

General Assembly

Twentieth session

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Provisional agenda item 4(b)

A/20/4(b)

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Membership of the Organization

(b) Suspension of membership in accordance with Article 34 of the Statutes and requests for temporary exemption from the application of paragraph 13 of the Financing Rules

I. Introduction

1. At 31 May 2013, the provisions of Article 34 of the Statutes and paragraph 13 of the Financing Rules attached to the Statutes (see Annex 1) are applied to the following 18 Full Members and to the Associate Member Puerto Rico. These Members have been deprived of Member's privileges in the form of services and the right to vote in the Assembly and the Council.

FULL MEMBERS MEMBRES EFFECTIFS MIEMBROS EFECTIVOS	PARAGR. 13 PÁRRAFO 13	ART. 34	ARREAR CONTRIBUTIONS ARRIÉRÉS DE CONTRIBUTIONS CONTRIBUCIONES ATRASADAS		
			YEARS/ ANNÉES/ AÑOS	TOTAL YEARS/ ANNÉES AÑOS	TOTAL EUR
AFGHANISTAN /AFGANISTAN/ AFGANISTÁN	X	X	81-87, 89- 08,10,12	29	677.938,77
BAHRAIN / BAHREÏN / BAHREIN	X	X	78-84,02,10	9	331.715,05
BURUNDI	X	X	77-07, 11,12	33	708.883,83
CAPE VERDE /CAP-VERT /CABO VERDE	X	X	07-12	6	115.462,00
DJIBOUTI	X	X	03-12	10	212.500,00
DEM. REPUBLIC OF THE CONGO / RÉP. DÉMOCRATIQUE DU CONGO / REP. DEMOCRÁTICA DEL CONGO	X	X	91-96,98-00, 02- 06, 08-12	19	387.093,26
GUINEA BISSAU / GUINÉE-BISSAU	X	X	92-96,99-12	19	398.636,55
KYRGYZSTAN / KIRGHIZISTAN / KIRGUISTÁN	X	X	95-10,12	17	394.462,89
MALAWI	X	X	00,02,04-12	11	249.228,24
NIGER / NÍGER	X	X	82-87,90-07,10- 12	27	609.385,42
PAPUA NEW GUINEA / PAPOUASIE- NOUVELLE-GUINÉE / PAPUA NUEVA GUINEA	X	X	08-12	5	118.448,00
SAO TOME AND PRINCIPE / SAO TOME-ET-PRINCIPE/ SANTO TOME Y PRÍNCIPE	X	X	86-12	27	560.291,65



SIERRA LEONE / SIERRA LEONA	X	X	79-00,03-12	32	702.504,39
SUDAN / SOUDAN / SUDÁN	X	X	84-86,89-03 06-08, 12	22	482.282,92
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA / EX-RÉPUBLIQUE YOUGOSLAVE DE MACÉDONIA / EX-REPÚBLICA YUGOSLAVA DE MACEDONIA	X		10-12	3	89,216.00
TURKMENISTAN / TURKMÉNISTAN / TURKMENISTÁN	X	X	95-98,00-12	17	504.066,40
VANUATU	X		10-12	3	59.622,00
TOTAL:					6.601.737,37

2. United Arab Emirates has arrears for the period 1981-1987 for a total amount of 518,247.76 euros. Agreement on the settlement of arrears is expected during 2013.

3. Annex 2 to this document transmits to the General Assembly the list of Members that could be liable to suspension from the rights and privileges of membership, as provided for in Article 34 of the Statutes. This application would be effective in 2014.

II. Temporary exemption from the application of the provisions of Article 34 and paragraph 13

4. The information in Annexes 1 and 2 will enable the General Assembly to rule on this matter in accordance with resolution 217(VII).

5. The following Members submitted to the General Assembly at its nineteenth session (Gyeongju, Republic of Korea, 8-14 October 2011) plans for the payment of their contribution arrears in instalments and requested that the provisions of paragraph 13 not be applied to them. The General Assembly agreed to grant such temporary exemption to these Members subject to the following two conditions:

- (a) immediate payment of the contribution corresponding to the year before the General Assembly session at which their case is reviewed;
- (b) strict observance of the agreed plan for the settlement of arrears.

FULL MEMBERS

CENTRAL AFRICAN REPUBLIC
GAMBIA
GUINEA
MAURITANIA
MONGOLIA (*)
NICARAGUA

AFFILIATE MEMBERS

CST – Centro Italiano di Studi Superiori sul
Turismo e sulla Promozione
Turistica di Assisi

SOUV CLUB CAMEROON

(*) Mongolia's payment plan was accomplished in November 2011 and is no longer subject to the provisions of Paragraph 13 of the Financing Rules or Article 34 of the Statutes.

Payment plans approved by the Executive Council at its 95th session

6. The Full Members Burkina Faso, Côte d'Ivoire and Uganda submitted payment plans to the 95th session of the Executive Council [CE/DEC/11(XCV)] for subsequent ratification by the twentieth General Assembly. Neither Burkina Faso nor Côte d'Ivoire has complied with the conditions established in their

payment plans for 2013 while Uganda has partially complied. The Affiliate Members Fundação Comissao de Turismo Integrado do Nordeste – Fundação CTI-NE and United Federation of Travel Agents Association (UFTAA) also submitted payment plans pending ratification by the present session of the General Assembly. The first one has not complied with the conditions laid down in its payment plan for 2013 while UFTAA has complied.

7. All the communications received from Members after the date of this document requesting temporary exemption from the provisions of paragraph 13 of the Financing Rules will be submitted to the present session for its consideration. The Council will formulate the relevant recommendations which, together with the Members' requests, will be forwarded to the Assembly in an addendum to this document so that it may adopt the appropriate resolution.

8. The following table shows the extent to which the Members with which agreements have been concluded for the settlement of their arrears in instalments have complied with the conditions laid down by the Assembly in resolution 588(XIX).

MEMBERS GRANTED TEMPORARY EXEMPTION FROM THE APPLICATION OF PARAGRAPH 13 (RESOLUTION A/RES/588(XIX))						
Compliance with the conditions laid down by the Assembly Situation at 31 May 2013						
		CONDITIONS LAID DOWN BY THE GENERAL ASSEMBLY				
		Payment of the year the G.A./ E.C. approved the plan		Strict fulfilment of the agreed payment plan		
FULL MEMBERS	Arrears payment plan	Payment made				
				Contribution for the year	Annual payment of arrears	
BOLIVIA	in 10 years beginning in 2008	2007	YES	2008-2012 2013	YES NO	YES NO
BURKINA FASO	in 4 years beginning in 2013	2013	NO	2013	NO	NO
CAMBODIA	in 30 years beginning in 2006	2006	YES	2006-2013	YES	YES
CENTRAL AFRICAN REPUBLIC	in 4 years beginning in 2011	2011	NO	2011-2013	NO	NO
CONGO	in 30 years beginning in 2009	2009	NO	2009-2011 2012-2013	YES NO	YES NO
CÔTE D'IVOIRE	in 8 years beginning in 2013	2013	NO	2013	NO	NO
EL SALVADOR (1)	in 10 years beginning in 1999	1997	YES	1998-2010 2011-2012 2013	YES YES NO	YES NO NO
IRAQ (2)	--	--	--	--	--	--
GAMBIA	in 20 years beginning in 2011	2011	NO	2011	YES	YES
				2012-2013	NO	NO
GUINEA	in 15 years beginning in 2012	2011	YES	2012-2013	YES	YES
LAO PEOPLE'S DEM. REPUBLIC	in 25 years beginning in 2005	2005	YES	2005-2013	YES	YES

MAURITANIA	in 30 years beginning in 2011	2011	NO	2011 2012 2013	YES PART NO	YES NO NO
NICARAGUA	in 12 years Beginning in 2010	2010	YES	2010-2012 2013	YES NO	YES NO
TOGO	in 10 years beginning in 2009	2009	YES	2009-2012 2013	YES NO	YES NO
UGANDA	In 15 years beginning in 2013	2013	PART	2013	PART	NO
URUGUAY	in 15 years beginning in 2007	2007	YES	2007-2012 2013	YES NO	YES NO
YEMEN (3)	in 13 years beginning in 2001	1999	YES	2000-2012 2012 2013	YES SI NO	YES PART NO

OBSERVATIONS:

- (1) **El Salvador:** Since the debt of El Salvador is less than the amount of its assessed contributions for the past two years, the provisions of paragraph 13 are no longer applicable to this Member.
- (2) **Iraq:** Grace period extended until the 20th session of the General Assembly pending the entry into force of its payment plan on 1 January 2014.
- (3) **Yemen:** The Minister of Tourism of Yemen, confirmed in his letter dated 13 May 2006 that the necessary measures will be taken to agree on a new payment plan upon the conclusion of the current one, which would cover contributions corresponding to the years 1979-1989 owed by the former People's Republic of Yemen.

9. Affiliate Members Asociación Mundial para la Formación Profesional (AMFORT) and SOUV Club Cameroon have not complied with the conditions established in their payment plans while KUTEL - University of Tourism Economics and Law has fully complied and it is up to date in the payment of its contributions.

10. Further to General Assembly resolutions 523(XVII), 557(XVIII) and 588(XIX) as well as Executive Council decisions 7(LXXXIX), 8(XC), 3(XCI), 9(XCIII), 9(XCIV) and 11(XCV), Iraq benefits from an extended temporary exemption of the application of the provisions of paragraph 13 of the Financing Rules attached to the Statutes and Article 34 of the Statutes until the present session of the General Assembly pending the entry into force of its payment plan beginning 1 January 2014.

III. Updates from previous statement contained in document CE/95/3(II)(d)

11. When compared with the information contained in the above-mentioned document as of 31 March 2013 submitted to the previous session of the Executive Council, the following updates can be observed:

- (a) Countries in Article 34 of the Statutes Rules:

Burkina Faso, Côte d'Ivoire and Uganda are no longer subject to the provisions of Article 34 of the Statutes since they submitted payment plans for the settlement of their arrears to the 95th session of the Executive Council (CE/DEC/11(XCV) pending ratification by the present session of the General Assembly. Myanmar is no longer subject to these provisions since it settled its arrears in full.

Countries in paragraph 13 of the Financing Rules:

Pakistan is no longer subject to the provisions of Paragraph 13 of the Financing Rules since it reduced its arrears to less than two years' contributions.

(b) Amount due by these Members as of 31 March 2013:	7,182,472.96 euros
Amount due by these Members as of 31 May 2013:	6,601,737.37 euros
Total during the period:	<u>580,735.59</u> euros (*)

(*) Out of this amount only 48,601.69 euros (21,281.20 euros from Bahrain and 27,320.49 euros from Pakistan are arrears collected during the period.

IV. Actions to be taken by the General Assembly

12. The General Assembly is requested:
 - (a) To thank the Members that have made the necessary efforts in order to fulfil their financial obligations despite their internal constraints;
 - (b) To note that Cambodia, Guinea and Lao People's Democratic Republic have respected their agreed payment plans up to 2013;
 - (c) To further note that Full Members Pakistan and Myanmar are no longer subject to the provisions of paragraph 13 of the Financing Rules, since they have reduced their contribution arrears partially or in full;
 - (d) To renew, in view of their compliance with the agreed payment plans, the temporary exemption from the provisions of paragraph 13 of the Financing Rules of Full Members Cambodia, Guinea and Lao People's Democratic Republic and to grant temporary exemption from the provisions of paragraph 13 of the Financing Rules to Full Members Burkina Faso, Côte d'Ivoire and Uganda and to the Affiliate Members Fundação Comissao de Turismo Integrado do Nordeste – Fundação CTI-NE and United Federation of Travel Agents Association (UFTAA);
 - (e) To maintain the temporary exemption of Bolivia, Central African Republic, Congo, El Salvador, Gambia, Mauritania, Nicaragua, Togo, Uruguay and Yemen, as well as that of Affiliate Members Asociación Mundial para la Formación Profesional (AMFORT) and Souv Club Cameroon from the provisions of paragraph 13, albeit making it clear that these provisions will be reapplied to these Members if they are not up to date with their payment plans by 1 April 2014;
 - (f) To further note that Iraq continues to benefit from an extended temporary exemption of the application of the provisions of paragraph 13 of the Financing Rules attached to the Statutes and Article 34 of the Statutes until the present session on of the General Assembly and to approve the entry into force of its payment plan beginning 1 January 2014;
 - (g) To inform Yemen that it must submit a new payment plan for its debt corresponding to the years 1979 to 1989, given that the regulations in force do not contain any provisions for exemption from the payment of contributions; and

- (h) To request the Secretary-General to inform it, at its next session, about the Members' compliance with the agreements made with a view, as the case may be, to maintaining the temporary exemption from the provisions of paragraph 13 that they were granted by the General Assembly or reapplying those provisions to them if they have not fulfilled their commitments.

Annex 1. Article 34 of the Statutes

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

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

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

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

A/RES/217(VII)

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

"The General Assembly,

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

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

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

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

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

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

.....

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

Paragraph 13 of the Financing Rules attached to the Statutes

3. The provisions of paragraph 13 of the Financing Rules attached to the Statutes read as follows:

"13. A Member which is in arrears in the payment of its financial contributions to the Organization's expenditure shall be deprived of the privileges enjoyed by the Members in the form of services and the right to vote in the Assembly and the Council if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two financial years. At the request of the Council, the Assembly may, however, permit such a Member to vote and to enjoy the services of the Organization if it is satisfied that the failure to pay is due to conditions beyond the control of the Members."

4. In this regard, at its sixth session the Assembly adopted the following resolution:

A/RES/162(VI)

"The General Assembly,
.....

"Confirms the following provisions;

"When a Full Member becomes subject to the provisions of paragraph 13 of the Financing Rules and Regulation 8(7) of the Financial Regulations, the Assembly may restore that Member's right to vote and to enjoy the services of the Organization, only on an exceptional basis, when:

- "1. the Member has explained the reasons for its failure to pay in writing and has requested the restoration of its rights in writing;
- "2. the Council finds that the circumstances are beyond the Member's control;
- "3. the Council and the country concerned have agreed to the measures which should be taken in order to settle the arrears."

Annex 2. Members to which the provisions of Art. 34 of the Statutes could be applied in 2014

(at 31 May 2013)

1. Full Members

1. VANUATU
2. THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

2. Affiliate Members

1. BIMAN BANGLADESH AIRLINES
2. BROCK UNIVERSITY
3. CENGIZ
4. CENTRO INTERNACIONAL DE ESTUDIOS TURISTICOS DE CANARIAS S.L.
5. CYPRUS UNIVERSITY OF TECHNOLOGY – DEPARTMENT OF HOTEL AND TOURISM MANAGEMENT
6. DESTINATION MARKETING ORGANIZATION – CAPE TOWN AND WESTERN CAPE
7. ELAGRO, GREEK SUSTAINABLE TOURISM ORGANIZATION
8. EMPRESA DE TURISMO DA BAHIA S.A. – BAHIATURSA
9. FEDERATION TUNISIENNE DES AGENCES DE VOYAGES ET DE TOURISME
10. INSTITUTO DE TURISMO RESPONSABLE
11. IXEO INTERACTIVE TRAVEL S.A.
12. KOREA CULTURE & TOURISM POLICY INSTITUTE (CKTPI)
13. KUWAIT INTERNATIONAL DRIVING PERMIT & CARNET CLUB
14. LEISURE QUEST INTERNATIONAL LLC.
15. PALESTINIAN NATIONAL TOURISM AUTHORITY
16. RESERVA DE LA BIOSFERA DE FUERTEVENTURA
17. ZAGREB FAIR