



INTERNAL AUDIT DIVISION

REPORT 2023/086

Audit of human resources management at the United Nations World Tourism Organization

**There is a need to strengthen workforce
planning and establish adequate policies,
guidelines and procedures to effectively
govern human resources management
matters**

22 December 2023

Assignment No. AE2023-920-01

Audit of human resources management at the United Nations World Tourism Organization

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of human resources management at the United Nations World Tourism Organization (UNWTO). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over human resources management at UNWTO. The audit covered the period from January 2020 to May 2023 and included a review of risk areas in the management of human resources which included: (a) strategic planning and governance; (b) recruitment and other staffing decisions; (c) ethics, conduct and discipline; and (d) performance management.

The audit showed that there was a need to strengthen workforce planning and to establish adequate policies, guidelines and procedures to effectively govern human resources management matters.

OIOS made eleven recommendations. To address the issues identified in the audit, UNWTO needed to:

- Introduce formal mechanisms and procedures for workforce planning and post management;
- Develop an action plan with target dates for all the initiatives in its human resources Master Programme, define key performance indicators and targets for human resources matters, and establish a framework for reporting and monitoring the key performance indicators and the status of initiatives in the Master Programme;
- Improve the information on staff, non-staff personnel, vacancies and geographical distribution reported in the annual human resources reports to the Executive Council to help provide a clearer picture of its workforce and changes made in the year under review;
- Introduce training requirements for members of the Appointment and Promotion Board (APB) and ensure that they are assigned to recruitment cases at the same grade or lower, and that elections for new APB members are held in a timely manner with an appropriate number of active alternate members;
- Strengthen guidelines and procedures for recruitment by establishing requirements and templates to ensure that candidates are shortlisted based on clearly established criteria, and establish procedures for competitive selection for posts exempted from review by the APB;
- Improve its procedures for classification and reclassification of posts;
- Establish clear guidelines and procedures for granting special post allowance to staff;
- Establish clear criteria and arrangements for granting of permanent appointments;
- Strengthen the guidelines for recruitment of service contractors and establish arrangements for regular review of the salary scales of service contractors;
- Strengthen the arrangements for dealing with ethics, discipline and conduct issues by establishing an investigations function, promulgating policies on harassment, sexual harassment and abuse of authority, and strengthening the existing mechanisms including mandatory training requirements, the Ethics Office, and the Joint Appeal Committee based on lessons learned; and
- Finalize and promulgate a performance management policy to ensure that the performance evaluation year is standardized, and performance evaluations are properly done in line with the policy.

UNWTO accepted the recommendations and has initiated action to implement them. Actions required to close the recommendations are indicated in Annex I.

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Audit of human resources management at the United Nations World Tourism Organization

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of human resources management at the United Nations World Tourism Organization (UNWTO).
2. UNWTO is the United Nations agency responsible for promotion of responsible, sustainable and universally accessible tourism. UNWTO membership is made up of 159 Member States, 6 associate members, 2 observers and 500 affiliate members representing the private sector, educational institutions, tourism associations and local tourism authorities.
3. The General Assembly of UNWTO is the supreme organ of the organization composed of delegates representing full members who meet once every two years. It is supported by the Executive Council which meets at least twice a year. UNWTO is headed by a Secretary-General appointed by the UNWTO General Assembly. Its headquarters is located in Madrid, Spain.
4. UNWTO had its own Staff Regulations and Rules. Amendments to the Staff Regulations are approved by the UNWTO General Assembly while amendments to the Staff Rules are approved by the Executive Council.
5. UNWTO's budget is financed from assessed contributions from Member States. The budget for the biennium 2022-2023 was EUR 30.4 million (\$33 million) while the proposed budget for 2024-2025 was EUR 31.7 million (\$35 million). UNWTO also receives voluntary contributions for implementing activities in support of its mandate.
6. As of May 2023, UNWTO had a workforce of 258 composed of 2 Executive Directors, 55 professional staff, 35 general service staff, 7 special advisors, 6 officers on loan, 9 interns, 97 service contractors and 47 consultants. The total salaries and allowances expenditure for 2021 and 2022 was \$15 million and \$18 million respectively.
7. Comments provided by UNWTO are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over human resources management at UNWTO.
9. This audit was included in the 2023 risk-based work plan of OIOS due to the risks associated with inadequate human resources management policies and guidelines.
10. OIOS conducted this audit from June to October 2023. The audit covered the period from January 2020 to May 2023. Based on an activity-level risk assessment, the audit covered risk areas in the management of human resources which included: (a) strategic planning and governance; (b) recruitment and other staffing decisions; (c) ethics, conduct and discipline; and (d) performance management.
11. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; and (d) sample testing.

12. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Strategic planning and governance

Need to strengthen workforce planning and management of posts

13. Workforce planning is essential to ensure optimal use of staff resources. UNWTO regularly reviewed its structure and made structural changes including changes in the distribution of the approved 106 regular budget posts amongst the departments, changes in reporting lines of departments, establishment of new posts, and reclassification of posts. OIOS noted the following.

(a) Lack of holistic planning in filling vacant posts

14. Vacant posts were placed in a pool and managed centrally. Since the number of regular budget posts had to be maintained at the approved maximum level of 106, when new posts were established, they replaced old posts irrespective of grade. Decisions as to which of the vacant posts should be filled, when they should be filled, which new posts need to be established, and transfer of posts between departments were made in a piecemeal manner on a case-by-case basis. There was no evidence of a plan or mechanism where workforce needs of the various departments were discussed and assessed in a holistic manner as envisioned in UNWTO's own definition of workforce planning in information circular NS903. Some senior management posts remained vacant for several years, and officers-in-charge were not always formally designated. While the use of vacant posts provided UNWTO with the flexibility to address emerging priorities, piecemeal changes could lead to a less than optimal structure. A good practice would be to conduct workforce planning at least once a year as part of the budget and/or work planning exercises.

(b) Issues with post management

15. The Human Resources (HR) Department maintained a staffing list which tracked the 106 approved posts, but the list was not formally communicated to managers for operational planning and transparency. Budget allocation for staffing costs were also managed centrally as a pool but there was no evidence that the HR and the Budget and Finance Departments coordinated in maintaining the staffing table and reporting on it to senior management. For example, for the reclassification exercise done in 2020-2023, there was no evidence of a financial assessment to inform the decisions made. UNWTO stated that the new information technology system it had implemented in 2023 had a module that would facilitate better post management.

(c) Overuse of service contractors

16. To address gaps caused by vacancies and other workload increases, departments used their budget allocations to engage non-staff personnel including service contractors and consultants. The number of service contractors increased from 59 in 2019 to 97 as of May 2023. Some of the service contractors performed core administrative functions. Further, 26 of the 97 service contractors as of May 2023 had been employed beyond the authorized limit of four years. These factors showed that UNWTO was overusing service contractors for functions that should be performed by regular staff, which entailed legal and operational risks. UNWTO indicated in its 2023 annual HR report to the Executive Council that it had conducted an internal assessment of service contractors, but this assessment was not documented, and financial implications were not indicated.

(1) UNWTO should introduce formal mechanisms and procedures for workforce planning and post management.

UNWTO accepted recommendation 1 and stated that it recognizes the importance of formalizing workforce planning and post management procedures to enhance organizational efficiency.

Need to strengthen planning and monitoring of human resources matters and initiatives

17. In its 2021 annual HR report to the Executive Council, UNWTO reported that it was developing a human resources strategy for the period 2021 to 2026. The strategy was to attract and retain talent and provide the organization with modern tools and policies. However, as of the time of the audit, the strategy was still in draft, and there was no target date for finalizing it. UNWTO had also not established performance indicators and targets for important HR management issues such as recruitment timelines, geographical distribution, and gender parity. Such performance indicators would help to communicate senior management's goals and facilitate effective performance monitoring.

18. The HR Department maintained a list of the various initiatives and policies that it planned to develop in its master programme (HR Master Programme) and reported some of the initiatives in the annual HR report to the Executive Council. However, target dates were not set for some of the initiatives and in the absence of a formal HR strategy, the extent to which UNWTO was committed to addressing them was unclear. Some of the policies remained in draft for several years. The HR Department sent weekly reports on the status of vacancies and the HR Master Programme to the Secretary-General. There were no regular summary reports of information on other important HR issues such as recruitment timelines, performance evaluation completion rates, mandatory training compliance rates, and projected separations.

(2) UNWTO should: (a) develop an action plan with target dates for all the initiatives in its human resources Master Programme; (b) define key performance indicators and targets for human resources matters; and (c) establish a framework for reporting and monitoring key performance indicators and the status of initiatives in the Master Programme.

UNWTO accepted recommendation 2 and stated that the HR Department will develop a comprehensive action plan that outlines specific initiatives, their objectives and realistic target dates for implementation. A framework will be established for reporting and monitoring key performance indicators and the status of initiatives in the Master Programme.

Need to improve the annual reports to the Executive Council

19. UNWTO submitted annual HR reports to the Executive Council which had useful information on staff and service contractors disaggregated by grade, gender, nationality and age. The reports also included staff selection decisions, ongoing recruitments and on-going initiatives. OIOS reviewed the reports for 2020-2023 and identified additional key information for reporting to the Executive Council, as follows:

- (a) Summary information on the distribution of staff and service contractors by department, with comparative analysis of the preceding year's numbers and explanation for changes such as new posts. This would provide a clearer picture of the workforce and changes made during the year.
- (b) Breakdown of staff and service contractors by funding source (regular budget and extrabudgetary).
- (c) Information on number of vacant posts and frozen posts, which would help provide more context to the reported ongoing recruitments.

- (d) Summary statistics on other non-staff personnel including consultants, special advisors and staff on loan, since they are an integral part of the workforce.
- (e) Geographical distribution of staff by region, which would provide a clearer picture of regional representation.
- (f) Exceptions to established policies such as the number of service contractors engaged beyond the approved four-year limit, and the number of consultants engaged on an annual basis without the required break in service.

(3) UNWTO should improve the information on staff, non-staff personnel, vacancies and geographical distribution reported in the annual human resources reports to the Executive Council to help provide a clearer picture of its workforce and changes made in the year under review.

UNWTO accepted recommendation 3 and stated that it aims to implement improved data and information collection processes within the next six to twelve months. This aligns with its commitment to providing the governing bodies with a clearer understanding of the organizational composition and changes.

B. Recruitment and other staffing decisions

Need to improve the operational guidelines for the Appointment and Promotion Board

20. UNWTO established an Appointment and Promotion Board (APB) to give advice on the appointment and promotion of staff in the general service and professional categories as required by Staff Rule 15(1). The APB operated as a selection and interview panel and not as a board as the name suggests. It was involved in evaluating, marking written exams and interviewing applicants. In line with Staff Rule 15, four APB members were assigned to the 22 competitive recruitment cases processed during 2020 to 2023 including: (i) a Secretary-General’s representative as chair; (ii) a representative of the HR Department; (iii) the responsible chief of the vacant post; and (iv) an elected member of the staff association.

21. However, in 10 of the 22 competitive recruitment cases, one or more of the four APB members assigned to the recruitment cases were of a lower grade than that of the post under recruitment. The slot of the Secretary-General’s representative (Chair) was assigned to staff of a lower grade in three cases and to a service contractor in one case. Assigning the APB chair or member role to staff of a grade that is lower than the post under recruitment (or to a service contractor) could affect the credibility of the recruitment exercises. Additionally, there was no evidence that the APB members had undertaken training on interviewing skills or were briefed and provided with guidelines on their role.

22. Only two elected members of the staff association were being repeatedly assigned to recruitment cases, and alternate members were rarely used. Using the alternate members could have helped to reduce the number of cases assigned to the two members. Further, due to the COVID-19 pandemic, the term of the current APB members which was to end in 2021 was extended indefinitely until staff elections could be held. With COVID-19 restrictions no longer an issue, there is a need to ensure that elections are held.

(4) UNWTO should: (a) introduce training requirements for members of the Appointment and Promotion Board (APB) and ensure that they are assigned to recruitment cases at the same

grade or lower; and (b) ensure that elections for new APB members are held in a timely manner with an appropriate number of active alternate members.

UNWTO accepted recommendation 4 and stated that the HR Department will include in its training programme for 2024 a comprehensive training for APB members and develop guidelines. This will equip the APB with the necessary skills and knowledge to effectively carry out their roles. Plans for conducting elections for new members are already underway and are to be completed within the next six months. Additionally, an appropriate number of active alternate members will be identified and put in place during the same timeframe to ensure continuity and efficiency in the APB's functioning.

Need to establish guidelines and procedures for recruitment of staff

23. The UNWTO Staff Regulations and Rules outlined high level policies on recruitment that needed to be supplemented by additional guidelines and procedures. In its 2019 annual HR report to the Executive Council, UNWTO indicated that it would develop an administrative issuance on recruitment to set out clearer guidelines and procedures and ensure alignment with United Nations' policies. This was not done and as a result, there were gaps in guidance on important aspects of the recruitment process. OIOS' review of the 27 recruitment cases processed in 2020-2023 (22 competitively and 5 without competition) showed shortcomings as discussed below.

24. The criteria used to short list applicants were not clearly defined and applied in all cases. Further, in 5 of the 22 competitive recruitment cases, the required technical skills were not included in the screening matrix, and it was therefore not clear whether the technical competencies required were considered by the APB in determining their shortlists. The final evaluations following the interviews were also not clearly documented. There was need to develop guidelines on these important aspects of the recruitment process.

25. UNWTO Staff Regulation 15(a) states that the paramount consideration in the filling of any vacancy shall be the necessity of securing staff of the highest standards of competence and that so far as practical, selection shall be made on a competitive basis. In the five recruitment cases where candidates were recruited without a competitive process, there were no satisfactory explanations as to why it was not practical to conduct competitive recruitment. Since four of the five posts had been vacant for more than a year, there was sufficient time to plan and conduct competitive recruitment. Furthermore, in two of the four cases, the recruitment process was already ongoing and had reached advanced stages of APB review before a decision was made to abandon the recruitment process and use a non-competitive method.

26. All the five posts where recruitment was made without a competitive process were either Director level posts or posts in the Secretary-General's cabinet. Staff Rule 15 exempts such posts from review by APB, but no other mechanism had been prescribed for conducting a competitive selection for these two categories of staff. There was also no clear demarcation of which of the approved posts were in the Secretary-General's cabinet. Further, in communicating the selection decisions to staff, UNWTO appeared to be using Staff Regulation 15 (b) to justify not undertaking competitive recruitment. This was an incorrect interpretation because the overarching policy set in Staff Rule 15 (a) requires competitive recruitment. As a benchmark, the United Nations Secretariat has a similar Staff Rule as UNWTO's Staff Rule 15 (a) that entails a competitive process.

27. Two of the five cases where recruitment was done without a competitive process involved the promotion of internal candidates by two steps; from P-1 to P-3 in one case and from P-5 to D-2 in the second case. Lack of competitive selection in such promotions could lead to perception of favouritism. UNWTO needs to establish guidelines and ensure competitive selection in accordance with its Staff Regulation 15 (a).

(5) UNWTO should strengthen its guidelines and procedures for recruitment by: (a) establishing requirements and templates to ensure that candidates are shortlisted based on clearly established criteria, and that the evaluation process is clearly documented; and (b) establishing procedures for competitive recruitment for posts exempted from review by the Appointment and Promotion Board.

UNWTO accepted recommendation 5 and stated that the HR Department is working on the further development of comprehensive requirements and templates to guide the shortlisting process, based on clearly defined criteria. As part of the continued efforts to establish robust procedures for competitive selection for posts exempted from APB review, the HR Department will develop procedures in consultation with senior management to further strengthen the overall integrity of recruitment processes.

Need to improve the guidelines and procedures on classification and reclassification of posts

28. Of the 22 posts that underwent competitive selection, 17 were new posts that were not formally classified using the International Civil Service Commission's standards as required by UNWTO Staff Regulation 11 and Staff Rule 11. The grades for new posts were determined by post owners or the Secretary-General and the posts were advertised based on generic job profiles. No independent reviews were conducted to validate the grade of the posts.

29. Staff Rule 11 and administrative instruction AI/918/20 govern the reclassification of existing posts. UNWTO initiated a reclassification exercise on 28 February 2020 in line with the established policies and guidelines. Out of 32 requests for reclassification submitted in the exercise, nine were rejected, 13 were deferred for reclassification at a later stage, and 10 were submitted to the classification expert. Of these 10 posts, nine were approved for reclassification out of which the Secretary-General promoted the posts' incumbents in six cases and deferred a decision in three cases. OIOS observed the following shortcomings which showed the need to improve guidance on reclassifications:

(a) For the six staff promoted to the level of the reclassified posts, there was no documented evidence that checks were done to ensure that the staff met the requirements of the higher-level posts. There was also no evidence of checks done to ensure that the performance rating of the staff had been at least fully competent for two consecutive years preceding promotion as prescribed in A1/918/20.

(b) In three of the six cases where staff were promoted, the posts were reclassified upwards by more than one grade, but no competitive selection was done as recommended by A1/918/20. No explanations were provided to justify these decisions.

(c) Reasons for rejection were not clearly indicated in five of the nine cases where the reclassification requests were rejected. Further, for the 13 cases where the APB decided to defer reclassification to a later stage, the criteria or rationale used in making the decision were not documented.

30. In addition, the results of the reclassification exercise were not clearly communicated to staff. The nine staff whose requests were rejected had not been informed of the outcome of the exercise as of the time of the audit. The interim results communicated in SGB/13/22 of 30 December 2022 did not also address the number of rejected and deferred cases. The annual reports of the Ethics Officer showed that the lack of clear communication led to speculation and perception of unfairness in the process.

(6) UNWTO should improve its procedures for classification and reclassification of posts to ensure that: (a) new posts are classified by a classification expert in line with Staff Rule 11; (b) compliance with competitive selection requirements is enforced unless adequately

justified in writing; and (c) decisions and results of the reclassification exercise are clearly explained and communicated.

UNWTO accepted recommendation 6 and stated that the HR Department has already initiated consultations with OneHR for the purpose of requesting classification services and, subject to final approval from senior management, expects to implement this by the end of 2024. The HR Department is committed to enforcing compliance with competitive selection requirements, unless adequately justified. The HR Department will strengthen the procedures in this regard. The HR Department understands the importance of clearly explaining and communicating decisions and results of the reclassification exercise. In this context, the HR Department will discuss the matter further with senior management to ensure that the decisions are duly explained and communicated.

Need to improve guidelines on special post allowance

31. Staff Rule 13 (9) authorizes the granting of special post allowance (SPA) in exceptional cases when an official is called upon to assume the full duties and responsibilities of a post at a clearly recognizable higher level than his own for a temporary period exceeding six months. No further guidelines were issued to regulate the granting of SPA. OIOS’ review of the 12 SPA cases (see Table 1 below) during the audit period showed the need for clearer guidelines and procedures to govern SPA.

Table 1: Summary of SPA granted 2020 to 2023

Original Grade	P-5	P-4	P-3	P-3	P-1	G-5	G-3	Total
SPA Grade	D-1	P-5	P-4	P-5	P-2	G-7	P-3	
Number of cases	3	3	1	2	1	1	1	12

32. In 8 of the 12 cases where SPA were granted, the staff remained in their posts but were granted SPA at higher grades because of the high workload associated with the opening of UNWTO’s office in Riyadh. However, increased workload does not necessarily mean that a post should be graded at a higher level. Review by a classification expert is essential to determine whether the surge in workload justifies a temporary or permanent reclassification of the post.

33. In all 12 cases, no review was done to determine whether the staff granted SPA had the qualifications and experience required by the higher-level posts. This included four cases where SPA was granted more than one grade above the staff members’ posts. In one of the four cases, the staff did not meet the qualification requirements for the higher-level post. There were no requirements for APB or SPA panels to independently review SPA decisions. SPA decisions were also not communicated to staff and the Executive Council similar to the way other recruitment and staffing decisions were communicated.

(7) UNWTO should establish clear guidelines and procedures for granting special post allowance to staff.

UNWTO accepted recommendation 7 and stated that the policy drafted in 2019 on this issue will be reviewed again for consultation with senior management and final decision.

Inadequate guidance for granting permanent appointments

34. Staff Regulation 9 and Rule 24 (3) gives the Secretary-General authority to grant permanent appointment after consulting the APB. No further guidelines were issued to define the criteria and arrangements for granting such appointments in a transparent and objective manner. During 2020-2023, one staff was granted permanent appointment but this appeared to be ad-hoc because it was not clear why

only one staff member was considered. Such ad-hoc decisions can lead to inconsistencies and perception of favouritism. In view of budgetary constraints and related financial risks, UNWTO could consider adopting the United Nations Secretariat's practice of defining a maximum level of permanent/continuous appointments and clear criteria on how the permanent appointments would be granted in case the number of staff qualifying is higher than the defined maximum.

(8) UNWTO should establish clear criteria and arrangements for granting of permanent appointments.

UNWTO accepted recommendation 8 and stated that the HR Department will develop, in consultation with senior management, clear criteria and arrangements for granting permanent appointments.

Need to improve the guidelines and procedures for recruitment and remuneration of service contractors

35. AI/912/19/Rev.1 on service contractors requires at least three qualified candidates to be identified from a central roster administered by the HR Department. OIOS reviewed 20 out of 68 recruitment cases for service contractors done in 2020-2023 and established that there was no properly maintained central roster of pre-assessed candidates. There was also no clearly established system of tracking applicants to the general call for expression of interest. It was also not clear whether all the applicants were considered every time, or what criteria were used to determine which of the applicants should be considered. Further, departments were allowed to recommend candidates without vetting by the HR Department which posed the risk that such candidates may not be meeting the minimum qualifications.

36. OIOS noted shortcomings in 6 of the 20 cases reviewed, as follows: (i) in three cases the selected candidates did not meet the minimum education requirement. UNWTO justified this by stating that they were selected because of their experience, but this aspect had not been reflected in the terms of reference or calls for expression of interest; (ii) in one case the selected applicant did not meet the minimum years of experience but was selected because they were an intern already working for the department; and (iii) in two cases competitive recruitment was waived without satisfactory justification. OIOS is of the view that the competitive requirements for hiring service contractors are simple and must be consistently applied.

37. AI/912/19/Rev.1 sets out the salary bands for service contractors. UNWTO had not adjusted the salary scales for service contractors since 2016. OIOS' analysis showed that service contractors were paid less than half the salary of their regular staff counterparts. The gap would continue to increase if a mechanism for salary adjustment is not established. Managers indicated that the lower salaries posed challenges in hiring and retaining service contractors. At the time of the audit there were no concrete plans on how the service contractors' salary issue would be addressed.

(9) UNWTO should strengthen the recruitment of service contractors by: (a) establishing guidelines for maintaining and using the roster of approved candidates or list of applicants; (b) specifying in the terms of reference cases when experience could be considered in lieu of academic qualifications; (c) ensuring that shortlisted candidates meet the minimum requirements and avoiding waivers from competitive selection; and (d) establishing arrangements for regular review of the salary scales of service contractors.

UNWTO accepted recommendation 9 and stated that the HR Department will develop guidelines for maintaining and utilizing the roster of approved candidates or list of applicants. Regarding part (b) and (d) of the recommendation, the HR Department is in the process of aligning its policies to meet these recommendations by early 2024. On part (c), the issue will be discussed with senior management; it should be noted that there may be political or other sensitivities that could prevent the organization from fully meeting this recommendation.

C. Ethics, conduct and discipline

Need to strengthen policies and mechanisms for dealing with conduct and discipline issues

38. The UNWTO Staff Regulations and Rules had several policies on conduct and discipline issues. However, there were inadequate policies on key areas such as harassment, sexual harassment and abuse of authority. UNWTO had initiated the preparation of these policies in 2020, but they had remained in draft and at the time of audit, there was no target date for their finalization.

39. Training and awareness initiatives were also inadequate. About 30 per cent of staff and service contractors had not undertaken the mandatory training on Ethics and Integrity. In addition, when benchmarked with other United Nations entities, UNWTO needed to improve coverage of its mandatory training and awareness initiatives. It could consider adopting some or all of the following mandatory training implemented by other entities: (i) harassment, discrimination, sexual harassment and abuse of authority; (ii) preventing fraud and corruption; (iii) gender equality; and (iv) annual leadership dialogue on selected ethical issues.

40. UNWTO promulgated a new whistle blower policy in September 2023. This was an important step towards strengthening accountability. However, the policy requires UNWTO to have an investigation function which was yet to be established. OIOS' review of the UNWTO Ethics Officer's annual report and interviews with staff showed that some staff had complaints on harassment and abuse of authority which would have been more appropriate to be referred to an investigation body for review. There was also a risk that the absence of an investigation function could cause under-reporting of discipline and conduct issues. UNWTO indicated that it planned to request one of the United Nations entities to provide it with investigation services, but no concrete steps had been taken to do so at the time of the audit.

41. The UNWTO Ethics Office played an important role in providing confidential advice and guidance to staff and personnel on a wide range of areas and is expected to play an important role in the new whistle blower policy. However, from 2018 to 2023, the Ethics Officer performed the functions part time in addition to other core substantive responsibilities. This posed challenges in terms of time constraints as well as potential conflict of interest associated with advising colleagues. The Ethics Office did not also have a budget for its operations or training. The last Ethics Officer had retired in June 2023. UNWTO needs to strengthen the function and consider whether outsourcing it may be more cost effective as suggested in the Ethics Office's annual reports to the Executive Council.

42. The Joints Appeal Committee (JAC) was the only internal appeal mechanism open to staff. It is a peer review mechanism that requires its members to be properly trained. There were no training requirements for JAC members. Based on review of the terms of reference of the JAC and interviews with staff, OIOS noted that there were lingering uncertainties regarding the type of issues that could be submitted to the JAC. The procedures to be followed by staff to waive the JAC route and approach the International Labour Organization's (ILO) Administrative Tribunal in terms of Staff Rule 32 also needed to be clarified.

43. The last cases reviewed by the JAC related to the summary dismissal of three staff members in 2018. The JAC decisions were appealed at the ILO Administrative Tribunal and substantial awards were granted to two of the dismissed staff. UNWTO needed to identify the lessons that could be learned from these cases. The Joint Inspection Unit's report on internal appeal mechanisms in the United Nations system organizations (JIU/REP/2023/2) also has recommendations that UNWTO is required to address. Further, the term of the current JAC was to end in 2020 but was extended indefinitely due to COVID-19. No new cases had been submitted to the JAC since 2019, and staff seemed uncertain whether the current

membership was still valid. With the COVID-19 pandemic no longer an issue, UNWTO needs to reconstitute the JAC in line with its Staff Regulations and Rules.

(10) UNWTO should strengthen the arrangements for dealing with ethics, discipline and conduct issues by: (a) establishing an investigations function; (b) promulgating policies on harassment, sexual harassment and abuse of authority; and (c) strengthening the existing mechanisms including mandatory training requirements, the Ethics Office, and the Joint Appeal Committee based on lessons learned.

UNWTO accepted recommendation 10 and stated that these recommendations will be discussed accordingly with senior management and other relevant stakeholders for appropriate implementation.

D. Performance management

Need to establish guidelines and procedures on performance management

44. Staff Rule 15 (11c) states that performance reports (annual reports) shall be prepared regularly in accordance with procedures promulgated by the Secretary-General, but there were no formal procedures established to operationalize this policy. This affected the effectiveness of the performance evaluation mechanism as reflected in the following exceptions noted from OIOS' review of performance reports for 20 staff:

(a) The performance evaluation year was based on when one joined or was promoted. Performance evaluations for 2021-2022 had not been prepared for 7 out of 20 staff reviewed. Further, for four staff, performance evaluations for the two previous cycles were not on file. A good practice would be to establish standard timelines for performance evaluations so that the exercise can be synchronized across the organization. This would facilitate more efficient monitoring of compliance.

(b) There was no requirement or criteria to rate overall performance. Further, there was inadequate guidance on the responsibilities of staff and supervisors in performance management. Since performance discussions were not mandatory, supervisors did not consistently discuss performance with staff. In case of an unsatisfactory performance report, there was no established procedure for staff to appeal against it.

45. Without adequate guidance and regulation of performance evaluation, there is a risk of failure to recognize/affirm good performance and address poor performance in a timely manner. The HR Department had developed a draft policy on performance management in 2020 but it had not yet been finalized and approved by management.

(11) UNWTO should finalize and promulgate a performance management policy to ensure that the performance evaluation year is standardized, and performance evaluations are properly done in line with the policy.

UNWTO accepted recommendation 11 and stated that the HR Department will review the policy drafted in 2019-2020 to align it with United Nations policies.

IV. ACKNOWLEDGEMENT

46. OIOS wishes to express its appreciation to the management and staff of UNWTO for the assistance and cooperation extended to the auditors during this assignment.

Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of human resources management at the United Nations World Tourism Organization

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	UNWTO should introduce formal mechanisms and procedures for workforce planning and post management.	Important	O	Receipt of evidence that UNWTO has established formal mechanisms and procedures for workforce planning and post management.	31 December 2025
2	UNWTO should: (a) develop an action plan with target dates for all the initiatives in its human resources Master Programme; (b) define key performance indicators and targets for human resources matters; and (c) establish a framework for reporting and monitoring key performance indicators and the status of initiatives in the Master Programme.	Important	O	Receipt of evidence that UNWTO has: (a) developed a comprehensive action plan with target dates for all initiatives it plans to undertake; (b) established key performance indicators and targets for human resources matters; and (c) established a framework for reporting the status of the initiatives in the Master Programme.	31 December 2024
3	UNWTO should improve the information on staff, non-staff personnel, vacancies and geographical distribution reported in the annual human resources reports to the Executive Council to help provide a clearer picture of its workforce and changes made in the year under review.	Important	O	Receipt of evidence of action taken to improve the information in the annual human resources reports to the Executive Council to provide a clearer picture of UNWTO workforce and changes made in the year under review.	31 December 2024
4	UNWTO should: (a) introduce training requirements for members of the Appointment and Promotion Board (APB) and ensure that they are assigned to recruitment cases at the same grade or lower; and (b) ensure that elections for new APB members are held in a timely manner with an appropriate number of active alternate members.	Important	O	Receipt of evidence that: (a) training requirements for APB members have been established, and that guidelines have been issued to ensure appropriate assignment of APB members to recruitment cases; and (b) new APB members have been elected with an appropriate number of active alternates.	31 December 2024
5	UNWTO should strengthen its guidelines and procedures for recruitment by: (a) establishing	Important	O	Receipt of evidence that UNWTO has established: (a) requirements and templates to	31 December 2025

¹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

² Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

³ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁴ Date provided by UNWTO in response to recommendations.

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	requirements and templates to ensure that candidates are shortlisted based on clearly established criteria, and that the evaluation process is clearly documented; and (b) establishing procedures for competitive recruitment for posts exempted from review by the Appointment and Promotion Board			ensure that candidates are shortlisted based on clearly established criteria and the evaluation process is clearly documented; and (b) procedures for competitive selection for posts exempted from review by APB.	
6	UNWTO should improve its procedures for classification and reclassification of posts to ensure that: (a) new posts are classified by a classification expert in line with Staff Rule 11; (b) compliance with competitive selection requirements is enforced unless adequately justified in writing; and (c) decisions and results of the reclassification exercise are clearly explained and communicated.	Important	O	Receipt of evidence that procedures and arrangements for classification and reclassification of posts have been improved to ensure that new posts are formally classified; competitive recruitment requirements are enforced; and decisions and results of reclassification exercises are clearly explained and communicated.	31 December 2025
7	UNWTO should establish clear guidelines and procedures for granting special post allowance to staff.	Important	O	Receipt of evidence of the revised guidelines and procedures for granting SPA to staff.	31 December 2025
8	UNWTO should establish clear criteria and arrangements for granting of permanent appointments.	Important	O	Receipt of evidence that UNWTO has established clear criteria and arrangements for granting permanent appointments.	31 December 2025
9	UNWTO should strengthen the recruitment of service contractors by: (a) establishing guidelines for maintaining and using the roster of approved candidates or list of applicants; (b) specifying in the terms of reference cases when experience could be considered in lieu of academic qualifications; (c) ensuring that shortlisted candidates meet the minimum requirements and avoiding waivers from competitive selection; and (d) establishing arrangements for regular review of the salary scales of service contractors.	Important	O	Receipt of evidence that guidelines and procedures for recruitment of service contractors have been strengthened to ensure that recruitment is done in a transparent and competitive manner.	31 December 2025
10	UNWTO should strengthen the arrangements for dealing with ethics, discipline and conduct issues by: (a) establishing an investigations function; (b) promulgating policies on harassment, sexual harassment and abuse of authority; and (c)	Important	O	Receipt of evidence of action taken to strengthen the arrangements for dealing with ethics, discipline and conduct issues.	31 December 2025

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	strengthening the existing mechanisms including mandatory training requirements, the Ethics Office, and the Joint Appeal Committee based on lessons learned.				
11	UNWTO should finalize and promulgate a performance management policy to ensure that the performance evaluation year is standardized, and performance evaluations are properly done in line with the policy.	Important	O	Receipt of evidence that UNWTO has established a plan of action and target dates for developing the performance management policy.	31 December 2025

APPENDIX I

Management Response

Management Response

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Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNWTO should introduce formal mechanisms and procedures for workforce planning and post management.	Important	Yes	Chief, Human Resources	December 2025	UNWTO recognizes the importance of formalizing workforce planning and post management procedures to enhance organizational efficiency. The implementation timeline will allow for thorough planning and consultation to ensure the effectiveness and sustainability of these mechanisms.
2	UNWTO should: (a) develop an action plan with target dates for all the initiatives in its human resources Master Programme; (b) define key performance indicators and targets for human resources matters; and (c) establish a framework for reporting and monitoring key performance indicators and the status of initiatives in the Master Programme.	Important	Yes	Chief, Human Resources	December 2024	The HR Department will develop a comprehensive action plan that outlines specific initiatives, their objectives and realistic target dates for implementation. A framework will be established for reporting and monitoring key performance indicators and the status of initiatives in the Master Programme.
3	UNWTO should improve the information on staff, non-staff personnel, vacancies and geographical distribution reported in the annual human resources reports to the Executive Council to help provide a clearer picture of its workforce and changes made in the year under review.	Important	Yes	Chief, Human Resources	December 2024	UNWTO aims to implement improved data and information collection processes within the next six to twelve months. This aligns with its commitment to providing the governing bodies with a clearer understanding of the organizational composition and changes.
4	UNWTO should: (a) introduce training requirements for members of the	Important	Yes	Chief, Human Resources	December 2024	(a) The HR Department will include in its training programme for 2024 a

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Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	Appointment and Promotion Board (APB) and ensure that they are assigned to recruitment cases at the same grade or lower; and (b) ensure that elections for new APB members are held in a timely manner with an appropriate number of active alternate members.					comprehensive training for APB members and develop guidelines. This will equip the APB with the necessary skills and knowledge to effectively carry out their roles. (b) Plans for conducting elections for new members are already underway and are to be completed within the next six months. Additionally, an appropriate number of active alternate members will be identified and put in place during the same timeframe to ensure continuity and efficiency in the APB's functioning.
5	UNWTO should strengthen its guidelines and procedures for recruitment by: (a) establishing requirements and templates to ensure that candidates are shortlisted based on clearly established criteria, and that the evaluation process is clearly documented; and (b) establishing procedures for competitive recruitment for posts exempted from review by the Appointment and Promotion Board.	Important	Yes	Chief, Human Resources	December 2025	(a) The HR Department is working on the further development of comprehensive requirements and templates to guide the shortlisting process, based on clearly defined criteria. (b) As part of the continued efforts to establish robust procedures for competitive selection for posts exempted from APB review, the HR Department will develop procedures in consultation with senior management to further strengthen the overall integrity of recruitment processes.
6	UNWTO should improve its procedures for classification and reclassification of posts to ensure that: (a) new posts are	Important	Yes	Chief, Human Resources	December 2025	(a) The HR Department has already initiated consultations with OneHR for the purpose of requesting

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Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	classified by a classification expert in line with Staff Rule 11; (b) compliance with competitive selection requirements is enforced unless adequately justified in writing; and (c) decisions and results of the reclassification exercise are clearly explained and communicated.					<p>classification services subject to final approval from senior management.</p> <p>(b) The HR Department is committed to enforcing compliance with competitive selection requirements, unless adequately justified. The HR Department will strengthen the procedures in this regard.</p> <p>(c) The HR Department will discuss the matter further with senior management to ensure that the decisions are duly explained and communicated.</p>
7	UNWTO should establish clear guidelines and procedures for granting special post allowance to staff.	Important	Yes	Chief, Human Resources	December 2025	The policy drafted in 2019 on this issue will be reviewed again for consultation with senior management and final decision.
8	UNWTO should establish clear criteria and arrangements for granting of permanent appointments.	Important	Yes	Chief, Human Resources	December 2025	The HR Department will develop, in consultation with senior management, clear criteria and arrangements for granting permanent appointments.
9	UNWTO should strengthen the recruitment of service contractors by: (a) establishing guidelines for maintaining and using the roster of approved candidates or list of applicants; (b) specifying in the terms of reference cases when experience could be considered in lieu of academic qualifications; (c) ensuring that shortlisted candidates meet the minimum requirements and avoiding waivers from	Important	Yes	Chief, Human Resources	December 2025	<p>(a) The HR Department will develop guidelines for maintaining and utilizing the roster of approved candidates or list of applicants. Considering the stretched resources and other priorities.</p> <p>(b) The HR Department is in the process of aligning its policies to meet these recommendations.</p>

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Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	competitive selection; and (d) establishing arrangements for regular review of the salary scales of service contractors.					(c) This recommendation will be discussed with Senior Management (d) The HR Department is in the process of aligning its policies to meet these recommendations.
10	UNWTO should strengthen the arrangements for dealing with ethics, discipline and conduct issues by: (a) establishing an investigations function; (b) promulgating policies on harassment, sexual harassment, and abuse of authority; and (c) strengthening the existing mechanisms including mandatory training requirements, the Ethics Office, and the Joint Appeal Committee based on lessons learned.	Important	Yes	Chief, Human Resources Director, Administration and Finance Ethics Officer Office of the Secretary-General	December 2025	These recommendations will be discussed accordingly with senior management and other relevant stakeholders for appropriate implementation.
11	UNWTO should finalize and promulgate a performance management policy to ensure that the performance evaluation year is standardized, and performance evaluations are properly done in line with the policy.	Important	Yes	Chief, Human Resources	December 2025	The HR Department will review the policy drafted in 2019-2020 to align it with United Nations policies.