

FOR DECISION

Agenda item 3(b)ii
UNWTO Financial Report
UNWTO Financial Report for the period ended
30 June 2018

CE/109/3(b)ii rev.1
Madrid, 25 October 2018
Original: English

Executive summary

As of 30 June 2018, the Secretary-General reports

- A cash surplus, as compared to deficits at this date in the past two years,
- Significantly higher received contributions than in previous three years,
- The highest percentage of received budgetary income since 2014; and
- Budgetary expenditure moving on target.

As at 30 June 2018, the total budgetary income received (cash-in) amounts to EUR 11,498,588, including Members' arrears collected. As of the same date, budgetary expenditure amounts to EUR 11,392,893 which includes accrued expenses and reconciling items up to 30 June 2018 (EUR 5,541,027) and commitments up to 31 December 2018 (EUR 5,851,866).

Therefore, at 30 June 2018, the budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) results in a cash surplus of EUR 105,695.46, compared to the deficits of EUR -2,014,754 in 2017 and EUR -1,228,807 in 2016.

Arrear contributions received to date (EUR 1,615,038) are significantly higher than those received in the previous three years at 30 June (EUR 622,561 in 2017, EUR 810,325 in 2016 and EUR 854,232 in 2015), with two Member States having fully settled their arrears.

The budgetary income estimate for the year 2018 has been updated at EUR 12,513,000. The income received to date represents 92% of the estimated plan of income which is a higher percentage than that in 2017 (80%), 2016 (86%) and in 2015 and 2014 (84% in both years).

Budgetary expenditures in this financial year have been initially planned to be EUR 12,013,000 which amounts to 88% of the approved appropriations. This percentage matches the budgetary expenditure target established by the Secretary-General at 30 June 2018, updated from the previous income and expenditure plan at 31 March 2018. Through these adjustments, budgetary cash balance at 31 December 2018 is expected to be positive by EUR 500,000.

The Secretary-General proposes to use the project support cost (PSC) funds to return the 2014 advance made by the Working Capital Fund (WCF) to the General Fund (GF) and to use the project reserve fund's available balance as a means of increasing Regular Budget budgetary income in subsequent biennia.

With regard to the IPSAS post-implementation phase, consisting mainly of the enhancement of the UNWTO's tailor-made financial management information system (Athena), the Secretary-General is currently analysing the Enterprise Resource Planning systems used in other United Nations organizations with a view to deciding either to continue with the enhancement of Athena or implementing a different solution.

Action by the Executive Council

DRAFT DECISION¹

The Executive Council,

Having examined the UNWTO Financial Report for the period ended 30 June 2018 (document CE/109/3(b)ii rev.1) and the addendum UNWTO Financial Report for the period ended 30 September 2018 (document CE/109/3(b)ii Add.1),

1. *Approves* the Secretary-General's proposal of revised 2018 budget structure and appropriations in accordance with the new structure made by the Secretary-General at 30 September 2018 as presented in the addendum;
2. *Welcomes* the initiative of the Secretary-General to review the current Regular Budget structure presentation with the aim of showing a breakdown by budget category to ensure more efficient cost optimization and requests him to present a proposal at its next sessions;
3. *Takes note* of the i) plan of income and expenditure for the financial year 2018 presented by the Secretary-General at 30 September 2018, ii) 2018 Regular Budget assessed and arrears contributions received (cash-in) from Members at 30 September 2018, iii) voluntary contributions received (cash-in) and in-kind contributions for the period ended 30 September 2018, iv) information provided on United Nations salary scales approved and applicable by virtue of Article 16 of the "Agreement between the United Nations and the World Tourism Organization" and of v) Initiative projects (PRF) information at 30 September 2018 as presented in the addendum;
4. *Approves* the Secretary-General's proposal of using the Project Support Cost available balance:
 - (a) To return the advance made by the Working Capital Fund (WCF) to the General Fund in 2014, partially returned with the budgetary cash surpluses of 2015 and 2016, amounting to EUR 238,396,
 - (b) To return the advance in the amount of EUR 511,202 made from the Working Capital Fund (WCF) to the General Fund in 2017 (total accumulated WCF advance at 31 December 2017 amounting to EUR 749,598) partially or in full at 31 December 2018, contingent upon the 2018 budgetary cash result, and
 - (c) Partially, in the near future, to augment the General Fund, in order to compensate indirect variable costs to support the Programme of Work of the Organization and its priorities;
5. *Approves* the Secretary-General's proposal, in accordance with Financial Regulation 10.1(f), of using the Project Reserve Fund's available balance partially or in full as a means of increasing proposed RB budgetary income as necessary;
6. *Takes note* with appreciation of the submission of the provisional interim unaudited UNWTO Financial Statements for the period ended 30 September 2018;
7. *Urges* Members that have not yet complied with their financial obligations to take the necessary steps to pay their contributions for 2018 and reminds Members to pay their contributions to the budget within the time period stipulated by regulation 7(2) of the Financial Regulations;

¹ 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.

8. Thanks the Members that have made the necessary efforts in order to fulfil their financial obligations, in particular, the Democratic Republic of the Congo, Ghana, the United Arab Emirates and the United Republic of Tanzania for having settled their arrear contributions either partially or in full;
9. *Notes* that Bahrain, Bolivia, Cambodia, Gambia, Kyrgyzstan, Lao People's Democratic Republic, Nicaragua and Papua New Guinea have respected their agreed payment plans up to 2018 either partially or in full within the reporting period of this document;
10. *Supports* the Secretary-General's proactive approach for the settlement of arrear contributions in order to contribute towards the Programme of Work, especially in view of the rising demands on the Organization with its limited resources;
11. *Requests* the Secretary-General to inform it, at its next session, about the Members' compliance with the agreements made with a view, as the case may be, to maintaining the temporary exemption from the provisions of paragraph 13 that they were granted by the General Assembly or reapplying those provisions to them if they have not fulfilled their commitments; and
12. *Requests* the Secretary-General to inform it, at its next sessions, on the advances made in the IPSAS post-implementation phase project, in particular, with regard to the development of the UNWTO financial management information system, since the progress report submitted to the 22nd session of the GA (A/22/10(III)(b)) and on the proposed financial management information system solution for UNWTO, either continuing with the enhancement of Athena or implementing a different solution.

I. Budgetary performance of the Regular Budget for the period ended 30 June 2018

A. Introduction

1. The UNWTO Regular Budget (RB) is financed from assessed contributions from Members² and budgetary allocations. The Regular Budget of the Organization covering the two-year budget period 2018-2019 (A/22/10(II)) was approved by the General Assembly (GA) (A/RES/688(XXII)) at EUR 27,603,000 broken down by the 2018 and 2019 annual budgets which amounted to EUR 13,609,000 and 13,994,000 respectively³.
2. Annex I.1 includes the Secretary-General's proposal of revised 2018 budget structure and appropriations in accordance with the new department structure made by the Secretary-General at 30 June 2018. The totals of the revised appropriations and revised posts for the year 2018, EUR 13,609,000 and 106 posts respectively, remain unchanged compared to those approved by the GA at its 22nd session. At the date of issuance of this document, the Secretary-General has adjusted the 2018 revised posts composition presented in this proposal to adhere to the 2018 posts composition approved at the 22nd session of the GA, i.e., 55 P posts and 51 G posts.
3. In order to simplify current Regular Budget structure presentation, i.e., broken down by programmes and major programmes, and to ensure more efficient cost optimization, the Secretary-General may initiate a cost-benefit analysis to propose a feasible revised Regular Budget structure presentation aiming to present a breakdown by budget category.
4. Annex I.2 establishes a comparison between: (a) the approved income and appropriations for the year 2018 (approved income/original budget column), (b) an estimate of income receivable and consistent expenditure limits for the year 2018 as at 30 June 2018 (plan of income and expenditure column), and (c) the budgetary cash balance at 30 June 2018 based on cash received to date and actual expenditures to date and commitments to 31 December 2018 (budgetary cash balance column).

B. Plan of income and expenditure of the Regular Budget for 2018

5. In accordance with UNWTO Detailed Financial Rule (DFR) III.4 the Secretary-General submitted a plan of income and expenditure at 31 March 2018 to the 108th session of the Executive Council (EC) (CE/108/7(a)) in light of: (a) the approved appropriations and forecast income, (b) the experience of previous financial years, and (c) the recommendation of the General Assembly at its 22nd session that care be taken to ensure that the programme of work and budget is executed according to the amounts collected (A/RES/688(XXII)). 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 2018.
6. This section shows the plan of income and expenditure prepared by the Secretary-General at 30 June 2018.

Budgetary income

7. Budgetary income from contributions assessed from Full, Associate and Affiliate Members to be received in the current financial year has been estimated at EUR 10,430,000, i.e., 78 per cent of total assessed contributions. The level of contributions receipts from Full, Associate and Affiliate Members at 30 June 2018 is slightly below the average level of collection of the past five years (i.e., EUR 9,664,663) and represents 92% of the estimate plan of income.

² UNWTO Financial Regulation (FR) 6

³ Entity, basis and presentation differences between the Regular Budget and accounting bases are shown in the UNWTO financial report for the year ended 31 December 2017 (CE/108/7(b)).

8. As for budgetary income from arrear contributions, it has been estimated that an amount of around EUR 1,750,000 will be received during 2018 based on the average level of collection of the past ten years (i.e., EUR 1,279,888), brought up to date using information on income actually received as of 30 June 2018. The amount of arrears collected to 30 June 2018 represents 92% of the estimated income. This amount is above the average level of collection of the past five years (i.e., EUR 908,383) at the same date.
9. The budgetary allocation from the Publications store accumulated surplus has been maintained at the level approved by the General Assembly (EUR 333,000), so the budgetary income estimated for the financial year and its implementation stand for 100%.
10. All in all, budgetary income estimate for the year 2018 has been updated at EUR 12,513,000. The income received to date represents 92% of the estimated plan of income which is a higher percentage than that in 2017 (80%), 2016 (86%) and in 2015 and 2014 (84% in both years).

Budgetary expenditure and budgetary difference

11. Budgetary expenditures in this financial year have been initially planned to be EUR 12,013,000 which amounts to 88% of the approved appropriations. This percentage matches the budgetary expenditure target established by the Secretary-General at 30 June 2018, broken down by 85% and 97% for staff and non-staff costs respectively. The budgetary expenditure to date represents 95% of the estimated plan of expenditure for the current year, a similar percentage to those in previous years at 30 June (95% in 2017 and 96% from 2016 to 2014). For non-staff costs, the implementation level stays at 82% at 30 June 2018, a percentage that is lower than that in 2017 and 2016 (84% in both years) at the same date. It should be noted that budgetary expenditures to date include budgetary and legal commitments up to the end of the year.
12. Through these adjustments, budgetary cash balance at 31 December 2018 is expected to be positive by EUR 500,000 aiming to return the advance made by the Working Capital Fund (WCF) to the RB **at 31 December 2017**, which amounted to EUR 511,202 out of the total accumulated total WCF advance at 31 December 2017 amounting to EUR 749,598. Therefore, as of 30 June 2018, the overall plan of income and expenditure established by the Secretary-General is updated from the previous income and expenditure plan at 31 March 2018 as shown in Annex I.2.

C. Budgetary result of the Regular Budget at 30 June 2018

13. This section analyses the status of the budgetary result (cash balance) of the Regular Budget at 30 June 2018 based on cash received to date and actual expenditures to date and commitments to 31 December 2018.

Budgetary income (cash-in)

14. The total budgetary income received (cash-in) amounts to EUR 11,498,588, including the Members' arrears received during the period ended 30 June 2018. The level of contribution receipts for the current year from Full, Associate and Affiliate Members amounts to EUR 9,550,550 which represents 72% of the assessed contributions receivable of this year (i.e., EUR 13,311,529), the lowest percentage in the last five years (76%, 77%, 76% and 79% at 30 June 2017, 2016, 2015 and 2014 respectively).
15. Arrear contributions received to date (EUR 1,615,038) are significantly higher than those received in the previous three years at 30 June (EUR 622,561 in 2017, EUR 810,325 in 2016 and EUR 854,232 in 2015). The Secretary-General is persisting in a more proactive 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, in order to contribute towards the Programme of Work, especially in view of the rising demands on the Organization with its limited resources.

Budgetary expenditure

16. The budgetary expenditure amounts to EUR 11,392,893 which includes accrued expenses and reconciling items up to 30 June 2018 (EUR 5,541,027) and commitments up to 31 December 2018 (EUR 5,851,866). For non-staff costs, budgetary and legal commitments up to 31 December 2018 amount to 46% (47% in 2017) and accrued expenses and reconciling items up to 30 June 2018 to 54% (53% in 2017). As for staff costs, the amount accrued in the form of staff costs, excluding unfunded accrued after-service employee benefits, during the first six months of the year amounts to EUR 4,006,373.10, an amount lower than those of the previous three years (i.e., EUR 4,480,590 in 2017, EUR 4,386,045 in 2016 and EUR 4,671,147 in 2015) representing 47%, and budgetary commitments up to 31 December 2018 represent 53%, the same percentages as in 2017. Annex I.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. Annex I.4 shows information related to changes in the UNWTO travel policies.

Budgetary result (cash balance)

17. At 30 June 2018, the budgetary cash balance (total budgetary income received (cash-in) less budgetary expenditure) results in a cash surplus of EUR 105,695.46 (EUR - 2,014,754 in 2017 and EUR -1,228,807 in 2016).
18. 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 that “The Members of the Organization shall pay their contribution in the first month of the financial year for which it is due...”

II. Financial situation highlights for the period ended 30 June 2018**A. Financial Statements for the period ended 30 June 2018**

19. In accordance with UNWTO Financial Regulation (FR) 14.7, the Secretary-General submits an interim financial statement to the Executive Council. Annex II.1 to this document include the interim unaudited UNWTO Statement of Financial Position at 30 June 2018 and UNWTO Statement Financial Performance for the period ended 30 June 2018.

B. Financial performance and position highlights for the period ended 30 June 2018

20. In addition to the information provided in the interim Financial Statements, this section other relevant financial information for the period ended 30 June 2018.

Voluntary and in-kind contributions revenue

21. Total voluntary contributions received (cash-in) for the period to 30 June 2018 amount to EUR 750,687, a rather lower amount compared to the voluntary contributions received for the same period in 2017 and 2016 (i.e., EUR 1,901,220 and EUR 2,303,185 respectively). Annex II.2 “Voluntary contributions for the period ended 30 June 2018” shows a list of voluntary contributions received (cash-in) by project.
22. The Organization also receives in-kind contributions in the form of travel, use of conference facilities and premises. For the period to 30 June 2018 these donations amount to EUR 1,036,285. Annex II.3 “In-kind donations for the period ended 30 June 2018” shows a list of in-kind donations received per type and by donor.

Assessed contributions

23. Assessed contributions due to the General Fund amounts to EUR 20,306,283 at 30 June 2018. Annex II.4 contains the “Statement of contributions due by Members at 30 June 2018” as well as the “Arrear contributions received from Members for the period ended 30 June 2018”.

Initiative and Project support costs project balances

24. At UNWTO the unused balances on completion of voluntary contributions projects are grouped under the Initiative project (PRFP). At 30 June 2018, PRF project accounting and available balance are shown in Annex II.5. The Secretary-General proposes to use, in accordance with Financial Regulation 10.1(f), the Project Reserve Fund’s available balance, partially or in full, as a means of increasing proposed RB budgetary income in subsequent biennia.
25. The indirect variable costs recovered from voluntary contributions are grouped under the Project Support Cost (PSC) project. Based on DFR Annex III on Cost recovery guidelines, article 13, the Secretary-General may authorize the transfer of the PSC balance to the General Fund. The Secretary-General proposes to use the PSC’s available balance amounting to EUR 746,754 at 30 June 2018 for the following purposes: i) to return the advance made by the Working Capital Fund (WCF) to the General Fund in 2014, amounting to EUR 238,396 before 31 December 2018 and to use this source of funding, partially or in full, to return the advance made by the Working Capital Fund (WCF) to the General Fund, i.e., EUR 511,202, if required at 31 December 2018, contingent upon the 2018 budgetary cash result, and ii) to partially use it for the benefit of the General Fund in addition to compensate indirect variable costs, to support the contribution to Programme of Work of the Organization and its priorities.

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

26. 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 III.1, thanking those that have made the necessary efforts in order to fulfil their financial obligations and reminding Members of the importance of settling their contributions to the budget within the time period stipulated thereby averting delays that could hamper programme execution.

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

27. At 30 June 2018, the provisions of Article 34 of the Statutes and/or paragraph 13 of the Financing Rules attached to the Statutes are applied to the 18 Members listed in the table shown in Annex III.2.
28. In pursuance of resolutions A/RES/690(XXII) and A/RES/682(XXII), shown in Annex III.3, and as per documents A/22/8(b) and addendum, CE/105/7(c) and CE/106/2(c) and its addendum, the Secretary-General has written to all these Members, urging them to discharge their debts or propose plans for their payment in instalments over a period of years according to their circumstances.
29. In accordance with paragraph 9 of A/RES/682(XXII) and as advised in document CE/106/2(c), the stipulations of Article 34 of the Statutes and/or of paragraph 13 of the Financing Rules attached to the Statutes are once again applicable as of **1 April 2018** to the Full Members Burkina Faso and Burundi.

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

30. The table in Annex III.4 shows the degree of compliance with the conditions laid down by the Assembly for Members with agreed payment plans for the settlement of their outstanding balance, and which have been granted a temporary exemption from the application of the stipulations of paragraph 13 by the 22nd session of the GA. At the request of the Members mentioned in said table, the GA agreed, in its resolution A/RES/682(XXII), to grant them temporary exemption from the application of the aforementioned provisions, once an instalment payment plan of their arrear contributions was agreed upon.
31. As per EC decision CE/DEC/13(CVIII), Madagascar will benefit from the temporary exemption of the provisions of paragraph 13 of the Financing Rules until the present session of the EC.

C. Updates from the previous statement contained in document CE/108/7(c) and CE/108/7(c) Add. 1.

32. When compared with the information contained in these documents submitted to the previous session of the EC as of 31 March 2018, the following updates can be observed:

(a) Full Members in Article 34 of the Statutes: Full Member Democratic Republic of the Congo is no longer under the provisions of Article 34 of the Statutes since it settled its arrears.

Full Members in paragraph 13 of the Financing Rules: No changes.

(b) Amount due by Members under the above-mentioned provisions
at 31 March 2018:.....EUR 5,632,496.37

Amount due by Members under the above-mentioned provisions
at 30 June 2018: EUR 5,319,542.11

Total arrears settled by Members (Democratic Republic of the Congo) under the above-mentioned provisions during the period 31 March-30 June 2018:..... EUR 312,954.26

IV. IPSAS post-implementation phase (UNWTO financial management information system-Athena) progress report

33. The UNWTO project for IPSAS implementation comprises three distinct phases: pre, main and post phase (CE/88/5(a)).
34. The pre-phase of the project (2009-2010) involved the introduction of a new financial model at UNWTO establishing a separation of financial administration roles. The main phase of the project (2011-early 2015) covered the preparatory work required to achieve IPSAS-compliant Financial Statements and comprised accounting policy and procedures, rules and regulations, new and upgraded financial management information system implementation (internally know as Athena I plan), training and awareness activities as well as the preparation of the Financial Statements under IPSAS for the year ended 2014. The post-phase (from end of 2014 onwards) includes mainly the enhancement the UNWTO financial management information system (Athena II and subsequent plans) and also range of activities aimed at sustaining IPSAS-compliance and maximizing the benefits of IPSAS.
35. For easy reference, the progress reports of the pre-phase and main-phase of the project submitted to the EC and the GA are the following broken down by years: 2007 (CBF/48/2), 2009 (CBF/50/1), 2010 (CE/88/5(a)), 2011 (CE/90/5(a) add.1), 2012 (CE/93/5(b) Add.1), 2013 (CE/95/3(II)(a) Add.1), 2014 (CE/98/3(II)(b) Add.1, CE/99/5(c)), 2015 (CE/100/5(a) Add.1 and A/21/8(II)(b) Add.1), 2016 (CE/103/7(b) Add.1) and 2017 (A/22/10(III)(b)).

36. With a view to implementing the most appropriate and feasible financial management information system solution for the needs of the Organization, the Secretary-General is currently analysing the Enterprise Resource Planning (ERP) systems used in other United Nations organizations compared to Athena (UNWTO tailor-made financial management information system based on Oracle technology).
37. The Secretary-General will provide updates on the progress made in Athena enhancement from report A/22/10(III)(b) to the upcoming EC sessions, as well as on the proposed financial management information system solution for UNWTO, either continuing with the enhancement of Athena or implementing a different solution.

* * *

Annex I.1: Appropriations authorized for 2018**Appropriations authorized for 2018**

at 30 June 2018

Euros

2018 appropriations approved by A/RES/688(XXII)**2018 revised appropriations in accordance to new structure proposed by the Secretary-General**

Major programmes / programmes	Appropriations ¹ (EUR)			Appropriations ² (EUR)							
	P	G	Staff	Non-staff	Total	P	G	Staff	Non-staff	Total	
Grand total	106			106							
Total	55	51	10,050,000	3,559,000	13,609,000	Total	56	50	10,050,000	3,559,000	13,609,000
A Member Relations	13	7	1,921,000	523,000	2,444,000	A Member Relations	14	9	2,157,000	523,000	2,680,000
A01 Regional Programme, Africa	3	1	407,000	115,000	522,000	A01 Regional Department for Africa	3	1	407,000	115,000	522,000
A02 Regional Programme, Americas	2	1	291,000	115,000	406,000	A02 Regional Department for the Americas	2	2	351,000	115,000	466,000
A03 Regional Programme, Asia and the Pacific	3	1	407,000	115,000	522,000	A03 Regional Department for Asia and the Pacific	3	1	407,000	115,000	522,000
A04 Regional Programme, Europe	2	1	290,000	66,000	356,000	A04 Regional Department for Europe	3	1	405,000	66,000	471,000
A05 Regional Programme, Middle East	2	1	290,000	66,000	356,000	A05 Regional Department for the Middle East	1	2	235,000	66,000	301,000
A06 Affiliate Members (Knowledge Network)	1	2	236,000	46,000	282,000	A06 Affiliate Members	2	2	352,000	46,000	398,000
B Operational	16	13	2,630,000	846,000	3,476,000	B Operational	17	16	2,924,000	846,000	3,770,000
B01 Sustainable Development of Tourism	3	2	467,000	106,000	573,000	B01 Sustainable Development of Tourism	3	2	467,000	106,000	573,000
B02 Technical Cooperation	2	3	411,000	76,000	487,000	B02 Technical Cooperation and Silk Road	3	3	527,000	108,000	635,000
B03 Statistics, Trends and Policy	5	4	818,000	242,000	1,060,000	B03 Statistics	3	2	468,000	165,000	633,000
B04 Destination Management and Quality	2	1	291,000	42,000	333,000	B04 Tourism Market Intelligence and Competitiveness	2	3	410,000	119,000	529,000
B05 Ethics and Social Responsibility	1	1	176,000	42,000	218,000	B05 Ethics, Culture and Social Responsibility	1	2	236,000	42,000	278,000
B06 Themis - Education and Training	0	0	0	117,000	117,000	B06 Education and Training (THEMIS)	0	2	120,000	117,000	237,000
B07 Institutional Relations and Resource Mobilization	2	1	291,000	120,000	411,000	B07 Partnerships for Development	2	1	291,000	120,000	411,000
B08 Special Field Projects	1	1	176,000	32,000	208,000	B08 Innovation, Investments and Digital Transformation	1	1	175,000	0	175,000
B9 UNWTO Liaison Offices	0	0	0	69,000	69,000	B9 UNWTO Liaison Offices	2	0	230,000	69,000	299,000
C Support - Direct to Members	19	15	3,729,000	693,000	4,422,000	C Support - Direct to Members	19	12	3,494,000	693,000	4,187,000
C01 Conferences Services	5	2	698,000	157,000	855,000	C01 Conference Services	5	2	698,000	157,000	855,000
C02 Management	12	9	2,560,000	351,000	2,911,000	C02 Management	12	8	2,445,000	351,000	2,796,000
C03 Communications and Publications	2	4	471,000	185,000	656,000	C03 Communications	2	2	351,000	185,000	536,000
D Support - Indirect to Members	7	16	1,770,000	1,497,000	3,267,000	D Support - Indirect to Members	6	13	1,475,000	1,497,000	2,972,000
D01 Budget and Finance	2	2	351,000	160,000	511,000	D01 Budget and Finance	2	2	351,000	160,000	511,000
D02 Human Resources	2	2	351,000	102,000	453,000	D02 Human Resources	2	1	291,000	102,000	393,000
D03 Information and Communication Technology	2	3	411,000	339,000	750,000	D03 Information and Communication Technologies	2	3	411,000	339,000	750,000
D04 General Services	1	9	657,000	596,000	1,253,000	D04 General Services	0	7	422,000	596,000	1,018,000
D05 ASEB Provisions	0	0	0	300,000	300,000	D05 ASEB Provisions	0	0	0	300,000	300,000

Remarks:

¹ Before transfers. In accordance to Programmes structure and appropriations approved originally by A/RES/688(XXII) of document A/22/10(II)² Before transfers. In accordance to Programmes structure and appropriations approved originally by A/RES/688(XXII) of document A/22/10(II) and the Secretary-General proposal of structure modification.

Annex I.2: Comparison of 2018 approved budget, 2018 plan of income and expenditure and budgetary cash balance – Regular Budget

Comparison of 2018 approved budget, 2018 plan of income and expenditure and budgetary cash balance - Regular Budget
at 30 June 2018

 Euros

	2018 Approved income / Original budget ¹	2018 Plan of income and expenditure	Budgetary cash balance (cash-in less expenditure)
Budgetary difference	0	500,000	105,695
<i>Budgetary income</i>	<i>13,609,000</i>	<i>12,513,000</i>	<i>11,498,588</i>
Contributions from Full and Associate Members	12,623,000	10,000,000	9,191,567
Full Members	12,414,000	9,790,000	9,007,063
Associate Members	209,000	210,000	184,504
Other income sources	986,000	763,000	691,983
Allocation from Publication store Accumulated Surplus	333,000	333,000	333,000
Affiliate Members	653,000	430,000	358,983
Arrear contributions	0	1,750,000	1,615,038
<i>Budgetary expenditure</i>	<i>13,609,000</i>	<i>12,013,000</i>	<i>11,392,893</i>

Remarks:

 1 Before transfers. In accordance to Programmes structure and appropriations approved originally by A/RES/688(XXII) of document A/22/10(II) and the Secretary-General proposal of structure modification.

Annex I.3: Staff cost information

1. By virtue of Article 16 of the “Agreement between the United Nations and the World Tourism Organization” adopted on 23 December 2003, UNWTO agreed to accept the Statute of the United Nations International Civil Service Commission (ICSC) and to develop with the United Nations uniform standards of international employment.

2. The remuneration of staff in the Professional and higher categories consists of a base salary and a post adjustment. The base salary scale is periodically published and updated by the ICSC. The post adjustment is an amount paid in addition to base salary which ensures that no matter where United Nations system staff work, their remuneration has a purchasing power equivalent to that at the base of the system, i.e., New York. The post adjustment index is monthly published by the ICSC reflecting the evolution of the cost of living and is normally updated every five years following the ICSC methodology based on place-to-place salary surveys.

3. The remuneration of staff in the General Service category is based on a salary scale published by the ICSC and is 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 salary scale for staff in the General Service category was revised effective 1 October 2017 and will be updated effective 1 October 2018. At the date of this report this percentage is not yet known.

Annex I.4: Information related to changes in the UNWTO travel policies

1. As approved by the Executive Council in its 108th session (San Sebastián, Spain, 23-25 May, 2018), UNWTO Secretariat started implementing changes in its travel operations (as of 1 June 2018) in order to bring them more into line with the UN travel policies used as benchmark by the UN system.
2. UNWTO expects to achieve considerable cost optimization through:
 - (a) Reduction of transportation expenses due to the implementation of the dual-threshold system defining the class of air travel and stricter policy regarding the determination of the travel itinerary and air carrier;
 - (b) Decrease in the travel expenses in relation with the Daily Subsistence Allowance (DSA) for official missions (reduction of the DSA applicable for the overnight travel, abolition of the additional DSA amount payable to the Secretary-General, increased control for the definition of the percentage of the DSA and accountability for the DSA payable for accommodation, internal transfers and meals);
 - (c) Stricter internal procedures limiting the expenses applicable for hospitality and transportation expenses within the area of the duty station;
 - (d) Limitation of the rest periods for travel by air to the economy class flights with the duration of more than six hours.
3. The actual results reflecting savings generated by the above mentioned changes and other cost optimization measures will be reported to the 110th session of the Executive Council.

Annex II.1: Interim unaudited Statements of Financial Position at 30 June 2018 and Financial Performance for the period ended 30 June 2018.

Statement of financial position

at 30 June 2018

Euros

	30/06/2018	01/07/2017	31/12/2017
Assets	27,050,968.73	27,399,324.82	20,314,019.94
<i>Current Assets</i>	25,790,619.86	26,483,201.42	18,980,199.56
Cash and cash equivalents	17,548,970.51	18,819,125.28	14,363,506.07
Inventories	52,349.78	53,828.60	52,349.78
Members assessed contributions receivable, net	6,218,913.80	6,247,693.75	3,282,672.23
Other contributions receivables, net	1,510,835.77	768,334.02	793,381.60
Other receivables, net	372,406.25	533,781.48	462,140.19
Other current assets	87,143.75	60,438.29	26,149.69
<i>Non-current assets</i>	1,260,348.87	916,123.40	1,333,820.38
Investments	125,715.91	227,503.12	125,715.91
Members assessed contributions receivable, net	411,173.72	53,558.00	411,173.72
Other contributions receivable, net	0.00	30,000.00	0.00
Property, plant and equipment	284,879.44	214,013.72	321,557.76
Intangible assets, net	431,955.26	384,364.02	468,856.45
Other non-current assets	6,624.54	6,684.54	6,516.54
Liabilities and Net Assets/Equity	27,050,968.73	27,399,320.26	20,314,019.94
Liabilities	21,257,834.96	21,317,094.96	23,379,981.18
<i>Current Liabilities</i>	1,184,019.45	1,715,248.08	4,020,327.96
Payables and accruals	710,820.30	961,369.08	1,270,040.71
Transfers payable	224,235.37	364,032.06	284,963.98
Employee benefits	73,441.98	104,265.31	803,158.28
Advance receipts	42,535.21	82,183.13	1,498,664.77
Provisions	129,504.71	115,700.16	125,545.04
Other current liabilities	3,481.88	87,698.34	37,955.18
<i>Non-current Liabilities</i>	20,073,815.51	19,601,846.88	19,359,653.22
Employee benefits	20,060,640.92	19,599,446.88	19,339,984.20
Advance receipts	0.00	2,400.00	7,200.00
Other non-current liabilities	13,174.59	0.00	12,469.02
Net Assets/Equity	5,793,133.77	6,082,225.30	-3,065,961.24
Accumulated surplus/(deficit)	1,343,754.48	1,607,741.21	-7,513,198.23
Reserves	4,449,379.29	4,474,484.09	4,447,236.99

The accompanying notes form an integral part of these financial statements

**Statement of financial performance
for the year ended 30 June 2018**

Euros

	30/06/2018	01/07/2017	31/12/2017
Revenues	17,185,989.76	16,499,516.37	20,340,587.71
Members assessed contributions	13,799,063.00	13,629,723.00	13,627,323.00
Other contributions (VC and FIT), net of reduction	1,096,882.90	1,531,103.04	2,256,928.00
Publications revenue, net of discounts and returns	156,550.56	217,874.74	432,997.69
Changes in currency exchange differences	107,852.41	0.00	0.00
Other revenues	2,025,640.89	1,120,815.59	4,023,339.02
Expenses	8,337,775.39	9,779,120.14	22,767,958.02
Wages, salaries and employee benefits	6,021,860.52	6,670,461.29	13,707,872.49
Grants and other transfers	191,334.04	203,093.89	423,748.12
Travel	691,586.85	1,061,324.80	2,442,336.85
Supplies, consumables and running costs	1,354,071.03	1,358,951.50	4,127,539.25
Changes in currency exchange differences	0.00	404,808.33	658,766.34
Depreciation, amortization and impairment	73,579.51	35,165.89	79,416.44
Other expenses	5,343.44	45,314.44	1,328,278.53
Surplus/(deficit) for the year	8,848,214.37	6,720,396.23	-2,427,370.31

The accompanying notes form an integral part of these financial statements

Annex II.2: Voluntary contributions the period ended 30 June 2018**Voluntary contribution received
for the period ended 30 June 2018**

Euros

Project	Donor	Currency	Amount	30/06/2018
				EUR
Voluntary contributions received				750,686.53
Prototipo OMT Desarrollo de un Producto Turístico de Compras	Secretaría de Turismo de Guanajuato	EUR		151,141.36
Study on Buddhist Tourism in Asia and Pacific-Towards Sustainable Development	China Chamber of Tourism	EUR		100,000.00
UNWTO Awards for Excellence and Innovation in Tourism				88,500.00
	<i>Macao Government Tourist Office</i>	<i>EUR</i>	<i>30,000.00</i>	
	<i>ITAIPU</i>	<i>EUR</i>	<i>15,000.00</i>	
	<i>Indonesia</i>	<i>EUR</i>	<i>10,000.00</i>	
	<i>Ras Al Khaimah Tourism Development Authority</i>	<i>EUR</i>	<i>10,000.00</i>	
	<i>Patrimonio Autonomo FONTUR</i>	<i>EUR</i>	<i>10,000.00</i>	
	<i>Instituto Nacional de Promoción Turística</i>	<i>EUR</i>	<i>10,000.00</i>	
	<i>Ayuntamiento de S. Bartolome de Tirajana</i>	<i>EUR</i>	<i>3,500.00</i>	
Asia Activity Fund	Republic of Korea	EUR		75,257.01
Développement d'une Stratégie et Formation en Communication de Crise dans Le Secteur Tourisme à Madagascar	Madagascar	USD	68,463.70	56,987.41
Formulation d'une Stratégie de marketing et de promotion de l'image de l'Algérie	UNDP	USD	49,862.00	40,138.91
Implementation of the New Tourism Strategy and Action Plan in Qatar	Qatar Tourism Authority	USD	49,038.90	39,966.70
Strengthening the Coordination Desk of the 10YFP Sustainable Tourism Programme	United Nations Environment Programme	USD	48,246.00	39,947.69
Updating the Botswana Tourism Organization Strategy	Botswana Tourism Organization	USD	37,450.00	30,334.50
Tourism for SDGs Platform (Pilot Phase)	Secretariat for Economic Affairs of The Swiss Confederation	CHF	30,000.00	25,450.60
Study on Buddhist Tourism in Asia and The Pacific Cultural Heritage Framework, Uzbekistan	JTB Tourism Research & Consulting Co.	EUR		25,000.00
Updating 2009 TSA	European Bank for Reconstruction and Development	EUR		23,010.00
Investour	The Peace Parks Foundation (PPF)	EUR		12,903.40
	<i>Horwath HTL</i>	<i>EUR</i>	<i>5,000.00</i>	
	<i>Institución Ferial de Canarias (INFECAR)</i>	<i>EUR</i>	<i>3,000.00</i>	
	<i>Quantum Solutions Emerging Markets</i>	<i>EUR</i>	<i>3,000.00</i>	
Hotel Classification Scheme, Botswana	Botswana Tourism Organization	USD	12,840.00	10,747.08
National Tourism Statistical System and TSA, Nigeria	Nigerian Tourism Development Corporation	USD	9,758.40	7,855.52
International Forum "The Value of Human Rights on the Camino de Santiago"	Seoul Tourism Organization (STO)	EUR		5,000.00
UNWTO/JTB Initiative	JTB Corporation	EUR		4,041.00
Silk Road Training and Capacity Building Programme	UNESCO	USD	2,988.00	2,405.35
2017 International Year of Sustainable Tourism for Development (IY2017)	Municipality of Hersonissos	EUR		1,000.00

Remarks:

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

Annex II.3: In-kind contributions received for the period ended 30 June 2018
**In-kind contributions received
for the period ended 30 June 2018**

Euros

Donor	Project	Currency	30/06/2018
			EUR
In-kind contributions received			1,036,284.71
<i>Use of conference facilities and premise</i>			<i>716,893.56</i>
Spain	Headquarter premise	EUR	469,188.45
Yamagata Prefecture	International Conference on Tourism and Snow Culture	EUR	61,670.56
Madison MK (TELECYL S.A.)	1ra Conferencia de La OMT sobre Turismo Deportivo	EUR	20,500.00
Fiji	UNWTO Commission for East Asia and The UNWTO Commission for South Asia (30th Cap-Csa)	EUR	14,841.00
Czech Republic	63rd Regional Commission for Europe, Prague	EUR	14,100.00
Ghana	UNWTO Themis Course on Tourism Marketing: from Product to Experience	EUR	13,250.00
Congo	Conférence Régionale: Capacités en Matière de Dévelop. Tourist. Afrique Central	EUR	12,852.27
Institución Ferial de Madrid (IFEMA)	UNWTO Awards	EUR	12,000.00
Universidad Complutense de Madrid	UNWTO Awards	EUR	12,000.00
Ministerio de Energía y Turismo de España	108ª Reunion de Consejo Ejecutivo de la OMT	EUR	11,670.00
Nigeria	61st UNWTO Regional Commission for Africa	EUR	11,450.00
State Government of Kerala	12th UNWTO Asia/Pacific Executive training	EUR	10,000.00
International Trade Centre	Geneva premise	EUR	9,435.61
Feria Internacional de Turismo	Feria Internacional de Turismo 2018	EUR	9,276.00
SENATUR	63ª Comisión Regional para las Américas	EUR	6,480.00
Sociedad Pública Gest. Turística-Princ. Asturias	II Congreso Mundial Sobre Destinos Turísticos Inteligentes	EUR	5,250.00
Donors with contribution below EUR 5,000			22,929.67
<i>Donated travel</i>			<i>319,391.15</i>
Fiji		EUR	44,790.69
Ministerio de Turismo de Argentina		EUR	24,060.05
Nigeria		EUR	23,331.45
Basque Tour, Turismoaren Euskal Agentzia		EUR	22,184.13
SENATUR		EUR	18,839.00
Ministry of Tourism and Sports of Thailand		EUR	15,268.70
Egypt		EUR	12,967.55
Tourism Authority of Thailand		EUR	12,530.72
Federal Ministry of Information & Culture Nigeria		EUR	8,372.14
Bahrain		EUR	7,200.00
Ministerio de Turismo de Colombia		EUR	6,048.79
Yamagata Prefecture		EUR	5,574.85
Czech Republic		EUR	5,003.36
Various donors and donors with contribution below EUR 5,000			113,219.72

Annex II.4: Assessed contributions at 30 June 2018

A. Statement of contributions due by Members at 30 June 2018

Statement of contributions due to the General Fund at 30 June 2018 Euros				
Members	Years	Arrear	Current year	Total
Total		16,265,923.77	4,040,358.91	20,306,282.68
<i>Full Member</i>		<i>14,456,964.24</i>	<i>3,450,240.57</i>	<i>17,907,204.81</i>
<i>Budgetary contributions</i>		<i>14,456,964.24</i>	<i>3,407,394.57</i>	<i>17,864,358.81</i>
Afghanistan	81-87, 89-08, 10, 12, 14, 18	703,988.77	26,779.00	730,767.77
Albania	18	0.00	49,541.00	49,541.00
Algeria		0.00	0.00	0.00
Andorra		0.00	0.00	0.00
Angola	18	0.00	43,654.00	43,654.00
Argentina		0.00	0.00	0.00
Armenia	18	0.00	34,544.00	34,544.00
Austria		0.00	0.00	0.00
Azerbaijan	18	0.00	43,654.00	43,654.00
Bahamas		0.00	0.00	0.00
Bahrain	79-84, 02, 10	297,226.05	0.00	297,226.05
Bangladesh	18	0.00	34,544.00	34,544.00
Barbados	18	0.00	32,134.00	32,134.00
Belarus		0.00	0.00	0.00
Benin	18	0.00	26,779.00	26,779.00
Bhutan		0.00	0.00	0.00
Bolivia	81-87, 89-98, 18	416,180.57	32,134.00	448,314.57
Bosnia and Herzegovina	18	0.00	48,201.00	48,201.00
Botswana	18	0.00	53,558.00	53,558.00
Brazil	18	0.00	276,476.00	276,476.00
Brunei Darussalam		0.00	0.00	0.00
Bulgaria		0.00	0.00	0.00
Burkina Faso	12, 16-18	78,401.00	26,779.00	105,180.00
Burundi	77-07, 11-13, 15-18	786,702.78	26,779.00	813,481.78
Cabo Verde		0.00	0.00	0.00
Cambodia	83-92	255,212.82	0.00	255,212.82
Cameroon	17-18	23,758.33	32,134.00	55,892.33
Central African Republic	07-18	253,685.20	26,779.00	280,464.20
Chad	12-18	156,563.56	26,779.00	183,342.56
Chile	18	0.00	107,114.00	107,114.00
China		0.00	0.00	0.00
Colombia	18	0.00	25,450.16	25,450.16
Comoros		0.00	0.00	0.00
Congo	16-18	32,576.38	32,134.00	64,710.38
Costa Rica		0.00	0.00	0.00
Croatia		0.00	0.00	0.00
Cuba		0.00	0.00	0.00
Cyprus		0.00	0.00	0.00
Czech Republic		0.00	0.00	0.00
Côte d'Ivoire	17-18	7,887.85	26,779.00	34,666.85
Democratic People's Republic of Korea	17-18	26,779.00	26,779.00	53,558.00
Democratic Republic of the Congo		0.00	0.00	0.00
Djibouti	03-18	331,054.00	24,101.00	355,155.00
Dominican Republic	18	0.00	64,269.00	64,269.00
Ecuador	16	1,568.84	0.00	1,568.84
Egypt	18	0.00	118,898.00	118,898.00
El Salvador		0.00	0.00	0.00
Equatorial Guinea	13-15, 17-18	114,874.00	36,180.00	151,054.00
Eritrea	18	0.00	26,779.00	26,779.00
Ethiopia	17-18	26,779.00	28,787.00	55,566.00
Fiji		0.00	0.00	0.00
France		0.00	0.00	0.00

Members	Years	Arrear	Current year	Total
Gabon	15-18	160,311.56	53,558.00	213,869.56
Gambia	98-05, 08-10, 13	242,500.92	0.00	242,500.92
Georgia		0.00	0.00	0.00
Germany		0.00	0.00	0.00
Ghana	15-18	66,402.00	32,134.00	98,536.00
Greece		0.00	0.00	0.00
Guatemala	18	0.00	48,201.00	48,201.00
Guinea	96, 98-00, 07-09, 14-18	239,286.01	26,779.00	266,065.01
Guinea-Bissau	92-96, 99-18	530,363.55	26,779.00	557,142.55
Haiti	18	0.00	596.67	596.67
Honduras	18	0.00	32,134.00	32,134.00
Hungary		0.00	0.00	0.00
India		0.00	0.00	0.00
Indonesia		0.00	0.00	0.00
Iran, Islamic Republic of	17-18	81,217.00	18,025.00	99,242.00
Iraq	91-06, 12, 18	1,750,627.70	43,654.00	1,794,281.70
Israel		0.00	0.00	0.00
Italy		0.00	0.00	0.00
Jamaica		0.00	0.00	0.00
Japan		0.00	0.00	0.00
Jordan		0.00	0.00	0.00
Kazakhstan		0.00	0.00	0.00
Kenya	16	465.79	0.00	465.79
Kingdom of Eswatini	18	0.00	32,134.00	32,134.00
Kuwait	98, 18	34,309.21	160,671.00	194,980.21
Kyrgyzstan	97-10, 12-15	425,368.71	0.00	425,368.71
Lao People's Democratic Republic	90-95, 04	128,663.06	0.00	128,663.06
Lebanon	18	0.00	99,080.00	99,080.00
Lesotho	18	0.00	26,779.00	26,779.00
Liberia	12-18	156,570.00	26,779.00	183,349.00
Libya	14-18	227,322.00	64,269.00	291,591.00
Lithuania		0.00	0.00	0.00
Madagascar	16-18	43,909.26	26,779.00	70,688.26
Malawi	11-18	179,344.99	26,779.00	206,123.99
Malaysia		0.00	0.00	0.00
Maldives		0.00	0.00	0.00
Mali		0.00	0.00	0.00
Malta		0.00	0.00	0.00
Mauritania	78-05, 15-18	709,963.16	26,779.00	736,742.16
Mauritius		0.00	0.00	0.00
Mexico		0.00	0.00	0.00
Monaco		0.00	0.00	0.00
Mongolia	16-18	43,814.00	32,134.00	75,948.00
Montenegro	18	0.00	32,134.00	32,134.00
Morocco		0.00	0.00	0.00
Mozambique	17-18	26,779.00	26,779.00	53,558.00
Myanmar		0.00	0.00	0.00
Namibia	8	44,358.00	0.00	44,358.00
Nepal	17-18	24,361.55	26,779.00	51,140.55
Netherlands		0.00	0.00	0.00
Nicaragua	02, 08-09	51,309.04	0.00	51,309.04
Niger	83-87, 90-07, 10-11, 14-18	680,132.81	26,779.00	706,911.81
Nigeria	15-18	80,907.74	43,654.00	124,561.74
Oman	18	0.00	78,301.00	78,301.00
Pakistan	15-18	7,506.26	43,654.00	51,160.26
Panama	18	0.00	57,575.00	57,575.00
Papua New Guinea	08-16	208,503.00	0.00	208,503.00
Paraguay		0.00	0.00	0.00
Peru	15, 17-18	9,409.78	28,291.74	37,701.52
Philippines		0.00	0.00	0.00
Poland		0.00	0.00	0.00
Portugal		0.00	0.00	0.00
Qatar		0.00	0.00	0.00

Members	Years	Arrear	Current year	Total
Republic of Korea		0.00	0.00	0.00
Republic of Moldova		0.00	0.00	0.00
Romania		0.00	0.00	0.00
Russian Federation		0.00	0.00	0.00
Rwanda	12, 15-18	82,860.04	26,779.00	109,639.04
Samoa		0.00	0.00	0.00
San Marino		0.00	0.00	0.00
Sao Tome and Principe	86-14, 18	594,813.65	16,067.00	610,880.65
Saudi Arabia	03	101,628.00	0.00	101,628.00
Senegal	15, 17-18	30,014.46	29,724.00	59,738.46
Serbia		0.00	0.00	0.00
Seychelles		0.00	0.00	0.00
Sierra Leone	80-00, 03-18	824,927.12	26,779.00	851,706.12
Slovakia		0.00	0.00	0.00
Slovenia		0.00	0.00	0.00
Somalia		0.00	0.00	0.00
South Africa		0.00	0.00	0.00
Spain		0.00	0.00	0.00
Sri Lanka		0.00	0.00	0.00
Sudan	89-03, 06-08, 13-14, 18	455,898.18	32,134.00	488,032.18
Switzerland		0.00	0.00	0.00
Syrian Arab Republic	12-18	375,760.00	59,448.00	435,208.00
Tajikistan		0.00	0.00	0.00
Thailand	18	0.00	172,721.00	172,721.00
The former Yugoslav Republic of Macedonia		0.00	0.00	0.00
Timor-Leste	15-18	28,202.70	28,787.00	56,989.70
Togo	05-06, 17-18	66,752.83	26,779.00	93,531.83
Trinidad and Tobago		0.00	0.00	0.00
Tunisia		0.00	0.00	0.00
Turkey		0.00	0.00	0.00
Turkmenistan	95-98, 00-12, 16-18	582,449.40	43,654.00	626,103.40
Uganda	96-00, 02-04, 10-12, 15-18	301,491.05	32,134.00	333,625.05
Ukraine		0.00	0.00	0.00
United Arab Emirates	81-87, 18	518,247.76	101,759.00	620,006.76
United Republic of Tanzania	13-18	154,938.31	32,134.00	187,072.31
Uruguay	02-03, 18	103,577.22	69,088.00	172,665.22
Uzbekistan		0.00	0.00	0.00
Vanuatu	10-18	164,998.00	23,029.00	188,027.00
Venezuela	16, 18	10,400.27	98,949.00	109,349.27
Viet Nam		0.00	0.00	0.00
Yemen	79-89, 95, 14-18	353,742.45	32,134.00	385,876.45
Zambia	14, 17-18	39,318.55	28,787.00	68,105.55
Zimbabwe		0.00	0.00	0.00
<i>Extrabudgetary contributions</i>		<i>0.00</i>	<i>42,846.00</i>	<i>42,846.00</i>
Comoros	18	0.00	16,067.00	16,067.00
Somalia	18	0.00	26,779.00	26,779.00
<i>Associate Member</i>		<i>0.00</i>	<i>24,101.00</i>	<i>24,101.00</i>
Aruba		0.00	0.00	0.00
Flemish Community of Belgium		0.00	0.00	0.00
Hong Kong, China		0.00	0.00	0.00
Macao, China		0.00	0.00	0.00
Madeira		0.00	0.00	0.00
Puerto Rico	18	0.00	24,101.00	24,101.00
<i>Affiliate Member</i>		<i>804,477.50</i>	<i>565,017.34</i>	<i>1,369,494.84</i>
<i>Former Full Member</i>		<i>918,478.93</i>	<i>0.00</i>	<i>918,478.93</i>
<i>Former Associate Member</i>		<i>1,947.90</i>	<i>0.00</i>	<i>1,947.90</i>
<i>Former Affiliate Member</i>		<i>84,055.20</i>	<i>1,000.00</i>	<i>85,055.20</i>

B. Arrear contributions received from Members for the period ended 30 June 2018**Arrear contributions received from Members due to the General Fund
for the period ended 30 June 2018**

Euros

Members	Contribution year	30/06/2018
Total		1,615,037.71
<i>Full Members</i>		<i>1,581,637.71</i>
Bahrain	78-79	34,489.00
Benin	12-16	104,451.00
Botswana	17	53,558.00
Brazil	17	257,187.00
Brunei Darussalam	17	53,558.00
Cambodia	82-83	15,012.57
Central African Republic	16	15,244.90
Dominican Republic	16-17	128,536.00
DR of the Congo	98-17	312,954.26
Gambia	97-98	20,208.41
Iran, Islamic Republic of	15	6,267.00
Kuwait	16-17	321,342.00
Kyrgyzstan	96-97	23,631.59
Lao PDR	90	11,589.47
Lebanon	17	107,114.00
Madagascar	14-16	29,072.77
Nicaragua	01-02	17,103.00
Papua New Guinea	08	14,893.00
Sudan	86-17	55,425.74
<i>Affiliate Members</i>	<i>14-17</i>	<i>33,400.00</i>

Annex II.5: Initiative projects at 30 June 2018

Project support costs (PSC) and Initiative projects

Euros

at 30 June 2018

Description	Opening	Balance at	Movements	Balance at	Outstanding	Balance at
	balance		01/04/2018-			
	at 01/01/2018	31/03/2018	30/06/2018	30/06/2018		commitments
<i>Project support cost projects</i>	740,722.75	933,095.77	-62,733.04	870,362.73	123,609.08	746,753.65
<i>Initiative projects</i>	439,741.30	439,741.30	-58,705.67	381,035.63	108,541.13	272,494.50
Project Reserve Fund Pool	19,791.68	97,020.48	0.00	97,020.48	0.00	102,030.91
PRF-OFTS	137,193.79	111,491.08	-25,702.71	85,788.37	85,675.70	112.67
PRF-TECO	79,500.00	79,500.00	0.00	79,500.00	22,415.48	57,084.52
PRF-EU Horizon 2020	3,000.00	3,000.00	0.00	3,000.00	0.00	3,000.00
China Initiative Fund - Asia	76,821.45	74,721.45	-5,200.25	69,521.20	449.95	69,071.25
China-Initiative-Funds-TECO	41,195.15	41,195.15	0.00	41,195.15	0.00	41,195.15

Remarks:

PRF-RDAM, PRF-RDEU and PRF-UN-BONN project balances shown in document CE/108/7(a) were adjusted back to PRF respectively without altering total balance. All other projects shown in document CE/108/7(a) remain unchanged at 30 June 2018.

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

A. Article 34 of the Statutes

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

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

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

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

A/RES/217(VII)

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

"The General Assembly,

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

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

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

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

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

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

.....

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

B. Paragraph 13 of the Financing Rules attached to the Statutes

3. 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."

4. 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 III.2: Members subject to provisions of Article 34 of the Statutes and Paragraph 13 of the Financing Rules attached to the Statutes

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

at 30 June 2018

Euros

Full Members	Paragr.		Arrear Contributions		
	13	Art. 34	Years	Total years	Total
<i>Full Member</i>					5,319,542.11
Afghanistan	X	X	81-87, 89-08,10,12,14	30	703,988.77
Burkina Faso	X		12,16-17	3	78,401.00
Burundi	X	X	77-07,11-13, 15-17	37	786,702.78
Central African Republic	X	X	07-17	11	253,685.20
Chad	X	X	12-17	6	156,563.56
Gabon	X		15-17	3	160,311.56
Ghana	X		15-17	3	66,402.00
Liberia	X	X	12-17	6	156,570.00
Malawi	X	X	11-17	7	179,344.99
Nigeria	X		15-17	3	80,907.74
Rwanda	X	X	12,15-17	4	82,860.04
Sierra Leone	X	X	80-00,03-17	36	824,927.12
Togo	X		05-06,17	3	66,752.83
Turkmenistan	X	X	95-98,00-12, 16-17	19	582,449.40
Uganda	X	X	96-00,02-04, 10-12, 15-17	14	301,491.05
United Republic of Tanzania	X	X	13-17	5	154,938.31
United Arab Emirates	X	X	81-87	7	518,247.76
Vanuatu	X	X	10-17	8	164,998.00

Annex III.3: Excerpts of resolution A/RES/682(XXII)

“The General Assembly,

(...)

Having taken note of the recommendations made by the Executive Council at its 103rd, 104th, 105th and 106th sessions with respect to requests made by various Full and Affiliate Members for temporary exemption from the application of paragraph 13 of the Financing Rules,

Considering the documents submitted by the Secretary-General regarding this matter,

8. *Decides in view of their compliance with the agreed payment plans, to renew the temporary exemption from provisions of paragraph 13 of the Financing Rules of Full Members Bolivia, Cambodia, Gambia, Iraq, Lao People’s Democratic Republic, Nicaragua and Sao Tome and Principe and to grant temporary exemption from the provisions of paragraph 13 of the Financing Rules to Full Members Bahrain, Djibouti, Equatorial Guinea, Guinea, Guinea-Bissau, Kyrgyzstan, Libya, Mauritania, Niger, Pakistan, Papua New Guinea, Syrian Arab Republic and Yemen as well as to ratify Uruguay’s payment plan revision and likewise grants temporary exemption to the Affiliate Member Russian Travel Guide RTG in view of its two year-long payment plan for the settlement of its arrears;*

9. *Also decides to maintain the temporary exemption of Burkina Faso, Burundi, Democratic Republic of the Congo, Madagascar, Sudan and Uruguay, as well as that of Affiliate Members Camara de Turismo de Cabo Verde and Instituto de Turismo Responsable from the provisions of paragraph 13, 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 2018;*

10. *Adopts the recommendation of the Executive Council establishing the following conditions for the Members requesting temporary exemption from the provisions of paragraph 13 of the Financing Rules and which propose payment plans to settle their arrears in instalments:*

(a) to discharge the contribution corresponding to the present year before the General Assembly session at which their case is reviewed,

(b) strict observance of the plan agreed for the settlement of arrears;

11. *Requests the Secretary-General to inform the Full Members concerned, that the decision just taken in their regards remains subject to strict compliance with the aforementioned conditions; and*

(...)

Annex III.4: Members granted temporary exemption from the application of paragraph 13 of the Financing Rules (Resolution A/RES/682(XXII))

Members granted temporary exemption from the application of paragraph 13 of the Financing Rules (Resolution A/RES/682(XXII))

Compliance with the conditions laid down by the General Assembly Situation at 30 June 2018						
Full Members	Arrears Payment plan	Payment of the year the G.A./ E.C. approved the plan		Strict fulfilment of the agreed payment plan		
				Payment made		
				Contribution for the year		Annual payment of arrears
Bahrain	in 15 years beginning in 2018	2017	Yes	2018	Yes	Yes
Bolivia	in 11 years beginning in 2008	2007	Yes	2008-2018	Yes	Yes
Cambodia	in 30 years beginning in 2006	2006	Yes	2006-2018	Yes	Yes
Djibouti	in 15 years beginning in 2017	2017	No	2018	No	No
Equatorial Guinea	in 8 years beginning in 2018	2018	No	2018	No	No
Gambia, Islamic Republic of	in 15 years beginning in 2016	2015	Yes	2016-2018	Yes	Yes
Guinea	in 10 years beginning in 2017	2017	No	2017-2018	No	No
Guinea-Bissau	in 30 years beginning in 2016	2016	No	2016-2017-2018	No	No
Iraq	in 25 years beginning in 2014	2010	Yes	2014-2017-2018	Yes	Yes
Kyrgyzstan	in 21 years beginning in 2016	2016	Yes	2017-2018	Yes	Yes
Lao People's Dem. Republic	in 26 years beginning in 2005	2005	Yes	2005-2018	Yes	Yes
Libya	in 10 years beginning in 2018	2018	No	2018	No	No
Madagascar	in 3 years beginning in 2014	2014	Part	2014-2015-2016-2017-2018	Yes Part No	Yes Yes No
Mauritania	in 31 years beginning in 2015	2015	No	2015 2016-2018	No No	Part No
Nicaragua	in 12 years beginning in 2010	2010	Yes	2010-2018	Yes	Yes
Niger	in 30 years beginning in 2017	2017	No	2018	No	No
Pakistan	in 10 years beginning in 2018	2017	Part	2018	No	No
Papua New Guinea	in 15 years beginning in 2017	2017	Yes	2017 2018	Yes Yes	No Yes
Sao Tome and Principe	in 34 years beginning in 2015	2015	Yes	2016-2017-2018	Yes No	Yes No
Sudan	in 25 years beginning in 2016	2015	Yes	2016-2017-2018	Yes No	Part No
Syrian Arab Republic	in 20 years beginning in 2018	2017	No	2018	No	No
Uruguay	in 13 years beginning in 2017	2017	No	2007-2017-2018	Yes No	Yes No
Yemen	in 20 years beginning in 2018	2017	No	2018	No	No