

FOR DECISION

Agenda item 5 (c)(i)
Membership of the Organization
Full Members

A/23/5(c)(i)
Madrid, 7 August 2019
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Executive summary

Building better value for Members and expanding membership is one of the core points of the Management Vision and Priorities presented by the UNWTO Secretary-General at the 108th session of the Executive Council (San Sebastián, Spain, 23-25 May 2018).

The Secretariat has identified 15 non-member States (Anglo-Saxon, Nordic and Baltic States) and prepared detailed working documents on membership benefits and concrete areas of cooperation based on policy considerations and needs of each non-member State. The Secretary-General has initiated new approaches of attracting the above-mentioned States.

Since 2018, the Secretary-General and other senior officials of the Organization have been actively conducting negotiations with non-members.

The following progress has been achieved:

United States of America - A high-level delegation from the United States of America made a statement at the 110th session of the UNWTO Executive Council (Baku, Azerbaijan, 16-18 June 2019) that the United States is exploring possibilities to rejoin the UNWTO.

Republic of Palau – The Secretary-General received a letter from the President of the Republic of Palau announcing his country's formal acceptance of the UNWTO Statutes, with a view to joining the Organization as a Full Member.

Actions to be taken by the General Assembly

DRAFT RESOLUTION¹

The General Assembly,

Having examined the report on the Membership of the Organization (Full Members):

1. *Commends* all the systematic actions and approaches undertaken by the UNWTO Secretary-General and other senior officials in attracting non-member States to join or rejoin the Organization;
2. *Takes note* of the remarkable progress made in the negotiation process with the United States of America on its possible membership in the UNWTO and appreciates the Secretary-General's valuable efforts in this regard;

¹ This is a draft resolution. For the final resolution adopted by the Assembly, please refer to the Resolutions document issued at the end of the session.

3. *Approves* the amendment to the formula for fixing the contributions of the member States as proposed in the Annex to document A/23/5 (c)(i);
4. *Encourages* the United States of America to take all the necessary steps to return to the Organization;
5. *Welcomes* the decision of the Republic of Palau to join the Organization and approves its candidature together with the Secretary-General's recommendation that its membership obligations take effect on 1 January 2020; and
6. *Calls upon* the member countries of the United Nations that are non-member States of the UNWTO to join the Organization and encourages the Secretary-General to continue his efforts in this area.

I. Present membership

1. At the date of this document, the total number of Member States of the Organization is 158. The purpose of this document is to inform the General Assembly on the changes in membership since its twenty-second session and to submit to it membership applications that is called upon to consider pursuant to article 5 of the Statutes and Rules 49 and 50 of the Assembly's Rules of Procedure.

II. Candidatures for membership

2. By letter, dated 3 July 2019, addressed to the Secretary-General and the Ministry of Foreign Affairs and Cooperation of Spain as Depository of the Organization's Statutes, the President of the Republic of Palau submitted the country's candidature to full membership of the Organization formally adopting the Statutes and the Financing Rules of the UNWTO and all the amendments and accepting the obligations of membership in accordance with Article 5 of the Statutes. In accordance with past practice, the Secretary-General recommends that the obligations of membership of the Republic of Palau take effect on 1 January 2020.

III. Withdrawals

3. At the date of the document, none of the Member States notified the UNWTO Secretariat and the Spanish Government of their intention to withdraw from the Organization.

IV. Contacts with non-member States

4. The Secretary-General and the senior officials of the UNWTO have been regularly in touch with the following Anglo-Saxon, Nordic and Baltic States to encourage them to join or rejoin the Organization: in the Americas, United States of America and Canada; in Asia and the Pacific: Australia and New Zealand; in Europe, Denmark, Estonia, Finland, Iceland, Ireland, Latvia, Liechtenstein, Luxembourg, Norway, Sweden, and the United Kingdom. Actions have been undertaken towards other non-members as well.
5. Letters have been sent to the ministers in charge of tourism and foreign affairs of non-member States highlighting membership benefits, areas of cooperation and Official Development Assistance (ODA) as a mechanism to cover 89% of the membership fee and to implement technical cooperation projects in developing countries.
6. The Secretary-General and the senior officials of the Organization have held meetings with the Ambassadors of the United States, Canada, Australia, New Zealand, Denmark, Estonia, Finland, Ireland, Luxembourg, Norway and Sweden accredited in Spain (2018) to discuss the membership issue.
7. Separate meetings were held with the decision makers from the line ministries of the non-member States within various international events held under the aegis of the partner international organizations, including the 102nd and 103rd sessions of the OECD Tourism Committee held in Paris (2018-2019).

The Americas

8. The Secretary-General paid an official visit to Washington D.C. (April 2019) and held a bilateral meeting with senior officials from the Executive Office of President Donald J. Trump and the U.S. Department of State to discuss the possible membership of the United States of America in the UNWTO.
9. A high-level delegation from the United States of America attended the 110th session of the UNWTO Executive Council (June 2019) making a statement that the United States of America is exploring possibilities to rejoin the Organization.

10. The Special Representative of the UNWTO to the United Nations met with the Minister of Tourism, Official Languages and La Francophonie of Canada in New York to discuss the prospects of membership of Canada. The Minister expressed her interest towards the Organization (September 2018).
11. Several meetings were held with the authorities of Canada on the occasion of the Second Meeting of the Technical Advisory Group on the Traveller Identification Programme of ICAO (April 2018).

Asia and the Pacific

12. A letter was received from the Minister of Tourism of New Zealand (December 2018) acknowledging the high value of the UNWTO and its key priorities, particularly the priority on "Protecting Our Heritage: social cultural and environmental sustainability".
13. A meeting was held with the Chief Executive of Singapore Tourism Board of Singapore (January 2019) on the occasion of the ASEAN Tourism Forum 2019 to discuss how to enhance cooperation and attract Singapore to rejoin the Organization.

Europe

14. The Secretary-General met with the Minister of Arts, Tourism and Heritage of the United Kingdom in London (May 2018) to encourage the United Kingdom to consider resuming membership.
15. The Secretary-General was on official visit to Ireland (June 2019) and met with the President, Minister of State for Tourism and Sport and other high-level officials. The issue of the membership of Ireland in the UNWTO was seriously discussed.
16. The UNWTO officials participated in the Nordic Tourism Conference in Copenhagen (May 2019) and held bilateral meetings with the authorities of Denmark and other Nordic countries on the membership issue.
17. The Secretary-General and the Organization's officials conducted two meetings with the Deputy State Secretary for Tourism, Ministry of Economics of Latvia within the Global Tourism Economy Forum in Macao and the Baltic Sea and Latvian Tourism Forum in Latvia to discuss the membership (October, November 2018).
18. The UNWTO was present at the Conference "Circularity in the Built Environment enabled by Digitalization" in Brussels by organizing a parallel session on circularity in the building and construction sector in cooperation with the One Planet Sustainable Buildings and Construction Programme led by the Ministry of Environment of Finland. The participation in this important event gave an important impetus for conducting dialogue with Finland on the membership.

Africa

19. A letter was received from the Minister of Wildlife Conservation and Tourism of South Sudan expressing the country's interest to join the UNWTO. The Secretariat has communicated to the Ministry all the necessary procedures and legal requirements for the admission of South Sudan as a Full Member of the Organization.

Annex: Proposal of amendment to the formula for fixing contributions

Background

1. The United States of America, a founding Member of the Organization, withdrew effectively in December 1996 to the regret of the General Assembly (RES/361(XII)).
2. During the 110th session of the Executive Council held on 16-18 June 2019 in Baku, Azerbaijan, a high-level delegation of the Government of the United States of America announced the Administration's intent to explore rejoining the Organization, a statement which the Council welcomed through decision 2(CX).
3. The United States of America is one of the world's leading tourism economies, at par with its global weight in trade, commerce and development. The return of the United States of America to UNWTO would be a significant boost to the Organization and its mandate, at a time when tourism has come of age as one of the world's most relevant economic activities and effective supporters of sustainable development and international understanding. As an intergovernmental organization, UNWTO is as relevant as its membership, and the rejoining of the United States of America would also be a welcome endorsement to the joint efforts of the Full, Associate and Affiliate Members, as well as the Secretariat in advancing tourism in the global agenda. Moreover, its return will undoubtedly encourage other former Members to return to the Organization and it will also imply a reduction in the financial burden for Member States.
4. Following the withdrawal of the United States of America from the Organization in December 1996, the General Assembly reviewed the formula for fixing the contributions of Member States (Annex II of the Financial Regulations) and recommended to further review the scale of shares, if necessary, taking into account possible changes in membership of the Organization.
5. Against this background and while the legislative requirements to rejoin the Organization are currently being addressed, the United States of America has suggested harmonizing the share of contributions of the highest contributors to the Organization established in the formula, requesting the Organization, through its Secretary-General, to consider reviewing the maximum share established therein. Evidently, the situation of tourism worldwide and that of the Organization has significantly changed in the last 20 years.
6. Consequently, the Secretary-General provides the Assembly with an analysis on the matter and further proposes to set the share for Member States that exceed 20% of world GNP at a maximum of 4% instead of 5%. If approved by the Assembly, the new formula will enter into force as of the date of adoption of the corresponding resolution.

Proposed adjustment to the formula for fixing the contributions of Member States

7. With regard to the financing of the Organization's budget, Article 25.1 of the Statutes stipulates that:

"1. The budget of the Organization, covering its administrative functions and the general programme of work, shall be financed by contributions of the Full, Associate and Affiliate Members, according to a scale of assessment accepted by the Assembly and from other possible sources of receipts for the Organization in accordance with the Financing Rules which are attached to these Statutes and form an integral part thereof."
8. The principle that the budget shall be financed by Members' contributions and the method of calculating these contributions are set forth in paragraph 3 of the Financing Rules annexed to the Statutes, which reads as follows:

“3. 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.”

9. The formula adopted by the Assembly for apportioning among the Member States the amount of the expenditure financed by their contributions is based on the following principles (paragraph 2 of the formula for fixing contributions of Member States):

“(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 of Annex II of the Financial Regulations.

(b) Maximum and minimum shares

The scale of shares is fixed from 5% for Member States that exceed 20% of world GNP and from 3.20% 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% of the budget.”

10. The current scale of shares was approved in 1999 by the 13th session of the General Assembly through resolution 404(XIII) following the revision of the formula as a result of the withdrawal of the United States of America from the Organization. Indeed, the previous session of the Assembly, through resolution 374(XII), had decided that, until such time as the formula is revised, the place left free by the United States of America in the first group in the scale of contributions for 1998-1999 would be unoccupied by any State, “so as to preclude any increase in contribution for the other Members of the Organization”. Consequently, the effective budget of the Organization was reduced and the activities of the Organization were curtailed.
11. The Assembly further endorsed through resolution 404(XIII) the Executive Council’s recommendation to further review the scale, if necessary, taking into account of possible changes in membership of the Organization, and that suitable modifications resulting from such a review should be proposed to the Assembly; this principle is established in paragraph 9 of the formula. Indeed, the position of tourism worldwide and the situation of the Organization cannot be compared with that existing over twenty years ago when the formula was revised pursuant to the withdrawal of the United States of America.
12. The scale was last revised in 2013 by the General Assembly resolution 619(XX) following the proposal of the Secretary-General to increase the deduction for countries lowly populated in order to attract small islands with limited economic potential which had shown an interest in joining UNWTO.
13. The potential return of the United States of America represents a significant boost to the mandate of Organization and it will also contribute to encourage other countries to join and to reduce the financial burden for member States.
14. It should be noted that among the International Organizations, there is no homogeneity in the formula for fixing contributions of Member States or in the scale of contributions. It should also be noted, however, that in IMO, ITU, UPU, and WIPO, the USA’s share of assessed contributions is the same or very similar as other developed states in view of the principle of collective responsibility of all members in cost sharing.
15. Certainly, sovereign equality of Member States having equal voting power in the Organization should mitigate the disparities in the sharing of the financial burden among

those Member States with the highest contributions. Moreover, while paragraph 3 of the Financing Rules refers to financial and technical criteria for establishing the method of apportionment – “the level of economic development and the importance of tourism in each country” –, it is noted that the maximum share established in the formula is based on capacity to pay as sole criterion.

16. Consequently, in view of the USA’s potential return to the Organization, the Secretary-General proposes the following amendment to paragraph 2(b) of the formula for fixing the contributions of Member States (Annex II of the Financial Regulations), to be approved by the General Assembly in accordance with Financial Regulation 6.1:

Current wording	Proposed wording
<p><i>b) Maximum and minimum shares</i></p> <p><i>The scale of shares is fixed from 5% for Member States that exceed 20% of world GNP and from 3.20% in decreasing order for the other Member States that do not exceed the aforementioned limit.</i></p> <p><i>The minimum share applicable to Member States is 0.25% of the budget.</i></p>	<p><i>b) Maximum and minimum shares</i></p> <p><i>The scale of shares is fixed from 4% for Member States that exceed 20% of world GNP and from 3.20% in decreasing order for the other Member States that do not exceed the aforementioned limit</i></p> <p><i>The minimum share applicable to Member States is 0.25% of the budget.</i></p>