



ORGANISATION MONDIALE DU TOURISME
WORLD TOURISM ORGANIZATION
ORGANIZACIÓN MUNDIAL DEL TURISMO
ВСЕМИРНАЯ ТУРИСТСКАЯ ОРГАНИЗАЦИЯ
منظمة السياحة العالمية

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ADMINISTRATIVE, FINANCIAL AND STATUTORY MATTERS

(a) Report of the Secretary-General on the financial situation

Note by the Secretary-General

In accordance with regulation 14(6) of the Organization's Financial Regulations, the Secretary-General transmits to the Executive Council, for information, the attached report on the financial situation of the Organization at 15 September 2008.

The Executive Council will be informed, in an addendum to this document, of the contributions received between 16 September and 10 October 2008.

ADMINISTRATIVE, FINANCIAL AND STATUTORY MATTERS

(a) Report of the Secretary-General on the financial situation

FINANCIAL SITUATION AT 15 SEPTEMBER 2008

1. At its seventeenth session, held in Cartagena de Indias (Colombia), in 2007, the General Assembly approved a budget of 12,148,000 euros for the financial year 2008.

2. The following table shows the approved budgetary appropriations and income, as well as an estimate of income and expenditure for the 2008 financial year, as analysed in document CE/83/4(b) Rev. submitted to the 83rd Executive Council session held in Jeju, Republic of Korea last June.

	<u>EUR</u> <u>INCOME AND APPROVED</u> <u>APPROPRIATIONS</u>	<u>EUR</u> <u>ESTIMATED INCOME</u> <u>AND EXPENDITURE</u>	<u>%</u>
<u>BUDGETARY INCOME</u>	<u>12,147,889.32</u>	<u>10,307,000.00</u>	<u>85</u>
- Contributions of the Members (Full, Associate and Affiliate)	11,504,889.32	9,664,000.00	84
- Allocation from sundry income	253,000.00	253,000.00	100
- Allocation from Publications account	232,000.00	232,000.00	100
- Allocation from the surplus 2004-2005	158,000.00	158,000.00	100
<u>BUDGETARY EXPENDITURE</u>	<u>12,148,000.00</u>	<u>10,328,000.00</u>	<u>85</u>
<u>RESULTS FORECAST FOR THE FINANCIAL YEAR 2008</u>	(110.68) (*)	(21,000.00)	
- Any forecast cash shortfall would be covered by an advance from the Working Capital Fund		21,000.00	
- Forecast income from arrear contributions		700,000.00	
(*) This amount results from adjusting the contributions of the Affiliate Members (-EUR133.68) and the adjustment of the contributions of Full and Associate Members (EUR23.00).			

BUDGETARY RESULTS OF THE FINANCIAL YEAR 2008
AT 15 SEPTEMBER 2008

(in euros)

BUDGETARY INCOME	10,127,564.19
- Contributions of Members.....	9,484,564.19
- Budgetary allocation from sundry income	253,000.00
- Budgetary allocation from publications account	232,000.00
- Allocation from 2004-2005 surplus.....	158,000.00
BUDGETARY EXPENDITURE	<u>(7,511,358.53)</u>
Balance of budgetary cash	2,616,205.66 =====

INCOME AND EXPENDITURE

3. At 15 September 2008, total budgetary contributions for 2008 received from Members amounted to 9,484,564.19 euros, representing 82 per cent of the total amount receivable (11,504,889.32 euros) and 98 per cent of estimated contributions in the expenditure plan (9,664,000 euros). By the same date of the previous year the percentages were 84 per cent and 102 per cent respectively.

4. As can be deduced from the preceding paragraph, the current level of contributions received (82 per cent), is just two percentage points off the level estimated for the full year, which was 84 per cent.

5. Out of the total contributions received, 280,378.06 euros correspond to budgetary contributions by Affiliate Members, representing 61 per cent of the total of 456,866.32 euros payable for 2008, as compared to 60 per cent received as of the same date last year.

6. Taking into account the allocations to the 2008 budget resulting from miscellaneous income (253,000 euros), from the publications account (232,000 euros) and from the 2004-2005 surplus (158,000 euros), total budgetary income received for the year comes to 10,127,564.19 euros. This amount represents 98 per cent of the estimated total budgetary income for the year (10,307,000 euros).

7. During this period, a total of 660,673.38 euros in contribution arrears had been received, representing 94 per cent of the estimate for the current year (700,000 euros). Over the same period last year, the amount of arrears collected was 1,007,549.32 euros, representing 144 per cent of the estimated total in 2007 (700,000 euros). The following is a list of Members that paid arrear contributions:

<u>FULL MEMBERS</u>	<u>Arrear contributions received</u>	
Bolivia	3,000.00	
Burkina Faso	68,700.84	
Cambodia	15,012.57	
Cameroon	5,912.16	
Costa Rica	8,035.07	
Chile	5,641.20	
El Salvador	7,861.00	
Equatorial Guinea	950.98	
Gabon	2,807.00	
Georgia	55,421.22	
Guatemala	461.31	
Iran, Islamic Republic of	57,590.00	
Kenya	397.24	
Lao People's Democratic Republic	11,589.47	
Madagascar	7,101.09	
Malawi	14,173.00	
Mauritania	6,131.90	
Mozambique	54,562.71	
Namibia	47,991.00	
Niger	7,622.45	
Pakistan	25,897.88	
Paraguay	15,632.82	
Peru	14,705.90	
Philippines	291.17	
Rwanda	8,353.43	
Syrian Arab Republic	71,849.00	
The former Yugoslav Rep. of Macedonia	28,795.00	
Togo	19,779.85	
Uzbekistan	36,244.00	
Yemen	8,436.59	
Zambia	<u>28,725.53</u>	639,673.38
<u>AFFILIATE MEMBERS</u>		<u>21,000.00</u>
Total arrears received		<u>EUR660,673.38</u>
		=====

8. Total budgetary expenditure on 15 September 2008 amounted to 7,511,358.53 euros, i.e. 62 per cent of the approved budget and 73 per cent of the plan of expenditure established based on income likely to be received. The percentage of expenditures effected at the same date last year was 57 per cent of the approved 2007 budget.

9. The existence of a “plan of expenditure” limiting expenditure commitments to anticipated income has made it possible to remain within the zone of financial balance recommended by the General Assembly. Nevertheless, a comparison of receipts with current and estimated expenditure until the end of the year, taking into account in particular the increase in costs as a consequence of the high level of inflation recorded in the past months in Spain, with a year-on-year rise of 4.9% in the month of August, suggests that fixed costs and the costs of the programme of work could moderately exceed the amounts established in the plan of expenditures for 2008. So as to address this situation, the Secretary-General instructed Heads of Departments and Regional Representatives to exercise the maximum degree of cost containment in implementing the activities of the work programme. It has been decided to adopt strict cost-saving measures for non-priority expenditures and activities. Certain projects or operations will have to be postponed to 2009.

10. The Annex to this document contains a statement of contributions owed by Members at 15 September 2008.

VOLUNTARY CONTRIBUTIONS

11. Between the last Council session and the date of this document, the following Voluntary Contributions have been received:

- USD18,340 from the Government of the State of Punjab, India, for the organization of the “Seminar on Planning and Managing Tourism Destinations – Strategies and Actions for Success”;
- USD79,000 from the Government of Timor-Leste for “The formulation of a Tourism Policy”;
- EUR10,000 as partial payment of a total contribution of EUR90,000 from Reed Travel Exhibitions for the development of a study on “Meeting Industry Network” in the framework of the activities of the Affiliate Members;
- USD163,250 as the final payment of a total contribution of USD653,000 from the Government of India for the execution of the project “Integrated and Sustainable Development of Tourism in the States of Uttarakhand, Orissa and West Bengal”;

- EUR90,698 as the final payment of a total contribution of EUR290,400 from the Government of Romania for the preparation of a Master Plan for Tourism Development in Romania; and
- USD500,000 from the UNWTO ST-EP Foundation, Republic of Korea, as a contribution to the “Memorandum of Understanding” signed on 5th March 2008 by the UNWTO, SNV (Netherlands Development Organisation) and the UNWTO ST-EP Foundation for the execution of various projects in countries in Africa, Latin America, Asia and Europe, within the framework of the activities of the ST-EP Programme.