Grace period for payment of the 2020 membership dues in light of the exceptional circumstances created by the Covid-19 pandemic

Action Requested: The World Conservation Congress is invited to CONSIDER the following draft decision proposed by the IUCN Council.

DRAFT DECISION

The IUCN World Conservation Congress,

Having considered the proposal from the IUCN Council in response to the requests from a number of IUCN Members facing financial difficulties as a result of the Covid-19 pandemic;

Decides, in light of the exceptional circumstances created by the pandemic, to grant to the IUCN Members listed in the Annex¹ to this motion which have declared to be in arrears of paying the 2020 membership dues as a direct result of the pandemic while being in order with payment of the dues for all previous years, a grace period for the payment of the 2020 dues until 31 December 2021 and exceptionally to suspend the application of article 13 (a) of the Statutes until the end of such grace period, thereby allowing those IUCN Members to exercise all their membership rights including in connection with elections, voting and motions from the entry into effect of this decision until the end of the grace period.

Decides that this decision enters into effect from the end of the 1st Sitting of the Members’ Assembly on 4 September 2021.

EXPLANATORY MEMORANDUM

Council’s proposal

In response to requests from a number of IUCN Members facing financial difficulties as a result of the Covid-19 pandemic, the IUCN Council, on the proposal of its Bureau, proposes that IUCN Members which are in arrears of paying the 2020 membership dues as a direct result of the pandemic while being in order with payment of the dues for all previous years, should be granted a grace period for the payment of the 2020 dues until 31 December 2021, so that they may exercise their membership rights during the upcoming Congress (Bureau decision B96/4, endorsed by Council on 2 August 2021, decision C/XXIV).

¹ To be established and published following the deadline for submission of applications (20 August 2021).
Because the IUCN Statutes do not foresee a possibility to grant an exception to Article 13 of
the IUCN Statutes on the consequences on Members rights of the non-payment of
membership dues and to undo the suspension of a Member’s rights resulting from non-
payment, the IUCN Council, on the proposal of its Bureau, decided to submit its proposal to
the World Conservation Congress for decision.

The rationale for the proposal, as well as the concerns expressed by the Secretariat and the Legal Adviser on this proposal, are presented in the extracts of the Summary of the 94th Bureau meeting and of the Summary Minutes of the 96th Bureau meeting. (attached hereafter)

The proposal, if approved, would entail a reduction of IUCN’s income in the order of CHF 215,000 on the assumption that all 83 Members who have not paid the 2020 membership dues while in order with all dues of previous years would not pay the 2020 dues before the end of 2021.

Process

With the agreement of the Bureau, the Secretariat applied the following mechanism to determine which IUCN Members could benefit from the grace period, should Council’s proposal be adopted by IUCN Members:

a. the Secretariat invited the 83 IUCN Members who have not paid the 2020 membership dues while in order with all dues of previous years (status as at 2 August 2021) to post on a Union Portal page, by 20 August 2021, a declaration on their honour that such non-payment is a result of the Covid-19 pandemic, together with the request that they be granted a grace period ending on 31 December 2021 to pay their dues and that the application of Article 13 (a) of the Statutes be suspended until the end of such grace period;

b. all Member declarations received in the Union Portal page by 20 August 2021 are attached to the present motion2 and have been published as an official Congress document.

Entry into force

To allow IUCN Members concerned by the present Council motion to vote on elections and other matters during Congress, it is submitted to the Members’ Assembly for consideration and decision at its 1st sitting on 4 September 2021.

Therefore, if approved the motion shall enter into effect from the end of the 1st Sitting of the Members’ Assembly on 4 September 2021, on time for the online vote on elections opening on 4 September 2021.

Based on advice from the IUCN Legal Adviser, the motion requires a two-thirds majority of the votes cast in Cat. A and a two-thirds majority of the votes cast in Cat. B and C combined (Art. 107 of the Statutes) because such decision would mean suspending the application of Art. 13 (a) of the Statutes or not applying this statutory provision in a concrete situation due to the exceptional circumstances of the pandemic. Such exceptional decision would have the same effect as an amendment in the concrete case and could therefore only be adopted with the same majority as for an amendment of Art. 13 of the Statutes.

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2 To be established and published following the deadline for submission of applications (20 August 2021).
Should the motion be approved during the 1st Sitting, the Secretariat will make adjustments to the various Congress systems to correct the accreditation data of these Members in line with the decision, which feeds into the online voting system for elections and the onsite electronic voting system for motions and other decisions. This will allow the IUCN Members who benefit from the grace period to cast their vote during the online vote on elections opening on 4 September 2021, and to cast their vote on any other decision item from the 2nd sitting of the Members’ Assembly onwards (opening on 8 September 2021), either by their delegation present onsite or by proxy.

These adjustments may imply a delay of opening the online vote on elections by 3 to 6 hours, while the closing of the online elections remains at 18h00 UTC on 7 September 2021.

**Consequences on IUCN Members’ rights in case of adoption**

The IUCN Members listed in the Annex to this motion are encouraged to pay their dues for both years 2020 and 2021 by 31 December 2021 because after that date, the grace period will be over.

This means that by application of Article 13 (a) and (b) of the Statutes, those IUCN Members:

i. having paid the 2020 but not the 2021 dues by the 31st of December 2021 will be considered as being one year in arrear, which entails *ipso facto* the suspension of their rights in connection with elections, voting and motions as from the 1st January 2022;

ii. not having paid the 2020 and the 2021 dues by the 31st of December 2021 will be considered as being two years in arrears, which may lead - in addition to the suspension stated in i) - to the rescission of all remaining rights, subject to a World Congress decision.
Organisations who applied for a grace period for the payment of IUCN membership dues for 2020 before the 20 August 2021 deadline

Organisations qui ont demandé une période de grâce pour le paiement de la cotisation 2020, avant le délai du 20 août 2021

Organizaciones que solicitaron un período de gracia para el pago de las cuotas de membresía de la UICN para 2020 antes de la fecha límite del 20 de agosto de 2021

<table>
<thead>
<tr>
<th></th>
<th>Organisation</th>
<th>Code</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Association Vive le Paysan Nouveau</td>
<td>NG/24879</td>
<td>Benin/Bénin</td>
</tr>
<tr>
<td>2</td>
<td>Madagascar Institut pour la Conservation des Ecosystèmes Tropicaux</td>
<td>NG/25724</td>
<td>Madagascar</td>
</tr>
<tr>
<td>3</td>
<td>Réseau Association Khnifiss</td>
<td>NG/25722</td>
<td>Morocco/Maroc/Marreucos</td>
</tr>
<tr>
<td>4</td>
<td>RIAT-Congo</td>
<td>NG/25017</td>
<td>Congo</td>
</tr>
<tr>
<td>5</td>
<td>Centre for Environmental Studies and Development in Cameroon</td>
<td>NG/1413</td>
<td>Cameroon/Cameroun/Camerún</td>
</tr>
<tr>
<td>6</td>
<td>Mai Khao Marine Turtle Foundation</td>
<td>NG/25445</td>
<td>Thailand/Thailande/Tailandia</td>
</tr>
<tr>
<td>7</td>
<td>Fiji Department of Environment</td>
<td>ST/25110</td>
<td>Fiji/Fidji</td>
</tr>
<tr>
<td>8</td>
<td>Nature Conservation Union of the Democratic People's Republic of Korea, NCUK (DPR)</td>
<td>NG/229</td>
<td>Democratic Republic of Korea (DPR)/ République démocratique de Corée República democrática de corea</td>
</tr>
<tr>
<td>9</td>
<td>Asociación Club de Jóvenes Ambientalistas</td>
<td>NG/24694</td>
<td>Nicaragua</td>
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<tr>
<td>10</td>
<td>Fundación Hondureña de Ambiente y Desarrollo VIDA</td>
<td>NG/1448</td>
<td>Honduras</td>
</tr>
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</table>
Extract from the Summary

[...]

Agenda Item 6: Members facing difficult financial situations and unable to pay their full dues as a result of the pandemic

Enrique Lahmann, Global Director Union Development Group and Sandrine Friedli Cela, Legal Adviser repeated the highlights from their presentation made during the 93rd Bureau meeting. (B93/2 PPT Members facing difficult financial situations)

During the discussion, some Bureau members acknowledged that fewer Members than anticipated were affected by this issue and adopting special measures might open the door for more requests.

Other members of the Bureau were of the view that a number, albeit small, of IUCN Members were facing significant distress as a result of the pandemic which justified a response given the exceptional circumstance of the pandemic. Among the solutions mentioned were:

a) a Council decision to postpone the obligation to pay the dues for 1 year for Members formally requesting it. If they were unable to pay within 1 year, then normal statutory requirements would again prevail;

b) a Council decision to submit a motion to Congress for approval during the 1st sitting of the Members’ Assembly allowing postponement of dues for Members facing financial distress as a direct result of the pandemic. This would require a mechanism allowing Members to successfully petition in advance of the Congress so that, if approved by Congress, they can exercise their Member rights during Congress.

The Global Director Union Development Group reminded the Bureau of the fact that, statistically, there was no difference between the number of Members in arrears before and after the beginning of the pandemic and that, in fact, more dues have been received in 2021 than at the same time in 2020. When Council approved the Membership Dues Guide 2022-24 in September 2020, it also established a lower dues category for Members with less income, as well as a motion to Congress requesting the next Council to study the issue of Members facing financial difficulties (including as a result of the pandemic). He suggested that, before taking a decision, the Secretariat studies the practical issues such as the mechanism by which to identify Members who would be entitled. Also, if it depended on a decision of the Congress, it could not apply to the Members voting online for elections if they were opened prior to the Members’ Assembly. He also raised a capacity issue for the Secretariat because, so close to the beginning of the Congress, the entire Membership Unit (1.6 FTE) was fully engaged in preparations for the Congress.

The Legal Adviser reminded the Bureau that Article 13 of the Statutes provided the automatic suspension of a Member’s rights if their dues are one year in arrears and that it was the Members’ prerogative to provide exceptions to the Statutes. A Council decision could be contested at the Congress for non-conformity with the Statutes, in particular by Members who are facing problems to pay their dues for reasons other than the pandemic.

The IUCN President cautioned that, while it was acceptable for Council and Congress to request the next Council to study how to address for the long term the issue of Members facing financial problems, ignoring the impact of the pandemic on IUCN’s Members would raise ethical and political issues and badly affect IUCN’s credibility. While individual cases of Members not paying, e.g. because of economic reasons, could be dealt with on a case by case
basis, it was different for the problems caused by the pandemic which is a global crisis. He suggested that in the proposal [described in littera b) above], Members would qualify only if they had been in order with paying their dues prior to 2020.

On the proposal of the IUCN President, the Bureau decided to present this proposal [described in littera b) above] to the Council at its 104th meeting together with the background material provided by Secretariat and that the Secretariat be given time to study a mechanism.

**BUREAU DECISION B94/3**

The Bureau of the IUCN Council,

*Having considered the requests from a number of IUCN Members facing financial difficulties as a result from the Covid-19 pandemic,*

*Decides to present to the IUCN Council for its consideration at its 104th meeting, together with the background material provided by the Secretariat, a proposal that Council submits to the IUCN World Conservation Congress (Marseille, 3-10 September 2021) for approval a motion granting postponement of the obligation to pay the 2020 dues to IUCN Members which have been in arrears of paying them as a direct result from the pandemic, so that these Members may exercise their membership rights during the 2021 Congress;*

*Requests the Secretariat, if Council so decides, to develop a mechanism to identify IUCN Members meeting the requirements of Council's proposal to Congress [in time for the Bureau to approve the mechanism as well as the text of the Council motion].*
List of attendees

PRESIDENT
• Zhang Xinsheng

VICE-PRESIDENTS
• John Robinson
• Ana Tiraa

TREASURER
• Nihal Welikala (only present on 15 June 2021)

REPRESENTATIVE OF THE COMMISSION CHAIRS
• Antonio Benjamin, Chair of the World Commission on Environmental Law

CHAIRS OF THE STANDING COMMITTEES OF THE IUCN COUNCIL
• Jennifer Mohamed-Katerere, Governance and Constituency Committee (GCC)
• Ayman Rabi, Finance and Audit Committee (FAC)
• Jan Olov Westerberg, Programme and Policy Committee (PPC)

REGIONAL COUNCILLORS
• Mamadou Diallo
• Jenny Gruenberger

DIRECTOR GENERAL
• Bruno Oberle

OTHER PARTICIPANTS:
Sandrine Friedli Cela, IUCN Legal Adviser
Enrique Lahmann, Global Director Union Development Group
Louise Imbsen, Governance Assistant
Luc De Wever, Senior Governance Manager, Secretary to Council
Members facing difficult financial situations and unable to pay their full dues as a result of the pandemic

Important facts and figures

• Based on a proposal from Council, approved in September 2020 (100th Council), Members approved, by online vote in February 2021, the Dues Guide, including the dues reassessment process (taking effect in 2022) and gave a mandate to the 2021-2024 Council to study the issue of Members facing difficult financial situations (slide 2).

• Members facing difficult situations to pay their 2020-2021 dues, will have until 2024 to regularize their dues situation until they are withdrawn by rescission (Art.13 of the Statutes).

• Figures from past years do show that there have always been issues of Members facing difficulties to pay their dues (slide 3 and 4). Making an exception now will create a precedent.
The IUCN Members, by electronic vote taking place from 27 January to 10 February 2021:

On the proposal of the Council,

1. Approved the IUCN Membership Dues Guide in accordance with Article 20 (f) of the Statutes (Annex hereafter); and

2. Mandated the 2021–2024 Council to:
   - CONTINUE THE WORK achieved by the 2016–2020 Council on:
     a. the issue of dues for venue-based organisations and government agencies;
     b. the issue of the value of membership and Members facing difficult financial situations and not being able to pay their dues; and to
   - SUBMIT both proposals to IUCN Members by electronic vote before the next Congress.
Members facing difficult financial situations and unable to pay their full dues as a result of the pandemic

Dues payments analysis for 30 Members in Mexico (incl. ST), 1 in Poland and one in Vanuatu (incl. ST) who sent a request to waive their dues

### Membership dues status

<table>
<thead>
<tr>
<th>Membership dues status</th>
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</tr>
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<tbody>
<tr>
<td>Member dues paid up/incl. 2021:</td>
<td>12</td>
</tr>
<tr>
<td>Member dues paid up/incl. 2020:</td>
<td>18</td>
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<tr>
<td>Member dues unpaid for 2020 (and prior) - in rescission</td>
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</table>

### Payments processing (checked back to 2015)

<table>
<thead>
<tr>
<th>Payments processing (incl. Mexico and Vanuatu States &amp; 2 Members in rescission)</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Regular payments (incl. 2 new Members)</td>
<td>21</td>
</tr>
<tr>
<td>Irregular payments (incl. Mexico and Vanuatu States &amp; 2 Members in rescission)</td>
<td>11</td>
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### Membership dues status (for all Members)

<table>
<thead>
<tr>
<th>Dues status</th>
<th>#Members</th>
<th>in order (dues paid up to/incl.2020)</th>
<th>not in order (not eligible to vote)</th>
<th>% not in order</th>
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<tbody>
<tr>
<td>May 2021</td>
<td>1472</td>
<td>1252</td>
<td>219</td>
<td>15%</td>
</tr>
<tr>
<td>May 2020</td>
<td>1348</td>
<td>1169</td>
<td>179</td>
<td>13%</td>
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<tr>
<td>May 2019</td>
<td>1378</td>
<td>1133</td>
<td>245</td>
<td>18%</td>
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### Financial results Jan-April 2021 (actuals)

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<tr>
<th></th>
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<tbody>
<tr>
<td>(CHF)</td>
<td>6.6 M</td>
<td>5.2 M</td>
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3
Members facing difficult financial situations and unable to pay their full dues as a result of the pandemic

Members with rescinded rights

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>States</td>
<td>11</td>
<td>14</td>
<td>10</td>
<td>17</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Government Agencies</td>
<td>11</td>
<td>7</td>
<td>12</td>
<td>14</td>
<td>15</td>
<td>13</td>
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<td>National NGOs</td>
<td>106</td>
<td>89</td>
<td>91</td>
<td>111</td>
<td>57</td>
<td>83</td>
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<td>International NGOs</td>
<td>10</td>
<td>3</td>
<td>6</td>
<td>13</td>
<td>1</td>
<td>4</td>
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<tr>
<td>Indigenous Peoples' organisations</td>
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<td>1</td>
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<tr>
<td>Affiliates</td>
<td>7</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>3</td>
<td>3</td>
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<tr>
<td>Total on the rescission list</td>
<td>145</td>
<td>115</td>
<td>122</td>
<td>161</td>
<td>82</td>
<td>116</td>
</tr>
<tr>
<td>Total number of Members</td>
<td>1,060</td>
<td>1,141</td>
<td>1,272</td>
<td>1,394</td>
<td>1,461</td>
<td>1,461</td>
</tr>
<tr>
<td>Percentage of Members on the rescission list</td>
<td>13.7%</td>
<td>10.1%</td>
<td>9.6%</td>
<td>11.5%</td>
<td>5.6%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Total number of Members withdrawn one year after Congress</td>
<td>80</td>
<td>87</td>
<td>78</td>
<td>87</td>
<td>53</td>
<td></td>
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<tr>
<td>Percentage withdrawn Members out of those from the rescission list</td>
<td>55.2%</td>
<td>75.7%</td>
<td>63.9%</td>
<td>54.0%</td>
<td>64.6%</td>
<td>0.0%</td>
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</table>
Legal considerations

(Summary of legal advice from January 2020)

• All IUCN Members have an obligation to pay their membership dues (Stat. 12 c) (iii) and Reg. 24); Membership dues contribute to the income of IUCN (Stat. 85)

• The Statutes do not foresee any exception to this rule that would apply in exceptional circumstances. To the contrary, the non-respect of such obligations triggers the same consequences for all IUCN Members.

• The suspension of the right of Members in connecting with elections, voting and motion and the withdrawal of members whose right have been rescinded by the Congress decision is automatic (Stat. 13). Council has no margin of appreciation. Council may however decide the date of submission of rescission list to online vote (every 2 years).

• The criteria for the application of Stat. 48 are not met. Figures show that circumstances are not exceptional compared to previous years. Granting an exception would have an impact on the financial plan already approved by IUCN Members, it would be in contradiction with the Members’ decision (Jan. 2021) giving a mandate to the next Council and would set a precedent.
Agenda Item 3: Members facing difficult financial situations and unable to pay their full dues as a result of the pandemic

The IUCN President recalled that on 21 June, the Bureau decided to propose to Council on 22 June that it submit a motion to Congress for approval during the 1st sitting of the Members’ Assembly allowing postponement of dues for the Members facing financial distress as a direct result of the pandemic. This would require a mechanism allowing Members to apply in advance of the Congress so that, if the motion is approved by Congress, the Members whose application was successful, can exercise their Member rights during Congress. However, the Council meeting of 22 June was adjourned before the Bureau’s proposal could be presented for discussion.

The Director General advised Council and Bureau to stick to the normal procedures for the following reasons:
1. Legal concerns: according to the views of the Legal Adviser expressed at the previous Bureau meeting, the Statutes provide no space for a decision of Council or the Secretariat to lift the requirement to pay the dues nor to undo the suspension of a Member’s rights as a result of non-payment;
2. Logistical concerns: in the short period before Congress the Secretariat has no capacity to design and implement new procedures;
3. Political concerns: the Secretariat should not be taking the decision whether to agree or disagree with a Member that its non-payment of dues is directly related to Covid. The Secretariat should not be put in a situation where it risks to be blamed for granting some Members the right to vote while denying it to others.

The Global Director Union Development Group added that, in February 2021, IUCN Members already adopted the Council motion approving the Dues Guide 2022-24 including a mandate to the next Council to continue examining the issues of Members facing financial difficulties and unable to pay the dues. In addition, following the introduction of the new method of calculating the dues adopted by Council, the Secretariat is already analysing approximately 600 financial statements which it has received from as many Members. To adopt a new procedure would mean to undo a lot of work already undertaken. Of the 32 Members who requested consideration of the difficulty to pay their dues, 30 have already paid the 2020 dues.

During the discussion, the following points were made:
- A member of the Bureau advised to let the Secretariat and next Council roll out the processes already agreed by Council and not to create new problems at this late moment prior to Congress;
- Other members of the Bureau emphasized the need to be responsive to exceptional circumstances facing a number of Members. The assumption is that it would only apply to a very small number of Members which may include those Members which have already written with a request but possibly also others who have not done so;
- A Bureau member observed that Council and the Secretariat have, for far too long, been unsympathetic to Members not able to pay their dues. The pandemic makes this a breaking point for many of them.
Discussing the technicalities of the proposal, the Bureau members supporting it considered that it might require an amendment to the existing procedures to allow for exceptional circumstances. The Secretariat would not be asked to make a determination about the validity of an application, as Members should be honour-bound to make the appropriate request based on the exceptional circumstances and it will be incumbent upon Council to accept it. This exceptional situation will require decisions to be taken applying wisdom more than strict criteria.

The Director General observed that the Statutes do not allow for such a decision but that Bureau and Council take the decisions they consider necessary and explain them to the Congress. However, the Director General requests that Council makes the determination in each case. While it will provide to Council the required administrative support, the Secretariat will not have the capacity nor the right to make the determinations.

The IUCN President concluded that, with one abstention, there was agreement in the Bureau to approve the proposal. The proposal only concerns the 2020 dues and is conditional upon payment of the dues of all previous years. It is based on the exceptional circumstances defined Article 48 of the Statutes. The Council should work with the Secretariat when implementing the decision in a reasonable and prudent manner.

**BUREAU DECISION B96/4**

The Bureau of the IUCN Council,

_Having considered the requests from a number of IUCN Members facing financial difficulties as a result of the Covid-19 pandemic,_

_Decides to present to the IUCN Council for decision by email ballot, together with the background material provided by the Secretariat, a proposal that Council, based on Article 48 of the Statutes in light of the exceptional circumstances created by the pandemic, submits to the IUCN World Conservation Congress (Marseille, 3-10 September 2021) for approval of a motion granting postponement of the obligation to pay the 2020 dues to IUCN Members which have been in arrears of paying them as a direct result from the pandemic, and provided they have paid the dues for all previous years, so that these Members may exercise their membership rights during the upcoming Congress;_  

_Requests the Secretariat, if Council so decides, to develop a mechanism to identify IUCN Members meeting the requirements of Council’s proposal to Congress in time for the Bureau to approve the mechanism as well as the text of the Council motion._
Annex A

96th Meeting of the Bureau of the IUCN Council, 14 July 2021

List of attendees¹

PRESIDENT
• Zhang Xinsheng

VICE-PRESIDENTS
• John Robinson
• Ana Tiraa

TREASURER
• Nihal Welikala

REPRESENTATIVE OF THE COMMISSION CHAIRS
[Antonio Benjamin, Chair of the World Commission on Environmental Law, had sent apologies]

CHAIRS OF THE STANDING COMMITTEES OF THE IUCN COUNCIL
• Jennifer Mohamed-Katerere, Governance and Constituency Committee (GCC)
• Ayman Rabi, Finance and Audit Committee (FAC)
• Jan Olov Westerberg, Programme and Policy Committee (PPC)

REGIONAL COUNCILLORS
• Mamadou Diallo
• Jenny Gruenberger

DIRECTOR GENERAL
• Bruno Oberle

OTHER PARTICIPANTS:

Enrique Lahmann, Global Director Union Development Group and Congress Director
Louise Imbsen, Governance Assistant
Luc De Wever, Senior Governance Manager, Secretary to Council
Pamela Grasemann, Congress Manager (Item 2)

¹ Bureau members who left the meeting before it was finished had given a proxy to another member of the Bureau. During the discussion of agenda items 1 and 2, nine Bureau members were present or represented by proxy. During the discussion of Agenda Item 3, five members of the Bureau were present and two represented by proxy.