REVIEW OF THE ACCEPTANCE AND IMPLEMENTATION OF JIU RECOMMENDATIONS BY THE UNITED NATIONS WORLD TOURISM ORGANIZATION (UNWTO)

Prepared by

Jorge T. Flores Callejas

Joint Inspection Unit

Geneva 2016
## CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Paragraphs</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. INTRODUCTION.</td>
<td>1-9</td>
<td>3</td>
</tr>
<tr>
<td>II. CONSIDERATION OF JIU REPORTS BY UNWTO LEGISLATIVE BODIES</td>
<td>10-35</td>
<td>5</td>
</tr>
<tr>
<td>A. Dissemination of JIU reports</td>
<td>24-26</td>
<td>7</td>
</tr>
<tr>
<td>B. Submission of the CEB and executive head’s comments</td>
<td>27-29</td>
<td>8</td>
</tr>
<tr>
<td>C. JIU reports formally considered by legislative bodies</td>
<td>30-31</td>
<td>8</td>
</tr>
<tr>
<td>D. Decisions taken on JIU recommendations</td>
<td>32-33</td>
<td>8</td>
</tr>
<tr>
<td>E. Follow-up and reporting on the implementation of JIU recommendations</td>
<td>34-35</td>
<td>9</td>
</tr>
</tbody>
</table>
I. INTRODUCTION

1. The General Assembly of the United Nations has repeatedly noted the importance of enhancing the effectiveness of the Joint Inspection Unit (JIU) and its follow-up system and has reaffirmed that the effectiveness of the JIU is a shared responsibility of the Unit, member States, and the secretariats of the participating organizations.¹

2. In its resolution 54/16, the General Assembly endorsed the proposal of the Unit to establish a system for handling of JIU reports and recommendations by its participating organizations. The proposal, entitled “Towards a more effective system of follow-up on reports of the Joint Inspection Unit”, was attached as an annex to the Unit’s annual report for 1996-1997.² Subsequently, the Unit undertook consultations to arrive at specific follow-up agreements with the secretariats of its participating organizations, which were ratified by their respective governing bodies between 2000 and 2005. No such agreement has been entered into concluded with the United Nations World Tourism Organization (UNWTO). However, when UNWTO joined the United Nations system as a specialized agency in 2003 and adhered to the JIU statute in March 2004,³ it turned out to be subject to the oversight of the Unit and legally bounded by the provisions of its statute, including those concerning the handling of JIU reports and recommendations.

3. In 1998, the Unit started tracking actions taken by legislative bodies on its recommendations. That tracking system evolved over the years into a web-based tracking system (WBTS), which was introduced in 2012. The WBTS serves as an online platform allowing participating organizations to access and update the status of consideration of JIU reports and the acceptance and implementation of recommendations. The General Assembly in its resolution 69/275 requested the heads of participating organizations to make full use of the web-based system and to provide an in-depth analysis of how the recommendations of the Unit are being implemented.⁴

4. The Unit is committed to further enhance the effectiveness of its follow-up system and therefore decided to include in its programme of work for 2015 a review of the acceptance and implementation of JIU recommendations by its participating organizations for the period 2006-2012. The year 2013 onwards have been excluded from the analysis since it takes time for reports to be considered by legislative bodies and for recommendations to be implemented by management. Prior to 2006, all recommendations have been closed and their acceptance and implementation were no longer tracked.

5. The present review will be conducted in two phases. The objectives of the first phase are to review:

---

¹ General Assembly resolutions 50/233, 54/16, 62/246, 63/272, 64/262, 65/270, 66/259, 68/266 and 69/275.
² A/52/34.
³ CE/94/3(II)(b), para. 1.
⁴ OP.15.
• The acceptance and implementation of recommendations by JIU participating organizations, based on the statistics provided by the WBTS, to prompt action to clear recommendations outstanding for five years or more; and

• The process of consideration of JIU reports by legislative bodies of organizations to identify shortcomings and delays in the process.

6. A questionnaire on the process of handling JIU reports, notes and management letters was sent to the JIU focal points at each organization. The results of the first phase of the review are being presented in a series of management letters addressed to executive heads of participating organizations.

7. The second phase will identify good follow-up practices at organizations and draw lessons to enhance the follow-up process.

8. The present management letter, which is addressed for action to the Secretary-General of UNWTO, is the result of the analysis carried out during the first phase of the project and includes an analysis of the process of handling JIU reports by UNWTO secretariat and legislative bodies from 2012 when this organization initiated reporting on JIU reports and recommendations. Contrary to other organizations where a comparison and analysis of the acceptance and implementation rates for the period 2006-2012 was done together with a review of long outstanding recommendations for the period 2006-2009, such analysis would not apply to UNWTO, on the basis of the looking forward agreement reached with the organization in 2014, as explained further in the present letter.

9. Comments on the draft management letter were sought from UNWTO management and taken into account in finalizing the letter. In accordance with article 11, paragraph 2, of the JIU statute, the present management letter was finalized after consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit.
II. CONSIDERATION OF JIU REPORTS BY UNWTO LEGISLATIVE BODIES

10. For many years since its inception in the United Nations system and adherence to the JIU statute, UNWTO did not respond to the written requests of the Unit to report on the acceptance and implementation of its recommendations. However, it has change in 2012 when UNWTO started bringing to the attention of its Executive Council, on an annual basis, the JIU reports and recommendations issued during the preceding year.

Background

11. In 2012, the UNWTO report entitled “Joint Inspection Unit recommendations: implementation in the context of the White Paper” was submitted for the consideration of UNWTO Executive Council with a double purpose, i.e. “on the one hand, to comply with JIU requirements to transmit JIU reports to UNWTO’s Governing Bodies. On the other hand, to synchronize UNWTO’s reform tool (UNWTO’s White Paper implementation plan) with the insights and recommendations provided by the JIU in their reports.”5 In the annexes to the said report could be found: all JIU reports issued in 2011 and JIU/REP/2009/1; a paper on the “correspondence between the White Paper and JIU/REP/2009/1”; and a review of the JIU recommendations issued in 2011 and their impact on the Organization.

12. The report indicated that the monitoring, reporting and following up on JIU recommendations through the mechanism proposed by the JIU could not be done without specifically dedicated resources, which were not available in the context of the zero nominal growth policy. The report argued that, due to the small size of the organization, the costs required to evaluate and implement recommendations might exceed the benefits, and the reforms already targeted in the White Paper6 could be side-tracked if more initiatives and recommendations were to be dealt with in parallel.

13. The report proposed the following approach for reviewing JIU reports and recommendations: the Secretariat would present to the Executive Council on an annual basis, through the Programme and Budget Committee, the recommendations formulated by the JIU in the previous year, selecting those deemed (in the UNWTO Secretariat’s opinion) to have a major impact on the character and fundamental principles of the Organization, as a member of the United Nations family, its programme of work or its management practices. The White Paper implementation plan would be updated, as appropriate and submitted to the Executive Council together with the review of the JIU reports and recommendations. The recommendations not retained would be considered as “closed”.

14. The proposal was endorsed by the Executive Council in October 2012, which considered 19 of the recommendations in JIU/REP/2009/17 as closed and took note of the 110 recommendation contained in JIU reports and notes issued in 2011, requiring from the Secretary-General no further action on them in view of the costs required for their implementation.8 No recommendations were included in the White Paper Implementation Plan.

5 CE/94/3(II)(b), of 1 August -2012, para 4.
6 Major reform document of the Organization.
8 CE/DEC/7(XCIV).
15. In 2013, a report entitled “Joint Inspection Unit recommendations in the context of the White Paper” was submitted to the Executive Council on the JIU reports and notes issued in 2012, which also reviewed the backlog of reports from 2006-2010 and provided comments on the recommendations contained in these reports. The 2013 report to the Council reiterated the arguments of the previous report, requesting the Executive Council to reconfirm its decision of having the White Paper updated whenever a recommendation from the JIU was seen as relevant and cost-effective for the Organization and to close recommendations not retained. At its ninety-sixth session of August 2013, the Executive Council took note of the 112 recommendations in the 2012 JIU reports and notes and of the 582 recommendations included in JIU reports and notes for the period 2006 to 2010 and considered that no further action was to be taken on them. None of the recommendations were included in the White Paper Implementation Plan.

16. In the context of the 2013 JIU follow-up inspection of its 2009 review of management and administration of UNWTO, the Secretary-General of UNWTO expressed to the Inspector his concern about the Organization’s capacity to comply with the requirements of the JIU system-wide reports and notes, highlighting the specific difficulties experienced by a small organization like UNWTO in fully accepting and implementing all JIU recommendations. The Inspector requested UNWTO to reconsider the JIU reports issued in 2006-2012. It was then agreed that “reconsideration will not encompass all JIU reports issued, but will focus on a subset of those considered more relevant”.

17. In November 2013, the Unit decided that, when soliciting substantive comments to the draft version of reports or notes from the five smallest JIU participating organizations, the responsible Inspector would enter into a dialogue with the secretariat concerned to ascertain whether the organization would be able to fully accept and implement each of the recommendations in the draft and would reflect in the final version of the report as “for information” only, rather than “for action”, those recommendations the implementation of which would be agreed upon to be beyond the capacity of the organization.

18. In 2014, a third report on the “Joint Inspection Unit recommendations in the context of the White Paper” was submitted to the UNWTO Executive Council. This time, with the new JIU approach for small organizations in place, only one recommendation in one note out of the six JIU reports and notes issued in 2013 was addressed for action to UNWTO. The UNWTO Executive Council at its ninety-ninth session of October 2014 welcomed “the constructive approach started by the JIU in 2013 in relation to their differentiating recommendations addressed to smaller agencies into recommendations for information and recommendations for action according to their relevance to these agencies”, and endorsed the only recommendation addressed to UNWTO for action, requesting the Secretary-General to update the White Paper Implementation Plan accordingly.

19. By the same decision, the Programme and Budget Committee was requested “to review the reports for the period 2006-2012 agreed with the Joint Inspection Unit for detailed consideration and to report back at a subsequent session of the Executive Council prior to

---

9 CE/96/2(g).
10 CE/DEC/7(XCVI).
11 CE/99/5(e) of 29 July 2014, para.7.
12 IMO, ITC, UPU, UNWTO and WMO.
13 JIU/DEC/2013/40.
14 Recommendation 1 of JIU/NODE/2013/1: “Reference checks in the United Nations system organizations”.
15 CE/99/5(e).
16 CE/DEC/14(XCIX).
the 21st session of the General Assembly with a proposed course of action, including updating the White Paper Implementation Plan, as appropriate”.

20. In October 2014, the Programme and Budget Committee reviewed the recommendations provided by the JIU in its report JIU/REP/2014/5\(^{17}\) and in ten selected JIU reports for the period 2006-2011 (the year 2012 was excluded), together with the recommendations of the External Auditor and decided to assess these recommendations so that an implementation plan could be prepared to become, if approved, a part of the White Paper Implementation Plan.\(^{18}\)

21. The Committee met again in May 2015 and approved the report prepared by the working group on assessing the implementation of recommendations of the JIU and the External Auditor\(^{19}\) and requested the Secretary-General to transmit its report to the 101st session of the Executive Council.\(^{20}\) In September 2015, the Council approved the report and entrusted the Secretary-General with its implementation until the White Paper Implementation Plan be approved by the General Assembly.\(^{21}\) The Council also considered the ten JIU reports/notes issued in 2014, of which five were addressed for action to UNWTO. These five reports/notes contained 29 recommendations, of which four were considered by UNWTO not relevant.\(^{22}\)

22. The outcome of the above Executive Council’s decisions was entered into the WBTS in October/November 2015.

23. The JIU reviewed the process established by UNWTO for handling JIU reports in the light of the provisions of the JIU statute and presents the results of this analysis below.

A. Dissemination of JIU reports

24. Article 11.4(c) of the JIU statute provides that upon receipt of reports, the executive head(s) concerned shall take immediate action to distribute them to the members States of their respective organizations.

25. As already mentioned, when JIU reports and recommendations were first considered by UNWTO in 2012, the report of the Secretary-General to the Executive Council contained in annexes all JIU reports produced within the previous year. This approach was replaced in subsequent reports to the Executive Council by a more cost-effective practice whereby a link to access the specific reports was provided. UNWTO is encouraged to pursue this practice.

26. In the response to the JIU questionnaire and the comments to the draft management letter, UNWTO indicated that the JIU reports, notes and management letters were also

\(^{17}\) Follow-up inspection to the 2009 review of administration and management of the United Nation World Tourism Organization”.
\(^{18}\) CE/99/6, para.16.
\(^{19}\) PBC/06/02.
\(^{20}\) CE/100/4, paras. 24-25.
\(^{21}\) CE/DEC/6(CI).
\(^{22}\) CE/101/2 (e).
internally disseminated among the members of the senior management team, which is composed of the Secretary-General and eight high-level officials, including the Director of Administration and Finance and the Advisor on the United Nations matters, and sent the focal points for specific reports.
B. Submission of the CEB and executive head’s comments

27. In the case of system-wide reports, article 11.4 (e) of the JIU statute calls for the preparation of joint comments of executive heads within the framework of the CEB for submission to the competent organs of the organizations together with any comments of the respective executive head on matters that concern his/her organization.

28. From 2012, the executive head’s comments on JIU recommendations have been provided in the annual report of the Secretary-General to the Executive Council entitled “Joint Inspection Unit recommendations in the context of the White Paper”. It is to note that reporting is expected on those recommendations addressed for action to UNWTO. No comments are expected on recommendations which have been agreed with the JIU as “not relevant” for UNWTO, as well as recommendations addressed to the CEB. In this regard, the Inspector invites UNWTO management to clearly indicate the irrelevance of recommendations at the time the draft report or note is received for comments, requesting that these recommendations be reflected as for information only in the annex table entitled “overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit”.

29. The Inspectors noted that the CEB comments were not transmitted to the Executive Council together with the relevant reports, and invites UNWTO to provide a hyperlink to facilitate access to them, as done with regards the JIU reports.

C. JIU reports formally considered by legislative bodies

30. As described above, starting from 2012, all relevant JIU reports and recommendations thereof issued during the preceding year have been taken up under a dedicated agenda item of UNWTO Executive Council. The Inspector is pleased to note that currently all relevant reports and recommendations are scheduled for consideration without delay at the forthcoming meeting of the legislative body, as called for by article 11.4 (e) of the JIU statute to which the UNWTO has adhered to, since any delay in consideration affects the impact of the recommendations.

31. The Inspector invites UNWTO management to enter into the WBTS all relevant data on the consideration of JIU reports (date and document reference of executive head’s comments and of action by the governing body).

D. Decisions taken on JIU recommendations

32. Article 11.4 (f) of the JIU statute sets up that executive heads of organizations inform the Unit of all decisions taken by the competent organs of the organizations on reports of the Unit. This is a necessary requirement for JIU reports to have any impact, as article 5.5 of the JIU statute provides that Inspectors of the Unit may make recommendations but have no power of decision.

33. The Executive Council of UNWTO has taken decisions on all relevant JIU reports and recommendations issued during the preceding year from 2012 onwards. The Inspector is

---

23 CE/96/2(g).
pleased to note that from 2014 onwards the decision to take note of the relevant recommendations in JIU reports and notes submitted for action, and approve the actions to be taken on each of them, as proposed in the annex, has been mostly to accept and implement the Unit’s recommendations, further requesting the Secretary-General to report accordingly to the JIU.\textsuperscript{24}

E. Follow-up and reporting on the implementation of JIU recommendations

34. In line with article 12 of the JIU statute, the executive heads of the participating organizations shall ensure expeditious implementation of the approved recommendations. In this regard, the Inspector noticed that as per decision of the UNWTO Executive Council, the Secretary-General is to report through the White Paper Implementation Plan on the status of implementation of JIU accepted recommendations, and that an updated version of this plan should be presented to the 22\textsuperscript{nd} session of the General Assembly in 2017.\textsuperscript{25} \textbf{The Inspector requests that the annual report to the Executive Council on JIU recommendations also provides an update on the status of recommendations pending implementation from previous years.}

35. We would appreciate receiving a response to this management letter by 31 May 2016.

\textsuperscript{24} CE/DEC/5(CI).
\textsuperscript{25} CE/DEC/6(CI).