

DECISION FOR SERVAS DISTANT VOTE SI Registration

Placeholder motion sent May 31, 2011: To modify the decisions of the 2009 GA related to registration of Servas International, to allow EXCO to proceed with the registration.

Motion: Proceed to register Servas International (SI) as a not-for-profit citizens volunteer organization (Non-government-organization: NGO) with an international seat in Canada or similar middle-size country with modern NGO legislation, and reformat SI Statutes for review and approval at the next General Assembly.

BACKGROUND:

Servas General Assembly September 11, 2009 decided to register Servas as an NGO in the canton of Zurich, Switzerland and to appoint an agent for legal documents.

After, Exco did much work and research to find that the direction chosen by the GA is not practicable:

- Registering Servas as a citizens' volunteer organization is not possible in Switzerland.
- Switzerland has a unique national code (Swiss Civil Code), whereby any Swiss citizen can host an NGO with no legal documentation provided. This is the status of Servas International, unchanged for the past 35 years.
- But lack of documentation raises difficult questions among our banking representatives, UN officials and governments in countries where Servas groups are being newly established – on what is the legal and international status of Servas.
- Servas accounts are difficult to move, and we are constrained in forming new Servas groups
- Servas could register as a Swiss Trade Organization (the best place for this is with the Welcome Centre of the UN in Geneva, not Zurich). But this kind of registration requires annual reports and payments to the government.
- Exco could also register Servas as a Commercial Organization, anywhere in Switzerland, but this would change the face of Servas to look like a commercial company and Servas would have to pay annual dues.

Further explanation is included in Appendix A

OPTIONS:

1) **Do nothing.** There are threats to the well-functioning of Servas because of its lack of documentation. We do not recommend this option.

2) **Continue efforts to Register Servas International in Switzerland.**

This will require

- Determination of current status of Servas International in Switzerland
- Legal advice on how to proceed to register (commercial register or other process)
- Review of implications of registration option chosen
- Proceeding with registration process

Cost will be about Eur 2500-Eur 5000 from Option 2, plus specific government fees to register (this is a very approximate number, since it is difficult to predict without knowing the recommendation).

3) **Make the decision not to register Servas International.**

Instead, we could ask a legal expert to do a “Legal Review” which might prove to all who are concerned, that Servas is the same as a commercially registered firm or trade organization.

Cost of an expert Legal Review will be about Eur 2500-Eur 5000

However, we cannot be sure that the Legal Review will be accepted by banks outside Switzerland or by governments and groups who need documents to allow the establishment of new Servas Groups. Our problems may not disappear after spending the funds.

4) **Register Servas International outside Switzerland.** Several national groups are already registered. They include Australia, France, Germany, Ireland, Italy, USA.

Servas International could be registered in, say, a country which is perceived “neutral” (like Switzerland for decades). Registration as an NGO would certify Servas as subject to the laws and guarantees of that country and Servas could be legally empowered to conduct activities around the world.

Cost of Registration in a middle-sized country like Canada would be about \$2500-\$3500 and requires a process of about 3 months. Annual reports dues may not be required if the lawyer arranging registration shows Servas work is non-commercial.

RECOMMENDATION:**Option 4 - Register Servas International outside Switzerland****Process, assuming approval of option 4:**

Most preparations for registering Servas International were done long ago, in 1972 -- when the Statutes were written, the name chosen, and first officers selected. But in those days, given the small size of the Servas network, the organizers felt it was not useful to register, and did not proceed. Most of this established work could be used for either of options 2 or 3.

A routine Bylaw Number One would be drafted shortly, generally along the lines of the existing Definition of Servas in the current Statutes. This would form the main documentation required as part of an application for registration. This first Bylaw typically includes the name, the titles of offices, voting rules, dissolution procedures and non-profit status and territory of work.

Before the next GA, the remaining existing Servas Statues would also be reformatted (little or no change in content) to fit the form of modern legislation, to become Bylaw Number Two.

Later, if the GA approves the reformatted Statutes the GA could consider some additional changes and updates.

But for the present, the existing Servas Statutes and Structure would be intended for use as the basis of either Legal Review or Registration.

Choice of country: Exco would choose a seat in a middle-sized country which is supportive of Civil Society, like Canada. For example, Exco has found a helpful legal firm in Canada which could do the work at fair cost. If national secretaries have detailed comparative information and alternate suggestions, Exco would include these in the process.

APPENDIX A:

1. Why register Servas as an NGO Association?

By registering an Association gets:

- legal status, recognizing its purpose and structure
- limited liability for its directors can be arranged
- the association can open bank accounts
- taxes can be avoided if the association shows it is non-commercial
- assert data protection and other responsibilities in accordance with recognized standards

2. What is the process for Registering?

- apply for registration and present statutes and the name and location of the headquarters;
- the purpose (objectives) and duration;
- areas of member activity;
- territorial scope;
- power and authority of executive bodies;
- eligibility and admission, rights, duties and expulsion of members; and
- dissolution of the association.

3. Is Servas International Registered Now?

- No.
- The world seat of Servas International (SI) is in a private citizen's house in Zurich, Switzerland.
- This is the way it has been since 1973.
- The first house host of Servas wished to let Servas go after 30 years, another citizen came forward, so the seat is still in the home of a Swiss Citizen, although a different one.
- Swiss Law allows any citizen to form and host an association.
- There is no requirement by Swiss government to register non-profit associations.

4. What are documents does Servas have now to prove its existence?

- Servas Statutes developed by the founders and updated over time
- SI executive committee names and signatures
- Minutes of its General Assembly, and
- Listing as an NGO observer by the Economic and Social Council (ECOSOC), the world's main body for coordination of UN agencies, programmes, conferences and civil society observing groups.

5. Why is this matter important now?

- all over the world since the so-called “War on Terror” governments are demanding increased documentation of civil society groups.
- Servas groups are being blocked by lack of documentation in parts of Africa (e.g. Ghana) and in the former Soviet Bloc (e.g. Lithuania) and the UN itself, particularly at New York, is asking for official papers for Servas registration.
- Some web site references:
- <http://www.globalpolicy.org/images/pdfs/NGOs/2009/03globaltrends.pdf>
- <http://www.globalpolicy.org/ngos/links-and-resources-on-ngos.html>