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Report of the Secretary-General

Part I: Current situation and activities

(f) 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. 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)).
3. 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. Thus, for a potential resubmission of UNWTO's application to be accepted two pre-conditions are required: (a) to wait for a 5-year period; and (b) to comply with the threshold of USD20 million of core budget dedicated to development actions.
4. Following the decision by the Secretariat 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, also taking into consideration models which some UN organizations have already adopted.

II. Priorities of the Working Group

5. The WG-ODA priorities are the following:



- (a) Pursue full ODA eligibility for UNWTO at the OECD-DAC; and;
- (b) Support 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

A. Meetings of the WG-ODA

6. Since its creation, the Working Group has held several meetings chaired by South Africa and initiated a series of activities pursuant to its objectives, hereafter described:

(a) The WG-ODA held its **first meeting in London, United Kingdom**, at the South African Embassy **on 15 July 2013**. The deliberations of the 1st meeting of the WG-ODA mainly focused on the definition of overall objectives and activities.

(b) The **second meeting** of the WG-ODA took place in **Madrid, Spain, on 21 January 2014**. The discussions concentrated on revising and fine-tuning the work being developed by the Organization with the support of the WG-ODA.

(c) The **third meeting** of the WG-ODA took place in **Santiago de Compostela, Spain, on 5 June 2014**.

(i) The discussions of the 3rd meeting focused 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, allowing the WG-ODA to take informed decisions on the way forward.

(ii) The WG-ODA members agreed with the proposal of the Secretariat to 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 and thus unlocking bilateral ODA.

(d) The **fourth meeting** of the WG-ODA took place in **Samarkand, Uzbekistan, on 1 October 2014**, during which the Secretariat explained that the option of creating a fund for bilateral contributions and its use as a basis to seek increasing extrabudgetary funding was being considered.

(i) The WG-ODA members supported the Secretariat to continue its political efforts and advocacy of tourism as an engine for development and to present in the following meeting of the WG-ODA a proposal on an earmarked or restricted ODA funding mechanism.

(e) The **fifth meeting** of the WG-ODA took place in **Madrid, Spain, on 30 January 2015**, and was dedicated to reviewing the situation of the implementation of the priorities of the WG-ODA and to discuss the proposal of an ODA funding mechanism.

(i) It was concluded that the first priority of the WG-ODA (ref. paragraph 5(a) of this report) was exhausted as--in spite of the efforts and engagement with the OECD and prominent DAC members and due to binding constraints in the OECD rules--the UNWTO would not become an ODA-eligible international organization (including its addition to the DAC List) during the current four-year cycle.

(ii) Thus, the pursuit of the second priority (ref. paragraph 5(b) of this report)--unlocking bilateral ODA--should be an integral part of the future activities of the Secretariat.

(iii) The establishment of the proposed financial facility, named "Tourism for Development Facility" (TDF), for bilateral contributions and its use as a basis to seek increasing extrabudgetary funding will help the Secretariat to respond to the needs of the Members of the Organization and to fulfil its mandate.

(iv) Furthermore, the TDF will be governed by UNWTO Rules and Regulations, and the established circuits and processes for activities financed through extrabudgetary resources will be applicable.

(v) The members of the WG-ODA have agreed with the creation of the TDF with the above framework; they have also assented to the suggestion of the Chair of the Working Group to propose to the 100th session of the UNWTO Executive Council the completion of the activities of the Working Group.

(vi) The WG-ODA members renewed their confidence in and support to the Secretariat to continue its political efforts and advocacy of tourism as an engine for development.

B. Date and venue of the next meeting

7. It was decided to hold the sixth meeting of the Working Group on Official Development Assistance in the framework of the 100th session of the UNWTO Executive Council, in Rovinj, Croatia (28-29 May 2015), on 27 May 2015.

IV. Actions to be taken by the Executive Council

8. The Executive Council is invited:

(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 approve the proposal to establish the "Tourism for Development Facility" in order to strengthen the efforts of the Secretariat to mobilize ODA resources; and

(d) 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.