DECISIONS TAKEN BY THE EXECUTIVE COUNCIL

AT ITS THIRTY-FIRST SESSION

Madrid, Spain, 21 September 1987

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3. DECISIONS TAKEN BY THE COUNCIL

CE/DEC/1(XXXI)

Adoption of the agenda

Agenda item 1 (documents CE/31/1, CE/31/1 Corr.1, CE/31/1 annot. and CE/31/1 annot. Corr. 1)

The Executive Council,
Adopts the agenda of the thirty-first session of the Council.

CE/DEC/2(XXXI)

Communication of the Secretary-General

Agenda item 2

The Executive Council,
Takes note with appreciation of the communication of the Secretary-General reporting on the Organization's activities since the thirtieth session of the Council.

CE/DEC/3(XXXI)

Suspension of the provisions of Rule 13 of the Financing Rules attached to the Statutes

Agenda item 3(a) (documents CE/31/3(a) and CE/31/3(a) Rev.1)

The Executive Council,

I

Having taken cognizance of the letters of Mali and the Dominican Republic to the Secretary-General dated 1 June and 14 September 1987 respectively, requesting that the provisions of Rule 13 of
the Financing Rules attached to the Statutes be suspended as they
apply to these Members and that the plans they put forward for
the payment in instalments of their arrear contributions be
accepted in accordance with resolution 162(VI) adopted by the
General Assembly at its sixth session,

Recommends the General Assembly to suspend the provisions of
this Rule as they apply to Mali and the Dominican Republic,
on condition that these Members strictly observe the plan
they agree with the Secretary-General for discharging their
arrears and that, in the case of Mali, it pays its outstand-
ing contribution for 1987 before the end of the year.

II

Having taken cognizance of the letter that Iraq sent to the
Secretary-General on 8 June 1987,

Considering that Iraq has regularly discharged its financial
obligations to the Organization,

In view of the extraordinary circumstances, namely the existence
of an international war, that this Member invoked in the afore-
mentioned letter in support of its request for postponement of
the payment of its contributions,

Decides to recommend to the General Assembly:

(a) that the provisions of Financing Rule 13 not be
applied to Iraq until the extraordinary circumstances
it invoked no longer exist;

(b) that this decision be conditional on an undertaking
by Iraq to agree with the Secretary-General, once these
extraordinary circumstances no longer exist, on a plan
for the payment in instalments of its arrear contribu-
tions; and

(c) that this measure be regarded as wholly exceptional,
that it may at no time be taken as a precedent for
any other case and that, at all events, it must be
reviewed by the General Assembly at its eighth session.
Effects of the US dollar-peseta exchange rate on the draft budget of the Organization for 1988-1989

Agenda item 3(b) (document CE/31/3(b))

The Executive Council,

Having considered document CE/31/3(b) on the effects of the US dollar-peseta exchange rate on the draft budget of the Organization for 1988-1989,

Bearing in mind:

(a) that a not inconsiderable share of the Organization's budgetary appropriations is spent in pesetas,

(b) that the real purchasing power of these appropriations consequently depends closely on fluctuations in the dollar-peseta parity during the period in question,

(c) that the calculation of other appropriations linked to the cost of living in Spain also depends closely on those fluctuations,

(d) that, given the impossibility of establishing reliable forecasts in this regard, the practice in other organizations subject to the same constraints is to calculate these appropriations on the basis of the exchange rate current at the time the budget is finally approved,

(e) that the fall in the dollar-peseta parity from 133 pesetas when the draft budget was prepared to the present 122 pesetas and the risk that this trend might persist make this measure even more necessary for the 1988-1989 budget,

1. Approves the revision of appropriations in relation to those proposed in document A/7/9, as performed by the Secretary-General on the basis of the United Nations operational exchange rate in effect in September 1987, namely, 122 pesetas to the dollar; and

2. Recommends the General Assembly to approve the new amount of the budget reflecting the revised appropriations submitted to it in document A/7/9 Add.2, viz. 6,320,200 dollars for 1988 and 6,785,100 dollars for 1989, excluding the extraordinary allocation of 1,600,000 dollars recommended for approval in addition.
Membership of the Organization

Agenda item 4(a) (documents A/7/4, A/7/4 Add.1, A/7/4 Add.1 Corr., A/7/4 Add.2, A/7/4 Add.3, A/7/4 Add.4 and CE/31/4(b))

The Executive Council,

Having taken note of the Secretary-General's report on membership of the Organization, which is intended for the General Assembly,

Decides, on the proposal of the competent Sub-Committee to recommend the General Assembly to approve the applications for affiliate membership of

- Oxford Polytechnic
- Borsa Internazionale del Turismo Milano
- France International Service
- Score Consultants.

CE/DEC/6(XXXI)

Staff Rules

Agenda item 4(c) (documents CE/31/4(c), CE/31/4(c) Corr. and CE/31/4(c) Add.)

The Executive Council,

Considering document CE/31/4(c) containing the revised draft Staff Rules, together with its Addendum and Corrigendum,

Recalling its decision 16(XXX) in which, inter alia, it

(i) recommended the General Assembly to adopt the new draft Staff Rules,

(ii) entrusted the Secretary-General with submitting to it, for adoption at its thirty-first session, the revised draft Staff Rules,

Noting that the draft Staff Rules were revised to bring them into line with the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies,
Considering that, under Regulation 1 of the draft Staff Regulations which the General Assembly is called upon to adopt at its seventh session, the Executive Council "shall provide such Staff Rules as it considers necessary for the enforcement of the Staff Regulations and consistent with the principles they embody",

1. **Decides to approve the Staff Rules (document CE/31/4(c) and the Addendum and Corrigendum thereto), subject to the General Assembly's entitling it to do so by adopting the Staff Regulations;**

2. **Decides that the new Staff Rules shall enter into force on the same date as the Staff Regulations, with the exception of Staff Rule 19(1) and all the other Rules pertaining thereto, which will become applicable on the day WTO is admitted to the United Nations Joint Staff Pension Fund, the present provident fund arrangement, which takes the place of a pension scheme, remaining in force until that date;**

3. **Decides to set up a reserve fund which, on 1 January 1989, will help officials having contributed to the WTO provident fund to validate with the United Nations Joint Staff Pension Fund, so far as this is possible, their years of service with WTO;**

4. **Entrusts the Secretary-General with employing for the purpose of establishing this reserve fund back-contributions to the budget for the biennium 1986-1987 and for 1988 the appropriations included in the 1988-1989 budget.**

CE/DEC/7(XXXI)

Report of the Chairman of the Committee of Affiliate Members

Agenda item 4(d)

The Executive Council,

**Takes note of the report of the Chairman of the Committee of Affiliate Members as presented by him.**
Facilitation

Agenda item 5 (document CE/31/5)

The Executive Council,

Having taken cognizance of the report and recommendations formulated by the Facilitation Committee at its seventh meeting (document CE/31/5), submitted by the Chairman of this Committee (United States of America),

Having duly examined the recommendation of the Committee, as contained in paragraph 32 of document CE/31/5, that the role and competence of this Committee be strengthened in view of the facilitation activities included in the Organization's general programme of work for the period 1988-1989 and because of the high priority assigned to such activities in its decision 6(XXX),

Having also examined this Committee's recommendations concerning the follow-up action to be taken with respect to the "WTO draft Convention to facilitate travel and tourist stays", as contained in paragraphs 14 and 15 of this same document CE/31/5, and concerning questions related with protectionism and measures to be taken to liberalize international trade in tourism services, as contained in paragraphs 22 and 26 of the aforementioned document,

1. Decides with respect to the Facilitation Committee and subject to the approval of the General Assembly:

   (i) to expand the Committee's terms of reference to cover all questions likely to constitute an obstacle to the free circulation of tourists and to address to the States specific appropriate recommendations about facilitation measures;

   (ii) to direct the Committee, consistent with Article 13 of the draft Convention, to help resolve facilitation-related disputes by intervening as unofficial mediator between the parties;

   (iii) to authorize the Committee to hold two meetings per year if necessary;

2. Urges the Secretary-General to submit to the seventh session of the General Assembly, for the appropriate follow-up action, the various amendments (Annex 1 to this decision) proposed by the Committee to the draft Convention to facilitate travel and tourist stays, and its annexes;

3. Recommends that a diplomatic conference be convened in 1988 to complete preparation of the aforementioned Convention and to permit its adoption by the States;
4. Approves, in this regard, the recommendation of the Committee that the Convention in question be named for the city in which the aforementioned diplomatic conference will be held;

5. Entrusts the Secretary-General with conveying to the General Assembly the conclusions and recommendations of the Facilitation Committee based on the findings of the study on "The problems of protectionism and measures to reduce, if not eliminate, obstacles to international trade in tourism services", included in the general programme of work for 1986-1987 (Annex 2 to this decision);

6. Also entrusts the Secretariat with preparing, in cooperation with Spanish tourism authorities, model provisions which can serve as a basis to the States in drafting tourism agreements that would include, among other provisions, principles and rules to facilitate the expansion of trade in tourism services and to reduce if not eliminate current obstacles to international trade in tourism services;

7. Requests the Secretariat to send a reminder to Full and Associate Members that still have not done so to respond to Questionnaire SG/181, which was used to conduct the 1987 survey on the differences and/or similarities between national practices and the standards and recommended practices concerning passports and visas accepted by the Assembly in its resolution 180(VI);

8. Also requests the Secretariat to continue to collect information on the current and future work carried out by concerned international organizations with a view to improving conditions for the temporary admission of means of transport for private use;

9. Considers:
   
   (i) that the Committee should be regularly informed on the work of the future working party on security and protection of tourists and tourist facilities;
   
   (ii) that consequently an institutional link be established between the Facilitation Committee and this working party;

10. Also requests the Secretariat to continue to monitor the impact of major world events on tourism and travel facilitation;

11. Requests the Secretary-General to consult with the Chairman of the Committee in order to fix the date and place of the eighth meeting; and

12. Commends the Secretary-General, the Facilitation Committee and its Chairman for their work in preparing WTO's first legal instrument, in pursuance of its decision 14(XXVIII).
Annex 1

Amendments proposed by the Committee to the draft Convention to facilitate travel and tourist stays and its annexes and to the proposals by the Committee with respect to this instrument.

The Committee recommends that:

(a) Article 4 of the Convention should be amended by:

(i) adding the words, "for the purposes of this Convention",

(ii) deleting the clauses, "for not more than one year" and "who returns to the country in which he has his usual place of residence".

(This was done to accommodate differing duration of stay requirements observed by WTO, ICAO and the CCC and to broaden the scope and application of the Convention).

(b) Duration of stay and questions related to the return requirement would be dealt with in Annex I, based on language to be drafted by the Legal Advisor.

(c) Article 8, "national implementation of the Convention and of the annexes", would be amended by adding the term "inter alia", in recognition of the facts that some national facilitation committees are organized under the provisions of the ICAO Chicago Convention and have responsibilities that extend to cargo and aircraft facilitation and are not limited to passenger facilitation.

(d) Language would be added to the Annex to provide for tourism authorities to participate fully in any existing national facilitation committee if they are not presently doing so and that in countries where no such committee exists, one should be created.

(e) The language added to the Annex should be in the form of a standard and should prescribe the membership and methods of operation of the national facilitation committee; and should stipulate that members should be of high enough rank to take decisions and that each country should have one main facilitation committee with specialized subcommittees if necessary.

(f) The Secretariats of WTO and ICAO should discuss the history of the problem surrounding attempts to define the terms "stop-over"; the terms "mere stop-over" should be deleted from the Annexes; a new recommended practice should be added to Section II, Visas, to provide facilitated entry for passengers whose trips are temporarily interrupted in a case of "force majeure" and who are otherwise qualified to enter the country. This language should cover passengers travelling by surface, as well as by air and maritime transport.
(g) A new provision should be added to Section II, Visas, Entry, individual, recommending that contracting States, especially those belonging to regional unions or associations and which require entry visas, consider entering into an arrangement for mutual recognition of visas.

(h) Article 5 ("Observance of the Convention"), paragraph 2, be amended to read as follows:

"Nothing in this Convention or its Annexes should be interpreted as precluding a Contracting State from applying temporary measures considered by that State to be necessary to preserve public policy ("Ordre Public") and security", it being understood that Public Policy objectives include the protection of public health, animals and plants from diseases or pests.

(i) Article 13 ("Settlement of disputes") remain as it stands and not be amended.

(j) Article 16 ("Application to non-autonomous territories") should remain as it stands and not be deleted.

(k) A proposal to include Arabic among the languages in which the Convention would be done (Article 22) not be accepted until Arabic becomes an official language of WTO.

(l) The Secretariat be entrusted with studying the options for financing the operation of the Convention and that it refer its findings to the Facilitation Committee, the Committee on Budget and Finance and to the Executive Council.

Annex 2

Conclusions and recommendations of the Study B.4.1 on "The problems of protectionism and measures to reduce, if not eliminate, obstacles to international trade in tourism services".

The Committee recommends that the Council urge the Assembly to:

(a) invite States to:

(i) work toward the liberalization of international trade in tourism services on the basis of reciprocity and multilateral negotiations and conventions; and

(ii) accord developing countries special treatment and safeguards with respect to their international traded tourism services.

(b) invite national tourism administrations to:

(i) identify whether in their States there exist protectionist policies with respect to international trade in tourism services and proceed with a cost-benefit analysis of tacit and government-imposed obstacles to such trade;
(ii) review the national legislation and regulations of their respective countries to determine and make publicly known the conditions of market access available to foreign-owned tourism enterprises, including any restrictions on establishment, inward investment, movement of personnel, financing and insurance questions and distribution;

(iii) work to make available to foreign-owned tourism enterprises the same facilities and incentives as are offered to national enterprises; see that national tourism enterprises are not excluded from facilities and incentives which are accorded to foreign-owned enterprises;

(iv) seek to implement in the national legislation and regulations concerning the tourism sector the principles of transparency, national treatment and open market access; see that such principles are embodied in bi- and multilateral tourism agreements;

(v) assist their governments by participating in multilateral consultations and negotiations on services, to place adequate emphasis on the role of international trade in tourism services; and

(vi) initiate and sponsor national studies on tourism services, and particularly on their interlinkage with the rest of the economy and the attainment of basic social needs.

(c) decide that WTO should continue and intensify its specific efforts to reduce and eliminate obstacles to international tourism by:

(i) identifying and analysing barriers to international trade in tourism services under its Facilitation Committee work programme;

(ii) cooperating with other international organizations in the current debate on the role of services in the development process; providing technical support to GATT in international consultations and negotiations on services; and

(iii) adopting and implementing the Convention to facilitate travel and tourist stays.
Observer status in WTO for the Palestine Liberation Organization (PLO) equivalent to the status of PLO in the United Nations and its specialized agencies. Rights and privileges of non-member observers within WTO

Agenda item 6

The Executive Council,

Considering its agenda item 6,

Decides to continue the consideration of this question during its thirty-third session.

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World Tourism Day in 1988 and 1989:
Choice of themes to be proposed to the General Assembly

Agenda item 7 (document CE/31/7)

The Executive Council,

Being aware of the growing significance of World Tourism Day and its promotional significance,

Decides, having in mind the priority fields of the general programme of work, to propose to the General Assembly the following two themes for the celebration and further enhancement of World Tourism Day (27 September annually) in 1988 and 1989:

1988: Drugs and terrorism: enemies of tourism
1989: Tourism: get to know the facts.
CE/DEC/11(XXXI)

Auditors for the financial years 1988 and 1989

Agenda item 8

The Executive Council,

Considering the provisions of Article 12(g) of the Statutes of the Organization,

Having recognized the competent work of the Auditors selected for the present biennium 1986-1987, Mr. Juan Pedro Cortés Camacho (Spain) and Mr. Nistor Moise (Romania),

Considering the candidatures presented,

Recommends to the General Assembly to renew the appointment of Spain and Romania as Auditors for the financial period 1988-1989.

CE/DEC/12(XXXI)

Place and date of the thirty-second session of the Executive Council

Agenda item 9

The Executive Council,

Decides to hold its thirty-second session at the Palacio de Congresos in Madrid immediately after the closing of the seventh session of the General Assembly.
4. PARTICIPANTS IN THE THIRTY-FIRST SESSION

1. Delegates of the following Members of the Council attended the session: Indonesia (Chairman), Sri Lanka (First Vice-Chairman), France (Second Vice-Chairman), Argentina, Colombia, Czechoslovakia, Dominican Republic, Ethiopia, Gabon, Iraq, Japan, Jordan, Mexico, Morocco, Portugal, Switzerland, Togo, Union of Soviet Socialist Republics, United Republic of Tanzania and Spain as privileged Member.

2. The Chairman of the Facilitation Committee (United States of America).

3. The representatives of Australia, Austria, Belgium, Cameroon, Israel, Romania and United States of America attended the session as observers.

4. The Associate Members were represented by the delegate of Puerto Rico.

5. The Chairman of the Committee of Affiliate Members was present.

6. The Auditors (Spain and Romania) were present.

7. The representative of the International Labour Organisation attended the session as observer.