

DECISIONS TAKEN BY THE EXECUTIVE COUNCIL

AT ITS FIFTY-EIGHTH SESSION

Lisbon, Portugal, 5-6 June 1998

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3. DECISIONS TAKEN BY THE COUNCIL

CE/DEC/1(LVIII)

Adoption of the agenda

Agenda item 1

(documents CE/58/1 prov.rev., CE/58/1 prov.rev.compl. and CE/58/1 prov.annot.)

The Executive Council

1. Adopts the agenda of its fifty-eighth session with the addition of two new items:
 - World Tourism Day 1998; and
 - Preparations for the thirteenth session of the General Assembly,
 2. Decides to consider "Future of the Organization" after the item concerning the Affiliate Members.
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CE/DEC/2(LVIII)

Report of the Secretary-General

Agenda item 2

(document CE/58/2)

The Executive Council,

Having heard the report presented by the Secretary-General,

1. Thanks him for the information it contains on the situation of world tourism, with special reference to the repercussions on the tourism industry of the Asian monetary and financial crisis and the prospects of the introduction of the European single currency;
2. Takes note with satisfaction of the information provided on the Organization's image and influence, as well as on its financial situation;

3. Encourages the Secretary-General to pursue his approaches to non-members likely to be interested in joining the Organization;
 4. Welcomes the substantial and diverse activities undertaken since the beginning of the year or scheduled for the coming months; and
 5. Requests the Secretary-General to persist in modernizing the Organization and building up within it the public-private partnership and to report to it on this subject at its fifty-ninth session, in accordance with the desire expressed by the Twelfth General Assembly in resolution 364(XII).
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CE/DEC/3(LVIII)

Communication of the Chairman

Agenda item 3
(document CE/58/3)

The Executive Council,

Having heard the communication presented by its Chairman,

1. Thanks him for his proposals aimed at involving the Council Chairman more in the Organization's affairs;
 2. Notes his offer to work jointly with the Vice-Chairmen so as to support the execution of WTO's activities;
 3. Invites him, as well as the Vice-Chairmen, to participate, whenever desired, in meetings of the Organization's bodies; and
 4. Agrees to include in the agenda of the Council's ordinary sessions an item entitled "*Communication of the Chairman*" following the practice of the Regional Commissions.
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CE/DEC/4(LVIII)

**General programme of work of the Organization
for the period 1998-1999**

Agenda item 4
(documents CE/58/4 and CE/58/4 Add.1)

The Executive Council,

Having considered the Secretary-General's report on the implementation of the Organization's general programme of work for the period 1998-1999,

1. Takes cognizance of the results recorded in 1997 and the prospects for 1998 concerning the execution of field missions and technical cooperation projects;
2. Notes with satisfaction that a significant number of short-term technical support missions are either being carried out or have been programmed for 1998 in the various regions, in response to the specific needs expressed by governments, and that several new technical cooperation projects are likely to be launched in the course of this year;
3. Regrets UNDP's financial disengagement and invites the Secretary-General to redouble his approaches to UNDP as well as to other major international financing institutions likely to offer assistance to developing countries that wish to develop their tourism industry;
4. Notes with interest the satisfactory outcome of the meetings of the Regional Commissions which were all held, together with technical seminars, before the present Council session, as well as the number and quality of technical meetings scheduled for the various regions in the course of this year;
5. Accepts with gratitude the invitation of the Government of Morocco to host the Third International Tourism Forum for Parliamentarians and Local Authorities at Marrakesh on 11 and 12 February 1999;
6. Notes with interest the progress made in the development and practical application of the various education and training instruments provided for in the programme;

7. Expresses its satisfaction at the preparation of a series of new short-term training courses for diplomats and officials of national tourism administrations of member States, management staff of tourism enterprises and faculty of educational institutions;
8. Endorses, subject to approval by the Assembly in accordance with Article 12(i) of the Statutes, the agreement concluded with the Government of Andorra for the establishment in the Principality of the WTO Institute for quality and efficiency in tourism education and training and expresses its gratitude to the Government of Andorra for its generous contribution to this initiative;
9. Takes cognizance of the preparations for the World Conference on Sustainable Tourism in Small Island Developing States, to be held in Mauritius from 26 to 28 October 1998;
10. Welcomes the initiative of carrying out a survey on foreign investment flows for tourism development in collaboration with the Multilateral Investment Guarantee Agency (MIGA) of the World Bank Group and requests the Secretary-General to report to its next session on the findings of this survey and on proposals concerning WTO's role in facilitating these flows;
11. Endorses the proposal of France to update the WTO roster of experts and to set up within the Organization a clearing house for tourism engineering and cooperation between member States;
12. Takes note of the activities carried out since its last session to promote the implementation and application of the WTO-UN Recommendations on Tourism Statistics and to help the States to appreciate and assess more accurately tourism's economic importance both nationally and internationally;
13. Notes the list of regular statistical publications, market research reports and special regional studies published since its last session;
14. Commends the Secretariat on the publication of the first edition of the Tourism Economic Report which contains a valuable analysis of the economic contribution of tourism worldwide;
15. Notes with interest the preparations for the World Conference on the Measurement of the Economic Impact of Tourism, to be held at Nice during the second quarter of 1999 at the invitation of the local authorities and with the full support of the French Government;

16. Hopes that this Conference will promote the adoption of a common language for evaluating tourism's economic impact, based in particular on the WTO Tourism Satellite Account and invites other interested public and private international institutions to subscribe to this approach;
17. Takes cognizance of the progress made in the implementation of the various projects included in the programme under the heading "Quality of Tourism Development", with particular reference to facilitation and the liberalization of trade in tourism services, the preparation of the future Global Code of Ethics for Tourism, tourist safety and security and food hygiene and the international campaign against child prostitution in tourism;
18. Expresses its satisfaction at the increasing media coverage of the Organization's information and activities;
19. Notes with interest the organization of workshops on media relations and crisis management and encourages the Secretariat to further develop and expand the programme of assistance to Members in this area as well as in that of documentation; and
20. Welcomes with interest the proposal of France to facilitate exchanges of experience aimed at measuring the impact of and drawing maximum benefit from major cultural, religious and sporting events which enjoy extensive media coverage.

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CE/DEC/5(LVIII)

Administrative, financial and statutory matters

**(b) Auditors' report and administrative accounts of the Organization
for the financial year 1997**

Agenda item 5(b)
(documents CE/58/5(a) and CE/58/5(b))

The Executive Council,

Having before it the Auditors' report and the administrative accounts of the Organization for the financial year 1997,

Having considered the report of the Committee on Budget and Finance presented by its Chairman (Germany),

1. Notes that in the financial year 1997 an overall balance was maintained between budgetary expenditure and income;
2. Approves the transfers of appropriations from Sections 1 and 3 to Section 5 of Part III of the budget, made with the prior authorization of the Chairman of the Committee on Budget and Finance and in accordance with Financial Regulation 5(3)(a) and Detailed Financial Provision 3.07;
3. Endorses the recommendation made by the Auditors and approved by the Committee on Budget and Finance that a “special account for UNDP support costs” be set up with a view to constituting a source of financing for the next budget, the amount to be used depending on the funds available when the General Assembly adopts the budget for the period 2000-2001;
4. Authorizes the Secretary-General to transfer to the aforementioned special account the amount of 269,958.85 dollars received in 1997 in respect of these costs and to make the relevant accounting adjustments to regularize the administrative accounts of the Organization for the financial year 1997;
5. Requests the Secretary-General to inform it, through the Committee on Budget and Finance, of the possible changes to be made in both the Organization’s accounting procedures and the contributions of the Members as a consequence of the replacement of the local currency by the euro, making reference to the measures adopted in this regard by other organizations of the United Nations system in a similar position;
6. Urges Members in arrears with their contributions to discharge their financial obligations as soon as possible, if necessary making agreements with the Secretary-General to pay their outstanding contributions in instalments;
7. Entrusts the Secretary-General with approaching the former Members of the Organization that owe contributions with a view to collecting them; and
8. Requests the Secretary-General to transmit to the General Assembly, with the favourable opinion of the Executive Council, the administrative accounts for 1997.

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CE/DEC/6(LVIII)

Administrative, financial and statutory matters

**(c) Report of the Secretary-General on the financial situation
and plan of expenditure for 1998**

Agenda item 5(c)
(documents CE/58/5(a), CE/58/5(c) and CE/58/5(c) Add.1)

The Executive Council,

Having before it the report of the Secretary-General on the financial situation of the Organization,

Having examined the report of the Committee on Budget and Finance,

1. Takes note of the report submitted on the 1998 plan of expenditure for execution of the programme of work and its balance with expected income;
2. Observes that, in the forecast of expenditure made for the current financial year, the limit of the appropriations approved by the General Assembly for this purpose has been respected;
3. Urges Members that have not yet discharged their financial obligations to take the necessary steps to pay their contributions for 1998 as soon as possible, in order to facilitate the execution of the programme and avert delays;
4. Approves the revised salary scale of officials of the General Service category, with retroactive effect to 1 March 1997 and the salary scale of officials of the Professional and higher categories, revised in accordance with the no-loss, no-gain principle with retroactive effect to 1 March 1998; and
5. Expresses its gratitude to the Government of Spain for the announced improvements to be made to the Headquarters' installations.

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CE/DEC/7(LVIII)

Administrative, financial and statutory matters**(d) Contributions of Full and Associate Members for 1999**

Agenda item 5(d)
(documents CE/58/5(a) and CE/58/5(d))

The Executive Council,

Having before it document CE/58/5(d) on the contributions of the Organization's Members,

Having considered the report of the Committee on Budget and Finance on this matter,

Noting that to date the United Nations has not adopted significant changes in the methodology of its own contributions formula, but has nonetheless introduced positive changes in the period of statistical data and the parameters to be taken into account in fixing its own scale of contributions for the years 1998-2000,

1. Decides to approve the scale of contributions of the Full and Associate Members of the Organization for 1999, as contained in the Annex to document CE/58/5(d), based on the average statistical data for the six-year period 1990-1995, used by the United Nations to calculate its Members' contributions for 1998-2000, and employing the per capita income limit of 4,318 dollars, also adopted by the United Nations, below which a deduction is made in national income according to WTO's contributions formula;

Aware of the problems and difficulties that the formula applied by WTO gives rise to,

2. Agrees on the need to undertake a revision of the formula without further delay, so as to eliminate the most notable drawbacks of the system of groups, and to introduce an improved transitional mechanism for Members changing group, while continuing to respect the principles of the Lusaka Formula; and
3. Requests the Secretary-General to resume his revision of the formula for fixing the contributions of member States, if necessary seeking outside advice, and to inform it of the outcome through the Committee on Budget and Finance.

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CE/DEC/8(LVIII)

Administrative, financial and statutory matters

**(e) Application of Article 34 of the Statutes
and paragraph 13 of the Financing Rules attached to the Statutes**

Agenda item 5(e)
(documents CE/58/5(a) and CE/58/5(e))

The Executive Council,

Observing that the provisions of Article 34 of the Statutes and paragraph 13 of the Financing Rules attached to the Statutes are applied to **twenty-six** Full Members and **fifty-two** Affiliate Members,

1. Notes with satisfaction that the Full Member Haiti has made a considerable effort to reduce its arrears, even though the provisions of paragraph 13 are still applied to it, since its arrears still exceed the amount of the contributions due from it for the preceding two financial years;
2. Urges the other Members that are also subject to these provisions to fulfil their commitments, if necessary proposing that they settle their arrear contributions in instalments;

Having been informed of the Members benefiting from temporary exemption from the provisions of paragraph 13 of the Financing Rules attached to the Statutes, granted by the Twelfth General Assembly,

3. Notes that the Full Members El Salvador, Lao People's Democratic Republic and Peru have complied this year with their agreed plans;
4. Further notes that a second group comprising the Full Members Congo, Costa Rica and Guinea-Bissau have partly fulfilled their commitments, whereas a third group - Burkina Faso, Georgia, Guinea, Nicaragua, Senegal, Sudan and Yemen - have not yet done so;
5. Requests the Secretary-General to remind Members that have not yet discharged their financial obligations that temporary exemption from the aforementioned provisions is subject to their compliance with the agreed payment plans; and

6. Also requests the Secretary-General to inform it at its next session of Members' compliance with the agreements made with a view to, as appropriate, maintaining temporary exemption from the provisions of paragraph 13 of the Financing Rules granted by the General Assembly or, alternatively, reapplying them to Members that have not fulfilled their commitments.
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CE/DEC/9(LVIII)

Affiliate Members – WTO Business Council

(a) Report of the Chairman

Agenda item 6(a)
(document CE/58/7(a))

The Executive Council,

Having heard the report of the Chairman of the WTO Business Council - Affiliate Members - on the activities of the WTO Business Council within the context of its programme of work for 1998-1999,

1. Thanks the Chairman for his report;
 2. Expresses its satisfaction at the execution of the activities carried out and at the new study undertaken for 1998 on "The future availability of leisure time: how it will affect tourism";
 3. Considers the development of the newly formed WTO Business Council to be of particular interest and requests the Secretary-General to give special priority to the implementation of its activities as well as to its future contribution to outlining the programme of work of WTO;
 4. Appreciates the announced renewal of the agreement with the Spanish Government to partially fund the costs of the WTO Business Council secretariat, and calls upon other member States to follow the good example of Spain by also contributing to the functioning of the Business Council; and
 5. Welcomes the significant increase in the number of applicants for affiliate membership of the Organization within its chapter "WTO Business Council".
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CE/DEC/10(LVIII)

Affiliate Members – WTO Business Council

**(b) Report of the Sub-Committee for the Review of applications
for affiliate membership**

Agenda item 6(b)
(document CE/58/7(b))

The Executive Council,

Having considered the report of its Sub-Committee for the review of applications for affiliate membership, which met on 5 June 1998,

1. Endorses the Sub-Committee's recommendations; and
2. Decides to submit to the thirteenth session of the General Assembly the following applications for affiliate membership:

2.a. Complete applications:

1. Africa Tours – Voyages et Tourisme (Mauritania)
2. Civil Aviation Authority (Uganda)
3. Coopers & Lybrand (USA)
4. Danish Tourism Development Centre (Denmark)
5. East New Britain Tourist Bureau (Papua New Guinea)
6. Egyptian Travel Agents Association (Egypt)
7. Empresa Paraibana de Turismo S/A (Pbtur) (Brazil)
8. Feibrat – Feria Internacional de Turismo de Brasil (Brazil)
9. Tourism Industry Association of New Zealand (New Zealand)

2.b. Applications to be submitted to the Sub-Committee on receipt of the necessary documents:

1. Barrington International Hospitality Inc. (USA)
2. Claes Almér International AB (Sweden)
3. Continuum AB (Sweden)
4. Deluxe Mexico Hotels (USA)
5. Fujairah Tourism Bureau (United Arab Emirates)
6. International Institute of Hotel Management & Tourism (Russian Federation)
7. Mehr-E-Khavar Air Service, Tours & Travel Agency (Iran)
8. Organisation.Gestion.Marketing (OGM) (Belgium)

9. Pictor – Patrimoine International: Conservation et Tourisme Responsable (France)
 10. Tourism Corporation of Gujarat Ltd. (India)
 11. Tourism Council Australia (Australia)
 12. Tourism Promoters (Colombia)
 13. Russian International Academy for Tourism (Russian Federation)
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CE/DEC/11(LVIII)

Future of the Organization

Agenda item 7
(documents CE/58/6 and CE/58/6 Add.1)

The Executive Council,

Having taken cognizance of the report of the Secretary-General presented in accordance with General Assembly resolution 364(XII), as well as of the documents accompanying it,

1. Welcomes the progress made in building an effective public-private partnership, while respecting the statutory rules of the Organization and its intergovernmental character, in particular by forming, under the auspices of the Secretary-General, a joint strategic group of high-level specialists nominated by the Secretary-General to advise him, having regard to equitable geographical distribution;
2. Encourages the Affiliate Members to persevere in strengthening their activities and role through the Business Council they have set up;
3. Approves the proposals put forward in the report submitted to it to extend the scope of the consultations preceding the preparation of the general programme of work for the years 2000 and 2001;
4. Decides to continue its discussions on the prospect of making the necessary statutory reforms with a view to the possible accession as Associate Members of territories depending on States that are not members of the Organization, provided the sovereignty of such territories is not disputed;

5. Takes note of the limited progress made by the United Nations in revising its own contributions mechanism; and
 6. Requests the Secretary-General, in consultation with the Committee on Budget and Finance, to determine what modifications made by the UN could be transposed to WTO and to propose them to the Council when preparing the next budget of the Organization.
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CE/DEC/12(LVIII)

World Tourism Day 1998

Agenda item 8

The Executive Council,

Having heard the statement by the delegate of Mexico,

1. Thanks him warmly for his country's offer to host World Tourism Day in Merida on 25 September 1998 in outstanding conditions;
 2. Invites the ministers of tourism and delegations present to participate in this important event; and
 3. Expresses its satisfaction at the other initiatives taken throughout the world, such as in Iran, Madagascar and the Philippines, to give the necessary prestige to the commemoration of this event.
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CE/DEC/13(LVIII)

Preparations for the thirteenth session of the General Assembly

Agenda item 9

The Executive Council,

Having heard with satisfaction the statement by the representative of Chile concerning the preparations for the thirteenth session of the General Assembly,

1. Notes that the General Assembly will take place at Santiago from 24 September to 1 October 1999 and that the session will open on 27 September coinciding with World Tourism Day 1999; and
 2. Expresses its gratitude to the Chilean authorities for the efforts already made to ensure the success of the thirteenth session of the General Assembly.
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CE/DEC/14(LVIII)

Place and dates of the fifty-ninth session of the Executive Council

Agenda item 10
(documents CE/58/8 and CE/58/8 Add.1)

The Executive Council,

Having taken note with gratitude of the invitation extended by the Argentine Government,

Decides to hold its fifty-ninth session at Ushuaia, Argentina on 1 and 2 December 1998, preceded, on 30 November, by the seventeenth meeting of the Technical Committee for Programme and Coordination (TCPC).

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CE/DEC/15(LVIII)

Vote of thanks to the host country

The Executive Council,

Having considered the various items on the agenda of its fifty-eighth session in conditions of great efficiency and outstanding comfort, thanks to the facilities that the Government of Portugal generously provided,

1. Expresses its most sincere gratitude to the Government of Portugal;

2. Thanks the Portuguese authorities for taking the initiative of organizing the Ministerial Conference on Oceans and New Tourism Dimensions whose opening ceremony was honoured by the presence of H.E. Mr. Mario Soares, former President of the Republic and Chairman of the World Commission on Oceans;
3. Also thanks them for having arranged for the Council Members to visit EXPO '98, where they had the honour to meet H.E. Mr. António Guterres, Primer Minister of Portugal, and were able to appreciate the magnificent installations of the pavilions of the Exposition; and
4. Requests Mr. Joaquim Pina Moura, Portugal's Minister for Economic Affairs and Chairman of the Executive Council, to convey to H.E. Mr. Jorge Sampaio the deepest satisfaction of all the Council Members who have been able to witness at first hand his own and the traditional hospitality of the Portuguese people.

4. LIST OF PARTICIPANTS

The fifty-eighth session of the Executive Council was attended by:

- (1) delegates of the following Members of the Council: Argentina, Benin, Cameroon, Côte d'Ivoire, Dominican Republic, Egypt, Ethiopia, France, India, Israel, Italy, Jamaica, Madagascar, Malaysia, Morocco, Philippines, Portugal, Romania, Seychelles, South Africa, Spain, Sri Lanka, Turkey and Uzbekistan;
- (2) the representative of the Associate Members (Macau);
- (3) the Chairmen of the following Regional Commissions: Africa, Americas, East Asia and the Pacific, Europe and South Asia;
- (4) the representatives of the following member States: Algeria, Andorra, Angola, Austria, Brazil, Central African Republic, Chile, Colombia, Czech Republic, Finland, Georgia, Greece, Guinea-Bissau, Hungary, Iran, Jordan, Namibia, Peru, Poland, Slovakia, Ukraine, Uruguay, Venezuela and Yemen, as observers;
- (5) the Holy See as Permanent Observer;
- (6) the Associate Member Madeira as an observer;
- (7) the Chairman of the Committee on Budget and Finance (Germany);
- (8) the auditor (Spain);
- (9) the representatives of the following non-member States: Latvia and Saint Kitts and Nevis as observers, and
- (10) the representative of the United Nations Conference on Trade and Development (UNCTAD).