



## **INTERNAL AUDIT DIVISION**

### **REPORT 2021/058**

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#### **Audit of project management at the United Nations World Tourism Organization**

**There is need to strengthen the guidance,  
data management, fundraising, and  
monitoring and evaluation mechanisms for  
technical cooperation projects**

**8 December 2021  
Assignment No. AE2021-920-01**

# **Audit of project management at the United Nations World Tourism Organization**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of project 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 in ensuring effective management of technical cooperation projects at UNWTO. The audit covered the period from January 2019 to June 2021 and included a review of risk areas relating to: (a) technical cooperation strategic planning; and (b) the project management cycle.

The audit showed that UNWTO needed to strengthen the guidance, data management, fundraising, and monitoring and evaluation mechanisms for technical cooperation projects.

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

- Strengthen the use of the results-based management approach in technical cooperation projects;
- Finalize its fundraising strategy and road map; and establish a framework for preparing technical cooperation budgets and monitoring the progress made in achieving the funding goals;
- Define the various categories of projects and establish a project management database for technical cooperation projects to facilitate monitoring, reporting and data analysis;
- Develop guidelines for mainstreaming gender, human rights and environmental principles in technical cooperation projects;
- Update the templates for cooperation agreements to include clauses against fraud and sexual exploitation and abuse; and develop a project document template outlining the mandatory elements to be addressed in project documents;
- Strengthen the quality assurance process for technical cooperation projects by establishing review requirements and checklists and setting time benchmarks for the approval process;
- Establish oversight mechanisms to ensure compliance with the project reporting and monitoring requirements established in its administrative instructions and agreements with donors; and develop an evaluation policy for its technical cooperation projects;
- Develop guidelines on recovery of direct costs for technical cooperation projects and ensure that the basis for computing the programme support costs is stated in the cooperation agreements;
- Establish guidelines and requirements to regulate exceptions to competitive selection and donors' pre-approval of consultants; and ensure timely preparation of their performance evaluations; and
- Establish oversight mechanisms to ensure timely closure of completed projects.

UNWTO accepted the recommendations and has initiated action to implement them.

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# **Audit of project management at the United Nations World Tourism Organization**

## **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of project 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 as a driver of economic growth, inclusive development, and environmental sustainability. UNWTO priorities include: (a) mainstreaming tourism in the global agenda; (b) improving tourism competitiveness; (c) promoting sustainable tourism development; (d) advancing tourism's contribution to poverty reduction and development; (e) fostering knowledge, education and capacity building; and (f) building partnerships. Tourism explicitly features as a target in three of the Sustainable Development Goals (SDGs): Goal 8 (decent work and sustainable economic growth); Goal 12 (sustainable consumption and production); and Goal 14 (sustainable use of oceans and marine resources).

3. UNWTO membership is made up of 159 Member States, six associate members, two observers and 500 affiliate members representing the private sector, educational institutions, tourism associations and local tourism authorities. The General Assembly of UNWTO is the supreme organ composed of delegates representing full members who meet once every two years. It is supported by an Executive Council which meets at least twice a year. The Secretariat of UNWTO (based in Madrid, Spain) is headed by a Secretary-General with 85 staff (3 Directors, 41 Professional and 41 General Service) and 65 service contractors.

4. The UNWTO budget is prepared biennially and financed by assessed contributions from Member States. The budget for the 2020-2021 biennium for the assessed contributions was EUR 30 million (\$36.8 million). UNWTO also receives voluntary contributions (extrabudgetary funds) for activities such as publications, hosting of events and technical cooperation projects. UNWTO did not prepare consolidated budgets for the extrabudgetary funded activities and projects.

5. Between 2015 and 2020, UNWTO initiated 63 new technical cooperation projects; the average budget of new projects approved annually increased from \$126,000 in 2017 to \$263,000 in 2021. As of June 2021, the total multiyear budget for open projects was \$43 million of which technical cooperation projects represented around 70 per cent (\$30 million). The remaining 30 per cent related to other projects such as publications and events.

6. The Technical Cooperation and Silk Road Department is the main focal point for technical cooperation activities and implements the largest number of technical cooperation projects which are executed in over 100 countries worldwide. It is headed by a D-1 and supported by 4 staff (2 Professional and 2 General Service) and 3 service contractors.

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 in ensuring effective management of technical cooperation projects at UNWTO.

9. This audit was included in the 2021 risk-based work plan of OIOS due to the risk that potential deficiencies in project management could affect the achievement of their intended objectives.

10. OIOS conducted this audit from June to September 2021. The audit covered the period from January 2019 to June 2021. Based on an activity-level risk assessment, the audit covered risk areas in the management of technical cooperation projects including: (a) technical cooperation strategic planning; and (b) the project management cycle (i.e., planning and managing of technical cooperation projects from initiation to closure).

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. Technical cooperation strategic planning

##### Need to strengthen results-based management of technical cooperation projects

13. The UNWTO strategic framework for 2020-2021 included a logical framework with four objectives and five priority areas which were aligned to the relevant SDGs indicators. The logical framework had sub-objectives, outcomes, outputs, performance indicators (baselines and targets) and the departments responsible for the results. OIOS' review of a sample of projects showed that although project goals were generally aligned with UNWTO's objectives, the linkage between UNWTO's logical framework and the results frameworks of individual technical projects was not documented. Documenting such linkage would enable effective reporting and monitoring of how project results contribute to achieving UNWTO's strategic objectives, priorities and the SDGs. It would also facilitate timely compilation of information to comply with the Chief Executive Board's Standard V which requires financial information of all United Nations entities to be reported against the 17 SDGs and their 169 targets by December 2021. Further, 7 out of the 13 outcomes and outputs in UNWTO's logical framework that fully or partially related to technical cooperation activities had no baselines or targets and were therefore not measurable. For example, the sub-objective "to respond to members' needs and offer fit for purpose services" did not have defined outputs or performance indicators.

**(1) UNWTO should strengthen results-based management of technical cooperation projects by ensuring that: (a) outcomes and outputs in the UNWTO logical framework related to technical cooperation activities are measurable; and (b) alignment between the UNWTO logical framework and the results frameworks of individual technical cooperation projects is documented.**

*UNWTO accepted recommendation 1.* Recommendation 1 remains open pending receipt of evidence of action taken to strengthen the use of the results-based management approach in technical cooperation projects.

##### Need for an approved resource mobilization strategy and annual funding goals

14. Objective 4 of UNWTO's strategic framework for 2020-2021 is to increase resources and strengthen its capacity through partnerships. The target established under this objective was for UNWTO

to revise its resource mobilization strategy and road map by 2020, and for extrabudgetary resources to reach 50 per cent of regular budget resources by the end of 2021. In December 2019, the Institutional Relations and Partnership Department developed a road map to increase resources for the biennium 2020-2021, including a set of project ideas (“project fiches”) to expand the technical cooperation portfolio to EUR 40 million (\$49 million) by the end of 2021. The road map was not formally approved, and the targets and list of “project fiches” were not updated to reflect changes following the COVID-19 pandemic.

15. UNWTO initiated three new projects in 2020 with a total budget of \$682,000 and another three projects in 2021 with a total budget of \$1.5 million to respond to the COVID-19 crisis. However, the overall portfolio of technical cooperation projects did not significantly expand during 2019 to 2021, as envisaged under objective 4 of the strategic framework. UNWTO did not prepare consolidated budgets for technical cooperation and had not established a mechanism to measure the progress in achieving the funding goals. It is essential to set clear goals for fundraising and monitor them effectively to increase the chances of UNWTO attracting more resources to help it fulfil its mandate.

**(2) UNWTO should: (a) finalize its fundraising strategy and road map; and (b) establish a framework for preparing technical cooperation budgets and monitoring the progress made in achieving the funding goals.**

*UNWTO accepted recommendation 2. Recommendation 2 remains open pending receipt of evidence that: (a) a fundraising strategy and road map has been finalized; and (b) a framework has been established for preparing technical cooperation budgets and monitoring the funding goals.*

#### Need to establish a database for technical cooperation projects

16. UNWTO did not maintain a project database for technical cooperation projects to enable periodic data analysis of trends, size, origin, and other aspects of technical cooperation projects which could assist in better oversight. UNWTO had also not formally defined what constitutes a project, and the distinction between technical cooperation projects and other projects was not clear. It took considerable time and effort to compile the technical cooperation portfolio manually based on information from various sources, including UNWTO’s enterprise resource planning system “Athena” and inputs from staff. Data in Athena did not indicate the projects’ end dates which are required for monitoring purposes. Out of the 719 agreements with donors registered in Athena as of June 2021, records relating to 469 agreements signed before 2019 did not include the projects’ end dates. The absence of a comprehensive database on technical cooperation projects contributed to some of the deficiencies discussed later in the report.

**(3) UNWTO should define the various categories of projects and establish a project management database for technical cooperation projects to facilitate monitoring, reporting and data analysis.**

*UNWTO accepted recommendation 3 and stated that the development of a project management platform would constitute a future step and is subject to the availability of financial resources. Recommendation 3 remains open pending receipt of evidence that a project management database has been established for technical cooperation projects.*

#### Need for guidelines for mainstreaming gender, human rights and environmental principles in projects

17. The UNWTO 2020-2021 strategic framework (Priority 5) commits the organization to protect heritage, social, cultural and environmental sustainability through tourism. It emphasizes the social dimension of tourism accessibility, inclusive tourism, gender equality and child protection. This is in line with UNWTO’s commitment to the 2030 Agenda and the United Nations system’s commitment to promote

human rights and environmental sustainability. UNWTO's technical cooperation portfolio included standalone projects with gender and environmental sustainability focus. However, UNWTO had not developed guidance to ensure that gender and environmental sustainability principles were mainstreamed in all project documents. The focal points for gender, human rights and environment were also not included in the quality review process for technical cooperation projects. Out of nine technical cooperation projects reviewed by OIOS, only two projects mainstreamed gender, human rights and environmental principles in the project activities. The 2020 UN-Women System-wide Action Plan Analysis 2.0 recognized that UNWTO had achieved important progress in mainstreaming of gender values but was below standards in its gender commitments. UNWTO needs to establish a gender equality policy that integrates a gender perspective in programme development and implementation, including project monitoring and evaluation.

**(4) UNWTO should develop guidelines for mainstreaming gender, human rights and environmental principles in technical cooperation projects.**

*UNWTO accepted recommendation 4.* Recommendation 4 remains open pending receipt of the guidance developed for mainstreaming gender, human rights and environmental principles in technical cooperation projects.

## **B. Project management cycle**

### Need to strengthen the policy framework for project planning

18. UNWTO had developed some guidance covering various areas of project management including: definition of the four project management stages; templates for cooperation agreements; guidance on implementation of project activities; and quality assurance mechanisms. The standard templates for cooperation agreement were used to engage external stakeholders, including donors and beneficiaries. The templates included clauses on responsibilities, confidentiality, intellectual property, liability, settlement of disputes, privileges and immunities, and audit. However, the templates did not include clauses addressing zero tolerance for fraud and for sexual exploitation and abuse.

19. The templates for cooperation agreements included annexes on work plan and budget. However, UNWTO had not adopted a standard template for the project document outlining the minimum information and quality standards expected in a project plan and results framework. Project documents attached to the agreements were prepared based on an informal template adopted over the years by project managers or based on stakeholders' templates and requests. Six of the nine project documents reviewed by OIOS had no reference to project governing bodies, and no results frameworks which are essential for effective project monitoring. Only one of the projects reviewed had an assessment of risks and a communication plan, whereas another had a detailed monitoring and reporting plan.

**(5) UNWTO should: (a) update the templates for cooperation agreements to include clauses against fraud and sexual exploitation and abuse; and (b) develop a project document template outlining the mandatory elements to be addressed in project documents such as project governance, risk management, results frameworks, and reporting and monitoring plans.**

*UNWTO accepted recommendation 5.* Recommendation 5 remains open pending receipt of evidence of the updated templates for cooperation agreements and the new project document template.

### Need to strengthen quality assurance for project documents

20. Effective, independent quality assurance of project plans is necessary to ensure that projects are properly planned. UNWTO Administrative Instruction AI/911/19 defines a two-tier quality assurance process. At the conceptualization stage, the project manager is required to secure the UNWTO Secretary-General's approval of the overall concept using the "Extra-Budgetary Initiative Form", before pursuing negotiations with donors and potential partners. This stage is meant to ensure coordination and inform all interested parties. Second, at the project formulation stage, the project manager is required to prepare an "Agreement Request Form" for approval by the Secretary-General as well as the programme verifier, legal and finance officers, and other relevant offices and focal points.

21. OIOS' review showed that the forms were approved by the Secretary-General and the programme verifier as required. However, there were areas for improvement. The approval process of both the Extra-Budgetary Initiative Form and the Agreement Request Form was based on e-mail exchanges, which does not provide an easily retrievable audit trail. There were also no time benchmarks established for the approval and follow-up actions. On average, the approval of the Extrabudgetary Initiative Form and the Agreement Request Form took 10 and 37 days, respectively. In 21 out of 71 forms reviewed by OIOS, more than 20 calendar days had been taken to complete one of the two quality review processes. Several line managers complained that the process was too long, resulting in dissatisfaction of some external stakeholders. In addition, 10 of the 36 Agreement Request Forms reviewed by OIOS had not been reviewed by the substantive units as required. There were no guidelines or mechanisms to ensure that all relevant substantive units and focal points were consulted during the quality review process. Further, approval checklists existed only for the legal and financial reviewers; none had been developed for reviews by substantive offices and gender focal points.

**(6) UNWTO should strengthen the quality assurance process for technical cooperation projects by: (a) establishing review requirements and checklists to ensure review and formal sign-off by its Secretary-General and all relevant offices and focal points; and (b) setting time benchmarks for the approval process.**

*UNWTO accepted recommendation 6.* Recommendation 6 remains open pending receipt of evidence that review requirements, checklists and time benchmarks have been established for the quality assurance process for technical cooperation projects.

### Need to strengthen project monitoring and evaluation

22. UNWTO Administrative Instruction AI/911/19 requires project managers to report periodically on the milestones established in the work plan. Project managers are also responsible for preparing and submitting financial and operational reports to donors.

23. OIOS' review of nine projects showed that periodic operational reports were not prepared as required. Further, in six of nine projects reviewed, financial reports were not prepared and shared with donors as stipulated in the agreement with donors. UNWTO did not have a mechanism to oversee the submission of financial reports. Also, UNWTO did not have an evaluation policy; there were no records of any in-depth or self-evaluation exercises of technical cooperation projects.

**(7) UNWTO should: (a) establish oversight mechanisms to ensure compliance with the project reporting and monitoring requirements established in its administrative instructions and agreements with donors; and (b) develop an evaluation policy for its technical cooperation projects.**



*UNWTO accepted recommendation 7.* Recommendation 7 remains open pending receipt of evidence that: (a) the monitoring requirements established in the UNWTO administrative instructions and in agreements with donors are being enforced; and (b) an evaluation policy that is tailored to project size has been developed and promulgated.

#### Need to streamline the practice for charging direct costs and programme support costs

24. According to UNWTO Financial Regulations and Rules, direct costs such as project personnel, equipment, premises and travel should be recovered within the project budget. Fixed indirect costs such as costs of senior management should be covered by regular budget resources. Programme support costs (PSC) should be used for the recovery of variable indirect costs such as administration costs and should not be less than 7 per cent of the voluntary contributions received.

25. For all nine projects reviewed by OIOS, provision for project management functions, which are direct costs, were not budgeted or recovered from the project funds as required. Project managers indicated that they were unclear as to when a project budget should include costs for project management personnel or for preparatory missions. UNWTO needs to develop guidelines on cost recovery to ensure that direct costs are recovered from projects in accordance with its Financial Regulations and Rules.

26. OIOS' review showed that PSC rates were between 7 and 10 per cent of the project budgets in accordance with the Financial Regulations and Rules. However, there were inconsistencies in determining the PSC amounts, with some project managers calculating PSC based on the budget net of PSC and others on the gross amount including PSC. In four of the nine projects reviewed, PSC was based on the gross amount, but this was not reflected in the cooperation agreements which left room for ambiguity.

**(8) UNWTO should: (a) develop guidelines on recovery of direct costs for technical cooperation projects and costs related to preparatory missions; and (b) ensure that the basis for computing the programme support costs is clearly stated in the cooperation agreements.**

*UNWTO accepted recommendation 8.* Recommendation 8 remains open pending receipt of evidence of the guidance issued on recovery of direct costs for technical cooperation projects and costs related to preparatory missions, and on computation of PSC.

#### Need for guidelines on exceptions to competitive selection of consultants

27. Expenditure on consultants/experts was the largest cost component for technical cooperation projects. According to UNWTO human resources policy, all consultants' selections have to be approved by the Secretary-General. Consultants can be selected in three ways: (a) competitive selection for contracts worth more than EUR 50,000 (\$61,000); (b) extension of earlier contracts; or (c) selection from a minimum of three candidates identified from informal rosters maintained by project managers.

28. OIOS reviewed the selection of consultants for seven ongoing projects which involved a total of 42 consultants, representing 54 per cent of the projects' budgets of \$1.5 million. All selections reviewed were approved by the Secretary-General and included documented justification for selection as required. Eight of the 42 consultants had fees above EUR 50,000 (\$61,000) and were selected on a competitive basis; 14 consultants were selected from rosters maintained by project managers. The other 20 consultants relating to two projects were selected at the project design stage, and their names were indicated in the project documents, as requested by donors. Of these 20 consultants, 6 were single sourced and 12 were selected from shortlists consisting of no more than two candidates. The justification provided for the single source selections was either lack of alternative candidates in the project manager rosters or that the selected

candidates were recommended or endorsed by the donors. OIOS is of the view that single source selections and pre-approval of consultants by donors are exceptions that should be regulated through formal guidance to ensure accountability and minimize the risk of abuse.

29. At the time of the audit, UNWTO had completed a roster recruitment exercise for COVID-19 related needs and was conducting additional recruitment exercises that were expected to cover some of the future consultancy needs for technical cooperation projects. The initiative is expected to bring more efficiency and transparency in the selection of consultants and should help in reducing the risk of single sourcing due to lack of candidates in the roster. UNWTO stated that it plans to issue guidance on the use of the rosters.

30. OIOS also reviewed the performance documents of 29 consultants whose contracts ended in 2020. Of these, 26 performance evaluation forms were either not dated, not completed, or dated September 2021 (when OIOS requested the information). UNWTO did not have a mechanism to follow-up on timely submission of performance evaluation forms. A good practice would be to ensure that the performance evaluations are done before the final instalment of the consultancy fees is paid.

**(9) UNWTO should: (a) establish guidelines and requirements to regulate exceptions to competitive selection and donors' pre-approval of consultants; and (b) ensure timely preparation of consultants' performance evaluations.**

*UNWTO accepted recommendation 9.* Recommendation 9 remains open pending receipt of evidence that guidelines and requirements have been developed to: (a) regulate exceptions to competitive selection and donors' pre-approval of consultants; and (b) ensure timely preparation of consultants' performance evaluations.

#### Need to ensure timely closure of projects when activities are completed

31. Project managers are responsible for ensuring timely closure of projects and liaising with donors to agree on the use of residual funds. As of April 2021, Athena records showed that there were 89 operationally open technical cooperation projects with a total budget of \$30 million and residual budget of \$7.2 million. Of the 55 technical cooperation projects in Athena that had an end-date, 21 were expected to be completed by 2019 or earlier but they were still recorded as operationally open with a total residual balance of \$635,000. Four of these projects had no residual balance and could be closed, and implementation of seven projects with residual balance of \$332,000 had been completed five years earlier. UNWTO explained that the delays in closing the projects was partially due to delayed charges of personnel costs. There were no regular oversight or follow-up mechanism to inform senior management of the status of projects, action taken to ensure timely closure, and use of outstanding funds in accordance with the agreement with the donor.

**(10) UNWTO should establish oversight mechanisms to ensure timely closure of completed projects.**

*UNWTO accepted recommendation 10.* Recommendation 10 remains open pending receipt of: (a) details of the oversight mechanisms established to ensure timely closure of completed projects; and (b) evidence of progress made in closing long outstanding completed projects.

#### **IV. ACKNOWLEDGEMENT**

32. 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.

*(Signed)* Eleanor T. Burns  
Director, Internal Audit Division  
Office of Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of project management at the United Nations World Tourism Organization

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
1	UNWTO should strengthen results-based management of technical cooperation projects by ensuring that: (a) outcomes and outputs in the UNWTO logical framework related to technical cooperation activities are measurable; and (b) alignment between the UNWTO logical framework and the results frameworks of individual technical cooperation projects is documented.	Important	O	Receipt of evidence of action taken to strengthen the use of the result-based management approach in technical cooperation projects.	30 September 2022
2	UNWTO should: (a) finalize its fundraising strategy and road map; and (b) establish a framework for preparing technical cooperation budgets and monitoring the progress made in achieving the funding goals.	Important	O	Receipt of evidence that: a fundraising strategy and road map has been finalized; and a framework has been established for preparing technical cooperation budgets and monitoring the funding goals.	30 June 2023
3	UNWTO should define the various categories of projects and establish a project management database for technical cooperation projects to facilitate monitoring, reporting and data analysis.	Important	O	Receipt of evidence that a project management database has been established for technical cooperation projects.	30 June 2022
4	UNWTO should develop guidelines for mainstreaming gender, human rights and environmental principles in technical cooperation projects.	Important	O	Receipt of the guidance developed for mainstreaming gender, human rights and environmental principles in technical cooperation projects.	31 March 2023
5	UNWTO should: (a) update the templates for cooperation agreements to include clauses against fraud and sexual exploitation and abuse; and (b) develop a project document template outlining the mandatory elements to be addressed in project	Important	O	Receipt of evidence of the updated templates for cooperation agreements and the new project document template.	31 March 2023

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Please note the value C denotes closed recommendations whereas O refers to open recommendations.

<sup>4</sup> Date provided by UNWTO in response to recommendations.

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of project management at the United Nations World Tourism Organization

	documents such as project governance, risk management, results frameworks, and reporting and monitoring plans.				
6	UNWTO should strengthen the quality assurance process for technical cooperation projects by: (a) establishing review requirements and checklists to ensure review and formal sign-off by its Secretary-General and all relevant offices and focal points; and (b) setting time benchmarks for the approval process.	Important	O	Receipt of evidence that review requirements, checklists and time benchmarks have been established for the quality assurance process for technical cooperation projects.	31 March 2023
7	UNWTO should: (a) establish oversight mechanisms to ensure compliance with the project reporting and monitoring requirements established in its administrative instructions and agreements with donors; and (b) develop an evaluation policy for its technical cooperation projects.	Important	O	Receipt of evidence that: (a) the monitoring requirements established in the UNWTO administrative instructions and in agreements with donors are being enforced; and (b) an evaluation policy that is tailored to project size has been developed and promulgated.	31 October 2023
8	UNWTO should: (a) develop guidelines on recovery of direct costs for technical cooperation projects and costs related to preparatory missions; and (b) ensure that the basis for computing the programme support costs is clearly stated in the cooperation agreements.	Important	O	Receipt of evidence of the guidance issued on recovery of direct costs for technical cooperation projects and costs related to preparatory missions; and on computation of PSC.	31 December 2022
9	UNWTO should: (a) establish guidelines and requirements to regulate exceptions to competitive selection and donors' pre-approval of consultants; and (b) ensure timely preparation of consultants' performance evaluations.	Important	O	Receipt of evidence that guidelines and requirements have been developed to regulate exceptions to competitive selection and donors' pre-approval of consultants; and to ensure timely preparation of consultants' performance evaluations.	31 December 2022
10	UNWTO should establish oversight mechanisms to ensure timely closure of completed projects.	Important	O	Receipt of: (a) details of the oversight mechanisms established to ensure timely closure of completed projects; and (b) evidence of progress made in closing long outstanding completed projects.	31 December 2022

# **APPENDIX I**

## **Management Response**

## Management Response

## Audit of project management at the United Nations World Tourism Organization

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNWTO should strengthen results-based management of technical cooperation projects by ensuring that: (a) outcomes and outputs in the UNWTO logical framework related to technical cooperation activities are measurable; and (b) alignment between the UNWTO logical framework and the results frameworks of individual technical cooperation projects is documented.	Important	Yes	a) Internal Coordination Officer, Office of the Secretary-General b) Director, Technical Cooperation and Silk Road Department	a) 3 <sup>rd</sup> quarter 2022 b) 3 <sup>rd</sup> quarter 2022	UNWTO approves the recommendation.  Document A/24/5(a), approved by the General Assembly, constitutes the UNWTO logical framework. It will be further adapted to facilitate action 1. b).
2	UNWTO should: (a) finalize its fundraising strategy and road map; and (b) establish i) a framework for preparing technical cooperation budgets and ii) monitoring the progress made in achieving the funding goals.	Important	Yes	a) Director, Institutional Relations and Partnerships Department b) i) Director, Technical Cooperation and Silk Road Department, ii) Director, Institutional Relations and Partnerships Department	a. 2 <sup>nd</sup> quarter 2023 b. i) 2 <sup>nd</sup> quarter 2022 ii) 2 <sup>nd</sup> quarter 2023	UNWTO approves the recommendation.
3	UNWTO should a) define the various categories of projects and b) establish	Important	Yes	a) Internal Coordination	a. First quarter 2022	UNWTO approves the recommendation.

<sup>1</sup> 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.

<sup>2</sup> 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.

## Management Response

## Audit of project management at the United Nations World Tourism Organization

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	a project management database for technical cooperation projects to facilitate monitoring, reporting and data analysis.			Officer, Office of the Secretary-General b) Director, Technical Cooperation and Silk Road Department	b. 2 <sup>nd</sup> quarter 2022	The development of a project management platform would constitute a future step and is subject to the availability of financial resources.
4	UNWTO should develop guidelines for mainstreaming gender, human rights and environmental principles in technical cooperation projects.	Important	Yes	Internal Coordination Officer, Office of the Secretary-General	1 <sup>st</sup> quarter 2023	UNWTO approves the recommendation.  Linked to recommendation 5a)
5	UNWTO should: (a) update the templates for cooperation agreements to include clauses against fraud and sexual exploitation and abuse; and (b) develop a project document template outlining the mandatory elements to be addressed in project documents such as project governance, risk management, results frameworks, and reporting and monitoring plans.	Important	Yes	a) Internal Coordination Officer, Office of the Secretary-General b) Director, Technical Cooperation and Silk Road Department	a) Together with rec. 4 b) 3 <sup>rd</sup> quarter 2022	UNWTO approves the recommendation.  a) Linked to recommendation 4
6	UNWTO should strengthen the quality assurance process for technical cooperation projects by: (a) establishing review requirements and checklists to ensure review and formal sign-off by its Secretary-General and all relevant offices and focal points; and (b) setting time benchmarks for the approval process	Important	Yes	Internal Coordination Officer, Office of the Secretary-General	a. 1 <sup>st</sup> quarter 2023 b. 1 <sup>st</sup> quarter 2022	UNWTO approves the recommendation.



## Management Response

## Audit of project management at the United Nations World Tourism Organization

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
7	UNWTO should: (a) establish oversight mechanisms to ensure compliance with the project reporting and monitoring requirements established in its administrative instructions and agreements with donors; and (b) develop an evaluation policy for its technical cooperation projects.	Important	Yes	a) Internal Coordination Officer, Office of the Secretary-General b) Director, Technical Cooperation and Silk Road Department	4 <sup>th</sup> quarter 2023	UNWTO approves the recommendation.  a. Review of administrative instruction A/911/19
8	UNWTO should: (a) develop guidelines on recovery of direct costs for technical cooperation projects and costs related to preparatory missions; and (b) ensure that the basis for computing the programme support costs is clearly stated in the cooperation agreements.	Important	Yes	Director of administration and Finance	4 <sup>th</sup> quarter 2022	UNWTO approves the recommendation.
9	UNWTO should: (a) establish guidelines and requirements to regulate exceptions to competitive selection and donors' pre-approval of consultants; and (b) ensure timely preparation of consultants' performance evaluations.	Important	Yes	Chief, Human Resources Department	4 <sup>th</sup> quarter 2022	UNWTO approves the recommendation.  In collaboration with the Legal Counsel (in consultation with the Technical Cooperation and Silk Road Department as the primary user)
10	UNWTO should establish oversight mechanisms to ensure timely closure of completed projects.	Important	Yes	Director of administration and Finance	4 <sup>th</sup> quarter 2022	UNWTO approves the recommendation.  In collaboration with Chief of Human Resources and the Legal Counsel.

Management Response

Audit of project management at the United Nations World Tourism Organization

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						Linked to (8) above and the establishment of the digital platform.