



## General Assembly

Twenty-first session  
Medellín, Colombia, 12-17 September 2015  
Provisional agenda item 8(I)(f)

A/21/8(I)(f)  
Madrid, 17 July 2015  
Original: English

### Report of the Secretary-General

#### Part I: Programme of Work

#### (f) Report on the reform of the Organization (White Paper implementation)

##### I. Introduction

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1. In 2011, by resolution A/RES/602(XIX), the General Assembly endorsed the White Paper (WP) prepared by the Secretary-General.
2. In 2013, a first report on the reform of the Organization, document A/20/5(I)(e), was submitted to the General Assembly. By resolution A/RES/621(XX), the General Assembly took note of the report and endorsed the proposal made by the Secretary-General to simplify this report, in the future, maintaining in it only the actions properly related to the reform of the Organization.
3. This report, as requested, has therefore been drafted in a simplified format. The table presented in Annex I gives an overview on the actions taken and their level of progress in order to implement the corresponding recommendations. Items that are 100% implemented will be taken out from the next editions of this report. At the same time, emerging issues may be included, as explained below.

##### II. New recommendations for the reform of the Organization

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4. The 98th Executive Council (EC) took up the report from the Joint Inspection Unit (JIU) on the follow-up inspection to the 2009 Review of the Management and Administration at the UNWTO (CE/98/3(II)(e)). It also took up the report from the External Auditors (EA) on the administrative accounts for the financial year 2013 (CE/98/3(II)(d)). Both reports provided recommendations on the administration and management of the UNWTO.
5. By decision CE/DEC/12(XCVIII), the Council requested the Secretary-General to take the necessary steps to review within the framework of the Programme and Budget Committee (PBC) the potential implementation of its recommendations. An ad hoc Working Group was created within the PBC in order to assess recommendations provided by JIU and EA reports. It was agreed that some of the assessed recommendations (see document CE/101/2(f)) could become part of the report on the reform of the Organization (White Paper implementation), if approved by the Executive Council.



6. Therefore, future versions of the present report will include recommendations by the Joint Inspection Unit and the External Auditors of the Organization, as well as arising issues in relation with the governance of UNWTO, provided such recommendations and issues are endorsed by the governing bodies of the Organization.

### **III. Actions to be taken by the General Assembly**

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7. The General Assembly is invited:

- (a) To approve the report;
- (b) To request the Secretary-General to keep working on the reform progress of the Organization along with the approved lines of the White Paper and to report on its status to the next session of the General Assembly;
- (c) To further request the Secretary-General to introduce in the next editions of this report new issues in relation with the governance of UNWTO, notably, but not only, relevant recommendations from the Joint Inspection Unit or the External Auditors of the Organization;
- (d) To consider closed those recommendations 100% implemented;
- (e) To adopt the conditions and criteria developed by the Secretariat for existing and new external entities in line with UN policies and practice for the avoidance of legal and financial exposure; and
- (f) To request the Secretary-General to pursue its efforts, in cooperation with the host governments of these entities for their reform in accordance with the criteria and conditions hereby adopted.

## Annex I. Progress Report Table

References in WP	Progress Level	Actions taken as of June 2015
Par. 23: "1. (...) leadership can and should also be provided through the provision of well-conceived guidelines for tourism policy definition by governments, (...)"	75%	<ul style="list-style-type: none"> <li>• A proposal was submitted to, and approved by, the Executive Council in order to give to the technical committees on sustainability and competitiveness a normative role regarding guidelines, standards and definitions, in line with the modus operandi of the technical committee on Statistics and TSA. Reports on activities of technical committees are systematically submitted to the Council (see Annexes I, II and III of document CE/100/3(d)).</li> <li>• UNWTO Secretariat has advanced in drafting the Convention on the Protection of Tourists/Consumers and Travel Organizers. Details are available in document A/21/8(l)(d).</li> <li>• Also contributing to the normative role of the Organization and the production of guidelines, it has been proposed by the WCTE that the Global Code of Ethics in Tourism become a convention. Its report to the GA constitutes the document A/21/10.</li> </ul>
Par. 30: "The relevance of the Organization will also be strengthened when some key nations, (...) now absent in the membership, decide to join UNWTO, so that they participate in the global tourism debate with governmental peers from the rest of the world (...)"	75%	<ul style="list-style-type: none"> <li>• Negotiations with non-UNWTO members are permanent.</li> <li>• Contacts with the following countries to explore membership opportunities have taken place: <ul style="list-style-type: none"> <li>○ Europe: Estonia, Finland, Ireland, Sweden.</li> <li>○ Americas: Antigua &amp; Barbuda, Grenada, St. Kitts &amp; Nevis.</li> <li>○ Africa: Union of the Comoros, Somalia</li> </ul> </li> <li>• Barbados and Samoa officially requested to join the Organization. See document A/21/4(a) on Membership status.</li> </ul>
Par. 37 to 41: Collecting Members' opinions "(...) Most Members surely understand the major challenge of having to select priority areas and omit some other areas for the sake of efficiency (...)"	100%	<ul style="list-style-type: none"> <li>• A survey is conducted every two years among all UNWTO Full, Affiliate and Associate Members.</li> <li>• Results have been widely disseminated and used for the preparation of the draft Programme of Work and Budget for 2016-2017 submitted to the General Assembly.</li> </ul>

References in WP	Progress Level	Actions taken as of June 2015
Par. 42, 43 and 45: "(...) Regional Commissions should identify aspirations and needs of Member States in their respective regions and define suitable programmes to respond to such needs (...)" "(...) The programme Committee should also ensure that the various Technical Committees are fully involved in the programme formulation process"	100%	<ul style="list-style-type: none"> <li>• Results of the survey on Members' priorities were presented and debated during Regional Commission meetings</li> <li>• European Members had a specific session about priorities in the Region, the results of which were debated during the Regional Commission meeting</li> <li>• Chairs of the 3 Technical Committees (CSTSA, CTC and CTS) are invited to attend PBC meetings</li> </ul>
Par. 44: "(...) it is proposed that the Chairs of the Regional Commissions maintain regular exchanges, including annual meetings"	75%	<ul style="list-style-type: none"> <li>• Regional Commission Chairs are invited as observers in the meetings of the Programme and Budget Committee</li> </ul>
Par. 45: "(...) The option of formulating a four-year instead of a two-year Programme of Work should also be considered (...)"	100%	<ul style="list-style-type: none"> <li>• The budget is approved by the General Assembly for two years only</li> <li>• However, some actions have been taken in order to ensure mid-term planning vision and continuity in the work of the Organization, such as: <ul style="list-style-type: none"> <li>○ The WP constitutes a framework for the PoW, notably the part dealing with the establishment of priorities</li> <li>○ SG submitted to UNWTO governing bodies a management strategy for each of his mandates. See documents A/18/14 and CE/100/3(c)</li> <li>○ The 2 strategic objectives structuring UNWTO programme of work, namely 1) improving competitiveness and quality and 2) promoting sustainability and ethics, have been maintained for the last 4 biennia</li> <li>○ Each programme of work is drafted as a continuity of the previous one</li> </ul> </li> </ul>
Par. 46: Merging PC and CBF	100%	<ul style="list-style-type: none"> <li>• Completed. See resolution A/RES/602(XIX)</li> </ul>

References in WP	Progress Level	Actions taken as of June 2015
		<ul style="list-style-type: none"> <li>• At the time of this report, the Programme and Budget Committee has held 6 meetings.</li> </ul>
Par. 47: "(...) working on the basis of technical networks, with specialized experts and representatives of other relevant organizations, appointed to serve as advisors in each committee (...)"	<b>100%</b>	<ul style="list-style-type: none"> <li>• Modus operandi of all 3 technical committees is clearly defined.</li> <li>• See document CE/96/2(i) for the CTC and CTS, as well as the terms of reference of the Committee on STSA.</li> <li>• Invited experts were designated in all technical committees and participate in meetings. See reports of technical committees to the Council (Annexes I, II and III of document CE/100/3(d)).</li> <li>• The chairs of the 3 technical committees are invited to PBC meetings as observers.</li> </ul>
Par. 48-49: WCTE "(...) The General Assembly is, therefore, called to re-examine the way in which the Committee has been functioning and the necessary changes in its format, composition and methods of work. ...)"	<b>100%</b>	<ul style="list-style-type: none"> <li>• Nomination and appointment procedures were ready and have been circulated prior to GA 20 (during the first half of 2013).</li> <li>• The members of the new WCTE were appointed by the 20th General Assembly in Victoria Falls. Mr Pascal Lamy was appointed Chair of the Committee.</li> <li>• WCTE meets twice a year under its new composition. See document A/21/10: Report of the World Committee on Tourism Ethics.</li> </ul>
Par. 54-59: "(...) routine matters should be reserved to the extent possible for the Executive Council. (...)"	<b>100%</b>	<ul style="list-style-type: none"> <li>• Since 2013, the Secretariat has changed the format of both Executive Council and General Assembly meetings in order to reduce time dedicated to routine issues.</li> <li>• Thematic debates were incorporated in Executive Council sessions.</li> </ul>
Par. 60: "(...) enhance and ensure permanent communication with the Members (...)" Par. 63-64: UNWTO Focal Points Network	<b>75%</b>	<ul style="list-style-type: none"> <li>• Forms are distributed in every regional commission meeting in order to collect updated information on contacts for the country</li> <li>• The Secretary-General has created an internal committee in the Secretariat: the Member Relations Committee (MRC), that groups all the Regional Programmes and the Affiliate Members Programme.</li> <li>• The MRC acts as the main instrument of the UNWTO Secretariat for: <ul style="list-style-type: none"> <li>○ Ensuring efficient and coordinated relations with all our Members</li> <li>○ Synchronizing the work of the Affiliate Members Programme with the work of the Regional Programmes</li> <li>○ Speaking with one voice to all Members, in line with the recommendations of the</li> </ul> </li> </ul>

References in WP	Progress Level	Actions taken as of June 2015
		Communications Programme <ul style="list-style-type: none"> <li>○ Learning from cross-regional experiences</li> </ul>
Par. 61: "(...) production of an authoritative "Country Factsheet" with key indicators (...)" "(...) A "Regional Report" will be issued every four months (...)"	<b>100%</b>	<ul style="list-style-type: none"> <li>● Factsheets are distributed in Regional Commissions with the relevant data of each country.</li> <li>● Producing a regional report every four months has been evaluated and was considered not feasible with the available resources.</li> </ul>
Par. 65: "(...) a need to address the rather limited use apparently made by Members of the substantive volume of work undertaken by the UNWTO Secretariat (...)"	<b>75%</b>	<ul style="list-style-type: none"> <li>● A publication policy has been presented to the 100th session of the Executive Council. See document CE/100/3(g).</li> <li>● The UNWTO website is being renewed in order to make it more user-friendly and interactive.</li> <li>● A monthly newsletter is sent to all MS as well as an alert on the occasion of any new report.</li> <li>● Access to the e-library has been extensively promoted at Regional Commission meetings and bilateral meetings with Members.</li> <li>● A print-on-demand process has been established and a publication marketing strategy is being finalized.</li> </ul>
Par. 66-71: "(...) The Organization must therefore move towards innovative funding models involving its non-governmental partners, particularly those from the private sector and partner with other international and regional organizations, in order to leverage its limited resources. (...)"	<b>50%</b>	<ul style="list-style-type: none"> <li>● Since June 2011, UNWTO has become ODA-eligible on a bilateral basis, as approved by the OECD-DAC.</li> <li>● A draft Resource Mobilization Strategy is being developed during 2015.</li> <li>● For implementation, closer engagement is being sought with Member States (MS), non-traditional donors, UN partners as well as World Bank, etc., development institutions and other innovative frameworks, e.g., Enhanced Integrated Framework (EIF), etc.</li> </ul>

References in WP	Progress Level	Actions taken as of June 2015
<p>Par. 89: "UNWTO's Affiliate Members bring knowledge and diversity but their present composition (about 400 members of different sizes, out of which 220 are Europeans), still lacks, for different reasons, broader coverage in terms of geographic and sectoral representation."</p>	<p>100%</p>	<ul style="list-style-type: none"> <li>• An analysis of the geographical distribution of Affiliate Members by region, as well as distribution by field of activity was presented during the 100th session of the Executive Council.</li> <li>• As of June 2015, the geographical distribution is as follows: <ul style="list-style-type: none"> <li>○ Africa: 24</li> <li>○ Americas: 97</li> <li>○ Asia-Pacific: 37</li> <li>○ Europe : 241</li> <li>○ Middle East: 27</li> </ul> </li> <li>• An ongoing campaign, though the Affiliate Members Programme in cooperation with the Regional Programmes, is under way to bring more Affiliate Members from under-represented regions.</li> </ul>
<p>Par. 91: "According to a recent survey conducted by the Secretariat of the Affiliate Members, the majority expects their membership to mean a global outreach, exchange of knowledge, experience, best practices, know-how and market intelligence."</p>	<p>100%</p>	<ul style="list-style-type: none"> <li>• The Affiliate Members Programme is part of the Member Relations Committee (MRC) and of the Research and Publications Committee (RPC) within the Secretariat, in order to ensure internal coordination of activities with all regional and operational programmes.</li> <li>• The survey on Affiliate Members priorities was built along the same lines than the one for Full and Associate Members for the purpose of improved integration. Results were presented during the Regional Commission meetings.</li> <li>• The Affiliate Members Programme launched the initiative for knowledge exchange and best practices amongst Members. It consists of workshops organized at UNWTO Headquarters by Affiliates Members with expertise in a certain subject in order to share their knowledge with other interested members and in-house technical programmes. Reciprocally, open-house days take place periodically throughout the year, aiming at providing Affiliate Members the opportunity to become better acquainted with UNWTO programmes.</li> <li>• Following the model of the Knowledge Network and given the recent interest expressed by Affiliate Members in relation to certain activities, the Affiliate Members Programme has decided to explore other groupings within the Affiliate Members based on a specific interest, where participants will interact, share and access relevant information. Here, experts, destinations, academics and a wide variety of private sector stakeholders can work together in shaping specific areas of work, such as gastronomy and others.</li> </ul>

References in WP	Progress Level	Actions taken as of June 2015
Par. 94: "Therefore, in order to strengthen the Organization and the position of Affiliate Members, non-governmental members need to be taken care of in a regionalized approach by the Regional Commissions"	100%	<ul style="list-style-type: none"> <li>• Affiliate Members have received invitations to actively participate in the meetings of the Regional Commissions</li> <li>• Technical seminars were organized alongside the Regional Commissions with the participation of Affiliate Members.</li> <li>• Specific events are organized for Affiliate Members in the framework of the Executive Council or the General Assembly, that are open for the participation of Full and Associate Members</li> </ul>
Par. 101-111, and 123: external entities	50%	<ul style="list-style-type: none"> <li>• In 2011, the General Assembly, through resolution 602(XIX), adopted the model of governance proposed by the Secretariat for its external entities in document (A/19/11).</li> <li>• The model of governance adopted consists of a twofold approach where an entity can either be an integral part of the Organization to which UNWTO rules and regulations apply (Category I) or a non-controlled entity (Category II), completely independent from the Organization.</li> <li>• The Secretariat has developed a set of criteria and conditions that existing and new external entities should comply with, in line with the policy and practice of the United Nations and its specialized agencies. They ensure that whether the entity is a controlled or non-controlled, it falls under the correct legal framework and thus reduce the legal and financial exposure of the Organization.</li> <li>• Regarding new entities, the establishment of entities under Category I has to be approved by the General Assembly in accordance with Article 12(j) of the Statutes. In addition, an agreement with the Host Country should be signed and include at the minimum the conditions contained in Annex II of the present document, in view of the legal implications and responsibility of the Organization over these entities. To cooperate with non-controlled entities, an agreement will be concluded with the entity and it should include at the minimum the conditions established in Annex II.</li> <li>• In relation to the existing entities mentioned in the Annex of document A/20/5(l)(e), the Secretariat will pursue its efforts, in cooperation with the host governments of these entities, for the revision and update of the constitutive agreements to ensure their adherence to the conditions established in Annex II.</li> </ul>

References in WP	Progress Level	Actions taken as of June 2015
Par. 127: "(...) a number of administrative reform initiatives are being progressively introduced, including: Adoption of International Civil Service Commission's standards of conduct, aiming at higher ethical conduct and establishing a framework for staff accountability. (...)"	100%	<ul style="list-style-type: none"> <li>• The UNWTO has subcontracted the discharge of its ethics function to UNOPS starting 1 January 2013</li> <li>• The ethics function has been implemented, including financial disclosure, and training on ethics and international standards of conduct has been provided to all staff. See document CE/100/5(h): Report on the ethics function.</li> </ul>
Par. 127: "(...) A staff position of Procurement and legal officer, redeployed from existing resources, has been recruited since March 2010 in order to assist the Legal Adviser and to improve current procurement practices and enhance competition among suppliers. (...)"	100%	<ul style="list-style-type: none"> <li>• Detailed Financial Rules on Procurement were approved by the 95th session of the Executive Council through decision 8(XCV).</li> <li>• A procurement manual for their implementation has been produced and procurement is being implemented progressively as of 1 January 2015.</li> <li>• Training has been provided to all staff on procurement contracts and contract management.</li> </ul>
Par. 127: "The corresponding work plan, including the development of specifications for a gap analysis between the "as is" and the "to be" situation is finalized. Yet, the need to adapt IPSAS and other UN administrative guidelines and standards to the very small size of the Organization is being constantly kept in mind."	100%	<ul style="list-style-type: none"> <li>• The UNWTO Secretariat is permanently working on improving its compliance with UN standards.</li> <li>• For example, IPSAS has been implemented since January 2014 and progress reports on it are regularly submitted to the Executive Council. See document CE/100/5(a) Add.1: IPSAS Progress report.</li> <li>• External Auditors have given their favourable opinion on the UNWTO 2014 accounts prepared under IPSAS.</li> </ul>

## **Annex II. Principles and conditions for new and existing external entities**

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### **I. Conditions applying to Category I entities**

1. Category I entities are institutionally part of UNWTO and they are established as an integral part of the Organization.
2. The establishment of Category I entities is subject to the signature of an agreement with the host Member State that ensures that the appropriate legal framework and juridical personality are provided to the entity and that, at the minimum, includes the conditions herein stated.
3. Category I entities are governed by UNWTO's legal framework and by UNWTO Rules and Regulations and are not subject to any national legislation or jurisdiction.
4. Category I entities will follow UNWTO accounting policies. Their transactions will be part of UNWTO Financial Statements audited by UNWTO external auditors. They will neither issue their own Financial Statements nor will be audited by other external auditors than those of the UNWTO.
5. Category I entities form an integral part of UNWTO's programme of work and budget.
6. Wherever located, the Host Country will apply the Convention on the Privileges and Immunities of the Specialized Agencies of 1947 and its Annex XVIII relating to UNWTO to Category I entities.
7. Category I entities are directed by a UNWTO employee who reports to and is under the authority of the Secretary-General.
8. The selection, recruitment and contracts of Category I entities personnel will follow UNWTO policies, rules and regulations.
9. Category I entities are allowed to use UNWTO's name, acronym and logo to indicate that they are an office or centre of UNWTO.
10. The government of the host country will take the necessary measures to ensure the safety and security of Category I entities and their premises, considering the mandatory security standards required by the United Nations Department of Safety and Security (UNDSS).
11. UNWTO will conduct evaluations of the activities of Category I entities as to ascertain whether they constitute a significant contribution to the UNWTO's objectives and are in conformity with those set out in the agreement with the host country in order to determine either the desirability of extending the agreements beyond the initial duration or their termination.

### **II. Conditions applying to Category II entities**

1. Category II entities are entities which are not legally part of the Organization, but which cooperate with it through formal arrangements establishing the areas and conditions of cooperation.
2. UNWTO is not legally responsible for Category II entities and bears neither responsibility nor liabilities of any kind, be it managerial, financial or otherwise.
3. UNWTO has neither the power to govern nor jointly or significantly participate in financial and operating policy decisions of Category II entities.
4. UNWTO may contribute financially to concrete activities/projects conducted in cooperation with Category II entities; it should not however, provide financial support for administrative or institutional purposes.
5. While being accountable in its own records for any financial contributions provided or received, UNWTO is not responsible for managing the accounts/finances of Category II entities.

6. UNWTO will not be present in the governing bodies of Category II entities, except otherwise agreed and exclusively in an observer capacity.
7. Category II entities should neither be headed by nor employ UNWTO staff members.
8. Category II entities are not allowed to use UNWTO's name, acronym and logo unless expressly authorized by the Secretary-General and in accordance with the guidelines for the use of UNWTO signs by bodies other than the UNWTO Secretariat adopted by the General Assembly through resolution 601(XIX).
9. UNWTO will not establish with Category II entities any relationship of controlled or associate entity, joint venture, agency, exclusive arrangement or other similar relationship implying any joint liability.
10. If Category II entities are private entities, the cooperation modalities and conditions will be subject to the Guidelines on Cooperation between the United Nations and the Business Sector.
11. UNWTO will conduct evaluations of the activities of Category II entities as to ascertain whether they constitute a significant contribution to the UNWTO's objectives and are in conformity with those set out in the agreement with the host country in order to determine either the desirability of extending the agreements beyond the initial duration or their termination.