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Report of the Secretary-General

Part I. Current situation and activities

(g) Report of the Working Group on Official Development Assistance

I. Background and rationale

1. During the ninety-fifth session of the Executive Council (Belgrade, Serbia, 27-29 May 2013), the Working Group on Official Development Assistance (WG-ODA) was created following the proposal of South Africa, with the aim of supporting the efforts of the Secretariat in achieving full Official Development Assistance (ODA) eligibility at the Organisation for Economic Co-operation and Development (OECD) and mobilizing new resources for the Organization.
2. The following Members expressed interest in taking part in the WG-ODA: Egypt, Flanders, France, Germany, Jamaica, Kenya, Mauritania, Mexico, the Republic of Korea and South Africa, which was selected as its Chair.
3. Upon the proposal of the WG-ODA members and with the approval of the Executive Council, Spain has been a full member of the Working Group since the ninety-eighth session of the Executive Council (Santiago de Compostela, Spain, 4-6 June 2014 - CE/DEC/8(XCVIII)).
4. The first UNWTO submission to the OECD Development Assistance Committee (OECD-DAC) of the application to become an ODA-eligible international organization dates from 2011 and was successful in securing eligibility for bilateral ODA.
5. Thus, for a potential resubmission of UNWTO's application to be accepted in 2014 two exceptions are required, namely to: (a) present the application before the end of a 5-year period; and (b) comply with the threshold of USD20 million of core budget dedicated to development actions.

II. Priorities of the Working Group

6. The WG-ODA priorities remain the following:



- (a) Pursue full ODA eligibility for UNWTO; outreach actions to OECD-DAC¹ members, and lobbying respective foreign affairs peers on the OECD-DAC through tourism ministries; and
- (b) Help the Organization to build a more conducive framework for resource mobilization from the international community, including on multilateral and bilateral bases.

III. Regular work of the Working Group on Official Development Assistance

7. The Working Group held one meeting within the framework of the ninety-eighth session of the Executive Council (Santiago de Compostela, Spain, 4-6 June 2014) and initiated a series of activities pursuant to its objectives, hereafter described.

A. Third meeting: follow-up

8. The **third meeting** of the WG-ODA, chaired by South Africa, took place in **Santiago de Compostela, Spain, on 5 June 2014**. The discussions of the 3rd meeting concentrated on sharing the developments related to the WG-ODA Plan of Action, the initiatives undertaken in line with the priorities set by the WG-ODA and reviewing the results achieved since the previous meeting (Madrid, Spain, 21 January, 2014), allowing the WG-ODA to take informed decisions on the way forward.

9. Spain was welcomed as a new member of the WG-ODA. Exceptionally, a representative from Malta participated in the meeting as an observer.

10. The WG-ODA was informed that, despite the fact that UNWTO had completed the dossier for re-submission of its application to become an ODA-eligible international organization, finally, it was decided not to submit an ordinary application in 2014 again and to further discuss with the OECD-DAC alternatives that would best fit the UNWTO programme structure and budget, including taking into consideration models which some UN organizations have already adopted.

11. The Secretariat presented two possible options:

(a) **Continue exploring the opportunity for UNWTO to be granted the status of an ODA-eligible international organization**, on an exceptional basis, considering that the Organization is a UN agency and thus development is intrinsic to its mandate and existence. This will require strengthening the Secretariat's advocacy efforts within the UN system and the donors community to position tourism as a key sector contributing to development and UNWTO as a "development specialized agency";

(b) **Find a cost-effective way to create a special fund or account**, as other UN agencies have implemented, and to demonstrate the use of the funds for ODA activities and/or countries. This will probably require submitting a proposal to the next General Assembly.

12. The representatives of Kenya and Jamaica stressed that the Secretariat should, while pursuing its efforts to become an ODA-eligible international organization, deploy efforts to build on its ODA-eligibility for bilateral-basis status so as to increase the extra-budgetary resources of the Organization.

13. Ensuing from the discussions that took place during the meeting, the following was agreed:

¹ OECD-DAC: <http://www.oecd.org/dac/>

- (a) Continue to explore the opportunity for UNWTO to be granted the status of an ODA-eligible international organization, on an exceptional basis, considering that the Organization is a UN agency and thus development is intrinsic to its mandate and existence;
- (b) Find a cost-effective way to create a special fund or account, as other UN agencies have done, and to demonstrate the use of the funds for ODA activities and/or countries;
- (c) Position UNWTO as a “development” agency through its wide political messaging, including maximizing the impact of the UNDG cost-sharing contribution from UNWTO;
- (d) Further strengthen the advocacy efforts in positioning tourism as a sector with high impact for development;
- (e) Closely work with other UN entities on trade-related issues and firmly position tourism in the trade agenda, considering that in the OECD-DAC sector classification tourism is defined as “trade in services” (a productive sector); and
- (f) Consolidate UNWTO’s presence and role within the United Nations Development Group (UNDG), the third pillar of the CEB and chaired by the UNDP Administrator.

14. At the recommendation of the WG-ODA, UNWTO organized with Mexico and South Africa the Focus Session on “Tourism as an Engine for Growth and Development” during the first High Level Meeting of the Global Partnership for Effective Cooperation (Mexico City, Mexico, 15-16 April 2014), with special attention to middle-income countries (MICs) and developing countries. The Secretariat is closely following the work of the GPEC.

15. The Secretariat will advise the WG-ODA on the opportunity for organizing a workshop in Brussels, which should have the presence of representatives of the European Union and could tentatively take place during last quarter of 2014 or first quarter of 2015.

B. Place and date of the fourth meeting of the WG-ODA

16. It was decided to hold the fourth meeting of the Working Group on Official Development Assistance Eligibility in the framework of the 99th session of the Executive Council (1-4 October 2014, Samarkand, Uzbekistan).

IV. Other actions undertaken by the Secretariat: exploring possibilities for full ODA-eligibility

17. Following the decision to not resubmit an application to become an ODA-eligible international organization in 2014, UNWTO has further discussed with the OECD-DAC alternatives that would best fit the UNWTO programme structure and budget, including taking into consideration models which some UN agencies have already adopted.

18. UNWTO is pursuing a close dialogue with the Chair (Canada) of the OECD-DAC Working Party on Development Finance Statistics Bureau, while further exploring ways of becoming an ODA-eligible international organization and possibly creating a “UNWTO ODA Fund”.

V. Actions to be taken by the Executive Council

19. The Executive Council is requested:

(a) To take note of the activities of the Working Group on Official Development Assistance in pursuing the objective of achieving full ODA-eligibility for UNWTO and mobilizing new resources for the Organization, as set out in decision CE/DEC/4(XCV);

(b) To take note of UNWTO's status as an eligible organization for bilateral ODA;

(c) To support the activities of UNWTO to strengthen the advocacy efforts in positioning tourism as a sector with high impact for development and UNWTO as a "development" UN agency through its wide political messaging; and

(d) To support the proposal of further exploring alternatives that best fit the specificities of UNWTO, in order to achieve the objective of attaining full ODA-eligibility for the UNWTO.