

Shortened version / live



FAI Ballooning Commission (CIA)

Plenary Meetings 17 – 18 March 2023
Hasle bei Burgdorf SUI (in person)

**Report of FAI Secretary General
Markus Haggene**



MAIN TOPICS

1. FAI General Conference 2022

1. See the annexe 5 „FAI SG report as per General Conference“
2. Update: Elections
3. Update: Financial Year 2021 (audited results – summary)
4. Update: Statistics (events / records)

2. Insurance for Officials

3. Statutes, By-Laws, Organiser Agreement

4. CIA finances (budgeted/audited: FAI report)



(1)

**FAI GENERAL
CONFERENCE
2022**



PRESIDENT & EXECUTIVE BOARD (2022-2024)



David MONKS
GBR
(President)

Elected into Executive Board

David MONKS (2020)

Andy CHAU (2022)

Agust GUDMUNDSSON (2016)

Eric MOZER (2020)

Patrick NAEGELI (2020)

Marina VIGORITO (2018)

Graeme WINDSOR (2020)

Markus HAGGENEY (FAI SecGen, non-voting member)



Andy CHAU
HKG



Agust
GUDMUNDSSON
ISL
(Finance)



Eric MOZER
USA
(Deputy President)



Patrick NAEGELI
GBR



Marina VIGORITO
ITA



Graeme WINDSOR
AUS



Markus
HAGGENEY



GENERAL CONFERENCE 2022 **FINANCE ANNEXES**

- All documents in dedicated FAI GC 2022 cloud
 - Access credentials via Commission President or NAC
 - Please strictly observe confidentiality
 - For FAI stakeholders. No sharing, no publication through other channels.
- GC-presentations (finance focus)
 - Report Secretary General [GC 2022 cloud]
 - Financial Year 2021 (results) [GC 2022 cloud]
 - Financial Year 2022 (YTD and YEE) [GC 2022 cloud]
 - Financial Year 2023 (budget proposal) [GC 2022 cloud]



2021

FAI SPECIAL RESERVES (2013-2021) FAI TOTAL

CHF currency	YE 2013	YE 2014	YE 2015	YE 2016	YE 2017	YE 2018	YE 2019	YE 2020	YE 2021	2021 vs 2020
CASI (General Air Sports)	2,000	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	0
CIA (Ballooning)	116,314	120,492	143,355	173,120	192,290	209,058	210,427	188,009	177,654	-10,355
CIACA (Amateur-built & experimental aircraft)	-2,846	-5,776	-8,328	-5,379	-7,422	-8,636	-8,655	-8,655	-8,655	0
CIAM (Aeromodelling)	63,825	77,018	79,977	86,954	95,481	102,075	114,423	107,709	113,171	5,462
CIG (Rotorcraft)	18,380	15,829	24,786	22,034	20,099	18,945	15,752	15,537	16,337	800
CIMA (Microlight and Paramotor)	44,216	55,875	54,629	66,657	67,964	60,566	55,414	54,022	55,039	1,017
CIVA (Aerobatics)	67,677	83,027	96,763	102,847	92,182	81,218	66,404	62,178	64,477	2,299
CIVL (Hang Gliding and Paragliding)	217,406	215,530	231,912	264,555	275,428	273,846	270,372	212,327	203,884	-8,443
GAC (General Aviation)	55,207	60,105	57,293	58,539	64,495	67,234	74,233	74,293	74,402	109
IGC (Gliding)	169,096	159,675	140,021	131,079	140,433	152,537	126,177	106,871	76,185	-30,686
ISC (Skydiving)	212,123	211,178	194,505	216,460	220,136	171,228	157,200	176,922	177,749	827
Air Sport Commissions	963,398	994,454	1,016,414	1,118,367	1,162,587	1,129,572	1,083,248	990,714	951,744	-38,970
CIMP (Medico-psychological)	-9,179	-12,606	-14,143	-15,168	-17,822	-20,628	-20,628	-20,558	-20,558	0
EnvC (Environment)						-795	-795	-795	-795	0
EduC (Education)	-1,816									
Technical Commissions	-10,995	-12,606	-14,143	-15,168	-17,822	-21,423	-21,423	-21,353	-21,353	0
All Commissions	952,403	981,848	1,002,271	1,103,199	1,144,765	1,108,149	1,061,825	969,361	930,391	-38,970
Alvaro de Orleans Borbon Fund					297,865	277,777	277,777	277,777	277,777	0
World Air Games	236,665	301,665	156,016	22,016	22,016	22,016	22,016	22,016	22,016	0
Olympic Movement Fund	151,548	129,579	129,579	104,579	42,579	17,579	17,579	17,579	17,579	0
World Grand Prix of Aviation (WGPA)	100,931	100,931	100,931	100,931	100,931	100,931	100,931	100,931	100,931	0
Other	489,144	532,175	386,526	227,526	463,391	418,303	418,303	418,303	418,303	0
Grand Total	1,441,547	1,514,023	1,388,797	1,330,725	1,608,155	1,526,452	1,480,128	1,387,663	1,348,693	-38,970


Numbers as audited and reported to the FAI General Conference



2023

SUN & SHADOW 2019-2022

Achievements & Challenges

- Financial Governance re-established ✓
 - Monthly management reporting on finances (EB & CPG)
 - Strict management receivables/payables/cash at banks
- Cost Reductions ✓
 - General & Administration **reduced by CHF 1'500'000 in 3 years**
 - Further projects (IT & workflows) in progress (budget 2022, budget proposal 2023)
- Membership Fees must increase to support current objectives 
 - Past class changes build up to continuing lower income
 - Members continue to ask for class changes
 - Consistent declining income last two decades (this century)
 - *“Members class-changes to a lower membership-class continue to radicate the fee-increase of 10% decided by the 2019 GC from 01 Jan 2020 onwards.” (narrative)*

INCIDENTAL FACTS (GC DECISIONS) CAUSE AN EFFECT 2023

Year	2015 audited	2016 audited	2017 audited	2018 audited	2019 audited	2020 audited	2021 audited	2022 corr. Budget
Income	1'062'183	1'031'232	990'219	983'321	983'219	1'006'663	903'197	918'692

Members & Income	GC approved class changes	2020	2021	2022	2023
GC decision 2019	USA, BEL	-48'246	-48'246	-48'246	-48'246
GC decision 2020	AUS, CAN, GER, ISR, ITA, TUR		-76'296	-76'296	-76'296
GC decision 2021	BLR, RSA, SWE			-19'074	-19'074
GC decision 2022	GRE				-1'122
Simulation: negative impact w/o increase		-48'246	-124'542	-143'616	-144'738
					461'142


The increase of 10% (GC 2019) from 01 Jan 2020 onwards (+ca 95'000) is offset since 2021.
The membership fee model is not sustainable. Reported to 2021 GC.



2023

ITEM 17.1 FAI MEMBERSHIP FEES 2023

The General Conference will be invited to approve the scale of Membership Fees for 2023.

- Proposal is: 
- Increase of 6% per class for 2023
- Increase of a further 6% per class plus Consumer Price Index (CPI) Switzerland for 2024
- Increase of a further 6% per class plus CPI SUI for 2025



Commission budgets approved as submitted **2023**

FAI COMMISSIONS BUDGET 2023 (BREAKDOWN PER ASC)

Legal Account	Description	BUDGET 2023	CIA BUDGET 2023	CIAM BUDGET 2023	CIG BUDGET 2023	CIMA BUDGET 2023	CIVA BUDGET 2023	CIVL BUDGET 2023	GAC BUDGET 2023	IGC BUDGET 2023	ISC BUDGET 2023
	INCOME	337,169	13,800	34,500	800	2,200	17,131	91,625	5,196	65,850	106,068
30	INCOME FROM MEMBERS	0	0	0	0	0	0	0	0	0	0
32	COMMERCIAL REVENUES	0	0	0	0	0	0	0	0	0	0
33	COMPETITIONS REVENUES	318,669	13,800	29,500	800	2,200	17,131	81,625	5,196	62,350	106,068
34	OTHER REVENUES	18,500	0	5,000	0	0	0	10,000	0	3,500	0
340	Revenue from Services (non event-related)	11,000	0	0	0	0	0	10,000	0	1,000	0
360	Records & Other FAI Recognitions	0	0	0	0	0	0	0	0	0	0
361	MSI Rental Incomes	0	0	0	0	0	0	0	0	0	0
362	Sponsoring & Partnerships	7,500	0	5,000	0	0	0	0	0	2,500	0
363	Sports Subsidies	0	0	0	0	0	0	0	0	0	0
366	Other Income	0	0	0	0	0	0	0	0	0	0
38	REDUCTION IN EARNINGS	0	0	0	0	0	0	0	0	0	0
	OPERATING EXPENSES & NON-OPERATING RESULTS	-447,371	-35,000	-38,200	-800	-550	-20,283	-142,340	-4,975	-73,050	-132,174
4	DIRECT EXPENSES	-224,395	0	-13,500	0	-550	-15,663	-57,790	-2,212	-32,650	-102,030
40	EXPENSES FOR PRODUCTION	0	0	0	0	0	0	0	0	0	0
42	Expenses Merchandising & Other	-1,000	0	0	0	0	0	0	0	-1,000	0
46	Expenses for Services	-68,195	0	-13,500	0	-550	-3,753	-42,940	-2,212	-3,150	-2,090
47	Competition expenses	-155,200	0	0	0	0	-11,910	-14,850	0	-28,500	-99,940
48	INVENTORY CHANGE LOSS OF MATERIAL	0	0	0	0	0	0	0	0	0	0
5	PERSONNEL COSTS	-500	0	0	0	0	0	-500	0	0	0
54	Wage Costs	0	0	0	0	0	0	0	0	0	0
57	SOCIAL INSURANCE COSTS	0	0	0	0	0	0	0	0	0	0
58	OTHER PERSONNEL COSTS	0	0	0	0	0	0	0	0	0	0
59	EXTERNAL SERVICES	-500	0	0	0	0	0	-500	0	0	0
6	OTHER OPERATING EXPENSES, DEPRECIATION, FINANCIAL RESULTS	-221,976	-35,000	-24,200	-800	0	-4,620	-84,050	-2,763	-40,400	-30,144
60	HOUSING COSTS	0	0	0	0	0	0	0	0	0	0
61	MAINTENANCE, REPAIR, REPLACEMENT AND LEASING OF TANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0
62	VEHICLE AND TRANSPORTATION EXPENSES	0	0	0	0	0	0	0	0	0	0
63	INSURANCE	-6,100	0	-2,000	-200	0	0	-1,800	-100	-2,000	0
64	ENERGY, WASTE	0	0	0	0	0	0	0	0	0	0
65	ADMINISTRATION AND INFORMATION TECHNOLOGY EXPENSES	-140,214	-21,000	-22,200	-500	0	-4,523	-36,050	-2,163	-35,300	-18,478
66	MARKETING AND PR EXPENSES	-23,600	-10,000	0	0	0	0	-6,000	0	0	-7,600
67	OTHER OPERATING EXPENSES	-51,384	-4,000	0	-100	0	-96	-40,200	-500	-1,500	-4,988
68	DEPRECIATION AND AMORTISATION ON FIXED ASSETS	0	0	0	0	0	0	0	0	0	0
69	FINANCIAL EXPENSES AND FINANCIAL INCOMES	-679	0	0	0	0	0	0	0	-1,600	922
8	EXTRAORDINARY AND NON-OPERATING RESULTS, TAX	-500	0	-500	0	0	0	0	0	0	0
	PROFIT / (LOSS)	-110,201	-21,200	-3,700	0	1,650	-3,152	-50,715	222	-7,200	-26,106

Agenda item 17: FAI Budget 2023



Update YE 2022

7 Events / Records



CATEGORY 1 EVENTS

Update YE 2022



	2022			2021			2020			2019			2018			2017		
	World	Continental	Others	World	Continental	Others	World	Continental	Others	World	Continental	Others	World	Continental	Others	World	Continental	Others
CIA	1	0	1	1	1	1	0	0	0	0	1	3	4	0	2	0	2	1
GAC	2	1	0	0	0	0	0	0	0	6	0	0	8	0	0	10	0	0
IGC	4	0	0	2	1	0	1	0	0	3	3	0	3	0	0	4	3	0
CIAM	8	5	1	1	0	0	0	0	0	11	5	0	9	5	0	8	5	0
IPC	9	0	1	1	0	1	0	0	0	3	3	7	11	1	1	2	6	8
CIVA	4	1	0	3	1	0	0	0	0	4	1	0	3	1	0	4	1	1
CIVL HG	1	1	0	0	0	0	0	0	0	1	0	0	1	1	0	2	0	0
CIVL PG	0	4	0	3	0	0	0	1	0	2	0	0	0	4	0	2	0	0
CIMA	3	0	0	0	0	1	0	0	0	0	1	0	3	0	0	0	3	1
CIG	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
CIACA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	32	12	3	11	3	3	1	1	0	30	14	10	43	12	3	32	20	11
Total	47			17			2			54			58			63		



CAT-1 AND CAT-2 EVENTS

Update YE 2022



	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
CIA	4	3	0	6	8	7	6	7	7	7	8	6	9	7	7	8	9	8	10	9	8	10	12
GAC	5	1	1	8	9	11	12	10	9	3	4	2	9	13	8	5	5	6	5	3	2	6	4
IGC	54	31	51	69	31	47	26	33	58	42	84	59	55	50	44	41	36	24	19	9	3	9	5
CIAM	320	221	72	378	359	351	331	328	330	315	318	290	272	252	267	247	229	231	185	165	201	180	142
ISC / IPC	18	4	5	23	27	25	15	31	20	15	13	13	13	10	16	16	12	18	17	12	14	17	14
CIVA	5	4	0	5	4	6	5	5	8	5	5	6	4	6	6	5	5	7	4	4	5	6	7
CIVL HG	60	57	51	66	69	68	70	75	73	79	65	62	60	63	61	50	54	42	46	46	49	34	28
CIVL PG	259	219	215	259	239	226	218	221	222	223	218	227	230	215	208	190	180	126	133	96	76	60	45
CIMA	8	5	3	3	3	5	3	5	8	6	10	4	1	3	2	2	3	3	2	4	2	4	4
CIG	0	2	1	4	5	7	3	2	0	1	1	1	2	2	2	3	2	1	4	2	1	1	2
CIACA	0	0	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0
	733	547	399	821	754	753	689	718	735	697	726	670	655	622	621	567	535	466	425	350	361	327	263



RECORDS (2022 FINAL, ALL FAI)

Update YE 2022

CIA 1, CIAM 6, CIG 0, CIMA 11, CIVL HG 6, CIVL PG 17, GAC 59, IGC 13, IPC 63, ICARE 0

year	preliminary record claims	record dossiers received	records ratified	refused FAI	refused NAC	withdraw by claimant
2022	222	198	176	4	4	8
2021	180	132	153	8	2	7
2020	173	167	187	5	6	9
2019	403	380	344	15	9	7
2018	310	333	284	14	9	2
2017	246	202	262	6	15	39
2016	300	219	211	37	10	9
2015	391	302	314	41	5	13
2014	256	255	219	17	10	9
2013	270	228	207	1	12	8
2012	216	143	123	11	8	1
2011	163	128	102	15	8	3



(2)

INSURANCE FOR OFFICIALS



TRAVEL INSURANCE

- Travel & Repatriation coverage
 - In place for Executive Board, Commission Presidents, elected Bureau Members, Secretariat staff since years
 - Extended to „event officials“ since 01 April 2022 (test phase 1 yr)
- Mechanism „self-registration via survey“
 - <http://surveys.fai.org/index.php?sid=56876&lang=en>
 - Not mandatory but recommended (to count the travel days, not personal data)
 - Data will support policy renegotiation in Q1 2023
- Cost
 - Budgeted in FAI and no extra charge applied for travellers
 - Note: FAI travel days April to Dec 2022 approx 1'500

Travel Insurance for FAI Officials and Elected Office Holders

Personal Accident and Travel Insurance including Medical Expenses Cover

FAI have decided to entrust Marsh, a legally authorised broker to transact insurance business to procure an open travel insurance policy to FAI, which the latter makes available the benefit of said policy. There is no obligation to use the policy.

Such insurance covers "Elected Office Holders" (Commission Presidents, Bureau Members, Executive Board members, Staff while they are travelling on duty for FAI since several years. This existing policy has been extended to also cover officials (judges, juries, event director and team etc).

Until 31 Mar 2023, this scheme is in place for all sanctioned FAI category 1 events, and it includes pre-event/post-event if one mentions the "main sanctioned event" in the survey. A renewal of the policy will be renegotiated prior to 01 Apr 2023.

The following survey supports a self-registration-scheme which one must fill in prior to leaving home.

The survey is self-explanatory. Important: For those travelling more than once during a year, you must declare your travel intentions each time you travel. Each event (meeting, sanctioned event etc) is treated individually.

There are some covid- and age-related limitations as follows:

- Max age limit 65 years including covid risks and even if not vaccinated at all.
- People between the ages of 65 and 81 are covered for all other non COVID aspects of the policy.
- Max age limit 81 years even if double vaccinated. Covid is not covered between 65 and 81 years of age.
- no coverage for anyone over the age of 81 (contact FAI secretariat if so needed).

More details of the insurance coverage can be found from [here](#).

A support document explaining procedures to follow in case of a claim can be found from [here](#).

The data entered through the survey are stored on FAI servers and the privacy requirements (GDPR) are fully observed. The insurance broker will only see accumulated numbers of travel days on request, mainly for evaluation and potential adjustments in insured travel days.

2023-01-09 COVID update provided by the insurance broker (valid until 31 Mar 2023)

There is a COVID exclusion across the policy for any individual above the age of 65. This restriction may be removed at the renewal of the policy as of 01 April 2023, but remains in place until 31 Mar 2023.

For anyone below the age of 65, any medical expense costs or personal accident benefits would be covered. Therefore if they are taken to hospital etc those costs would be covered.

There is also a separate COVID exclusion on the Cancellation section of the policy for insured persons of all ages. This means if flight/hotels are cancelled because an individual has COVID, costs will not be covered. This restriction may be removed at the renewal of the policy as of 01 April 2023, but remains in place until 31 Mar 2023.

Personal Information

* Firstname

* Lastname

Link provides details and downloads

TRAVEL INSURANCE (ESTIMATE NOV 2021 ./ X-CHARGE 2022)

1. For 'so-called officials'

- Nov 2021 (initial quote) = **12'500 p.a.** (based on 3'247 travel days p.a.)
- Nov 2022 (renegotiated) = **10'106.25 CHF p.a.**

2. ASC-shares (percentages estimated Nov 2021)

- CIAM 25%
- CIVL, IGC, ISC each 15%
- CIVA 10%
- **CIA 7.5%**, GAC 7.5%
- CIG, CIMA 2.5%

3. ASC cost

- 2022: For **CIA = 15%** of total = **758 CHF** (charged against 2022 budget)
- 2023: CIA budget to be confirmed, approx. 800 CHF



4. ADMIN budget

- for elected office holders (bureaus) 2'400 CHF p.a.



(3)

STATUTES

BY-LAWS

**ORGANISER
AGREEMENT**



DETAILED RULES COVER BIDDING, SANCTIONING, OA

- Statute 1.6.2: ASC specific bid-processes
 - FAI Commissions are authorised to prepare, approve and publish internal rules to cover their own procedures within the parameters of the FAI Statutes, By-Laws and Sporting Code.
- By-Law 1.2: **Transfer of Rights**
 - 1.2.1 ...rights may be transferred by the FAI to an event organiser, subject to the restrictions indicated below
 - 1.2.2 ...shall seek prior agreement with FAI, in the form of an “**Organiser Agreement**”. The FAI Secretariat shall maintain a **standard format** for such agreements and make this available on request to FAI Members or event organisers.
- By-Law 1.2.6: Legal
 - ...Any such agreement or waiver shall be signed by FAI Officers in accordance with Statute 6.1.2.1.3
- Statute 6.1.2.1.3 President's duties
 - ...signing contracts and financial instruments, where necessary jointly with other Executive Board Members, as prescribed in Statute 7.3 and in By-Laws



BY-LAWS CHANGES: ORGANISER AGREEMENT (CAT1 ONLY)

1.2.7 new

A bid for an FAI category-1 event must provide information on the financing to run the sanctioned event.

Under Statute 1.6.2, FAI Commissions set-up bidding guidelines within the parameters of the FAI Statutes, By-Laws, and Sporting Code.

To produce the Organiser Agreement the following information is required:

- *Written statement by the NAC agreeing to the bid, also in case the Sporting Powers have been delegated by the NAC, and that parties will sign the OA within the Commission-stipulated period,*
- *Written statement to stage the event in accordance with applicable FAI Rules, Regulations, Guidelines, and all applicable legal regulations in the country (including without limitation, air traffic regulations, employments and health and safety work regulations),*
- *Organisational structure and contact details of the local organising committee,*
- *Event Venue(s), competition area and relevant details,*
- *Dates of opening and closing ceremony*

Objective: Confirm and strengthen ASC bid-process / shorten OA-text



Organiser Agreement - Request (First Category Event)

For additional information: www.fai.org/event-organisers-space

The 'standard OA form' (template) will be provided on request (competitions@fai.org)

NAC, Holder Sporting Power, Organiser	
Air Sport Commission	www.fai.org/commissions
Event	<p>Name of event (according to FAI Naming Policy, see www.fai.org/event-organisers-space)</p> <p>Category (e.g., Junior, Women)</p> <p>Event venue, competition area</p> <p>Opening Ceremony (yyyy-mm-dd) Closing Ceremony (yyyy-mm-dd)</p> <p>Website (if known)</p>
FAI member (NAC) www.fai.org/members	<p>Name</p> <p>Email</p>
Holder Sporting Powers if delegated sporting powers	<p>Name</p> <p>Email</p>
Statement NAC NAC/Holder of Sporting Power	<p>As NAC (respectively the Holder of the Sporting Power, and as assigned by the NAC), we express consent to the presented bid (By-Law 1.2.7).</p> <p>In case the bid is accepted, and the sanction is granted, we will sign the OA with the Commission-stipulated period (By-Law 1.2.7.1).</p> <p>_____</p> <p>Date, location, name of person signing the OA</p>
Organiser (if NAC = Organiser state here)	<p>Name/Entity</p> <p>Person signing the OA (Name / email)</p> <p>Organiser email Organiser Phone (with country code)</p> <p>Full postal address for shipments (no post-box)</p>
Statement Organiser	<p>As Organiser we confirm to stage the event as submitted through the bid, and in accordance with applicable FAI Rules, Regulations, Guidelines, and applicable legal regulations in the country (including without limitation, air traffic regulations, employments and health and safety work regulations) (By-Law 1.2.7).</p> <p>We also confirm that we understand that the execution of the OA is an essential condition of the appointment as organiser and the sanction will become moot if the OA is not executed.</p> <p>We accept that Swiss Law is governing this process. In the unlikely event of a dispute, the Court of Arbitration for Sport, acting through a sole arbitrator, will have exclusive jurisdiction to issue a final and binding decision.</p> <p>_____</p> <p>Date, location, name of organiser representative signing the OA</p>



Organiser Agreement - Request (First Category Event)

For additional information: www.fai.org/event-organisers-space

The 'standard OA form' (template) will be provided on request (competitions@fai.org)

Air Sport Commission instructions for OA & accounting details		
Air Sport Commission	www.fai.org/commissions	
ASC Person of Contact (OA 3.3)	Name / function	Email
<p>Accounting Details Please confirm the fees that apply to be invoiced and specify the amount.</p> <p>By-Law 1.2.9: Invoices are issued in CHF by Secretariat or by using electronic workflows that are approved by Secretariat.</p> <p><input type="checkbox"/> Sanction Fee amount _____ <input type="checkbox"/> Performance Bond amount _____</p> <p><input type="checkbox"/> Deposit amount _____ <input type="checkbox"/> Other amount _____</p> <p>Additional instructions:</p> <p>Invoice recipient (Name) Invoice recipient (Address)</p> <p>Date for invoice to be issued (yyyy-mm-dd) Latest date for amount to be paid (yyyy-mm-dd)</p>		
Return, surcharge, corrections	<p>Conditions and dates by which a return of deposits/performance bonds must be initiated are to be shared in writing by the Air Sport Commission providing the recipient's name and bank details with finance@fai.org</p> <p>If invoiced amounts must be adjusted after the event (example: higher/lower number of attendees than invoiced) info must be provided to finance@fai.org</p>	
Signature Date (By-Law 1.2.7.1)	Date requested by ASC by which OA must be signed by NAC and/or Holder of Sporting Powers (yyyy-mm-dd)	
For information (workflow)		
FAI Commissions set-up bidding guidelines within the parameters of the FAI Statutes, By-Laws, and Sporting Code (FAI Statute 1.6.2).		
According to By-Law 1.2.1/1.2.2, rights are transferred under restrictions and based on a signed OA.	<p>OA consists of three parts:</p> <ol style="list-style-type: none"> 1. OA request form (this 2-page document) 2. FAI standard OA template including ASC-specific annexes 3. Bid (sanction application) approved by FAI Commission 	
<p>Secretariat will issue the OA via emails and using secure cloud service (adobesign.com) for electronic signature in this sequence:</p> <ol style="list-style-type: none"> 1. Organiser 2. FAI Member (NAC) respectively the Holder of the Sporting Powers 3. FAI Air Sport Commission President 4. FAI Secretary General <p>Secretariat can monitor the signature-status of all parties.</p> <p>The electronic signature-system shares the signed document with all signatories automatically via email once all parties signed.</p> <p>Invoicing, reminding, and dunning of overdue payments are functions of FAI Secretariat. ASCs will be informed.</p>		
<p>Completed document (both pages) must be sent by the Air Sport Commission to</p> <p>competitions@fai.org</p> <p>OA will be issued by FAI Secretariat usually within 10 working days of receipt of this document.</p>		

Supporting workflows
Introducing Standards



BY-LAWS CHANGES: CALENDAR, CHF, PRICELIST

1.2.8 new

An event will not be added to the FAI calendar before the Organiser Agreement has been signed.

1.2.9 new

Any decision with a financial implication must be communicated by Commissions to Secretariat without delay, latest within 28 days of the decision.

Any invoice is to be issued in FAI currency, that is Swiss Francs.

All invoices are issued by Secretariat or by using electronic workflows that are approved by Secretariat.

Any exception needs prior, written agreement by FAI Secretary General.

1.2.10 new

All activities, fees, goods, and services which FAI is charging are listed in a separate document outside Sporting Codes or supporting guidelines.

Secretariat maintains and publishes the consolidated list of such cost elements. ("schedule of fees")

Objectives: Improved workflows, correct invoicing, no duplication of data (invoicing), secretariat to execute and follow-up on ASC decisions



BY-LAWS CHANGES

An excursion into currency matters

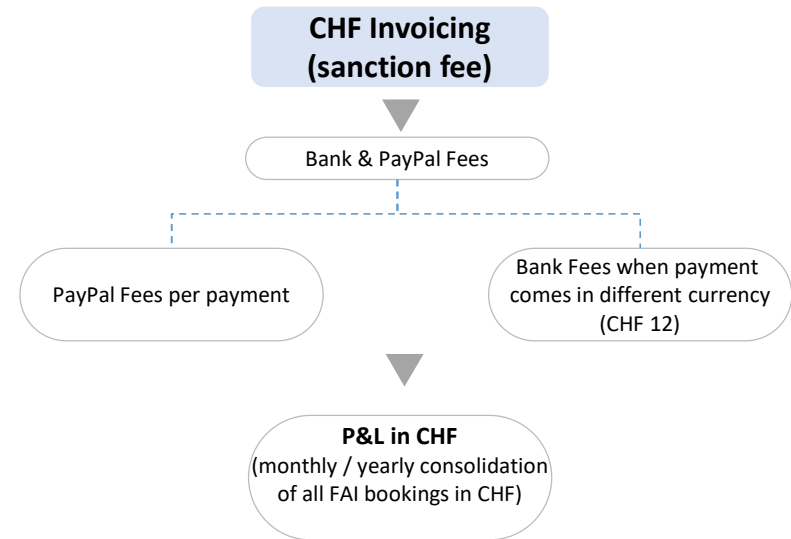
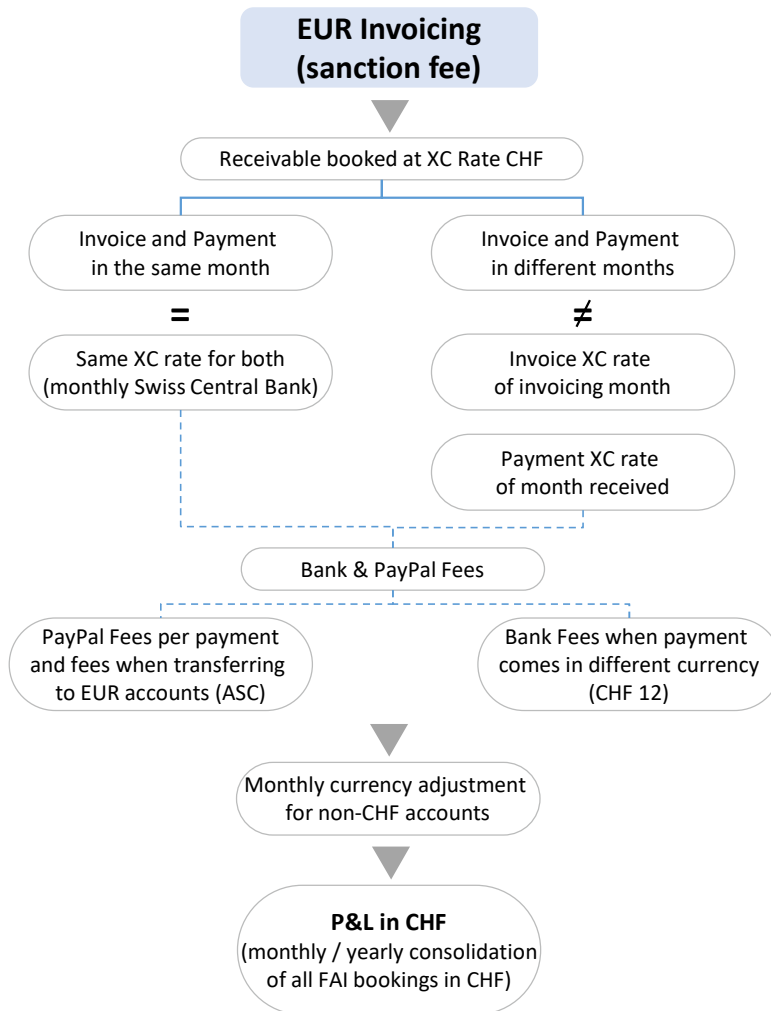


FAI Currency Costs

01 Mar 2023

(available as a stand-alone ppt)

CURRENCY COSTS: EUR / CHF SCENARIOS



Objective: Run as much in FAI currency as possible to lower complexity and cost

Two different effects (P&L and B/S are connected but not the same)

1. Receivable (SF) vs Payable (Cost) -> P & L statement
2. "Cash" position @ bank -> Balance Sheet

COMPLEXITY => COST, FEES AND FINANCIAL RISK

CHF	2019a	2020a	2021a	2022 yee	2023 plan
Bank Accounts (CS, BCV plus WU, PP) (EUR, CHF, USD, mortgage, shares, FAME)	7 BCV (3 CHF, 2 USD, 2 EUR) 17 CS (5 CHF, 9 EUR, 3 USD)	6 BCV 17 CS	6 BCV 12 CS	5 BCV 5 CS	5 BCV 3 CS
Accounting Cost (RmA Run my Accounts)	97'980	30'476 (SmartFidu Jan-Sep) 61'625 (RmA Apr-Dec)	66'388	41'575	37'200
Auditing Cost (BDO = auditor)		43'470 (Incl additional review of new accounting system)	23'400	19'090 (Incl additional review VAT)	16'000
Accounts Table	Over 600 different account codes		Less than 100 (additionally: Cost Centres + Projects) Identical set-up: Commissions, Admin -> common guidelines/timelines		
Total cost (external suppliers)	97'980	135'572	89'788	60'665	53'200

Banking Relations: Credit Suisse, BCV, Western Union, PayPal

COMPLEXITY => COST, FEES AND FINANCIAL RISK

CHF	2019a	2020a	2021a	2022 yee	
Exchange Gains	2'577	16'797	24'582	Closing in progress	Extract from audited financial reports
Exchange Losses	-33'003	-32'152	-49'006	Closing in progress	
Bank charges	-6'720	-4'943	-8'609	Closing in progress	
Mortgage (FAI @ MSI)	-36'851	-36'517	-21'891	-18'000	



BY-LAWS CHANGES

...continued



BY-LAWS CHANGES – CHANGES (EXTENDED 3.4.1)

3.4.1

unchanged

A Commission shall meet when convened by its President or, in his or her absence, the senior ranking Vice-President available.

3.4.1 additional/new

The regular annual Plenary Meeting of an Air Sport Commission shall take place no later than March 31 each year.

Under exceptional circumstances and in agreement with the Executive Board, such date may be waived.

Objectives: Support decisions of ASC after GC, between 01 Jan - 31 Mar („payment deadline“), before the financial audit (identification of risk provisions), prior to budgeting phase

CONCEPT: PROPOSED REVISED TIMETABLE

EB & Commissions
21.06. – 28.07.2022

Q1 Jan – March	Q2 Apr – Jun	Q3 Jul – Sep	Q4 Oct – Dec
<ul style="list-style-type: none"> Provisional actuals <ul style="list-style-type: none"> Previous year Deadline 15 Jan 	<ul style="list-style-type: none"> Financial Audit <ul style="list-style-type: none"> Results prv year Target 31 May 	<ul style="list-style-type: none"> Budget Preparation <ul style="list-style-type: none"> G & A Commissions Target 30 Aug 	<ul style="list-style-type: none"> General Conference <ul style="list-style-type: none"> Approve Finances Discharge EB Budget next year Elections
2 ASC Plenaries <ul style="list-style-type: none"> Jan – March 	3 Publish Financial Results to stakeholders <ul style="list-style-type: none"> Target 30 June 		1 GC Default: <ul style="list-style-type: none"> Lausanne Mid Nov
	<ul style="list-style-type: none"> Admin & CPG <ul style="list-style-type: none"> Update YEE Target 30 May 	<ul style="list-style-type: none"> Consolidation Process <ul style="list-style-type: none"> Admin / CPG GC submission Target 30 Sep 	<ul style="list-style-type: none"> Approved Budget <ul style="list-style-type: none"> Inform CPG Target 30 Nov

- ⇒ Period 01 Jan – 31 Mar (Q1) establishes a clear „rights/obligations position“ of members
- ⇒ After decisions of GC (mainly on suspension, expulsion, members rights)
- ⇒ Prior to payment deadline of Membership Fees (31 Mar) according to Statute 7.2.3

⇒ Supports discussions on proposals to more strictly follow-up on obligations (rights) of FAI members.



BY-LAWS CHANGES: **PLENARY DATES**

- Discussions in EB meeting of 21 June 2022
 - Financial Audit and final results 2021
 - Invoicing EUR vs CHF
 - CHF-currency: CASI, CIA, CIACA, CIG, CIMP, EduC, EnvC, ICARE // Commissions in EUR-currency: CIAM, CIMA, CIVA, CIVL, GAC, IGC, ISC
 - Financial timeline for the Financial Year
 - FAI “pricelist”
 - Filename: 2022-06-22-FAI-Finances-and-CPG-v02 (shared with all Commissions)

22 Jun-28 Jul 2022: 5 (five) Meetings Commission Presidents and/or Commission Treasurers

- Detailed feedback on the Financial Results/Audit and considerations/presentation shared with all Commission Presidents

- **FAI By-Laws changes effective 20 Aug 2022**
- **Appraisal by FAI Statutes and By-Laws Working Group**
- **FAI By-Laws changes effective 01 Jan 2023**
- Status 2023
 - GAC Feb 2023, CIAM 01 Apr 2023, CIVA Nov 2023, CIMA Feb 2024
 - ASCs: CIVL, ISC, IGC, CIA, CIG always had plenaries in Q1 (even before the By-Laws changes)

BY-LAWS CHANGES: DISTRIBUTION OF REVENUE

5.2 Distribution of Revenue

Old text 5.2.1 (removed)

The distribution of revenue from sporting events shall be specified in the Organizer Agreement for the event.

New text 5.2.1

The distribution of revenue from business activities shall be specified in the Organizer Agreement.

Because of the 'new text' the following chapter 7.1 in the OA can now be shortened/removed.

The distribution of revenues (according to FAI By-laws 5.2.1) must be specified in the bid document. Upon specific request, the FAI shall be entitled to receive a share of the commercial rights revenues. If the FAI exercises the right to receive such share, this shall be communicated and the conditions notified to the ORGANISER as part of the bid conditions.

Objective: Address long-standing negative remarks from ASCs and LOCs



STATUTES CHANGES: GC 2022 DECISIONS

7.2.3. **Membership subscriptions** shall be invoiced by FAI and **paid by March 31** of each year. However, in case of need, **other terms of settlement** may be authorised at the discretion of the Executive Board. Such terms shall be reported to the General Conference at its next meeting thereafter.

New 7.4.2. *Subject to Paragraph 7.2.3., a member whose dues not paid by March 31st will lose all rights listed in Paragraph 2.4.2.1. except for 2.4.2.2.5 which will remain valid for any event already on the FAI calendar for that year. **Any valid sporting licence issued by the Member will be suspended.***

Changed 7.4.3. *Subject to Paragraph 7.2.3., a Member whose dues are not paid at the latest 14 calendar days prior to the date of the General Conference shall not be admitted to the Conference except as an observer.*

Remove By-Law 2.4 / 2.4.1 *Members who have not paid their membership fees by March 31 are not in good standing. Payments have to be received on the FAI bank accounts two weeks before the opening of the General Conference.*

STATUTES 7.4.2: MITIGATION MEASURES

CIVL request (23 Jan 2023) “90 days grace period”

SecGen reply (26 Jan 2023)

- Long-standing/ existing Statute 7.2.3 “other terms of settlement may be authorised”
- Secretariat cannot by-pass a recent GC-decision (Nov 2022)
- Describing mitigation measures by secretariat:
 - **2023-01-10/11** **invoices for 2023 membership fees sent to all NACs + info on new 7.2.3**
 - **2023, 1st half of Feb** **Mail to FAI Members with more information on Statute 7.4.2**
 - **2023, week 1 March** **Info to Commissions about the Members that did not yet pay**
 - **2023-03-20 (+/-)** **Financial reminder to all NACs on the upcoming deadline, as done in 2022**
 - **2023, week 1 April** **Info to Commissions about the Members that did not yet pay**
- Recognising vacation periods:
 - “that might potentially influence payments and accounting workflows”:
 - Ramadan (21 Mar-20 Apr)
 - Easter (07-10 Apr)
 - Orthodox Easter (16 Apr)



**(4)
FINANCES**

**2022
ACTUALS
(PRE AUDIT)**

2023 BUDGET



CIA Financial Report and Budget

CIA Plenary

Hasle bei Burgdorf, SUI, 15-18 March 2023

FAI By-Laws 3.4.4: The FAI Finance Report will be provided by FAI Secretary General



FINANCIAL SITUATION AS OF 31 DEC 2022 CIA

Legal Account	Description	BUDGET 2022	ACTUAL 2022 31.12.2022
	INCOME	21,250	31,962
30	INCOME FROM MEMBERS	0	0
32	COMMERCIAL REVENUES	0	0
33	COMPETITIONS REVENUES	13,250	19,462
34	OTHER REVENUES	8,000	12,500
340	Revenue from Services (non event-related)	8,000	12,500
360	Records & Other FAI Recognitions	0	0
361	MSI Rental Incomes	0	0
362	Sponsoring & Partnerships	0	0
363	Sports Subsidies	0	0
366	Other Income	0	0
38	REDUCTION IN EARNINGS	0	0
	OPERATING EXPENSES & NON-OPERATING RESULTS	-40,005	-29,142
4	DIRECT EXPENSES	-505	-435
40	EXPENSES FOR PRODUCTION	0	0
42	Expenses Merchandising & Other	0	0
46	Expenses for Services	-505	-435
47	Competition expenses	0	0
48	INVENTORY CHANGE LOSS OF MATERIAL	0	0
5	PERSONNEL COSTS	-2,200	0
6	OTHER OPERATING EXPENSES, DEPRECIATION, FINANCIAL RESULTS	-37,300	-28,707
60	HOUSING COSTS	0	0
61	MAINTENANCE, REPAIR, REPLACEMENT AND LEASING OF TANGIBLE ASSETS	0	0
62	VEHICLE AND TRANSPORTATION EXPENSES	0	0
63	INSURANCE	0	-758
64	ENERGY, WASTE	0	0
65	ADMINISTRATION AND INFORMATION TECHNOLOGY EXPENSES	-33,300	-7,620
66	MARKETING AND PR EXPENSES	0	-17,877
67	OTHER OPERATING EXPENSES	-4,000	-2,500
68	DEPRECIATION AND AMORTISATION ON FIXED ASSETS	0	0
69	FINANCIAL EXPENSES AND FINANCIAL INCOMES	0	48
8	EXTRAORDINARY AND NON-OPERATING RESULTS, TAX	0	0
8191	Allocation / dissolution Special Reserves	0	0
	PROFIT / (LOSS)	-18,755	2,821

* All figures shown in CHF

2022 = pre-audited figures
Audit for FY 2022 scheduled 24-28 Apr 2023.



GC APPROVED BUDGET 2023 – INCOME CIA

* All figures shown in CHF

Legal Account	Description	BUDGET 2021	ACTUAL 2021	BUDGET 2022	ACTUAL 2022 31.12.2022	BUDGET 2023
	INCOME	16,960	22,330	21,250	31,962	13,800
30	INCOME FROM MEMBERS	0	0	0	0	0
32	COMMERCIAL REVENUES	0	0	0	0	0
33	COMPETITIONS REVENUES	16,960	22,247	13,250	19,462	13,800
330	Sanction Fees	8,400	6,047	5,750	8,157	6,300
3300	Sanction Fees	8,400	4,047	5,750	3,000	6,300
3301	Bid Fees	0	0	0	0	0
3302	Deposit/Performance Bond	0	2,000	0	5,157	0
332	Sales of Medals	0	0	0	0	0
3320	FAI medals (production/services)	0	0	0	0	0
3321	Commission Medals (production/services)	0	0	0	0	0
334	Other Fees	8,560	16,200	7,500	11,305	7,500
3340	Protest Fees / Appeals Fees	0	0	0	0	0
3341	Online Contests / Ranking Lists	0	0	0	0	0
3342	Logger / Tracker rentals	8,560	16,200	7,500	11,305	7,500
34	OTHER REVENUES	0	106	8,000	12,500	0
38	REDUCTION IN EARNINGS	0	-23	0	0	0

2022 = pre-audited figures
Audit for FY 2022 scheduled 24-28 Apr 2023.



GC APPROVED BUDGET 2023 – EXPENSES CIA

* All figures shown in CHF

Legal Account	Description	BUDGET 2021	ACTUAL 2021	BUDGET 2022	ACTUAL 2022 31.12.2022	BUDGET 2023
	OPERATING EXPENSES & NON-OPERATING RESULTS	-35,080	-32,685	-40,005	-29,142	-35,000
4	DIRECT EXPENSES	-580	-498	-505	-435	0
40	EXPENSES FOR PRODUCTION	0	0	0	0	0
42	Expenses Merchandising & Other	0	0	0	0	0
46	Expenses for Services	-580	-498	-505	-435	0
47	Competition expenses	0	0	0	0	0
48	INVENTORY CHANGE LOSS OF MATERIAL	0	0	0	0	0
5	PERSONNEL COSTS	0	0	-2,200	0	0
6	OTHER OPERATING EXPENSES, DEPRECIATION, FINANCIAL RESULTS	-34,500	-26,886	-37,300	-28,707	-35,000
60	HOUSING COSTS	0	0	0	0	0
61	MAINTENANCE, REPAIR, REPLACEMENT AND LEASING OF TANGIBLE ASSETS	0	0	0	0	0
62	VEHICLE AND TRANSPORTATION EXPENSES	0	-96	0	0	0
63	INSURANCE	0	-1,020	0	-758	0
64	ENERGY, WASTE	0	0	0	0	0
65	ADMINISTRATION AND INFORMATION TECHNOLOGY EXPENSES	-29,500	-22,256	-33,300	-7,620	-21,000
66	MARKETING AND PR EXPENSES	0	0	0	-17,877	-10,000
67	OTHER OPERATING EXPENSES	-5,000	-450	-4,000	-2,500	-4,000
68	DEPRECIATION AND AMORTISATION ON FIXED ASSETS	0	0	0	0	0
69	FINANCIAL EXPENSES AND FINANCIAL INCOMES	0	-3,065	0	48	0
8	EXTRAORDINARY AND NON-OPERATING RESULTS, TAX	0	-5,301	0	0	0
8191	Allocation / dissolution Special Reserves		0	0	0	0
	PROFIT / (LOSS)	-18,120	-10,355	-18,755	2,821	-21,200

2022 = pre-audited figures
Audit for FY 2022 scheduled 24-28 Apr 2023.



**FAI
SECRETARIAT
LAUSANNE SUI**



FAI Secretariat Staff
Lausanne SUI
(Jan 2023)
5.6 FTE

