



Executive Council

104th session

Luxor, Egypt, 30 October – 1 November 2016

Provisional agenda item 4

CE/104/4

Luxor, 30 October 2016

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Report of the Programme and Budget Committee

I. Introduction

1. The Programme and Budget Committee (PBC) held its tenth meeting in Luxor, Egypt, on 30 October 2016, under the chairmanship of Argentina. A list of participants is annexed to this report.
2. The PBC members proceeded to consider the following points and corresponding documents to be submitted to the Executive Council at its 104th session (1 November 2016):

	Documents
Implementation of the General Programme of Work 2016-2017	CE/104/5(a)
Preparation of the General Programme of Work 2018-2019	CE/104/5(b)
Financial situation of the Organization for 2016	CE/104/7(a)
Addendum 1: Detailed Financial Rules	CE/104/7(a) Add.1
Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules	CE/104/7(b)
Report on the reform of the Organization (White Paper implementation)	CE/104/7(c)
Report on the recommendations of the Joint Inspection Unit in 2015	CE/104/7(d)
Information and communication technologies at the Secretariat	CE/104/7(e)



II. Implementation of the General Programme of Work 2016-2017

3. The Executive Director for Programme and Coordination presented an update of the activities carried out by the Secretariat since the last PBC meeting (May 2016), based on the documents of the Executive Council. The PBC took note of all activities presented in the report and recommended the Executive Council to approve them, as well as specifically, but not only:

(a) To take note of the official Roadmap for celebrating the IY2017 and encourage all UNWTO Members, the private sector, academia, civil society and other tourism stakeholders to celebrate the IY2017 as well as to support, contribute to, and participate in UNWTO activities;

(b) To invite all Member States to respond to the public consultation on the Convention on the Protection of Tourists and the Rights and Obligations of Tourism Service Providers and to entrust the Secretary-General to continue with its elaboration as well as that of the draft Convention on Tourism Ethics; and

(c) To take note of the Rules for the Operation and Management of Observatories.

4. The Chair highlighted that the seventeen Sustainable Development Goals have a link with tourism, particularly the first one, i.e., fighting against poverty, for which tourism is in a position to play a major role. He emphasized that there are some places in the world where only tourism is able to provide an economic opportunity to local communities. The Vice-Chair, France, supported the statement made by Argentina and added that tourism plays a fundamental role in building peace around the world.

5. Mexico informed the Committee about the next meeting of the Conference of the Parties (Cancún, Mexico, December 2016), during which tourism ministers will reflect on the sector's role for the preservation of biodiversity.

III. Preparation of the General Programme of Work 2018-2019

6. The Executive Director for Programme and Coordination presented the preparatory calendar of the General Programme of Work 2018-2019, including the survey on priorities drafted by the Secretariat taking into account the comments sent by the PBC Members.

7. The members of the Committee approved both the survey and the calendar and urged all UNWTO Members to complete the online survey to allow a more inclusive and representative picture of everyone's needs.

IV. Financial situation of the Organization for 2016

8. The Committee took note of document CE/104/7(a) which provides financial information as at 30 June 2016.

9. The Committee noted that, as of the end of June, the level of assessed contributions from Full, Associate and Affiliate Members received for the current year amounts to EUR 9,908,913. This represents 76 per cent of the assessed contributions receivable of 2016 (EUR 13,091,955) (75 per cent at 30 June 2015) and 88 per cent of the estimated contributions (EUR 11,300,000), and therefore income targets are expected to be met by year's end. After the addition of the budgetary allocation and

the arrear contributions, the total budgetary income amounts to EUR 11,052,238 representing 86 per cent of the estimate plan of income for the year (EUR 12,847,000).

10. The Committee took note that contribution arrears collected as of 30 June 2016 were EUR 810,325, i.e., 67 per cent of the forecast amount (EUR 1,214,000).

11. The Committee also took note that the implemented expenditure amounted to EUR 12,281,045 out of which EUR 5,840,921 had been expended, and that EUR 6,440,124 had been committed until year end, staff costs included.

12. The Committee urged Members that have not yet complied with their financial obligations to take the necessary steps to pay their contributions for 2016 thereby averting delays that could hamper programme execution.

13. The Committee took note of the adjustments made by the Secretary-General on the structure of programmes for 2016. These adjustments have resulted in a modified distribution of appropriations per programme as reflected in Annex I of the document.

14. The Committee recommends that the Executive Council approve the implementation of the Initiative projects as decided by the Secretary-General and the use of the Special Contingency Reserve (SCR) to fund the project to replace the flooring of the Headquarters building in lieu of the renovation of the ninth-floor meeting rooms.

15. The Committee noted that an updated salary scale and dependency allowance for staff in the General Service category will be applied by the Secretary-General when the relevant scale is formally notified by the ICSC and that the new compensation package for staff in the Professional and higher categories will be applied by the Secretary-General as shown in CE/DEC/12(CIII) unless other application dates are approved by the UN General Assembly.

16. Detailed Financial Rules: The Committee requested the Executive Council to approve the amendments of the UNWTO Detailed Financial Rules as presented in document CE/104/7(a) Add.1 to enter into force as per dates of effect indicated in document CE/103/7(e).

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

17. The Committee took note that the Full Members the Lao People's Democratic Republic and Nicaragua had scrupulously complied with the commitments acquired with regard to the payment of their contributions up to and including the current year.

18. The Committee expressed its satisfaction that Full Member Gabon was no longer subject to the provisions of paragraph 13 of the Financing Rules since it had partially reduced its contribution arrears.

19. The Committee approves the payment plan submitted by Guinea Bissau and Kyrgyzstan for the settlement of their arrear contributions.

20. The Committee further took note of the negotiations being held between the Secretariat and Full Members Afghanistan, Bahrain, Equatorial Guinea, Guinea, Guinea Bissau, Sierra Leona, the Syrian Arab Republic, Turkmenistan and Yemen for the settlement of their arrears.

VI. Report on the reform of the Organization (White Paper implementation)

21. The Executive Director for Programme and Coordination recalled the role played by the PBC, at the request of the Executive Council, in evaluating JIU recommendations up to 2014 and presented an overview of the different recommendations and their level of progress. The PBC took note of the actions proposed by the Secretariat in the report and recommended that the Executive Council approve it.

VII. Report on the recommendations of the Joint Inspection Unit in 2015

22. The Committee took note of the reports and the management letter issued by the Joint Inspection Unit in 2015 and supported the Implementation Plan carried out in the White Paper as per decision CE/DEC/7(XCIV).

23. It welcomed the JIU's constructive approach in its recommendations addressed to smaller agencies and requests the Executive Council to approve the actions to be taken on each of them and the Secretary-General to report accordingly.

VIII. Information and communication technologies at the Secretariat

24. The Committee took note of the audit report on the status of ICT activities and invited the Executive Council to take note of the progress in the technology infrastructure already implemented by the Organization as well as of the challenge a rapidly evolving technology environment and budgetary constraints represent.

IX. Place and date of the eleventh meeting of the PBC

25. The eleventh meeting of the PBC will be held immediately before the 105th session of the Executive Council, in Madrid, Spain.

X. Actions to be taken by the Executive Council

26. The Executive Council is invited to approve the recommendations presented in the present report and corresponding documents.

Annex I: List of participants

I. Chair	
Argentina	Mr. Jose Gustavo Santos Minister Ministry of Tourism Ms. Romina Nardi Director Ministry of Tourism
II. Members of the Committee	
Angola	Ms. Cláudia Marisa Santos Liberato First Secretary Embassy of Angola in Spain
France (Vice Chair)	Mr. Michel Durrieu Responsible for Tourism Ministry of Foreign Affairs
India	Mr. Suman Billa Joint Secretary Ministry of Tourism I.R.V. Rao India Tourism Johannesburg Ministry of Tourism
Japan	Mr. Yasuto Kawarabayashi Vice Commissioner Japan Tourism Agency Ministry of Land, Infrastructure, Transport and Tourism Ms. Yui Toyonaga Official Japan Tourism Agency Ministry of Land, Infrastructure, Transport and Tourism Mr. Koichi Takatsuki Director for International Tourism Relations Japan Tourism Agency Ministry of Land, Infrastructure, Transport and Tourism Mr. Yuji Toyama Second Secretary Embassy of Japan in Egypt
Malaysia	Mr. Hasbullah Rashidi Deputy Secretary General for Tourism Ministry of Tourism and Culture Mr. Saad Khaironizam Senior Principal Assistant Secretary Ministry of Tourism and Culture
Mexico	Mr. Javier Guillermo Head of Unit, International Cooperation SECTUR Mr. Hesiquio Benitez Director General, International Cooperation and Implementation

	National Commission for Knowledge and Use of Biodiversity
Saudi Arabia	Ms. Basmah Al-Mayman Manager of International Organizations & Committees Department Saudi Commission for Tourism & National Heritage
Representative of the Associate Members	Mr. Jan Korthoutd Director – Tourism Policy Advisor Flanders Department of Foreign Affairs Flanders
Representative of the Affiliate Members	Mr. Edmund Bartlett Consolidated Tourism and Investment Consultants Limited (CTICO) Jamaica
III. Observers	
Armenia	Mr. Mekhak Apresyan Head of Department Ministry of Economy
Brazil	Mr. Rafael Augusto Luisi de Oliveira Special Advisor for International Relations Ministry of Tourism
Italy	Ms. Alessandra Priante Head of International Relations Ministry of Culture, Cultural Heritage and Tourism
Jamaica	Ms. Jennifer Griffith Permanent Secretary Ministry of Tourism
Kenya	Mr. Bramwel Waliula Kisuya Ambassador Embassy of the Republic of Kenya in Spain
Tunisia	Mr. Walid Lassoued Counsellor Embassy of the Republic of Tunisia in Egypt
Zimbabwe	Mr. Douglas Mavhembu Deputy Director Ministry of Tourism and Hospitality Industry
League of Arab States	Mr. Abdullah M. Al-Zabidy Diplomatic Attaché, Economic Sector
ST-EP	Ms. Ambassador Dho Chairperson
UNWTO Secretariat	
<p>Mr. Taleb Rifai, Secretary-General</p> <p>Mr Zoltan Somogyi, Executive Director for Programme and Coordination</p> <p>Mr. Marcio Favilla, Executive Director for Operational Programmes and Institutional Relations</p> <p>Mr. Shanzhong Zhu, Executive Director for Technical cooperation and Services</p> <p>Mr. Carlos Vogeler, Executive Director for Members Relations</p> <p>Mr. José García Blanch, Director of Administration</p> <p>Ms. Yolanda Perdomo, Director, Affiliate Members Programme</p> <p>Mr. Philippe Lemaistre, Chief, Programme and Coordination</p> <p>Ms. Alicia Gómez, Legal Officer</p>	