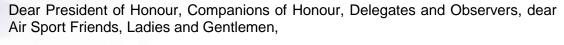


FAI President's report to the 110th FAI General Conference Bali, 14-15 October 2016



I am pleased to give you the President's report for the FAI Year 2015-2016. Is has been a most active year indeed. I would like to express my gratitude to the Secretary General and the Executive Board, and the staff at our Head Office, for outstanding achievements. It has been a real pleasure and honour to be your President and to be associated with such smart and dedicated people. Thank you. Now, I have been your President for six years, and this is my last report as Statutes mandate that I step down and a new President takes over. Basically, I think this is excellent. However, I would like to think that I am not leaving because you demand change; rather I would like to remain as connected to FAI as possible and will stay at your disposal.

The 109th FAI General Conference so pleasantly arranged by our distinguished Member the Royal Netherlands Aeronautical Association (KNVvL), took place onboard the s/s Rotterdam at key in Rotterdam. At this General Conference we introduced a new format of the conference week, which featured the usual meetings as well as a number of seminars, and we continue this way this year.

Let me officially express the Gratitude of the FAI as a whole for the excellent arrangements for the 109th FAI General Conference in Rotterdam.

In particular I wish to thank the entire team in KNVvL at the time, Vice President Ronald Schnitker, Secretary General Ronald Termaat, Board Member Rieteke van Luijt, Office Manager Diana Schnitke and of course all NAC volunteers, the STC Academy and the City ambassadors of Rotterdam.

We enjoyed the Conference setting, the meals and the infrastructure - we loved s/s Rotterdam! - as well as the visit to the City Hall very much.

In the Netherlands, we took some major decisions. Perhaps the boldest and most important decision was to support the Executive Board's proposal for a new Sports and Branding Strategy for the next five years in order to develop multi-sport event series, and we set aside considerable funds to support this.

During the year we have initiated the process and allocated resources to bring more detail to this Strategy with the aim to raise the level of professionalism, and to be capable of doing the same thing each time, in each host city, and ensure that all commitments, whether to the competitors, host cities, sponsors or media, are fulfilled. In five years we will be able to look back on a different FAI, where the quality and outreach we can make to competitors, the public, and sponsors is vastly different from today. The main trend is to cut operating expenses significantly and raise expenditure on marketing and merchandising.

This has been in the portfolio of Executive Director Niels-Christian Levin Hansen and I thank him for his work in close co-operation with our Secretary General on this subject. Unfortunately he will not be here today to present the present situation of the Strategy implementation process.

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6 bullet points are driving the process: Branding, Quality of Cat 1 events, Development of Air Games series, Developing new air sports, inspiring records, and increase participation in multi-sport events.

Now this cannot be achieved without means. Within the budget taken by the 109th General Conference in Rotterdam the strategy work has moved on according to plan. You will hear more about this later on in the Conference.

First a presentation of the responsibilities within the Executive Board;

At the first Board meeting right after the Conference portfolios were agreed as follows

Alvaro d'Orleans Borbon Deputy to the President, FAI Strategy, Commission

relations, IPETA Board

Frits Brink Finance Director, Financial management, Fundraising,

FAME Chair, IOC, SportAccord and other

International relations

Gill Rayner Organiser Agreement, Multisport Events,

Regional Vice President for South America contact,

Statutes, Statutes working group contact, Women in FAI, Membership issues/relations

Agust Gudmundson Regional Vice President South and East Asia contact,

Information technology

Bob Henderson Sponsorship and partnership, CIMP relations,

Anti Doping, Statutes and By-Laws issues and review

Niels-Christian Levin Hansen FAI Sports and Branding Strategy; Air Games Event

Series, RVP system, Regional Vice President Middle East/Africa contact, Expert system development, GC

development

The Executive Board has since the last GC had 5 meetings and 3 conf. calls, apart from intense e-mail exchange. The meetings have been in Rotterdam, Dubai, Lausanne, in Stockholm, my home town, and now here in Bali.

The General conference in 2014 appointed a Finance Advisory Group (FiAG); they are at present Sergey Ananov (Chair), Alicia Hirzel, Andy Chao, Alfons Hubmann. This group, in particular Sergey Ananov, have spent considerable time at the Head Office and reviewing the various aspects of our work. It has been quite demanding to try to fulfill their requests for tangible results, in particular regarding the new FAI Sports and Branding Strategy. We have tried our best, a lot is still work in process and they are not entirely satisfied. However, there has been considerable improvement in transparency and documentation, as well as in routines. I thank them warmly for their support and work; their aim has been the same as ours – to improve the FAI profitability and transparency and get rid of routines that are bureaucratic and slow.

We have decided to speed up the process for ASCs expense claim refund for amounts below 4,000 CHF – now to be approved by the Secretary General and/or the Finance Manager following the ASC internal claim checking.

As for FAI finances there will be a separate report. May I limit myself to say that the financial situation is stable and although we are at present taking use of some provisions and funds there is a bright outlook on the situation. In particular I am very pleased that we now have DHL as a global partner - to be associated with such a prestigious brand is of outmost importance when we are positioning ourselves in the world of sports and sponsorship. We now have a Marketing consultant, Mr. Tony Webb, deeply involved in exploring a number of promising leads into future sponsorship and partners, also in the media world. So I am quite optimistic and not at all worried - as some of you maybe when you see the 2016 budget proposal. Please rest assured the FAI is in good hands and will not endanger it's future by overspending. In fact we are not spending – we are investing and that is absolutely necessary if we are to reach our goals. Once FAI was looked upon as a frail old lady, even by some of our Members, but now FAI is young and active again - with a number of most promising ventures. I urge you to continue to support the path we are on; the new strategy is the only way to attract the young generation, the media and subsequently the sponsors.

A somewhat less pleasant report refers to the very difficult and expensive issue of the United States Parachuting Association (USPA) taking us to court; the Court of Arbitration in Sports (CAS). As I informed you in Rotterdam, USPA accused the FAI and NAC Record approval process to be fraudulent. USPA also asked to become an Associate Member of FAI with all parachuting sporting rights. Because of this I set up a Board of Inquiry (BOI) according to the FAI Statutes. This has been chaired by Alvaro de Orelans Borbon, and the other Board members were the FAI Gold Medalist Hans Akerstedt, Sweden and CIACA previous President Pierluigi Duranti, Italy. I think Alvaro can vouch for these gentlemen's extremely professional contributions to the outcome in the Court ruling: the appeal was dismissed. The BOI Report was confirmed by CAS. The costs for the arbitration that will be calculated by the CAS Court Office shall be borne by 60% USPA, 30% NAA and 10% FAI. USPA and NAA shall also contribute to the FAI legal costs. It remains to be calculated what the total costs for this exercise will be. We had to reserve CHF 50,000 from our budget for this. Under all circumstances it took a lot of attention, time and money that could have been used so much better.

I would like to express my deepest gratitude to the BOI members and particularly to Alvaro de Orleans Borbon for setting aside so much time and brain power in the most loyal and supportive way to resolve and finalize this issue.

You will hear a separate report from our Secretary General later on, but here are some high-lights from the FAI year 2015-2016.

I would like to start with the FAI World Air Games Dubai, December 1-12 ,2015. What a success it was! I cannot thank enough our Member the Emirates Aerosports Federation under H.E. Yousif al Hammadi for his never ending patience with our rather diverse needs and expectations. But without the support of His Highness Sheikh Hamdan bin Mohammad bin Rashid al Maktoum, Crown Prince of Dubai and Chairman of the Dubai Sport Council, it would never have happened. I ask Your Excellency to forward this Conference's gratitude and appreciation to His Highness as well as to all your collaborators.

I am pleased to take note that Dubai and Emirates airlines take use of air sport pictures in their marketing.

Never before have we had the opportunity to market our sports and just to give you some figures; there were 951 competitors from 52 nations – we had 40 prize ceremonies..! - and we generated 28 thousand hotel bed nights. Unfortunately the participation of women was only just over 10%.

During WAG we arranged a much appreciated WAG VIP programme for potential future sponsors and partners. We also had a very successful FAI Medical conference with most prominent speakers. There were more than 100 Delegates and I thank CIMP previous President René Maire for initiating the 1st FAI Air sport Medical Conference and past CIMP President Juergen Knueppel for actually making it happen.

The April WAG evaluation workshop had 30 attendees representing a very favorable mix of functions, including Event Directors, Commission Liaisons, Commission Presidents, Heads of Delegation, FAI Staff and FAI Executive Board members. The Post-Event evaluation was a great moment of team building across our Commissions and the general evaluation of WAG was that it was fantastic and must be done again.

During WAG FAI took a great leap forward in more professional outlook on media. The Media evaluation will be presented separately. Perhaps the most revealing figure is the fact that we had 1,500 hours television time and >20.000 airings in 198 countries of the WAG news and the 26 minute highlight shows that we produced for international distribution.

This has been extremely successful and we now have excellent cooperation with a film producer for both shorter and longer production, and broadcasting. In 2016 we have focused on first class documentation and publication of material from The Paragliding Aerobatics World Championships in France, the Gliding Aerobatic World Championships in Cheque and the Gas balloon Long Distance World Championship Coupe Gordon Bennett in Germany.

I will show you an example of such production from the FAI World Air Games Dubai 2015: WAG MOVIE

So now we are planning for the next World Air Games! In the bidding process there were initially four seriously interested; now shortlisted by the Executive Board to two – one in N America and one in SE Asia.

There has been a long felt need for Trade mark registrations and we have finally secured a number of key words covering most of the World.

On the IT side we are further developing the FAI Competition Management system that will help organisers in all aspects of setting up, controlling and running competitions. This includes the handling and checking of the FAI Sorting licenses that now must be registered in the FAI Sporting License database to be valid. We are well underway with the WEB site major reconstruction.

This year we combined the Statutory President's meeting with the Commission Presidents with the informal meeting with Member Presidents during the same week in June. We were fortunate enough to be invited by our Member ELLINIKI AERATHLITIKI OMOSPONDIA, the Greek Air Sports Federation, excellently arranged on Crete by the CIAM President Mr. Antonis Papadopoulos. By having these meetings in the same week we gave the opportunity to interested NAC Presidents to meet and discuss with the Commission Presidents – and vice versa; I feel this was most fruitful and can be developed further. During the Meeting we had an in-depth update on the drone development by M. Delor (FRA) and Mr.

Papadoupolos (CIAM). We also celebrated Kanellos Kanellopoulos Human powered flight record of 115.11 km from Crete in 1988 by uncovering a plaque.

Speaking of drones, there has been an intense and fast development within the Drone (UAV) community and a number of successful commercial actors are promoting their products by setting up races. Well, we are entering this world at full speed as well. It is not only the threats to our aero modelling community and to other users of the sky in all air sports and aviation that drone use abuse incur, it is also a new branch of aero modelling competition on all levels, and FAI should be there. Therefore we have both commercial and regulation contacts and CIAM has developed Rules for completion. We had a workshop on this subject yesterday and you will hear more about it later on.

We have offered the international regulators our help in issuing and registering proficiency documents regarding drone flying.

To continue on the subject of Competition; you may recall I have previously reported from the successful World Games in Cali, Colombia. The World Games are very big Games were sports recognized by the Olympic movement showcase their sports and are evaluated for potential participation in Olympic _Games. Thanks to the excellent work in Cali there by CIVL, we will see more air sports in the coming 2017 World Games in Poland: glider aerobatics, paramotoring and canopy piloting. The test event this summer was quite successful. A particular word of gratitude goes to our Sport and Event Director Markus Haggeney whose endless patience and devoted work is making this possible. We also have the fortunate situation that our Companion of Honour and previous Secretary General Max Bishop is the Secretary General of the World Games Association, so this Association is aware of our potentials.

As you know FAI is recognised by the International Olympic Committee, IOC. We have excellent relations with IOC, also personally. Thanks to the major breakthrough that air sports will be represented at the Asian Games 2018 with paragliding, there is increased hope that the Olympic organisers will accept air sports also in coming Olympic Games. In their terminology we represent "mechanical sports" and that is now ok! Primarily I think there is hope to join the Winter Olympics in Beijing 2022 or even PyeongChang 2018. And we still have hope that we will be represented as demonstration sport or in the opening Ceremony of the 2020 Tokyo Olympics.

Do not be shy to say that we are Olympic – we are – just not yet in the major Games!

I conclude it has been a most challenging year. A most rewarding year. And a year of great progress.

FAI was founded to support the bold drivers and the pioneers. Let's continue that way!

Finally I wish to express our gratitude to our Member Federasio Aero Sports Indonesia (FAI), the Indonesian Air force and in particular Chepy Nasution, Vice-Secretary General of FASI for excellent preparations for this 110th FAI General Conference

Thank you for your attention!

John Grubbström