



2017
INTERNATIONAL YEAR
OF SUSTAINABLE TOURISM
FOR DEVELOPMENT



General Assembly

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Report of the Executive Council to the General Assembly

I. Introduction

1. Article 19 of the Organization's Statutes stipulates the following:

The functions of the Council, other than those which are elsewhere assigned to it in these Statutes, shall be:

- (a) to take all necessary measures, in consultation with the Secretary-General, for the implementation of the decisions and recommendations of the Assembly and to report thereon to the Assembly;*
- (b) to receive from the Secretary-General reports on the activities of the Organization;*
- (c) to submit proposals to the Assembly;*
- (d) to examine the general programme of work of the Organization as prepared by the Secretary-General, prior to its submission to the Assembly;*
- (e) to submit reports and recommendations on the Organization's accounts and budget estimates to the Assembly;*
- (f) to set up any subsidiary body which may be required by its own activities;*
- (g) to carry out any other functions which may be entrusted to it by the Assembly.*

2. Article 20 of the Statutes provides that:

"Between sessions of the Assembly and in the absence of any contrary provisions in these Statutes, the Council shall take such administrative and technical decisions as may be necessary, within the functions and financial resources of the Organization, and shall report the decisions which have been taken to the Assembly at its following session, for approval."

3. In accordance with Rule 29 of the Rules of Procedure of the Executive Council, it is also the function of the Executive Council to recommend to the Assembly a nominee for the post of Secretary-General.

4. The present report informs the Assembly of the actions taken by the Council in the fulfilment of the functions enumerated in Articles 19 and 20 of the Statutes and Rule 29 of the Rules of Procedure of the Executive Council since the twenty-first session of the General Assembly held in Medellín,



Colombia, on 12-16 September 2015. Between the last session of the General Assembly and the date of preparation of this document, the Council has held four sessions:

- (a) The 102nd session held in Medellín, Colombia, on 17 September 2015,
- (b) The 103rd session held in Málaga, Spain, on 9-11 May 2016,
- (c) The 104th session held in Luxor, Egypt, on 30 October – 1 November 2016, and
- (d) The 105th session held in Madrid, Spain, on 10-12 May 2017.

II. Functions entrusted by the General Assembly to the Executive Council

5. This section covers the follow-up actions carried out by the Executive Council with a view to the implementation of explicit mandates and recommendations issued by the General Assembly.

Convention on the Protection of Tourists and the Rights and Obligations of Tourism Service Providers

6. The General Assembly at its 21st session held in Medellín, Colombia, on 12-16 September 2015, requested a final text of the UNWTO Convention on the Protection of Tourists and Tourism Service Providers to be presented to it at its 22nd session for approval (A/RES/654(XXI)).

7. The Council has followed the development of the draft text by the Working Group constituted by the Secretariat. At its 103rd and 104th sessions it urged the Secretariat to continue the development of the text (CE/DEC/7(CIII) and (CE/DEC/6(CIV))), and at its 105th session, it thanked the Working Group for its efforts in drafting the text (CE/DEC/7(CV)).

Framework Convention on Tourism Ethics

8. The General Assembly at its 21st session instructed the Secretariat to create a working group to examine in depth the procedures and implications of adopting a draft UNWTO Convention on Tourism Ethics, and requested it to submit remarks and, if possible, a draft text to the Executive Council for examination (A/RES/668(XXI)).

9. The Council welcomed the members of the Working Group at its 103rd session (CE/DEC/7(CIII)) and encouraged it to continue its work at its 104th session (CE/DEC/6(CIV)). At its 105th session, it endorsed Guidelines for the adoption of the draft UNWTO Convention, recommending the General Assembly to approve the Guidelines. The Council also recommended the General Assembly to consider the adoption of the Framework Convention on Tourism Ethics at its 22nd session in Chengdu, China. (CE/DEC/7(CV))

Amendment of Article 33

10. At its 21st session the General Assembly requested the Secretary-General to constitute a working group composed of Member States, under the responsibility of the Executive Council, in charge of preparing the text of an amendment to Article 33 of the Statutes in order to adopt a practice to facilitate the entry into force of amendments—specifically, through the automatic entry into force of certain adopted amendments to the Statutes or the Financing Rules—and to submit it to the next session of the General Assembly for its approval (A/RES/662(XXI)).

11. At its 103rd session the Council examined the report of the Working Group for the Review of the Amendment Procedure of the Statutes and Financing Rules, and approved the proposal made by the Working Group to modify Article 33 and endorsed the text as proposed in document CE/103/7(f) (CE/DEC/13(CIII)).

12. At its 105th session, the Council approved the proposal made by the Working Group on pending amendments that could enter into force once the amendment to Article 33 of the Statutes is effective and requested the Secretary-General to submit this list for approval by the UNWTO General Assembly at its twenty-second session. It also requested the Working Group to analyse other pending amendments and evaluate whether they are still appropriate or relevant in order to submit recommendations to the General Assembly.

III. Regular functions of the Executive Council

Election of its Chair and Vice-Chairs

13. At its 102nd session, the Council elected Egypt as Chair, Croatia as first Vice-Chair and the Democratic Republic of the Congo as second Vice-Chair of the Executive Council for 2016. (CE/DEC/7(CII))

14. At its 104th session, the Council elected Azerbaijan as Chair, Zambia as first Vice-Chair and Serbia as second Vice-Chair of the Executive Council for 2017. (CE/DEC/7(CIV))

Subsidiary bodies of the Executive Council

15. At its 102nd session, the Executive Council elected new members of its subsidiary bodies.

Programme and Budget Committee

(a) The Executive Council members elected to the PBC were France, Japan, Mexico and Saudi Arabia. From the candidatures proposed by the Regional Commissions it elected to the PBC for the period 2015-2019 the following countries: Cameroon, Argentina, Malaysia, Hungary, Lebanon and the Maldives. It endorsed Flanders as the representative of the Associate Members until 2017, and took note that ICTE, acting Chair of the Board of Affiliate Members, would represent the Affiliate Members in the PBC until a new chair (CTICO) was elected by the Board (CE/DEC/2(CII)).

Committee for the Review of Applications for Affiliate Membership

(b) The Council elected the following Members to this Committee for the period 2015-2019: Tunisia, Mexico, Thailand, Croatia, Egypt and India. It had as representative of the Affiliate Members acting chair ICTE until a new chair was elected (CE/DEC/3(CII)): CTICO.

Committee on Tourism and Competitiveness

(c) The Council elected the following Members to this Committee for the period 2015-2019: Croatia, Gambia, Italy, Maldives, Mexico, Namibia, Peru, Qatar, Republic of Korea, and Aruba (Associate Members). It had as representative of the Affiliate Members acting chair ICTE until a new chair (CTICO) was elected (CE/DEC/4(CII)).

Committee on Tourism and Sustainability

(d) The Council elected the following Members to this Committee for the period 2015-2019: Bhutan, China, Colombia, Honduras, Lithuania, Montenegro, Morocco, Oman and Senegal, and. It had Puerto Rico as representative of the Associate Members (until 2017) and ICTE as representative of the Affiliate Members until a new chair (CTICO).was elected (CE/DEC/5(CII)).

Committee on Statistics and the Tourism Satellite Account

(e) The Council elected the following Members to this Committee for the period 2015-2019: Austria, Chile, Georgia, India, Mozambique, Peru, Philippines, Saudi Arabia, and South Africa. It had Macao, China, as representative of the Associate Members (until 2017) and ICTE as representative of the Affiliate Members until a new chair (CTICO) was elected. (CE/DEC/6(CII))

Affiliate membership

16. At its 103rd session, the Council decided to provisionally admit 31 applicants to affiliate membership, pending ratification by the General Assembly at its 22nd session. (CE/DEC/15(CIII))

17. At its 104th session, the Council entrusted the Secretariat (a) to receive, within a period of thirty days, the necessary clarifications, including comments from the Members of the Executive Council on any candidature and (b) to report to the General Assembly on the candidates admitted provisionally as a result of this process, together with any comments related to all candidatures for its information and approval. (CE/DEC/14/(CIV))

18. At its 105th session, the Council examined the document “Guidelines for States on criteria for endorsement of candidates to affiliate membership”, and requested the Secretary-General to circulate the document to the Full Members before submitting it to the consideration of the General Assembly. (CE/DEC/16/CV))

19. Also at its 105th session, the Council decided to provisionally admit 24 applicants to affiliate membership, pending ratification by the General Assembly at its 22nd session. (CE/DEC/17(CV))

20. The Council also thanked the Secretary-General for distributing to the members of the Executive Council, for information, the draft text of new Rules of Procedure of the Committee of the Affiliate Members, which is to be approved by the Plenary of the Affiliate Members and submitted to the General Assembly at its twenty-second session for ratification. (CE/DEC/15(CV))

IV. Secretary-General’s reports on the activities of the Organization

21. The Council is mandated by the Statutes to receive reports from the Secretary-General on the Organization’s activities. The reports presented to the Council at its 103rd, 104th and 105th sessions covered the following areas:

Tourism situation and activities

22. The Council took note of the Secretary-General’s updates on the current situation and prospects for international tourism (CE/DEC/3(CIII), CE/DEC/3(CIV) and CE/DEC/3(CV)) and took the following salient decisions:

International Year of Sustainable Tourism for Development

(a) It encouraged Member States to embrace the implementation processes of the SDGs at the national and international levels (CE/DEC/4(CIII)) and invited Member States to strongly engage with and support the celebration of the International Year of Sustainable Tourism for Development 2017 (CE/DEC/4(CIV)).

World Tourism Day

(b) It approved the proposed themes for World Tourism Day 2018 and 2019: "Tourism and the digital transformation" (2018) and "Tourism and Jobs: a better future for all" (2019).

Tourism and security

(c) It welcomed the proposal for the creation of a High Level Task Force on Tourism and Security (CE/DEC/5(CIV)), encouraged Member States to become active members of the High Level Task Force on Tourism and Security, requested the Secretary-General to share the results of the 1st Meeting of the UNWTO Task Force, and took note of the request of a number of African States to give higher priority to Brand Africa (CE/DEC/5(CV)).

Programme of work and budget

With regard to the general programme of work and budget, the Council took note of activities summarized in the Secretary-General's reports (CE/DEC/7(CIII), (CE/DEC/6(CIV) and (CE/DEC/7(CV)). Further, the Executive Council endorsed the proposal of France: (a) to review the fees of Affiliate Members, in line with the changes in contributions for Full and Associate Members, and (b) to differentiate the fees of the Affiliate Members depending on whether or not they are registered in a UNWTO Member State. It also requested the Secretary-General to initiate a review of the mechanism for assessing Members' contributions for the next programme and budget cycle while it adopted the draft General Programme of Work and Budget of the Organization for the period 2018-2019, noting with appreciation the Secretary-General's proposal to present a balanced budget for the biennium 2018-2019, with zero nominal growth in Members' contributions for 2018 over 2017 and with a 4% increase in 2019 over 2018. (CE/DEC/8(CV)). As a result, the Secretary-General is presenting to the 22nd General Assembly through the Executive Council a revised Programme and Budget proposal taking all these comments into consideration

Administrative and statutory matters

23. The Council received the Secretary-General's reports on administrative and statutory matters dealing with subjects such as the Organization's financial situation, membership and human resources.

Financial situation

(a) At its 103rd session, the Council examined the UNWTO financial report and audited Financial Statements for the year ended 31 December 2015. (CE/DEC/9(CIII))

(b) It took note of the favourable opinion of the External Auditors that the UNWTO Financial Statements for the year ended 2015 presented fairly the financial position of the UNWTO as at 31 December 2015 and requested the Secretary-General to continue discussions with the External Auditors and the Government of Andorra to find a solution to the timing differences in the auditing of the Financial Statements of the Themis Foundation. (CE/DEC/9(CIII)). At its 105th session, it

took note that the issue regarding the timing difference in the auditing of the Financial Statements of the Themis Foundation had been resolved.

(c) The Council, at its 103rd session, recommended the General Assembly to approve the UNWTO Financial Statements for the year ended 2015 (CE/DEC/9(CIII)). At its 105th session, it recommended the General Assembly to approve the UNWTO Financial Statements for the year ended 2016 (CE/DEC/10(CV)).

(d) It approved the adjustments made by the Secretary-General to the staff appropriations of programmes for 2015, 2016 and 2017. (CE/DEC/9(CIII), CE/DEC/8(CIV) and CE/DEC/10(CV)).

(e) It approved the use of the Special Contingency Reserve (SCR) and the Replacement Reserve (RR) funding for: (i) the lobby reform project (SCR project) in replacement of the printing services project funding and, (ii) the measuring sustainable tourism & improving tourism data management and data collection project (RR project) instead of the Statistics Information System project, at unchanged levels (CE/DEC/8(CIII) and CE/DEC/8(CIV)).

Membership status

(f) At its 103rd session, the Council was informed that Australia had notified the Secretariat of its intention to withdraw from the Organization effective 19 August 2016. (CE/103/7(d)). The Council urged Australia to reconsider its decision and maintain its membership in the Organization (CE/DEC/11(CIII)).

(g) At its 104th session, the Council was informed by the Secretary-General of the intention of Palestine to become a Full Member. (CE/DEC/9(CIV))

Human resources

(h) At its 103rd and 105th session, the Council took note of the reports on Human Resources matters in the Organization.

(i) Further, at its 103rd session, the Council took note of the decision of the Secretary-General that, within the existing structure of the Senior Management, Executive Director Mr. Márcio Favilla would assume the prime responsibility in the Secretariat if and when needed (CE/DEC/12(CIII)). It also took note of the Secretary-General's choice to name Mr. Carlos Vogeler as Executive Director for Member Relations in addition to the three Executive Directors, Mr. Márcio Favilla, Mr. Zoltan Somogyi, and Mr. Shanzhong Zhu, to serve for the period 2016-2017 (CE/DEC/12(CIII)).

V. Recommendation by the Executive Council to the General Assembly of a nominee for the post of Secretary-General for the period 2018-2021

24. At its 104th session, the Executive Council confirmed that the statutory rules governing the election of the Secretary-General would be supplemented by the rules and procedure established in document CE/104/9, invited Member States to propose candidates for the post of Secretary-General for the period 2018-2021, requested candidates to submit their candidature together with all other information as specified in the established procedures (document CE/104/9), and confirmed that the Council would select at its 105th session the nominee it should recommend to the twenty-second session of the General Assembly for the post of Secretary-General for the period 2018-2021 (CE/DEC/15(CIV)).

25. As of the deadline established for the submission of candidatures, the Secretariat received the following valid candidatures (document CE/105/10 rev.1): Mr. Jaime Alberto Cabal Sanclemente (Colombia), Ms. Young-shim Dho (Republic of Korea), Mr. Márcio Favilla (Brazil), Mr. Vahan Martirosyan (Armenia), Mr. Walter Mzembi (Zimbabwe), Mr. Zurab Pololikashvili (Georgia), and Mr. Alain St. Ange (Seychelles).

26. On 10 April 2017, the Secretary-General received an e-mail from Mr. Vahan Martirosyan withdrawing his candidature to the post of Secretary-General. On 12 May 2017, the Minister of Seychelles, clarified the content of the letter from the President of Seychelles on the candidature of Mr. Alain St. Ange received by the Secretariat on the 10 May 2017 and announced to the Executive Council the withdrawal of the endorsement of the Government of Seychelles to the candidature of Mr. Alain St. Ange.

27. After the conclusion of the presentations of the 5 remaining candidates, the Chair convened a restrictive private meeting in accordance with the established procedure. Thereafter, the Chair convened a normal private meeting in order to proceed with the vote by secret ballot. The first ballot gave 3 votes to Mr. Jaime Alberto Cabal (Colombia), 7 votes to Ms. Young-shim Dho (Republic of Korea), 4 votes to Mr. Márcio Favilla (Brazil), 11 votes to Mr. Walter Mzembi (Zimbabwe) and 8 votes to Mr. Zurab Pololikashvili (Georgia).

28. Noting that no candidate had received a simple majority of the Members present and voting, the Council proceeded to hold a second ballot between the two candidates having received the highest number of votes in the first ballot. The second ballot gave 15 votes to Mr. Walter Mzembi and 18 votes to Mr. Zurab Pololikashvili.

29. Noting that Mr. Pololikashvili received in the second ballot the required majority of Council members' votes, it recommended the General Assembly to appoint Mr. Zurab Pololikashvili to the post of Secretary-General for the period 2018-2021.

VI. Actions to be taken by the General Assembly

30. The General Assembly is invited:

- (a) To take note of the information presented concerning the Council's activities, and in particular the decisions taken at its 102nd, 103rd, 104th and 105th ordinary sessions;
- (b) To take cognizance of the major matters considered by the Council, such as the implementation of the programme of work for 2016-2017, the financial situation of the Organization, and the draft programme of work for 2018-2019;
- (c) To note the Council's recommendation to the General Assembly of the nominee Mr. Zurab Pololikashvili to the post of Secretary-General for the period 2018-2021;
- (d) To approve the report of the Council;
- (e) To pay tribute to the dedication and competence demonstrated by its Chairs, Egypt in 2016, and Azerbaijan in 2017; and
- (f) To also thank the Vice-Chairs, Croatia and the Democratic Republic of the Congo in 2016, and Zambia and Serbia in 2017, for the quality of the work they carried out in the exercise of their functions.