

FOR DECISION

Agenda item 6(b)

Suspension of membership in accordance with Article 34 of the Statutes and requests for temporary exemption from the application of paragraph 13 of the Financing Rules

A/24/6(b) rev.3 Madrid, 30 November 2021 Original: English

Executive summary

In accordance with FR 8.3, the Secretary-General transmits to the General Assembly updated information on the Members falling under the provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes, texts shown in Annex I, thanking those that have made the necessary efforts in order to fulfil their financial obligations and reminding Members of the importance of settling their contributions within the time period stipulated thereby averting delays that could hamper the Organization's programme of work execution.

Action by the General Assembly

DRAFT RESOLUTION¹

The General Assembly,

Having examined the report in documents A/24/6(b) and A/24/6(b) rev.1 transmitted by the Secretary-General containing updated information on the Members falling under the above mentioned provisions,

- Decides to continue applying the measure of suspension of rights and privileges provided for in Article 34 of the Statutes as per A/RES/217(VII) paragraph 1(a) and (b) and/or Paragraph 13 of the Financing Rules attached to the Statutes to the Members listed in Annexes II A and II B, if they have not reached an agreement with the Secretary-General on a plan for the payment of their arrears;
- 2. Decides in view of their compliance with the agreed payment plans during the period of reference of this document, to renew the temporary exemption from provisions of Paragraph 13 of the Financing Rules attached to the Statutes to the Full Members Cambodia, Republic of the Gambia, and Uruguay, and to grant temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes to Full Members Sierra Leona and Sudan;
- 3. Also decides to maintain the temporary exemption to the Full Members Chad, Iraq, Kyrgyzstan, Lao People's Democratic Republic, Nicaragua, Pakistan and Vanuatu as well as to the Affiliate Members Azerbaijan Tourism and Management University and Pacific Asia Travel Writers Association PATWA, albeit making it clear that these provisions will be reapplied to these Members if they are not up to date with their payment plans by 1 April 2022;

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

4. Establishes the following conditions for the Members requesting temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes and which propose payment plans to settle their arrears in instalments: (i) to discharge the contribution corresponding to the present year before the General Assembly session at which their case is reviewed, and (ii) strict observance of the plan agreed for the settlement of arrears:

Having regard to Afghanistan's, Libya's, Syrian Arab Republic and Yemen's special circumstances,

- 5. Renews the temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes to Afghanistan and Libya until further revision by the forthcoming 25th session of the General Assembly; grants to the Syrian Arab Republic and Yemen the temporary exemption from the above mentioned provisions, and calls upon them to agree on a payment plan for the settlement of their arrears to be submitted to the 25th session of the General Assembly; and
- 6. Requests the Secretary-General to report to the Governing Bodies about the application of this resolution and the Members' compliance with the agreements made with a view, as the case may be, to maintaining the temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes or reapplying those provisions to them if they have not fulfilled their commitments.

I. Members subject to provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes

- 1. At 30 October 2021, the provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes are applied to the Members listed in the table shown in **Annex II** of document A/24/6(b). These Members have been deprived of Member's privileges in the form of services and the right to vote in the Assembly and Council. The stipulations of Article 34 of the Statutes and/or of Paragraph 13 of the Financing Rules attached to the Statutes are applicable as of 1 January 2021 to the Full Member Ethiopia.
- 2. The update from the previous statement at 31 July 2021 in document A/24/6(b) on the amount due by Members subject to provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes remains unchanged as indicated in **Annex II** of above-mentioned document.
- 3. The Members to which the provisions of Article 34 of the Statutes will be applicable in 2022 are listed in **Annex II.A** and the Members that will continue to be subject the provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes as shown in **Annex II.B**, in both cases if they have not agreed on a payment plan with the Secretariat for the settlement of their arrears.

II. Members granted temporary exemption from the application of Paragraph 13 of the Financing Rules attached to the Statutes

- 4. Annex III.1 shows the degree of compliance with the conditions laid down by the Assembly for Members with agreed payment plans for the settlement of their outstanding balance, and which have been granted a temporary exemption from the application of the stipulations of Paragraph 13 by the 23rd session of the General Assembly (Saint Petersburg, Russia 9-13 September 2019). At the request of the Members mentioned in said table, the General Assembly agreed, in its resolution A/RES/715(XXIII), excerpts shown in Annex III.2, to grant them temporary exemption from the application of the aforementioned provisions subject to the following conditions: (a) immediate payment of the contribution corresponding to the year before the General Assembly session at which their case is reviewed; and, (b) strict observance of the agreed payment plan for the settlement of arrears.
- 5. All the communications received from Members after the date of this document requesting temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes are to be submitted to the present session of the General Assembly for its consideration.

* * *

Annex I: Texts of Article 34 of the Statutes and Paragraph 13 of the Financing Rules attached to the Statutes

Article 34 of the Statutes

- 1. Article 34 of the Statutes concerning the suspension of Members provides as follows:
 - "1. If any Member is found by the Assembly to persist in a policy that is contrary to the fundamental aim of the Organization as mentioned in Article 3 of these Statutes, the Assembly may, by a resolution adopted by a majority of two-thirds of Full Members present and voting, suspend such Member from exercising the rights and enjoying the privileges of membership.
 - "2. The suspension shall remain in force until a change of such policy is recognized by the Assembly."
- 2. At its seventh session the General Assembly adopted the following resolution A/RES/217(VII) concerning the application of these provisions:

A/RES/217(VII)

<u>Suspension of Members in arrears in the payment of</u> statutory contributions: Article 34 of the Statutes

"The General Assembly,

"Considering decision CE/DEC/2(XXX) by which the Executive Council recommended the Assembly to apply Article 34 of the Statutes and consequently to suspend the Members of the Organization whose contribution arrears are equal to or exceed the contributions owed by such Members for four financial years and who have not, within six months, agreed with the Secretary-General on a payment plan for reimbursing these arrears,

"Considering document A/7/10(j) prepared by the Secretary-General pursuant to the above Executive Council decision,

"Recognizing that Article 34 of the Statutes, which provides the sanction of suspension when a Member persists in a policy that is contrary to the fundamental aim of the Organization as mentioned in Article 3 of the Statutes, becomes applicable in the case of prolonged non-payment of obligatory contributions to the Organization's budget, such an attitude clearly constituting a policy contrary to the aims of WTO,

- "1. <u>Decides</u> to apply henceforward the measure of suspension provided for in Article 34 of the Statutes:
 - (a) when a Member of the Organization has accumulated contribution arrears in respect of any four financial years, which need not be consecutive, partial payment of contributions not preventing the measure of suspension being applied, and;
 - (b) when the aforementioned Member has not agreed a payment plan for the contribution arrears with the Secretary-General within a period of one year from the date of the resolution by which the Assembly noted that the measure of suspension was applicable to the Member pursuant to Article 34 of the Statutes;

3. Requests the Secretary-General to apply the present resolution and to inform each session of the Executive Council concerning its application"

Paragraph 13 of the Financing Rules attached to the Statutes

3. The provisions of paragraph 13 of the Financing Rules attached to the Statutes read as follows:

- "13. A Member which is in arrears in the payment of its financial contributions to the Organization's expenditure shall be deprived of the privileges enjoyed by the Members in the form of services and the right to vote in the Assembly and the Council if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two financial years. At the request of the Council, the Assembly may, however, permit such a Member to vote and to enjoy the services of the Organization if it is satisfied that the failure to pay is due to conditions beyond the control of the Members."
- 4. In this regard, at its sixth session the Assembly adopted the following resolution:

A/RES/162(VI)

"The General Assembly,
"Confirms the following provisions;

"When a Full Member becomes subject to the provisions of paragraph 13 of the Financing Rules and Regulation 8(7) of the Financial Regulations, the Assembly may restore that Member's right to vote and to enjoy the services of the Organization, only on an exceptional basis, when:

- "1. the Member has explained the reasons for its failure to pay in writing and has requested the restoration of its rights in writing;
- "2. the Council finds that the circumstances are beyond the Member's control;
- "3. the Council and the country concerned have agreed to the measures which should be taken in order to settle the arrears."

Annex II. Members to which the provisions of Article 34 of the Statutes will be applicable in 2022 and Members that will continue to be subject the provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes, if they have not agreed on a payment plan for the settlement of their arrears with the Secretariat

A. Members to which the provisions of Article 34 of the Statutes will be applicable in 2022 if they have not agreed on a payment plan for the settlement of their arrears with the Secretariat

FULL MEMBERS

- 1. ETHIOPIA
- MADAGASCAR
- 3. SOMALIA

AFFILIATE MEMBERS

- 1. ADVENTURE TRAVEL AND TRADE ASSOCIATION ATTA (USA)
- 2. APSARA NATIONAL AUTHORITY (Cambodia)
- 3. ASOCIACION ESPAÑOLA DE ENOTURISMO (AEE)
- 4. ASSOCIATION PHARE SOCIALE (Switzerland)
- 5. ASSOCIATION OF TURKISH TRAVEL AGENCIES (TURSAB)
- BONARD (Slovakia)
- 7. CATALYST GROUP INTERNATIONAL (Israel)
- 8. CENTRO INTERNACIONAL SUPERIOR DE TURISMO OSTELEA (Spain)
- 9. EXPRESS ASSIST LTD (Russian Federation)
- 10. GLOBAL TRAVEL AND TOURISM PARNERSHIP (GTTP) (UK)
- 11. GRUPO RCI (Mexico)
- 12. HORIZON RASH INTERNATIONAL TOURISM TRAINING INSTITUTE (Islamic Republic of Iran)
- 13. HOTELES CITY EXPRESS (Mexico)
- 14. IBM (USA)
- 15. ÎLE DE LA RÉUNION TOURISM (France)
- 16. INHOLLAND UNIVERSITY (Netherlands)
- 17. INSTITUTO MOVATUR (Spain)
- 18. INTERNATIONAL INSTITUTE FOR RESEARCH AND DEVELOPMENT OF SPECIAL INTEREST TOURISM SITI-1 (Islamic Republic of Iran)
- 19. LLC ATLANTIC LINE SEA CRUISES (Russian Federation)
- 20. LUXURIA TOURS (UAE)
- 21. NARAT INC. (Canada)
- 22. PARADORES DE TURISMO DE ESPAÑA
- 23. POS LDA. PROVIDER OFFSHORE SERVICES (Angola)
- 24. RETOSA REGIONAL TOURISM ORGANIZATION OF SOUTHERN AFRICA
- 25. SCHOOL OF ECONOMICS & MANAGEMENT IN PUBLIC ADM. IN BRATISLAVA (Slovakia)
- 26. SHAHDAG TOURISM CENTER CJSC (Azerbaijan)
- 27. THE FEDERAL STATE FUNDED INST. "FINANCIAL UNIVERSITY" UNDER GOV. RUSSIAN FEDERATION
- 28. TOURISM CARES INC. (USA)
- 29. TOURIST ASSOCIATION FOR RESEARCH & DEVELOPMENT FOR SUSTAINABLE DEVELOPMENT FOR LOCAL & REGIONAL INVESTMENT (Morocco)
- 30. TRAVEL INDEX (Seychelles)
- 31. UNITED SAEED ASSIRI CO. LTD / UNITED ALPHA TOURISM CO. LTD. (Saudi Arabia)
- 32. WORLD MEETINGS FORUM (Mexico)

B. Members that will continue to be subject the provisions of Article 34 of the Statutes and/or Paragraph 13 of the Financing Rules attached to the Statutes, if they have not agreed on a payment plan for the settlement of their arrears with the Secretariat or reduced them to less than two years

FULL MEMBERS

- 1. BOLIVIA
- 2. BURUNDI
- 3. CAMEROUN
- 4. CENTRAL AFRICAN REPUBLIC
- 5. DJIBOUTI
- 6. EQUATORIAL GUINEA
- 7. ETHIOPIA
- 8. GABON
- 9. GUINEA
- 10.GUINEA BISSAU
- 11.LIBERIA
- 12.MALAWI
- 13.MADAGASCAR
- 14.MAURITANIA
- 15.NIGER
- 16.SAO TOME ET PRINCIPE
- 17.SIERRA LEONE
- 18.SOMALIA
- 19.SYRIAN ARAB REPUBLIC
- 20.TURKMENISTAN
- 21.UGANDA
- 22. VENEZUELA
- 23.YEMEN

AFFILIATE MEMBERS

- 1. ALISDR TOURISM CO. (Iran, Islamic Republic of)
- 2. ASOCIACION ESPAÑOLA DE EXPERTOS CIENTIFICOS EN TURISMO (AECIT)
- ASOCIACION NACIONAL DE HOTELES Y RESTAURANTES INC. ASONAHORES (Dominican Republic)
- 4. BETTERFLY TOURISM (France)
- 5. BONPORT (France)
- 6. CHEMONICS INTERNATIONAL INC. (USA)
- 7. CLUSTER MONTAGNE (France)
- 8. COHU EXPERIENCE (Finland)
- 9. ETIHAD AVIATION (UAE)
- 10. EUROAMERICANA PUBLICIDAD Y RELACIONES PUBLICAS SA DE CV (Mexico)
- 11. EXCELTUR (Spain)
- 12. FACULTAD DE CIENCIAS ECONOMICAS DE BUENOS AIRES (Argentina)
- 13. FIDETUR (Mexico)
- 14. FONDO MIXTO DE PROMOCION TURISTICA (Mexico)
- 15. GLOBALDIT (Spain)
- 16. GRUPO MENUS S.L. (Spain)
- 17. HAMEDAN MUNICIPALITY (Iran, Islamic Republic of)
- 18. HIPPINDO (Indonesia)
- 19. INFLOW SUMMITS (Turkey)
- 20. INNOVA TAX FREE GROUP S.L. (Spain)
- 21. INTERNATIONAL NIGHTLIFE ASSOCIATION (Spain)
- 22. IRAN CULTURE HERITAGE TOURISM INVESTMENT
- 23. ISTRIA TOURIST BOARD (Croatia)
- 24. JORDAN TOURISM BOARD
- 25. JSC BALNEOSERVICE (Georgia)
- 26. JSF TRAVEL AND TOURISM SCHOOL (Spain)
- 27. KISH FREE ZONE ORGANIZATION (Iran, Islamic Republic of)
- 28. KUWAINT INTERNATIONAL DRIVING PERMIT CARNET CLUB
- 29. MIDDLE EAST UNIVERSITY (Jordan)

- 30. MUNDO JOVEN TRAVEL SHOP (Spain)
- 31. OBSERVATORIO DE DERECHO DE TURISMO (Argentina)
- 32. PERIODISTAS EDITORES DE TURISMO A.C. (Mexico)
- 33. PJS MARCOPOLO TURISMO DEVELOPMENT COMPANY (Iran, Islamic Republic of)
- 34. PUNTA DEL ESTE CONVENTION BUREAU (Uruguay)
- 35. REED TRAVEL EXHIBITIONS (UK)
- 36. ROUTE REPORT DOIN SANE INC (France)
- 37. ROYAL COMMISSION FOR AULA (Saudi Arabia)
- 38. SMART SOLUTIONS AND SUSTAINABLE DEVÉLOPMENT OF IRSA (Iran, Islamic Republic of)
- 39. TOURISM BANK (Iran, Islamic Republic of)
- 40. TOURISM DEVELOPMENT UNION RUSSIAN FEDERATION
- 41. TRAVEL HUNDER LLCJ (Russian Federation)
- 42. UCC WHALE CENTER (USA)
- 43. UNITED FEDERATION OF TRAVEL AGENTS ASSOCIATION (UFTAA)

Annex III.1: Members granted temporary exemption from the application of Paragraph 13 of the Financing Rules attached to the Statutes (Resolution A/RES/715(XXIII)

Members granted temporary exemption from the application of Paragraph 13 of the Financing Rules attached to the Statutes Compliance with the conditions laid down by the 23rd General Assembly (A/RES/715(XXIII)) at 30 October 2021

	Arrears payment plan approval and details				Strict fulfilment of the agreed payment plan		
	GA/EC approval		Details			Payment made	
		Payment	Start	Number of		Contribution	Annual
Full Member	Year	made	from	years	Year	for the year	arrears
Cambodia	2006	Yes	2006	30	2006-2021	Yes	Yes
Chad	2019	No	2018	10	2018-2021	No	No
Gambia, Islamic Republic of	2015	Yes	2016	15	2016-2021	Yes	Yes
Iraq	2010	Yes	2014	25	2014-2020	Yes	Yes
					2021	Part	No
Kyrgyzstan	2017	Yes	2016	21	2017-2019	Yes	Yes
					2020	Part	No
					2021	No	No
Lao People's Dem. Republic	2005	Yes	2005	26	2005-2020	Yes	Yes
					2021	No	No
Pakistan	2017	Part	2018	10	2018	Part	Yes
					2019-2020	No	No
					2021	Yes	Part
Sudan	2021	Yes	2021	30	2021	Yes	Part
Uruguay	2017	No	2017	13	2007-2021	Yes	Yes
Vanuatu	2019	Yes	2019	10	2019	Yes	No
					2020-2021	No	No

^{*} Any updates will be submitted in an addendum to this document

Annex III.2: Excerpts of Resolution A/RES/715(XXIII)

"The General Assembly,

Having examined the different parts of the report in document A/23/5(b) rev.1 and the addendum A/23/5(b) Add.1 containing updated information as of 31 August,

(...)

- 5. Decides in view of their compliance with the agreed payment plans during the period of reference of this document, to renew the temporary exemption from provisions of Paragraph 13 of the Financing Rules attached to the Statutes to Full Members Gambia, Iraq, Kyrgyzstan, Nicaragua and Uruguay and to grant temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes to Full Members Chad and Vanuatu as well as to the Affiliate Members PATWA and Azerbaijan Tourism & Management University;
- 6. Also decides to maintain the temporary exemption to Bolivia, Cambodia, Djibouti, Equatorial Guinea, Guinea, Guinea-Bissau, Lao People's Democratic Republic, Mauritania, Niger, Pakistan, Sao Tome and Principe, Sudan, Syrian Arab Republic, and Yemen, albeit making it clear that these provisions will be reapplied to these Members if they are not up to date with their payment plans by 1 April 2020;
- 7. Establishes the following conditions for the Members requesting temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes and which propose payment plans to settle their arrears in installments: (i) to discharge the contribution corresponding to the present year before the General Assembly session at which their case is reviewed, and (ii) strict observance of the plan agreed for the settlement of arrears;

Having regard to Afghanistan's and Libya's special circumstances,

- 8. Grants them temporary exemption from the provisions of Paragraph 13 of the Financial Rules attached to the Statutes until further revision by the forthcoming 24th session of the General Assembly and calls upon the Full Members Afghanistan and Libya to agree on payment plans for the settlement of their arrears to be submitted to the 24th session of the General Assembly;
- 9. Requests the Secretary-General to report to the Governing Bodies about the application of this resolution and the Members' compliance with the agreements made with a view, as the case may be, to maintaining the temporary exemption from the provisions of Paragraph 13 of the Financing Rules attached to the Statutes or reapplying those provisions to them if they have not fulfilled their commitments: