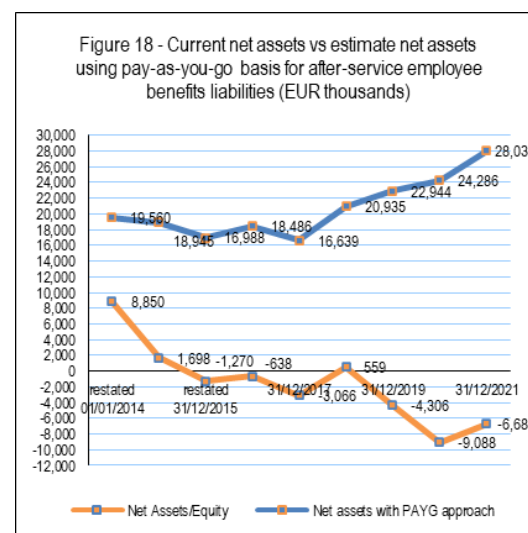
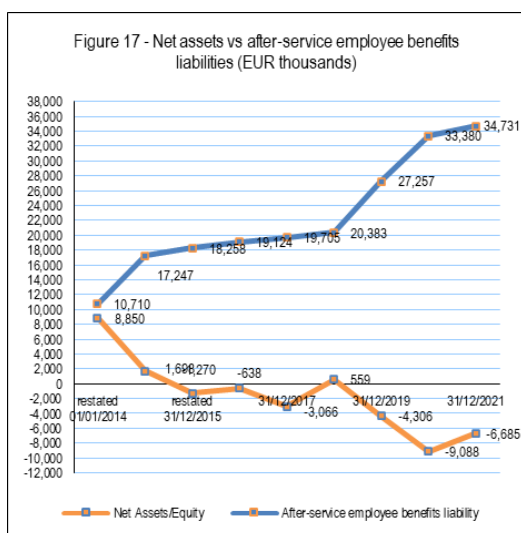
As in the prior valuation, UNWTO determined the discount rate based on the projected cash flows from each plan and used the interest rates on the Aon AA Corp. Yield Curve for Euro Zone consistent with the UNTFAS recommendation followed by UNWTO. The resulting discount rate changed from 2.12% to 0.74% for the ASHI. The decrease in the discount rate increased the DBO by about EUR 8.3M.

- (b) Demographic experience (i.e., changes in the covered population) is favourable. This is primarily due to fewer staff separated who were retirement eligible for the benefit than expected and a higher death rate level than expected. The net effect is the reduction of the DBO by about EUR 0.5M.
- (c) Medical claims experience is favourable. The ASHI liability is determined as the present value of expected future medical claims and administrative expenses for retirees and their dependents, net of expected premium payments by those participants. Due to favourable claims experience since the 2018 valuation, ASHI claims for 2021 are now expected to be EUR 3,808 per adult at age 65, or about 7% lower than previously expected. In addition, administrative expenses (as a percentage of medical claims) were reduced from 20% to 15.8%. This has led to a decrease in DBO of around EUR 2.7M.
- (d) Inflation experience is favourable. Medical inflation is one of the principal assumptions in the ASHI valuation. At 31 December 2020, as in the past, UNWTO set the general inflation rate as the UN Task Force on Accounting Standards (UNTFAS) recommended via harmonization guidance. Due mainly to a move from consensus forecasts to market-based forecasts, the resulting general inflation rate decreased from 1.8% to 1.4% with reductions in the medical trend rates for future years. The medical trend update decreased the DBO by about EUR 1.3M.
- (e) Mortality Assumption is favourable. The update in the mortality tables and small changes in the methodology have decreased the DBO by EUR 0.2M.

65. At UNWTO, at 31 December 2021, the active population (current regular staff) has decreased by 12% since 2012 while the number of retirees who benefit from ASHI has increased by 73% since 2012.



66. The correlation between net assets and after-service employee benefits liabilities and the impact of the after-service employee benefits liabilities on the net assets are shown in the figures of below:



UNWTO ASEB liabilities funding strategy

67. While IPSAS requires the recognition of after-service employee benefit liabilities on an accrual basis in an organization's Financial Statements, the question of the funding of such liabilities is a matter for the individual organization to decide upon. IPSAS is not prescriptive with regard to an organization's approach to ensuring that adequate resources are available to meet its after-service health insurance obligations, but in the interest of sound financial management an organization should develop a plan to ensure funding in the future in addition to meeting these liabilities on a pay-as-you go basis.
68. The UN and a number of UN system organizations, including UNWTO, do not have the employee liabilities fully funded but have adopted or are considering a range of options to achieve full funding over time or alternatives to full funding.
69. Since 2010 UNWTO has set aside additional allocations from surpluses²⁵ and made annual budgetary appropriations from the Regular Budget (provisions for after-service employee benefits)²⁶ intended to

²⁵ EUR 700,000 from 2006-2007 budgetary cash surplus as per CE/DEC/5(LXXXVIII) and (A/RES/572/(XVIII)), EUR 196,557 from 2013 budgetary cash surplus as per CE/DEC/11 (XCVIII) and EUR 600,000 from 2018 budgetary cash surplus as per CE/DEC/4(CX).

²⁶ Since 2010, EUR 600,000 for the biennia 2010-2011 (A/18/15), 2012-2013 (A/19/12), 2014-2015 (A/20/5(l)(c)) and 2016-2017 (A/21/8(l)(b)), EUR 700,000 for the biennium 2018-2019 (A/22/10(II)) and EUR 1,300,000 for the biennium 2020-2021 (A/23/5(b) rev.1).

cover the expected annual disbursement of after-service employee liabilities (PAYG basis) and the ASEB service costs partially, resulting in the partial coverage the funding gap.

70. In 2019, in line with the UN recommendations included the ASHI Working Group (UN ASHI WG)²⁷, of the UN Finance and Budget Network (UNFBN) under the auspices of the Chief Executives Board (CEB), final report on managing after-service health insurance (A/73/662) and other factors considered to that end, UNWTO presented a strategy to fund ASEB liabilities (UNWTO ASEB liabilities funding strategy) to the 110th Executive Council through document CE/110/4(d) (UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2018) which was approved by decision CE/DEC/4(CX) 4 (c) in the following terms:
- (a) Allocating Regular Budget budgetary surpluses with view to increasing the funding of the ASEB liability;
 - (b) For budgetary periods until 2022, including an annual separate allocation in the Regular Budget to cover the disbursement of after-service employee liabilities which will, at a minimum, cover the ASEB on a pay-as-you-go basis and ideally should be similar to most updated service costs calculated by professional actuary at the time of preparing the budget;
 - (c) From 2022 and in addition to (a) above, implementing a payroll charge to all UNWTO staff to fund the annual liability obligations of qualifying staff members having regard to the expected date of their retirement. The payroll charge percentage required to fund this accrual will be calculated by professional actuaries and will be reviewed periodically. The 112th session of the EC approved (CE/DEC/6(CXII) of document CE/112/3(d) rev.1) that an annual separate allocation in the Regular Budget as in (b) above will continue to apply pending the introduction of the payroll charge; and
 - (d) Explore the possibility to increase ASHI's eligibility requirements and the pension basis on which premium contributions are calculated and submit further proposals to the Governing Bodies as necessary.
71. Further to the UNWTO ASEB liabilities funding strategy points set out in the previous paragraph:
- (a) Point (b). The approved Regular Budgets for the biennia 2020-2021 and 2022-2023 include allocations to cover the disbursement of after-service employee liabilities and partially the ASEB service costs amounting respectively to EUR 1,300,000 in the 2020-2021 biennium (EUR 600,000 in 2020 and EUR 700,000 in 2021)²⁸ and to EUR 1,400,000 in the 2022-2023 biennium (EUR 700,000 in 2022 and EUR 700,000 in 2023)²⁹;
 - (b) Point (c). UNWTO ASEB liabilities funding strategy requires the calculation of a payroll charge by professional actuaries. Annex VI "ASEB funding projections and payroll charge" shows the analysis of four scenarios of ASEB funding projections up to 2050 based on 31 December 2020 ASEB valuation including the assumed contribution strategy, contributions as a percentage of payroll and percentages of assets/liabilities.

The Secretary-General is further considering and analysing the outlined funding strategies and will present the most optimal proposal and proposed implementation date in a future session of the EC for Members consideration and approval.

²⁷ See CE/108/7(b) and CE/110/4(d) for background information on the UN ASHI WG.

²⁸ A/23/5(b) rev.1 approved by resolution A/RES/715(XXIII)

²⁹ A/24/5(b) rev.1 approved by resolution A/RES/733(XXIV)

72. At 31 December 2021, of the total ASEB liabilities (EUR 34.7M), the amount of EUR 2.4M is earmarked for this purpose leaving a funding gap of EUR 32.4M.

Working Capital Fund

73. The purpose of the Working Capital Fund (WCF) is to provide the financing of budgetary expenditures pending the receipt of contributions from Members³⁰.
74. As at 31 December 2021 the nominal level of the WCF was EUR 4,590,143. The movements of the WCF during the year 2021 are shown under Annex VII on Working Capital Fund available balance and advance to the Regular Budget.

Position segment analysis

Table 5 - Summary financial position by segment
at 31 December 2021

Euros

	Programme of Work Services	Other Services	Inter-segment elimination*	Total UNWTO
Assets	26,561,843.70	20,907,976.50	-5,916,175.14	41,553,645.06
Liabilities	42,608,931.73	11,545,527.41	-5,916,175.14	48,238,284.00
Net Assets/Equity	-16,047,088.03	9,362,449.09	0.00	-6,684,638.94

*Internal activities lead to transactions between segments. They are reflected here to accurately present this financial statement

75. The net assets/equity of the Programme of Work Services segment has deteriorated from the negative balance of EUR -14,600,605 in 2020 (restated at 01 January 2021) to EUR -16,047,088 as at 31 December 2021 mainly due to the increase in the non-current employee benefit liabilities (EUR 1.3M).
76. The Other Services segment's overall position remains positive with net assets of EUR 9,362,449 (EUR 5,513,002 in 2020) mainly corresponding to the restricted balances of extra-budgetary projects funded by voluntary contributions and funds in trust. Other Services segment's restricted net assets also include project support costs (PSC)³¹ and initiative projects (also named project reserve fund (PRF))³². Annex VIII shows PSC and Initiative projects (PRF) movements for the year ended 31 December 2021.

³⁰ FR10.2(b)

³¹ DRF Annex III

³² 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).

Financial risk management

77. UNWTO financial risk management policies are set out in the UNWTO Detailed Financial Rules³³ of the Organization.
78. UNWTO is exposed to a variety of financial risks related to exchange rate variations, interest rates variations, credit risk for banks/financial institutions and debtors and counterpart risk. UNWTO maintains a constant review of the extent of the financial risk exposure.

Exchange risk

79. The Organization is exposed to foreign currency exchange risk arising from fluctuations of currency exchange rates. As the Organization receives most of assessed contributions in euros and most of the Regular Budget's programme of work expenses are denominated in that currency, this ensures that much of the exposure to exchange fluctuations between euros and other currencies is removed. The Organization also has expenses in other currencies than euros, mainly in US dollars (USD).
80. UNWTO maintains a minimum level of assets in USD, in Japanese yen (JPY) and in Saudi riyals (SAR) and, whenever possible, holds accounts in euros. Non-EUR holdings primarily relate to contributions made by donors in currencies other than EUR. As revenue and most of the expenses for extra-budgetary projects are normally in the same currency, there is limited exposure to foreign currency exchange risk.
81. At 31 December 2021, 65% of cash and cash equivalents were denominated in EUR currency.

Interest risk

82. The Organization is exposed to interest rate risk on its financial interest-bearing assets. Interest rate risk is managed by limiting investments to defined periods. In 2021 investments in EUR currency were at zero-rate interest.

Credit risk

83. Credit risk on receivables being mostly related to the payment of Members contributions is managed by using the Working Capital Fund and by restricting expenditures to available cash resources. Periodical reporting is made to the Executive Council of the Organization's financial situation and of the status of unpaid Members contributions. In addition, credit risk on receivables related to the payment of donor-based projects contributions is managed, as expenditures cannot commence until the respective cash resources have been received.
84. UNWTO does not have significant credit risk in relation to accounts receivable since contributors are principally Members. However, an allowance is established when there is objective evidence, based on a review of outstanding amounts at the reporting date, that UNWTO will not be able to collect all amounts due according to the original terms of the receivables.

Counterpart risk

85. The primary objective of all investments is the preservation of the value of resources of the Organization. Within this general objective the principal considerations for investment management are: (a) security of principal, (b) liquidity, and (c) rate of return. UNWTO does not use derivatives or invest in equities.
86. Investments are made with due consideration to the Organization's cash requirements for operating purposes.

³³ DFR Annex V

Financial transparency and accountability

87. UNWTO has prepared the 2021 Financial Statements in accordance with IPSAS. By adopting and implementing IPSAS in 2014 and consolidating its implementation in the following years, UNWTO has enhanced its ability to produce relevant and useful financial information, its transparency and visibility using internationally recognized accounting standards. This increase in the quality, consistency and credibility of financial reporting leads to increased confidence of Member States and donors as to the accountability of the Organization and is a major achievement for an organization of the size of UNWTO.
88. Oversight services related to internal audit are outsourced to the United Nations Office for Internal Oversight Services (OIOS).
89. UNWTO's framework of external review includes the External Auditor and the UN Joint Inspection Unit (JIU).
90. During 2021, UNWTO continued to focus on accountability and financial management through:
 - (a) The periodic presentation of financial and budgetary issues and the cash situation to UNWTO management in order to identify potential improvements in the management of UNWTO's resources. Management is thereby better informed in making decisions having regard to identified financial risks;
 - (b) The issuance of UNWTO's quarterly financial position and performance reports;
 - (c) The provision of online budget and finance information through the UNWTO financial management information system to project managers and management by projects thereby enhancing the efficiency and effectiveness of programme implementation;
 - (d) Following a risk assessment conducted at the end of 2020, OIOS carried out an audit on Project Management during 2021. The report was delivered in December 2021 and includes 10 recommendations related to technical cooperation strategic planning and project cycle management.
91. The Organization is committed to further enhancing transparency and accountability, taking account of resource availability with a view to implementing a structured approach to accountability.

Submission of the Financial Statements at 31 December 2021

92. The Financial Statements of UNWTO are prepared on a going concern basis reflecting our confidence in the continued commitment by Members to achieving the aims of the UNWTO and providing the necessary financial resources accordingly.
93. The statement on going concern is based on (i) the approved budget for 2022³⁶ and (ii) continued Member and donor support through the payment of assessed contributions and voluntary contributions.
94. We hereby certify that to the best of our knowledge and information the Financial Statements include all transactions incurred for the period and that these transactions have been properly recorded and that the following Financial Statements and notes fairly present the financial results for 2021 and position of UNWTO at 31 December 2021.

Statement I – Statement of Financial Position at 31 December 2021

Statement II – Statement of Financial Performance for the year ended 31 December 2021

Statement III – Statement of Changes in Net Assets/Equity for the year ended 31 December 2021

Statement IV – Cash Flow Statement for the year ended 31 December 2021

Statement V – Statement of Comparison of Budget and Actual Amounts for the year ended 31 December 2021 – Regular Budget

Signed



Zurab Pololikashvili

Secretary-General

Madrid, 29 June 2022

³⁶ A/RES/733(XXIV)

SIGNED

Opinion of the External Auditor³⁵

[Official logotype of the Kingdom of Spain]

MINISTRY OF FINANCE

GOVERNMENT COMPTROLLER'S
OFFICE

AUDIT OF INDIVIDUAL STATEMENTS
WORLD TOURISM ORGANIZATION
Financial Year 2021
2022 Audit Plan
AUDInet Code 2022/520
National Audit Office

³⁵ The Opinion of the External Auditor has been translated into English from the original Spanish.

SIGNED

TABLE OF CONTENTS

AUDIT REPORT ON ANNUAL STATEMENTS ISSUED BY THE GENERAL COMPTROLLER OF THE STATE ADMINISTRATION (IGAE)	1
1. Opinion.....	1
2. Basis for opinion.....	1
3. Key audit matters	2
4. Responsibility of the Secretary-General in relation to the audit of the annual statements	3
5. Responsibility of the auditor in relation to the audit of the annual statements	4

AUDIT REPORT ON ANNUAL STATEMENTS ISSUED BY THE GENERAL COMPTROLLER OF THE STATE ADMINISTRATION (IGAE)

To the Secretary-General of the WORLD TOURISM ORGANIZATION (UNWTO), Mr. Zurab Pololikashvili.

1. OPINION

The General Assembly of the World Tourism Organization (hereinafter, UNWTO), through resolution A/RES-PS/1(2022), decided to appoint Spain as external auditor, for the period 2022-2023, of the financial statements for the years ended 31 December 2021 and 2022. The UNWTO requested through the Ministry of Foreign Affairs, European Union and Cooperation the appointment of external auditors for the aforementioned period. In response to that request, the General Comptroller of the State Administration agreed to take charge of the audit.

The General Comptroller of the State Administration, in the exercise of the powers conferred to it by Article 168 of the General Budgetary Law, has audited the annual statements, comprising the statement of financial position as at 31 December 2021, the statement of financial performance, the statement of changes in net assets, the statement of cash flows and the notes to the financial statements corresponding to the year ended at that date.

In our opinion, the accompanying annual statements present, in all material respects, a true image of the net assets and financial situation of the UNWTO as at 31 December 2021, as well as of its performance and cash flows corresponding to financial year ended on such date, in conformity with the applicable regulatory framework for financial reporting (identified in Note 2 of the financial report), and in particular, with the accounting principles and criteria contained therein.

2. BASIS FOR OPINION

We have carried out our audit in accordance with the regulations in force governing audit activity for the Public Sector. Our responsibilities in accordance with these regulations are described below in the section *Responsibilities of the auditor in relation to the audit of the annual statements* of our report.

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We are independent of the entity, in conformity with the ethical and independence protection requirements that are applicable to our audit of the annual statements for the Public Sector as required by the regulations governing auditing activity of the aforementioned Public Sector.

We consider that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

3. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, have been of most significance in our audit of the annual statements for the current period. These matters were addressed in the context of our audit of the annual statements as a whole, and in the formulation of our opinion on them, and we do not express a separate opinion on such matters.

3.1. Accounts receivable

3.1.1. Presentation and classification

According to Note 8, paragraph 173 of the report, relative to contribution receivables, "*Prior to 2021, contributions and advances which were expected to be received on the basis of agreed payment plans were shown as non-current contribution receivables. From 1 January 2021, non-current contribution receivables are those contributions and advances which are expected to be received, on the basis of agreed payment plans, more than 12 months after the reporting date*".

Due to the repercussion on the statements in terms of the presentation between current and non-current items, as well as the associated risks, this has been considered a key audit matter.

Our verification procedures for the audit included, among others, the following:

- Analysis of payment plans signed by the UNWTO
- Review of the classification between current and non-current vis-à-vis the presentation of the true image of the statements.

3.1.2 Impairment

According to Note 8, paragraph 174, of the report, relative to contributions receivable, starting in 2021, the policy for applying allowances for doubtful accounts of members has been modified, according to the following criteria:

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- (a) *No allowance is applied to those receivables outstanding for two years or less; except in the following case:*
- (i) *Members with contributions receivables, either partial or full, in the last five (5) consecutive years, an allowance of 100% is applied to receivables outstanding for two years or less;*
- (b) *An allowance of 100% is applied to receivables outstanding for over two years, except in the following cases:*
- (i) *For Members having strictly fulfilled agreed payment plans, no allowance is applied to receivables outstanding for three years and over;*
- (ii) *Members have settled their outstanding receivables of three years or more in the first month of the following year, no allowance is applied to receivables outstanding.*

Given the significance of the policy change, as well as the amount of the items affected, the high workload and the associated risk, it has been considered a key audit issue.

Our audit procedures for verification have included, among others, the following:

- The review of the criteria defined in the new policy for the application of the allowance.
- The review of the allowances due to impairment applied according to the new criteria.

We have determined that there are no more significant risks giving rise to key matters considered in the audit that should be communicated in our report.

4. RESPONSIBILITY OF THE SECRETARY-GENERAL IN RELATION TO THE AUDIT OF THE ANNUAL STATEMENTS

The Secretary-General of the UNWTO is responsible for formulating the accompanying annual statements, so as to express the true picture of the entity's assets, financial situation and performance, in conformity with the regulatory framework for financial reporting applicable to the entity (IPSAS), in accordance with the accounting policies established in the *UNWTO IPSAS Policy Guidance Manual*, and the internal control they consider necessary to allow the preparation of annual financial statements free of material misstatement, due to fraud or error.

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In the preparation of the annual statements, the Secretary-General is responsible for assessing the ability of the entity to continue as a going concern, disclosing, as applicable, any issues related to the going concern and applying the going-concern accounting principle unless the management organ intends or is legally obliged to liquidate the entity or cease its operations or if there is no other realistic alternative.

5. RESPONSIBILITY OF THE AUDITOR IN RELATION TO THE AUDIT OF THE ANNUAL STATEMENTS

Our objectives are to obtain reasonable assurance that the annual statements as a whole are free of material misstatements, whether due to fraud or error, and to issue an audit report containing our opinion.

Reasonable assurance is a high degree of assurance, but it does not guarantee that an audit carried out in accordance with the regulations in force governing audit activity for the Public Sector in Spain always detects material misstatements when they exist. Misstatements may be due to fraud or error and are considered material if, individually or taken together, they may reasonably be expected to influence the economic decisions that users make based on the annual statements.

As part of an audit in conformity with the regulations in force governing audit activity for the Public Sector in Spain, we apply our professional judgment and maintain an attitude of professional scepticism throughout the audit.

Also:

- We identify and assess the risks of material misstatements in the annual statements, due to fraud or error, we design and apply audit procedures to respond to such risks, and we obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, since fraud may involve collusion, falsification, deliberate omissions, intentionally erroneous declarations, or circumvention of internal control.
- We obtain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate according to the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the internal control of the entity.

SIGNED

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- We assess whether the accounting policies applied are appropriate, as well as the reasonableness of the accounting estimates and the corresponding information disclosed by the management.
- We conclude on whether or not the use by the UNWTO Management of the going-concern accounting principle is appropriate and, based on the audit evidence obtained, we conclude whether or not there is material uncertainty related to facts or conditions that may raise significant doubts about the ability of the entity to continue as a going concern. If we conclude that there is a material uncertainty, we are required to draw attention in our audit report on the relevant information disclosed in the annual statements or, if such disclosures are not adequate, it is required that we express a modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future facts or conditions may constitute cause for the entity to cease operations.
- We evaluate the overall presentation, structure and content of the annual statements, including the information disclosed, and assess whether the annual statements represent the underlying transactions and facts in a way that manages to express a faithful image.

We have communicated with the entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, as well as any significant deficiencies in the internal control we identified in the course of the audit.

Among the matters that have been the subject of communications with the entity, we determined those that have been of the greatest significance in the audit of the annual statements of the current period and which are, consequently, the key audit matters.

Electronically signed by:

Rosa Naranjo Martínez, National Auditor - Team Manager

Financial Statements

I. Statement of Financial Position at 31 December 2021

Statement of financial position at 31 December 2021 Euros			
	Note	31/12/2021	restated 01/01/2021
Assets		41,553,645.06	32,170,054.71
<i>Current Assets</i>		<i>40,161,398.72</i>	<i>31,177,214.01</i>
Cash and cash equivalents	5	28,399,535.99	22,654,881.48
Inventories	7	28,793.12	30,920.88
Members assessed contributions receivable, net	8	3,587,253.43	4,722,309.02
Other contributions receivables, net	8	7,569,957.83	3,349,784.48
Other receivables, net	9	290,203.95	248,203.79
Other current assets	10	285,654.40	171,114.36
<i>Non-current assets</i>		<i>1,392,246.34</i>	<i>992,840.70</i>
Investments	6	199,641.46	132,594.99
Members assessed contributions receivable, net	8	423,413.04	210,175.11
Other contributions receivable, net	8	37,953.48	66,145.48
Property, plant and equipment	11	410,257.48	206,853.55
Intangible assets, net	12	317,812.34	373,903.03
Other non-current assets	10	3,168.54	3,168.54
Liabilities and Net Assets/Equity		41,553,645.06	32,170,054.71
Liabilities		48,238,284.00	41,257,658.05
<i>Current Liabilities</i>		<i>13,887,582.70</i>	<i>8,234,643.42</i>
Payables and accruals	13	1,787,874.76	1,124,849.87
Transfers payable	14	254,672.05	72,127.49
Employee benefits	15	547,331.89	555,674.77
Advance receipts and deferred revenue	16	10,782,511.50	5,747,445.40
Provisions	17	513,847.43	549,325.76
Other current liabilities	18	1,345.07	185,220.13
<i>Non-current Liabilities</i>		<i>34,350,701.30</i>	<i>33,023,014.63</i>
Employee benefits	15	34,346,633.14	33,021,844.83
Other non-current liabilities	18	4,068.16	1,169.80
Net Assets/Equity		-6,684,638.94	-9,087,603.34
Accumulated surplus/(deficit)	19	-13,189,125.81	-15,478,939.01
Reserves		6,504,486.87	6,391,335.67
The accompanying notes form an integral part of these financial statements			

II. Statement of Financial Performance for the year ended 31 December 2021

Statement of financial performance for the year ended 31 December 2021

Euros

	Note	31/12/2021	31/12/2020
Revenue	20	25,158,254.31	17,959,122.55
Members assessed contributions		14,612,859.67	14,596,841.01
Other contributions (VC and FIT), net of reduction		6,917,964.95	1,099,088.30
Publications revenue, net of discounts and returns		289,082.59	318,777.00
Changes in currency exchange differences		375,647.72	0.00
Other revenues		2,962,699.38	1,944,416.24
Expenses	21	22,990,855.78	19,406,648.83
Salaries and employee benefits		14,633,000.62	14,333,423.42
Grants and other transfers		328,997.93	255,544.14
Travel		655,976.68	358,164.08
Supplies, consumables and running costs		3,977,728.82	2,342,351.89
Changes in currency exchange differences		0.00	499,060.12
Depreciation, amortization and impairment		160,509.72	149,809.41
Other expenses		3,234,642.01	1,468,295.77
Surplus/(deficit) for the year		2,167,398.53	-1,447,526.28
The accompanying notes form an integral part of these financial statements			

III. Statement of Changes in Net Assets/Equity for the year ended 31 December 2021

Changes in net assets/equity - detailed

for the year ended 31 December 2021

Euros

	Note	Total accumulated surplus	Surplus	Reserves	Total net assets
Net assets, 31/12/2020		-15,669,956.69		6,391,335.67	-9,278,621.02
Other adjustments related to prior periods		191,017.68		0.00	191,017.68
Restated balance, 01/01/2021		-15,478,939.01		6,391,335.67	-9,087,603.34
<i>Total directly recognized revenue/expenses</i>		<i>322,414.67</i>		<i>-86,848.80</i>	<i>235,565.87</i>
Net change in reserves		86,848.80		-86,848.80	0.00
Other adjustments		235,565.87		0.00	235,565.87
<i>Total recognized surplus for the period</i>		<i>1,967,398.53</i>	<i>0.00</i>	<i>200,000.00</i>	<i>2,167,398.53</i>
Result for the period			2,167,398.53	0.00	2,167,398.53
Direct transfers from result		1,967,398.53	-2,167,398.53	200,000.00	0.00
Net assets, 31/12/2021	19	-13,189,125.81	0.00	6,504,486.87	-6,684,638.94
The accompanying notes form an integral part of these financial statements					

IV. Cash Flow Statement for the year ended 31 December 2021

Cash flow statement

for the year ended 31 December 2021

Euros

	Note	31/12/2021	restated 01/01/2021
Surplus / (Deficit) for the period		2,167,398.53	-1,447,526.28
<i>Cash flows from operating activities</i>		<i>3,782,888.21</i>	<i>2,300,548.03</i>
Depreciation, amortization and impairment, net of impairment recovery	11	157,752.12	144,501.15
(Increase) decrease in inventories	7	2,127.76	2,415.76
(Increase) decrease in contribution receivables, net	8	-3,270,163.69	-2,284,479.20
(Increase) decrease in other receivables, net	9	-42,000.16	10,727.10
(Increase) decrease in other assets	10	-114,540.04	-75,289.55
Increase (decrease) in payables and accruals	13, 14, 16	5,880,635.55	1,628,472.15
Increase (decrease) in employee benefits payable	15	1,316,445.43	6,191,524.17
Actuarial valuation	15	0.00	-3,538,594.68
Increase (decrease) in provisions	17	-35,478.33	44,499.86
Increase (decrease) in other liabilities	18	-180,976.70	-27,967.78
Increase (decrease) in donated property, plant and equipment	20	-166,479.60	0.00
Adjustments Accumulated Surplus	19	235,565.87	204,739.05
<i>Cash flows from investing activities</i>		<i>-205,632.23</i>	<i>12,406.08</i>
(Purchases of property, plant and equipment)	11	-89,071.28	-9,228.79
(Purchases of intangible assets)	12	-50,474.00	-42,350.00
Proceeds from sale of property, plant and equipment	20	959.52	0.00
Change on investments	6	-67,046.47	63,984.87
<i>Cash flows from financing activities</i>		<i>0.00</i>	<i>0.00</i>
Net increase (decrease) in cash and cash equivalents	5	5,744,654.51	865,427.83
Cash and cash equivalents, beginning of the year	5	22,654,881.48	21,789,453.65
Cash and cash equivalents, end of the year	5	28,399,535.99	22,654,881.48
The accompanying notes form an integral part of these financial statements			

V. Statement of Comparison of Budget and Actual Amounts for the year ended 31 December 2021 – Regular Budget

Statement of comparison of budget and actual amounts - Regular Budget for the year ended 31 December 2021

Euros

	Note	Approved income / Original budget ¹	Final budget ²	Actual amounts on comparable basis	Differences budget and actual ³
Budgetary difference	22	0.00	0.00	1,596,900.76	-1,596,900.76
<i>Budgetary income</i>		15,197,000.00	15,197,000.00	14,884,817.35	312,182.65
Contributions from Full and Associate Members		13,321,000.00	13,321,000.00	13,318,093.00	2,907.00
Full Members		13,076,000.00	13,076,000.00	13,073,569.00	2,431.00
Associate Members		245,000.00	245,000.00	244,524.00	476.00
Other income sources		1,876,000.00	1,876,000.00	1,566,724.35	309,275.65
Allocation from PY RB Budgetary cash balance		537,000.00	537,000.00	537,017.85	-17.85
Allocation from Publication store Accumulated Surplus		200,000.00	200,000.00	200,000.00	0.00
Affiliate Members		1,035,000.00	1,035,000.00	726,137.00	308,863.00
Allocation from Project Reserve Fund (pool) balance		104,000.00	104,000.00	103,569.50	430.50
<i>Budgetary expenditure</i>		15,197,000.00	15,197,000.00	13,287,916.59	1,909,083.41
A Member Relations		2,579,000.00	2,300,260.59	2,300,260.59	0.00
A01 Regional Department, Africa		786,000.00	668,257.39	668,257.39	0.00
A02 Regional Department, Americas		364,000.00	281,434.66	281,434.66	0.00
A03 Regional Department, Asia and the Pacific		560,000.00	385,535.40	385,535.40	0.00
A04 Regional Department, Europe		427,000.00	454,638.91	454,638.91	0.00
A05 Regional Department, Middle East		253,000.00	262,219.06	262,219.06	0.00
A06 Affiliate Members		189,000.00	248,175.17	248,175.17	0.00
B Operational		3,448,000.00	3,610,392.35	3,610,392.35	0.00
B01 Sustainable Development of Tourism		690,000.00	713,072.41	713,072.41	0.00
B02 Technical Cooperation and Silk Road		486,000.00	588,764.34	588,764.34	0.00
B03 Statistics		491,000.00	351,935.06	351,935.06	0.00
B04 Tourism Market Intelligence and Competitiveness		545,000.00	602,463.17	602,463.17	0.00
B05 Ethics, Culture and Social Responsibility		323,000.00	329,813.13	329,813.13	0.00
B06 Innovation, Education and Investments		475,000.00	557,694.24	557,694.24	0.00
B07 Institutional Relations and Partnerships		438,000.00	466,650.00	466,650.00	0.00
C Support, Direct to Members		3,875,000.00	4,240,916.54	4,240,916.54	0.00
C01 Conferences Services		788,000.00	871,294.62	871,294.62	0.00
C02 Management		2,743,000.00	2,911,786.37	2,911,786.37	0.00
C03 Communications		344,000.00	457,835.55	457,835.55	0.00
D Support, Indirect to Members		5,295,000.00	5,045,430.52	3,136,347.11	1,909,083.41
D01 Budget and Finance		599,000.00	817,241.45	817,241.45	0.00
D02 Human Resources		321,000.00	395,072.05	395,072.05	0.00
D03 Information and Communication Technologies		574,000.00	646,490.37	646,490.37	0.00
D04 General Services		866,000.00	577,543.24	577,543.24	0.00
D05 Staff Vacancies & ASEB Provisions		2,935,000.00	2,609,083.41	700,000.00	1,909,083.41

The accompanying notes form an integral part of these financial statements

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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b) Rev.1 at 30 June 2021. Movements of posts among sections are annually considered.

² After 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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b) Rev.1 at 30 June 2021, and the Secretary-General proposal of structure modification at 31 December 2021. Movements of posts among sections are annually considered.

³ Differences between final and actual budgetary income are due to: (a) rounding difference, and (b) Affiliate members budgetary income was prepared based on an estimated number of Members.

VI. Notes to the Financial Statements

Note 1 – Reporting organization

95. The World Tourism Organization (previously WTO) held its first General Assembly in 1975. WTO was established through a transformation from the International Union of Official Travel Organizations (IUOTO) created in 1946 which in turn replaced the International Union of Official Tourist Propaganda Organizations (IUOTPO), established in 1934. In 2003 the WTO General Assembly approved the transition of WTO into a specialized agency of the United Nations by resolution 453(XV). The WTO transition was ratified by the United Nations General Assembly by resolution A/RES/58/232.
96. The World Tourism Organization (UNWTO after the transition) is the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism. UNWTO promotes tourism as a driver of economic growth, inclusive development and environmental sustainability and offers leadership and support to the sector in advancing knowledge and tourism policies worldwide.
97. UNWTO is governed by a General Assembly, consisting of the representatives of its Full Members and Associate Members, which determine the policies and main lines of work of the Organization. Affiliate Members and representatives of other international organizations participate as observers. The Executive Council, which is composed by Full Members elected by the General Assembly in a ratio of one for every five Full Members, takes all necessary measures to ensure the effective and rational execution of the programme of work and adherence to the budget by the Secretary-General.
98. The Headquarters of the Organization is in Madrid, Spain. It also maintains offices in Japan (Regional Support Office for Asia and the Pacific), in Saudi Arabia (Regional Office for the Middle East) and in Switzerland.
99. UNWTO is not a controlled organization as defined under IPSAS 34 and 35.

Note 2 – Significant accounting policies

2.1. Basis of preparation

100. The Financial Statements have been prepared on an accrual and going concern basis and comply with the requirements of International Public Sector Accounting Standards (IPSAS).
101. The Financial Statements cover the period from 1 January to 31 December 2021 and are presented rounded off to two decimal places.
102. The Cash Flow Statement is prepared using the indirect method.
103. The functional and reporting currency of UNWTO is the euro³⁶ (EUR). Transactions in currencies other than EUR are converted into EUR, using the “indirect quotation” method, at the prevailing United Nations Rate of Exchange (UNORE) at the date of the transaction. Monetary assets and liabilities in currencies other than EUR are converted into EUR at the prevailing UNORE period end closing rate and any resulting gains or losses are accounted for in the Statement of Financial Performance.
104. The accounting policies set out below are in accordance with the 2019 edition of the UNWTO IPSAS Policy Guidance Manual and have been applied consistently in the preparation and presentation of these Financial Statements.

³⁶ UNWTO FR 14.4

2.2. Jointly controlled entity and other entities

Jointly controlled entity

105. The Themis Foundation is jointly controlled by UNWTO and the Government of Andorra. Both UNWTO and the Government of Andorra have similar voting rights over the Themis Foundation.
106. The Themis Foundation's mission is to devise and implement education and training policies, plans and tools that fully harness the employment potential of the tourism sector and effectively enhance its competitiveness and sustainability. It is based in Andorra and its functional currency is the euro.
107. UNWTO uses the equity method to recognize its interest in the Themis Foundation. UNWTO has used the UN Framework for Control, Joint Control and Influence (CJI) in determining the joint control of the Themis Foundation.

Other entities

108. The International Computing Centre (ICC) was established in January 1971 pursuant to Resolution 2741 (XXV) of the United Nations General Assembly. ICC provides Information Technology and Communications services to Partners and Users in the United Nations System. As a Partner bound by the Mandate of the ICC, UNWTO would be proportionately responsible for any third party claim or liability arising from or related to service activities of the ICC as specified in the ICC Mandate. At 31 December 2021, there are no known claims that impact UNWTO. Ownership of assets is with ICC until dissolution. Upon dissolution, the division of all assets and liabilities amongst Partner Organizations shall be agreed by the Management Committee by a formula defined at that time. UNWTO has used the UN Framework for Control, Joint Control and Influence (CJI) in determining no one Partner, including UNWTO, has control, joint control or significant influence over ICC.
109. The STEP Foundation is an international foundation established under the auspices of UNWTO through an agreement between UNWTO and the Government of the Republic of Korea with the provision of a seed fund of USD 5M by the Government of the Republic of Korea. The STEP Foundation's aim is to promote poverty elimination through sustainable tourism development programmes and projects that can be carried out, while preserving culture and the natural environment, thus contributing contribute to the UN Millennium Development Goals. The STEP Foundation does not meet definitions of controlled entity, joint arrangement or associate entity under IPSAS 34-38. The STEP Foundation is governed by its Board of Directors with UNWTO representation with a voting capacity of 18%. UNWTO has used the UN Framework for Control, Joint Control and Influence (CJI) in determining the status of the STEP Foundation.
110. The Government of the Republic of Korea confirmed in early 2022 that the dissolution date of the STEP Foundation, which was inactive in 2021, was effective on 8 February 2018.

2.3. Cash and cash equivalents

111. Cash and cash equivalents includes cash in hand, deposits held with banks and other short-term highly liquid investments that are readily convertible to cash and subject to an insignificant risk of changes in value.
112. Revenues earned on cash and cash equivalent holdings are recognized in the period in which they accrue.
113. Cash required for immediate disbursement is maintained in cash and in bank accounts. Balances in the deposit accounts are available at short notice (less than 3 months).

2.4. Financial instruments

114. Financial instruments are recognized when UNWTO becomes a party to the contractual provisions of the instrument until such time as when the rights to receive cash flows from those assets have expired or have been transferred and UNWTO has transferred substantially all the risks and rewards of ownership. They are classified as current if they are expected to be realized within 12 months of the reporting date.
115. UNWTO financial assets are largely short-term deposit instruments and receivables. These assets require initial recognition at fair value plus transaction costs and subsequent measurement at amortized cost using the effective interest method. As the term deposits are short-term and acquired at face value, no discount amortization is required. Receivables are stated at fair value, equivalent to nominal value, less allowance for estimated impairment. In particular, for assessed contributions receivable, an allowance is recognized based on historical experience.
116. UNWTO financial liabilities are mainly short-term payables for goods and services and unspent funds for refunds. They are initially recognized at fair value and, when applicable, subsequently measured at amortized cost using the effective interest method. As UNWTO's payables generally fall due within 12 months, the impact of discounting is immaterial, and nominal values are applied to initial recognition and subsequent measurement.

2.5. Inventories

117. Publication inventories held for sale on hand at year-end are presented as current assets in the Statement of Financial Position. On sale, exchange or distribution the inventories are recognized as an expense in the period in which the related revenue is recognized. If there is no related revenue, the expense is recognized when these inventories are distributed.
118. Publications intended for free distribution are immediately distributed and expensed after production. Any residual inventories considered as free publications are considered immaterial for inventory valuation purposes.
119. Inventories for sale are valued at the lower of cost and net realizable value, except inventories held for distribution at no or nominal charge, which are measured at the lower of cost and current replacement cost.
120. The cost of publications inventories includes all costs of production, including costs incurred in bringing the publications to their present condition and location. The cost of inventories is assigned in line with the weighted average cost formula.
121. Publication inventories are reviewed at the end of each financial year and titles seven years old or older are written off.
122. Publications held by distributors under a consignment stock arrangement continue to be shown as the Organization's asset until their sale by the distributor.

2.6. Contributions and receivables

123. Contributions are recognized at the beginning of the year to which they apply or when confirmed in writing by donors. However, if a donor agreement contains conditions over the application of funds to a specific activity, a liability is recognized along with the asset when the agreement is confirmed in writing and revenue is recognized when the conditions are met.
124. Contributions and receivables are measured at fair value and are presented net of any allowance for estimated irrecoverable amounts. Assessed contributions received prior to the commencement of the relevant specified budget period are recorded as an advance receipt liability.

125. In-kind contributions that directly support approved operations and activities and can be reliably measured, are recognized and valued at fair value at the time of receipt.
126. Pre-payments of less than EUR 5,000 are expensed in the year of purchase.

2.7. Property, plant and equipment

127. Property, plant and equipment (PPE) is presented at cost less accumulated depreciation and impairment. Heritage assets are not recognized in the Financial Statements.

Additions

128. The cost of an item of PPE is recognized as an asset if it is probable that future economic benefits or service potential associated with the item will flow to UNWTO and the cost of the item can be measured reliably. In most instances, an item of PPE is recognized at its cost. When an asset is donated, it is recognized at fair value as at the date of acquisition. Additions to PPE are subject to a useful life of more than one year and a threshold of EUR 1,500 below which they are fully expensed in the year of purchase. Donated assets below the threshold are not recognized in the Financial Statements but are controlled in the assets module.

Disposals

129. On sale or disposal of assets any difference between the net book value and disposal price is recognized as revenue or expense.

Subsequent costs

130. Costs incurred subsequent to initial acquisition are capitalized only when it is probable that future economic benefits or service potential associated with the item will flow to UNWTO, the cost of the item can be measured reliably exceeding the cost threshold applicable to the class of assets (except for leased premises), and the relevant PPE must have a remaining estimated useful life of more than one year. Subsequent expenditures on leased premises are capitalized if the cost exceeds EUR 50,000 and comply with some conditions.

Depreciation

131. Depreciation on PPE is provided on a straight-line basis over the expected useful life of the asset. The useful lives of major classes of assets have been estimated as follows:

Asset classes	Estimated useful life (in years)
Communication and IT Equipment	5
Vehicles and Machinery	10
Furniture and Fixtures	12
Other Equipment	5
Building	50
Land	No depreciation
Leasehold Improvements	The lesser of the lease term or useful life of the improvements

Impairment

132. The carrying values of fixed assets are reviewed for impairment if events or changes in circumstances indicate that the book value of the asset may not be recoverable. Impairment is included in the Statement of Financial Performance.
133. A review of all assets is made annually to identify impairment.

Heritage assets

134. UNWTO also has a limited number of "Works of Art" (also referred to as heritage assets), including paintings, statues and various other objects, which have been mainly donated by governments and other partners. The value of these works is not recognized in the Financial Statements of UNWTO in compliance with IPSAS 17.

2.8. Intangible assets

135. Intangible assets are presented at cost less accumulated amortization and impairment. Recognition of intangible assets is subject to a useful life of more than one year and a threshold of EUR 50,000 for software internally developed or EUR 5,000 for any other intangible asset classes below which they are fully expensed in the year of purchase.

Amortization

136. Amortization of intangible assets is provided on a straight-line basis over the expected useful life of the asset. The useful lives of the major intangible asset classes have been estimated as follows:

Intangible asset classes	Estimated useful life (in years)
Software acquired externally	6
Software internally developed	6
Licences and rights	6 or period of licence/right

2.9. Leases

Finance leases

137. Leases under which substantially all of the risk and reward of ownership have been transferred to the Organization through the lease agreement are treated as finance leases.
138. Assets purchased under a finance lease are shown as assets at the lower of the fair value of the asset and the present value of the minimum lease payments. An associated lease obligation is recognized at the same value.
139. Lease payments made under a finance lease are apportioned between payment of finance charges and reduction of the balance of the liability.
140. Assets acquired through a finance lease are depreciated over the shorter of the lease term or the useful life of the asset, except where such assets become the property of the Organization on completion of the lease term. In such cases, the asset is depreciated over its useful life. The finance charge will be calculated so as to produce a constant periodic rate of interest on the annual balance of the liability.

Operating leases

141. Leases which are not categorized as finance leases, with a balance of risk and reward remaining with the lessor, are considered to be operating leases.
142. Expenditure incurred under an operating lease is charged on a straight-line basis over the life of the lease.

2.10. Employee benefits

143. UNWTO recognizes the following employee benefits:

- (a) **Short-term employee benefits**

Short-term employee benefits are those which fall due wholly within twelve months after the end of the accounting period in which employees render the related service. Short-term employee benefits comprise first-time employment benefits (assignment grants); regular monthly benefits (salaries, allowances) compensated absences (annual leave, sick leave, maternity/paternity leave) and other short-term benefits (education grant, reimbursement of taxes). These are treated as current liabilities. Some elements of normally short-term benefits may not be expected to be settled within 12 months of the reporting date. This is the case of annual leave entitlement, which is expected to be settled more than 12 months after the end of the reporting date and is therefore reported as a non-current liability.

- (b) **Post-employment benefits**

Post-employment benefits include the pension plan and the post-employment medical care payable after the completion of employment. Post-employment benefit plans are classified as either defined contribution or defined benefit plans.

United Nations Joint Staff Pension Fund (UNJSPF)

UNWTO is a member organization participating in the United Nations Joint Staff Pension Fund (the UNJSPF or the Fund), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified by Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization, which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.

The Fund exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, the plan assets and costs to individual organizations participating in the plan. UNWTO and the UNJSPF, in line with the other participating organizations in the Fund, are not in a position to identify UNWTO's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence UNWTO has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 25. UNWTO's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance.

After Service Health Insurance (ASHI)

The After Service Health Insurance programme extends subsidized health insurance coverage to retirees and their dependants under the same health insurance schemes as for active staff based on certain eligibility requirements. The ASHI programme at UNWTO is a defined benefit plan. Accordingly a liability is recognized to reflect the present value of the defined benefit obligation.

Actuarial gains and losses which may arise from experience and adjustments and changes in actuarial assumptions are recognized in the period in which they occur as a separate item directly in Statement of Changes in Net Assets/Equity.

(c) Other long-term employee benefits

Other long-term employee benefits are benefits which are expected to be settled more than 12 months after the end of the reporting period. These are treated as non-current liabilities.

(d) Termination benefits

Termination benefits include indemnities upon termination, and are expected to be settled within 12 months of the reporting date.

2.11. Provisions and contingencies

144. UNWTO recognizes a provision for future liabilities where a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
145. Provisions are established to reflect an approximation of sales returns for publications using a percentage of the previous financial year sales based on the historical levels of returns.
146. Provision for refunds to donors is based on past experience of refunds.
147. Other commitments which do not meet the recognition criteria for liabilities are disclosed in the notes to the Financial Statements as contingent liabilities when their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of UNWTO.
148. Possible assets arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of UNWTO, and where the inflow of economic benefits or service potential is probable, are disclosed in the notes to the Financial Statements as contingent assets.

2.12. Revenue recognition

149. Revenue is recognized when it is probable that future economic benefits or service potential will flow to UNWTO and those benefits can be measured reliably.
150. Accrual accounting for non-exchange transactions under IPSAS does not require the matching of revenue to related expenses. The cash flows arising from revenue and related expenses can take place in current and future accounting periods.

Non-exchange revenue

151. Revenue from non-exchange transactions is measured from an increase in net assets recognized. Where the full criteria for recognition of an asset under a non-exchange agreement are not fulfilled, a contingent asset may be disclosed.
152. Assessed contributions are assessed and approved for a two-year budget period. The amount of these contributions is then apportioned between the two years of the budget period. Assessed contributions are recognized as revenue in the Financial Statements at the beginning of the apportioned year in the relevant two-year budget period.
153. Other contributions, voluntary contributions and trust funds which are supported by written confirmation or agreement are recognized as revenue at the time the confirmation is received or agreement becomes binding and when control of the asset is deemed to be present, unless the confirmation or agreement establishes a condition on transferred assets that requires recognition of a liability. In such cases, revenue is recognized as the liability is discharged. Contribution agreements with milestones are considered conditional with conditions considered met as project expenses are incurred. Voluntary contributions which are not supported by written confirmation or binding agreement are recognized as revenue when received.
154. In-kind contributions that directly support approved operations and activities and can be reliably measured, are recognized and valued at fair value at the time of receipt. These contributions include PPE, the use of premises or conference rooms and donated travel. In-kind contributions that cannot be reliably measured will be disclosed by way of note only if they are considered material to the objectives of the UNWTO.
155. Revenue from in-kind contributions is matched by a corresponding expense in the Financial Statements except for PPE which is capitalized.

Exchange revenue

156. Revenue from exchange transactions is measured at the fair value of the consideration received and is recognized as the goods are delivered, with the exception of inventories under consignment held by distributors. Where the consideration is in cash or in a monetary amount, the measurement is at this amount. Revenues from exchange transactions mainly arise from the sale of publications.
157. The IPSAS Board (IPSASB) is currently working on revising IPSAS standards on revenue and non-exchange transactions, which could have an impact on UNWTO's future financial statements. This project's progress and impact is being monitored by the UN Task Force on Accounting Standards (UNTFAS) of the UN Finance and Budget Network (UNFBN) under the auspices of the UN Chief Executives Board (CEB).

2.13. Expense recognition

158. Expenses are recognized on an accrual basis when the transaction occurs and on the basis of goods or services delivered and represent outflows or consumption of assets or incurrences of liabilities during the reporting period.

2.14. Budget comparison

159. UNWTO prepares the Regular Budget on a modified accrual basis, which is the same basis as prior to IPSAS adoption.

160. The Statement of Comparison of Budget and Actual Amounts compares the final budget to actual amounts calculated on the same basis as the corresponding budgetary amounts. As the bases used to prepare the budget and Financial Statements differ (modified accrual basis and accrual basis respectively), a disclosure note provides reconciliation between the Statement of Comparison of Budget and the Statement of Financial Performance.

Note 3 – Accounting estimates

161. The preparation of Financial Statements in accordance with IPSAS necessarily includes the use of accounting estimates and management assumptions and judgement. The areas where estimates, assumptions or judgement are significant to UNWTO's Financial Statements include, but are not limited to: post-employment benefit obligations, provisions for litigation, financial risk on inventories and accounts receivable, accrued charges, contingent assets and liabilities, and degree of impairment of fixed assets. Actual results could differ from those estimates. Changes have been made to the estimates of the allowances for doubtful debts as set out under Notes on Contributions receivable. Changes in estimates are reflected in the period in which they are applied.

Note 4 – Segment reporting

162. The Financial Statements are prepared on a fund accounting basis, showing, at the end of the period, the consolidated position of all UNWTO funds. A fund is a self-balancing accounting entity established to account for the transactions of a specified purpose or objective. Fund balances represent the accumulated residual of revenue and expenses and in the VCF and FIT represent the unspent portion of contributions that are intended for utilization for future operations.

163. UNWTO classifies all programmes, projects, operations and activities into two segments as follows:

(a) **The Programme of Work Services (PoWS)**

The Programme of Work Services segment, mainly financed from the assessed contributions of Members, covers (i) the main operations of the Organization for which programme appropriations for the financial period are voted by the General Assembly and, (ii) other activities within the GF (i.e., the publications store activities, affiliate members programme of work activities, reserves activities, working capital fund, and other non-RB project activities within the GF). This segment comprises the General Fund.

(b) **Other Services (OS)**

The Other Services segment mainly relates to projects and activities, including regional support office and regional office, financed from voluntary funding provided by donors through agreements or other legal authority, the project support cost recovery activities and the closed projects balances activities. This segment comprises the Voluntary Contributions Fund and the Fund In Trust. The main sub-funds under this category are the Voluntary Contributions, the United Nations Development Programme, Trust Funds and the United Nations Multi-Donor Trust Fund.

Statement of financial position by segment
at 31 December 2021
Euros

	Programme of work services	Other services	Inter-segment elimination*	Total UNWTO
Assets	26,561,843.70	20,907,976.50	-5,916,175.14	41,553,645.06
<i>Current assets</i>	<i>25,514,208.61</i>	<i>20,563,365.25</i>	<i>-5,916,175.14</i>	<i>40,161,398.72</i>
Cash and cash equivalents	16,674,503.64	11,725,032.35	0.00	28,399,535.99
Inventories	28,793.12	0.00	0.00	28,793.12
Members assessed contributions receivable, net	3,587,253.43	0.00	0.00	3,587,253.43
Other contributions receivables, net	0.00	7,569,957.83	0.00	7,569,957.83
Other receivables, net	216,833.75	73,370.20	0.00	290,203.95
Other current assets	5,006,824.67	1,195,004.87	-5,916,175.14	285,654.40
<i>Non-current assets</i>	<i>1,047,635.09</i>	<i>344,611.25</i>	<i>0.00</i>	<i>1,392,246.34</i>
Investments	199,641.46	0.00	0.00	199,641.46
Members assessed contributions receivable, net	423,413.04	0.00	0.00	423,413.04
Other contributions receivable, net	0.00	37,953.48	0.00	37,953.48
Property, plant and equipment	166,637.92	243,619.56	0.00	410,257.48
Intangible assets, net	254,774.13	63,038.21	0.00	317,812.34
Other non-current assets	3,168.54	0.00	0.00	3,168.54
Liabilities and Net Assets/Equity	26,561,843.70	20,907,976.50	-5,916,175.14	41,553,645.06
Liabilities	42,608,931.73	11,545,527.41	-5,916,175.14	48,238,284.00
<i>Current liabilities</i>	<i>8,262,298.59</i>	<i>11,541,459.25</i>	<i>-5,916,175.14</i>	<i>13,887,582.70</i>
Payables and accruals	1,272,035.12	515,839.64	0.00	1,787,874.76
Transfers payable	874.83	253,797.22	0.00	254,672.05
Employee benefits	542,739.82	4,592.07	0.00	547,331.89
Advance receipts	1,207,820.15	9,574,691.35	0.00	10,782,511.50
Provisions	369,244.31	144,603.12	0.00	513,847.43
Other current liabilities	4,869,584.36	1,047,935.85	-5,916,175.14	1,345.07
<i>Non-current liabilities</i>	<i>34,346,633.14</i>	<i>4,068.16</i>	<i>0.00</i>	<i>34,350,701.30</i>
Employee benefits	34,346,633.14	0.00	0.00	34,346,633.14
Other non-current liabilities	0.00	4,068.16	0.00	4,068.16
Net Assets/Equity	-16,047,088.03	9,362,449.09	0.00	-6,684,638.94
Accumulated surplus/(deficit)	-22,551,574.90	9,362,449.09	0.00	-13,189,125.81
Reserves	6,504,486.87	0.00	0.00	6,504,486.87

*Internal activities lead to transactions between segments. They are reflected here to accurately present this financial statement

**Statement of financial performance by segment
for the year ended 31 December 2021**

Euros

	Programme of work services	Other services	Inter-segment elimination*	Total UNWTO
Revenues	16,247,968.45	9,039,039.75	-128,753.89	25,158,254.31
Members assessed contributions	14,612,859.67	0.00	0.00	14,612,859.67
Other contributions (VC and FIT), net of reduction	4,280.00	6,913,684.95	0.00	6,917,964.95
Publications revenue, net of discounts and returns	289,082.59	0.00	0.00	289,082.59
Currency exchange differences	-284,791.60	660,439.32	0.00	375,647.72
Other revenues	1,626,537.79	1,464,915.48	-128,753.89	2,962,699.38
Expenses	17,908,850.29	5,210,759.38	-128,753.89	22,990,855.78
Salaries and employee benefits	12,626,281.32	2,006,719.30	0.00	14,633,000.62
Grants and other transfers	180,498.22	148,499.71	0.00	328,997.93
Travel	365,730.35	290,246.33	0.00	655,976.68
Supplies, consumables and running costs	1,998,834.07	1,978,894.75	0.00	3,977,728.82
Depreciation, amortization and impairment	131,155.51	29,354.21	0.00	160,509.72
Other expenses	2,606,350.82	757,045.08	-128,753.89	3,234,642.01
Surplus/(deficit) for the year	-1,660,881.84	3,828,280.37	0.00	2,167,398.53

*Internal activities lead to transactions between segments. They are reflected here to accurately present this financial statement

164. Internal activities lead to accounting transactions that create inter-segment assets and liabilities as well as inter-segment revenue and expenses. Inter-segment transactions are eliminated in the Statement of Financial Position by segment and the Statement of Financial Performance by segment respectively to accurately present these Financial Statements.

Note 5 – Cash and cash equivalents
Cash and cash equivalents

Euros

	31/12/2021	31/12/2020
Cash and cash equivalents	28,399,535.99	22,654,881.48
Cash in banks	19,583,831.75	18,597,148.03
Cash on hand	0.00	1,492.78
Imprest funds	5,704.24	5,000.00
Short term deposits	8,810,000.00	4,051,240.67

165. Cash is principally held in UNWTO Headquarters EUR and US dollar (USD) bank accounts. Limited amounts of cash are also held in local currency in the regional support office of RSOAP and regional office of ROME.

Note 6 – Investments
Investments

Euros

	31/12/2021	31/12/2020
Investments	199,641.46	132,594.99
<i>Non-current Investments</i>	<i>199,641.46</i>	<i>132,594.99</i>
Investments in Joint Venture	199,641.46	132,594.99

166. Fixed-term deposits are held by banks and maturing between three and twelve months (current) and in more than twelve months (non-current).
167. The non-current investment is the UNWTO's investment in its joint venture with Themis accounted for using the equity method, i.e., Themis is recognized as an asset adjusted at the end of the year to include UNWTO's share in any surplus or deficit of the joint venture.

Note 7 – Inventories

Publications inventory		
Euros		
	31/12/2021	31/12/2020
Publications inventory, net realizable value	28,793.12	30,920.88
Publications inventory, carrying cost	50,665.36	50,035.52
Publications on hand	48,606.32	47,936.24
Publications on consignment	2,059.04	2,099.28
Impairment	-21,872.24	-19,114.64

168. Publication inventories are publications held for sale.
169. Inventory quantities are validated by physical stock counts. The cost of publication inventories includes all costs of production, including costs incurred in bringing the publications into their present condition and location. Cost is determined using the weighted average cost formula. The current year's cost per page is derived from the division of the total of the carrying cost of the beginning inventory and the production cost of pages produced during the year by the total of the number of pages in the beginning inventory and the number of pages produced during the year. The impairment of inventories represents the write down of inventories of publications to zero when that publication is equal or more than seven years from publications date.
170. Inventories include consignment stock held at distributor premises for which the Organization continues to bear the risk and reward until the point of sale by the distributor.

Note 8 – Contribution receivables

Contributions receivable		
Euros		
	31/12/2021	restated 01/01/2021
Contributions receivable, net	11,618,577.78	8,348,414.09
<i>Current contributions receivable, net</i>	<i>11,157,211.26</i>	<i>8,072,093.50</i>
Members assessed contributions, net	3,587,253.43	4,722,309.02
Other contributions, net	7,569,957.83	3,349,784.48
<i>Non-Current contributions receivable, net</i>	<i>461,366.52</i>	<i>276,320.59</i>
Members assessed contributions, net	423,413.04	210,175.11
Other contributions, net	37,953.48	66,145.48

171. All contributions receivable, whether assessed or voluntary relate to non-exchange transactions.
172. Contributions receivable represent unpaid assessed contributions by Full, Associate and Affiliate Members, unpaid voluntary and trust fund contributions and receivables to the Working Capital Fund (WCF).
173. Prior to 2021, contributions and advances which were expected to be received on the basis of agreed payment plans were shown as non-current contribution receivables. From 1 January 2021, non-current contribution receivables are those contributions and advances which are expected to be received, on the

basis of agreed payment plans, more than 12 months after the reporting date. The amount of correction on the restated Statement of Financial Position for the year ended 31 December 2020 restated at 01 January 2021 is as follows:

Contributions receivable restatement			
Euros			
	As reported		As restated
	31/12/2020	Adjustment	01/01/2021
Contributions receivable, net	8,157,396.41	191,017.68	8,348,414.09
<i>Current contributions receivable, net</i>	<i>8,157,396.41</i>	<i>-85,302.91</i>	<i>8,072,093.50</i>
Members assessed contributions receivable, net	4,741,466.45	-19,157.43	4,722,309.02
Other contributions receivables, net	3,415,929.96	-66,145.48	3,349,784.48
<i>Non-current contributions receivable, net</i>	<i>0.00</i>	<i>276,320.59</i>	<i>276,320.59</i>
Members assessed contributions receivable, net	0.00	210,175.11	210,175.11
Other contributions receivable, net	0.00	66,145.48	66,145.48

174. Prior to 2021, the allowance for doubtful accounts of assessed contributions receivable from Full, Associate and Affiliate Members and of the WCF is estimated as follows:

- (a) No allowance is applied to those receivables outstanding for two years or less;
- (b) An allowance of 100% is applied to receivables outstanding for over two years.

From 1 January 2021, the allowance for doubtful accounts of assessed contributions receivable from Full, Associate and Affiliate Members and of the WCF is estimated as follows:

- (a) No allowance is applied to those receivables outstanding for two years or less; except in the following case:
 - (i) Members with contributions receivables, either partial or full, in the last five (5) consecutive years, an allowance of 100% is applied to receivables outstanding for two years or less;
- (b) An allowance of 100% is applied to receivables outstanding for over two years, except in the following cases:
 - (i) For Members having strictly fulfilled agreed payment plans, no allowance is applied to receivables outstanding for three years and over;
 - (ii) Members have settled their outstanding receivables of three years or more in the first month of the following year, no allowance is applied to receivables outstanding.

The amount of correction on the restated Statement of Financial Position for the year ended 31 December 2020 restated at 01 January 2021 is as follows:

Members assessed contributions restatement			
Euros			
	As reported		As restated
	31/12/2020	Adjustment	01/01/2021
Members assessed contributions, net	4,741,466.45	191,017.68	4,932,484.13
Members assessed contributions receivable	18,884,542.77	0.00	18,884,542.77
Allowance for doubtful accounts	-14,143,076.32	191,017.68	-13,952,058.64

175. Write-offs of contributions receivables from Full and Associate Members are approved on a case-to-case basis by the General Assembly.

176. Affiliate Members unpaid receivables for more than five years and without an approved payment plan are written off upon recommendation of the Secretary-General in accordance with Detailed Financial Rules³⁷.
177. The allowance for doubtful accounts of contributions receivable from donors of Other contributions receivable (Voluntary Contributions and Funds In Trust) is calculated as follows:
- (a) No allowance is applied to receivables outstanding for two years or less.
 - (b) An allowance of 100% is applied to receivables outstanding for over two years.
178. Write-offs of Other contributions receivable (Voluntary Contributions and Funds In Trust) are on a case-by-case basis.

Contributions receivable by type		
Euros		
	31/12/2021	restated 01/01/2021
Contributions receivable, net	11,618,577.78	8,348,414.09
Members assessed contributions, net	4,010,666.47	4,932,484.13
Members assessed contributions receivable	19,561,717.21	18,884,542.77
Allowance for doubtful accounts	-15,551,050.74	-13,952,058.64
Voluntary contributions, net	7,607,911.31	3,395,554.96
Voluntary contributions receivable	8,373,026.21	3,619,058.06
Allowance for doubtful accounts	-765,114.90	-223,503.10
Trust Funds contributions, net	0.00	20,375.00
Trust Funds contributions receivable	0.00	20,375.00

179. For assessed and voluntary contribution receivables due, adjustments or allowances are made to reflect the fair value of the receivables in the Financial Statements because of the uncertainty surrounding the timing of the future cash flows from the receivables. However such adjustments or allowances constitute neither a formal write-off of the receivable nor do they release members/donors from their obligation.

180. The following table illustrates the composition of the Members assessed contributions receivables only:

Members assessed contributions receivable by year of assessment				
Euros				
	31/12/2021	%	31/12/2020	%
Members assessed contributions receivable	19,561,717.21	100.00%	18,884,542.77	100.00%
2018 and earlier	13,776,071.25	70.42%	14,179,787.32	75.09%
2019	1,346,266.51	6.88%	1,623,035.81	8.59%
2020	1,844,241.71	9.43%	3,081,719.64	16.32%
2021	2,595,137.74	13.27%	0.00	0.00%

181. The movements of the allowance for doubtful accounts during the year are as follows:

Allowance for doubtful accounts movements				
Euros				
	Restated 01/01/2021	Utilization	Increase/ (decrease)	31/12/2021
Allowance for doubtful accounts movements	14,177,927.20	531,067.02	2,516,753.63	16,340,404.06
Members assessed contribution	13,952,058.64	257,503.50	1,856,495.60	15,551,050.74
Voluntary contributions	223,503.10	272,516.07	637,337.62	765,114.90
Other (Publications Sales and Other)	2,365.46	1,047.45	22,920.41	24,238.42

³⁷ DFR IV.2 and DFR IV.3

Note 9 – Other receivables

Other receivables		
Euros		
	31/12/2021	31/12/2020
Other receivables	290,203.95	248,203.79
VAT receivable	194,036.15	165,394.07
Receivables from exchange transactions	96,167.80	82,809.72
Publications sales receivables, net	12,047.65	13,452.89
Publications sales receivables	12,101.04	13,453.26
Allowance for doubtful accounts	-53.39	-0.37
Employee receivables	74,369.82	50,160.94
Miscellaneous receivables	9,750.33	19,195.89

182. Other receivables is composed by receivables from exchange transactions (publications sales receivable, employee receivables, interest accrued receivable and other miscellaneous receivables from exchange transactions) and by the value-added tax (VAT) recoverable of goods and services from the government of the host country (Spain) under the terms of the relevant host country agreement³⁸.
183. Miscellaneous receivables from exchange transactions mainly include receivables for donations paid in advance and other miscellaneous receivables. Receivables for donations paid in advance mainly refer to donated air tickets where the Organization advances the cost of the donated tickets, thus it expects to be reimbursed in exchange for the amount it paid out.
184. The allowance for doubtful accounts for publications sales receivables is estimated as follows:
- (a) No allowance is applied to receivables outstanding for two years or less;
 - (b) An allowance of 100% is applied to receivables outstanding for over two years.
185. Receivables from sales of publications which have been fully provided for shall be written-off after being outstanding for five years, although, a write-off may be made earlier upon approval of the Secretary General.
186. An updated calculation of the allowance for doubtful accounts for publications sales receivables has also been applied in the current year.

Note 10 – Other assets

Other assets		
Euros		
	31/12/2021	31/12/2020
Other assets	288,822.94	174,282.90
<i>Other current assets</i>	<i>285,654.40</i>	<i>171,114.36</i>
Advances	284,751.91	170,211.87
Miscellaneous assets	902.49	902.49
<i>Other non-current assets</i>	<i>3,168.54</i>	<i>3,168.54</i>

187. Other current assets are composed of advances, prepaid expenses and miscellaneous assets.
188. Advances include:

³⁸ Headquarters agreement between the Kingdom of Spain and the World Tourism Organization / Article 10, and BOE of Spain no. 182 of 31 July 2015 / Article 10, applicable since 25 June 2015.

- (a) Employee advances such as education grant, home leave travel, DSA (daily subsistence allowance) on mission travel and others in accordance to the UNWTO Staff Regulations and Rules;
- (b) Advances made to UNDP to deliver services in the field on the Organization's behalf, through the Service Clearing Account arrangement;
- (c) Advances to implementing partners made under contracts with national bodies and similar organizations which deliver technical cooperation activities on UNWTO's behalf; and,
- (d) Advances to suppliers.

189. Other non-current assets include guarantees and deposits and miscellaneous non-current assets.

Note 11 – Property, plant and equipment

Property, plant and equipment (PPE)

at 31 December 2021

Euros

	Communication and IT equipment	Vehicles	Furnitures and fixtures	Other equipment	Leasehold	Total
<i>01/01/2021</i>						
Historical cost / fair value	415,509.54	88,660.31	21,145.36	212,100.22	201,625.31	939,040.74
Accumulated depreciation and impairment	-394,955.66	-46,073.33	-16,285.63	-206,129.48	-68,743.09	-732,187.19
Opening carrying amount	20,553.88	42,586.98	4,859.73	5,970.74	132,882.22	206,853.55
Movement for the year						
Additions	41,487.23	73,082.11	127,061.84	13,919.70	0.00	255,550.88
Disposals	-5,753.14	0.00	0.00	-4,797.85	0.00	-10,550.99
Impairment	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	-8,111.21	-5,559.09	-6,649.90	-2,065.80	-19,209.96	-41,595.96
Total movements for year	27,622.88	67,523.02	120,411.94	7,056.05	-19,209.96	203,403.93
<i>31/12/2021</i>						
Historical cost / fair value	451,243.63	161,742.42	148,207.20	221,222.07	201,625.31	1,184,040.63
Accumulated depreciation and impairment	-403,066.87	-51,632.42	-22,935.53	-208,195.28	-87,953.05	-773,783.15
Closing carrying amount	48,176.76	110,110.00	125,271.67	13,026.79	113,672.26	410,257.48

190. At 31 December 2021, UNWTO holds fully depreciated PPE which is still in use.

191. Assets are reviewed annually to determine if they are impaired.

192. The UNWTO Headquarters building is not part of property, plant and equipment as it is treated as a donated right to use under the provisions of IPSAS 23. Further disclosures on the treatment of this lease are provided in the Note on Revenue.

Note 12 – Intangible assets

Intangible assets
at 31 December 2021
 Euros

	Software acquired externally	Software developed internally	Total
<i>01/01/2021</i>			
Historical cost / fair value	147,544.73	492,567.39	640,112.12
Accumulated amortization and impairment	-29,781.56	-236,427.53	-266,209.09
Opening carrying amount	117,763.17	256,139.86	373,903.03
Movements for year			
Additions	50,474.00	0.00	50,474.00
Disposals	0.00	0.00	0.00
Impairment	0.00	0.00	0.00
Amortization	-24,470.17	-82,094.52	-106,564.69
Total movements for year	26,003.83	-82,094.52	-56,090.69
<i>31/12/2021</i>			
Historical cost / fair value	198,018.73	492,567.39	690,586.12
Accumulated amortization and impairment	-54,251.73	-318,522.05	-372,773.78
Closing carrying amount	143,767.00	174,045.34	317,812.34

193. The capitalized value of the internally developed software excludes those costs related to research and maintenance.

Note 13 – Payables and accruals

Payables and accruals		
Euros		
	31/12/2021	31/12/2020
Payables and accruals	1,787,874.76	1,124,849.87
Accounts payable - personnel	466,824.20	111,400.50
Accounts payable - others	1,181,761.94	900,856.75
Accrued expenses	139,288.62	112,592.62

194. Accounts payable – others relate to amounts due for goods and services for which invoices have been received. Accounts payable – personnel refer to amounts due to staff, collaborators and other temporary services. Accrued expenses represent estimates for the value of goods and services that have been received or provided to UNWTO during the period and which have not been invoiced to UNWTO.

Note 14 – Transfers payable

Transfers payable		
Euros		
	31/12/2021	31/12/2020
Transfers payable (TP)	254,672.05	72,127.49
TP for technical cooperation and grants	254,476.14	72,127.49
TP to donors	195.91	0.00

195. Transfers payable include technical cooperation and grants payable to recipients and to the UN for jointly funded activities. It also includes transfers due to donors of unspent project funds, accrued interest payable, and the other payables to Full and Associate Members arising from distributions of surpluses, if applicable.

Note 15 – Employee benefits

Employee benefits by valuation type		
Euros		
	31/12/2021	31/12/2020
Employee benefits	34,893,965.03	33,577,519.60
<i>UNWTO valuation</i>	<i>162,937.66</i>	<i>197,265.39</i>
<i>Actuarial valuation</i>	<i>34,731,027.37</i>	<i>33,380,254.21</i>
After Service Health Insurance (ASHI)	31,194,593.75	30,038,973.98
Accumulated annual leave (AAL)	1,617,045.53	1,548,400.00
End of service benefits (EoSB)	1,919,388.09	1,792,880.23

196. Employee benefit liabilities are based on calculations by professional actuaries and by UNWTO based on personnel data and past experience.

Employee benefits		
Euros		
	31/12/2021	31/12/2020
Employee benefits	34,893,965.03	33,577,519.60
<i>Current employee benefits</i>	<i>547,331.89</i>	<i>555,674.77</i>
Short-term and other current employee benefits	162,937.66	197,265.39
After service current benefits	384,394.23	358,409.38
After Service Health Insurance (ASHI)	188,471.87	168,350.09
Accumulated annual leave (AAL)	85,501.79	83,255.46
End of service benefits (EoSB)	110,420.57	106,803.83
<i>Non-current employee benefits</i>	<i>34,346,633.14</i>	<i>33,021,844.83</i>
After service non-current benefits	34,346,633.14	33,021,844.83
After Service Health Insurance (ASHI)	31,006,121.88	29,870,623.89
Accumulated annual leave (AAL)	1,531,543.74	1,465,144.54
End of service benefits (EoSB)	1,808,967.52	1,686,076.40

Employee benefits – current

197. Current employee benefits mainly include accrued employee benefits (salary, post adjustment, family allowance and language allowance), overtime, education grant, home leave travel and after-service employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service.

Employee benefits – non-current

198. Non-current employee benefits relate to post-employment and other long-term employee benefits. These include: After Service Health Insurance, Accumulated Annual Leave and End of Service Benefits (repatriation grant, end-of-service transport costs and removal expenses as well as end-of-service grant).
199. **After Service Health Insurance (ASHI)** – UNWTO operates the ASHI scheme which is a defined employee benefit plan. Under the scheme, staff retiring from UNWTO, at the age of 55 or above and with at least ten years of service from the date of entry at UNWTO, may opt to remain (indefinitely) in that ASHI scheme with UNWTO responsible for the continued partial funding of insurance premiums. UNWTO performs periodical actuarial valuation of the ASHI scheme to measure its employee benefits obligation.
200. **Accumulated Annual Leave (AAL)** – UNWTO staff can accumulate unused annual leave up to a maximum of 60 working days. On separation from UNWTO, staff members are entitled to receive a sum of money equivalent to their pay for the period of AAL that they hold at the date of separation. Although annual leave is a short-term employee benefit, the right to receive payment for unused annual leave, and consequently the Organization's liability for this balance, is shown as a long-term employee benefit as that right only crystallizes on separation, typically more than twelve months from the reporting date.
201. **End of Service Benefits (EoSB)** – A non-locally recruited staff member who has completed one year of service outside the country of his/her recognized home is entitled upon separation from UNWTO to a repatriation grant payable on the basis of completed years and months of qualifying service outside the country of his/her recognized home. Staff members are also entitled to travel and removal costs for repatriation on separation from UNWTO. A fixed-term staff member with satisfactory performance after six years or more of continuous qualifying service may be eligible upon expiration of the staff contract with UNWTO and under certain conditions to an end-of-service grant³⁹ payable on the basis of completed years and months of qualifying service.

Actuarial valuations

202. Liabilities arising from ASHI, accrued annual leave and end of service benefits are determined by consulting actuaries. The following assumptions and methods have been used to determine the value of post-employment and other separation-related employee liabilities for UNWTO as at 31 December 2020:

³⁹ Staff Rule 24(18) (CE/109/3(d)ii, CE/DEC/8(CVIX))

Measurement date		31 December 2020		
Actuarial method		Projected unit credit		
Discount rate		ASHI	0.74%	Based on a yield curve approach, which reflects the projected benefit payments. Discount rates from the Aon AA Corporate Bond Yield Curve in Euro Zone as of 31 December 2020, as prescribed by the United Nations Task Force on Accounting Standards (UNTFAS).
		AAL	0.48%	
		EoSB	0.48%	
Expected rate of return of assets		Not applicable		
General inflation rate		1.4%. Based on the long duration Euro Zone as prescribed by the UNTFAS.		
Salary growth		1.9% (1.4% general inflation rate plus 0.5% per year productivity growth rate) plus merit component.		
Future exchange rates		Equal to United Nations spot rates at 31 December 2020.		
Mortality rates		Those recommended for UN staff by the UNTFAS harmonization guidance.		
Disability rates		Those recommended for UN staff by the UNTFAS harmonization guidance.		
Withdrawal rates		Based on those in the 31 December 2017 valuation of the United Nations Joint Staff Pension Fund.		
Retirement rates		It was assumed that all participants hired prior to 2014 retire at age 62 and that those hired after retire at age 65.		
Advance payments		No past advance payments are reflected and no future advance payments are assumed.		
New hires		It is assumed to maintain a level headcount and stable demographics for the active staff population.		
ASHI	Medical costs increases	Initial 5.3%	Ultimate 3.25%	Year ultimate increase reached 2032
	Average annual medical claim cost	EUR 3,808 per adult in 2021 before administrative expenses, increased by 15.8% for anticipated administrative expenses.		
	Future participants contributions	In the long run, contributions will be adjusted as needed to stabilize the percentage of retiree claims and administrative expenses covered by retiree contributions.		
	Participation and lapse rates	90% of future retirees will elect coverage and retain coverage for life (or until coverage expires in the case of children).		
	Coverage of adult dependents for future retirees	85% of male and 55% of female retirees have an adult dependent who elects coverage in the plan.		
AAL	Accumulated balance	As the accumulation of annual leave by employee historically remains stable year on year, it is assumed that the total accumulated balance is a long-term employee benefit taken by staff members on separation from UNWTO. Leave days payable upon separation are capped at the 60-day limit under the plan.		
	Annual leave days	It is assumed to accrue (up to the 60-day cap) at rates of 10.0 days per year for the first four years of service, 0.8 days per year for the next 26 years, and 0.0 days per year thereafter.		
EoSB	Members receiving benefits	It is assumed that 100% of eligible members claim the repatriation grant. Repatriation travel and removal expenses are assumed to be payable to 80% of eligible staff members upon separation.		
	Repatriation travel and removal costs	It is assumed at EUR 8,500 per staff member in 2019, reflecting the impact of assumed inflation until staff members' departure.		
	End-of-service grant	10% eligible staff members are assumed to receive this benefit.		

203. UNWTO conducts actuarial valuation of after-service liabilities on a periodical basis.

204. The following table provide additional information and analysis on employee benefit liabilities based on calculations by actuaries:

After service employee benefits actuarial valuation

Euros

	ASHI	AAL	EoSB	Total
Defined benefit obligation at 01/01/2021	30,038,973.98	1,548,400.00	1,792,880.23	33,380,254.21
<i>Movements for period ended 31/12/2021</i>	<i>1,155,619.77</i>	<i>68,645.53</i>	<i>126,507.86</i>	<i>1,350,773.16</i>
Service costs	1,140,165.00	126,043.00	139,465.00	1,405,673.00
Interest costs	221,111.00	7,092.00	8,181.00	236,384.00
(Benefit payments UNWTO)	-205,656.23	-64,489.47	-21,138.14	-291,283.84
Defined benefit obligation at 31/12/2021	31,194,593.75	1,617,045.53	1,919,388.09	34,731,027.37

205. The actuarial valuation of the defined benefit obligation is determined by discounting the probable future payment required to settle the obligation resulting from employee service rendered in the current and prior periods.
206. Actuarial gains or losses arise when the actuarial assessment differs from the long-term expectation on the obligations: they result from experience adjustments (differences between the previous actuarial assumptions and what has actually occurred) and the effects of change in actuarial assumptions.
207. Actuarial gains or losses relating to ASHI are accounted for using the "reserve recognition" approach, and are recognized in the Statement of Changes in Net Assets/Equity. Those relating to AAL and EoSB are recognized through the Statement of Financial Performance. Actuarial gains and losses (ASHI, AAL or EoSB) were calculated for 2020.
208. The annual expense amounts recognized in the Statement of Financial Performance are as follows:

After service employee benefits recognized in the Statement of financial performance

Euros

	ASHI	AAL	EoSB	Total
Total expenses recognized at 31/12/2021	1,361,276.00	133,135.00	147,646.00	1,642,057.00
Service costs	1,140,165.00	126,043.00	139,465.00	1,405,673.00
Interest costs	221,111.00	7,092.00	8,181.00	236,384.00
(Gain)/loss on actuarial valuation	0.00	0.00	0.00	0.00

209. Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period. Interest cost is the increase during the period in the present value of the defined benefit obligation which arises because the benefits are one period closer to settlement.
210. Two of the principal assumptions in the valuation of the ASHI are the rate of future medical cost increases (3.25%) and the discount rate (0.74%). The table below shows the estimated impact of unfavourable 1% per year changes in these assumptions on the liability at 31 December 2020:

ASHI sensitive analysis

Euros

Discount rate	Long-term medical inflation rate	
	3.25% per year	4.25% per year
0.74%	30,038,974	38,272,992
-0.26%	38,844,762	50,380,666

211. One of the principal assumptions in the valuation of accrued leave and end of service benefits is the discount rate (0.48%). The table below shows the estimated impact of unfavourable 1% per year in that rate on the liability at 31 December 2020:

AAL and EoSB sensitive analysis

Euros

Discount rate	Accumulated Annual Leave	End of Service Benefits
0.48%	1,792,880	1,548,400
-0.52%	2,007,468	1,810,317

United Nations Joint Staff Pension Fund

212. UNWTO is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF or the "Fund"), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified in Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.
213. The Fund exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the Fund. UNWTO and the UNJSPF, in line with the other participating organizations in the Fund, are not in a position to identify the UNWTO's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, UNWTO has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39 Employee Benefits. UNWTO's contributions to the plan during the financial period are recognized as expenses in the Statement of Financial Performance.
214. The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Consulting Actuary. The practice of the Pension Board has been to carry out an actuarial valuation every two years using the Open Group Aggregate Method. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Fund will be sufficient to meet its liabilities.
215. UNWTO's financial obligation to the UNJSPF consists of its mandated contribution, at the rate established by the United Nations General Assembly (currently at 7.9% for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date.
216. The latest actuarial valuation for the Fund was completed as of 31 December 2019, and the valuation as of 31 December 2021 is currently being performed. A roll forward of the participation data as of 31 December 2019 to 31 December 2020 will be used by the Fund for their 2020 Financial Statements.
217. The actuarial valuation as of 31 December 2019 resulted in a funded ratio of actuarial assets to actuarial liabilities, assuming no future pension adjustments, of 144.4% . The funded ratio was 107.1% when the current system of pension adjustments was taken into account.
218. After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as of 31 December 2019, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the plan.

In addition, the market value of assets also exceeded the actuarial value of all accrued liabilities as of the valuation date. At the time of this report, the General Assembly has not invoked the provision of Article 26.

219. Should Article 26 be invoked due to an actuarial deficiency, either during the ongoing operation or due to the termination of the Fund, deficiency payments required from each member organization would be based upon the proportion of that member organization's contributions to the total contributions paid to the Fund during the three years preceding the valuation date. Total contributions paid to the UNJSPF during the preceding three years (2017, 2018 and 2019) amounted to USD 7,993.15 million, of which 0.06% was contributed by UNWTO.
220. Membership of the Fund may be terminated by decision of the United Nations General Assembly, upon the affirmative recommendation of the Pension Board. A proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund at that date, pursuant to an arrangement mutually agreed between the organization and the Fund. The amount is determined by the United Nations Joint Staff Pension Board based on an actuarial valuation of the assets and liabilities of the Fund on the date of termination; no part of the assets which are in excess of the liabilities are included in the amount.
221. The United Nations Board of Auditors carries out an annual audit of the UNJSPF and reports to the UNJSPF Pension Board on the audit every year. The UNJSPF publishes quarterly reports on its investments and these can be viewed by visiting the UNJSPF at www.unjspf.org.

Contributions paid to UNJSPF

Euros

	31/12/2021	Estimated 2022
Contributions paid to UNJSPF	1,503,539.40	1,533,600.00

Note 16 – Advance receipts and deferred liabilities

Advance receipts

Euros

	31/12/2021	31/12/2020
Advance receipts and deferred revenue	10,782,511.50	5,747,445.40
<i>Current deferred liabilities</i>	<i>10,782,511.50</i>	<i>5,747,445.40</i>
Advance receipts - Contributions	963,538.68	1,258,533.10
Deferred liabilities of agreements with conditions	9,574,691.35	4,268,618.87
Miscellaneous advance receipts	244,281.47	220,293.43

222. UNWTO recognizes as a liability (advance receipts) amounts received under non-exchange contracts where either a binding agreement is not considered to be in place yet or where the payments received will be due in the following or more financial years. Those payments received for contributions which are actually due after 12 months or more are classified under non-current advance receipts.
223. Liabilities related to conditional contributions (deferred liabilities of agreements with conditions) refer to other contributions agreements with milestones, i.e. conditions, signed from 1 January 2019. As conditions are considered met, the carrying amount of the liability is reduced and revenue is recognized equal to project expenses incurred.

Note 17 – Provisions

Provisions		
Euros		
	31/12/2021	31/12/2020
Provisions	513,847.43	549,325.76
<i>Current provisions</i>	<i>513,847.43</i>	<i>549,325.76</i>
Provisions for refunds to donors	144,603.12	162,579.95
Provisions for sales return	850.08	951.58
Provisions for litigations	266,000.00	290,000.00
Other current provisions	102,394.23	95,794.23

224. UNWTO mainly recognizes a provision for probable liabilities that would result from refunds of unspent balances of closed projects to donors for other contributions agreements previous to 2019, from return of sold publications to distributors, from litigations and from obligations on the Organization where there is probability of outflow of resources (other provisions). The level of the provisions is based on past experience and best estimates.

225. The movements of the provisions during the year are as follows:

Provisions movements				
Euros				
	01/01/2021	Utilization	Increase/ (decrease)	31/12/2021
Provisions movements	549,325.76	133,147.49	97,669.16	513,847.43
Provisions for refunds to donors	162,579.95	195.91	-17,780.92	144,603.12
Provisions for sales return	951.58	951.58	850.08	850.08
Provisions for litigations	290,000.00	132,000.00	108,000.00	266,000.00
Other current provisions	95,794.23	0.00	6,600.00	102,394.23

226. At 31 December 2021, UNWTO had five pending complaints related to the International Labour Organization Administrative Tribunal (ILOAT). On 27 January 2022, the Tribunal delivered the judgements of these complaints, out of which only three are final, for which the provision for litigations was utilized. At 31 December 2020, UNWTO had also a contingent liability related to additional legal costs associated to these cases recognized as a provision in 2021.

Note 18 – Other liabilities

Other liabilities		
Euros		
	31/12/2021	31/12/2020
Other liabilities	5,413.23	186,389.93
<i>Other current liabilities</i>	<i>1,345.07</i>	<i>185,220.13</i>
Finance lease liabilities	1,196.66	4,024.22
Miscellaneous other current liabilities	148.41	181,195.91
<i>Other non-current liabilities</i>	<i>4,068.16</i>	<i>1,169.80</i>
Finance lease liabilities	4,068.16	1,169.80

227. Falling under other liabilities UNWTO recognizes miscellaneous liabilities (inter-segment payables) and financial lease liabilities.

Finance leases

228. The Organization has finance leases in place for high-volume photocopiers. The difference between the minimum lease payments due and the present value of such payments is analysed in the table below:

Finance leases
at 31 December 2021
Euros

	Minimum payments due	Finance charges	Present value of minimum payments
Finance lease liabilities	5,264.82	0.00	5,264.82
< 1 year	1,196.66	0.00	1,196.66
> 1 year and < 5 years	4,068.16	0.00	4,068.16

229. There are no sublease payments to be received on these leased assets. Ownership does not transfer to the Organization on conclusion of the lease, nor are there any options in place to purchase the equipment at that time.

Note 19 – Net assets / equity

Changes in net assets/equity - detailed
for the year ended 31 December 2021
Euros

	Note	Restricted Accumulated Surplus	Unrestricted accumulated surplus	Total accumulated surplus	Surplus	Working capital fund	Replacement reserve	Special reserve for contingency	Total net assets
Net assets, 31/12/2020		7,031,475.55	-22,701,432.24	-15,669,956.69		4,590,142.87	1,370,599.80	430,593.00	-9,278,621.02
Other adjustments related to prior periods		0.00	191,017.68	191,017.68					191,017.68
Restated balance, 01/01/2021		7,031,475.55	-22,510,414.56	-15,478,939.01		4,590,142.87	1,370,599.80	430,593.00	-9,087,603.34
Total directly recognized revenue/expenses		1,344,295.54	-1,021,880.87	322,414.67		0.00	-71,734.68	-15,114.12	235,565.87
Net change in reserves		0.00	86,848.80	86,848.80			-71,734.68	-15,114.12	0.00
Actuarial gain/loss			0.00	0.00					0.00
Exchange differences in foreign operations			0.00	0.00					0.00
Other adjustments		1,344,295.54	-1,108,729.67	235,565.87			0.00		235,565.87
Total recognized surplus for the period		3,909,535.48	-1,942,136.95	1,967,398.53	0.00	0.00	200,000.00	0.00	2,167,398.53
Result for the period					2,167,398.53				2,167,398.53
Direct transfers from result		3,909,535.48	-1,942,136.95	1,967,398.53	-2,167,398.53	0.00	200,000.00	0.00	0.00
Other adjustments in accumulated surplus		0.00	0.00	0.00					0.00
Net assets, 31/12/2021	19	12,285,306.57	-25,474,432.38	-13,189,125.81	0.00	4,590,142.87	1,498,865.12	415,478.88	-6,684,638.94

230. UNWTO accumulated surplus consists of: (a) Unrestricted accumulated surplus (deficit), and (b) Restricted accumulated surplus. The first (a) includes balances relating to the General Fund including ASEB, unbudgeted miscellaneous revenue and unrestricted publications store balances. The second (b) are mainly balances relating to projects funded by donors held for use on specific identified projects, project support costs (PSC), project reserve fund (PRF) and other projects within the GF such as the affiliate members programme of work and restricted publications store balances.
231. The Working Capital Fund (WCF) has been established in an amount and for the purposes to be fixed by the General Assembly⁴⁰. It is financed by contributions from Members made in accordance with the scale of contributions as determined by the General Assembly and by any other transfer from net equity which the Assembly decides may be so used⁴¹.
232. In addition to the WCF the statutory reserves comprise the Replacement Reserve⁴² and the Special Contingency Reserve⁴³ which have been established in accordance with the UNWTO Financial Rules and Regulations.

⁴⁰ FR 10.2(a) and FR 10.2(b)

⁴¹ FR 10.2(c)

⁴² DFR VI21 to VI.23

⁴³ DFR VI24 to VI.28

233. UNWTO recognizes actuarial gain and losses for ASHI directly in Statement of Changes in Net Assets/Equity. Actuarial valuations are made periodically and actuarial gains and losses are recorded accordingly.

Note 20 – Revenues

Revenues		
Euros		
	31/12/2021	31/12/2020
Revenues	25,158,254.31	17,959,122.55
<i>Members assessed contributions</i>	<i>14,612,859.67</i>	<i>14,596,841.01</i>
<i>Other contributions, net of reduction</i>	<i>6,917,964.95</i>	<i>1,099,088.30</i>
Voluntary contributions	6,109,677.04	1,069,897.50
Funds in trust contributions	117,685.26	0.00
Project support cost	843,405.99	44,568.10
Reduction in contribution revenues	-152,803.34	-15,377.30
<i>Publications revenues, net of discounts and returns</i>	<i>289,082.59</i>	<i>318,777.00</i>
Publications revenues	317,827.01	327,949.35
Discounts and returns	-28,744.42	-9,172.35
<i>Currency exchange differences</i>	<i>375,647.72</i>	<i>0.00</i>
<i>Other revenues</i>	<i>2,962,699.38</i>	<i>1,944,416.24</i>
In-kind contributions	2,500,107.00	1,504,565.71
Donated goods	166,479.60	0.00
Donated use of premises/equipment	2,147,334.47	1,307,975.29
Donated travel	186,292.93	196,590.42
Miscellaneous revenues	462,592.38	439,850.53
Assessed contributions - new members	16,710.00	16,710.00
Application of allowances	273,709.58	300,598.62
Revenue from deposits and investments	76,981.38	25,491.58
Other miscellaneous	95,191.42	97,050.33

234. Assessed contributions are recognized as revenue at the beginning of the year to which they are apportioned in the relevant two-year budget period⁴⁴.
235. Voluntary Contributions and Funds In Trust are recognized as revenue at the signing of the corresponding binding funding agreement except for those which contain performance conditions as defined under IPSAS. These revenues include project support costs and are shown net of the provision for return to donors and refunds to donors (Reduction in contribution revenues line).
236. The sale of UNWTO publications is the only material exchange revenue producing activity of the Organization.
237. Currency exchange differences are composed of the difference between gains and loss on currency exchange differences.
238. Other revenues are composed by in-kind contributions and miscellaneous revenues, which include application of Members' allowance and new Members assessed contributions. UNWTO receives donations in-kind in the form of the use of premises for no or nominal rent and paid travel expenses. The use of premises is valued at the fair market value of the rental due on similar premises, while travel is valued (a) at the fair market value of the donated airfare and, (b) based on the DSA for other travel expenses. These in-kind contributions are recognized as revenue while a corresponding expense is also recognized.

⁴⁴ FR Annex II. 1

239. Donated use of premises also includes:

- (a) The UNWTO Headquarters building located at Madrid, Spain, in accordance with the agreements between UNWTO and the Government of Spain⁴⁵. The commercial rate of renting the UNWTO Headquarters building was calculated by an independent appraisal at 31 December 2018 and adjusted by the variation of the rental levels in the Madrid office market⁴⁶;
- (b) The UNWTO liaison office located at Geneva, Switzerland, whose commercial rate of renting is calculated based on the rental level in Geneva; and
- (c) The UNWTO ROME building located at Riyadh, Saudi Arabia, in accordance with the agreement between UNWTO and the Kingdom of Saudi Arabia. The commercial rate of renting the UNWTO building was calculated by an independent appraisal at November 2021.

Note 21 – Expenses

Expenses		
Euros		
	31/12/2021	31/12/2020
Expenses	22,990,855.78	19,406,648.83
<i>Salaries and employee benefits</i>	<i>14,633,000.62</i>	<i>14,333,423.42</i>
Salaries and benefits - regular staff	9,038,570.91	8,567,021.88
Long-term benefits - regular staff	1,642,057.00	2,820,681.77
Salaries and benefits - non-regular staff	3,952,372.71	2,945,719.77
<i>Grants and other transfers</i>	<i>328,997.93</i>	<i>255,544.14</i>
<i>Travel</i>	<i>655,976.68</i>	<i>358,164.08</i>
Non-donated travel	469,683.75	161,573.66
Donated travel expenses	186,292.93	196,590.42
<i>Supplies, consumables and other running costs</i>	<i>3,977,728.82</i>	<i>2,342,351.89</i>
Expendables	148,561.34	119,200.70
Supplies, consumables and others	466,940.64	333,634.50
Publishing expenses	41,489.21	36,267.20
Rental expense (included in-kind rental expense)	2,285,770.24	1,370,118.17
Rental expense	138,435.77	62,142.88
Rental expense in-kind	1,132,093.79	363,979.57
Rental headquarter	1,015,240.68	943,995.72
Contractual services	1,034,967.39	483,131.32
<i>Currency exchange differences</i>	<i>0.00</i>	<i>499,060.12</i>
<i>Depreciation and amortization</i>	<i>160,509.72</i>	<i>149,809.41</i>
Depreciation and impairment - PPE	51,187.43	41,932.80
Amortization and impairment - Intangible Assets	106,564.69	102,568.35
Impairment - Publications	2,757.60	5,308.26
<i>Other expenses</i>	<i>3,234,642.01</i>	<i>1,468,295.77</i>
Doubtful accounts expense	3,050,385.54	1,318,133.83
Bank costs	75,293.96	8,299.87
Other miscellaneous	108,962.51	141,862.07

Salaries and employee benefits

⁴⁵ "Special Agreement on the Headquarters Building of the World Tourism Organization, as Provided for under Article 24 of the Convention between the World Tourism Organization and Spain Concerning the Organization's Legal Status in Spain".

⁴⁶ See "Spotlight oficinas Madrid" by Savills-Aguirre Newman of third quarter 2021".

240. Salaries and employee benefits include: (a) regular staff expenses related to salaries and benefits and the movements in the actuarial liability for ASHI, AAL and EoSB, and (b) the cost of contracting collaborators and consultants and other temporary services, including their medical insurance.

Grants and other transfers

241. This item includes: (a) expenses for external training and seminars which are mainly travel and per diem costs for participants, (b) technical cooperation and grants which represent subventions and sponsorships, (c) contributions made to UN joint activities, and (d) other contributions.

Travel

242. Travel costs are for UNWTO staff, collaborators and consultants and other temporary service providers relate principally, to transportation and DSA expenses.

Supplies, consumables and other running costs

243. Included under this heading are items of expendable equipment and furniture and fittings which do not meet the criteria for capitalization as PPE (included donated goods in-kind) as well as items of expendable software and licences which do not meet the criteria for capitalization as intangible assets.
244. Supplies, consumables and others include offices and other supplies, insurances, utilities maintenance and repairs, hospitality and other running costs.
245. Publishing expenses include those costs related to the production of publications.
246. Rental expense represents premises rental cost including the expense which corresponds to the in-kind contribution for premises provided to UNWTO at no or nominal cost.
247. Contractual services represent expenses where UNWTO has engaged a third party to perform work on behalf of UNWTO. Major categories of these types of arrangements include professional services and research.

Depreciation, amortization and impairment

248. Depreciation is the annual expense resulting from the systematic allocation of the depreciable amounts of property, plant and equipment over their useful lives. Amortization is the annual expense resulting from the systematic allocation of the amortizable amount of intangible assets over their useful lives.
249. This item also includes impairment of PPE, intangible assets and publication inventories.

Other expenses

250. Doubtful accounts expense corresponds to the changes in the allowance for doubtful accounts for assessed, WCF, voluntary and trust fund contributions. It also includes an amount for doubtful publication receivables.
251. The other expenses are largely composed of provisions, bank charges and miscellaneous expenses.

Note 22 – Statement of comparison of budget and actual amounts – Regular Budget**Reconciliation of financial performance with budgetary result of the Regular Budget
for the year ended 31 December 2021**

Euros

	31/12/2021
Financial surplus/(deficit) in the Statement of financial performance	2,167,398.53
Entity differences	3,959,872.85
<i>Add: Revenues of</i>	<i>10,087,984.74</i>
Other funds than the GF (VC and FIT)	9,039,039.75
Other projects within GF	1,048,944.99
<i>Less: Expenses of</i>	<i>6,128,111.89</i>
Other funds than the GF (VC and FIT)	5,210,759.38
Other projects within GF	917,352.51
Basis differences	-3,389,375.08
<i>Add:</i>	<i>1,971,244.63</i>
(a) Unbudgeted revenues under Regular Budget	1,672,542.07
(b) Budgeted transfer to the Replacement Reserves	200,000.00
(c) Budgeted PPE, IA and finance lease liabilities	19,907.97
(d) Budgeted expenditures under RB - PY adjustments	78,794.59
<i>Less:</i>	<i>5,360,619.71</i>
(a) Unbudgeted expenses under Regular Budget	4,520,032.36
(b) Budgeted transfers from net assets	840,587.35
Budgetary result in the Statement of comparison of budget and actual amounts	1,596,900.76

252. As required under IPSAS 24, the actual amounts presented on a comparable basis to the budget are, where the Financial Statements and the budget are not prepared on a comparable basis, reconciled to the actual amounts presented in the Financial Statements, identifying any differences.
253. In order to reconcile the Statement of Comparison of Budget and Actual Amounts to the Statement of Financial Performance, the following differences have to be taken into account.

(a) Entity differences

These occur when the approved Regular Budget excludes projects, funds or entities which are nonetheless reported in the Financial Statements. At UNWTO the Voluntary Contributions Fund, Funds In Trust and the non-regular budget projects within the General Fund are not part of the approved Regular Budget.

(b) Basis differences

These occur when the approved Regular Budget is prepared on a basis other than the accounting basis. At UNWTO, the Regular Budget is prepared on a modified accrual basis whereas the Financial Statements are prepared on a full accrual basis in compliance with IPSAS.

In order to reconcile the budgetary result (Statement of Comparison of Budget and Actual Amounts) to the financial performance (Statement of Financial Performance), the non-accrual elements of the Regular Budget (e.g., property, plant and equipment is budgeted when it is planned that the payments will be made) are removed as basis differences.

(c) Timing differences

These occur when the budget period differs from the reporting period reflected in the Financial Statements. At UNWTO, there are no timing differences.

(d) Presentation differences

These are due to differences in the format and classification schemes adopted for the Statement of Financial Performance and the Statement of Comparison of Budget and Actual Amounts. At UNWTO, the Statement of Financial Performance is classified by nature while the Statement of Comparison of Budget and Actual Amounts is classified by parts/sections. The financial impact of this presentation is zero.

Note 23 – Commitments and contingencies**Legal commitments**

254. UNWTO has outstanding commitments related to operating costs mainly in the form of issued contracts and purchase orders which will be expensed in the Financial Statements upon delivery in the forthcoming financial years and recorded against the corresponding annual budget. At 31 December 2021, legal commitments, excluding RB regular staff ones, are:

Legal commitments	
Euros	
	31/12/2021
Legal commitments	5,437,018.50

255. At 31 December 2021, budgetary and legal commitments of the UNWTO Regional Office for the Middle East amounts to USD 3,083,814.

Operating lease commitments

256. UNWTO enters into operating lease arrangements mainly for the use of office premises and for the use of photocopying and printing equipment. Future minimum lease rental payments for the following periods are:

Operating leases		
Euros		
	31/12/2021	31/12/2020
Operating lease commitments	53,248.12	107,696.97
< 1 year	47,706.68	53,584.44
> 1 year and < 5 years	5,541.44	54,112.53
Remarks: Includes 2020 correction		

Contingent liabilities

257. A potential liability identified in 2017 relating to inter-UN organizational services is estimated at USD 100,000. To date, no claim has been made against UNWTO and it is highly unlikely that UNWTO will incur any liability.

Note 24 – Losses, ex-gratia payments and write-offs

Losses, ex-gratia payments and write-offs		
Euros		
	31/12/2021	31/12/2020
Losses, ex-gratia payments & write-offs	959.52	61,777.59
Losses & write-offs	959.52	61,777.59

258. Financial Regulation 13.5 provides that "The Secretary-General may make such ex gratia payments as are deemed to be necessary in the interest of the Organization, provided that a statement of such payments is included in the accounts of the Organization".

259. Financial Regulation 13.4 provides that "The Secretary-General may, after full investigation, authorize the writing off of losses of cash, stores, and other assets, provided a statement thereof is submitted to the External Auditors with the accounts".
260. During the period 1 January to 31 December 2021, UNWTO did not incur any ex-gratia payments. Losses correspond to the loss in the joint investment, the value of inventories and write-offs correspond to approved uncollectible receivables analysed on a case-by-case basis.
261. There were no reported cases of fraud or presumptive fraud in 2021.

Note 25 – Related party and key management disclosures

Governing bodies and related parties

262. UNWTO is governed by a General Assembly, consisting of the representatives of the Full and Associate Members of the Organization. They do not receive any remuneration from the Organization.
263. The General Assembly elects the Full Members which form the Executive Council in a ratio of one for every five Full Members. The Executive Council assures the overall management of UNWTO and meets twice a year. As a norm, the Organization does not pay for travel costs or any other costs incurred by the representatives of the Full Members in the execution of their duties as Members.
264. Representatives of Full Members are appointed separately by the Government of each Full Member, and are not considered as key management personnel of UNWTO as defined under IPSAS.
265. The Organization's only related party within the meaning of IPSAS 20 (Related party disclosures) is the Themis Foundation. During 2021, UNWTO provided EUR 109,000 as annual grant to the Themis Foundation.

Key management personnel

266. Key management personnel of UNWTO are personnel with a level of D2 and above as they have the authority and responsibility for planning, directing and controlling the activities of UNWTO. At UNWTO the key management personnel is composed of the Secretary-General, the Deputy Secretary-General, the Executive Directors and the Director of Administration and Finance with a level of D2 and above.
267. The aggregate remuneration paid to key management personnel includes: net salaries, post adjustment, benefits and allowances as well as the employer pension and health insurance contributions.

Key Management Personnel

at 31 December 2021

Euros

	Number of individuals	Salary & post adjustment	Benefits & allowances	Pension and health plans	Total remuneration	Outstanding advances
Key management personnel	4	574,806.52	135,150.87	1,009,963.61	1,719,921.00	-

268. Key management personnel are also qualified for post-employment benefits at the same level as other employees. Key management personnel of UNWTO are participants of UNJSPF.
269. Advances are those made against salary, benefits and allowances in accordance with financial rules and regulations⁴⁷. Advances against salary, benefits and allowances are available to all UNWTO staff.

⁴⁷ DFR VI.13

Unaudited Annexes

Annex I: Contact information

Name		Address
UNWTO	World Tourism Organization	Poeta Joan Maragall 42. Madrid, Spain
Actuary	Aon	100 Half Day Road. Lincolnshire, Illinois 60069, United States of America
Principal banker	Banco Sabadell	Pº de la Castellana 135. Madrid, Spain
External Auditor	Intervención General de la Administración del Estado, Spain	Mateo Inurria 15. 28036 Madrid, Spain

Annex II: Appropriations transfers at 31 December 2021 - Regular Budget

2021 Approved and revised appropriations – Regular Budget at 31 December 2021

2021 Approved and revised appropriations - Regular Budget

at 31 December 2021

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	10,764,000	4,433,000	15,197,000	Total	55	51	10,764,000	4,433,000	15,197,000
A Member Relations	11	6	1,784,000	665,000	2,449,000	A Member Relations	12	6	1,914,000	665,000	2,579,000
A01 Regional Programme, Africa	4	0	520,000	266,000	786,000	A01 Regional Programme, Africa	4	0	520,000	266,000	786,000
A02 Regional Programme, Americas	1	2	248,000	116,000	364,000	A02 Regional Programme, Americas	1	2	248,000	116,000	364,000
A03 Regional Programme, Asia and the Pacific	2	1	319,000	111,000	430,000	A03 Regional Programme, Asia and the Pacific	3	1	449,000	111,000	560,000
A04 Regional Programme, Europe	2	1	319,000	108,000	427,000	A04 Regional Programme, Europe	2	1	319,000	108,000	427,000
A05 Regional Programme, Middle East	1	1	189,000	64,000	253,000	A05 Regional Programme, Middle East	1	1	189,000	64,000	253,000
A06 Affiliate Members	1	1	189,000	0	189,000	A06 Affiliate Members	1	1	189,000	0	189,000
B Operational	16	11	2,850,000	979,000	3,829,000	B Operational	14	11	2,469,000	979,000	3,448,000
B01 Sustainable Development of Tourism	4	1	579,000	111,000	690,000	B01 Sustainable Development of Tourism	4	1	579,000	111,000	690,000
B02 Technical Cooperation and Silk Road	3	2	629,000	108,000	737,000	B02 Technical Cooperation and Silk Road	2	2	378,000	108,000	486,000
B03 Statistics	2	2	378,000	113,000	491,000	B03 Statistics	2	2	378,000	113,000	491,000
B04 Tourism Market Intelligence and Competitiveness	2	2	378,000	167,000	545,000	B04 Tourism Market Intelligence and Competitiveness	2	2	378,000	167,000	545,000
B05 Ethics, Culture and Social Responsibility	1	2	248,000	75,000	323,000	B05 Ethics, Culture and Social Responsibility	1	2	248,000	75,000	323,000
B06 Innovation, Education and Investments	1	1	189,000	286,000	475,000	B06 Innovation, Education and Investments	1	1	189,000	286,000	475,000
B07 Institutional Relations and Partnerships	3	1	449,000	119,000	568,000	B07 Institutional Relations and Partnerships	2	1	319,000	119,000	438,000
C Support - Direct to Members	16	8	3,036,000	839,000	3,875,000	C Support - Direct to Members	16	8	3,036,000	839,000	3,875,000
C01 Conferences Services	4	2	638,000	150,000	788,000	C01 Conferences Services	4	2	638,000	150,000	788,000
C02 Management	11	5	2,209,000	534,000	2,743,000	C02 Management	11	5	2,209,000	534,000	2,743,000
C03 Communications	1	1	189,000	155,000	344,000	C03 Communications	1	1	189,000	155,000	344,000
D Support - Indirect to Members	12	26	3,094,000	1,950,000	5,044,000	D Support - Indirect to Members	13	26	3,345,000	1,950,000	5,295,000
D01 Budget and Finance	2	2	378,000	221,000	599,000	D01 Budget and Finance	2	2	378,000	221,000	599,000
D02 Human Resources	1	1	189,000	132,000	321,000	D02 Human Resources	1	1	189,000	132,000	321,000
D03 Information and Communication Technology	1	3	307,000	326,000	633,000	D03 Information and Communication Technology	1	2	248,000	326,000	574,000
D04 General Services	0	5	295,000	571,000	866,000	D04 General Services	0	5	295,000	571,000	866,000
D05 Staff vacancies & ASEB Provisions	8	15	1,925,000	700,000	2,625,000	D05 Staff vacancies & ASEB Provisions	9	16	2,235,000	700,000	2,935,000

¹ P posts include P and above posts² Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/715(XIII) 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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b) Rev.1 at 30 June 2021. Movements of posts among sections are annually considered.³ Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/715(XIII) 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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b) Rev.1 at 30 June 2021, and the Secretary-General proposal of structure modification at 31 December 2021. Movements of posts among sections are annually considered.

Appropriation transfers – Regular Budget at 31 December 2021

2021 Provisional estimated appropriation transfers - Regular Budget

at 31 December 2021

Euros

Revised appropriations in accordance to new structure proposed by the Secretary-General

Parts / sections	Posts ¹		Appropriations ³			Actual expenditure			Budget deviation	Transfers		Revised appropriations	Balance
	P	G	Staff	Non-staff	Total	Staff	Non-staff	Total		From:	To:		
	106												
Total	55	51	10,764,000	4,433,000	15,197,000	8,905,664	4,382,253	13,287,917	1,909,083	-1,128,211	1,128,211	15,197,000	1,909,083
A Member Relations	12	6	1,914,000	665,000	2,579,000	1,848,771	451,490	2,300,261	278,739	-374,773	96,033	2,300,261	0
A01 Regional Programme, Africa	4	0	520,000	266,000	786,000	475,188	193,069	668,257	117,743	-117,743		668,257	0
A02 Regional Programme, Americas	1	2	248,000	116,000	364,000	269,526	11,909	281,435	82,565	-82,565		281,435	0
A03 Regional Programme, Asia and the Pacific	3	1	449,000	111,000	560,000	337,444	48,091	385,535	174,465	-174,465		385,535	0
A04 Regional Programme, Europe	2	1	319,000	108,000	427,000	320,921	133,718	454,639	-27,639		27,639	454,639	0
A05 Regional Programme, Middle East	1	1	189,000	64,000	253,000	197,516	64,703	262,219	-9,219		9,219	262,219	0
A06 Affiliate Members	1	1	189,000	0	189,000	248,175	0	248,175	-59,175		59,175	248,175	0
B Operational	14	11	2,469,000	979,000	3,448,000	2,809,056	801,336	3,610,392	-162,392	-139,065	301,457	3,610,392	0
B01 Sustainable Development of Tourism	4	1	579,000	111,000	690,000	649,142	63,930	713,072	-23,072		23,072	713,072	0
B02 Technical Cooperation and Silk Road	2	2	378,000	108,000	486,000	582,167	6,597	588,764	-102,764		102,764	588,764	0
B03 Statistics	2	2	378,000	113,000	491,000	306,239	45,696	351,935	139,065	-139,065		351,935	0
B04 Tourism Market Intelligence and Competitiveness	2	2	378,000	167,000	545,000	368,378	234,085	602,463	-57,463		57,463	602,463	0
B05 Ethics, Culture and Social Responsibility	1	2	248,000	75,000	323,000	278,211	51,602	329,813	-6,813		6,813	329,813	0
B06 Innovation, Education and Investments	1	1	189,000	286,000	475,000	207,031	350,664	557,694	-82,694		82,694	557,694	0
B07 Institutional Relations and Partnerships	2	1	319,000	119,000	438,000	417,888	48,762	466,650	-28,650		28,650	466,650	0
C Support - Direct to Members	16	8	3,036,000	839,000	3,875,000	3,082,185	1,158,731	4,240,917	-365,917	0	365,917	4,240,917	0
C01 Conferences Services	4	2	638,000	150,000	788,000	715,775	155,520	871,295	-83,295		83,295	871,295	0
C02 Management	11	5	2,209,000	534,000	2,743,000	2,192,440	719,346	2,911,786	-168,786		168,786	2,911,786	0
C03 Communications	1	1	189,000	155,000	344,000	173,971	283,865	457,836	-113,836		113,836	457,836	0
D Support - Indirect to Members	13	26	3,345,000	1,950,000	5,295,000	1,165,651	1,970,696	3,136,347	2,158,653	-614,373	364,804	5,045,431	1,909,083
D01 Budget and Finance	2	2	378,000	221,000	599,000	391,889	425,352	817,241	-218,241		218,241	817,241	0
D02 Human Resources	1	1	189,000	132,000	321,000	198,034	197,039	395,072	-74,072		74,072	395,072	0
D03 Information and Communication Technology	1	2	248,000	326,000	574,000	279,790	366,701	646,490	-72,490		72,490	646,490	0
D04 General Services	0	5	295,000	571,000	866,000	295,939	281,605	577,543	288,457	-288,457		577,543	0
D05 Staff vacancies & ASEP Provisions	9	16	2,235,000	700,000	2,935,000	0	700,000	700,000	2,235,000	-325,917		2,609,083	1,909,083

¹ P posts include P and above posts³ 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., CE/DEC/3(CXIII) of document CE/113/3(b), and by A/RES/733(XXIV) of documents A/24/5(b) at 31 March 2021 and A/24/5(b) Rev.1 at 30 June 2021, and the Secretary-General proposal of structure modification at 31 December 2021. Movements of posts among sections are annually considered.

2021 Appropriation transfers - Regular Budget

at 31 December 2021

Euros

		Description	
Transfer		Part	Section
Appropriation transfers between sections within the same part of the budget ¹			
1	-27,638.91	From A Member Relations	A01 Regional Programme, Africa
	27,638.91	To A Member Relations	A04 Regional Programme, Europe
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
2	-9,219.06	From A Member Relations	A01 Regional Programme, Africa
	9,219.06	To A Member Relations	A05 Regional Programme, Middle East
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
3	-59,175.17	From A Member Relations	A01 Regional Programme, Africa
	59,175.17	To A Member Relations	A06 Affiliate Members
Transfer needed to cover excess expenditure due to the difference between the budgeted staff costs by section and the actual staff costs in			
4	-23,072.41	From B Operational	B03 Statistics
	23,072.41	To B Operational	B01 Sustainable Development of Tourism
Transfer needed to cover excess expenditure due to the difference between the budgeted staff costs by section and the actual staff costs in			
5	-35,753.70	From B Operational	B03 Statistics
	35,753.70	To B Operational	B04 Tourism Market Intelligence and Competitiveness
Transfer needed to cover excess expenditure due to the increase in the activities carried out by the section.			
6	-6,813.13	From B Operational	B03 Statistics
	6,813.13	To B Operational	B05 Ethics, Culture and Social Responsibility
Transfer needed to cover excess expenditure due to the difference between the budgeted staff costs by section and the actual staff costs in			
7	-28,650.00	From B Operational	B03 Statistics
	28,650.00	To B Operational	B07 Institutional Relations and Partnerships
Transfer needed to cover excess expenditure due to the difference between the budgeted staff costs by section and the actual staff costs in			
8	-44,775.70	From B Operational	B03 Statistics
	44,775.70	To B Operational	B06 Innovation, Education and Investments
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
9	-33,007.74	From D Support - Indirect to Members	D04 General Services
	-185,233.71	From D Support - Indirect to Members	D05 Staff vacancies & ASEB Provisions
	218,241.45	To D Support - Indirect to Members	D01 Budget and Finance
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
10	-74,072.05	From D Support - Indirect to Members	D04 General Services
	74,072.05	To D Support - Indirect to Members	D02 Human Resources
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
11	-72,490.37	From D Support - Indirect to Members	D04 General Services
	72,490.37	To D Support - Indirect to Members	D03 Information and Communication Technology
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
Appropriation transfers from one part of the budget to another ²			
1	-21,709.47	From A Member Relations	A01 Regional Programme, Africa
	21,709.47	To B Operational	B04 Tourism Market Intelligence and Competitiveness
Transfer needed to cover excess expenditure due to the increase in the activities carried out by the section.			
2	-82,565.34	From A Member Relations	A02 Regional Programme, Americas
	-729.28	From A Member Relations	A03 Regional Programme, Asia and the Pacific
	83,294.62	To C Support - Direct to Members	C01 Conferences Services
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs in the section as well as the increase in the activities carried out by the section.			
3	-168,786.37	From A Member Relations	A03 Regional Programme, Asia and the Pacific
	168,786.37	To C Support - Direct to Members	C02 Management
Transfer needed to cover excess expenditure due to the increase in the activities carried out by the section.			
4	-4,948.95	From A Member Relations	A03 Regional Programme, Asia and the Pacific
	-108,886.60	From D Support - Indirect to Members	D04 General Services
	113,835.55	To C Support - Direct to Members	C03 Communications
Transfer needed to cover excess expenditure due to the increase in the activities carried out by the section.			
5	-102,764.34	From D Support - Indirect to Members	D05 Staff vacancies & ASEB Provisions
	102,764.34	To B Operational	B02 Technical Cooperation and Silk Road
Transfer needed to cover excess expenditure due to the difference between the budgeted staff costs by section and the actual staff costs in			
6	-37,918.54	From D Support - Indirect to Members	D05 Staff vacancies & ASEB Provisions
	37,918.54	To B Operational	B06 Innovation, Education and Investments
Transfer needed to cover excess expenditure due to both the difference between the budgeted staff costs by section and the actual staff costs			

¹ Appropriation transfers between sections within the same part of the budget were carried out by the Secretary General subject to confirmation by the Programme and Budget Committee and the Executive Council (FR V.3(a) and CE/DEC/6(LIII))

² Appropriation transfers between different parts of the budget were carried out by the Secretary General, subject to confirmation by the Programme and Budget Committee and the Executive Council (FR V.3(b) and decision CE/DEC/6(LIII))

Annex III: Cofinancing projects for the period ended 31 December 2021

Projects with UNWTO and donors contribution
for the year ended 31 December 2021

Euros

Project	Title	Agreement		Donor		UNWTO		Contribution		
		Date	Donor	In-kind	Cash	In-kind	Cash	% Share		
								Total	Donor	UNWTO
UNWTO Technical Assistance for the COVID-19 Tourism Recovery for Skiathos Island, Skiathos Island,	Cooperation Agreement between UNWTO and Municipality of Skiathos	22/12/2021	Greece	0.00	16,852.00	5,000.00	0.00	21,852.00	77%	23%
Publication on Big Data for Better Tourism Policy, Management, and Sustainable Recovery from COVID-1	Co-edition Agreement between UNWTO and the Asian Development Bank	14/12/2021	Asian Development Bank (ADB)	166,056.00	0.00	7,992.00	0.00	174,048.00	95%	5%
Celebración de la 24ª Reunión de la Asamblea General de la OMT	Acuerdo Internacional Administrativo entre La Organización Mundial del Turismo y La Secretaría de Estado de Turismo del Gobierno del Reino de España	03/12/2021	Secretaría de Estado de Turismo de España	427,140.00	0.00	29,829.16	0.00	456,969.16	93%	7%
Global Mapping of Climate Action in Tourism	Cooperation Agreement Between UNWTO and the Federal Ministry for the Environment, Nature Conservation And Nuclear Safety of Germany	26/11/2021	Germany	0.00	25,000.00	24,702.25	0.00	49,702.25	50%	50%
UNWTO Regional Conference on the Empowerment of Women in Tourism in Asia and the Pacific	Agreement Between the UNWTO and the Government of Malaysia and Malaysia Convention and Exhibition Bureau (MyCEB)	16/11/2021	Malaysia	26,200.00	0.00	25,000.00	0.00	51,200.00	51%	49%
A la publicación de la serie - Las Rutas de Vino del Mundo	Acuerdo de coedición entre la OMT y la Fundación Araex Grands relativo a la publicación de la serie	15/11/2021	Araex Rioja Alavesa, S.L.	25,000.00	0.00	15,000.00	0.00	40,000.00	63%	38%
Holding of the 15th UNWTO Asia/Pacific Executive Training Programme on Tourism Policy and Strategy	Agreement Between UNWTO and The Ministry of Tourism, The Maldives and Island Aviation Services (dba Maldivian Holidays)	05/10/2021	Maldives	84,196.28	0.00	65,000.00	0.00	149,196.28	56%	44%
Future of Tourism World Summit	Acuerdo Entre la OMT y Advanced Leadership Foundation	07/09/2021	Advanced Leadership Foundation	115,429.00	0.00	5,529.52	0.00	120,958.52	95%	5%
Holding of the 64th UNWTO Regional Commission for Africa (CAF) and the 2nd Edition of the UNWTO	Agreement between UNWTO and the Government of the Republic of Cabo Verde	15/06/2021	Cabo Verde	33,433.00	0.00	3,600.00	0.00	37,033.00	90%	10%
Turkey: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	Call-Off Notice Number: 2021.002897	10/06/2021	EBRD	0.00	171,173.00	19,019.00	0.00	190,192.00	90%	10%
Georgia: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	Call-Off Notice Number: 2021.002808 Extension 1	02/06/2021 07/12/2021	EBRD	0.00	152,732.00	16,970.00	0.00	169,702.00	90%	10%

Project	Title	Agreement		Donor		UNWTO		Contribution		
		Date	Donor	In-kind	Cash	In-kind	Cash	% Share		Donor UNWTO
								Total		
Uzbekistan: Facilitating Tourism Recovery in Aftermath of Covid-19	Call-Off Notice Number: 2021.002759 Extension 1	31/05/2021 01/12/2021	EBRD	0.00	170,393.00	18,933.00	0.00	189,326.00	90%	10%
Greece: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	Call-Off Notice Number: 2021.002672 Extension 1	31/05/2021 14/12/2021	EBRD	0.00	174,496.00	19,388.00	0.00	193,884.00	90%	10%
Human Capital Development by E-Learning	Cooperation Agreement between UNWTO and the Ministry of Tourism of the Kingdom of Saudi Arabia	26/05/2021	Saudi Arabia	0.00	3,516,083.00	50,000.00	0.00	3,566,083.00	99%	1%
Holding of the 47th UNWTO Regional Commission for the Middle East	Contract between UNWTO and The Government of the Kingdom of Saudi Arabia Represented by the Ministry of Tourism	26/05/2021	Saudi Arabia	431,808.00	0.00	10,550.00	0.00	442,358.00	98%	2%
Croatia: COVID-19 Tourism Recovery Technical Assistance Cooperation Package Facilitating Tourism	Call-Off Notice Number: 2021.002371	25/05/2021	EBRD	0.00	169,550.00	18,838.00	0.00	188,388.00	90%	10%
Montenegro: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	Call-Off Notice Number: 2021.002386 Extension 1	25/05/2021 22/12/2021	EBRD	0.00	159,075.00	17,675.00	0.00	176,750.00	90%	10%
Development of an online Dashboard on Covid19: Travel Restrictions and Health related Travel Requirement	Agreement Between UNWTO and International Air Transport Association (IATA)	31/03/2021	IATA-International Air Transport Association	10,000.00	0.00	10,000.00	0.00	20,000.00	50%	50%
Facilitating Tourism Recovery in Aftermath of Covid-19 - Tunisia	Call-Off Notice Number: 2021.002067 Extension 1	18/03/2021 09/08/2021	EBRD	0.00	167,725.00	18,636.00	0.00	186,361.00	90%	10%
Global Report on Cultural Affinity and Screen Tourism, driven by Internet Entertainment Services	Co-edition Agreement between UNWTO and Netflix	28/01/2021	Netflix	60,000.00	1,412.40	5,000.00	0.00	66,412.40	92%	8%
Celebración de la 113ª Reunión del Consejo Ejecutivo de la OMT	Secretaría de Estado de Turismo del Gobierno del Reino de España	15/01/2021	Estado de Turismo de España	15,000.00	0.00	4,800.00	0.00	19,800.00	76%	24%

1. Contributions as shown in the agreements signed between UNWTO and the donor/s.

2. Agreements with extensions signed during the year and without additional financial implications than those in the original agreement are not included in this table.

3. 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 IV: Contributions due to the General Fund and the Working Capital Fund

Statement of contributions due to the General Fund at 31 December 2021

Statement of contributions due to the General Fund

at 31 December 2021

Euros

Members	Years	Arrear Contributions	Contributions due 2021	Total
Total		16,960,967.12	2,595,137.74	19,556,104.86
<i>Full Members</i>		<i>15,292,509.19</i>	<i>1,829,690.20</i>	<i>17,122,199.39</i>
<i>Budgetary Contributions</i>		<i>15,188,814.19</i>	<i>1,812,980.20</i>	<i>17,001,794.39</i>
Afghanistan	81-87,89-08,10,12,14,19-21	731,978.91	27,850.00	759,828.91
Albania	-	0.00	0.00	0.00
Algeria	-	0.00	0.00	0.00
Andorra	-	0.00	0.00	0.00
Angola	-	0.00	0.00	0.00
Argentina	20-21	4,846.34	167,098.00	171,944.34
Armenia	-	0.00	0.00	0.00
Austria	-	0.00	0.00	0.00
Azerbaijan	-	0.00	0.00	0.00
Bahamas	19	50,129.00	0.00	50,129.00
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	-	0.00	0.00	0.00
Bhutan	-	0.00	0.00	0.00
Bolivia	81-87, 89-98, 19-21	482,524.57	38,619.00	521,143.57
Bosnia and Herzegovina	-	0.00	0.00	0.00
Botswana	-	0.00	0.00	0.00
Brazil	21	0.00	254,302.00	254,302.00
Brunei Darussalam	-	0.00	0.00	0.00
Bulgaria	-	0.00	0.00	0.00
Burkina Faso	21	0.00	27,850.00	27,850.00
Burundi	77-07, 11-13, 15-20	864,181.78	27,850.00	892,031.78
Cambodia	85-92	210,175.11	0.00	210,175.11
Cameroon	17-21	122,730.33	33,419.00	156,149.33
Cape Verde	21	0.00	257.62	257.62
Central African Republic	07-21	336,164.20	27,850.00	364,014.20
Chad	12-21	239,042.56	27,850.00	266,892.56
Chile	-	0.00	0.00	0.00
China	-	0.00	0.00	0.00
Colombia	21	0.00	30,652.87	30,652.87
Comoros	20-21	25,065.00	25,065.00	50,130.00
Congo	19-20	63,689.02	0.00	63,689.02
Costa Rica	-	0.00	0.00	0.00
Côte d'Ivoire	-	0.00	0.00	0.00
Croatia	-	0.00	0.00	0.00
Cuba	-	0.00	0.00	0.00
Cyprus	-	0.00	0.00	0.00
Czech Republic	-	0.00	0.00	0.00
Democratic People's Republic of Korea	19, 21	27,850.00	27,850.00	55,700.00
Democratic Republic of the Congo	19-20	55,695.00	0.00	55,695.00
Djibouti	03-21	405,285.00	25,065.00	430,350.00
Dominican Republic	-	0.00	0.00	0.00
Ecuador	20	6,335.68	0.00	6,335.68
Egypt	-	0.00	0.00	0.00
El Salvador	-	0.00	0.00	0.00

Members	Years	Arrear Contributions	Contributions due 2021	Total
Equatorial Guinea	13-15, 17-201	231,759.00	44,947.00	276,706.00
Eritrea	21	0.00	27,850.00	27,850.00
Ethiopia	17-18, 20-21	88,833.00	33,419.00	122,252.00
Fiji	-	0.00	0.00	0.00
France	-	0.00	0.00	0.00
Gabon	15-21	325,269.56	55,700.00	380,969.56
Gambia	01-05, 08-10, 13	181,875.69	0.00	181,875.69
Georgia	-	0.00	0.00	0.00
Germany	-	0.00	0.00	0.00
Ghana	-	0.00	0.00	0.00
Greece	-	0.00	0.00	0.00
Guatemala	-	0.00	0.00	0.00
Guinea	96, 98-00, 07-09, 14-21	321,765.01	27,850.00	349,615.01
Guinea-Bissau	92-96, 99-21	612,842.55	27,850.00	640,692.55
Haiti	18, 20	28,446.67	0.00	28,446.67
Honduras	-	0.00	0.00	0.00
Hungary	-	0.00	0.00	0.00
India	-	0.00	0.00	0.00
Indonesia	-	0.00	0.00	0.00
Iran, Islamic Republic of	19-21	121,361.00	108,462.00	229,823.00
Iraq	92-06, 12, 21	1,648,701.47	50,448.00	1,699,149.47
Israel	-	0.00	0.00	0.00
Italy	-	0.00	0.00	0.00
Jamaica	-	0.00	0.00	0.00
Japan	-	0.00	0.00	0.00
Jordan	20	859.77	0.00	859.77
Kazakhstan	-	0.00	0.00	0.00
Kenya	-	0.00	0.00	0.00
Kingdom of Eswatini	-	0.00	0.00	0.00
Kuwait	98	34,309.21	0.00	34,309.21
Kyrgyzstan	98-10, 12-15, 21	381,535.46	27,850.00	409,385.46
Lao People's Democratic Republic	92-95, 04	93,894.65	0.00	93,894.65
Lebanon	-	0.00	0.00	0.00
Lesotho	21	0.00	27,850.00	27,850.00
Liberia	12-21	239,049.00	27,850.00	266,899.00
Libya	14-21	420,258.00	57,190.00	477,448.00
Lithuania	-	0.00	0.00	0.00
Madagascar	17-19, 21	80,804.44	27,850.00	108,654.44
Malawi	11-21	261,823.99	27,850.00	289,673.99
Malaysia	-	0.00	0.00	0.00
Maldives	21	0.00	152.00	152.00
Mali	-	0.00	0.00	0.00
Malta	-	0.00	0.00	0.00
Mauritania	79-05, 16-19	701,365.58	0.00	701,365.58
Mauritius	-	0.00	0.00	0.00
Mexico	20	222,798.00	0.00	222,798.00
Monaco	-	0.00	0.00	0.00
Mongolia	19, 21	2,139.00	33,419.00	35,558.00
Montenegro	-	0.00	0.00	0.00
Morocco	-	0.00	0.00	0.00
Mozambique	-	0.00	0.00	0.00
Myanmar	-	0.00	0.00	0.00
Namibia	-	0.00	0.00	0.00
Nepal	-	0.00	0.00	0.00
Netherlands	-	0.00	0.00	0.00

Members	Years	Arrear Contributions	Contributions due 2021	Total
Nicaragua	-	0.00	0.00	0.00
Niger	84-87, 90-07, 10-11, 14-17, 19-21	707,982.81	27,850.00	735,832.81
Nigeria	15-17, 20-21	81,555.13	54,232.00	135,787.13
Oman	-	0.00	0.00	0.00
Pakistan	19-20	88,324.19	0.00	88,324.19
Palau	-	0.00	0.00	0.00
Panama	-	0.00	0.00	0.00
Papua New Guinea	-	0.00	0.00	0.00
Paraguay	-	0.00	0.00	0.00
Peru	21	0.00	75,752.00	75,752.00
Philippines	-	0.00	0.00	0.00
Poland	-	0.00	0.00	0.00
Portugal	-	0.00	0.00	0.00
Qatar	-	0.00	0.00	0.00
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	-	0.00	0.00	0.00
Samoa	-	0.00	0.00	0.00
San Marino	-	0.00	0.00	0.00
Sao Tome and Principe	86-14, 18-21	644,300.65	16,710.00	661,010.65
Saudi Arabia	-	0.00	0.00	0.00
Senegal	21	0.00	17,354.03	17,354.03
Serbia	-	0.00	0.00	0.00
Seychelles	-	0.00	0.00	0.00
Sierra Leone	83-00, 03-20	833,848.12	0.00	833,848.12
Slovakia	-	0.00	0.00	0.00
Slovenia	-	0.00	0.00	0.00
Somalia	20-21	27,850.00	27,850.00	55,700.00
South Africa	-	0.00	0.00	0.00
Spain	-	0.00	0.00	0.00
Sri Lanka	-	0.00	0.00	0.00
Sudan	89-03, 06-08, 13-14, 18-20	540,995.18	0.00	540,995.18
Switzerland	-	0.00	0.00	0.00
Syrian Arab Republic	12-20	483,048.21	0.00	483,048.21
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	0.00	3,968.35	3,968.35
Togo	05-06, 19	41,044.83	0.00	41,044.83
Trinidad and Tobago	-	0.00	0.00	0.00
Tunisia	-	0.00	0.00	0.00
Turkey	-	0.00	0.00	0.00
Turkmenistan	95-98, 00-12, 16-21	723,160.40	50,129.00	773,289.40
Uganda	99-00, 02-04, 10-12, 15-18	275,007.18	0.00	275,007.18
Ukraine	-	0.00	0.00	0.00
United Arab Emirates	-	0.00	0.00	0.00
United Republic of Tanzania	20	35,925.00	0.00	35,925.00
Uruguay	03	72,577.22	0.00	72,577.22
Uzbekistan	-	0.00	0.00	0.00
Vanuatu	10-17, 20-21	191,611.00	27,850.00	219,461.00
Venezuela	16, 18-21	330,067.27	122,924.00	452,991.27

Members	Years	Arrear Contributions	Contributions due 2021	Total
Viet Nam	-	0.00	0.00	0.00
Yemen	79-89, 95, 14-21	452,714.45	33,419.00	486,133.45
Zambia	21	0.00	6,826.33	6,826.33
Zimbabwe	-	0.00	0.00	0.00
<i>Extrabudgetary Contributions</i>		<i>103,695.00</i>	<i>16,710.00</i>	<i>120,405.00</i>
Comoros	18-19	32,356.00	0.00	32,356.00
Palau	20-21	16,710.00	16,710.00	33,420.00
Somalia	18-19	54,629.00	0.00	54,629.00
<i>Associate Members</i>		<i>50,347.44</i>	<i>25,903.91</i>	<i>76,251.35</i>
Aruba	19-21	50,130.00	25,065.00	75,195.00
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	217.44	838.91	1,056.35
<i>Affiliate Members</i>		<i>605,818.65</i>	<i>714,543.62</i>	<i>1,320,362.27</i>
<i>Former Full Members</i>		<i>918,478.93</i>	<i>0.00</i>	<i>918,478.93</i>
<i>Former Associate Members</i>		<i>1,947.90</i>	<i>0.00</i>	<i>1,947.90</i>
<i>Former Affiliate Members</i>		<i>91,865.01</i>	<i>25,000.01</i>	<i>116,865.02</i>

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

Statement of contributions due to the Working Capital Fund at 31 December 2021

Statement of contributions due to the Working Capital Fund

at 31 December 2021

Euros

	31/12/2021
Total	5,612.35
Comoros	1,202.05
Liberia	1,242.15
Palau	835.50
Somalia	1,338.95
Vanuatu	993.70

Annex V: Voluntary contributions received for the year ended 31 December 2021

Voluntary contribution received
for the year ended 31 December 2021
Euros

Project	Donor	Curr	Amount	EUR ¹
Total				7,637,042.02
UNWTO Regional Office for the Middle East	Saudi Arabia	USD	5,000,000.00	4,265,000.00
Center Stage - Women's empowerment during the COVID 19 recovery	Gesellschaft für Internationale Zusammenarbeit	EUR		711,550.00
Dans le processus d'actualisation du système d'octroi des agréments, licences et classement	Benin	USD	363,829.00	299,795.10
Regional Support Office of Asia Pacific VC	Japan Tourism Agency	JPY	31,234,000.00	240,917.15
Sending UNWTO Staff to the UNWTO RSOAP Nara	Japan	JPY	30,000,000.00	231,793.48
Data Collection Survey on Recovery of Tourism affected by COVID-19	Japan International Cooperation Agency	EUR		230,705.20
For the Development of a National Tourism Strategy and Master Plan	Botswana	USD	244,475.00	208,537.17
Covid-19 Tourism Recovery Technical Assistance for the Dominican Republic	IC Net Limited	EUR		199,760.00
Para el Desarrollo de los ODS, Reto Demográfico y Turismo Rural	Spain	EUR		150,000.00
Tourism Development Project	Tajikistan	USD	154,661.60	127,750.48
For the Organization of the First Qatar Tourism Experience Awards	Qatar Tourism Authority	USD	139,657.10	120,105.11
Uzbekistan: Capacity Building for Tourism Dev't.	European Bank for Reconstruction and Development	USD	97,413.00	83,093.29
Providing Technical Support for Various Tourism Statistics Initiatives in Peru	International Bank for Reconstruction & Development	USD	92,730.00	76,038.60
Asia Activity Fund / Promotion in the Least Developed Countries in Asia	Republic of Korea	EUR		75,620.80
Publication of "White Paper on Security in Tourism"	African Union Development Agency - New Partnership	EUR		64,000.00
Improving and Strengthening the Nat'l. Tourism Stat. Sys. and Compilation of a Tourism Satellite Acc	Sri Lanka	USD	67,100.00	56,162.71
Strengthening the National System of Tourism Statistics and Developing a TSA	Seychelles	USD	64,369.00	54,778.02
Dans la mise au point du système des statistiques du tourisme et du développement d'un compte	Benin	USD	61,971.00	51,064.10
The Global Youth Tourism Reports	Global Tourism Economy Research Centre (GTERC)	USD	50,000.00	44,400.00
Integrated Cultural Heritage Framework in Romania: Moldova and Dobrogea Regions	European Bank for Reconstruction and Development	EUR		43,335.00
TA-9487 Reg: Almaty-Bishkek Economic Corridor Support - 3 Tourism Expert	Asian Development Bank (ADB)	USD	45,760.00	39,593.84
Escrito para los pagos y reembolsos generados por la celebración de la Reunion de las Ministros de UNWTO Students' League	Dominican Republic	EUR		35,620.34
	Bella Vista Institute of Higher Education	EUR		30,000.00
Patrocinio Cena Ministerial	Institución Ferial de Madrid (IFEMA)	EUR		30,000.00
Support for the Global Youth Tourism Summit	Bella Vista Institute of Higher Education	EUR		25,000.00

Project	Donor	Curr	Amount	EUR ¹
Facilitating Tourism Recovery in Aftermath of Covid-19 – Assessment for Egypt	European Bank for Reconstruction and Development	EUR		24,077.00
Promoting sustainable food consumption and production patterns through integrated tools, advocacy	GTI Secretariat/UNDP	USD	25,000.00	21,175.00
Devel. Strengthened system of tourism Statistics Myanmar	International Trade Centre	USD	19,339.00	16,631.54
Centre Stage: women's empowerment during the COVID-19 recovery	UNWOMEN	USD	18,000.00	15,084.00
Curso sobre "Gestión del destino turístico de naturaleza"	Argentina	EUR		14,000.00
Curso "Turismo Rural Comunitario como Modelo de Desarrollo Endogeno"	Argentina	EUR		13,200.00
La Elaboración de Una Estrategia Iberoamericana de Turismo del Futuro (EIT)	Union De Ciudades Iberoamericanas (3-220)	EUR		13,080.00
Sustainable Tourism Development in the Central Asia Regional Economic Cooperation Region	Asian Development Bank (ADB)	USD	8,432.00	7,091.31 [†]
UNWTO Tourism Innovation Hubs Network	Wakalua Innovation Hub S.L.U.	EUR		5,000.00
Provision of ad hoc legal advisory services from the Office of the Legal Counsel	United Nations International Computing Centre	EUR		4,280.00
UNWTO/JTB Initiative	JTB Corporation	EUR		3,865.50
Publication Sustainable Tourism Development Opportunities in the Pacific Islands	APTEC	EUR		3,000.00
Global Report on Cultural Affinity and Screen Tourism, driven by Internet Entertainment Services	Netflix	EUR		1,412.40
UNDP / JPOs	UNDP	USD	627.10	524.88

Remarks:

[†] 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 VI: ASEB funding projections and payroll charge

Background

270. Following the approval UNWTO ASEB liabilities funding strategy by the 110th Executive Council⁴⁸, the Secretary-General was requested at the 112th and 114th Executive Council⁴⁹ to present details of the required payroll charge percentage calculated by a professional firm of actuaries to an upcoming session of the Executive Council for consideration and incorporation in proposals of the Regular Budget. An annual separate allocation in the Regular Budget to cover, at a minimum, the ASEB on a pay-as-you-go basis will continue to apply pending the introduction of the payroll charge. Since the meeting of the 114th EC, the Secretariat has been working with its actuaries on possible scenarios of ASEB funding projections and corresponding applicable payroll charges.
271. In 19th meeting of the Programme and Budget Committee⁵⁰ held in November 2021 which preceded the 114th Executive Council, the Secretariat verbally presented four possible scenarios for the implementation of the strategy for financing UNWTO ASEB liabilities. The importance of this analysis was underlined by the PBC Members.
272. The present annex shows an analysis of these four scenarios of ASEB funding projections up to 2050 based on 31 December 2020 ASEB valuation including the assumed contribution strategy, contributions as a percentage of payroll and percentages of assets/liabilities including conclusions and proposals.

Plan rules, census and assets data, other assumptions and methods and actuarial statements

Plan rules

273. Funding projections have been performed up to 2050 in aggregate for the following plans: a) After Service Health Insurance (ASHI), b) End of Service Benefits, including Repatriation Grant, Repatriation Travel and Removal, and End-of-Service Grant, and c) Accrued Leave. The same plan rules have been reflected with no future amendments assumed.

Census and assets data

274. The projections are based on the 30 November 2020 census data from UNWTO used in the 31 December 2020 valuations: i) The projections of the financial results, implicitly assume that active headcounts and other active staff demographics will generally remain stable in the long run, and ii) UNWTO's payroll is assumed to grow at 1.9% per year (consisting of 1.4% general inflation for the ASHI, plus 0.5% for productivity increases).
275. The projections reflect a 31 December 2020 asset value of some EUR 1.9M.
276. For purposes of determining contributions as a percentage of payroll, the projections are based on an estimated 2021 payroll of approximately EUR 9.0M.

⁴⁸ CE/110/4(d) (UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2018) approved by CE/DEC/4(CX) 4 (c).

⁴⁹ CE/112/3(d) rev.1 approved by CE/DEC/6(CXII) and A/24/5(b) rev.1 approved by CE/DEC/3(CXIV) respectively

⁵⁰ CE/114/PBC19

Other assumptions and methods

277. The assumptions from the 31 December 2020 valuation are used in the projections at each future valuation date. Therefore, the projections do not reflect year-to-date 2021 market movements, future changes in market conditions, or future changes in demographic assumptions
278. Over the long time horizon of the projections, it is assumed that the assets will earn a return of 0.74%, equal to the discount rate on the ASHI liability at 31 December 2020. The asset return is one of the biggest drivers of the financial results. Alternative asset returns could produce much different contributions or funded status. UNWTO assets are currently held in a checking account with interest rate close to zero. Therefore, UNWTO is considering investing in longer-term assets having regard to available resources.
279. The projections use the same actuarial methods as in the 31 December 2020 valuation.

Actuarial statements

280. This analysis has been conducted in accordance with generally accepted actuarial principles and practices and of the relevant accounting rules. The actuarial assumptions and projection model were made by UNWTO professional actuaries independently from UNWTO.

Contribution strategies

UNWTO ASEB Funding Projections

Based on 31 December 2020 Valuation--Summary of Results
at 31 December 2021

	Scenario #1 (Current Strategy)	Scenario #2 (Cover Accruals Only)	Scenario #3 (Cover Accruals + EUR 0.2M / Year)	Scenario #4 (Target Assets = Liabilities by 2050)
Expected Rate of Return on Assets	0.74%	0.74%	0.74%	0.74%
2024 Amortization Payment	Not applicable	Not applicable	€ 200,000	€ 1,082,000
Amortization Payment Growth Rate	Not applicable	Not applicable	0.0%	1.9%
<i>Sample Contributions (EUR and % of Payroll)</i>				
2021	€700K (8%)	€700K (8%)	€700K (8%)	€700K (8%)
2030	€799K (7%)	€1,834K (17%)	€2,034K (19%)	€3,046K (29%)
2040	€964K (7%)	€2,470K (19%)	€2,670K (21%)	€3,932K (31%)
2050	€1,700K (11%)	€3,336K (21%)	€3,536K (23%)	€5,101K (33%)
% of payroll average	8%	16%	18%	25%
<i>Assets / Accounting Liability at Sample Dates</i>				
End of 2021	6%	6%	6%	6%
End of 2030	5%	20%	23%	38%
End of 2040	1%	35%	41%	73%
End of 2050	0%	47%	55%	100%

281. Results under four contribution strategies have been prepared taking into account that: a) all four strategies reflect assumed contributions of EUR 0.7M per year for 2021-2023 based on UNWTO's stated budgetary objectives for those years⁵¹, and b) the contributions depend on the strategy selected.

282. Scenarios:

- In Scenario #1 (Current funding policy), UNWTO is assumed to increase the EUR 0.7M contributions in line with payroll (meaning 1.9% increases per year) from 2024 onward. In this scenario, the assets are eventually projected to be exhausted. At that point, UNWTO is assumed to instead make contributions equal to the annual net benefit payments as they come due;

⁵¹A/23/5(b) rev.1 approved by resolution A/RES/715(XXIII) and A/24/5(b) rev.1 approved by resolution A/RES/733(XXIV)

- In Scenario #2 (Fund Service Cost only), UNWTO is assumed to contribute the present value of expected benefit accruals for each year (Service Cost) during that year. However, UNWTO is not assumed to make any additional payments toward the existing unfunded liability;
- In Scenario #3 (Fund Service Cost plus EUR 0.2M per year), UNWTO is assumed to contribute the present value of expected benefit accruals for each year (Service Cost) during that year. In addition, UNWTO is assumed to contribute EUR 0.2M per year, partially covering interest on the existing unfunded liability;
- In Scenario #4 (Target full funding of the liability over 30 years), UNWTO is assumed to contribute the present value of expected benefit accruals for each year (Service Cost) during that year. In addition, UNWTO is assumed to contribute an annual amortization payment on the existing unfunded liability. The amortization payment is EUR 1.082M for 2024, growing in line with payroll (meaning 1.9% increases per year) from 2025 onward. Under this approach, if all assumptions are realized, assets are projected to equal the liability at 31 December 2050.

283. Description of each scenario:

- Scenario #1 (Current funding policy) requires the lowest cash contributions and is consistent with UNWTO's current strategy. However, under this policy, the existing assets are projected to eventually be depleted whereas the liability will continue to grow. Eventually, UNWTO would need to pay benefits as they come due. If UNWTO were to significantly scale back or cease operating in the future, the benefits liabilities to staff and retirees would not be covered without a special contribution made in conjunction with such scenarios;
- Scenario #2 (Fund Service Cost only) aligns the cash contributions to the cost of benefits being earned. Therefore, this scenario reflects the true cost of employing UNWTO's current staff. However, because this scenario does not address the current unfunded liability, it leaves that issue unresolved for future generations.;
- Scenario #3 (Fund Service Cost plus EUR 0.2M per year) is similar to Scenario #2, but adds EUR 0.2M annual payments that cover part of the interest on the existing unfunded liability. Therefore, this scenario slows down the growth in the existing unfunded liability, but does not fully cover that liability;
- Scenario #4 (Target full funding of the liability over 30 years) is the only one of the four scenarios that is projected to achieve full funding of the liability. However, this scenario also requires the highest contributions of the four scenarios modelled, and such a large increase in contributions through the budget may not be realistic in the near-term.

Payroll charge impact per scenario compared to current ASEB provision appropriation

Average payroll charge impact per scenario compared to approved ASEB provision allocation

at 31 December 2021

Euros

	31/12/2021	31/12/2020	31/12/2019	31/12/2018
Expenses: Salaries and ASEB - Regular staff¹				
Salaries and benefits - regular staff	9,038,570.91	8,567,021.88	8,145,278.16	7,994,232.15
ASEB - regular staff	1,642,057.00	2,820,681.77	1,483,376.00	1,195,909.00
Approved RB allocations: regular staff costs, ASEB provision²				
Staff costs	10,764,000	10,387,000	10,300,000	10,050,000
ASEB provision	700,000	600,000	400,000	300,000
Average payroll charge amount compared to ASEB provision				
<i>Payroll charge amount</i>				
Scenario 1 8%	745,682.10	706,779.31	671,985.45	659,524.15
Scenario 2 16%	1,468,767.77	1,392,141.06	1,323,607.70	1,299,062.72
Scenario 3 18%	1,604,346.34	1,520,646.38	1,445,786.87	1,418,976.21
Scenario 4 25%	2,282,239.15	2,163,173.02	2,056,682.74	2,018,543.62
<i>% Payroll charge amount/ASEB provision</i>				
Scenario 1 8%	6	1	-4	-6
Scenario 2 16%	52	50	47	46
Scenario 3 18%	56	54	52	51
Scenario 4 25%	69	68	66	65
<i>Difference Payroll charge amount - ASEB provision</i>				
Scenario 1 8%	45,682.10	106,779.31	271,985.45	359,524.15
Scenario 2 16%	768,767.77	792,141.06	923,607.70	999,062.72
Scenario 3 18%	904,346.34	920,646.38	1,045,786.87	1,118,976.21
Scenario 4 25%	1,582,239.15	1,563,173.02	1,656,682.74	1,718,543.62

¹ UNWTO Financial report and Audited Financial Statements for the years ended 31 December 2020, 2019 and 2018² 2020-2021: Financial Situation of the Organization (A/23/5(b) rev.1); 2018-2019: Draft Programme of work and budget of the Organization for 2018-2019 (A/22/10(II))

284. The above comparison has been made applying the average payroll charge percentage of the years 2022-2050 per each of the scenarios.
285. In the year 2021, the application of the average payroll charge per scenario results in: a) Scenario #1: the resulting amount is similar to the 2021 approved ASEB provision; b) Scenario #2: the resulting amount is 52% higher than the 2021 approved ASEB provision, i.e. some EUR 769,000 higher; c) Scenario #3: the resulting amount is 56% higher than the 2021 approved ASEB provision, i.e. some EUR 904,000 higher; and, d) Scenario #4: the resulting amount is 69% higher than the 2021 approved ASEB provision, i.e. some EUR 1,582,000 higher.

Conclusion and proposal

286. In all scenarios (except in Scenario #1) a uniform annual application of an ASEB percentage payroll charge would be proposed based on the corresponding ASEB average percentage payroll charge of the analysed years (2021-2050).
287. In all scenarios except in Scenario #1, the ASEB percentage payroll charge would be included in the Regular Budget appropriations estimates and would require additional income for the RB. Therefore, unless alternative sources of income can be sourced to meet the annual and accumulated ASEB liabilities of UNWTO, this increase in the appropriations would result in an increase in the level of member contributions to the Regular Budget.

288. The Secretary-General is further considering and analysing the outlined funding strategies and will present the most optimal proposal and proposed implementation date in a future session of the EC for Members consideration and approval.

Annex VII: Working Capital Fund available balance and advance to the Regular Budget**Working Capital Fund (WCF) available balance at 31 December 2021**

Working Capital Fund available balance at 31 December 2021	
Euros	
Balance at 01/01/2021	4,590,142.87
<i>Movements during the year</i>	
Additions:	0.00
New Members	0.00
Arrear contributions applied to reimburse the advance made during previous years	0.00
Allocation	0.00
Less:	0.00
Members which have left the Organization	0.00
Advance made to the GF to cover budgetary expenditure pending receipt of unpaid contributions	0.00
Balance at 31/12/2021	4,590,142.87

Budgetary cash balance of the Regular Budget and WCF advance at 31 December 2021

Budgetary cash balance of the Regular Budget and WCF advance

at 31 December 2021

Euro

	2021	%	2020	%
Approved budget	<i>15,197,000.00</i>	100.00	<i>14,899,000.00</i>	100.00
<i>Budgetary income</i>	<i>14,884,817.35</i>	<i>97.95</i>	<i>11,895,474.20</i>	<i>79.84</i>
Assessed contributions	14,044,230.00	92.41	11,158,456.35	74.89 ¹
Amount spent from the allocations approved by the GA	840,587.35	5.53	737,017.85	4.95
Allocation from accumulated surplus - RB	537,017.85	3.53	537,017.85	3.60
Allocation from accumulated surplus - Publications store	200,000.00	1.32	200,000.00	1.34
Allocation from Project Reserve Fund (pool) balance	103,569.50	0.68		
<i>Budgetary expenditure</i>	<i>-13,287,916.59</i>	<i>-87.44</i>	<i>-11,978,449.59</i>	<i>-80.40</i>
Cash deficit/advance made from the WCF (FR 10.2(b))	0.00		-82,975.39	
<i>Arrear contributions receipts in the financial year</i>	<i>1,591,533.97</i>	<i>10.47</i>	<i>1,646,708.37</i>	<i>11.05</i>
WCF advance to the RB	0.00	-	0.00	

Annex VIII: Project support cost (PSC) and Initiative projects (PRF) movements for the year ended 31 December 2021

Project support costs (PSC) and Initiative projects (PRF) movements
for the year ended 31 December 2021
Euros

Description	Net assets 01/01/2021	Movements	Net assets 31/12/2021	Assets & reconciling items	Actual amounts 31/12/2021 ¹	Outstanding commitments	Actual amounts after commitments 31/12/2021
<i>PSC and Initiative projects</i>							
<i>Project support cost projects ²</i>	929,931.20	-61,414.18	868,517.02	0.00	868,517.02	159,182.82	709,334.20
<i>Initiative projects ³</i>	162,344.09	-26,613.40	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
<i>Technical Cooperation Initiative</i>	103,651.08	-26,613.40	77,037.68	0.00	77,037.68	0.00	77,037.68
PRF-TECO ⁵	62,455.93	-26,613.40	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 IX: Sub-funds reporting

Statement of financial position by sub-funds at 31 December 2021

Statement of financial position by sub-funds

at 31 December 2021

Euros

	Programme of work services	Voluntary Contributions	UNDP	Trust Funds	MDTF	Inter-segment elimination*	Total UNWTO
Assets	26,561,843.70	19,420,299.27	1,154,722.93	222,807.02	110,147.28	-5,916,175.14	41,553,645.06
<i>Current assets</i>	<i>25,514,208.61</i>	<i>19,075,688.02</i>	<i>1,154,722.93</i>	<i>222,807.02</i>	<i>110,147.28</i>	<i>-5,916,175.14</i>	<i>40,161,398.72</i>
Cash and cash equivalents	16,674,503.64	11,352,109.09	40,088.27	222,687.71	110,147.28	0.00	28,399,535.99
Inventories	28,793.12	0.00	0.00	0.00	0.00	0.00	28,793.12
Members assessed contributions receivable, net	3,587,253.43	0.00	0.00	0.00	0.00	0.00	3,587,253.43
Other contributions receivables, net	0.00	6,793,030.65	776,927.18	0.00	0.00	0.00	7,569,957.83
Other receivables, net	216,833.75	73,354.56	0.00	15.64	0.00	0.00	290,203.95
Other current assets	5,006,824.67	857,193.72	337,707.48	103.67	0.00	-5,916,175.14	285,654.40
<i>Non-current assets</i>	<i>1,047,635.09</i>	<i>344,611.25</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>1,392,246.34</i>
Investments	199,641.46	0.00	0.00	0.00	0.00	0.00	199,641.46
Members assessed contributions receivable, net	423,413.04	0.00	0.00	0.00	0.00	0.00	423,413.04
Other contributions receivable, net	0.00	37,953.48	0.00	0.00	0.00	0.00	37,953.48
Property, plant and equipment	166,637.92	243,619.56	0.00	0.00	0.00	0.00	410,257.48
Intangible assets, net	254,774.13	63,038.21	0.00	0.00	0.00	0.00	317,812.34
Other non-current assets	3,168.54	0.00	0.00	0.00	0.00	0.00	3,168.54
Liabilities and Net Assets/Equity	26,561,843.70	19,420,299.27	1,154,722.93	222,807.02	110,147.28	-5,916,175.14	41,553,645.06
Liabilities	42,608,931.73	10,924,996.61	326,898.84	183,484.68	110,147.28	-5,916,175.14	48,238,284.00
<i>Current liabilities</i>	<i>8,262,298.59</i>	<i>10,920,928.45</i>	<i>326,898.84</i>	<i>183,484.68</i>	<i>110,147.28</i>	<i>-5,916,175.14</i>	<i>13,887,582.70</i>
Payables and accruals	1,272,035.12	512,405.23	373.45	3,060.96	0.00	0.00	1,787,874.76
Transfers payable	874.83	253,797.22	0.00	0.00	0.00	0.00	254,672.05
Employee benefits	542,739.82	4,592.07	0.00	0.00	0.00	0.00	547,331.89
Advance receipts and deferred liabilities	1,207,820.15	9,236,705.31	57,314.87	170,546.17	110,125.00	0.00	10,782,511.50
Provisions	369,244.31	144,603.12	0.00	0.00	0.00	0.00	513,847.43
Other current liabilities	4,869,584.36	768,825.50	269,210.52	9,877.55	22.28	-5,916,175.14	1,345.07
<i>Non-current liabilities</i>	<i>34,346,633.14</i>	<i>4,068.16</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>34,350,701.30</i>
Employee benefits	34,346,633.14	0.00	0.00	0.00	0.00	0.00	34,346,633.14
Other non-current liabilities	0.00	4,068.16	0.00	0.00	0.00	0.00	4,068.16
Net Assets/Equity	-16,047,088.03	8,495,302.66	827,824.09	39,322.34	0.00	0.00	-6,684,638.94
Accumulated surplus/(deficit)	-22,551,574.90	8,495,302.66	827,824.09	39,322.34	0.00	0.00	-13,189,125.81
Reserves	6,504,486.87	0.00	0.00	0.00	0.00	0.00	6,504,486.87

* Internal activities lead to transactions between segments. They are reflected here to accurately present this financial statement

Statement of financial performance by sub-funds for the year ended 31 December 2021

Statement of financial performance by sub-funds

for the year ended 31 December 2021

Euros

	Programme of work services	Voluntary Contributions	UNDP	Trust Funds	MDTF	Inter-segment elimination*	Total UNWTO
Revenues	16,532,760.05	8,321,734.16	587,744.31	129,561.28	0.00	-128,753.89	25,443,045.91
Members assessed contributions	14,612,859.67	0.00	0.00	0.00	0.00	0.00	14,612,859.67
Other contributions (VC and FIT), net of reduction	4,280.00	6,254,553.62	529,677.50	129,453.83	0.00	0.00	6,917,964.95
Publications revenue, net of discounts and	289,082.59	0.00	0.00	0.00	0.00	0.00	289,082.59
Currency exchange differences	0.00	602,394.63	58,044.69	0.00	0.00	0.00	660,439.32
Other revenues	1,626,537.79	1,464,785.91	22.12	107.45	0.00	-128,753.89	2,962,699.38
Expenses	18,193,641.89	5,041,994.03	50,972.64	117,792.71	0.00	-128,753.89	23,275,647.38
Salaries and employee benefits	12,626,281.32	1,839,077.95	50,833.50	116,807.85	0.00	0.00	14,633,000.62
Grants and other transfers	180,498.22	148,499.71	0.00	0.00	0.00	0.00	328,997.93
Travel	365,730.35	289,666.12	0.00	580.21	0.00	0.00	655,976.68
Supplies, consumables and running costs	1,998,834.07	1,978,830.75	0.00	64.00	0.00	0.00	3,977,728.82
Currency exchange differences	284,791.60	0.00	0.00	0.00	0.00	0.00	284,791.60
Depreciation, amortization and impairment	131,155.51	29,354.21	0.00	0.00	0.00	0.00	160,509.72
Other expenses	2,606,350.82	756,565.29	139.14	340.65	0.00	-128,753.89	3,234,642.01
Surplus/(deficit) for the year	-1,660,881.84	3,279,740.13	536,771.67	11,768.57	0.00	0.00	2,167,398.53

* Internal activities lead to transactions between segments. They are reflected here to accurately present this financial statement

Annex X: Reserves, other and non-RB projects within the GF movements for the year ended 31 December 2021

Reserves, other and non-RB projects within the GF movements
for the period ended 31 December 2021
Euros

Description	Net assets 01/01/2021	Movements	Net assets 31/12/2021	Assets & reconciling items	Actual amounts 31/12/2021 ⁶	Outstanding commitments	Actual amounts after commitments 31/12/2021
<i>Reserves</i>							
<i>Replacement reserve projects ¹</i>	1,370,599.80	128,265.32	1,498,865.12	172,714.06	1,326,151.06	44,755.95	1,281,395.11
Infrastructure ICT ²	178,579.79	-1,467.72	177,112.07	32,180.14	144,931.93	0.00	144,931.93
IPSAS	992,020.01	-851,486.09	140,533.92	140,533.92	0.00	0.00	0.00
HQ infrastructure improvement ²	200,000.00	0.00	200,000.00	0.00	200,000.00	44,755.95	155,244.05
RRP Pool	0.00	781,219.13	781,219.13	0.00	781,219.13	0.00	781,219.13
Athena III ²	0.00	200,000.00	200,000.00	0.00	200,000.00	0.00	200,000.00
<i>Working Capital Fund</i>	4,590,142.87	0.00	4,590,142.87	0.00	4,590,142.87	0.00	4,590,142.87
<i>Special reserve for contingency project ³</i>	430,593.00	-15,114.12	415,478.88	90,058.92	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	37,378.32	-5,429.16	31,949.16	31,949.16	0.00	0.00	0.00
Floor Reform	67,794.72	-9,684.96	58,109.76	58,109.76	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>	-31,442,280.73	-932,137.23	-32,374,417.96	0.00	-32,374,417.96	0.00	-32,374,417.96
After Service Employee Benefit	-31,442,280.73	-932,137.23	-32,374,417.96	0.00	-32,374,417.96	0.00	-32,374,417.96
<i>Non-Regular Budget projects ⁴</i>	2,218,443.65	-406,630.04	1,811,813.61	54,372.21	1,757,441.40	239,528.86	1,517,912.54
Publications Store	1,568,534.22	-276,844.51	1,291,689.71	28,793.12	1,262,896.59	94,587.44	1,168,309.15
Affiliate Members Programme of Work	589,738.35	87,276.65	677,015.00	1,964.48	675,050.52	144,941.42	530,109.10
Security at HQ - allocation	88,147.84	-6,038.34	82,109.50	23,614.61	58,494.89	0.00	58,494.89
Miscellaneous project	-27,976.76	-211,023.84	-239,000.60	0.00	-239,000.60	0.00	-239,000.60
Miscellaneous revenue project pool	-27,976.76	-215,303.84	-243,280.60	0.00	-243,280.60	0.00	-243,280.60
Provision of ad hoc legal advisory service ⁵	0.00	4,280.00	4,280.00	0.00	4,280.00	0.00	4,280.00

Remarks:

¹ Approved by the following decisions/resolutions: i) Infrastructure ICT: CE/DEC/6(LXXXVIII) in document CE/88/5(b). ii) IPSAS: CE/DEC/7(LXXXV) in document CE/85/5b.1

² Approved by the following decisions/resolutions: i) Headquarters Infrastructure: CE/DEC/3(CXIV) in document A/24/5(b) rev.1. ii) cloud-based HHRR: CE/DEC/3(CXIV) in document A/24/5(b) rev.1 iii) 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(CVI) 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 (not fully depreciated in 2021) though the "funds" of the projects would have been already utilised.

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

⁵ To be proposed in the budget proposal 2024/2025 for LGCO

⁶ 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.

Acronyms

A/RES: General Assembly Resolution

AAL: Accumulated Annual Leave

ASEB: After-Service Employee Benefits

ASHI: After Service Health Insurance

BOE: Boletín Oficial de Estado

CE/DEC: Executive Council Decision

CE/URG: Extraordinary Session Executive Council

CEB: Chief Executives Board

CJI: Control, Joint Control and Influence

COVID-19: Coronavirus disease 2019

DBO: Defined Benefit Obligation

DFR: Detailed Financial Rules

DSA: Daily Subsistence Allowance

EA: External Auditors

EC: Executive Council

EoSB: End of Service Benefits

EUR: Euro

FIT: Fund In Trust

FR: Financial Regulations

FS: Financial Statements

GA: General Assembly

GF: General Fund

IA: Intangible Assets

ICC: International Computing Centre

IPSAS: International Public Sector Accounting Standards

IPSASB: International Public Sector Accounting Standards Board

IT: Information Technology

IUOTO: International Union of Official Travel Organizations

IUOTPO: International Union of Official Tourist Propaganda Organizations

JIU: Joint Inspection Unit

JPY: Japanese Yen

M: Million

OIOS: Office for the Internal Oversight

OS: Other Services

PAYG: Pay-as-you-go approach

PBC: Programme and Budget Committee

PoWS: Programme of Work Services

PPE: Property, Plant and Equipment

PRF: Project Reserve Fund

PSC: Project Support Costs

RB: Regular Budget

RSOAP: UNWTO Regional Support Office for Asia and the Pacific

ROME: UNWTO Regional Office for the Middle East

SAR: Saudi Riyal

SG: Secretary-General

STEP: Sustainable Tourism-Eliminating Poverty

TP: Transfers Payable

UN: United Nations

UNDP: United Nations Development Programme

UNFBN: United Nations Finance and Budget Network

UNHCR: United Nations High Commissioner for Refugees

UNJSPF: United Nations Joint Staff Pension Fund

UNORE: UN Operational Exchange Rate

UNTFAS: UN Task Force Accounting Standards

UNWTO: World Tourism Organization

USD: US Dollar

VAT: Value Added Tax

VC / VCF: Voluntary Contributions / Voluntary Contributions Fund

WCF: Working Capital Fund

WG: Working Group

WTO: World Tourism Organization