



Agenda item 3(c) Financial situation of the Organization

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### **Executive summary**

## Part I: Closing of the Audited Financial Statements of the twenty-third financial period (2020-2021)

The Organization's Audited Financial Statements for the twenty-third financial period (years ended 31 December 2020 and 2021), the budgetary cash balance of the Regular Budget and the Working Capital for the same periods are presented to the 118th session of the Executive Council for closure.

## Part II: UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2022

The Financial Statements of the World Tourism Organization for the year ended 31 December 2022 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 UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2022 includes the UNWTO Financial Report of the Secretary-General for the year 2022 and the UNWTO Financial Statements for the year ended 2022 including the notes to the Financial Statements and the unaudited annexes.

At the time of drafting of this report, the Financial Statements are being subjected to external audit. The Organization Financial Report and Audited Financial Statements for the year ended 31 December 2022 will be submitted to the Executive Council upon completion of the external audit.

## Part III: UNWTO Financial Report for the period ended 31 March 2023

As of 31 March 2023, the Secretary-General reports the plan of income and expenditure of the Regular Budget for 2023 with the commitment to restrict expenditures to available and expected cash resources and to take cost reduction actions if a severe downside scenario would arise, in particular, high levels of inflation.

The budgetary income and expenditure for the year 2023 has been estimated at EUR 13,900,000. As at 31 March 2023, the total budgetary income received (cash-in) amounts to EUR 7,879,099, including the Members' arrears received (EUR 309,850); as of the same date, the budgetary expenditure amounts to EUR 13,773,210. The Secretary-General submits the Organization's interim provisional Statements of Financial Position and Financial Performance for the period ended 31 March 2023 as well as financial performance and position highlights for the same period.

### Part IV: Draft Budget for the period 2024-2025

The Secretary-General submits to the Executive Council for its endorsement the draft Regular Budget for the period 2024-2025 in accordance with Article 23(2) of the Statutes.

The proposed 2024-2025 Regular Budget is based on having a 7.5% increase in the Members' contributions for 2024 over their 2023 contributions and a 7.5% increase in the 2025 contributions over 2024. Contributions for Full and Associate Members are assessed in accordance to the proposed scale for 2024 and 2025. The proposed scale of contributions is calculated following Annex II of the UNWTO Financial Regulations on the Formula for fixing the contributions of Member States.

The Organization's Regular Budget budgetary income is budgeted on account of assessed contributions (Full, Associate and Affiliate Members) and allocations. For the biennium 2024-2025 other allocations are also budgeted as budgetary income. In real terms, the 2025 proposed budget is 9% lower than the one approved for 2009 (with 2009 as base index) even when the additional budgetary income allocations for the 2024 and 2025 biennium proposed by the Secretary-General are taken into account. The proposal includes tighter financial limits than in the previous biennia and aims to strike a balance between meeting Members' expectations for budgetary restraint and minimizing impacts on the effective delivery of the Programme of Work.

#### Part V: Election of the External Auditor for 2024-2025

The Executive Council is informed that the General Assembly, at its 25th session will be requested to elect, on the recommendation of the Council, an External Auditor for the Organization for the period 2024-2025. In accordance with the procedure established, any Member State of the Organization wishing to present its candidature to the post of External Auditor of the UNWTO for the period 2024-2025, for the external audit of the UNWTO Financial Statements for the years ended 31 December 2023 and 2024, may do so by written notice addressed to the Secretary-General.

## Part VI: Membership and Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules

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, texts shown in Annex V, 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.

## Part VII: Extensive overview of the approach of the Secretariat in collecting membership contributions and arrears

The Council is informed of tendencies and essential factors for collecting membership contributions and arrears from the Organization's Full and Associate Members in 2022 and the entire context of the COVID-19 pandemic while considering all the negative consequences. Global and regional characteristics are overviewed.

Apart from the pandemic, the political unrest and significantly worsened economic situation are the main challenges the UNWTO has been actively facing while working proactively for collecting membership contributions and arrears. Given all the devastating results generated by political and economic constraints, the Secretariat is systematically adjusting its strategy and tactic for mobilizing contributions and arrears and to maintain a critically significant level of income for the Organization's operations.





## DRAFT DECISION<sup>1</sup>

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(document CE/118/3(c))

The Executive Council.

Having examined the report,

- 1. Takes note with appreciation of the comprehensive information contained in document CE/118/3(c), its different parts and its annexes;
- I. Closing of the Audited Financial Statements of the twenty-third financial period (2020-2021)
  - Requests the General Assembly to endorse Executive Council decisions CE/DEC/3(CXIV) and CE/DEC/4(CXVII) on the approval of the UNWTO Audited Financial Statements for the years 2020 and 2021 respectively; and
  - Requests the General Assembly to approve the UNWTO Financial Report and Audited Financial Statements for the years ended 31 December 2020 and 2021 respectively and to approve the closing of the UNWTO Audited Financial Statements of the twenty-third financial period (2020-2021), the budgetary cash balance of the Regular Budget and Working Capital Fund situation for the same period;
- II. UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2022

Noting that at the time of drafting this report the UNWTO Financial Statements for the year ended 31 December 2022 are still under the external audit process,

- 4. Requests the Secretary-General to submit the Organization's Audited Financial Statements for the year ended 31 December 2022 to the Executive Council upon conclusion of the external audit together with the External Auditor's opinion and the Secretary-General's Financial Report for the year ended 31 December 2022;
- 5. Thanks the Secretary-General for the work done for the issuance of the UNWTO Financial Report and Financial Statements for the year ended 31 December 2022 in compliance with UNWTO Financial Regulations and Rules and International Public Sector Accounting Standards (IPSAS) and in line with other UN organizations, and recognizes with appreciation that the production of IPSAS-compliant Financial Statements is a major achievement for an Organization of the size of UNWTO; and
- 6. 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 being carried out.
- III. UNWTO Financial Report for the period ended 31 March 2023

Having examined the information and proposals contained in Part III of document CE/118/3(c),

<sup>&</sup>lt;sup>1</sup>This 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. Approves, as presented:
  - (a) the revised appropriations of the Regular Budget at 31 March 2023 (Annex III.A.I),
  - (b) the Plan of income and expenditure of the Regular Budget for financial year 2023 presented by the Secretary-General at 31 March 2023 (Annex III.A,II), and
  - (c) the co-financing projects with UNWTO and donors' contributions for the period ended 31 March 2023 (Annex III.C.7);
- 8. Takes note with satisfaction of the submission of the interim provisional unaudited UNWTO Statement of Financial Position at 31 March 2023 and the UNWTO Statement of Financial Performance for the period ended 31 March 2023;
- 9. 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 2023, and reminds Members to pay their contributions within the time period stipulated by regulation 7(2) of the Financial Regulations;
- 10. Supports the Secretary-General's proactive approach for the settlement of current-year contributions and arrears in order to contribute towards the Organization's programme of work, especially in view of the rising demands on the Organization within the current inflationary situation.
- IV. Draft Budget for the period 2024-2025
  - 11. Endorses the draft Regular Budget of the Organization for the period 2024-2025, for a total amount of EUR 31,677,000 and authorizes the Secretary-General to implement it in accordance with the amounts collected:
  - 12. Endorses that the budgetary income approved for the next biennium should be provided by the contributions of the Full and Associate Members in the rounded amounts of EUR 13,739,000 for 2024 and EUR 14,627,000 for 2025, and that the balance to be financed should be covered by the contributions of the Affiliate Members, with the necessary adjustments deriving from any changes in the number of Affiliate Members, and the other sources of funding proposed in this document;
  - 13. Approves the proposed scale of contributions for 2024-2025 (Annex IV.6 of document CE/118/3(c));
  - 14. Also approves the Secretary-General's proposal on the assessed contributions of the Affiliate Members and the deductions for specific Members previously endorsed by the Executive Council;
- V. Election of the External Auditor for 2024-2025
  - 15. Encourages Members to present their candidatures as the External Auditor to carry out the external auditing of the Organization for the period 2024-2025 for the external audit of the UNWTO Financial Statements for the years ended 31 December 2023 and 2024;
- VI. Membership and Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules
  - 16. 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 2023, and reminds Members to pay their contributions within the time period stipulated by regulation 7(2) of the Financial Regulations;
  - 17. Endorses the request made by the Full Member Kyrgyzstan and recommends a favourable resolution by the General Assembly at its forthcoming twenty-fifth session;

- 18. *Notes with appreciation* that Full Member Yemen is no longer subject to the provisions of paragraph 13 of the Financing Rules and Article 34 of the Statutes since at the date of this document it has settled its contribution arrears in full; and
- 19. Supports the Secretary-General's proactive approach for the settlement of current-year contributions and arrears 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.
- VII. Extensive overview of the approach of the Secretariat in collecting membership contributions and arrears

Having examined the extensive overview of the approach of the Secretariat in collecting membership contributions and arrears,

- 20. Extends its appreciation and gratitude to the Secretary-General and the representatives of the Secretariat for undertaking effective measures to maintain a stable financial situation though the collection of membership contributions and arrears in light of the worsened economic and political situation as a result of the COVID-19 pandemic, war in Ukraine, and other complications at the global, regional and national levels;
- 21. Commends the Secretariat's effective strategy and tactic for collecting membership contributions and arrears with ad hoc changes and decisions; and
- 22. Requests the Secretary-General:
  - (a) to continue proactively reaching out to Members for the mobilization of their annual contributions and arrears to the highest degree, and
  - (b) to consult with the appropriate subsidiary bodies of the governing organs and prepare the rationale for the possible amendment of the Organization's regulatory framework aiming at improving the overall process for the Members to fulfil their commitments.

### Closing of the Audited Financial Statements of the twenty-third financial period (2020-2021)

#### Introduction

1. In accordance with the provisions of Article 23(2) of the Statutes, paragraph 11 of the Financing Rules attached to the Statutes, and regulation 17(2) of the Financial Regulations (FR), the Organization's Audited Financial Statements for the twenty-third financial period (years ended 31 December 2020 and 2021) were submitted to the Executive Council for examination at its 114th and 117th sessions through documents A/24/5(b) rev.1 and CE/117/3(c) rev.1 respectively and will be transmitted to the General Assembly for approval together with the budgetary cash balance of the Regular Budget and the Working Capital Fund situation for the same period.

#### UNWTO Audited Financial Statements for the years ended 31 December 2020 and 2021

- The Organization prepares annual Financial Statements in accordance with the UNWTO Financial Regulations and Rules, compliant with 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.
- 3. The Financial Statements for the years ended 31 December 2020 and 2021 were subjected to external audit in accordance with Annex 1 to the Financial Regulations. The unqualified (positive) audit opinion and report of the External Auditor on the Financial Statements were submitted to the Executive Council in accordance with Financial Regulation 17.2.
- 4. The 114th and 117th Executive Council sessions took note with satisfaction of the unqualified opinion on the UNWTO Audited Financial Statements for the years ended 31 December 2020 and 2021 through decisions CE/DEC/3(CXIV)and CE/DEC/4(CXVII) respectively, excerpts shown in Annex I.1. The Council is invited to request the General Assembly to endorse said decisions of the 114th and 117th EC sessions.

Budgetary cash balance of the Regular Budget and Working Capital Fund advance of the twenty-third financial period (2020-2021) at 31 December 2021

5. Annex I. 2 shows the budgetary cash balance of the Regular Budget and the Working Capital Fund (WCF) situation of the twenty-third financial period (2020-2021) at 31 December 2021.

## II. UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2022

- 6. In accordance with Financial Regulation 14, the Financial Statements of the World Tourism Organization for the year ended 31 December 2022 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.
- 7. 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.
- 8. At the time of drafting this report, the Financial Statements are still being subjected to external audit in accordance with Annex 1 to the Financial Regulations. Upon conclusion of the external audit, the Organization's Audited Financial Statements for the year ended 31 December 2022 together with the External Auditor's opinion and the Secretary-General's Financial Report for the year ended 31 December 2022 will be submitted to the Executive Council in accordance with Financial Regulation 17.2.
- 9. The UNWTO Financial Report and Audited Financial Statements for the Year Ended 31 December 2022 will include: (i) the UNWTO Financial Report of the Secretary-General for the year 2022, (ii) the submission of the UNWTO Financial Statements at 31 December 2022, (iii) the opinion of the External Auditor, (iv) the UNWTO Financial Statements for the year ended 2022 including the notes to the Financial Statements and, (v) the unaudited annexes.

## A. Budgetary performance of the Regular Budget for the period ended 31 March 2023

#### Introduction

- 10. The UNWTO Regular Budget (RB) is financed from assessed contributions from Members and budgetary allocations. The Regular Budget of the Organization covering the two-year budget period 2022-2023 (A/24/5(b) rev.1) was approved by the General Assembly (A/RES/733(XXIV)) at EUR 30,438,000 broken down by the 2022 and 2023 annual budgets which amounted to EUR 15,048,000 and EUR 15,390,000 respectively.
- 11. The structure of the 2022-2023 budget approved by the General Assembly has evolved since its approval in 2021 and up to 31 March 2023. The main changes since its last structure update at 30 September 2022 (CE/117/3(c) Add.1)) referred to movements of staff posts among parts and sections including to and from the section Staff vacancies & ASEB (after-service employee benefits) provisions. These changes have resulted in the redeployment of appropriations amongst parts and sections within the approved resources.
- 12. Annex III.A.1, "2023 approved and revised appropriations-Regular Budget", shows the approved 2023 Regular Budget appropriations by A/RES/733(XXIV)), its structure updates by CE/DEC/4(CXVI) of CE116/3(c) rev.1 as well as CE/DEC/4(CXVII) of (CE/117/3(c) Add.1 and the revised Regular Budget appropriations for 2023 in line with the Secretary-General's proposal of structure modification at 31 March 2023. Irrespective of these structural changes, the RB envelope of the Organization for 2023 remains unchanged at EUR 15,390,000.
- 13. Annex III.A.2 establishes a comparison between: (a) the approved income and appropriations for the year 2023 (approved income/original budget column), (b) an estimate of income receivable and consistent expenditure limits for the year 2023 as at 31 March 2023 (plan of income and expenditure column), and (c) the budgetary cash balance at 31 March 2023 based on cash received to date and actual expenditures to date and commitments to 31 December 2023 (budgetary cash balance column).

## Plan of income and expenditure of the Regular Budget for 2023

- 14. In accordance with UNWTO Detailed Financial Rule (DFR) III.4, in line with the practice in previous years, the Secretary-General prepares a plan of income and expenditure in light of: (a) the approved budget and forecast income, (b) the experience of previous financial years, (c) the recommendation of the General Assembly at its 24th session that care be taken to ensure that the programme of work and budget is executed according to the amounts collected (A/RES/733(XXIV).IV.13) and (d) the Secretary-General's commitment to restrict expenditures to available and expected cash resources and to consider steps to reduce expenditures to offset high levels of inflation if needed. The plan of income and expenditure shows the forecast of budgetary income receivable, the proposed level of budgetary expenditure and the forecast of budgetary result for the financial year 2023.
- 15. This section shows the plan of income and expenditure prepared by the Secretary-General at 31 March 2023.

### Planned budgetary income

- 16. Budgetary income from contributions assessed from Full, Associate and Affiliate Members to be received in the current financial year has been estimated at EUR 11,318,000, i.e., 80 per cent of total assessed contributions budgeted. This estimate is based on the average percentage of contributions received in the past five years at year-end (81% for the period 2018-2022), in the 2022 collection rate at year-end (81%) as well as in the variation of collection of assessed contributions at year-end in the years 2022/2021 (-3.1%), 2021/2020 (5.2%) and 2020/2019 (-4.7%), brought up to date using information on income actually received as of 31 March 2023.
- 17. The level of contribution receipts from Full, Associate and Affiliate Members at 31 March 2023 (EUR 6,337,382) represents 56% of the estimate plan of income. This percentage is similar to those in the years 2022 and 2020 (54% and 55% respectively) and lower than the those in the years 2021, 2019 and 2018 (59% in 2021, 61% in 2019 and 65% in 2018) at same date and

- above the average level of collection of the past five years (2019-2023) at this date (i.e., EUR 6,229,600).
- 18. 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 782,000, and EUR 450,000 respectively), so the budgetary income estimated for the financial year and its implementation stand at 100%.
- 19. As for budgetary income from arrear contributions, it has been estimated that an amount of around EUR 1,350,000 will be received during 2023 based on the year-end average level of collection of the period 2012-2021 (EUR 1,589,564) and 2017-2021 (EUR 1,853,637) taking into account that 2018 and 2019 arrears collection (EUR 2,770,676 and EUR 2,260,231 at 31 December 2018 and 2019 respectively) was significantly above the average of previous years due to the management of the Secretary-General brought up to date using information on arrears actually received as of 31 March 2023 (EUR 309,850).
- 20. The amount of arrears collected to 31 March 2023 (EUR 309,850) represents 23% of the estimated income. This percentage is notably lower than in the previous five years (33% in 2022, 41% in 2021, 47% in 2020, 64% in 2019 and 83% in 2018) and is also materially lower than the average level of collection of the past five years (2019-2023) (i.e., EUR 569,260) and 10 years (2014-2023) (i.e., EUR 602,708) at same date. Despite the Secretariat's best efforts and the good intentions of the Members with arrears, some Members are not in a position to make a firm commitment to repay their contribution arrears or to adopt a suitable payment plan yet. 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.
- 21. All in all, budgetary income for the year 2023 has been estimated at EUR 13,900,000. The income received to date represents 57% of the estimated plan of income which is a similar percentage to that in 2022 (56%), higher than in 2020 (50%) but a lower percentage than in 2021 (60%) 2019 (61%) and in 2018 (68%) at same date. 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 contributions and arrears 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.

#### Planned budgetary expenditure and budgetary difference

- 22. Budgetary expenditures in this financial year have been planned to be EUR 13,900,000 at 31 March 2023 which corresponds to the estimated income, and amounts to 90% of the approved appropriations (88% in 2022, 83% in 2021, 89% in 2020 and 87% in 2019).
- 23. The budgetary expenditure to date represents 99% of the estimated plan of expenditure for the current year, a notably higher percentage than in the previous five years at 31 March (93% in both, 2022 and 2021, 82% in 2020 and 87% in 2019). For non-staff costs, the implementation level stays at 97% at 31 March 2023 (79%, in both 2022 and 2021, 47% in 2020 and 60% in 2019). As for staff costs, the implementation level amounts to 100%, a percentage that is similar to that in the period 2022-2019 (100% in both 2022 and 2021 and 2020 and 98% in 2019). It should be noted that budgetary expenditures to date include budgetary and legal commitments up to the end of the year. Annex III.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.
- 24. In order to meet the proposed plan of expenditure, the Secretary-General will adopt measures to maintain expenditures at a level of around 90% of the approved budget. This will imply that staff and non-staff costs are maintained at 90% and 92% respectively over approved budget. This level may also be adjusted downwards due to: (i) the collection of assessed contributions and arrears not evolving as planned, and (ii) the impact of the level of inflation in Spain on the staff and non-staff costs. At the time of drafting this report, the 2023 annual estimated inflation in Spain, where UNWTO has its headquarters, amounts to 4.1% as per the International Monetary Fund (IMF), while the inflation for the approved Regular Budget for the year 2023 was estimated at 1.6% (A/24/5(b) rev.1).
- 25. Through these adjustments, the budgetary income and expenditure for the financial year are expected to be in balance. Therefore, as of 31 March 2023, the overall RB plan of income and

- expenditure for 2023 established by the Secretary-General, as shown in Annex III.A.2, is presented for the Members' consideration.
- 26. The Secretary-General will closely monitor the plan of income and expenditure. The Members will be kept informed of any possible severe downside scenario, mainly due to inflation, impacting the operations of the Regular Budget and mitigating actions which may be taken to reduce costs.

### Budgetary result of the Regular Budget at 31 March 2023

27. This section analyses the status of the budgetary result (cash balance) of the Regular Budget at 31 March 2023 based on cash received to date and actual expenditures to date and commitments to 31 December 2023.

#### **Budgetary income (cash-in)**

- 28. The total budgetary income received (cash-in) amounts to EUR 7,879,099, including the Members' arrears received during the period ended 31 March 2023 and budgetary allocations from accumulated surplus approved by the GA (EUR 1,231,866). The income received to date represents 51% of the approved budgetary income (49% in both 2022 and 2021, 50% in 2020 and 54% in 2019).
- 29. The level of contribution receipts for the current year from Full, Associate and Affiliate Members amounts to EUR 6,337,382 which represents 46% of the assessed contributions receivable of this year (i.e., EUR 13,845,630), a higher percentage than in the period 2022-2020 (44% in both 2022 and 2021 and 42% in 2020) but lower than in 2019 (47% at 31 March 2019). Out of the challenging budgeted amount of Affiliate Members contributions (EUR 835,000), the amount of EUR 654,316 was invoiced.
- 30. Arrear contributions received to date (EUR 309,850) are materially below those received in the previous four years at 31 March in the period 2022-2019 (EUR 365,969, EUR 526,504, EUR 773,854, EUR 870,125 and EUR 1,120,599 in 2022, 2021, 2020 and 2019 respectively).
- 31. Budgetary allocations from accumulated surplus approved by the GA (EUR 1,231,866) represent 8% of the total budget.

### **Budgetary expenditure**

32. The budgetary expenditure amounts to EUR 13,772,556 which includes accrued expenses and reconciling items up to 31 March 2023 (EUR 3,535,679) and commitments up to 31 December 2023 (EUR 10,236,876). For non-staff costs, budgetary and legal commitments up to 31 December 2023 amount to 71% (76% in 2022, 71%, in 2021, 67% in 2020, and 76% in 2019) and accrued expenses and reconciling items up to 31 March 2023 to 29% (24% in 2022, 23% in 2021, 33% in 2020 and 24% in 2019). As for staff costs, the amount paid in the form of salaries and allowances during the first three months of the year amounts to EUR 2,323,750, an amount that is higher than those in the previous four years (EUR 2,155,719 in 2022, EUR 2,182,171 in 2021 and EUR 2,110,473 in 2020) and EUR 1,966,499 in 2019 ) representing 24% (24% in 2022 and 2020 and 23% in 2021 and 2019 ) and budgetary commitments up to 31 December 2023 represent 76%.

### **Budgetary result (cash balance)**

- 33. At 31 March 2023, the budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) may result in a cash deficit of EUR -5,893,456 (EUR -4,962,498, EUR in 2022, -4,329,722 in 2021, EUR -3,313,645 in 2020 and EUR -3,158,002 in 2019). Presently, on the basis of actual budgetary expenditures to date, there is a treasury surplus of EUR 4,343,420 (EUR 4,452,728 in 2022, EUR 4,505,450 in 2021, EUR 4,669,219 in 2020 and EUR 5,082,118 in 2019).
- 34. 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..."

35. In compliance with the above rule, at 31 January 2023, contributions received from Members totalled EUR 1,880,125 (EUR 1,557,719 in 2022, EUR, 2,469,596 in 2021, EUR 3,280,290 in 2020 and EUR 2,928,229 in 2019 at same date) representing 14% of the total amount receivable for 2023 Members' contributions (i.e., EUR 13,845,630), a higher percentage than in 2022 (11%) but a lower percentage compared with 18% in 2021, 23% in 2020 and 21% in 2019s and also 13% of the budgeted contributions approved for 2023 (i.e., EUR 14,158,000), a higher percentage compared with 11% in 2022 but a lower one compared with 17% in 2021, 23% in 2020, 25% in 2019.

#### B. Provisional interim Financial Statements for the period ended 31 March 2023

36. In accordance with UNWTO Financial Regulation (FR) 14.7, the Secretary-General submits an interim financial statement to the Executive Council. Annex III.B.1 to this document includes the provisional interim unaudited UNWTO Statement of Financial Position at 31 March 2023 and UNWTO Statement Financial Performance for the period ended 31 March 2023.

### C. Financial performance and position highlights for the period ended 31 March 2023

37. This section includes other relevant financial information for the period ended 31 March 2023.

#### **Assessed contributions**

38. Assessed contributions due to the General Fund amounts to EUR 27,256,688 at 31 March 2023 (EUR 27,478,138 at March 2022, EUR 26,719,450 at March 2021 and EUR 25,401,852 at 31 March 2020). Annex III.C.1 contains the "Statement of contributions due to the General Fund at 31 March 2023" and Annex III.C.2 "Arrear contributions received from Members due to the General Fund for the period ended 31 March 2023".

#### Reserve and other GF projects

- 39. Annex III.C.3 shows the reserves, other RB projects and non-RB projects within the General Fund movements for the period ended 31 March 2023.
- 40. The Secretary-General proposes for authorization of the EC Chair and for confirmation by the Programme and Budget Committee and the Executive Council the following:
  - (1) Replacement Reserve project ICTC infrastructure and cloud-based human resources<sup>2</sup>. The Secretary-General proposes to use EUR 27,000 out of this project for a digitalization solution for statistics;
  - (2) Replacement Reserve project Athena 4. The Secretary-General proposes to continue with the enhancements of the Organization financial management information system based on Oracle (mainly assets, bank reconciliation and sales modules) using an estimated amount of around EUR 380,000 out of the replacement reserve.

### Voluntary contributions received and in-kind contributions

- 41. Total voluntary and miscellaneous project contributions received (cash-in) for the period to 31 March 2023 amount to EUR 5,125,610, a similar amount to the one of previous year at same date (EUR 5,140,699 at 31 March 2022) but a higher amount compared to the voluntary contributions received at the same date for the period 2021-2019 (EUR 692,097 in 2021, EUR 838,278 in 2020 and EUR 601,836 in 2019). This increase is due to the voluntary contribution received (some USD 5,000,000) from Saudi Arabia for the management of UNWTO Regional Office for the Middle East (ROME). Annex III.C.4 "Voluntary and miscellaneous project contributions received for the period ended 31 March 2023" shows a list of voluntary contributions received (cash-in) by project.
- 42. The Organization also receives in-kind contributions in the form of travel and use of conference facilities. For the period to 31 March 2023 these donations amount to EUR 605,643 (EUR 398,202 in 2022, EUR 265,325 in 2021, EUR 559,512 in 2020 and EUR 559,453 in 2019). This increase is also due to the UNWTO ROME premises in Riyadh. Annex III.C.5 "In-kind contributions

 $<sup>^2</sup>$  The Replacement Reserve project – ICTC infrastructure and cloud-based HHRR was approved by CE/DEC/6(LXXXVIII) in document CE/88/5(b) and A/RES/733(XXIV) in document A/24/5(b) rev.1.

received for the period ended 31 March 2023" shows a list of in-kind contributions received per type and by donor.

## Initiative and Project support costs project balances

43. Annex III.C.6 shows the PSC (Project Support Cost) and PRF (project reserve funds or initiative projects) projects movements for the period ended 31 March 2023. PRF groups unused balances on completion of voluntary contributions projects which remain at UNWTO for aims of the Organization following stipulations of the agreement or subsequent agreement with the donor (CE/DEC/8(CIV) of document CE/104/7(a) rev.1).

## Projects with UNWTO and donors' contributions

44. Annex III.C.7 shows Projects with UNWTO and donors' contributions for the period ended 31 March 2023.

#### A. Introduction

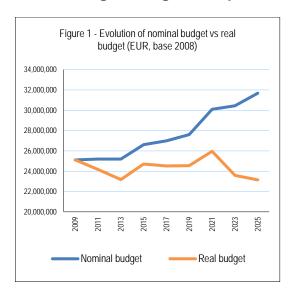
- 45. Since 2009 and until 2022 the Regular Budget (RB) has been mainly maintained at zero growth due to a combination of factors including the strict control of expenditures, the maintenance of a high vacancy rate and the utilization of surpluses from prior periods. Over this period, the real purchasing power and, therefore, the impact on real resource availability has declined by some 9%. However, for 2024 and 2025, in the light of high levels of inflation experienced and predicted, the Secretary-General is proposing increases in the budget for 2024 and 2025, which will increase the assessment on Members for each of these two years. The proposed Regular Budget increases are not sufficient to cover the full impact of inflation and they are essential to maintain the operational capacity of the Organization in delivering the Programme of Work. The Secretary-General recommends that UNWTO follow the practice of almost all UN organizations in increasing assessed contribution collection due to inflation.
- 46. Therefore, the proposed increased 2024-2025 Regular Budget is based on having a 7.5% increase in the Members' contributions for 2024 over their 2023 contributions and a 7.5% increase in the 2025 contributions over their 2024 contributions. It is important to note that, in real terms, the 2024 proposed budget is similar to the one approved for 2020 even when the additional budgetary income allocations for the 2024 proposed by the Secretary-General are taken into account. The following clarifications and budget tables explain the relevant parameters of this proposed budget envelope.
- 47. The proposed Regular Budget to implement the proposed Programme of Work (CE/118/3(b)) is achievable, taking into account increased efficiencies by the Secretariat and increased reliance on technical and financial cooperation with external parties.
- 48. The Budget of the Organization only includes Regular Budget projects within the General Fund. Other Projects within the General Fund or Other Funds (Voluntary Contributions Funds and Fund In Trust) will be added to the Organization's output and reinforce the resources and thus the activities of the Organization, especially in respect of technical cooperation.

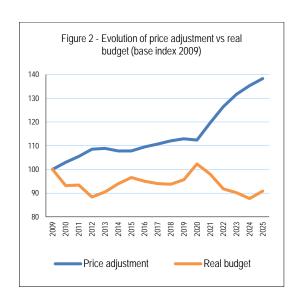
## B. Revised Regular Budget 2022-2023

- 49. The General Assembly at its 24th session in Madrid, Spain, approved the Programme of Work for the period 2022-2023 (A/24/5(a) rev.3) by resolution A/RES/732(XXIV))) and the Regular Budget of the Organization for the period 2022-2023 (A/24/5(b) rev.1) by resolution A/RES/733(XXIV)). The Programme of Work was presented in accordance with the standard description for that document, around three strategic objectives: (1) Strong coordination. Effective policy guidance and new partnerships, (2) Diversification of services to Members and expansion of membership, and (3) Management and modernization of the Organization. The programme-based regular budget was classified in accordance to four major parts: A. Regional, B. Operational, C. Direct Support to Members and, D. Indirect Support to Members.
- 50. The budget envelope for the 2022-2023 biennium (A/24/5(b) rev.1) is 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. The 2022-2023 Regular Budget represents a nominal increase of 1% over the 2020-2021 budget envelope.
- 51. The structure of the 2022-2023 budget approved by the General Assembly has evolved since its approval in 2021 and up to 31 December 2022 for 2022 budget appropriations and up to 31 March 2023 for 2023 budget appropriations (see Part III of this document). The main changes referred to movements of staff posts among sections including to and from section Staff vacancies & ASEB (after-service employee benefits) provisions under which staff vacancies are grouped.
- 52. These changes in the 2022 budget structure were approved by the 116th and 117th sessions of the Executive Council (CE/DEC/4(CXVI)) of document CE/116/3(c) rev.1 and CE/DEC/4(CXVII) of document CE/117/3(c) rev.1) and the Secretary-General's proposals of structure modification (UNWTO Financial Report for the year ended 31 December 2022 for 2022 and part III of this document for 2023) which have resulted in the redeployment of appropriations amongst sections. These changes have been made within approved resources.

53. Annex IV.1, "2022-2023 Regular Budget as approved by the 24th General Assembly (A/RES/733(XXIV)) )", shows the originally approved 2022-2023 budget and Annex IV.2, "2022-2023 Approved, revised proposed and adapted to current structure appropriations", presents the revised budget for 2022-2023 in line with the updated Programme of Work structure: (i) for 2022 appropriations: 31 December 2022 (UNWTO Financial Report for the year ended 31 December 2022) adapted to 2023 budget structure at 31 March 2023 for comparison purposes and, (ii) for 2023 appropriations: of 31 March 2023 (part III of this document). Irrespective of these structural changes, the budget envelope of the Organization for 2022-2023 remains unchanged at EUR 30,438,000.

## C. 2024-2025 Regular Budget envelope





### Background

- 54. The 18th, 19th, 21st and 23rd General Assembly sessions approved the budgets for 2010-2011 (A/RES/572(XVIII)), 2012-2013 (A/RES/603(XIX)), 2016-2017 (A/RES/651(XXI)) and 2020-2021 (A/RES/715(XXIII)) which represented zero nominal growth in Members' contributions. The 20th and 22nd General Assembly sessions approved an increase of assessed contribution of 2.8% and 4% in 2014-2015 and 2019 ((A/RES/619(XX) for 2014-2015 budget and (A/RES/688(XXII) for 2018-2019 one). Annex IV.3 shows the budget envelope evolution since biennium 2008-2009 in nominal and real terms. As can be seen from these budgets, throughout more than a decade, the Secretaries-General have embarked on significant restructuring efforts, aimed largely at reducing costs and enhancing efficiency within the budget envelope.
- 55. As a result of the application of this policy since 2010 and taking into account the assessed contributions increases in the biennia 2014-2015 and 2018-2019, the budgets of the Organization from 2009 and up to 2023 have experienced an accumulated loss of purchasing power of some 9% since 2009 mainly due to inflation.

## Inflation

- 56. As the UNWTO Headquarters is in Madrid, most of UNWTO's 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" (INE<sup>3</sup>)).
- 57. 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). However, the final CPI for Spain for the years 2021 and 2022, as published by the INE, amounted respectively to 6.5% and 5.7% and, 2023 inflation forecast for Spain, as provided by the IMF, amounts to 4.1% at the time of drafting this report. In consequence, price adjustment expectations for the years 2023-2024-2025 in Spain have been prudently estimated by the

<sup>&</sup>lt;sup>3</sup> National Statistics Institute of Spain (www.ine.es)

- Secretary-General at around 4.1% for 2023, 2.8% for 2024 and 2.2% for 2025 based on IMF forecasts.
- 58. Using 2020 as base index, price adjustment at 2023 amounts to 117.19 compared with 104.05 as estimated at 2021, i.e., a difference of 13.13 not included in 2022-2023 approved RB. Taking also into account CPI/Inflation estimated for 2024 and 2025, in order to absorb CPI/Inflation from 2021, 2024-2025 RB should be increased by 15.9% and 2.2% over the previous years, respectively, in 2024 and 2025. Annex IV.4 on price and statutory costs adjustments, provides the evolution of price adjustment for Spain compared to approved/proposed budgets.

#### Regulatory framework

- 59. The UNWTO Financial Rules and Regulations do not allow for a supplementary budget to offset any impact. Therefore, during 2023, any additional unbudgeted expenditure due to inflation and Russia's withdrawal will have to be absorbed within the available budgetary income. To avoid budgetary shortfalls in 2023, UNWTO will need to adopt cost reduction measures.
- 60. The impact of inflation on the regular budget and change in membership would require increases in the assessment of Members of above 15.9% in 2024 and 2.2% in 2025 in order for the Organization to operate at the already sub-optimal capacity levels which have already been impacted and will continue to be impacted by inflation.
- 61. However, as per the UNWTO Formula for fixing the contributions of Member States, the contributions formula increase threshold is limited to 7.5% per year. Therefore, it will not be possible to meet any of the unavoidable cost increases in 2024 over 2023 through assessment on Members and UNWTO will have to operate with less resources and adopt further cost reduction measures.

#### Other allocations

- 62. Other additional allocations to the Regular Budget are mainly previous years' RB cash surpluses and Publications store previous years' accumulated surplus. Should no additional allocations as proposed by the Secretary-General be approved as additional budgetary income resources for the 2024-2025 biennial budget, purchasing power would experience a higher loss which would represent further negative real growth in the resources of the Organization.
- 63. Any non-approval of the proposed additional budgetary income allocations would be significantly detrimental to the capacity of the Organization to manage and implement the mandate embedded in this document including new areas of work. The negative impact is more pronounced given the relatively small size of the Secretariat and the requirements imposed by the United Nations family of organizations to its members.

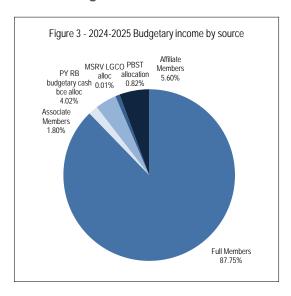
#### Conclusion

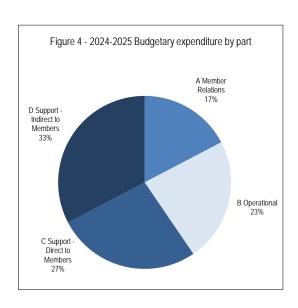
- 64. In this context, the Secretary-General proposes to increase Members' contributions for 2024 by 7.5% over the 2023 level and for 2025 by 7.5% over the 2024 level to partially offset the negative impact of high inflation on expenditures, the loss of other income and the change in membership, as well as for UNWTO to follow the practice of most of UN organizations in increasing assessed contribution collection due to inflation. These proposed increases in Members' contributions would only partly mitigate the inflation increases in recent years for the Organization in the period 2020-2025. The resulting proposed regular budget for 2024 is in nominal terms equal to the one of 2023 (EUR 15,390,000 in both years) and in real terms similar to that in nominal terms of 2020 (EUR 14,899,000).
- 65. The EC at its 117th session "agreed to consider the Secretary-General's proposal to maintain the real resource levels available to carry out the Organization's activities through an increase of the budgetary estimates and assessed Members' contributions in 2024 and in 2025" and also "requested to present the draft Regular Budget for the biennium 2024-2025 to this effect to the Executive Council in 2023" (CE/DEC/4(CXVII)). However, given the limitations of the regulatory authority in respect of the level of contribution increases it will not be possible to maintain the real resource levels through 2024 and 2025.
- 66. Therefore, while not being sufficient to maintain optimal capacity in the light of the inflation levels experienced and predicted, it is proposed that in 2024 the individual contributions of Members be

increased by 7.5% compared to the 2023 Members' assessed contributions. Likewise, for 2025 it is proposed that Members' contributions be increased by 7.5% compared to the 2024 Members' assessed contributions.

67. The budget for 2024 and 2025 has to be adjusted in its categories of expenditure including staff costs as they are determined by the International Civil Service Commission (ICSC) and updated by the United Nations General Assembly.

#### D. Income budget





- 68. The Organization's RB budgetary income is budgeted on account of assessed contributions (Full, Associate and Affiliate Members) and an allocation of prior years' cash-basis accumulated surplus of publication sales. For the biennia 2024-2025 other allocations are also budgeted as budgetary income.
- 69. Annex IV.5, "2024-2025 Proposed budgetary income and expenditure compared with 2022-2023 Regular Budget", presents the budgetary income and expenditure approved for 2022-2023 and proposed for 2024-2025. As required under UNWTO Detailed Financial Rule (DFR) III.7, this table presents the budget by parts, financial year and financial period. Additional budget tables in this document are provided for information purposes as required by UNWTO Financial Regulations.
- 70. Contributions for Full and Associate Members are assessed in accordance to the proposed scale for 2023 and 2024 as shown in Annex IV.6, Contributions of the Full, Associate and Affiliate Members. Contributions for 2023 are also included in the scale for ease of comparison. The proposed scale of contributions is calculated following Annex II of the UNWTO Financial Regulations (FR) on the Formula for fixing the contributions of Member States.
- 71. Contributions for Affiliate Members are assessed using the average number of members based on past experience. The Executive Council's decision on a fee deduction for specific Affiliate Members (TedQual members) as outlined in document CE/95/6(c) (CE/DEC/20(XCV)) has also been taken into account.
- 72. Other additional allocations are as follows:
  - (a) Allocation from Publications store prior years' cash-basis accumulated surplus is proposed at a total of EUR 260,000 based on this project's available cash balance taking into account previous years' appropriations deductions and ongoing concern. This represents a material decrease over previous biennia, from the same source of funding.
  - (b) Additionally, the Secretary-General proposes to use as budgetary income resources the allocation from 2021 RB budgetary cash balance (EUR 917,393) as approved by CE/DEC/4(CXVII) and the allocation from 2022 RB budgetary cash balance (provisional EUR 355,632) as proposed by the Secretary-General in the Financial Report and Audited Financial Statements for the year ended 31 December 2022. These prior years RB

- budgetary cash balances allocations amount to EUR 1,273,025 broken down by EUR 668,000 and EUR 605,025 by the RB years 2024 and 2025 respectively.
- (c) Exceptionally, an allocation from Miscellaneous revenue negative balance to the Legal advisor section of EUR 4,280 is also proposed.

## E. Expenditure budget

- 73. As in previous biennia, expenditures are kept in balance with budgeted income, hence avoiding the Organization having to incur a deficit or unused resources. The 2024-2025 budget structure mainly maintains the revised and proposed 2022-2023 budget structure at 31 March 2023 as explained above.
- 74. Annex IV.7, "2024-2025 Proposed appropriations and 2022-2023 approved appropriations, revised, proposed and adapted to current structure appropriations Analysis of changes by parts and sections", shows the proposed budget for 2024-2025 as compared to the approved budget for 2022-2023 adapted to the proposed structure at 31 March 2023 for comparison purposes and its total variation. Concerning price changes, the average inter-biennial adjusted salary growth adopted (i.e., 4.35% in 2024 and 3.75% in 2025), results in a combined price change of staff costs of 5.12%. Non-staff costs price change amounts to 1.08% in the biennium 2024-2025. Volume changes in staff costs internalize the new structure of the Organization's management and the vacancy rate which needs to be embedded in the budgetary estimates (approx. 23%).
- 75. In order to: (i) maintain current structure cost increase, and (ii) avoid a material decrease of the non-staff costs with respect to 2022 final RB budget, only 4 P vacancies have been included in the 2024-2025 RB budget. In this scenario, staff costs increase by 4.75% and non-staff costs decrease by 3.81% in 2024 with respect to the 2022 final RB budget. Therefore, the vacancy rate is to be maintained at 23% of the approved post (106 approved posts). Although 82 posts are budgeted, these would only be possible to fill in if eventually all Members' contributions are actually received, which is not the case as per previous years' experience data (2022 collection rate of Members contributions amounted to 81%).
- 76. Therefore, it is obvious that these cost reduction measures severely impact the Organization's ability to deliver its work programme and cannot be continued into future biennia. Consequently, in order to be able to implement the challenging programme of work, further increases of Members' contributions would be required in forthcoming biennia unless other sources of funds are identified for this purpose.
- 77. Likewise, the decrease in non-staff costs may require the implementation of cost reduction measures unless further efficiencies are undertaken or other sources of funding could be used for this purpose.
- 78. After-service employee benefits (ASEB) provisions are mainly based on expected annual disbursements (pay-as-you-go (PAYG) approach) and service costs of after-service employee benefits expenses for after-service health insurance (ASHI) and other after-service benefits. Detailed information on after-service employee benefits liabilities shown under UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2022. The level of the 2024 ASEB appropriation is decreased with respect to the 2023 one due to the impact of the interest rates on the ASEB liability as detailed in the UNWTO Financial Report and Audited Financial Statements for the year ended 31 December 2022 and maintained during 2025 compared the 2023 ASEB provision.
- 79. Annex IV.8, "2024-2025 Draft budget Summary of proposals", shows the budget for each year 2024 and 2025 by part and section.

- 80. Article 26 of the Statutes and Financial Regulation (FR) 15 stipulate that two External Auditors shall be elected for a two-year (renewable) term of office: "The Assembly shall elect from among its Full Members, on the recommendation of the Council, two External Auditors to audit the accounts of the Organization."
- 81. However, based on the rationale provided in document A/21/8(II)(e), the twenty-first session of the General Assembly in resolution A/RES/661(XXI), elected for the first time in the history of UNWTO a single External Auditor for the period 2016-2017 for the external audit of the UNWTO Financial Statements for the years ended 31 December 2015 and 2016.
- 82. In the said resolution the General Assembly requested the Secretary-General to prepare an amendment to Article 26 of the Statutes and other statutory documents of the Organization to reduce to one the number of External Auditors and to submit it to the twenty-second session of the General Assembly for approval.
- 83. The twenty-second session of the General Assembly adopted the amendments to the Statutes, the Financing Rules, the Financial Regulations and the Detailed Financial Rules presented by the Secretary-General to reduce the number of External Auditors to one (A/RES/696 (XXII)). The Assembly, having noted that such amendments will only come into force on the date of entry into force of the amendment to the Statutes and its Financing Rules, decided nevertheless to elect a single External Auditor (Spain) for the period 2018-2019 for the external audit of the UNWTO Financial Statements for the years ended 31 December 2017 and 2018 (A/RES/693(XXII)).
- 84. In line with resolution A/RES/693(XXII), the twenty-third and twenty-fourth sessions of the General Assembly elected as well a single External Auditor (Spain) for the period 2020-2021 and 2022-2023 for the external audit of the UNWTO Financial Statements for the years ended 31 December 2019 and 2020 (A/RES/715(XXIII)) and of the UNWTO Financial Statements for the years ended 31 December 2021 and 2022 (A/RES-PS/1(2022)).
- 85. While the amendments to the Statutes and other rules of the Organization as adopted under resolution 696(XXII) have not yet entered into force, the Assembly may wish to consider continuing with the established practice of electing a single External Auditor for the period 2024-2025.

## **Procedure**

- 86. In accordance with the procedure established, any Member State of the Organization wishing to present its candidature to the post of External Auditor of the UNWTO for the period 2024-2025, for the external audit of the UNWTO Financial Statements for the years ended 31 December 2023 and 2024, may do so by written notice addressed to the Secretary-General.
- 87. The deadline for submission of candidatures will remain open until the corresponding agenda item is discussed by the General Assembly.
- 88. In accordance with the established practice, once elected by the General Assembly, the Member entrusted with the external auditing of the Organization's Financial Statements will be required to propose for this function a person or persons who are nationals of the Member State and who perform the function of controlling public accounts in their home country. The proposed person(s) shall be promptly communicated to the Secretariat.

## VI. Membership and Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules

- 90. At 31 March 2023, the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes are applied to the 27 Members listed in the table shown in Annex VI 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 2023 to the Full Members Burkina Faso, Cameroun, Congo and Pakistan respectively.
- 91. 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.
- 92. The update from the previous statement as of 30 September 2022 (CE/117/3(c) Rev.1) on the amount due by Members subject to provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2023 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 shown in Tables 1, 2, 3 and 4 of Annex VI.
- 93. In accordance with paragraph 6 of resolution A/RES/736(XXIV), excerpts shown in Annex VII, the stipulations of Article 34 of the Statutes and/or of paragraph 13 of the Financing Rules attached to the Statutes were once again applicable as of 1 April 2022 to the Full Members, Chad, Iraq, Kyrgyzstan, and Vanuatu. The Executive Council at its 117th session endorsed in its decision CE/DEC/4(CXVII), pending ratification by the 25th session of the General Assembly, the appeal of Iraq to continue benefitting from the payment plan in force up to 1 April 2022, which is the reason why it is no longer under the above-mentioned provisions.
- 94. On 14 February 2023, the UNWTO Secretariat received written communication from the Full Member Kyrgyzstan 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 Kyrgyzstan 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 VII. Furthermore, it confirms its commitment to fulfil its financial obligations as a Full Member of the Organization.

## VII. Extensive overview of the approach of the Secretariat in collecting membership contributions and arrears

### I. Introduction

- 95. The evidence in the present document has been identified from the Organization's internal reporting addressed to the Secretary-General in order to provide an overview of the status of membership contributions and arrears and to define ad hoc approaches to maximize the effectiveness of mobilizing the Organization's income though membership contributions and arrears.
- 96. The data and all other relevant information in the report are taken from the following documents:
  - (a) Report on Membership Contributions and Arrears: 2020 Overview and 2021 Tactic
  - (b) Interim Report Accumulated membership contributions and arrears (January-July 2020)
  - (c) Report of Membership Contributions and Arrears: 2021 Overview and 2022 Collection Strategy
  - (d) Interim Report Collected membership contributions and arrears (January-June 2021)
  - (e) Report on Membership Contributions and Arrears (2022 Overview and 2023 Approach)
  - (f) Interim Report Collected membership contributions and arrears (January-June 2022)

## II. Main observations for evaluating 2020-2022 (Full and Associate Members)

#### Overview of key factors

- 97. Overall, over the past 3 years the Secretariat mobilized the collection rate at a level above 80%, which, in light of the global political and economic challenges, represents a satisfactory baseline collection rate. As an example, in 2022, the Organization's membership contribution collection rate was similar to that in 2019. This is noteworthy because 2019 was an Assembly year and, furthermore, it was the best years in the history of the world tourism in terms of the number of international tourist arrivals and the international tourism receipts.
- 98. In 2022, the total amount of arrears collected compared to the previous year increased by 20.1% in absolute terms.
- 99. In 2022, in the third year of the COVID-19 pandemic, despite the positive general trend in the sector's recovery, still-inconsistent travel restrictions policies in some parts of the world and the low international tourism receipt could be directly correlated with the inability to settle membership contributions.
- 100. Though 2020 and 2021 can be assessed as highly negative, the Organization mobilized the collection rate at a level around 80%. As a consequence of the COVID-19 outbreak, some Member States had to cut, freeze or re-direct budgets for the UNWTO membership for other critically important purposes. In 2021, due to surge of new variants of the pandemic, travel restrictions still in place and uneven rollout of vaccines, the decline of outbound tourism in major source markets resulted in further economic challenges which had a larger impact on Small Island Developing States, Least Developed Countries and some developing economies that are heavily dependent on inbound tourist flows.
- 101. During the non-UNWTO General Assembly year, the predictably lower collection rate is due to the fact that the Members do not have to vote at the Assembly. In 2021, the approximate "direct" impact of the factor of the General Assembly on the collection rate was 4.5 percentage points (pp) while the "indirect" impact was 9.2 pp.
- 102. Political unrest in the world and, mainly, the wider effect of the war in Ukraine had an overall impact on the performance of economies in different exporter and importer countries. It can be observed that the war in Ukraine had a larger impact on the collection of 2022 membership contributions from other regions rather than Europe itself.
- 103. It is worth noting Europe's contribution performance in the context of the ongoing war. Almost all Member States from the region settled their 2022 membership contributions. In light of the COVID-19 pandemic and the ongoing war, during the past three years, Europe mobilized more

- than 98% of membership contributions from the Region, accounting for 40% of the total assessed budgetary contributions of the Organization.
- 104. Regardless of different performance levels by different regions during the entire pandemic period, Africa, the Americas, Asia & the Pacific and the Middle East showed positive trends of slowly increasing the volume of membership contributions.
- 105. Given the global political and economic constraints and the ongoing war, 2022 was a positive year in terms of collecting arrears. In this regard, the Middle East led all Regions in terms of the growth of arrears payments in 2022 compared to 2021, with a six-fold increase in absolute numbers, followed by Africa which also recorded impressive results. The significance of the membership contributions received from Asia and the Pacific should be noted in light of the fact that, despite the strict travel restrictions in some key source markets for outbound tourism including China, some destinations heavily depending on those source markets were able to settle their 2022 contributions and also part of their arrears. The Americas showed, in general, a positive annual performance. Negotiations with Member States from the Americas under the Paragraph 13 of the Financing Rules and Article 34 of the Statutes achieved substantial progress.

## **Major limitations**

- 106. The major limitations observed for the collection of membership contributions and arrears in 2021 include:
  - (a) A lower collection rate during the non-Assembly year within the usual pattern.
  - (b) Ongoing pandemic and still inconsistency in terms of travel restriction policies in some parts of the world.
  - (c) Political unrest in the world and, mainly, the wider effect of the war in Ukraine on the performance of economies.

#### **Positive factors**

- 107. The positive factors observed affecting the collection of membership contributions and arrears in 2021 include:
  - (a) Continuous, systematic and targeted actions undertaken by the Secretariat, namely the Regional Departments and other concerned officials;
  - (b) Member States' satisfaction with the UNWTO's activities and services (according to the survey findings on Members Priorities for the Programme of Work);
  - (c) The issue of contributions and arrears raised by the Secretary-General and other senior officials at the political level during the bilateral meetings; and
  - (d) A targeted and proactive approach to so-called selected "realistic Member States" to mobilize membership contributions and arrears as well as those States which are under the financial provisions of Paragraph 13 of the Financing Rules and Article 34 of the Statutes.

## III. Main strategy and tactic in collecting maximizing the collection of membership contributions and arrears

- 108. Since the beginning of COVID-19 pandemic the Secretariat has been undertaking proactive and results-oriented work in maintaining the satisfactory level of the collection of membership contributions and arrears.
- 109. The UNWTO strategy on the collection of membership contributions and arrears contains following areas and sub-areas
  - (a) Forecasting next financial year's membership contributions
  - (b) Conducting intense and daily work during the first semester of the year
  - (c) Adjusting and tailoring the target group of Member States in the second semester
  - (d) Identifying Members in arrears and proactively conducting negotiations
  - (e) Official communications to Members as well as external and internal reporting

110. The following table reflects the set of actions undertaken by the Secretariat by key areas and subareas within the Organization's strategy. The Regional Departments, under the overall coordination of the Director of External Relations and in close consultation with the Member Contributions Coordinator, are responsible for all the operations.

	Action	Targeted	Comments
4		period	
1	Forecasting next financial year's membershi	p contributions	T
1.1	Collect information on the status of budgets allocated by Members for membership contributions and classify them into three categories:  1. Approved; 2. Pending; 3. Unclear	4th quarter	Based on the feedback received from Members, the Secretariat identifies all the possible scenarios and implications
1.2	Follow up regularly on the status of budgets for membership contributions and introduce adjustment plans	March, June, September	
2	Conduct intense and daily work during the fi	rst semester of th	ne year
2.1	Regularly contact Members to ensure that their current year's contributions are settled in January of the financial year and/or at the very beginning of the year	January - June	
2.2	Raise the issue of membership contributions at the political level during bilateral meetings with Members at the Organization's Headquarters as well as during missions	January - June	
2.3	Urge problematic Members to settle the current year's membership contributions before the relevant sessions of the Executive Council so that the information on the financial situation of the Organization does not contain any specific reference to them	January - June	
3	Adjusting and tailoring the target group of M	ember States in t	he second semester of the
3.1	Identify a limited number so-called "realistic States" aiming at collecting membership contributions	June	Based on the status of contributions received in the first semester, the Secretariat identifies three categories of States in order to adjust its tactics for mobilizing the membership fees:  1. "realistic States",  2. "unclear cases 50-50",  3. "unrealistic States"
3.2	Reorient major focus on the limited number of "realistic States" to ensure the collection rate of contributions in a best possible manner. With this category of States, the Secretariat additionally discusses cooperation issues and how to maximize the value of the concrete service delivery to Members	June - December	Based on this category, the Secretariat defines four scenarios of collection rate by end of the year ranging from "bad" to "excellent"
4	Identifying Members in arrears and proactive	ly conduct negot	
4.1	Work with Members under the Paragraph 13 of the Financing Rules and Article 34 of the Statutes to encourage them to entirely settle their arrears, reduce them partially and sign sufficient Payment Plans to settle their corresponding arrears in instalments	Throughout the year	Aside from the financial information, special focus during the negotiations is made on the benefits of restoring rights to vote, submitting candidatures for different posts within the governing organs and their subsidiary bodies and receiving services from the Organization

4.2	Encourage Members to reduce their arrears so that they do not fall under the provisions of the Financing Rules as of the beginning of the financial year	Throughout the year	
4.3	Monitor that the Members granted temporary exemption from the financial provisions by the governing organs fulfil their commitments and responsibilities upon the set deadlines	Before 1 April of the year	
5	Official communication to Members as well a	s external and in	ternal reporting
5.1.	Issuing official communication on the pro- forma invoices to Members for the next year's contribution	October	
5.2	Issuing invoices and letters to the highest authorities	January	
5.3	External Reporting for the Executive Council and the General Assembly	Twice a year	Relevant reports of the governing organs on the financial situation of the Organization as well as Membership and Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules
5.4	Internal reporting to the personnel of the Secretariat:  1. Annual reports on membership contributions and arrears;  2. Interim reports on the status of membership contributions and arrears and adjusted plans of maximizing the collection rate	March-April for the annual report; July for the interim report	

\* \* \*

#### Annex I.1: CE/DEC/3(CXIV) and CE/DEC/4(CXVII) decisions excerpts

## Excerpts of decision CE/DEC/3(CXIV):

- 3. Takes note with satisfaction of the unqualified opinion of the External Auditor that the UNWTO Financial Statements for the year ended 2020 present a true image of the financial position of the UNWTO as at 31 December 2020 and of its performance, its cash flows and changes in equity for the year ended 31 December 2020, 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:
- 4. Approves the UNWTO Audited Financial Statements for the year ended 31 December 2020;
- 5. Takes note of the Secretary-General's financial report for the year ended 31 December 2020 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: (...)

## **Excerpts of Decision CE/DEC/4(CXVII):**

- 10. 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;
- 11. Approves the UNWTO Audited Financial Statements for the year ended 31 December 2021;
- 12. 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: (...)

Annex I.2: Budgetary cash balance of the Regular Budget and Working Capital Fund situation of the twenty-third financial period (2020-2021) at 31 December 2021

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

Euro

	2021 <sup>a</sup>	2020	2020-2021
Approved budget	15,197,000.00	14,899,000.00	30,096,000.00
Budgetary cash balance	917,393.26	1,563,732.98	2,481,126.24
Budgetary income	12,613,775.88	11,895,474.20	24,509,250.08
Assessed contributions	11,773,188.53	11,158,456.35	22,931,644.88
Amount spent from the allocations approved by the GA	840,587.35	737,017.85	1,577,605.20
Allocation from accumulated surplus - RB	537,017.85	537,017.85	1,074,035.70
Allocation from accumulated surplus - Publications store	200,000.00	200,000.00	400,000.00
Allocation from Project Reserve Fund (pool) balance	103,569.50		103,569.50
Budgetary expenditure	-13,287,916.59	-11,978,449.59	-25,266,366.18
Cash deficit/advance made from the WCF (FR 10.2(b))	-674,140.71	-82,975.39	-757,116.10
Arrear contributions receipts in the financial year	1,591,533.97	1,646,708.37	3,238,242.34
WCF advance to the RB	0.00	0.00	0.00

<sup>&</sup>lt;sup>a</sup> Annex VII on Working Capital Fund available balance and advance to the Regular Budget / Budgetary cash balance of the Regular Budget and WCF advance at 31 December 2021 of the UNWT O Financial Report and Audited Financial Statements for the Year Ended 31 December 2021 (document CE/117/3(c) rev.1 includes a typo on 2021 assessed contributions amount as it shows actual amounts (EUR 14,044,230) instead of cash amounts (EUR 11,773,188.53). Please refer to Financial Report of the Secretary-General for the year 2021/Financial Statements highlights/Budgetary performance of the Regular Budget of the UNWT O Financial Report and Audited Financial Statements for the Year Ended 31 December 2021.

2023 Approved and revised appropriations - Regular Budget at 31 March 2023

Euros

Approved appropiations					Revised appropiations in accordance to new structu	re propos	ed by the Sec	retary-Gene	eral
	Posts <sup>1</sup>		Appr	opriations <sup>2</sup>		Posts <sup>1</sup>		Appro	priations <sup>3</sup>
Parts / sections	P G	Staff	Non-staff	Total	Parts / sections	P G	Staff	Non-staff	Total
	106					106			
Total	55 51	10,711,000	4,679,000	15,390,000	Total	55 51	10,711,000	4,679,000	15,390,000
A Member Relations	12 5	1,841,000	540,000	2,381,000	A Member Relations	12 4	1,780,000	540,000	2,320,000
A01 Regional Programme, Africa	4 0	512,000	179,000	691,000	A01 Regional Programme, Africa	4 0	512,000	179,000	691,000
A02 Regional Programme, Americas	2 2	378,000	79,000	457,000	A02 Regional Programme, Americas	2 2	378,000	79,000	457,000
A03 Regional Programme, Asia and the Pacific	3 1	445,000	95,000	540,000	A03 Regional Programme, Asia and the Pacific	4 0	512,000	95,000	607,000
A04 Regional Programme, Europe	2 1	317,000	112,000	429,000	A04 Regional Programme, Europe	1 1	189,000	112,000	301,000
A05 Regional Programme, Middle East	0 0	0	75,000	75,000	A05 Regional Programme, Middle East	0 0	0	75,000	75,000
A06 Affiliate Members	1 1	189,000	0	189,000	A06 Affiliate Members	1 1	189,000	0	189,000
B Operational	18 12	3,148,000	920,000	4,068,000	B Operational	16 10	2,658,000	920,000	3,578,000
B01 Sustainable Development of Tourism	4 2	634,000	81,000	715,000	B01 Sustainable Development of Tourism	4 1	573,000	81,000	654,000
B02 Technical Cooperation and Silk Road	3 2	618,000	8,000	626,000	B02 Technical Cooperation and Silk Road	2 2	378,000	8,000	386,000
B03 Statistics	3 2	506,000	91,000	597,000	B03 Statistics	2 2	378,000	91,000	469,000
B04 Tourism Market Intelligence and Competitiver	ies 3 2	506,000	207,000	713,000	B04 Tourism Market Intelligence and Competitiven	es 2 2	378,000	207,000	585,000
B05 Ethics, Culture and Social Responsibility	1 2	250,000	91,000	341,000	B05 Ethics, Culture and Social Responsibility	1 2	250,000	91,000	341,000
B06 Innovation, Education and Investments	1 1	189,000	357,000	546,000	B06 Innovation, Education and Investments	3 0	384,000	357,000	741,000
B07 Institutional Relations and Partnerships	3 1	445,000	85,000	530,000	B07 Institutional Relations and Partnerships	2 1	317,000	85,000	402,000
C Support - Direct to Members	16 8	2,984,000	1,186,000	4,170,000	C Support - Direct to Members	14 9	2,677,000	1,186,000	3,863,000
C01 Conferences Services	4 2	634,000	128,000	762,000	C01 Conferences Services	3 1	445,000	128,000	573,000
C02 Management	11 4	2,100,000	747,000	2,847,000	C02 Management	10 6	1,982,000	747,000	2,729,000
C03 Communications	1 2	250,000	311,000	561,000	C03 Communications	1 2	250,000	311,000	561,000
D Support - Indirect to Members	9 26	2,738,000	2,033,000	4,771,000	D Support - Indirect to Members	13 28	3,596,000	2,033,000	5,629,000
D01 Budget and Finance	2 2	378,000	317,000	695,000	D01 Budget and Finance	3 1	445,000	317,000	762,000
D02 Human Resources	1 1	189,000	165,000	354,000	D02 Human Resources	1 1	189,000	165,000	354,000
D03 Information and Communication Technology	2 3	439,000	374,000	813,000	D03 Information and Communication Technology	1 2	250,000	374,000	624,000
D04 General Services	0 5	305,000	477,000	782,000	D04 General Services	0 4	244,000	477,000	721,000
D05 Staff vacancies & ASEB Provisions	4 15	1,427,000	700,000	2,127,000	D05 Staff vacancies & ASEB Provisions	8 20	2,468,000	700,000	3,168,000

<sup>&</sup>lt;sup>1</sup> P posts include P and above posts

<sup>&</sup>lt;sup>2</sup> Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVI) of CE116/3(c )rev.1 and CE/DEC/4(CXVII) of (CE/117/3(c) Add.1. Movements of posts among sections are annually considered.

<sup>&</sup>lt;sup>3</sup> Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVI) of CE116/3(c) rev.1, CE/DEC/4(CXVII) of (CE/117/3(c) Add.1 and the Secretary-General proposal of structure modification at 31 March 2023. Movements of posts among sections are annually considered.

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

Comparison of budget, plan of income and expenditure and budgetary cash balance - Regular Budget at 31 March 2023

Euros

			Budgetary
			cash balance
	Approved income /	Plan of income and	(cash-in less
	Original budget <sup>1</sup>	expenditure	expenditure)
Budgetary difference	0	0	-5,893,456
Budgetary income	15,390,000	13,900,000	7,879,099
Contributions from Full and Associate Members	13,323,000	10,930,000	6,076,260
Full Members	13,067,000	10,700,000	5,845,662
Associate Members	256,000	230,000	230,598
Other income sources	2,067,000	1,620,000	1,492,989
Allocation from Accumulated Surplus - PY RB cash balance	782,000	782,000	781,866
Allocation from Publication store Accumulated Surplus	450,000	450,000	450,000
Allocation from Project Reserve Fund (pool) balance	0	0	0
Affiliate Members	835,000	388,000	261,122
Arrear contributions	0	1,350,000	309,850
Full Members	0	1,200,000	239,999
Affiliate Members	0	150,000	69,852
Budgetary expenditure	15,390,000	13,900,000	13,772,556

<sup>&</sup>lt;sup>1</sup> Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVI) of CE116/3(c) rev.1, CE/DEC/4(CXVII) of (CE/117/3(c) Add.1 and the Secretary-General proposal of structure modification at 31 March 2023. Movements of posts among sections are annually considered.

## Annex III.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 International Civil Service Commission (ICSC) in New York. The ICSC also publishes a monthly post adjustment index, reflecting the evolution of the cost of living at all duty stations around the world. 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 normally updated every five years following the ICSC methodology based on place-to-place salary surveys. The last place-to-place survey for Madrid took place in late 2021 which results are applicable since 1 August 2022. 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 2023 referred to annual salaries and 1 February 2023 referred to the annual pensionable remuneration.
- 3. The remuneration of staff in the General Service category is based on a salary scale published by the ICSC and is annually updated on the basis of the 90% of the Madrid consumer price index (CPI) movement from the latest increase if such movement is positive following the ICSC methodology. The ICSC promulgated a revised scale for staff in the General Service category effective 1 October 2022 and the next one is expected for October 2023.

Annex III.B.1: Provisional interim Financial Statements for the period ended 31 March 2023

Statement of financial position - provisional at 31 March 2023

Euros

	31/03/2023	31/03/2022	31/12/2022
Assets	54,860,912	56,277,852	42,790,201
Current Assets	52,978,886	55,216,575	30,213,094
Cash and cash equivalents	35,393,940	34,780,515	19,617,619
Inventories	20,526	28,793	20,526
Members assessed contributions receivable, net	11,099,535	12,618,137	3,606,125
Other contributions receivables, net	5,534,397	7,277,567	5,946,665
Other receivables, net	419,901	262,900	608,400
Other current assets	510,587	248,663	413,759
Non-current assets	1,882,026	1,061,277	12,577,107
Investments	281,487	199,641	10,974,487
Members assessed contributions receivable, net	639,189	7,506	597,098
Property, plant and equipment	586,195	561,676	612,177
Intangible assets, net	350,429	289,285	368,504
Other non-current assets	3,169	3,169	3,169
Liabilities and Net Assets/Equity	54,860,912	56,277,852	42,790,201
Liabilities	28,062,273	46,584,314	30,362,182
Current Liabilities	10,549,054	11,488,780	13,116,606
Payables and accruals	1,866,463	1,106,912	2,589,384
Transfers payable	58,079	69,202	179,341
Employee benefits	445,944	128,041	530,310
Advance receipts	7,603,222	9,664,033	9,239,748
Provisions	362,188	519,471	363,040
Other current liabilities	213,158	1,121	214,783
Non-current Liabilities	17,513,219	35,095,534	17,245,576
Employee benefits	17,503,709	35,091,393	17,236,015
Other non-current liabilities	9,510	4,141	9,561
Net Assets/Equity	26,798,639	9,693,538	12,428,019
Accumulated surplus/(deficit)	20,258,131	3,188,216	5,887,511
Reserves	6,540,508	6,505,322	6,540,508

Statement of financial performance - provisional for the period ended 31 March 2023

Euros

	31/03/2023	31/03/2022	31/12/2022
Revenues	20,152,529	20,623,831	30,675,164
Members assessed contributions	14,308,689	14,605,793	14,622,043
Other contributions (VC and FIT), net of reduction	4,757,816	4,866,283	8,292,524
Publications revenue, net of discounts and returns	116,247	59,891	401,909
Changes in currency exchange differences	159,367	440,985	738,519
Other revenues	810,410	650,879	6,620,169
Expenses	5,781,909	4,762,657	28,834,507
Wages, salaries and employee benefits	4,327,000	3,774,488	17,374,538
Grants and other transfers	131,365	30,093	551,921
Travel	494,531	147,730	1,896,344
Supplies, consumables and running costs	741,762	738,310	5,024,755
Depreciation, amortization and impairment	55,722	46,165	241,632
Other expenses	31,529	25,871	3,745,317
Surplus/(deficit) for the year	14,370,620	15,861,174	1,840,657

Statement of contributions due to the General Fund at 31 March 2023

Euros

Members	Years	Arrear Contributions	Contributions due 2023	Tota
Total	10013	19,468,091.36	7,788,596.54	27,256,687.90
Full Members		17,325,890.53	7,089,988.79	24,415,879.32
Budgetary Contributions		17,188,775.53	7,089,988.79	24,278,764.32
Afghanistan	81-87,89-08,10,12,14,19-23	787,678.91	27,850.00	815,528.91
Albania	-	0.00	0.00	0.00
Algeria	23	0.00	55,700.00	55,700.00
Andorra	-	0.00	0.00	0.00
Angola	22-23	55,700.00	55,700.00	111,400.00
Antigua and Barbuda	23	0.00	16,710.00	16,710.00
Argentina	22-23	161,892.28	167,098.00	328,990.28
Armenia	-	0.00	0.00	0.00
Austria		0.00	0.00	0.00
Azerbaijan	23	0.00	62,671.00	62,671.00
Bahamas	19, 22-23	105,829.00	55,700.00	161,529.00
Bahrain	17, 22-23	0.00	0.00	0.00
Bangladesh	-	0.00	0.00	0.00
Barbados	20, 23	33,419.00	33,419.00	66,838.00
Belarus	20, 23	0.00	55,700.00	55,700.00
Benin	22-23	27,850.00	·	
Bhutan	22-23	0.00	27,850.00 0.00	55,700.00 0.00
Bolivia	- 81-87, 89-98, 19-23			607,287.57
	· ·	562,658.57	44,629.00	
Bosnia and Herzegovina	23	0.00	50,129.00	50,129.00
Botswana	23	0.00	55,700.00	55,700.00
Brazil Brunei Darussalam	21-23	328,920.31	222,798.00	551,718.31
	23	0.00	55,700.00	55,700.00
Bulgaria	- 21.22	0.00	0.00	0.00
Burkina Faso	21-23	55,700.00	27,850.00	83,550.00
Burundi	77-07, 11-13, 15-23	919,881.78	27,850.00	947,731.78
Cambodia	85-92, 23	195,162.54	49,593.00	244,755.54
Cameroon	20-23	100,248.00	33,419.00	133,667.00
Cape Verde	21-23	28,107.62	27,850.00	55,957.62
Central African Republic	07-23	391,864.20	27,850.00	419,714.20
Chad	12-23	294,742.56	27,850.00	322,592.56
Chile	-	0.00	0.00	0.00
China	23	0.00	356,477.00	356,477.00
Colombia	22-23	13,874.70	111,399.00	125,273.70
Comoros	20-21, 23	50,130.00	25,065.00	75,195.00
Congo	19-20, 22-23	81,863.12	33,419.00	115,282.12
Costa Rica	-	0.00	0.00	0.00
Côte d'Ivoire	23	0.00	33,419.00	33,419.00
Croatia	-	0.00	0.00	0.00
Cuba	22-23	66,840.00	66,840.00	133,680.00
Cyprus	-	0.00	0.00	0.00
Czech Republic	-	0.00	0.00	0.00
Democratic People's Republic of Korea	21-23	55,697.50	27,850.00	83,547.50
Democratic Republic of the Congo	19-20, 23	53,545.00	27,850.00	81,395.00
Djibouti	03-23	455,415.00	25,065.00	480,480.00
Dominican Republic	23	0.00	75,752.00	75,752.00
Ecuador	20, 22-23	8,928.84	87.13	9,015.97
Egypt	23	0.00	81,554.00	81,554.00
El Salvador	23	0.00	50,129.00	50,129.00
Equatorial Guinea	22-23	48,318.00	51,942.00	100,260.00
Eritrea	23	0.00	27,850.00	27,850.00
Ethiopia	17-18, 20-23	155,671.00	33,419.00	189,090.00
Fiji	-	0.00	0.00	0.00
France	-	0.00	0.00	0.00

•	V	Arrear	Contributions due	Ŧ.,
Members Gabon	Years 15-23	Contributions 436,669.56	<b>2023</b> 55,700.00	<b>Total</b> 492,369.56
Gambia	01-05, 08-10, 13, 22-23	209,725.69	27,850.00	237,575.69
Georgia	01-03, 08-10, 13, 22-23	0.00	0.00	0.00
Germany	23	0.00	356,477.00	356,477.00
Ghana	22-23	29,884.90	33,419.00	63,303.90
Greece	23	0.00	181,101.00	181,101.00
Guatemala	23	0.00	55,700.00	55,700.00
Guinea	96, 98-00, 07-09, 14-23	377,465.01	27,850.00	405,315.01
Guinea-Bissau	92-96, 99-23	668,542.55	27,850.00	696,392.55
Haiti	20, 22-23	28,258.89	27,850.00	56,108.89
Honduras		0.00	0.00	0.00
Hungary	-	0.00	0.00	0.00
India	-	0.00	0.00	0.00
Indonesia	23	0.00	167,098.00	167,098.00
Iran, Islamic Republic of	19-23	341,222.00	111,399.00	452,621.00
Iraq	93-06, 12	1,549,780.14	0.00	1,549,780.14
' Israel	- -	0.00	0.00	0.00
Italy	-	0.00	0.00	0.00
Jamaica	-	0.00	0.00	0.00
Japan	23	0.00	356,477.00	356,477.00
Jordan	20	859.77	0.00	859.77
Kazakhstan	23	0.00	75,752.00	75,752.00
Kenya	22-23	33,419.00	33,419.00	66,838.00
Kingdom of Eswatini	23	0.00	33,419.00	33,419.00
Kuwait	98, 23	34,309.21	133,680.00	167,989.21
Kyrgyzstan	00-10, 12-15, 23	330,842.35	27,850.00	358,692.35
Lao People's Democratic Republic	92-95, 04	70,715.71	0.00	70,715.71
Lebanon	22-23	75,752.00	75,752.00	151,504.00
Lesotho	23	0.00	27,850.00	27,850.00
Liberia	12-23	294,749.00	27,850.00	322,599.00
Libya	15-21, 23	401,735.00	50,129.00	451,864.00
Lithuania	-	0.00	0.00	0.00
Madagascar	17-19, 22-23	108,654.44	27,850.00	136,504.44
Malawi .	11-23	301,523.99	27,850.00	329,373.99
Malaysia	23	0.00	211,659.00	211,659.00
Maldives	21	152.00	0.00	152.00
Mali	23	0.00	27,850.00	27,850.00
Malta	-	0.00	0.00	0.00
Mauritania	81-05, 16-19	671,369.90	0.00	671,369.90
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, 23	35,558.00	33,419.00	68,977.00
Montenegro	23	0.00	33,419.00	33,419.00
Morocco	23	0.00	75,752.00	75,752.00
Mozambique	23	0.00	27,850.00	27,850.00
Myanmar	23	0.00	41,327.00	41,327.00
Namibia	23	0.00	50,129.00	50,129.00
Nepal	23	0.00	27,850.00	27,850.00
Netherlands	23	0.00	244,663.00	244,663.00
Nicaragua	-	0.00	0.00	0.00
Niger	84-87,90-07,10-11,14-17,19-23	763,682.81	27,850.00	791,532.81
Nigeria	23	0.00	48,911.78	48,911.78
Oman	-	0.00	0.00	0.00
Pakistan	19-20, 22-23	138,453.19	50,129.00	188,582.19
Palau	22-23	16,710.00	16,710.00	33,420.00
Panama	23	0.00	73,877.67	73,877.67
Papua New Guinea	23	0.00	33,419.00	33,419.00
Paraguay	23	0.00	49,593.00	49,593.00
Peru	23	0.00	48.10	48.10
Philippines	23	0.00	75,752.00	75,752.00

		Arrear	Contributions due	
Members	Years	Contributions	2023	Total
Poland	-	0.00	0.00	0.00
Portugal	-	0.00	0.00	0.00
Qatar	-	0.00	0.00	0.00
Republic of Korea	23	0.00	222,798.00	222,798.00
Republic of Moldova	23	0.00	33,419.00	33,419.00
Romania	-	0.00	0.00	0.00
Russian Federation	23	0.00	74,266.00	74,266.00
Rwanda	22-23	27,850.00	27,850.00	55,700.00
Samoa	-	0.00	0.00	0.00
San Marino	•	0.00	0.00	0.00
Sao Tome and Principe	86-14, 18-23	677,720.65	16,710.00	694,430.65
Saudi Arabia	-	0.00	0.00	0.00
Senegal	21-23	50,773.03	33,419.00	84,192.03
Serbia	23	0.00	55,700.00	55,700.00
Seychelles	23	0.00	16,710.00	16,710.00
Sierra Leone	83-00, 03-20, 22-23	861,698.12	27,850.00	889,548.12
Slovakia	-	0.00	0.00	0.00
Slovenia	-	0.00	0.00	0.00
Somalia	20-23	83,550.00	27,850.00	111,400.00
South Africa	23	0.00	133,680.00	133,680.00
Spain	-	0.00	0.00	0.00
Sri Lanka	23	0.00	49,593.00	49,593.00
Sudan	90-03, 06-08, 13-14, 18-20, 23	520,218.18	44,629.00	564,847.18
Switzerland	70-03, 00-00, 13-14, 10-20, 23	0.00	0.00	0.00
Syrian Arab Republic	12-20, 22-23	526,569.21	40,257.00	566,826.21
Tajikistan	12-20, 22-23	0.00	0.00	0.00
Thailand	-	0.00	0.00	0.00
	-			0.00
The former Yugoslav Republic of Macedonia	-	0.00	0.00	
Timor-Leste	22-23	33,255.08	33,419.00	66,674.08
Togo	05-06, 19, 23	41,044.83	27,850.00	68,894.83
Trinidad and Tobago	23	0.00	66,840.00	66,840.00
Tunisia	-	0.00	0.00	0.00
Turkey	-	0.00	0.00	0.00
Turkmenistan	95-98, 00-12, 16-23	823,418.40	50,129.00	873,547.40
Uganda	99-00, 02-04, 10-12, 15-18, 23	271,898.75	33,419.00	305,317.75
Ukraine	23	0.00	55,660.00	55,660.00
United Arab Emirates	22-23	48.00	211,659.00	211,707.00
United Republic of Tanzania	23	0.00	44,629.00	44,629.00
Uruguay	03, 23	64,077.22	75,752.00	139,829.22
Uzbekistan	23	0.00	32,419.00	32,419.00
Vanuatu	10-17, 20-23	247,311.00	27,850.00	275,161.00
Venezuela	16, 18-23	585,134.27	133,680.00	718,814.27
Viet Nam	23	0.00	72,477.00	72,477.00
Yemen	18-23	149,552.45	33,419.00	182,971.45
Zambia	21-23	14,035.30	92.11	14,127.41
Zimbabwe	22-23	27,850.00	27,850.00	55,700.00
Extrabudgetary Contributions		137,115.00	0.00	137,115.00
Antigua and Barbuda	22	16,710.00	0.00	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
ssociate Members		101,316.35	25,065.00	126,381.35
Aruba	19-23	100,260.00	25,065.00	125,325.00
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
	- 10 01			
Puerto Rico	18, 21	1,056.35	0.00	1,056.35

		Arrear	Contributions due	
Members	Years	Contributions	2023	Total
Affiliate Members		642,020.32	671,251.08	1,313,271.40
Former Full Members		918,478.93	0.00	918,478.93
Former Associate Members		1,947.90	0.00	1,947.90
Former Affiliate Members		478,437.33	2,291.67	480,729.00

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 III.C.2: Arrear contributions received from Members due to the General Fund for the period ended 31 March 2023

Arrear contributions received from Members due to the General Fund for the period ended 31 March 2023

Euros

Members	Contribution year	31/03/2023	
Total	-	361,602.14	
Full Members		239,998.65	
Sri Lanka	22	46,133.00	
Nicaragua	22	33,419.00	
Papua New Guinea	22	33,419.00	
Iraq	93	30,930.51	
Lesotho	22	27,850.00	
Mauritania	79-81	25,412.77	
Malawi	11	16,000.00	
Congo	19	15,244.90	
Lao People's Democratic Republic	92-93	11,589.47	
Affiliate Members	18-22	121,603,49	

## Annex III.C.3: Reserves, other and non-RB projects within the GF movements for the period ended 31 March 2023

Reserves, other and non-RB projects within the GF movements for the period ended 31 March 2023

Description	Net assets 01/01/2023	Movements	Net assets 31/03/2023	Assets & reconciling items	Actual amounts 31/03/2023 <sup>1</sup>	Outstanding commitments	Actual amounts after commitments 31/03/2023
Reserves							
Replacement reserve projects <sup>2</sup>	1,563,860.27	-26,411.69	1,537,448.58	408,500.98	1,128,947.60	196,170.50	932,777.10
Infrastructure ICT	175,644.35	-244.62	175,399.73	30,467.80	144,931.93	100,240.00	44,691.93
IPSAS	70,266.96	-17,566.74	52,700.22	52,700.22	0.00	0.00	0.00
HQ infrastructure improvement	386,729.83	-8,600.33	378,129.50	221,305.96	156,823.54	0.00	156,823.54
RRP Pool	731,219.13	0.00	731,219.13	0.00	731,219.13	0.00	731,219.13
Athena III	200,000.00	0.00	200,000.00	104,027.00	95,973.00	95,930.50	42.50
Working Capital Fund	4,590,978.37	0.00	4,590,978.37	0.00	4,590,978.37	0.00	4,590,978.37
Special reserve for contingency project 3	385,669.60	-3,778.53	381,891.07	56,471.11	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	11,824.84	-1,357.29	10,467.55	10,467.55	0.00	0.00	0.00
Floor Reform	48,424.80	-2,421.24	46,003.56	46,003.56	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
Other Regular Budget projects	-14,812,955.07	-263,434.31	-15,076,389.38	0.00	-15,076,389.38	0.00	-15,076,389.38
After Service Employee Benefit	-14,812,955.07	-263,434.31	-15,076,389.38	0.00	-15,076,389.38		-15,076,389.38
Non-Regular Budget projects 4	2,450,903.67	477,933.15	2,928,836.82	28,057.67	2,900,779.15	323,013.39	2,577,765.76
Publications Store	1,725,182.32	263,559.11	1,988,741.43	20,525.92	1,968,215.51	127,765.52	1,840,449.99
Affiliate Members Programme of Work	658,793.53	215,398.00	874,191.53	122.78	874,068.75	195,247.87	678,820.88
Security at HQ - allocation	66,927.82	-1,023.96	65,903.86	7,408.97	58,494.89	0.00	58,494.89
Miscellaneous project	-72,819.45	208,840.33	136,020.88	0.00	136,020.88	0.00	136,020.88
Miscellaneous reve nue project pool	-77,099.45	208,840.33	131,740.88		131,740.88	0.00	131,740.88
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

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.

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 and CE/DEC/4(CXVII) in CE/117/3(c); iv) Althena III: A/RES/733(XXIV) in document A/24/5(b) rev.1.

<sup>&</sup>lt;sup>3</sup> 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.

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

<sup>&</sup>lt;sup>5</sup> Proposal to be submitted to GA

# Annex III.C.4: Voluntary and miscellaneous project contributions received for the period ended 31 March 2023

Voluntary contributions received for the period ended 31 March 2023

Project	Donor	Curr	Amount	EUR
Total				5,125,609.78
Regional Office for the Middle East	Saudi Arabia	SAR	18,750,000.00	4,585,109.22
Greece: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	European Bank for Reconstruction and Development	EUR	174,496.00	174,496.00
For Promotion of Investments and Digitalization of the Tourism Sector in the Kingdom of Morocco	Morocco	EUR	100,000.00	100,000.00
Data Collection Survey on Recovery of Tourism affected by COVID-19	Japan International Cooperation Agency	EUR	57,676.30	57,676.30
Uzbekistan: Facilitating Tourism Recovery in Aftermath of Covid-19	European Bank for Reconstruction and Development	EUR	53,000.00	53,000.00
Support for the Global Youth Tourism Summit	Qatar	EUR	47,393.00	47,393.00
Turkey: Covid-19 Tourism Recovery Technical Assistance Cooperation Package	European Bank for Reconstruction and Development	EUR	30,860.00	30,860.00
The Development of Tourism Statistics for the Compilation of a Tourism Satellite Account for the UAE	United Arab Emirates	USD	31,988.00	30,036.73
Uzbekistan: Facilitating Tourism Recovery in Aftermath of Covid-19	European Bank for Reconstruction and Development	EUR	23,479.00	23,479.00
Para la Celebración del UNWTO Tourism Tech Adventure y un Reto de Innovación	Institución Ferial de Canarias	EUR	14,990.00	14,990.00
Lesotho/UNWTO Technical Assistance in the Development of the Tourism Sector	Lesotho	USD	9,335.00	8,569.53

<sup>&</sup>lt;sup>1</sup> 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 III.C.5: In-kind contributions received for the period ended 31 March 2023

In-kind contributions received for the period ended 31 March 2023

Euros

Donor	Project	Total
Total		605,642.74
Use of conference facilities and premi	ise	380,310.73
Spain	Headquarter	238,225.34
Saudi Arabia	Regional Office for the Middle East	107,916.80
APTEC	Regional Support Office for Asia and the Pacific	18,593.60
Nepal	UNWTO Regional Workshop on Measuring Tourism in Asia and the Pacific	10,000.00
International Trade Centre	Geneva Liaison Office	5,574.99
Donated travel		225,332.01
Saudi Arabia		74,856.71
World Tourism Alliance (WTA)		22,116.29
China		22,116.28
India		20,637.52
Qatar Tourism Authority		16,075.14
Republic of Mauritius		12,028.04
World Tourism Industry Conference		10,617.12
India		8,582.88
Israel		7,445.13
Dominican Republic		7,061.89
Institución Ferial de Canarias (INFE	CAR)	3,846.94
Nepal		3,745.42
Fundación Mallorca Turisme		3,226.20
South Africa		2,728.49
Government of La Rioja		2,380.01
Croatia		1,126.22
Donors with contribution below EUR	1,000	6,741.73

## Annex III.C.6: Project support costs (PSC) and Initiative projects (PRF) movements for the period ended 31 March 2023

Project support costs (PSC) and Initiative projects (PRF) movements for the period ended 31 March 2023

Description	Net assets 01/01/2023	Movements	Net assets 31/03/2023	Assets & reconciling items	Actual amounts 31/03/2023 <sup>1</sup>	Outstanding commitments	Actual amounts after commitments 31/03/2023
PSC and Initiative projects							
Project support cost projects <sup>2</sup>	921,095.03	-28,703.25	892,391.78	0.00	892,391.78	399,102.82	493,288.96
Initiative projects <sup>3</sup>	135,730.69	0.00	135,730.69	0.00	135,730.69	0.00	135,730.69
PRF-EU Horizon 2020 <sup>4</sup>	3,000.00	0.00	3,000.00	0.00	3,000.00	0.00	3,000.00
China Initiative Fund - Asia	55,693.01	0.00	55,693.01	0.00	55,693.01	0.00	55,693.01
Technical Cooperation Initiative	77,037.68	0.00	77,037.68	0.00	77,037.68	0.00	77,037.68
PRF-TECO <sup>5</sup>	35,842.53	0.00	35,842.53	0.00	35,842.53	0.00	35,842.53
China-Initiative-Funds-TECO	41,195.15	0.00	41,195.15	0.00	41,195.15	0.00	41,195.15

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.

<sup>&</sup>lt;sup>2</sup> DRF Annex III.

<sup>&</sup>lt;sup>3</sup> 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).

<sup>&</sup>lt;sup>4</sup> PRF-EU Horizon 2020 (Project reserve fund – European Union Horizon 2020).

<sup>&</sup>lt;sup>5</sup> PRF-TECO (Project reserve fund – Technical Cooperation).

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### Annex III.C.7: Projects with UNWTO and donors' contributions for the period ended 31 March 2023

Projects with UNWTO and donors contribution for the period ended 31 March 2023 Euros

									Contri	ibution
		Agreemen	t		Donor		UNWTO		%	Share
Project	Title	Date	Donor	In-kind	Cash	In-kind	Cash	Total	Donor U	NWTO
Korea - Asia Activity Fund / Promotion in the Least	Agreement between The World Tourism Organization (UNWTO) and Ministry of Culture,									
Developed Countries in Asia	Tourism and Civil Aviation of Nepal	14/03/2023	3 Nepal	35,400.00	0.00	36,000.00	0.00	71,400.00	50%	50%
	Coorperation Agreement between UNWTO and the Ministry of Tourism of the Kingdom of									
Human Capital Development by E-Learning	Saudi Arabia	07/03/2023	Saudi Arabia	0.00 3,5	16,083.00	50,000.00	0.00	3,566,083.00	99%	1%
Celebración de la 118th reunion del Consejo Ejecutiv	o Acuerdo entre la Organizacion Mundial del Turismo y el Gobierno de Republica		Dominican							
en Punta Cana (Republica Dominicana)	Dominicana	07/03/2023	Republic	309,336.00	0.00	11,795.92	0.00	321,131.92	96%	4%

<sup>1.</sup> Contributions as shown in the agreements signed between UNWTO and the donor/s, regardless UNWTO source of funding.

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

<sup>3.</sup> 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.1: 2022-2023 Regular Budget as approved by the 24th General Assembly (A/RES/733(XXIV)

2022-2023 Regular Budget appropriations as approved by the General Assembly at 31 March 2021

Euros

										Ар	propriations
	Posts	1			2022			2023			2022-2023
Parts / sections <sup>3</sup>	P	G	Staff	Non-staff	Total	Staff	Non-staff	Total	Staff	Non-staff	Total
	10	06									
Total	55	51	10,330,000	4,718,000	15,048,000	10,711,000	4,679,000	15,390,000	21,041,000	9,397,000	30,438,000
A Member Relations	12	5	1,764,000	546,000	2,310,000	1,841,000	540,000	2,381,000	3,605,000	1,086,000	4,691,000
A01 Regional Programme, Africa	4	0	488,000	181,000	669,000	512,000	179,000	691,000	1,000,000	360,000	1,360,000
A02 Regional Programme, Americas	2	2	364,000	80,000	444,000	378,000	79,000	457,000	742,000	159,000	901,000
A03 Regional Programme, Asia and the Pacific	3	1	426,000	96,000	522,000	445,000	95,000	540,000	871,000	191,000	1,062,000
A04 Regional Programme, Europe	2	1	304,000	113,000	417,000	317,000	112,000	429,000	621,000	225,000	846,000
A05 Regional Programme, Middle East	0	0	0	76,000	76,000	0	75,000	75,000	0	151,000	151,000
A06 Affiliate Members	1	1	182,000	0	182,000	189,000	0	189,000	371,000	0	371,000
B Operational	18	12	3,028,000	929,000	3,957,000	3,148,000	920,000	4,068,000	6,176,000	1,849,000	8,025,000
B01 Sustainable Development of Tourism	4	2	608,000	82,000	690,000	634,000	81,000	715,000	1,242,000	163,000	1,405,000
B02 Technical Cooperation and Silk Road	3	2	598,000	8,000	606,000	618,000	8,000	626,000	1,216,000	16,000	1,232,000
B03 Statistics	3	2	486,000	92,000	578,000	506,000	91,000	597,000	992,000	183,000	1,175,000
B04 Tourism Market Intelligence and Competitiveness	3	2	486,000	209,000	695,000	506,000	207,000	713,000	992,000	416,000	1,408,000
B05 Ethics, Culture and Social Responsibility	1	2	242,000	92,000	334,000	250,000	91,000	341,000	492,000	183,000	675,000
B06 Innovation, Education and Investments	1	1	182,000	360,000	542,000	189,000	357,000	546,000	371,000	717,000	1,088,000
B07 Institutional Relations and Partnerships	3	1	426,000	86,000	512,000	445,000	85,000	530,000	871,000	171,000	1,042,000
C Support - Direct to Members	16	8	2,880,000	1,197,000	4,077,000	2,984,000	1,186,000	4,170,000	5,864,000	2,383,000	8,247,000
C01 Conferences Services	4	2	608,000	129,000	737,000	634,000	128,000	762,000	1,242,000	257,000	1,499,000
C02 Management	11	4	2,030,000	754,000	2,784,000	2,100,000	747,000	2,847,000	4,130,000	1,501,000	5,631,000
C03 Communications	1	2	242,000	314,000	556,000	250,000	311,000	561,000	492,000	625,000	1,117,000
D Support - Indirect to Members	9	26	2,658,000	2,046,000	4,704,000	2,738,000	2,033,000	4,771,000	5,396,000	4,079,000	9,475,000
D01 Budget and Finance	2	2	364,000	319,000	683,000	378,000	317,000	695,000	742,000	636,000	1,378,000
D02 Human Resources	1	1	182,000	167,000	349,000	189,000	165,000	354,000	371,000	332,000	703,000
D03 Information and Communication Technology	2	3	424,000	378,000	802,000	439,000	374,000	813,000	863,000	752,000	1,615,000
D04 General Services	0	5	300,000	482,000	782,000	305,000	477,000	782,000	605,000	959,000	1,564,000
D05 Staff vacancies & ASEB Provisions	4	15	1,388,000	700,000	2,088,000	1,427,000	700,000	2,127,000	2,815,000	1,400,000	4,215,000

Total % over prior biennia

% over prior biennia

<sup>&</sup>lt;sup>1</sup> P posts include from P and above posts[[[[]]

<sup>&</sup>lt;sup>2</sup> Before transfers. 2020: In accordance to parts/sections structure and appropriations approved originally by A/RES/715(XXIII) of document A/23/5(b) rev.1, its structure updates approved by CE/DEC/6(CXII) of document CE/112/3(d) rev.1. and CE/DEC/3(CXIII) of document CE/113/3(b), the Secretary-General proposal of structure modification (part II of this document) and its adaptation to 2021 budget structure at 31 March 2021 for comparison purposes. 2021: 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/3(CXIII) of document CE/113/3(b) and the Secretary-General proposal of structure modification (part III of this document).

<sup>&</sup>lt;sup>3</sup> As per 2022-2023 draft budget structure names proposal.

### Annex IV.2: 2022-2023 Regular Budget as approved, revised, proposed and adapted to current structure

2022-2023 Regular budget as approved, revised, proposed and adapted to current structure at 31 March 2023

Euros

		_								ļ	Appropriations <sup>2</sup>
	Posts <sup>1</sup>				2022			2023			2022-2023
Parts / sections	Р	G	Staff	Non-staff	Total	Staff	Non-staff	Total	Staff	Non-staff	Total
	106										
Total	55	51	10,330,000	4,718,000	15,048,000	10,711,000	4,679,000	15,390,000	21,041,000	9,397,000	30,438,000
A Member Relations	12	4	1,704,000	546,000	2,250,000	1,780,000	540,000	2,320,000	3,484,000	1,086,000	4,570,000
A01 Regional Programme, Africa	4	0	488,000	181,000	669,000	512,000	179,000	691,000	1,000,000	360,000	1,360,000
A02 Regional Programme, Americas	2	2	364,000	80,000	444,000	378,000	79,000	457,000	742,000	159,000	901,000
A03 Regional Programme, Asia and the Pacific	4	0	488,000	96,000	584,000	512,000	95,000	607,000	1,000,000	191,000	1,191,000
A04 Regional Programme, Europe	1	1	182,000	113,000	295,000	189,000	112,000	301,000	371,000	225,000	596,000
A05 Regional Programme, Middle East	0	0	0	76,000	76,000	0	75,000	75,000	0	151,000	151,000
A06 Affiliate Members	1	1	182,000	0	182,000	189,000	0	189,000	371,000	0	371,000
B Operational	16	10	2,552,000	929,000	3,481,000	2,658,000	920,000	3,578,000	5,210,000	1,849,000	7,059,000
B01 Sustainable Development of Tourism	4	1	548,000	82,000	630,000	573,000	81,000	654,000	1,121,000	163,000	1,284,000
B02 Technical Cooperation and Silk Road	2	2	364,000	8,000	372,000	378,000	8,000	386,000	742,000	16,000	758,000
B03 Statistics	2	2	364,000	92,000	456,000	378,000	91,000	469,000	742,000	183,000	925,000
B04 Tourism Market Intelligence and Competitiveness	2	2	364,000	209,000	573,000	378,000	207,000	585,000	742,000	416,000	1,158,000
B05 Ethics, Culture and Social Responsibility	1	2	242,000	92,000	334,000	250,000	91,000	341,000	492,000	183,000	675,000
B06 Innovation, Education and Investments	3	0	366,000	360,000	726,000	384,000	357,000	741,000	750,000	717,000	1,467,000
B07 Institutional Relations and Partnerships	2	1	304,000	86,000	390,000	317,000	85,000	402,000	621,000	171,000	792,000
C Support - Direct to Members	14	9	2,584,000	1,197,000	3,781,000	2,677,000	1,186,000	3,863,000	5,261,000	2,383,000	7,644,000
C01 Conferences Services	3	1	426,000	129,000	555,000	445,000	128,000	573,000	871,000	257,000	1,128,000
C02 Management	10	6	1,916,000	754,000	2,670,000	1,982,000	747,000	2,729,000	3,898,000	1,501,000	5,399,000
C03 Communications	1	2	242,000	314,000	556,000	250,000	311,000	561,000	492,000	625,000	1,117,000
D Support - Indirect to Members	13	28	3,490,000	2,046,000	5,536,000	3,596,000	2,033,000	5,629,000	7,086,000	4,079,000	11,165,000
D01 Budget and Finance	3	1	426,000	319,000	745,000	445,000	317,000	762,000	871,000	636,000	1,507,000
D02 Human Resources	1	1	182,000	167,000	349,000	189,000	165,000	354,000	371,000	332,000	703,000
D03 Information and Communication Technology	1	2	242,000	378,000	620,000	250,000	374,000	624,000	492,000	752,000	1,244,000
D04 General Services	0	4	240,000	482,000	722,000	244,000	477,000	721,000	484,000	959,000	1,443,000
D05 Staff vacancies & ASEB Provisions	8	20	2,400,000	700,000	3,100,000	2,468,000	700,000	3,168,000	4,868,000	1,400,000	6,268,000

<sup>&</sup>lt;sup>1</sup> P posts include from P and above posts [] []

<sup>&</sup>lt;sup>2</sup> Before transfers. 2022: Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVI) of CE116/3(c) rev.1 and CE/DEC/4(CXVII) of (CE/117/3(c) Add.1., the Secretary-General proposal of structure modification (part II of this document) and its adaptation to 2023 regular budget structure at 31 March 2023 for comparison purposes. 2023: Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVII) of CE116/3(c) rev.1, CE/DEC/4(CXVII) of (CE/117/3(c) Add.1 and the Secretary-General proposal of structure modification (part III of this document). Movements of posts among sections are annually considered.

### Annex IV.3: Regular Budget envelope evolution: Nominal vs Real

Regular Budget envelope evolution: Nominal vs Real

at 31 March 2023 Euro (thousands)

									Biennia
	2008-2009	2010-2011	2012-2013	2014-2015	2016-2017	2018-2019	2020-2021	2022-2023	2024-2025
Nominal budget	25,110,000	25,200,000	25,200,000	26,616,000	26,984,000	27,603,000	30,096,000	30,438,000	31,677,000
Real budget	25,110,000	24,175,508	23,184,054	24,697,563	24,510,652	24,540,944	25,960,687	23,586,206	23,144,317

Remarks:

Nominal budget: approved/proposed budget.

Real budget: Base 2008-2009 budget updated by price adjustment index: a) 2008-2022 CPI for Spain (source INE) and, b) 2023-2025 UNWTO estimate as per inflation for Spain (source IMF).

1. The purpose of this Annex is to provide information on price adjustments and statutory cost adjustments. Due to the nature of these adjustments, prices and statutory cost adjustments have an impact on the expenses incurred by the Secretariat, irrespective as to whether an additional budget provision is made for them or not.

### **Price adjustment indicators**

- 2. As UNWTO Headquarters is in Madrid, most of UNWTO expenses are incurred or are related to prices in Spain. 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" (INE)). CPI for Spain for the years 2008 to 2022 as published by INE is shown below. Nevertheless, INE does not provide CPI forecasts for the years 2023 and beyond. By contrast, price adjustment indicators forecast for Spain (CPI, inflation, Gross domestic product (GDP) deflator, Harmonized index of consumer prices (HICP)) are published by other sources such as International Monetary Fund (IMF), Organisation for Economic Co-operation and Development (OECD), or Bank of Spain ("Banco de España" (BDE)). After analysing them, the Secretary-General has considered reasonable to choose a 4.1%% as price adjustment for Spain for 2023, 2.8% for 2024 and 2.2% for 2025 based on the inflation indicator published by the IMF.
- 3. For the purpose of assessing the evolution of prices in Spain and the cumulative inflation since 2010, the annual CPI for Spain as provided by INE for the years 2009-2022 as well as UNWTO price adjustment estimates for the years 2023-2024-2025 have been analysed. The table below, "Evolution of price adjustment for Spain vs. approved/proposed budgets", shows the evolution of the price adjustment for Spain and compares the price adjustment base index (base 100 for 2009) with the approved and proposed budgets base index (base 100 for 2009).
- 4. Additionally, the below table also compared the price adjustment estimated at March 2021 for the years 2021-2022-2023 compared with the final data resulted at 2021 and 2022 as per INE CPI data and the estimate for 2023 at March 2023 as per IMF inflation data. Using as base index 2020, the purchasing-power loss at 2023 due to inflation amounts to more than 13%.

Evolution of price adjustment for Spain vs. approved/proposed budgets at 31 March 2023

Rate/Index/Euros

				Price a	adjustment <sup>1</sup>			Appr	oved/propo	sed budget <sup>2</sup>
		% CY/PY	Base index	Base	index 2020					
			2009 (over						%CBiennia/	Base index
	As at 2023 A	s at 2021	2023 data)	As at 2023	As at 2021	Annual	Biennia	%CY/PY	PBiennia	2009
Total										
2025	2.20	2.20	138.33	123.12		16,287,000	31,677,000	5.83	4.07	125.65
2024	2.80	2.80	135.35	120.47		15,390,000		0.00		118.73
2023	4.10	1.60	131.67	117.19	104.05	15,390,000	30,438,000	2.27	1.14	118.73
2022	5.70	1.60	126.48	112.57	102.41	15,048,000		-0.98		116.09
2021	6.50	0.80	119.66	106.50	100.80	15,197,000	30,096,000	2.00	9.03	117.24
2020	-0.50	-0.50	112.36	100.00	100.00	14,899,000				114.94
2019	0.80		112.92			13,994,000	27,603,000	2.83	2.29	107.96
2018	1.20		112.02			13,609,000		0.87		104.99
2017	1.10		110.70			13,492,000	26,984,000	0.00	1.38	104.09
2016	1.60		109.49			13,492,000		0.00		104.09
2015	0.00		107.77			13,492,000	26,616,000	2.80	5.62	104.09
2014	-1.00		107.77			13,124,000		2.80		101.25
2013	0.30		108.86			12,767,000	25,200,000	2.69	0.00	98.50
2012	2.90		108.53			12,433,000		-2.62		95.92
2011	2.40		105.47			12,767,000	25,200,000	2.69	0.36	98.50
2010	3.00		103.00			12,433,000		-4.08		95.92
2009	0.80		100			12,962,000	25,110,000	6.7	3.9	100
2008	1.40					12,148,000				

Remarks

### Statutory costs adjustments

- 5. The remuneration of staff in the Professional and higher categories consists of a base salary and a post adjustment. The base salary scale is published, and periodically updated, by the International Civil Service Commission (ICSC) in New York. The ICSC also publishes a monthly post adjustment index, reflecting the evolution of the cost of living at UNWTO's Headquarters and other duty stations around the world. Since UNWTO is a specialized agency of the United Nations and the leading United Nations agency in Spain, it cooperates with ICSC periodically in conducting "place-to-place surveys" to determine the level of the cost of living at Madrid for United Nations system officials. Surveys are normally conducted every five years. The last place-to-place survey for Madrid took place in late 2021 and the result was a positive change in net remuneration and net take-home pay of 4.8% and 5.6% respectively, for staff members in the Professional and higher categories, applicable since 1 August 2022. The cost estimates for this staff category in 2024-2025 have been based on the planned staffing level for the biennia, taking as reference the base and pensionable salary scales in force on March 2023, statutory increments due, plus an adjusted provision for salary growth (price adjustment plus productivity growth<sup>4</sup>) for the possible annual increase in the cost of living and due to personnel seniority.
- 6. The estimated costs for General Service staff for 2024-2025 are based on the budgeted staffing level in this category. The salary scale for General Service officials is published by the ICSC and is expressed in euros. The ICSC has determined the annual increases by reference to the Madrid cost of living index. The salary scale effective October 2022 has been used to determine staff costs in this category, after making allowance for statutory increments and annual provision for salary growth (price adjustment plus productivity

<sup>1 %</sup> CY/PY: a) 2008-2022 CPI for Spain (source INE) and, b) 2023-2025 UNWTO estimate as per inflation for Spain (source IMF). Base index: base incorporates previous year price adjustment

<sup>&</sup>lt;sup>4</sup> Productivity growth indicator (1.55% on average for all staff categories) is based on salary scales grades/steps increases per staff category at March 2023.

<sup>&</sup>lt;sup>5</sup> UN document A/76/11

- growth) in the cost of living for Spain. This scale has been established by the United Nations on the basis of the results of the comprehensive survey carried out in Madrid in October 2016. Surveys are normally conducted every eight to ten years.
- 7. The combined effect of these staff costs budgetary adjustments in both categories amounts to EUR 1,136,000 for the period 2024-2025. Therefore, in order to remain within the proposed budgeted staff cost of EUR 22,177,000 for the period 2024-2025, EUR 10,845,000 in 2024 and EUR 11,332,000 in 2025, the shortfall has to be compensated through the non-filling of vacant positions by some 23% resulting in an effective decline in the staff strength on positions effectively filled (approved RB post positions since period 2010-2011 are shown in Annex IV.9 including unbudgeted and budgeted ones for the biennium 2024-2025). This leads to increased demands on the existing staff to cover the shortfalls and is not sustainable without damaging the operational viability of the Organization.
- 8. The basis for calculating contributions to the United Nations Joint Staff Pension Fund (UNJSPF) is unchanged with respect to the period 2020-2021. In effect, of the total contribution rate of 23.7 per cent (the rate currently applicable in the UNJSPF), the two-thirds financed by the Organization will amount in this case to 15.8 per cent of pensionable remuneration for the financial years 2024 and 2025. It should be mentioned that the contribution to the fund must be in USD. If the USD strengthens against the EUR, UNWTO's contribution to the Fund may result in significant additional costs.
- 9. For the purpose of the 2024-2025 budget, the staff health and accident insurance premium rates are estimated to increase by 2.5% with respect to those applied in March 2023. Therefore, the rate foreseen to be contributed by the Organization would be 10.47% in 2024 and 2025 (7.97% at March 2023) of gross staff remuneration.
- 10. For other staff benefits, previous years' experience and the estimated increase of inflation has been taken into account.

Annex IV.5: 2024-2025 Proposed budgetary income and expenditure compared with 2022-2023 - Regular Budget

2024-2025 Proposed budgetary income and expenditure compared with 2022-2023 - Regular Budget at 31 March 2023  $\,$ 

Euros

		2022-2	2023 budget		2024-2025 D	raft budget
	2022	2023	2022-2023	2024	2025	2024-2025
Budgetary difference	0	0	0	0	0	0
Budgetary income	15,048,000	15,390,000	30,438,000	15,390,000	16,287,000	31,677,000
Contributions from Full and Associate Members	13,317,000	13,323,000	26,640,000	13,739,000	14,627,000	28,366,000
Full Members	13,061,000	13,067,000	26,128,000	13,464,000	14,332,000	27,796,000
Associate Members	256,000	256,000	512,000	275,000	295,000	570,000
Other income sources	1,731,000	2,067,000	3,798,000	1,651,000	1,660,000	3,311,000
Allocation from PY RB Budgetary cash balance	582,000	782,000	1,364,000	668,000	605,000	1,273,000
Allocation from Publication store Accumulated Surplus	350,000	450,000	800,000	160,000	100,000	260,000
Allocation from Project Reserve Fund (pool) balance						
Allocation from Miscellaneous revenue balance to LGC	0			4,000	0	4,000
Affiliate Members contributions	799,000	835,000	1,634,000	819,000	955,000	1,774,000
Budgetary expenditure	15,048,000	15,390,000	30,438,000	15,390,000	16,287,000	31,677,000
A Member Relations	2,310,000	2,381,000	4,691,000	2,685,000	2,826,000	5,511,000
B Operational	3,957,000	4,068,000	8,025,000	4,064,000	4,278,000	8,342,000
C Support - Direct to Members	4,077,000	4,170,000	8,247,000	4,558,000	4,794,000	9,352,000
D Support - Indirect to Members	4,704,000	4,771,000	9,475,000	4,083,000	4,389,000	8,472,000

- 1. With regard to the financing of the Organization's budget, Article 25.1 of the Statutes stipulates that:
  - "1. The budget of the Organization, covering its administrative functions and the general programme of work, shall be financed by contributions of the Full, Associate and Affiliate Members, according to a scale of assessment accepted by the Assembly and from other possible sources of receipts for the Organization in accordance with the Financing Rules which are attached to these Statutes and form an integral part thereof."
- 2. Annex IV.5 of this document, "2024-2025 Proposed income and expenditure budget compared with 2022-2023 budget", shows that the part of the budget to be financed with the contributions of the Full Members is EUR 13,464,000 for 2024 and EUR 14,332,000 for 2025. The rounded above-mentioned amounts have been apportioned among 159 Full Members by applying the formula for calculating the contributions of the Member States (Annex II of the UNWTO Financial Regulations (FR) on the Formula for fixing the contributions of Member States).
- 3. The estimates of contributions have been made in accordance with the statistical data provided by the United Nations concerning Gross National Income (GNI), Gross National Income per capita (GNI PC) and population, available to the UNWTO as of January 2021, and which were used by the UN to calculate the contributions of its Members. The reference period for these statistical data is 2014-2019<sup>5</sup>. The estimates of contributions have also taken into account the statistical data in regard to UNWTO International Tourism Receipts (ITR) for the same reference period. These set of statistical data resulting in same Members changing contributions group.
- 4. The total number of Full Members included in the scale of contributions for the period 2024-2025 (159 Full Members) has remained with respect to the period 2022-2023 (159 Full Members) taking into account Antigua and Barbuda<sup>6</sup> as new Member and Russia's withdrawal. As a result of this modification in the composition of the Full Members, steps have been taken to adjust the scale of contributions in accordance with Annex II of UNWTO Financial Rules. The number of groups remains at thirteen.
- 5. It should also be noted that following Annex II of the UNWTO Financial Rules, a limit of 7.5 per cent for 2024 and 2025 has been applied to increases in contributions in the case of those Members whose contributions would rise beyond this percentage as a result of moving to a higher group in the scale of contributions. Likewise, similar operations have also been made to limit the reduction in contributions as a result of Members moving to a lower group, in order to balance the income from contributions.
- 6. After the application of the above-mentioned limits, the Secretary-General proposes that contributions for 2024 and 2025 increase by 7.5% and 7.5% respectively in relation to the contributions approved for 2023 and proposed for 2024 for those Members that do not change group and are not subject to adjustment of their contribution because of an earlier change in group.
- 7. According to the measures established at the seventeenth General Assembly in resolution A/RES/526(XVII), the Associate Members Flanders, Hong Kong (China) and Macao (China), were included in a separate category from other Associate Members based on 90% of the contribution due for Full Members in group nine. The contribution of the rest of the Associate Members is maintained at 90% of the minimum contribution of the Full Members. The total rounded amount to be financed by the Associate Members is EUR 275,000 for 2024 and EUR 295,000 for 2025.
- 8. Concerning Affiliate Members, and following the EC decision at its 105th session (CE/DEC/8(CV) para. 6), the Secretary-General has assessed the Affiliate Members' contribution fee by a rounded similar amount to the increase approved for the Full and Associate Members contributions in relation with their contributions approved for the preceding year. As a result, the Secretary-General proposes to the General Assembly that the contribution fee of the Affiliate Members is

<sup>&</sup>lt;sup>5</sup> UN document A/76/11

<sup>6</sup> A/RES/735(XXIV)

set at EUR 2,700 for 2024 (EUR 2,500 at 2023) and at EUR 2,900 for 2025. Of these amounts and maintaining 2023 allocated approved percentages, Affiliate Members contributions allocations will be broken down as follows: i) EUR 1,575 in 2024 and EUR 1,691 in 2025 will be allocated as a contribution to the Organization's budget, ii) EUR 450 in 2024 and EUR 484 in 2025 for full annual access to UNWTO's E-library, and iii) EUR 675 in 2024 and EUR 725 in 2025 assigned to the activities of the Affiliate Members programme of work (AMPW). The total budgeted income to be financed by the current and new Affiliate Members is EUR 819,000 and EUR 955,000 for 2024 and 2025 respectively of the next period.

- 9. It is also noted that a deduction on this fee in 2024 and 2025 for specific Affiliate Members (TedQual Members) will be applied in accordance to Executive Council decision CE/DEC/20(XCV) as outlined in document CE/95/6(c). This fee deduction for specific Affiliate Members (TedQual Members) was approved in 2014 for a period of four years. The Secretary-General proposes to maintain this fee deduction until an assessment of the impact of this fee deduction on the Organization's budget and the convenience to maintain it would be submitted to the Members for their consideration.
- 10. The table below on 2024-2025 UNWTO Membership contributions shows the scale of unrounded contributions of the Full and Associate Members for 2024 and 2025, expressed in euros, in accordance with decision CE/DEC/10(LXIII-LXIV) of the Executive Council.

# 2024-2025 UNWTO Membership contributions at 31 March 2023

		2023		2024		2025
		Assessed				
Order Gr	oup UN country name	contribution*	Contribution	% CY/PY	Contribution	% CY/PY
	mbership contributions	13,100,338	13,738,727		14,627,315	
Full Men	•	12,844,675	13,463,888		14,331,863	
1	1 China	356,477	383,213	7.50	411,954	7.50
2	1 Japan	356,477	383,213	7.50	411,954	7.50
3	1 Germany	356,477	383,213	7.50	411,954	7.50
4	1 France	356,477	383,213	7.50	411,954	7.50
5	1 Spain	356,477	383,213	7.50	411,954	7.50
6	2 Italy	356,477	359,262	0.78	386,207	7.50
7	3 Switzerland	330,619	305,823		282,886	-7.50
8	3 Republic of Korea	222,798	239,508		257,471	7.50
9	3 Thailand	222,798	239,508		257,471	7.50
10	3 Netherlands	244,663	239,508		257,471	7.50
11	3 Austria	222,798	239,508	7.50	257,471	7.50
12	4 United Arab Emirates	211,659	227,533		244,598	7.50
13	4 Mexico	222,798	227,533		244,598	7.50
14	4 Brazil	222,798	227,533		244,598	7.50
15	4 Türkiye	222,798	227,533	2.13	244,598	7.50
16	4 India	211,659	227,533			7.50
					244,598	7.50 7.50
17	4 Saudi Arabia	211,659	227,533		244,598	
18	4 Qatar	211,659	227,533	7.50	244,598	7.50
19	5 Israel	167,098	179,630		193,102	7.50
20	5 Portugal	167,098	179,630		193,102	7.50
21	5 Greece	181,101	179,630		193,102	7.50
22	5 Malaysia	211,659	195,785		193,102	-1.37
23	5 Poland	167,098	179,630		193,102	7.50
24	5 Indonesia	167,098	179,630		193,102	7.50
25	6 Argentina	167,098	154,566		154,484	-0.05
26	6 Czechia	133,680	143,706		154,484	7.50
27	6 Kuwait	133,680	143,706		154,484	7.50
28	7 Croatia	111,399	119,754	7.50	128,736	7.50
29	7 Hungary	111,399	119,754		128,736	7.50
30	7 South Africa	133,680	123,654		128,736	4.11
31	7 Chile	111,399	119,754		128,736	7.50
32	7 Slovenia	111,399	119,754		128,736	7.50
33	7 Bahrain	75,752	81,433	7.50	87,540	7.50
34	7 Iran (Islamic Republic of)	111,399	119,754	7.50	128,736	7.50
35	8 Egypt	81,554	81,433	-0.15	87,540	7.50
36	8 Slovakia	95,316	88,167	-7.50	87,540	-0.71
37	8 Philippines	75,752	81,433	7.50	87,540	7.50
38	8 Romania	75,752	81,433	7.50	87,540	7.50
39	8 Colombia	111,399	103,044	-7.50	95,316	-7.50
40	8 Viet Nam	72,477	77,913	7.50	83,756	7.50
41	8 Lebanon	75,752	81,433	7.50	87,540	7.50
42	8 Panama	75,752	81,433	7.50	87,540	7.50
43	8 Dominican Republic	75,752	81,433		87,540	7.50
44	8 Uruguay	75,752	81,433		87,540	7.50

# 2024-2025 UNWTO Membership contributions at 31 March 2023

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11 Bolivia (Plurinational State of)

		2023		2024		2025
		Assessed				
Order G	roup UN country name	contribution*	Contribution	% CY/PY	Contribution	% CY/PY
45	8 Monaco	67,471	72,531	7.50	77,971	7.50
46	8 Costa Rica	75,752	81,433	7.50	87,540	7.50
47	8 Lithuania	66,840	71,853	7.50	77,242	7.50
48	8 Oman	75,752	81,433	7.50	87,540	7.50
49	8 Morocco	75,752	81,433	7.50	87,540	7.50
50	9 Peru	75,752	71,853	-5.15	77,242	7.50
51	9 Bulgaria	66,840	71,853	7.50	77,242	7.50
52	9 Kazakhstan	75,752	71,853	-5.15	77,242	7.50
53	9 Trinidad and Tobago	66,840	71,853	7.50	77,242	7.50
54	9 Cuba	66,840	71,853	7.50	77,242	7.50
55	9 Cyprus	66,840	71,853	7.50	77,242	7.50
56	9 Iraq	62,671	67,371	7.50	72,424	7.50
57	9 Jordan	66,840	71,853	7.50	77,242	7.50
58	9 Mauritius	66,840	71,853	7.50	77,242	
59	9 Sri Lanka	49,593	53,312	7.50	57,310	
60	9 Ecuador	66,840	71,853	7.50	77,242	
61	9 Venezuela (Bolivarian Republic of)	133,680	123,654	-7.50	114,380	
62	9 Nigeria	62,671	67,371	7.50	72,424	
63	10 Jamaica	55,700	59,878	7.50	64,369	
64	10 Azerbaijan	62,671	59,878	-4.46	64,369	
65	10 Serbia	55,700	59,878	7.50	64,369	
66	10 Georgia	49,593	53,312	7.50	57,310	
67	10 Cambodia	49,593	53,312	7.50	57,310	
68	10 Bahamas	55,700	59,878	7.50	64,369	
69	10 Belarus	55,700	59,878	7.50	64,369	
70	10 Albania	55,700	59,878	7.50	64,369	
70	10 Equatorial Guinea	51,942	55,838	7.50	60,026	
72	10 Botswana	55,700	59,878	7.50	64,369	
73		55,700	59,878	7.50	64,369	
73 74	10 Algeria 10 Ukraine			7.50		
	11 Guatemala	55,700	59,878		64,369	
75		55,700	53,889	-3.25	57,931 57,031	7.50
76	11 Bosnia and Herzegovina	50,129	53,889	7.50	57,931	7.50
77 70	11 Malta	50,129	53,889	7.50	57,931	7.50
78 70	11 Brunei Darussalam	55,700	53,889	-3.25	57,931	7.50
79	11 Tunisia	55,700	53,889	-3.25	57,931	7.50
80	11 Turkmenistan	50,129	53,889	7.50	57,931	7.50
81	11 Gabon	55,700	53,889	-3.25	57,931	7.50
82	11 United Republic of Tanzania (inc Zanziba		47,976	7.50	51,574	
83	11 Armenia	49,593	53,312	7.50	57,310	
84	11 Paraguay	49,593	53,312	7.50	57,310	
85	11 Angola	55,700	53,889	-3.25	57,931	7.50
86	11 Bangladesh	49,593	53,312	7.50	57,310	
87	11 Pakistan	50,129	53,889	7.50	57,931	7.50
88	11 Myanmar	41,327	44,427	7.50	47,759	
89	11 North Macedonia	50,129	53,889	7.50	57,931	7.50
90	11 El Salvador	50,129	53,889	7.50	57,931	7.50
91	11 Namibia	50,129	53,889	7.50	57,931	7.50
02	11 Dolly in (Divringtional State of	44 420	47.074	7 50	E1 E7/	7 5 6

44,629

47,976

7.50

7.50

51,574

## 2024-2025 UNWTO Membership contributions 31 March 2023

Euros

	_	2023		2024		202
		Assessed				
Order	GrouUN country name	contribution*	Contribution	% CY/PY	Contribution	% CY/P
93	11 Andorra	50,129	53,889	7.50	57,931	7.50
94	11 Montenegro	33,419	35,925	7.50	38,619	7.5
95	11 Ghana	33,419	35,925	7.50	38,619	7.5
96	11 San Marino	50,129	53,889	7.50	57,931	7.5
97	11 Uzbekistan	33,419	35,925	7.50	38,619	7.5
98	12 Libya	50,129	46,369	-7.50	42,891	-7.5
99	12 Kenya	33,419	35,925	7.50	38,619	7.5
100	12 Barbados	33,419	35,925	7.50	38,619	7.5
101	12 Mongolia	33,419	35,925	7.50	38,619	7.5
102	12 Sudan	44,629	41,282	-7.50	38,619	-6.4
103	12 Lao People's Democratic Repu	33,419	35,925	7.50	38,619	7.5
104	12 Uganda	33,419	35,925	7.50	38,619	7.5
105	12 Honduras	33,419	35,925	7.50	38,619	7.5
106	12 Fiji	33,419	35,925	7.50	38,619	7.5
107	12 Maldives	33,419	35,925	7.50	38,619	7.5
108	12 Côte d'Ivoire	33,419	35,925	7.50	38,619	7.5
109	12 Eswatini	33,419	35,925	7.50	38,619	7.5
110	12 Republic of Moldova	33,419	35,925	7.50	38,619	7.5
111	12 Nicaragua	33,419	35,925	7.50	38,619	7.5
112	12 Zambia	33,419	35,925	7.50	38,619	7.5
113	12 Cameroon	33,419	35,925	7.50	38,619	7.5
114	12 Papua New Guinea	33,419	35,925	7.50	38,619	7.5
115	12 Nepal	27,850	29,939	7.50	32,184	7.5
116	12 Ethiopia	33,419	35,925	7.50	38,619	7.5
117	12 Haiti	27,850	29,939	7.50	32,184	7.5
118	12 Senegal	33,419	35,925	7.50	38,619	7.5
119	13 Congo	33,419	30,913	-7.50	32,184	4.1
120	13 Kyrgyzstan	27,850	29,939	7.50	32,184	7.5
121	13 Madagascar	27,850	29,939	7.50	32,184	7.5
122	13 Timor-Leste	33,419	30,913	-7.50	32,184	4.1
123	13 Cabo Verde	27,850	29,939	7.50	32,184	7.5
124	13 Syrian Arab Republic	40,257	37,238	-7.50	34,445	-7.5
125	13 Antigua and Barbuda	40,237	29,939	7.50	32,184	7.5
126	13 Palau	16,710	17,963	7.50	19,310	7.5
127	13 Zimbabwe	27,850	29,939	7.50	32,184	7.5
128	13 Seychelles	16,710	17,963	7.50	19,310	7.5
129	13 Democratic People's Republic	27,850	29,939	7.50	32,184	7.5
130	13 Rwanda	27,850	29,939	7.50	32,184	7.5
131	13 Benin	27,850	29,939	7.50	32,184	7.5
132	13 Mauritania	27,850 25,065	29,939 26,045	7.50	32,184	7.5
133	13 Djibouti		26,945	7.50	28,966	7.5
134	13 Bhutan	27,850	29,939	7.50	32,184	7.5
135	13 Yemen	33,419	30,913	-7.50	32,184	4.1
136	13 Mali	27,850	29,939	7.50	32,184	7.5
137	13 Lesotho	27,850	29,939	7.50	32,184	7.5
138	13 Togo	27,850	29,939	7.50	32,184	7.5
139	13 Tajikistan	27,850	29,939	7.50	32,184	7.5

2024-2025 UNWTO Membership contributions at 31 March 2023

Euros

		2023		2024		2025
		Assessed				
Order C	Group UN country name	contribution*	Contribution	% CY/PY	Contribution	% CY/PY
140	13 Burkina Faso	27,850	29,939	7.50	32,184	7.50
141	13 Samoa	16,710	17,963	7.50	19,310	7.50
142	13 Mozambique	27,850	29,939	7.50	32,184	7.50
143	13 Democratic Republic of the Congo	27,850	29,939	7.50	32,184	7.50
144	13 Gambia	27,850	29,939	7.50	32,184	7.50
145	13 Guinea	27,850	29,939	7.50	32,184	7.50
146	13 Chad	27,850	29,939	7.50	32,184	7.50
147	13 Vanuatu	27,850	29,939	7.50	32,184	7.50
148	13 Niger	27,850	29,939	7.50	32,184	7.50
149	13 Afghanistan	27,850	29,939	7.50	32,184	7.50
150	13 Guinea-Bissau	27,850	29,939	7.50	32,184	7.50
151	13 Comoros	25,065	26,945	7.50	28,966	7.50
152	13 Eritrea	27,850	29,939	7.50	32,184	7.50
153	13 Sierra Leone	27,850	29,939	7.50	32,184	7.50
154	13 Liberia	27,850	29,939	7.50	32,184	7.50
155	13 Central African Republic	27,850	29,939	7.50	32,184	7.50
156	13 Malawi	27,850	29,939	7.50	32,184	7.50
157	13 Sao Tome and Principe	16,710	17,963	7.50	19,310	7.50
158	13 Burundi	27,850	29,939	7.50	32,184	7.50
159	13 Somalia	27,850	29,939	7.50	32,184	7.50
Associat	e Members	255,663	274,839		295,452	
1	a Flemish Community of Belgium	60,156	64,668	7.50	69,518	7.50
2	a Hong Kong SAR	60,156	64,668	7.50	69,518	7.50
3	a Macao SAR	60,156	64,668	7.50	69,518	7.50
4	b Aruba	25,065	26,945	7.50	28,966	7.50
5	b Puerto Rico	25,065	26,945	7.50	28,966	7.50
6	b Madeira	25,065	26,945	7.50	28,966	7.50

<sup>\* 2023</sup> assessed contributions don't show 2023 Russian Federation contribution (EUR 222,798) which withdraw from the Organziation on 26 April 2022. Including 2023 Russian Federation contribution, 2023 assessed contributions total amounted to EUR 13,323,136.

Annex IV.7: 2024-2025 Proposed appropriations and 2022-2023 approved, revised, proposed and adapted to current structure appropriations - Analysis of changes by parts and sections - Regular Budget

2024-2025 Proposed appropriations and 2022-2023 approved, revised, proposed and adapted to current structure appropriations - Analysis of changes by parts and sections - Regular Budget at 31 March 2023

Euros

_		Aj	opropriations <sup>1</sup>		ρ			
			2022-2023			2024-2025	Net increa	ase/decrease
Parts / sections <sup>2</sup>	Staff	Non-staff	Total	Staff	Non-staff	Total	Staff	Non-staff
							1,239,0	00
Total	21,041,000	9,397,000	30,438,000	22,177,000	9,500,000	31,677,000	1,136,000	103,000
A Member Relations	3,484,000	1,086,000	4,570,000	4,452,000	1,059,000	5,511,000	968,000	-27,000
A01 Regional Programme, Africa	1,000,000	360,000	1,360,000	1,260,000	279,000	1,539,000	260,000	-81,000
A02 Regional Programme, Americas	742,000	159,000	901,000	966,000	181,000	1,147,000	224,000	22,000
A03 Regional Programme, Asia and the Pacific	1,000,000	191,000	1,191,000	1,260,000	181,000	1,441,000	260,000	-10,000
A04 Regional Programme, Europe	371,000	225,000	596,000	483,000	279,000	762,000	112,000	54,000
A05 Regional Programme, Middle East	0	151,000	151,000	0	139,000	139,000	0	-12,000
A06 Affiliate Members	371,000	0	371,000	483,000	0	483,000	112,000	0
B Operational	5,210,000	1,849,000	7,059,000	6,720,000	1,622,000	8,342,000	1,510,000	-227,000
B01 Sustainable Development of Tourism	1,121,000	163,000	1,284,000	1,428,000	139,000	1,567,000	307,000	-24,000
B02 Technical Cooperation and Silk Road	742,000	16,000	758,000	966,000	17,000	983,000	224,000	1,000
B03 Statistics	742,000	183,000	925,000	966,000	114,000	1,080,000	224,000	-69,000
B04 Tourism Market Intelligence and Competitiveness	742,000	416,000	1,158,000	966,000	312,000	1,278,000	224,000	-104,000
B05 Ethics, Culture and Social Responsibility	492,000	183,000	675,000	651,000	106,000	757,000	159,000	-77,000
B06 Innovation, Education and Investments	750,000	717,000	1,467,000	945,000	828,000	1,773,000	195,000	111,000
B07 Institutional Relations and Partnerships	621,000	171,000	792,000	798,000	106,000	904,000	177,000	-65,000
C Support - Direct to Members	5,261,000	2,383,000	7,644,000	6,826,000	2,526,000	9,352,000	1,565,000	143,000
C01 Conferences Services	871,000	257,000	1,128,000	1,113,000	279,000	1,392,000	242,000	22,000
C02 Management	3,898,000	1,501,000	5,399,000	5,062,000	1,771,000	6,833,000	1,164,000	270,000
C03 Communications	492,000	625,000	1,117,000	651,000	476,000	1,127,000	159,000	-149,000
D Support - Indirect to Members	7,086,000	4,079,000	11,165,000	4,179,000	4,293,000	8,472,000	-2,907,000	214,000
D01 Budget and Finance	871,000	636,000	1,507,000	1,113,000	705,000	1,818,000	242,000	69,000
D02 Human Resources	371,000	332,000	703,000	483,000	632,000	1,115,000	112,000	300,000
D03 Information and Communication Technology	492,000	752,000	1,244,000	651,000	943,000	1,594,000	159,000	191,000
D04 General Services	484,000	959,000	1,443,000	672,000	713,000	1,385,000	188,000	-246,000
D05 Staff vacancies & ASEB Provisions	4,868,000	1,400,000	6,268,000	1,260,000	1,300,000	2,560,000	-3,608,000	-100,000

Before transfers. 2022: Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVI) of CE116/3(c) rev.1 and CE/DEC/4(CXVII) of (CE/117/3(c) Add.1., the Secretary-General proposal of structure modification (part II of this document) and its adaptation to 2023 regular budget structure at 31 March 2023 for comparison purposes. 2023: Before transfers. In accordance to parts/sections structure and appropriations approved originally by A/RES/733(XXIV) of A/24/5(b) rev.1, its structure updates approved by CE/DEC/4(CXVII) of (CE/117/3(c) Add.1 and the Secretary-General proposal of structure modification (part III of this document). Movements of posts among sections are annually considered.

<sup>&</sup>lt;sup>2</sup> As per 2024-2025 draft regular budget structure names proposal.

Annex IV.8: 2024-2025 Draft budget appropriations proposal - Regular Budget

2024-2025 Draft budget appropriations proposal - Regular Budget at 31 March 2023

Euros

20103										Ар	propriations
	Pos	ts <sup>1</sup>			2024			2025			2024-2025
Parts / sections <sup>2</sup>	Р	G	Staff	Non-staff	Total	Staff	Non-staff	Total	Staff	Non-staff	Total
	1	06									
Total	55	51	10,845,000	4,545,000	15,390,000	11,332,000	4,955,000	16,287,000	22,177,000	9,500,000	31,677,000
A Member Relations	12	4	2,176,000	509,000	2,685,000	2,276,000	550,000	2,826,000	4,452,000	1,059,000	5,511,000
A01 Regional Programme, Africa	4	0	616,000	134,000	750,000	644,000	145,000	789,000	1,260,000	279,000	1,539,000
A02 Regional Programme, Americas	2	2	472,000	87,000	559,000	494,000	94,000	588,000	966,000	181,000	1,147,000
A03 Regional Programme, Asia and the Pacific	4	0	616,000	87,000	703,000	644,000	94,000	738,000	1,260,000	181,000	1,441,000
A04 Regional Programme, Europe	1	1	236,000	134,000	370,000	247,000	145,000	392,000	483,000	279,000	762,000
A05 Regional Programme, Middle East	0	0	0	67,000	67,000	0	72,000	72,000	0	139,000	139,000
A06 Affiliate Members	1	1	236,000	0	236,000	247,000	0	247,000	483,000	0	483,000
B Operational	16	10	3,284,000	780,000	4,064,000	3,436,000	842,000	4,278,000	6,720,000	1,622,000	8,342,000
B01 Sustainable Development of Tourism	4	1	698,000	67,000	765,000	730,000	72,000	802,000	1,428,000	139,000	1,567,000
B02 Technical Cooperation and Silk Road	2	2	472,000	8,000	480,000	494,000	9,000	503,000	966,000	17,000	983,000
B03 Statistics	2	2	472,000	55,000	527,000	494,000	59,000	553,000	966,000	114,000	1,080,000
B04 Tourism Market Intelligence and Competitivene	ss 2	2	472,000	150,000	622,000	494,000	162,000	656,000	966,000	312,000	1,278,000
B05 Ethics, Culture and Social Responsibility	1	2	318,000	51,000	369,000	333,000	55,000	388,000	651,000	106,000	757,000
B06 Innovation, Education and Investments	3	0	462,000	398,000	860,000	483,000	430,000	913,000	945,000	828,000	1,773,000
B07 Institutional Relations and Partnerships	2	1	390,000	51,000	441,000	408,000	55,000	463,000	798,000	106,000	904,000
C Support - Direct to Members	14	9	3,343,000	1,215,000	4,558,000	3,483,000	1,311,000	4,794,000	6,826,000	2,526,000	9,352,000
C01 Conferences Services	3	1	544,000	134,000	678,000	569,000	145,000	714,000	1,113,000	279,000	1,392,000
C02 Management	10	6	2,481,000	852,000	3,333,000	2,581,000	919,000	3,500,000	5,062,000	1,771,000	6,833,000
C03 Communications	1	2	318,000	229,000	547,000	333,000	247,000	580,000	651,000	476,000	1,127,000
D Support - Indirect to Members	13	28	2,042,000	2,041,000	4,083,000	2,137,000	2,252,000	4,389,000	4,179,000	4,293,000	8,472,000
D01 Budget and Finance	3	1	544,000	340,000	884,000	569,000	365,000	934,000	1,113,000	705,000	1,818,000
D02 Human Resources	1	1	236,000	304,000	540,000	247,000	328,000	575,000	483,000	632,000	1,115,000
D03 Information and Communication Technology	1	2	318,000	454,000	772,000	333,000	489,000	822,000	651,000	943,000	1,594,000
D04 General Services	0	4	328,000	343,000	671,000	344,000	370,000	714,000	672,000	713,000	1,385,000
D05 Staff vacancies & ASEB Provisions	8	20	616,000	600,000	1,216,000	644,000	700,000	1,344,000	1,260,000	1,300,000	2,560,000

<sup>&</sup>lt;sup>1</sup> P posts include from P and above posts@@

<sup>&</sup>lt;sup>2</sup> As per 2024-2025 draft regular budget structure names proposal.

### Annex IV.9: Schedule of established posts

1. UNWTO proposes to continue with the approved 106 positions. The distribution for 2024-2025 maintains the total number of posts. As explained in the budget proposal, it will be necessary to maintain a total of 24 vacancies unfilled on average (20 G vacancies, 2 P vacancies and 2 Higher categories vacancies) or 23% of total posts, due to budgetary restrictions.

Staff posts evolution by category - Regular Budget at 31 March 2023

										Biennia
	2010-2011	2012-2013	2014-2015	2016-2017	2018-2019	2020-2021	2022-2023			2024-2025
								Unbudgeted	Budgeted	Total
Total	106	106	106	106	106	106	106	24	82	106
Higher categories <sup>1</sup>	3	4	4	4	4	4	5	2	3	5
Professional category	45	44	45	47	51	51	50	2	48	50
General services category	58	58	57	55	51	51	51	20	31	51

<sup>1</sup> Higher categories includes: Secretary-General (SG), Deputy Secretary-General (DSG), Assitant Secretary-General (ASG), Executive Directors (ED) and D category.

### Annex V: 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)

<u>Suspension of Members in arrears in the payment of</u> <u>statutory contributions: Article 34 of the Statutes</u>

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 VI: Application of Article 34 of the Statutes and Paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2023 pursuant to resolution A/RES/217(VII)

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

Statement of Members subject to provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes

at 31 March 2023

Euros

					Arrear contributions
Full Members	Para. 13	Art. 34	Years	Number of years	EUR
Total					11,908,206.85
Bolivia	Χ	Х	81-87,89-98,19-22	21	562,658.57
Burundi	Χ	Χ	77-07,11-13, 15-22	42	919,881.78
Burkina Faso	Χ		21-22	2	55,700.00
Cameroun	Χ		20-22	2	100,248.00
Central African Republic	Χ	Χ	07-22	16	391,864.20
Chad	Χ	Χ	12-22	11	294,742.56
Congo	Χ		19-20,22	3	81,863.12
Djibouti	Χ	Χ	03-22	20	455,415.00
Ethiopia	Χ	Χ	17-18,20-22	5	155,671.00
Gabon	Χ	Χ	15-22	8	436,669.56
Guinea	Χ	Χ	96,98-00, 07-09,14-22	16	377,465.01
Guinea Bissau	Χ	Χ	92-96, 99-22	29	668,542.55
Iraq	Χ	Χ	93-06,12	15	1,580,710.65
Islamic Republic of Iran	Χ	Χ	19-22	4	341,222.00
Kyrgyzstan	Χ	Χ	00-10, 12-15	15	330,842.35
Liberia	Χ	Χ	12-22	11	294,749.00
Malawi	Χ	Χ	11-22	12	301,523.99
Madagascar	Χ	Χ	17-19,22	4	108,654.44
Mauritania	Χ	Χ	81-05,16-19	29	671,369.00
Niger	Χ	Χ	84-87,90-07,10-11,14-17,19-22	32	763,682.81
Pakistan	Χ		19-20,22	3	138,453.19
Palau	Χ		20-22	3	50,130.00
Sao Tome et Principe	Χ	Χ	86-14,18-22	34	677,720.65
Somalia	Χ	Χ	18-22	5	138,179.00
The Union of Comoros	Χ	Χ	18-21	4	82,486.00
Turkmenistan	Χ	Χ	95-98,00-12,16-22	24	823,418.40
Uganda	Χ	Χ	99-00,02-04,10-12, 15-18	12	271,898.75
Vanuatu	Χ	Χ	10-17, 20-22	11	247,311.00
Venezuela	Χ	Χ	16,18-22	6	585,134.27

- \* Negotiations with the Full Member Pakistan are underway to reach an agreement on the settlement of its arrears.
- 2. Movements of amount due by Members subject to the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes

Movements from previous statement of the amount due by Members subject to provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes at 31 March 2023

Euros

	30/09/2022	Increase	Decrease	31/03/2023
Amount due	10,788,799	376,264	431,241	11,908,207

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

As of 31 March, 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 II table 1 and 2 except for Full Members Iraq and Uganda with payment plans endorsed by the Executive Council at its 117 and 116 sessions respectively to be ratified by the General Assembly at its XXV session.

4. 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 31 March 2023

	Ar	rears payment p	lan appro	Strict fulfilm	ent of the agreed	payment plan	
	G	A/EC approval		Details		P	ayment made
		Payment	Start	Number of		Contribution	Annual
Full Member	Year	made	from	years	Year	for the year	arrears
Cambodia	2006	Yes	2006	30	2006-2022	Yes	Yes
Calliboula	2000	162	2000	30	2023	No	No
Gambia, Islamic Republic of	2015	Yes	2016	15	2016-2021	Yes	Yes
					2022-2023	No	No
Lao People's Dem. Republic	2005	Yes	2005	26	2005-2023	Yes	Yes
Sierra Leone	2021	Yes	2022	20	2022-2023	No	No
Sudan	2021	Yes	2021	30	2021-2022	Yes	Yes
					2023	No	No
Uruguay	2017	No	2017	13	2007-2022	Yes	Yes
5 3					2023	No	No

### Annex VII: Excerpts of resolution A/RES/736(XXIV)

The General Assembly,

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

(...)

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

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

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