

DECISIONS TAKEN BY THE EXECUTIVE COUNCIL

AT ITS SIXTY-FIRST SESSION

Santiago, Chile, 25 September 1999

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3. DECISIONS TAKEN BY THE COUNCIL

CE/DEC/1(LXI)

Adoption of the agenda

Agenda item 1
(documents CE/61/1 prov. and CE/61/1 prov.annot.)

The Executive Council

Adopts the agenda of its sixty-first session.

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CE/DEC/2(LXI)

Applications for membership

Agenda item 2
(document A/13/9(a))

The Executive Council,

Having regard to Articles 5, 6 and 7 of the Statutes and rules 49 and 50 of the Rules of Procedure of the Assembly,

1. Takes note with satisfaction of the information provided by the Secretary-General concerning applications for full, associate and affiliate membership of the Organization; and
 2. Also takes note of the desire expressed by the Affiliate Member PALESTINIAN NATIONAL TOURISM AUTHORITY to align its status within WTO with that enjoyed by the Palestinian Authority in the United Nations.
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CE/DEC/3(LXI)

Affiliate Members – WTO Business Council
Report of the Sub-Committee for the Review
of applications for affiliate membership

Agenda item 3
(document CE/61/3)

The Executive Council,

Having considered the report of its Sub-Committee for the Review of applications for affiliate membership, which met on 25 September 1999,

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. Associação de Turismo de Lisboa (Portugal)
2. Centro Federal de Educação Tecnológica de Ceará (Brazil)
3. Comité régional du tourisme d'Île-de-France (France)
4. Committee for Tourism - Moscow City Government (Russian Federation)
5. DCDM Consulting (Mauritius)
6. Elvia Reiseversicherungs-Gesellschaft Niederlassung für Deutschland (Germany)
7. European Tourism Trade Fairs Association
8. Ikeja Hotel Plc (Nigeria)
9. Lufthansa Consulting GmbH (Germany)
10. Maldives Tourism Promotion Board (Maldives)
11. National Company of the Republic of Kazakstan - "Silk Road - Kazakstan"
12. Saló Internacional del Turisme a Catalunya (Spain)
13. SGS Group Management Ltd. (Switzerland)
14. Universidad Politécnica de Valencia (Spain)

2.b. Applications pending reception of the missing document(s)

1. Arthur Andersen (United Kingdom)
2. Bepong Tourism Consultants (Nigeria)
3. Confederação do Turismo Português (Portugal)
4. Crimean Tourism Development Centre (Ukraine)
5. Polish Tourism Development Agency (Part S.A.) (Poland)

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CE/DEC/4(LXI)

Celebration of World Tourism Day in 2000

Agenda item 4
(document CE/61/4)

The Executive Council,

Recalling its decision 16(LX) proposing the following themes to the General Assembly for the observance of World Tourism Day in 2000 and 2001:

2000 *Technology and nature: two challenges for tourism at the dawn ofv the twenty-first century*

2001 *Tourism: a tool for peace and dialogue among civilizations*

1. Decides to designate Germany as the host country of World Tourism Day on 27 September 2000, given that its theme is inspired by that of the Hanover Expo 2000;

Mindful also that the millennium will have special significance for Israel,

2. Invites the Secretary-General to lend WTO's support to an event that could be organized in that country during 2000 and that could relate to the WTO Global Code of Ethics for Tourism, the culture of peace and the spiritual value of international tourism exchanges.

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CE/DEC/5(LXI)

Candidatures for the posts of Auditor for the period 2000-2001

Agenda item 5
(documents CE/61/5 and CE/61/6(a))

The Executive Council,

Having regard to Article 12(g) of the Organization's Statutes and regulation 15 of the Financial Regulations;

1. Thanks the Auditors appointed for the current biennium 1998-1999, i.e. Poland and Spain, for their efficient work;

Having reviewed the candidatures submitted,

2. Recommends the General Assembly to appoint India and Spain as Auditors for the financial period 2000-2001.

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CE/DEC/6(LXI)

Administrative and financial matters

- (b) Suspension of membership in accordance with Article 34 of the Statutes**
(c) Requests for temporary exemption from the application
of paragraph 13 of the Financing Rules

Agenda item 6(b)(c)
 (documents CE/61/6(a), CE/61/6(b)(c), CE/61/6(b)(c) Add.1,
 CE/61/6(b)(c) Add.2, CE/61/6(b)(c) Add.3, CE/61/6(b)(c) Add.4,
 CBF/Doc.Trav.1, CBF/Doc.Trav.2 and CBF/Doc.Trav.3)

The Executive Council,

Having considered the application to the Members mentioned in the above documents of the provisions of Article 34 of the Statutes and of paragraph 13 of the Financing Rules attached to the Statutes,

Having been informed of the Members granted suspension of the provisions of Article 34 and/or paragraph 13 of the Financing Rules attached to the Statutes,

1. Decides to recommend the General Assembly to renew the period of suspension of the application of paragraph 13 to COSTA RICA, EL SALVADOR, LAO PEOPLE'S DEMOCRATIC REPUBLIC and PERU considering the agreements that they are honouring and to IRAQ, in view of the communication received from that Member;

Having taken cognizance of the communications received from the Full Members BOLIVIA, CAMBODIA, CONGO, GHANA, GUINEA, GUINEA-BISSAU, IRAQ, KAZAKSTAN, NICARAGUA, RWANDA, TOGO, TURKMENISTAN and YEMEN and the Affiliate Members FÉDÉRATION NATIONALE DE L'INDUSTRIE HÔTELIÈRE (Morocco) and MAJESTIC TOURS (Peru) submitting plans for the payment of their contribution arrears in instalments and requesting suspension of the application of the provisions of paragraph 13,

Having duly examined these requests and the reasons that prompted them,

2. Decides to recommend the General Assembly to invite the Secretary-General to report to its sixty-third session, through the CBF, on the procedures and limits applied by other international organizations, in particular those belonging to the United Nations system, concerning the payment of contributions in installments;
3. Decides furthermore to recommend the General Assembly to comply with the requests for temporary exemption from the provisions of paragraph 13 of the Financing Rules as they apply to the Full Members and Affiliate Members listed below:

FULL MEMBERS

BOLIVIA
CAMBODIA
CONGO
GHANA
GUINEA
GUINEA-BISSAU
IRAQ
KAZAKSTAN
NICARAGUA
RWANDA
TOGO
TURKMENISTAN
YEMEN

AFFILIATE MEMBERS

FÉDÉRATION NATIONALE DE L'INDUSTRIE HÔTELIÈRE (Morocco)
MAJESTIC TOURS (Peru)

4. Requests the Secretary-General to report to it at its sixty-third session on the fulfilment of the commitments undertaken by these Members, with a view to deciding whether to maintain the exemption or reapply the provisions of paragraph 13;

Having been informed of the request received from the Full Member YEMEN, which sought cancellation of the contribution of the People's Democratic Republic of Yemen (30,056.62 dollars) for 1990, since this was the year of unification, and

Considering that for 1990, the year in which unification took place, contributions were assessed separately for the People's Democratic Republic of Yemen and the Republic of Yemen,

5. Decides to recommend the General Assembly to agree to cancel the contribution of 30,056.62 dollars assessed for the former Member People's Democratic of Yemen, giving the Republic of Yemen the possibility of settling its arrears in accordance with the proposed plan;

Having observed the list of Members currently subject to the measure of suspension provided for in Article 34 of the Statutes,

6. Notes that the following Members have accumulated arrears equal to or exceeding their contributions for four financial years and that, consequently, the measure of suspension provided for in Article 34 of the Statutes could be applicable to them within a year, in accordance with paragraph 1(b) of General Assembly resolution 217(VII):

FULL MEMBERS

BOSNIA AND HERZEGOVINA
 BURKINA FASO
 DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA
 DEMOCRATIC REPUBLIC OF THE CONGO
 GABON
 GEORGIA
 KYRGYZSTAN
 REPUBLIC OF MOLDOVA
 SENEGAL

AFFILIATE MEMBERS

AFORHOT - ASSOCIAÇÃO PARA LA FORMAÇÃO TÉCNICA HOTELEIRA
 (Portugal)
 BBS INTERNATIONAL ACADEMY (PVT) LTD. (Sri Lanka)
 BENARR PUBLISHING (United Kingdom)
 CAMPEONATOS, S.A. (Peru)
 CENTRO INTERNACIONAL DE FORMACIÓN TURÍSTICA (CIFT) (Spain)
 CENTRO PER GLI STUDI SUI SERVIZI, DISTRIBUZIONE TUR.(CESDIT) (Italy)
 CORPORATE LOCATION (United Kingdom)
 ESCUELA SUPERIOR DE TURISMO Y HOTELERÍA DEL N.O.A. (Argentina)
 FUNDACIÓN MIGUEL ALEMÁN (Mexico)
 INSTITUTE OF HOTEL AND TOURISM MANAGEMENT (India)
 VISA INTERNATIONAL
 WS ATKINS INTERNATIONAL LTD.

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CE/DEC/7(LXI)

Adjustment to the amount of the budget for the period 2000-2001

Agenda item 7
(documents CE/61/6(a) and CE/61/7)

The Executive Council,

Having considered the document concerning the adjustment to the budgetary rate of exchange for 2000-2001 and the proposal of the Secretary-General to employ, in the interest of caution, the rate of exchange of the peseta to the dollar fixed on 1 January 1999, the date of entry into force of the euro, i.e. 142 pesetas to the dollar, which corresponds to the mean between the exchange rate of the current financial year (153 pesetas to the dollar) and that used by WTO in the previous financial period (132 pesetas to the dollar),

Having also taken note of the report of the Committee on Budget and Finance,

1. Approves the Secretary-General's proposal to fix the budgetary rate of exchange for 2000-2001 at 142 pesetas to the dollar and the revision of budgetary appropriations for the next period according to this rate of exchange; and
2. Recommends the General Assembly to approve 18,110,000 dollars as the total budget for 2000-2001, i.e. 8,724,000 dollars for 2000 and 9,386,000 dollars for 2001.

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CE/DEC/8(LXI)

Members' contributions

- (a) Revision of the contributions formula
- (b) Assessment of Members' contributions for the period 2000-2001

Agenda item 8
(documents CE/61/6(a), CE/61/8(a)(b) and CE/61/8(a)(b) Add.1)

The Executive Council,

Having considered the Secretary-General's report on the Members' contributions for the next financial period,

Having taken note of the report of the Committee on Budget and Finance,

Mindful of decisions 6(XLIX), 4(L), 7(LVIII), 7(LIX) and 10(LX) adopted by it at its forty-ninth, fiftieth, fifty-eighth, fifty-ninth and sixtieth sessions,

1. Recommends that the formula in force hitherto be replaced by the one contained in the Annex to this decision;
2. Decides to recommend the General Assembly to invite the Secretary-General to review the scale whenever necessary, taking account of possible changes in membership, and to propose suitable modifications resulting from such a review;
3. Also decides to recommend the General Assembly to approve the Secretary-General's proposal to use the latest statistical data available from the United Nations, in particular those relating to Gross National Product and per capita Gross National Product when establishing the scale of assessments for 2000;
4. Decides furthermore to recommend to the General Assembly that the parameters to be used for establishing the scale of assessments for 2001 should be reconsidered by the Executive Council at its sixty-third session in the light of the conclusions of the General Assembly of the United Nations in 2000;

Considering resolution 263(VIII) and the foreseeable breakdown for the period 2000-2001 of 51 per cent for expenditure incurred in dollars and 49 per cent for expenditure incurred in pesetas,

5. Decides to recommend to the General Assembly that the amounts of 7,318,000 US dollars for 2000 and 7,318,000 dollars for 2001 should be financed from the contributions of Full and Associate Members;
6. Decides to recommend the General Assembly to assess in dollars and pesetas the contributions of Full and Associate Members in the ratio of 51 to 49 respectively for each currency, basing the calculation of the amount payable in pesetas on the budgetary rate of exchange, i.e. 142 pesetas to the dollar;
7. Further decides to recommend the General Assembly to apply during 2000-2001 the revised formula for calculating contributions, limiting annual increases in the contributions of Members to 10 per cent, until their contributions reach the shares that corresponds to them;
8. Decides that, with the aim of balancing the income from contributions, any decrease in contributions should also be limited and staggered over a period of time;
9. Reiterates its recommendation to the Assembly that for the Associate Members a percentage share 10 per cent lower than the minimum percentage share of the Full Members should be fixed; and

10. Recommends the Assembly to fix the contribution of the Affiliate Members at 1,800 dollars a year, 400 dollars of which would be assigned direct to their own activities.

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ANNEX

FORMULA FOR FIXING THE CONTRIBUTIONS OF MEMBER STATES

GENERAL PRINCIPLES

1. The principle that the budget shall be financed by Member's contributions and the method of calculating these contributions are set forth in paragraph 3 of the Financing Rules attached to the Statutes, which reads as follows:

“The budget shall be financed by the contributions of the Members according to a method of apportionment to be determined by the Assembly, based on the level of economic development of and the importance of international tourism in each country, and by other receipts of the Organization”.

2. The General Assembly adopts the formula for apportioning among the member States the amount of the expenditure financed by their contributions. The formula is based on the following principles:

(a) Capacity to pay

A member State's capacity to pay is evaluated on the basis of two economic factors, gross national product (GNP) adjusted according to the country's foreign debt and per capita gross national product (per capita GNP) and one technical factor, international tourism receipts (TR). These three factors are weighted according to the formula explained in paragraph 3 and thereafter.

(b) Maximum and minimum shares

The scale of shares is fixed from 5 per cent for member States that exceed 20 per cent of world GNP and from 3.20 per cent in decreasing order for the other member States that do not exceed the aforementioned limit.

The minimum share applicable to member States is 0.25 per cent of the budget.

CLASSIFICATION OF COUNTRIES ACCORDING TO THEIR CAPACITY TO PAY

Reference Statistics

3. The statistical data used to calculate the three factors mentioned in paragraph 2(a) above are as follows:

- for the economic factors: the data used by the United Nations to calculate the contributions of its member States;
- for the tourism factor: the data provided by the States Members of WTO or, failing that, obtained from the International Monetary Fund.

All three factors are based on the average data used by the United Nations to determine the economic factors. Any modification by the UN will be applied by WTO.

Deductions – Corrections

4. These factors are then corrected, if necessary, by the following deductions:

(a) Per capita gross national product:

A deduction is made from the gross national product of each member State whose per capita gross national product is less than 4,318 dollars. The difference between the per capita gross national product and 4,318 dollars is expressed as a percentage of 4,318 dollars, and 80 per cent of this percentage is deducted from the gross national product of the State in question for the purposes of calculating its aliquot share.

The reference threshold for per capita gross national product as well as the deduction percentage are those applied by the UN in calculating the contributions of its Members, and any modification decided by the UN will be applied by WTO.

(b) An additional deduction is applied to the economic factors and the technical factor of 50, 75 and 87.5 per cent in estimating the capacity to pay of States with small populations equal to or less than 1,000,000, equal to or less than 500,000 and equal to or less than 100,000, respectively; and

- (c) A supplementary schedule of direct deductions is also applied to the contribution of the last group in the scale of contributions of 10, 20 and 25 per cent for countries with populations equal to or less than 1,000,000, 500,000 and 100,000, respectively and which are situated in the last group before introducing the schedule of deductions mentioned above.

5. For each of the three factors thus determined, the data of all the member States are multiplied by a corrective coefficient so as to bring their value proportionately in line with one million.

Weighting coefficients

6. After applying the above deductions and corrections, the following weighting coefficients are applied to each of the factors:

GNP	70 %		80 %		
per capita GNP	10 %				
TR	20 %		20 %		100 %

7. A member State's capacity to pay is determined by the weighted sum total of the factors.

Calculation of contributions

8. Once the weighted data of each member State are obtained, in accordance with the results of applying the formula described in paragraphs 3 to 7, the total amount of the budget to be apportioned will be distributed among the member States classified in descending order into twelve groups.

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CE/DEC/9(LXI)

Amendments to the Financial Regulations

Agenda item 9
(document CE/61/9)

The Executive Council,

Having taken cognizance of the report of the Secretary-General and having discussed it,

1. Recommends the General Assembly to amend subparagraph 2(a) of Financial Regulation 5 by replacing the word “Exceptionally” at the beginning of the last sentence by the word “Nevertheless”;
 2. Approves, in substance, the Secretary-General’s proposal to introduce some flexibility into paragraph 6 of Financial Regulation 4 concerning the financing of technical cooperation projects, but considers that this aim can be achieved by a decision authorizing the Secretary-General to make limited exceptions to the rules in force rather than by a revision of the Financial Regulations;
 3. Consequently recommends the General Assembly:
 - (a) to authorize the Secretary-General, on a provisional basis, to use funds from the regular budget to cofinance and help to secure external contributions for technical cooperation projects, in accordance with the terms of reference and priorities of WTO’s programme of work;
 - (b) to limit the amounts that are used to a maximum of 20,000 dollars a project, on the understanding that WTO’s share in any such cofinancing shall not exceed the amount received from the external source;
 - (c) to require that any cofinancing project be reported to the Executive Council through the Programme Committee immediately after the project is signed; and
 - (d) to invite the Executive Council to report to it on the experiences of similar cofinancing agreements.
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CE/DEC/10(LXI)

Place and date of the sixty-second session of the Council

Agenda item 10

The Executive Council

Decides to hold its sixty-second session at Santiago on 1 October 1999 immediately after the closure of the thirteenth session of the General Assembly.

4. LIST OF PARTICIPANTS

The sixty-first 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, Guatemala, India, Israel, Italy, Jamaica, Madagascar, Malaysia, Morocco, Philippines, Portugal, Romania, Seychelles, South Africa, Spain, Sri Lanka, Syrian Arab Republic, Turkey and Uzbekistan;
- (2) the representative of the Associate Members (Macau);
- (3) the Chairman of the Regional Commission for East Asia and the Pacific (Thailand);
- (4) the representatives of the following member States: Bolivia, Brazil, Cambodia, Chile, Ecuador, Russian Federation, Finland and Venezuela , as observers;
- (5) the Chairman of the Committee on Budget and Finance (Germany); and
- (6) the Chairman of the Technical Committee for Programme and Coordination (Argentina).