



## FAI President's report to the 107<sup>th</sup> General Conference Kuala Lumpur, Malaysia, 4-5 October 2013

Dear Dato' Ahmad Phesal Talib, Mayor of Kuala Lumpur, Mrs. Monika Pieren of Breitling, Young Mujjin Tengku Abdillah, President of Malaysian Sports Aviation Federation, Companions of Honour, Vice Presidents, Dear Delegates and Officials, Ladies and Gentlemen,

### GC 2012

Last October we had the pleasure of gathering in Antalya for the General Conference. We thank the Turkish Aeronautical Association and President Osman Yildirim with staff for the hospitality and all excellent arrangements; we certainly had a good time and a good conference. You are to be congratulated for the arrangements in such a pleasant setting!

### Members

The FAI membership development continues to be positive.

We are pleased to welcome as new active FAI member the Royal Aeroclub of Jordan, and as new FAI Associate Members Asociacion de Paracaidismo de Panama, St Kitts and Nevis National Parachute Association, Association Tunisienne des Sports Aeriens (microlights), Centro Uruguayo de Planeadores (gliders), Hanoi Air Sports Association, Royal Bahrain Parachuting Committee and the Oman National Free Fall Team. COLPAR was welcomed as new International Affiliate Member.

### Prizes

During the prize ceremony that year we saw and heard a very exiting summary of the Breitling history, and were informed about the coming Breitling Awards. John Dickenson, who invented the modern hang glider received the FAI Gold Medal.

The 20,000 USD Prize "Prince Alvaro d'Orleans Borbon Grant" was awarded to Mr. Todd Reichert and Mr. Cameron Robertson of Canada for their innovation in sport aviation, the Atlas Human Powered Helicopter.

Yesterday it was a great pleasure to congratulate the winners of the prestigious Breitling Milestone Trophy and the Breitling Youngster award, as well as to show our appreciation of the deserving recipients of our other most prominent awards. And was it not an amazing presentation of the Breitling Jet Team's Asian Tour!

### 2012 instructions

At last year's Conference the Executive Board was instructed by the Conference to continue to implement the Breitling contract, the Organiser Agreement, the anti-doping plan and the Sporting license database. I will report on this work later on, and you will hear reports during this Conference.

A proposal from Iceland to change the fees for smaller countries was rejected and the Executive Board (EB) was tasked to investigate the matter further. An analysis has been made and you will hear our Finance Director report on this at the Conference.

*Fédération  
Aéronautique  
Internationale*

Israel asked for a change of the Statutes to guarantee unrestricted entry of all nationalities to countries that organize sanctioned events, and we were tasked to look into it. You will hear the report on this matter later on. I take this opportunity to thank the Malaysian Sports Aviation Association for their efforts to ensure this principle at this conference.

And there were elections. As new Executive Director replacing Mr. Jonghoon Lee of Korea who retired, Mr. Frits Brink of the Netherlands was elected unanimously. The Executive Board otherwise was re-elected.

And I was re-elected as your President, thank you!

And you remember we voted to award the 2014 General Conference to Thailand (Bangkok).

## **Women**

Finally, at the end of the Conference, there was a suggestion from Canada; the formation of a temporary Working Group "Women in FAI". This was unanimously approved, and Mrs. Mary-Ann Stevens was elected to lead this WG. You will hear her intermediate report later on.

After the Conference we made an on-line survey to look for improvements of the Conference format, but unfortunately the participation in the survey was poor and therefore did not produce authoritative findings. However, this has been discussed at our Commission presidents' meeting and the NAC Presidents' meeting.

It has been a very busy year. Many of the changes that were presented to you when this Executive Board and I were elected last year have been implemented. This does not mean it has been an easy job.

## **EB**

Let me start by thanking the Executive Board, our Secretary General, and our Head Office and elected Officers in the Commissions as well as the members of our Expert groups and Regional Vice Presidents for their hard and eager work. The change we introduced has been developed by them, and I am very grateful for their work and assistance.

The Executive Board has been working with portfolios and this is the distribution of tasks within our Board the past year:

**Alvaro d'Orleans Borbon**, from Spain, is Deputy to and stand-in for the President. His responsibilities include ASC relation principles, Political aspects of the FAI commercial ventures and being a part of the IPETA Task Force.

**Robert Clipsham** from Canada : Executive Director Finance and FAI representative as FAME Director.

**Frits Brink** from the Netherlands : Membership issues, Operational coordination with international sports organisations (IOC, SportAccord, etc.), Media issues and Coordination role with the SWG.

**Bob Henderson** from New Zealand: FAI representative as FAME Chairman. Political issues regarding Anti-Doping. FAI Sports Strategy.

**Otto Lagerhus** from Norway: Development and consolidation of the FAI Regional Management System. Activities of the Regulation and Safety Expert Groups. Operational coordination with international aviation organizations (ICAO, IATA, IFALPA, etc.). IPETA Task Force.

**Beat Neuenschwander** from Switzerland : Development and consolidation of FAI Expert System, in particular the Airspace and Navigation Expert Groups. Coordination between the Expert Groups Persons of Contact (POC) and the FAI HO. Strategic point of contact for HO issues.

May I add that this is a team of hard working volunteers also taking part in hands on straightforward operational matters of FAI such as producing documents, setting up meetings or visiting meetings where EB presence is desirable. The fact that we are elected simultaneously strengthens this sense of team work.

During the year there have been some changes in key officials, naturally, and I will limit myself to high-lighting Mr. Mike Heuer who retired after more than 25 years as FAI Aerobatic Commission (CIVA) President! What an achievement. Mr. Heuer is now Honorary President of CIVA.

### **Antidoping**

As you know, as an international federation recognized by the IOC, we are signatories to and bound by the Anti-doping Code and WADA regulations.

We have implemented the decisions from previous General conference regarding the Antidoping Registered Testing Pool. I thank Executive Director Bob Henderson and our Anti-doping Manager Ségolène Rouillon for their devoted work with this subject, making the FAI a role model for other Olympic and recognized Olympic federations as regards the information to members and athletes. I take it you have seen the Q&A on our web-page.

We have signed a contract with Sport Accord regarding anti-doping control that has taken effect as from Jan 1<sup>st</sup> 2013.

Five selected Commissions (Aeromodelling, Rotorcraft, Microlight & Paramotor, Aerobatics and General aviation commissions) provided 4 names each to the Pool, and a random draw allowed selecting 10 athletes, 2 for each of these Commissions. The selected athletes were approved by the Board and their names provided to Sport Accord. It turned out that one NAC now has two persons in this pool, which of course is unfortunate but could happen in a random draw.

The withdrawal of beta-blockers from the list of banned substances for air sports took effect from Jan 1<sup>st</sup> 2013. We have also had a discussion on the potential exclusion of alcohol from the list of prohibited substances, and after consultations with our medico-physiological commission CIMP and considering how such a withdrawal could be misinterpreted, alcohol stays on the list of prohibited drugs during competition, as defined.

### **Visits**

Soon after the General Conference I had the immense pleasure to visit the combined World Parachuting Championships Mondial 2012 in Dubai in December. What an Event – probably the largest single air sport event ever with some 1,600 competitors! It was safe and spectacular with a most generous and competent host organisation! My warmest congratulations to our Parachuting commission IPC and to our member the Emirates Aviation Association.

During the year I have had the pleasure to visit several NACs and Commission meetings, and I thank you all for this and for your hospitality.

### **Finance**

The finance of FAI is an Executive Board responsibility. The Finance report for 2012 will be presented by our Finance Director. Basically, we are on budget and there are no significant deviations.

Regarding the Red Bull contract, we continue to receive some support from them. There will be a press conference regarding the future of the Red Bull Air Race after this Conference. I

thank our President of Honour Mr. Pierre Portman for his continued contributions as our liaison with them.

### **Breitling**

I take this opportunity of thanking Mr. Giancarlo Sergi of our commercial company FAME who has been the Breitling account manager, our Secretary General Jean-Marc Badan and our Sport Director Rob Hughes for their immense work to smoothen the introduction of a global sponsor to our activities – which has not been an easy task. This has been a team effort, and now has to become a real FAI-WIDE effort: Breitling has signed a contract with the FAI – we have signed a contract with them.

We all, ASCs and members, now have to clearly understand that sponsorship is not a one-way project and is more than receiving good money from a sponsor. Sponsorship also needs an investment from the FAI, both in resources and in a clear change of mind. A sponsor is entitled to receive a return: Instead of asking how much money an organizer or commission will receive, how much discount NACs will receive on the annual fees, or when they will receive their Breitling watch, etc commissions and members should first ask how they can support this project to make sure that such a deal will continue on a long-term basis, or will even generate other similar deals. If members do not support this effort, if commissions do not work together within the FAI to significantly improve the quality and professionalism of First Category events, then we will not only lose Breitling at the next contractual opportunity in 2015, but also lose any other possibility to get sponsors for a long time. The time is over when competitions were organised for competitors only: we all definitely need to realise that we are now in the 21st century, and that the FAI entered a new era! Look at other federations who have risen from the ashes to become big sports with multiple sponsors. It's definitely time to wake-up: If we cannot produce good events we do not have any sellable products for present or future sponsors.

It is an honour to be associated with such a renowned quality watch and jewelry manufacturer; in particular in respect of the many years of support for the development of aviation and our common history. I am confident that we all realize, that our Global sponsor Breitling has expectations on us, as we have on them. I cannot stress enough the importance that we honour this relationship; it is a pre-requisite for further similar contracts in other areas. Be sure that other companies have FAI on their radar and follow this development closely. If we handle this well, we should be able to present another major sponsor the coming year.

For your consideration you have to take into account that commercial revenues are of progressing importance for our economy: in 2011 it was about 4 % of total FAI income, and now approximately 15 % and soon hopefully more than 25% of our total income. If this is lost, we will obviously be in serious financial trouble.

There were substantial difficulties in getting quarterly reports and budgetary statements during the year. We have, with help of our accounting advisers new and more suitable software that was implemented in 2013. The transition of accounting procedures has caused severe strain on our Head Office, in particular since our Office and Account Manager Mrs. Cosette Mast broke both her arms in the winter of 2013! I thank her warmly for her courageous work to catch up what was lost due to this. The accounting now happens when the business event happens, not only when it is actually paid or received as it was before, thus making it considerably more transparent as regards to claims and debts. But since the events are in many different currencies whereas our accounting is in Swiss francs, it has been hard work to re-establish the more correct version of our books for 2012.

The new system is now here to harmonize budgets and procedures, and to bring a higher level of transparency and financial reporting to the FAI.

## **IT**

We have had interesting discussions on the meeting format, looking for IT-related improvement. You have already seen an example being introduced today, the electronic voting system.

Our IT Manager Visa-Matti Leinikki has been instructed to completely renew the various IT-systems that have developed historically over the years so that we now have a modern and safe system. The major project to overhaul the FAI database is well underway. We have moved from a server centre in Lausanne to one in Germany resulting in cost savings and performance gains. It is now possible for ASCs to house all of their online services on the FAI server at no extra cost. You have seen the gradual improvements – for instance I hope you noticed that the long work with the Sporting License data base now is getting more and more functional and useful. I think you also will agree that our web page has continued to improve significantly; both from the functionality point of view but also content wise. I take the opportunity of thanking Visa-Matti and also our Communication Manager Faustine Carrera for the exiting updates that she has given us on what has been going on in our sports – often thanks to the material you have provided. You will hear more on IT issues in general and the Sporting License database in particular later on.

## **Staff**

Faustine was also responsible for the layout and production of the new FAI Annual Report that you received both in paper and in electronic format – a document that should be used extensively for government, organizers, sponsor etc contacts and for internal education on the variety of our sports. Or whenever you wish to promote our sports. Thank you Faustine for this excellent work!

As for the contacts you have with our Head Office it is frequently through Competition Manager Christine Rouson and Assistant Sport Manager Annik Hauser and I thank them warmly for their excellent work.

You will recall that just before the General Conference in Belgrade in 2011, which we remember with gratitude to our excellent hosts in the Aeronautical Union of Serbia, we had just appointed a new Secretary General. Although – fortunately – well informed of the structure and opportunities of FAI, Mr. Jean-Marc Badan had to take over a number of urgent and important issues apart from doing his regular job as our former Sports Director. It was a very tough start for him. Although we gradually during the year could man our staff in the Head Office, unfortunately the work load for our Secretary General has continued to stay at an unacceptable level, and, as you know, he has decided to resign from this position with effect soon after this conference. Thank you Jean-Marc for your contributions both as Sport Director and Secretary General. Please accept our warmest gratitude and respect for your tremendous work for FAI throughout these eleven years, and our best wishes for the future. The recruitment process was of course initiated immediately after we got this information, and a Working Group is active under its Chairman Beat Neuenschwander. A situation report will follow during this Conference. I can however say we do have a number of applications from highly competent persons, but we will most likely end up with a transition period where again the Head Office will be under considerable strain, lacking a Secretary General. I have therefore appointed Rob Hughes to step in as acting Secretary General in the case were we do not have a secretary General in place. In recognition of his contributions and successes as Sport Manager Rob has been promoted to Sport Director of FAI.

## **FAME**

In order to handle sponsorship relationships and develop the commercial potential of our sports we have started our own commercial company FAME, of which our Executive Director Bob Henderson is the Chairman. And we have contracted a Chief Executive Officer from the Sport Marketing Company Sinergi to make sure we enter this new world as professionally as

possible. Bob Henderson will give his report later on. As you know, after legal advice to ensure this is not a “shell company” we have sold 24, 5% of the FAME shares to Sinergi, thus seeding FAME with starting capital and ensuring a stable partner in an area where FAI lacks expertise.

Unfortunately, so far FAME has not been successful. We will need to take measures to find sellable products that we can present to the market. I am convinced we will find such products, be it competition or demonstration events.

## **VP**

FAI has historically a reputation of being Eurocentric. As a global sport federation, it is important to have representatives around the World, and as you know we recruited two FAI Regional Vice Presidents; Tengku Abdillah for Southeast Asia, and Mr. Flavio Oliva for South America. You will hear their reports later during the Conference. During 2013 we expanded the concept and are very pleased to now have onboard as Regional Vice President for Africa Mr. John Gaillard of South Africa.

Many of you are FAI Vice Presidents, and I am aware of the importance this can have for your NAC relations. Please also realize that as FAI Vice Presidents it is your duty to represent and promote the FAI and our decisions.

## **Commissions**

We have previously discussed the roles of our Technical Commissions, and decided to keep technical commissions for Medico-Physiological issues (CIMP), for Aviation and Space Education (CIEA) and for Environmental issues (EnvC). The two latter commissions are now suggested to be turned into Expert groups that we hope will be a more effective way to put forward change and action proposals in these areas. I am confident this is the way forward to improve speedy results, change suggestions and reactions in various areas.

You will hear the reports of the Technical commissions and our Expert groups, “Airspace”, “Navigation”, “IT”, “New Technologies”, “Regulation” and “Safety later on.

On the initiative of Beat Neuenschwander a FAI top level seminar on the development of unmanned aerial systems was arranged in Switzerland in August.

I take this opportunity to report that the Memorandum of Understanding we have with Europe Air sports is active and that the work of EAS regarding the many complicated change issues in Europe such as licensing and maintenance to mention two, is most appreciated and will continue.

As last year, the relations between the Executive Board and the Head Office, and the Bureau of the FAI Parachuting commission IPC have continued to be under pressure. IPC is one of our most dynamic sport commissions, and there have been for years very strong protective feelings about their sport and its assets. You may recall that IPC formed a company in the United Kingdom named IPETA, the International Parachuting Event and Tour Agency. During both 2012 and 2013 there have been negotiations with IPC regarding this company, owned by three IPC Bureau members, and the agreed transfer of the ownership and shares to FAI. The company, and indeed the IPC Bureau, has insisted on a Memorandum of Understanding regarding the management of IPETA, and a legal Share transfer agreement. This has continued to take considerable time and money, and more important, focus from other pressing matters, from the Head Office and from our Secretary General. I can now however report, that a Memorandum of Understanding as well as a legal Share transfer agreement have been signed by me and the IPC and IPETA, and we are now awaiting the actual share transfer to happen. I take the opportunity of thanking Executive Board Directors Mr. Lagerhus and Mr. d’Orleans Borbon as well as our Secretary General and the IPC working group

members for their tireless work with the IPETA issue, hopefully now brought to closure. We look forward to the success of IPETA and IPC to move canopy piloting into valuable commercial venues; maybe we will one day see this integrated with FAME; I hope so.

The second IPC issue that caused concern was the allocation of a junior European championship to Grozny Chechnya, and I am pleased to report our Russian member moved the Event to another location.

### **Competition**

It has been a very active competition year; also with many records. You will hear the summary in the report from our Secretary General, but – as an appetizer - 142 new international records! I cannot refrain from mentioning the out-standing performance of Mr. Felix Baumgartner who parachuted from a balloon at 128,000 feet descending at a maximum speed of 1,357.6 km/h – I guess you saw the YouTube film!

One example of new sport activity is the Icarus Cup for Human powered aircraft was held in Great Britain in July. It was a successful event that I hope will lead to the first FAI world championships in 2014 or 2015.

As some other International federations, FAI has now signed a Memorandum of understanding with the International Military Sports Council, CISM, where we hope that several air sports can be included in the CISM activities.

And you will hear about the success of the airsport participation in the enormous event the World Games that took place in Cali, Columbia in July/August.

The work to find a suitable venue for a future World Air Games continues, but so far I can only tell you we do have hope to see World Air Games 2015.

Every year there are two meetings with the Commission Presidents, and one informal meeting for NAC Presidents. The Commission Presidents' meeting is normally held just before the General conference, and in May. At our meeting in Lausanne in May we were pleased to introduce the FAI lawyer Mr. Morand who could explain the legal aspects on the Organizers Agreement.

The informal NAC Presidents' meeting was this year hosted by NAC Hong Kong in June. It was well attended. Here too we got valuable advice on various issues, such as the General conference format, the Regional management and Expert group systems and so on. And we got a chance to get to know each other even better, in a very pleasantly arranged meeting.

These Presidents, of Commissions as well as of NACs, are doing wonderful voluntary work in the spirit of our joint passion for aeronautics. I thank you warmly for this on behalf of all our sports persons around our Globe.

In summary it has been a busy and exciting year. There are areas where we introduced change with great joy. But change is not there for its own sake; we must now make sure that we use and consolidate these opportunities; the Breitling contract, the formation of FAME, the FAI Regional Vice Presidents and the Expert groups.

With these words, Ladies and Gentlemen, I conclude my report and thank you for your attention.