



*Fédération
Aéronautique
Internationale*

111th Annual General Conference

Minutes of Working Sessions

**Held in Lausanne (Switzerland)
26th and 27th October 2017**

*Maison du Sport International
Av. de Rhodanie 54
CH-1007 Lausanne
(Switzerland)
Tél. +41 (0)21 345 10 70
Fax +41 (0)21 345 10 77
E-mail: sec@fai.org
Web: www.fai.org*

FEDERATION AERONAUTIQUE INTERNATIONALE

Founded in 1905 - Honorary Patron: Dr. Bertrand Piccard

OFFICERS OF THE FAI 2017 / 2018

Presidents of Honour

Dr. C. Kepak (Czech Republic)
G.A. Lloyd (Australia)
O.A. Rautio (Finland)

E.J. Ness (Norway)
W. Weinreich (Germany)
P. Portmann (France)

J. Grubbström (Sweden)

President

Frits Brink

Executive Directors

Alvaro DE ORLEANS-BORBÓN
Agust GUDMUNDSSON

Robert HENDERSON
Bengt LINDGREN

Mary Anne STEVENS
Jean-Claude WEBER

Vice-Presidents

Australia – Mike CLOSE
Austria - Michael FEINIG
Belgium – Jo VAN DE WOESTYNE
Canada – Stephen SZIKORA
China – Jia BING
Chinese Taipei - Dr. Elsa L.C. MAI
Denmark – Hjalmar NIELSEN
Finland – Petteri TARMA
France - Bruno DELOR
Germany – Wolfgang MÜTHER
Greece – Nikos MAKRAKIS
Hong Kong, China - Andy CHAU
India – Rajiv Pratap RUDY
Indonesia – Chepy NASUTION
Ireland – Tom MCCORMACK
Japan - Hiroyasu HAGIO
Korea – Youngduck LEE
Latvia – Gints GAILIS

Luxemburg - Claude ESCHETTE
Mexico - Ing. José Peña
BUENROSTRO
Morocco – Si Mohamed HACHAMI
New Zealand - Elizabeth KING
Norway – Rolf LILAND
Portugal – Francisco José FIALHO
NUNES
Russia - Vladimir IVANOV
Spain - Pedro Cabañero MARIMÓN
Sweden – Anders AKVIST
Switzerland - Yves Joel
BURKHARDT
Thailand - Veerayuth DIDYASARIN
Turkey – Kürsat ATILGAN
United Kingdom – Rob HUGHES
USA – Greg PRINCIPATO

Ex Officio

Aerobatics – Nick BUCKENHAM
Aeromodelling - Antonis
PAPADOPOULOS
Amateur-built & Experimental Aircraft -
Alfons HUBMANN
Astronautic Records – Anu OHJA
Ballooning – Mark SULLIVAN
General Aviation – Rodney BLOIS
Gliding - Eric MOZER
Hang Gliding & Paragliding –
Stephane MALBOS
Microlight & Paramotor – Wolfgang
LINTL
Parachuting – Rainer HOENLE
Rotorcraft – Jacques BERLO

Presidents of FAI Air Sport Commissions

A. PAPADOPOULOS (GRE) / CASI - Air Sport General
Commission

M. SULLIVAN (USA) / CIA - Ballooning

A. HUBMANN (SUI) / CIACA - Amateur Built & Experimental
Aircraft

A. PAPADOPOULOS (GRE) / CIAM - Aeromodelling

J. BERLO (BEL) / CIG - Rotorcraft

W. LINTL (GER) / CIMA – Microlight & Paramotor

N. BUCKENHAM (GBR) / CIVA - Aerobatics

S. MALBOS (FRA) / CIVL - Hang Gliding & Paragliding

R. BLOIS (GBR) / GAC - General Aviation

A. OHJA (GBR) / ICARE – Astro. Records

E. MOZER (USA) / IGC - Gliding

R. HOENLE (GER) / IPC - Parachuting

Presidents of FAI Technical Commissions

P. DUVAL (FRA) / EnvC - Environment

Dr. R. GARRISON (USA) / CIMP - Medico-Physiological

HEADQUARTERS *(situation as of January 1st, 2018)*

Maison du Sport International – Avenue de Rhodanie 54, 1005 Lausanne, SWITZERLAND

Telephone + 41 (0)21 345 1070 / Telefax + 41 (0)21 345 1077 / E-mail : info@fai.org / Web : www.fai.org

Secretary General: Susanne SCHÖDEL

Communication Manager: Faustine CARRERA

Sports & Marketing Director: Markus HAGGENEY

Assistant Sports Manager: Annick HAUSER

IT Manager: Visa-Matti LEINIKKI

Office & Accounting Manager : Cosette MAST

Members & Services / Anti-Doping Manager: Ségolène
ROUILLON

Competitions Manager: Christine ROUSSON

Team Assistant : Milena SCHÖTZER

FEDERATION AERONAUTIQUE INTERNATIONALE

111th ANNUAL GENERAL CONFERENCE

MINUTES

OF THE WORKING SESSIONS
HELD ON THURSDAY 26TH AND FRIDAY 27TH OCTOBER 2017
At the Hotel Royal Savoy, Lausanne (Switzerland)

IN THE CHAIR..... Mr Frits BRINK, FAI President

**FAI ACTIVE MEMBERS
WITH VOTING RIGHTS**

HEADS OF DELEGATIONS

ALBANIA.....	Mr. Renis TERSHANA
ALGERIA.....	Mr. Said AGROUM
AUSTRALIA	Mr. Mike CLOSE
AUSTRIA.....	Mr. Michael FEINIG
BELARUS	Mr. Anton BYSTROV
BELGIUM	Mr. Jo VAN DE WOESTYNE
BRAZIL.....	Mrs. Marina POSCH KALOUSDIAN
CANADA	Mr. Stephen SZIKORA
CHINA, PEOPLE'S REPUBLIC OF	Mr. Yang ZHUOYUE
CYPRUS.....	Mr. Demetrakis HADSJIDEMETRIOU
CZECH REPUBLIC	Mr. Vladimir MACHULA
DENMARK	Mr. Hjalmar NIELSEN
EGYPT	Mr. Ahmed FARGHAL
FINLAND.....	Mr. Petteri TARMA
FRANCE.....	Mrs. Catherine MAUNOURY
GERMANY	Mr. Wolfgang MÜTHER
GREAT BRITAIN.....	Mr. Patrick NAEGELI
HONG KONG, CHINA	Mr. Andy CHAU
ISRAEL.....	Mr. Aviad LEVI

ITALY	Mr. Giuseppe LEONI
JAPAN.....	Mr. Hiroyasu HAGIO
KOREA, REPUBLIC OF	Mr. Youngduck LEE
KOSOVO	Mr. Shkelqim KRASNIQI
LATVIA.....	Mr. Gints GAILIS
LITHUANIA.....	Dr. Gintaras KALINAUSKAS
LUXEMBOURG	Mr. Claude ESCHETTE
MALAYSIA	Mr. Mohd ARIF IBRAHIM
MOROCCO.....	Mr. Hachami SI MOHAMED
NETHERLANDS	Dr. Ronald SCHNITKER
NORWAY	Mr. John Eirik LAUPSA
POLAND.....	Mr. Włodzimierz SKALIK
PORTUGAL.....	Mr. Francisco NUNES
RUSSIA	Mr. Vladimir IVANOV
SAUDI ARABIA.....	Mr. Abdullah ALJAWINI
SLOVAKIA	Mr. Jan MIKUS
SOUTH AFRICA.....	Mr. John GAILLARD
SPAIN.....	Mr. Manuel ROCA VIAÑA
SWEDEN	Mr. Anders ÅKVIST
SWITZERLAND.....	Mr. Yves BURKHARDT
TAIPEI, CHINESE.....	Ms. Elsa MAI
THAILAND.....	Capt. Veerayuth DIDYASARIN
TURKEY	Mr. Kürsat ATILGAN
UNITED STATES OF AMERICA	Mr. Greg PRINCIPATO

FAI ASSOCIATE MEMBERS

BAHRAIN	Mr. Mohamed ALSABT
EGYPT.....	Mr. Hassan Ahmed ABDELMOEIN
PORTUGAL.....	Mr. Antonio FERNANDES

FAI INTERNATIONAL AFFILIATE MEMBERS

OSTIV	Prof. Rolf RADESPIEL
-------------	----------------------

FAI TEMPORARY MEMBERS

None

PROXIES

Greece to Cyprus
Indonesia to Thailand
New Zealand to Australia
Philippines to Hong Kong
Singapore to Malaysia

FAI EXECUTIVE BOARD

FAI President	Mr. Frits BRINK
FAI Executive Director (Finance)	Mr. Jean-Claude WEBER
FAI Executive Director	Mr. Alvaro DE ORLEANS BORBÓN
FAI Executive Director	Mr. Agust GUDMUNDSSON
FAI Executive Director	Mr. Robert HENDERSON
FAI Executive Director	Mr. Bengt LINDGREN
FAI Executive Director	Mrs. Mary Anne STEVENS
FAI Secretary General	Ms Susanne SCHÖDEL

FAI AIR SPORT COMMISSIONS

Mr. Antonis PAPADOPOULOS	President, FAI Air Sport General Commission (CASI)
Mr. Mark SULLIVAN	President, FAI Ballooning Commission (CIA)
Mr. Alfons HUBMANN	President, FAI Amateur Built and Experimental Aircraft Commission (CIACA)
Mr. Antonis PAPADOPOULOS	President, FAI Aeromodelling Commission (CIAM)
Mr. Wolfgang LINTL	President, FAI Microlight and Paramotor Commission (CIMA)
Mr. Nick BUCKENHAM	President, FAI Aerobatics Commission (CIVA)
Mr. Stephane MALBOS.....	President, FAI Hang Gliding & Paragliding Commission (CIVL)
Mr. Rodney BLOIS	President, FAI General Aviation Commission (GAC)
Mr. Eric MOZER.....	President, FAI Gliding Commission (IGC)
Mr. Rainer HOENLE.....	President, FAI Parachuting Commission (IPC)

FAI TECHNICAL COMMISSIONS

Dr. Henry LINDHOLM	Representative of President, FAI Medico-Physiological Commission (CIMP)
Mr. Pierre DUVAL	President, FAI Environmental Commission (EnvC)

FAI REGIONAL VICE-PRESIDENTS

Mr. Tengku ABDILLAH.....	Regional Vice-President, East and South Asia
--------------------------	--

FAI PRESIDENTS OF HONOUR

Mr. Pierre PORTMANN.....	SWITZERLAND
Dr. John GRUBBSTRÖM.....	SWEDEN

FAI COMPANIONS OF HONOUR

Mr. Max BISHOP GREAT BRITAIN
Mr. Juergen KNUEPPEL GERMANY
Dr. Peter SAUNDBY UNITED KINGDOM
Mrs. KYUNGO Kim KOREA, REPUBLIC OF
Mr. Michiel KASTELEIJN NETHERLANDS
Mr. Bernald SMITH UNITED STATES OF AMERICA

FAI HEAD OFFICE

Ms. Faustine CARRERA FAI Communication Manager
Mr. Markus HAGGENEY FAI Sports & Events Director
Ms. Annick HAUSER FAI Assistant Sports Manager
Mr. Visa-Matti LEINIKKI FAI IT Manager
Ms. Paola LOPEZ FAI Intern
Mrs. Cosette MAST FAI Office and Accounting Manager
Mrs. Segolene ROUILLON FAI Members and Services Manager
Ms. Christine ROUSSON FAI Competition Manager
Ms. Milena SCHÖTZER FAI Team Assistant

APOLOGIES FOR ABSENCE WERE RECEIVED FROM :

NAC New Zealand
Mr. Robert HENDERSON, FAI Executive Director
Cenek KEPAK, FAI President of Honour

SCRUTINEERS

The Conference unanimously agreed the appointment of the following scrutineers:

Ms Marina Vigorito GALETTO
Mr Ayed ALDHAFIRI

1. Opening

The FAI President, Mr Frits BRINK, welcomed the FAI members to the 2017 General Conference.

2. In Memoriam

The FAI General Conference stood in silent remembrance of all the air sport persons and friends who had died since the 110th General Conference:

- Gerhard ALLERDISSEN
- Hideo HIRASAWA
- Allen HSIAO

- Maurisz KORARZEWSKI
- David LEVIN
- Charles R. MACCRONE
- Marcel PRÉVOTAT
- Jean SAX
- Ernst TSCHUPPERT

3. Roll-Call of Delegations

Mr Visa-Matti LEINIKKI (FAI IT Manager) conducted a roll-call of those present.

3.1. Apologies for absence

Those apologising for absence were as recorded above.

3.2. Verification of representatives' authority

The representatives' authority was verified as part of the registration process.

3.3. Announcement of proxies

Proxies were as recorded above.

3.4. Adoption of Modifications to Agenda

The President noted that he had received a request for the Red Bull item to be moved earlier in the schedule.

3.5. Appointment of scrutineers

The scrutineers were unanimously appointed as recorded above.

3.6. Reminder of voting procedures

Mr LEINIKKI reminded the members of the voting procedures. Votes would be taken by either a simple majority or an absolute majority. He noted that, in the case of an absolute majority vote, the vote of anyone choosing not to vote would in practice count as a vote against the motion.

Given the number of delegates present, a quorum had been achieved.

There would be a vote on Vice Presidents. Delegates would be asked to say yes or no to each candidate on the list. The CASI vote would be by simple majority.

3.7. Call for items for Open Forum

The following items were noted for the Open Forum:

- Finland: on airspace
- Mr Antonis PAPADOPOULOS: marketing assistance to commissions
- Netherlands: a presentation with Andy CHAU on the future of air sports and airspace issues
- Saudi Arabia: A reflection on the visit of FAI President and FAI Deputy to the President

4. Voting system

4.1. Presentation of the electronic voting system

Mr LEINIKKI led the delegates through a trial run of the electronic voting system.

5. Minutes of the 110th FAI General Conference 2016

The President invited the General Conference to approve the minutes of the 110th General Conference 2016.

The FAI General Conference unanimously approved the Minutes of the 110th FAI General Conference held in Bali, Indonesia in 2016.

6. Report of the FAI President

The President presented his report (**ANNEX 1**).

7. Situation of FAI Membership

7.1. Resignations, suspensions and expulsions

7.1.1. Resignations

The Secretary General reported that there were no resignations in 2017.

7.1.2. Suspensions

As of 18 October, a number of countries had not paid their full membership fees (**ANNEX 2**).

The FAI Conference was invited to take note that, if they had not paid their subscriptions by 31 December 2017, these FAI members would be suspended.

Mr Antonis PAPADOPOULOS (CIAM) noted that sometimes a suspended NAC had a member on the board or bureau of one of the FAI Commissions. According to the rules, these members were not supposed to participate in FAI activities. Also, sometimes FAI events were scheduled in these countries. What were they supposed to do in such cases? The Secretary General replied that by 31 December 2017 the FAI would send out an update on the situation to all the stakeholders, so that the Air Sports Commissions were aware.

Mrs Mary Anne STEVENS noted that representatives of suspended FAI members could not participate except as observers.

In response to a question from Israel, the Secretary General confirmed that the suspension would come into effect from 1 January 2018.

Mr Eric MOZER (IGC) asked what happened if World Championships were scheduled in the country of a suspended member. Should the event be cancelled, and if so, was it up to the Air Sports Commission to decide?

Mr Alvaro DE ORLEANS BORBÓN said that the ASC should decide. The issue was complex and long, and events such as these took years to organise. To deprive the people that had made these preparations because a fee had not been paid was a severe punishment, but it was also unfair that some people did not pay their subscriptions. There was a constant debate between strict adherence to the rules and the moral imperative not to harm the sports people.

Mrs STEVENS said that this situation also provided an opportunity for the event organisers to ask the NACs to follow through with their obligations. It was not unknown for NACs to sponsor events in another country.

7.1.3. Expulsions

The Secretary General reported that the suspended members Lebanon and Paraguay had also not paid their subscriptions for 2017.

The FAI Conference agreed that, if outstanding debts were not paid by 31 December 2017, the membership of these NACs would be terminated at the end of 2017.

7.2. Consideration of applications for admission of new FAI members

New membership requests had been received from the following federations:

- Libyan Airports Federation (LBA) – Active Member, Class 10
- Fédération Tunisienne des Sports Aéronautiques et Activités Associées (TUN) – Active Member, Class 10
- Asociación Uruguaya de Parapente (URU) – Associate Member

The Executive Board recommended that the General Conference approve these applications with immediate effect.

With respect to the situation in Saudi Arabia, Messrs BRINK and DE ORLEANS BORBÓN had visited the country with a view to seeking a long-term solution.

7.3. Re-approval of existing temporary members

The General Conference was invited to renew the Temporary Membership of the following federations (provided membership dues were paid before 31 December 2017):

- El Salvador (1998)
- Laos (2013)
- Vietnam (2012)

7.4. Reinstatement

The FAI Executive Board recommended that the FAI General Conference accept the reinstatement of Persekutuan Sukan Udara Malaysia as an Active Member with immediate effect.

A representative of BAHRAIN asked that Bahrain be upgraded from an Associate Member to Active Member. The Secretary General noted that there was a generally a review process for such requests, leading to a recommendation from the Executive Board to the General Conference. She suggested that the GC be asked to give the authority to the EB to conduct the review and decide.

This proposal was accepted by Bahrain and by the General Conference.

7.5. Class change requests

The FAI members listed below had requested the following class changes:

Germany – Change from Class 3 to Class 2 for 2017

Ireland – Change from Class 9 to Class 10 for 2018

Saudi Arabia – Change from Class 9 to Class 8 for 2018

Turkey – Change from Class 7 to Class 4 for 2017

The FAI Executive Board recommended that the General Conference approve this report as presented.

The General Conference unanimously approved the Membership Report.

8. Partnership with Red Bull Air Race

The President welcomed Mr Erich WOLF, Managing Director of Red Bull Air Race. The FAI had been working with Red Bull Air Race for a long time, and the partnership was very successful.

Mr Erich WOLF began his presentation with a video, which gave a flavour of the Red Bull Air Race series and the TV production standards. He outlined the history of the race series, which had begun in 2005, and subsequently partnered with the FAI. The series had gradually expanded, with a break in 2010 for safety and business reasons. The event had been relaunched in 2014 with better safety provisions and a new business model, and two classes, to bring in more pilots. In 2018 Red Bull Air Race would take place in eight locations, and there were plans to expand to South America and Australia. The vision for the future of the series was to explore a new dimension for motor sport, providing entertainment on-site and a good television product. The event had a global footprint, with events in the US, Russia, the Middle East and Europe, using spectacular locations in city centres, at motor sport grounds and in other locations such as Royal Ascot. With over one million spectators on site in 2017, it was important to offer experiences on track including pylon tours, race control and even guest flights, and to provide hospitality packages. They were also developing immersive fan experiences with mobile gaming apps and VR experiences. The series had attracted blue chip brands.

The format of the series had been changed to incorporate two classes: Masterclass and Challenger. Red Bull assessed the attitude, professionalism, qualifications, safety culture, mental strength and maturity of all prospective pilots. Media contacts were growing steadily, reaching 2.3 billion in 2017. The series was televised in 149 countries, and had a large social media following.

There was an FAI delegate at every Red Bull Air Race to supervise the sporting and safety aspects. In 2017, brand exposure was provided for the FAI from logos on pylons, air gates, backdrops etc..

Plans for the future included evaluating the possibility of e-sports, expansion to more locations, reducing the environmental footprint of the sport, moving towards team ownership and evaluating electric engines.

He thanked the FAI for its cooperation.

The President thanked Mr WOLF and said he looked forward to continuing this very productive partnership in the future. The FAI's brand was given good visibility, and the FAI delegates played an important role in ensuring the safety of the event.

A representative of Morocco noted that there was no mention of Africa in the 2018 calendar of the Red Bull Air Race. Mr WOLF observed that in order to stage a race, it needed a promoter, who paid a fee. This partner would earn revenues through ticket sales and national sponsors. Because of this, it made sense for the promoters to commit to hosting three or more races in a row, every year.

The President thanked Mr WOLF and said he hoped the FAI and Red Bull Air Race could continue to strengthen each other.

9. Election of FAI Vice-Presidents for 2017/2018

The President invited the delegates to vote on the list of Vice-Presidents (**ANNEX 3**).

Mr LEINIKKI opened the electronic vote. Everyone was entitled to vote.

The result was 332 yes and 1 no.

The General Conference approved the list of persons nominated to serve as FAI Vice-Presidents for 2017–2018.

10. Presentation & Election of Active Members on Air Sport General Commission (CASI)

The principal representatives of each country were invited to make a short presentation. There were seven candidate countries for six vacant positions.

The candidates were: FRANCE (Bruno DELOR), CHINESE TAIPEI (Elsa MAI), GERMANY (Hubertus VON SAMSON-HIMMELSTERJNE), HONG KONG (Andy CHAU), SPAIN (Juan Ramon ALVAREZ CARAMAZANA), SWITZERLAND (Alicia HIRZEL), UNITED KINGDOM (Alan CASSIDY).

Mr LEINIKKI explained that this was a simple majority vote, which meant that, in order to be elected, candidates needed more than 50% of votes cast. If not enough candidates received a simple majority on the first round, a second round of voting would take place between those candidates that had not reached a majority. Delegates could vote for fewer than six candidates if they chose. Everyone could vote.

The following candidates were elected on the first round: United Kingdom (240), Hong Kong (236), Switzerland (230), Germany (228), France (206) and Chinese Taipei (160).

The President congratulated the new CASI delegates and thanked Spain for standing.

Mr PAPADOPOULOS noted that CASI would meet after the close of the General Conference on the 27th October.

11. Report of the FAI Secretary General

The FAI Secretary General, Susanne SCHÖDEL, presented her report (**ANNEXES 4**).

A representative of Morocco thanked the Secretary General for her report. Given that one of the FAI's main strategies was to promote air sports worldwide, he wondered if there was a policy to develop and promote air sports in Africa?

The Secretary General explained that it was important for the African membership in FAI to grow. She also urged the African countries already in FAI to send representatives to the ASCs, which was where the decisions were taken with respect to awarding events.

Mr John GAILLARD pointed out that South Africa was part of Africa. They had hosted the World Aerobic Championships in 2017 as well as several other events. If Morocco wanted to bid for them, there was no reason why they should not get these championships.

The President agreed that Africa was not well represented on the map of FAI members. There were several African countries that did a great deal in air sports, but had no connection to the FAI. The African members should encourage them to join. He would be very pleased to see this development. The President thanked the Secretary General for the report.

The General Conference unanimously adopted the Secretary General's report.

12. Report on FAI Finances 2016–2017

12.1. 2016: The Financial Report (Balance Sheet and P&L Statement) and the report by the Auditors

The FAI Finance Director, Jean-Claude WEBER, explained that he was reporting on financial matters under statutes 4.2.3 and 6.2.1.4, as the Executive Director of Finance, and for the Executive Board, under statutes 4.2.2.4 and 4.2.2.5. The EB was jointly responsible to the General Conference for all decisions made on financial and accounting matters taken between General Conferences. A summary of the significant accounting policies was laid down in the Report of the Auditor to the GC on the Financial Statements 2016, prepared by PWC as required by statute 7.5.1. (**ANNEX 5a**).

He thanked the Secretary General, the Finance Advisory Group and its chairman, Sergey ANANOV, and FAI Accounting Manager Cosette MAST. They also had the benefit of Paola LOPEZ, who over the next few months would assist the FAI in setting up an improved financial controlling process.

Having taken over as Finance Director after last year's GC, he now felt very comfortable with the working methods and cooperation at Head Office level. FAI strategies and policies as approved by the GC were being adhered to, and he had seen continuing and increased efforts to improve the FAI's financial situation. They would learn of a multitude of promising new initiatives devised to improve, in addition to the FAI's prime objective to develop air sports for the benefit of their members, their finances, their visibility and their market value. In addition to these initiatives there were also increased efforts to improve effectiveness in Head Office operations, and to establish an efficient controlling system for their financial operations. They had also identified a need to analyse how the FAI's income and expenditure were generated, and find acceptable ways and methods to fairly share financial burdens and benefits. All stakeholders, ASCs and FAI members, would ultimately be asked to contribute and would overall largely benefit from the present day initiatives.

All these efforts came at a price, and later, during the 2018 Budget presentation, they would be asked to approve a strategic budget reflecting continuity since 2015 and a clear commitment to invest in the future, and not only into next year. Today's ambitious projects and strategies must be seen not with constraints, but must be allowed to be implemented in accordance with FAI strategies in order to guarantee that FAI could achieve its goals. The FAI needed to generate more revenues if it were to avoid spiralling deficits, and maintain and develop the present high level of quality service to the air sports community. Efforts to commercialise existing Cat 1 events had failed, because of a lack of ability or enthusiasm to consistently control the events in a way that made them interesting for commercial partners. In the past they had been very lucky to have landed partnerships with Rolex and Breitling, for instance, but these were unfortunately no longer available, and they absolutely needed to generate new and sustainable revenue. The EB, the Secretary General and the Sports Director were all very keen to tell the members during this conference about the various potential revenue-generating projects in relation to events, membership, sponsors and partners.

The Secretary General then presented some key figures from the 2016 finance report (**ANNEX 5b**). Mr WEBER had spotted a mistake in the figures in the notes at the end of the document from PwC, which had now been corrected.

The Secretary General explained some of the main deviations between budget and actual results, which were not represented in the PWC report. Looking at the sports operations, income was much better than anticipated, which also had an effect on the overall outcome. The main changes came from a special allocation made in connection with the FAI World Air Games in Dubai. The allocation from the Head Office budget to the participating ASCs was an amount of CHF 70,000. The Sports Operations had CHF 56,000 more income because of an underestimation of sanction fees income, and there was income not budgeted from medals, related to CIMA and IPC activities. Sales from the CIVL's IPPI cards, a pilots' proficiency scheme, were not budgeted in 2016, which had created a positive effect. On the expenses side, there were additional operating expenses related to the WAG and World Championships. Instead of a budgeted loss of CHF 47,000 across all commissions, they had a positive result of CHF 100,000, making a total difference of CHF 147,000.

In terms of Head Office costs, they had budgeted conservatively for income from sponsorship fees. As some of this was in euro this had resulted in a positive exchange rate effect. They had also secured an additional partner in 2016. Record fees income had also increased because there were more record claims than anticipated. The item Other Income and Other Expenses related to the activities of the FAI Safety Delegate.

In terms of expenditure, deviations came mainly from the WAG and the Air Games Event Series (AGT). The FAI had covered the cost for NACs to attend the WAG evaluation workshop. There was also an issue related to TV production costs at one of the selected events which had not been budgeted, and additional evaluation workshop costs, caused by unanticipated high levels of participation.

Work was ongoing to capitalise on the momentum of the WAG to develop an event series. They had produced promotional materials, conducted an evaluation workshop on the WAG and started developing the AGT with the help of sports marketing consultancy and in discussions with the ASCs and NACs. One core expenditure of this series was TV and media production, and editor teams attending the events. This had been integrated into the AGT budget. A comprehensive media production manual was also being produced, and would be provided to all the ASCs and NACs. Other deviations included IT work, GC and NAC Presidents' meetings and sponsorship expenses. There had been a significant charge for a case taken to the Court of Arbitration for Sport. She urged the members to try to avoid legal disputes over event outcomes. It was important that the events were run according to the rules.

For 2016, rather than a budgeted loss of CHF 77,000 the final outcome had been a loss of CHF 17,900.

Mr Sergey ANANOV presented the Financial Advisory Group report (**ANNEX 5c**), which was independent of that just presented by the Secretary General.

Mr ANANOV responded to some comments from the floor.

To conclude his report, Mr WEBER noted that the 2016 financial statements had been reviewed by the EB. He asked the President to submit the 2016 accounts to the General Conference for approval.

The General Conference unanimously adopted the 2016 Financial Report as presented.

12.2. 2017: The financial situation at 30 June 2017

The Secretary General reported on the figures as of 30 June 2017 (**ANNEX 6a**), primarily the Head Office income. She noted that, for the ASCs' income, most of the events took place in the northern hemisphere, which meant that the event season had just started, and they did not have much indication of the situation. As of 30 June 2017, 89% of membership subscriptions had been received by HO. An income had been budgeted for the WAG 2020; this was an ongoing task. Since it had not been confirmed as of 30 June, the EB had decided at its July meeting to reduce the expenditures for the AGT and the WAG, so as to stay within budget. Although there was some income from partnerships, additional income would be useful and HO continued to work on this daily.

In terms of key projects, negotiations were under way with for potential hosts of the WAG 2020, and talks were ongoing with commercial partners to commit to a broader global partnership. Proposals were under way as part of the AGT budget, with professional support. Expenditures of CHF 370,000 had been budgeted for the Air Games Event Series, but they had scaled down the expenses, reduced the communications budget and reduced engagement with the other production services to save costs. The effect was a reduction of the budget to CHF 270,000.

Staff, office, telephone and printing costs were on track.

Mr Greg PRINCIPATO asked whether they drew income from the reserves, and whether they should consider having a timetable for getting beyond having to use the reserves.

The Secretary General replied that figures for the FAI's reserves and provisions were included in the audited report for 2016. From memory there were approximately CHF 1.3 million reserves from the ASCs, the WAG budget, the Olympic fund and Aerobatics Grand Prix. There were short-term use

provisions, a development and innovation fund of around CHF 230,000 and short-term provisions of approximately CHF 60,000, which could be used at their discretion, and which were intended to be used. The ASC reserves were also not supposed to be long-term reserves, but the question of what to do with them was something that needed to be decided. They also had assets including the office space in the MSI. Replenishment of the reserves was mainly related to the WAG. FAI finances ran on a deficit, as a result of the various strategic projects that should help to generate revenues. The main goal of these activities was to generate extra revenue that would help them to stop using the reserves, and build up income and reserves.

Mr Mike CLOSE (Australia) noted that some time ago the Executive Board had put forward a strategic plan for developing the FAI, and a considerable sum had been allocated from reserves to push this plan forward. It was essential that the FAI move forward. Nevertheless, he would expect, if money was being invested, to see a plan to show how the money was tracking in terms of results. Was the FAI getting the benefit of the money that was being spent, and the deficit they were running?

The Secretary General noted that, once they had gone through all the sport and strategic items, the GC would have a more complete picture of where they stood and what was planned. The main budget-relevant part of the strategic plan was the WAG, multi air sports events and related activities, which were ongoing. Drone sports and racing activities now had a far higher profile than anticipated, and that would be on the agenda. They would also discuss the 2018 budget.

Mr Sergey ANANOV wished to report on the monitoring of the 2017 Air Games Event Series budget (**ANNEX 6b**). Whatever the results of the HO work on the implementation of the new strategic and marketing plan, he wished to thank the Secretary General and FAI Sports and Events Director Markus HAGGENEY and their team for their hard work. Every budget the GC had approved since 2016 had an Air Games Event Series component. The FIAG had promised to monitor the budget thoroughly and even recommend to terminate the project if it was agreed that it leading nowhere. It had been decided later by the EB that the monitoring would not encompass the entire FAI sports and marketing strategy, but just the AGT. It was also decided that the monitoring would not include efficiency evaluation of the work done, and was therefore quantitative not qualitative. A methodology had been approved to monitor three parameters: cost, schedule and scope. He had presented the first monitoring report the previous year in Bali, with a table of six variables. For 2017 he had not enough quantitative data, mainly because all the works were scheduled for the second half of the year. The rest of the expenditure for the year had not yet been confirmed. From the Secretary General's report they had learned that sports marketing agencies were hesitant to partner with the FAI as long as they had no event; NACs had problems financing national teams to travel around the world, and host cities were asking about costings and event manuals, which the FAI could not currently provide. His personal, unofficial opinion was that they were slightly behind schedule. They had a set of incomplete materials that could be used to begin sales, but as far as he knew, no sales had yet been made. Two years ago in Rotterdam they had counted on seeing the first revenues from the project in 2018, which was very close.

The President noted that the FiAG was the "conscience" of the General Conference, so he was grateful for Mr ANANOV's opinion. Some of the items would be covered under item 16.

Mr Pierre PORTMANN wondered if the President or Secretary General could provide some information on what had happened since June. They were now at the end of October.

The Secretary General noted that the FAI had standard expenses, and they were on track up to the end of June. This year, they had begun implementing a systematic budget vs actual comparison, which would be ready for review at the December EB meeting. The main change was that the Air Games Event Series budget had been reduced. Expenditure was being tracked, in order to stay within the reduced budget. As far as income was concerned, they had secured the main income positions and there were no deviations.

Mr WEBER said that the FAI knew their shortcomings. They now were looking at installing a controlling and reporting system, which would probably be implemented by the next GC.

12.3. Approval of Auditors for 2018

The President noted that they had agreed the previous year to appoint BDO as auditors for 2018, and the EB wanted to reconfirm this.

The General Conference unanimously approved appointing BDO as auditors for 2018.

13. Discharge of the FAI Executive Board

The President invited the General Conference to discharge the FAI Executive Board of responsibility for the management of the FAI's affairs during the financial year 2016.

Mr LEINIKKI noted that this vote required an absolute majority of 176 or more.

The General Conference agreed to discharge the FAI Executive Board of responsibility for the management of the FAI's financial affairs during the financial year 2016, with 280 votes in favour, 6 votes against and 51 abstentions.

14. Open Forum

Proposal by Mr PAPADOPOULOS (CIAM President)

Mr Antonis PAPADOPOULOS (CIAM President) said what he was about to propose reflected the wishes of all the Air Sports Commissions and the NACs. The Secretary General had reported how many events had been held and how many competitors were registered on the database. CIAM had held more than 350 events. This clearly showed the interest in the events. However, he was not satisfied because, despite the number of events and competitors, he had not seen any increase in the visibility of what they were doing. How they were designing and implementing new classes was based on what they liked to do, not what the media or spectators were looking for. Based on recent communications with sports marketing agencies, it seemed that drones could represent a good product, maybe even a gold mine. They knew how to extract the gold, but not how to polish it, present it and use it. Mr Bruno DELOR had attended a meeting with a sports marketing agency, and they had received some very good input. His proposal was that this information had to spread within the FAI family. CIAM asked if a sports marketing expert could be invited to their plenary, to inform them what they had to do, and advise them on how they should design their sport activities, to make them more visible to the public and the media.

His second proposal related to the fact that, at some of their events, the organisers used live streaming. Although this had been publicised within the community, he thought if they could establish an "FAI TV" part of the website specifically for live-streaming FAI events, this could help to make the events more widely known.

The President thought this would be discussed under item 15.

Mr Stéphane MALBOS noted that he came from the other commission that had a lot of competitions, and he had mixed feelings with respect to communication. The situation was very different from one commission to another. A few years ago, the FAI had made a big effort to provide extensive coverage of a paragliding aerobatic event, it had brought nothing to the sport. Aerobatics still struggled to find organisers. They had to know why they were communicating and what they wanted to achieve. Of course, they wanted to attract sponsors, to make money to run their Head Office and events, but they should think specifically what they could bring to each sport. The Noosphere management system included communications and live tracking, which was very good for sport. When the EB decided on the communications strategy it would be good to involve the commissions, because each might have a different view, and it was important to always bear in mind whether it would develop the sport itself.

Saudi Arabia

Mr AL JAWINI (Saudi Arabia) wished to thank the President and Vice-President Alvaro DE ORLEANS BORBÓN, who had visited the Saudi Aviation Club earlier in the month, and met its executive team and the Saudi civil aviation authorities. They had enjoyed some cultural visits, and it had been a very productive bilateral learning experience.

The President responded that he and Mr DE ORLEANS BORBÓN were very grateful for their reception in Saudi Arabia. They had seen huge development at the Saudi Aviation Club.

Finland

Mr Petteri TARMA (Finland) observed that, for the FAI members, the sky was their stadium. Finland was worried about the increase of rules governing the sky. They had to take care, because the space allocated to sports and leisure aviation was vanishing. Decision-making was focused on commercial and military needs, whereas sports aviation in fact represented paying customers and stakeholders. Commercial aviation had its hands in their pockets – they were the customers who paid its fees. Military aviation was paid for through taxes. Sport and leisure aviation was the only party in this scene that paid its own way completely. The update of the European Union basic regulation for aviation was in its final phase, and would generate a concurrent need for updating the law of the air in all member states. They should use this unique moment to raise their voices. Sport aviation must have an official permanent mandate and seat in the national and international governmental bodies at ministry level. Sport aviation must have an official determined position in the guidance material for international and national authorities, and in national and international airspace management. It would take several years, but this was the moment: they must use it or lose it.

The President agreed that this was a very important issue, and it was on the agenda of the Executive Board. He would invite Mr DE ORLEANS BORBÓN to say more on it later.

Netherlands

Mr Ronald SCHNITKER (Netherlands) introduced his presentation, entitled “Who owns the airspace?”, which was about legal aspects and the future of air sports. Air sports represented a diverse sector with various airspace users – private pilots, glider pilots, hang glider pilots, skydivers, balloonists, etc. – serving a very broad range of recreational, education and social and business purposes. A proportion of air sports activities were performed in controlled airspace. In most countries, airspace was reserved for commercial and military aviation, and air sports were permitted in the areas that were left. This was an outgrowth of the Chicago Convention, in which air sports were not explicitly named. In recent years, owing to growth in civil aviation and airspace changes, airspace for aviation sports had become increasingly limited. In the Netherlands, air traffic control was claiming more and more airspace for commercial aviation, in which recreational aviation was forbidden, to ensure safety. For this reason, free fall jumping was only possible in remote corners of the country, and cross-country flying with a glider was no longer possible in the west of the Netherlands. What was worse, the government had decided to develop Lelystad Airport as the second national airport after Schiphol. It was therefore necessary to establish an airspace design in which the position of Lelystad Airport was included, and which would take as its starting point the fact that capacity and network equality at Schiphol must not be adversely affected, and that military facilities in the vicinity must be safeguarded. The airport opening was planned for April 2019. This brought many new problems. The new air traffic routes would be so low that the National Para Centre at Teuge airport, which registered over 40,000 para jumps yearly, would have to close. The FAI had sent a letter to the state secretary stating that the airspace plans around Lelystad Airport were a disaster for the National Para Centre, and the absence of consultation was unacceptable. Two glider fields would also disappear, and the government had so far offered no solutions or financial support. Regrettably, the Dutch NAC had not been invited for consultation. Nevertheless, the Dutch media had paid a great deal of attention to the developments, not primarily because of the situation of air sports, but because of the noise citizens expected from the low-flying air liners. The Dutch NAC had insisted on a speedy review of Netherlands airspace. It was out of date and therefore very complex.

Restructuring the airspace could lead to new perspectives for air sports, and flexible use of airspace could also result in more space for air sports at times commercial and military aviation did not need it. There was also increasing attention to the impact of aviation sports on nature and the environment. In the Netherlands, the ministry of infrastructure was responsible for the layout of Dutch airspace, but the ministry of economic affairs designated parts of the country as conservation areas, which could not be overflowed by airport pilots. It was an unacceptable situation. Other NACs shared these concerns.

Mr Andy CHAU (Hong Kong) noted that the situation in Asia was different because air sport had been developed only in the last 20 years or so. Their aviation laws had been taken from Europe and the US, and there was no body to support the interests of air sports. That was why Asia needed the encouragement of the FAI. Airspace was a particular issue in countries that had no air sport yet. They hoped to have some feedback from all the NACs in Europe, so as to take back a reference model to Asia.

Mr Ronald SCHNITKER said that they also had some recommendations: to advocate flexible and fair use of airspace by all users, which meant air sport pilots; all parties should get a fair share of airspace – civil and military traffic controls may not use more space than necessary. A shortage of traffic controls could not be a reason for crowding out air sport pilots. Airspace must be flexible; if there was not an immediate need for commercial or military reasons, airspace must be opened for air sports. This brought them to the question: who owned the airspace? The crucial element in this discussion was still the sovereignty of the state over its own territorial airspace. The International Convention on Civil Aviation, known as the Chicago Convention, was primarily intended for commercial aviation, and contained nothing about the rights of air sports. European legislation had, as far as he knew, no specific rules or recommendations about use of airspace by national air sports and recreational aviation. It was their opinion that air sports were obviously in the public domain. There were some parallels with the internationally approved UNESCO charter, which stated that every human had a fundamental right of access to physical education and sport.

This was not an encouraging picture. What could be done? First, they had to advocate their interests in international organisations like ICAO and EASA. Europe Air Sports was already lobbying hard. Lobbying at national level could also be a solution. Doing nothing would mean that air sports might no longer be possible in a number of countries in the future. Finally, they advocated that all FAI members sign a manifesto, in which rights for air sports would be advocated. This document could be submitted by the FAI to international organisations such as ICAO, EASA and perhaps the United Nations.

Mr Alvaro DE ORLEANS BORBÓN noted that airspace depended on governments, and their air sports activities were legally precarious. Access to sports was a human right, and this could provide the necessary legal basis for the air sports community to gain access to airspace. He recounted an anecdote that illustrated why they could not expect governments to hand them concessions. Moreover, he pointed out that all the problems raised at the Conference today fell on the shoulders of a handful of staff at FAI Head Office. They had so many problems and so few people to deal with them. Nevertheless, he believed they should take a clear stand. Airspace was a vital item for most of their air sports. Within five years, drones would become of such social utility that a police surveillance drone, or a drone taking a blood sample, would have precedence over paragliders, etc. Today, they should embed a requirement that anti-collision systems be built into anything that flew, and that a part of the data stream should say whether there was a human or non-human on board. A non-human craft should have the necessary AI to take autonomous evasive action. If they asked for it today they might have a chance to save some airspace for recreational use. Governments did not ask, and the only way to get their attention was with a good lobbyist or a judicial citation.

The President noted that the problem lay in how to enforce their rights. The FAI had a small staff with few resources. Some specialist lawyers had now come on board, and if a few people could address this issue, they could put together a kind of manifesto. The other issue was lobbying – organisations such as Europe Air Sports needed to stay strong, and the FAI had to have good contacts with them. This was a very important matter for all present. He called upon the

representatives of Finland, the Netherlands and Hong Kong to make a start on the discussion, and the EB would follow up.

Mr DE ORLEANS BORBÓN asked the delegates to give the Executive Board clear instructions on what they wanted them to do. He could think of two things: keep airspace open and make money.

Mr Alfons HUBMANN noted that, as well as CIACA, he was here to represent EFLEVA, a European organisation that dealt with rights and laws. He suggested that they cooperate in this respect, and use all the mental power they had in the room. It was necessary to join together against these strong state-owned organisations. He looked forward to cooperating with them.

The President noted that they all agreed that this was a topic the FAI could not afford to ignore, and they should look into the way to proceed.

Mr ANANOV noted that the FAI already had an Airspace Working Group; what did it do? The President replied that it was an expert group, now dormant. He would discuss the possibility with the EB of activating the group, with the support of specialists from their membership. Mr ANANOV noted that the group was awaiting requests from the NACs.

Mr DE ORLEANS BORBÓN observed that another word for experts was “men from another town” – this was not the way business was conducted. If the GC gave the EB specific instructions, the EB could get to work on the problem. An expert might give advice, but would not follow through and nothing would be done.

The President pointed out that, in this case, the experts concerned were not from outside, they were from inside the FAI. Mr ANANOV responded that they were not just experts, they were Working Groups. The EB should not take all the responsibility on itself. Mr DE ORLEANS BORBÓN insisted that, while an expert group might be appointed by the GC, all it could do was given an opinion on what should be done. It was not an executive group.

The Secretary General noted that this was a strategic task. It was part of a thorough review of what the FAI could do or not do. In the case of the Netherlands it had been relatively easy to send a letter. Another case, concerning aeromodelling regulations in Germany, had been a disaster, because there were diverging opinions within the community about how to tackle the challenge. That meant that the FAI was not always able to represent a single position. The question of airspace had to be properly structured, with a clear concept of access to airspace, arguments, etc. This was even more important now with drones, which were leading to authorities introducing a “U space” concept. They had to be ready to defend their field of play, which required more than just a working group.

Mr Hubertus VON SAMSON-HIMMELSTJERNA gave an example of what had been done in Germany. In Germany, they had asked a group of stakeholders to use their sky to fly in, and invited them to start a working group to establish what they could do to raise the awareness of the competent authorities. The Deutscher Aero Club had around 1,000 members, but with the addition of the stakeholders this could perhaps be increased to 250,000. With that power they could approach the government and say they needed airspace. They also had contact with the German NOC, and had written a letter to the minister responsible for air traffic. They had received a very positive answer, and had been invited to be part of a working group to begin the rule-making process in Germany. Everyone had to start this action by themselves.

The President thanked everyone for their contributions to this very important discussion. The EB would talk about it at its meeting in December.

15. Air Sports Marketing

The Secretary General presented the status in regard to FAI’s Air Sports Marketing with the help of a slide presentation (**ANNEX 7**). As a principal remark, Air Sports Marketing had been discussed within the FAI for many years. The FAI’s products were its events, competitions and records. If they had a good product they could attract partners and generate revenue. The Air Games Event Series concept could be an interesting product for the sports marketing world, and it had been decided to

take two tracks where this series was concerned: first, to discuss the concept FAI internally – who, what, potential hosts, rules, finance, manuals etc. This was all still being discussed with the ASCs and NACs. The second track was, with the help of marketing consultancy, to develop the presentation of the concept and what it was about in order to present it to potential partners. The core concept was a 3 to 4-day event, held in a city. This concept had been presented to host cities and air show organisations, as well as to 15 sports marketing agencies. They had had intense discussions, and there was interest. The concept now needed to be further developed with the ASCs, but many questions remained in terms of budget, quality, whether the events should be part of a series or not, who would finance them, etc. Once these aspects had been defined, they could go back to the hosts.

So, as a result, the sports marketing agencies liked the idea, but noted that the events were not in place yet. In addition, it was pointed out that FAI as an International Federation was perceived as being slow and lacking agility in response to the market. The solution was to use a commercially oriented entity owned by the IF.

This was not a new idea; they were all familiar with the FAME concept. The problem with FAME was that they did not have the products ready at that time. The Secretary General drew the delegates' attention to a concept paper from 2009, which would underpin their strategy.

Whereas the marketing agencies liked the concept of multi-air sports events, their top focus was drone racing, and the FAI had to respond to this. The FAI owned the rights to drone sport. They would work with CIAM to develop products. The FAI needed to keep its governing role, and exploit it. FAI Air Sports Marketing (FAME) had been registered as a Swiss entity and was currently dormant, but could be brought back to help develop and execute air sports competitions, and secure media rights and sponsorship. The initial tasks of FAME would be to ensure rights exploitation at FAI drone events, to launch an FAI Drone Sports Forum to bring together a diverse and fragmented landscape, and to build a truly global drone sports community. The role of the FAI was to be the majority owner of the company, to provide the commercial rights, expertise, authority and credibility, and manage stakeholder relationships.

As a reference for its own plans, FAI was in contact with FIBA, which had successfully launched 3x3 basketball, creating a company to develop it commercially. A similar activity with Drones would require major investment. And the company would not begin its work until investment had been secured. For acquiring investment, a 5-year business plan was being developed, starting in 2018. Once the company would be up and running, the arrangement could be extended to the Air Games Event Series, the WAG, etc.

Mr MALBOS observed that, according to the presentation, the roles of the commercial entity would be separated from those of the FAI, but if it was a commercial entity it would decide the rules. It was important that the show, whatever they came up with, did not defeat the purpose of the sporting commissions, and that the spirit of their forty years of work, and what they were trying to achieve, was not destroyed by a circus.

The Secretary General agreed, and noted that it was a condition for the product that the rule-making and sporting aspects were governed by the FAI. It was a sporting competition, not a show. The credibility of the FAI came from its sports access from the grassroots level to the top. The substance of mass participation in a sport was the basis for delivering top-level competitions.

Mr MALBOS noted that they could have a competition and a show. He had no problem with drones, this was where sponsors would come from, and the competitions could be combined with a demonstration, perhaps from another discipline. It was feasible and would be cheap to run.

Dr Rainer HOENLE (IPC) proposed a change of wording, to: "The rule-making and sporting powers management of FAI will be separated from the requirements of the commercial operation." He was convinced the concept could work, but there would be times when their conventional competition rules would not be fully applicable to show events. They should keep the governing power without being too restrictive, by agreeing to the rules, but not separating them completely, and leaving it up to the organiser.

Mr Eric MOZER asked if someone could explain what was the potential in the drone world. The EB had spent a great deal of time on it, and he had never seen a report. What did the FAI want to get out of it? In the USA, there was a great deal of money involved in drone flying. The Secretary General explained that there were drone racing leagues featuring hand-picked competitors. However, this was disconnected from the wider drone racing community, and there was huge growth from the grass roots. There were around 10,000 drone racing pilots in the US alone. The FAI World Cup series in drone racing had grown tremendously. The potential lay in the fact that there was no official FAI world drone racing championship. The FAI was therefore putting itself on the market, in a bid process where they had asked for hosts to bid. This would not be a one-off event, but would be integrated into a series of events, which would see a series of 4 or 5 events in 2019 leading up to a grand final. The FAI was responding to pressure from the drone racing community. The market potential was in the millions. Intel, a new partner of the IOC, also had stakes in drones.

The President noted that the FAI needed resources to benefit the air sports community as a whole. They would organise this commercial activity as a separate legal entity owned by the FAI.

Mr DE ORLEANS BORBÓN said it was possible to envision, within the next five years, 1- or 2-person personal drone transport with 4 to 6 rotors. At that point, they could imagine a Monte-Carlo style race that would be far more interesting than Formula One.

Mr Patrick NAEGELI asked how much they planned to invest in this, and when they could expect to see the returns. FAME still had a CHF 42,000 asset value on the books. The Secretary General replied that there would be no investment until they had investors. Currently, they were seeking external support for the business plan, and were negotiating a fee to be paid once the investors were on board.

The President noted that FAME was a dormant legal entity, and could be used in a positive way. He thanked the FAI Secretary General and asked if the General Conference endorsed the idea of moving forward and reporting to the Air Sports Commissions on the next steps to be taken.

The General Conference unanimously approved the FAI Air Sports Marketing plans.

16. FAI World Air Games 2020 / Air Games Event Series

16.1. FAI World Air Games 2020

The President noted that the World Air Games 2020 would be very important for their organisation. There were three candidates: Malaysia, Albuquerque and Turkey. Site visits had been conducted a few weeks earlier.

Mr Markus HAGGENEY (FAI Sports and Events Director) referred to his slide presentation (**ANNEX 8**), and outlined the bid process. He noted that the Sportcal GSI Event Study had been very helpful in terms of evaluating the commercial impact. The FAI had organised site visits by representatives of the NACs and ASCs, and in this respect he urged the NAC representatives to ensure they had good delegates on the ASCs. As things stood, Albuquerque would base the WAG around its balloon event. As far as Turkey was concerned, there were no technical issues, however because they planned to organise the event all over the country, they would need to generate an atmosphere through an opening ceremony that would bring everyone together in one place, together with the media. This concept would also require more representatives from the NACs, which would lead to increased overheads. There were pros and cons to the formula, but it would be a logistical challenge.

Mr Bruno DELOR noted that they had conducted an evaluation workshop after the WAG in Dubai. It was very important that they go back to the conclusions from Dubai, to avoid making the same mistakes. Furthermore, the World Air Games had to be approved by the GC. The EB would be in a position to evaluate the bids in December, and would not want to wait until the next GC, so he wondered how this process would be handled.

Mr HAGGENEY agreed that the workshop had been very important, and they would be sure to read the conclusions again. They had learned a great deal from Dubai; cooperation had improved

between all concerned, and they had daily contact. This was not a Head Office project, it was a project for the entire FAI community.

As far as the decision-making process was concerned, the President said they proposed to proceed as they had last year: if the GC agreed, it would authorise the EB to make the decision.

Mr Antonis PAPADOPOULOS said that Dubai was a good lesson, and they would do better the next time. The actual events had been decided a long time after the agreement had been signed. He believed that all the ASCs were looking to assist the EB if requested. If they wanted to have the agreement of the GC they had to cooperate closely with them in terms of deciding the locations, events, numbers and duration well ahead of time. In Dubai, his commission had had three events involving 16 or 24 people, and he had struggled to persuade them all to participate.

The President noted that he had visited Turkey with Mr HAGGENEY, and invited the commission presidents to join them, although it had been at short notice. A decision had to be made soon, and it was very important to use the evaluation from Dubai. If possible, they should avoid waiting for the next GC to make a final decision. Once the decision was made, they would fill everyone in on progress, in full cooperation with the ASCs.

Mr HAGGENEY pointed out that this was a high-speed environment, and they were trying to take the opportunity quickly.

Mr MALBOS noted that after Dubai it had been decided to create a special event to show the spirit of their sports. This would be possible in Albuquerque but not in Turkey, where it would be just another event on the calendar. He wondered if it would be possible to negotiate a different concept with Turkey, in accordance with the special WAG concept they had agreed to. Mr HAGGENEY noted that the Turkish NAC was here today, and a wise organiser would listen to what his clients wanted.

Mr Vladimir MACHULA (Czech Republic) asked if more details of the agreements could be provided to the commissions and athletes as soon as they were known, to avoid the last-minute logistical problems they had seen in Dubai. Mr HAGGENEY replied that the contract for Dubai had been signed 17 months before the opening ceremony, whereas here they would have a 3-year lead time. DHL would be logistical consultants from very early on. Coming back to Mr MALBOS, President of CIVL, they had all seen the number of Cat 2 events in his commission. Nevertheless, there were also many commissions that struggled to find organisers for big events, and would be happy to have major events on the horizon to keep people in the sport. The going-in position was different for each commission, and they had to recognise that, and make the best of the offers they had on the table.

Dr HOENLE fully supported Mr MALBOS's comment. Mr MALBOS said he also supported Mr HAGGENEY's remarks. It was a global strategy, and they had to take a decision.

Mr PAPADOPOULOS asked if the EB would consult the ASCs before taking a decision or after. The President confirmed that they would be consulted before.

Mr MALBOS requested that they take a vote on granting the EB authority to take the decision on behalf of the General Conference.

Mr LEINIKKI reported that an absolute majority required 167 votes or more.

The General Conference agreed to delegate to the Executive Board the authority to decide on the host of the 2020 World Air Games, by 242 votes for, 64 votes against and 14 abstentions.

The President thanked the General Conference for their trust and said the EB would take the decision very seriously, after consultation with the Air Sports Commissions.

16.2. Air Games Event Series

Mr HAGGENEY referred to his slide presentation on the Air Games Event Series (**ANNEX 9**). This was currently at the top of everyone's daily agenda. They had a great deal of contact with sports marketing agencies, who were interested but needed more information. They were developing a business model, and were talking to NACs and existing organisers in parallel. There was already interest from potential organisers who already ran major events and wanted to raise the profile of

the events in their countries. The concept of the Global Air Games Tour had been created, in consultation with all the FAI stakeholders, and he invited everyone to read the document and give feedback so that they could refine it further.

The Executive Board had decided to take the process in two steps. First, they would build on existing well-established national events, and give them an international dimension. Talks were very advanced on this. The second step was, based on that expertise, to launch the global tour. In parallel, they were talking with the agencies. As Mr MALBOS had pointed out, whatever kind of event they launched, they had to find pilots and officials willing to participate. They had to address the reasoning for the pilots and remuneration for the officials. The following week, he and several others of those present would visit Wuhan in China for the FAI World Fly In Expo. For good reasons, the organisers wanted to join forces with the FAI.

Mr NAEGELI noted that in 2015 they had had a very active discussion about the Air Games Series, and the substantial aspirations they had for the sponsorship and other income it would generate, and the substantial investment they were contemplating making in that programme. It was with some conditions that the FAI had been supported from the floor. They had now spent hundreds of thousands of francs on the Air Games Series, and another CHF 500,000 were itemised in the budget for 2018. In 2016 they had a 55-page presentation on the Air Games Series which did not seem to move the discussion on very much, about what they would actually be doing, and it had no numbers in it. The concept paper they had seen today similarly did not seem to have homed in on what they were going to do, and also had no numbers. He thought this issue should be looked at very seriously, and they should take a decision as to whether they were willing to continue to fund the investment implied in this initiative when they had no clear view of what the income stream would be and how that would justify the level of investment. They had considerable expectations about what this could be generating by now. It was not a matter they could allow to continue.

The President said they would discuss this with the budget, where the EB could make clear what progress had been made in the last few months.

He thanked Mr HAGGENEY for his presentation.

17. New air sports

17.1. Global status of Drone Sports and Drone Racing

17.1.1. Introduction on FAI Air Sports Marketing plans

See item 15.

17.1.2. 1st FAI World Drone Racing Championships and further FAI Drone events

Mr Antonis PAPADOPOULOS reported that, further to the EB's decision to establish a drone working group, many meetings had been held. There were many drone events, some of which were named world championships, but they were not sanctioned by the FAI. They had to be very careful how they organised the events; it was important to be leader in this field. After the plenary meeting in April a workshop had been conducted with event organisers, who had exchanged many ideas on how the first world championships should be organised. Not all the NACs had the necessary means to accept drone racing into their structure, and as such it was impossible for these entities to take part in the FAI World Championships. The EB had consequently taken the decision to implement permissions for participation for 2017 only.

There had been many contacts with sports marketing agencies, and some good ideas had emerged. CIAM had accepted the mandate from the EB to work towards the event, and they had been very productive. They had assisted in the preparation of bid documents, evaluated the bids and discussed how to improve the existing rules. From the success of the sport in the USA they had seen how the FAA was able to work with the AMA, and how they had successfully implemented a safety code. A

working group had been established, and at the next plenary it would present the CIAM safety guidelines, which was an important document that could be used by all the NACs to prove that they had a well established safety code when talking with their authorities.

In terms of contact with aviation authorities, CIAM had been present at JARUS and EASA meetings, and had provided detailed information to all the European NACs on EASA's proposal regarding "use space". Since the year before, the FAI had had a common strategy for drones. In the USA, the FAA and the AMA had a good relationship, but in Europe and other regions it was more difficult, given the number of countries involved. CIAM thought it was important that the members had a common position. The following week he would send out a questionnaire on the current status of drones, and he urged the NACs to respond.

A representative of PORTUGAL pointed out that Portugal was the first country in Europe to have national legislation about drones, and airspace use by drones, which had been put in place six months ago. He would be happy to have it translated and pass it on for reference.

17.1.3. 1st FAI International Drones Conference and Expo

The Secretary General reported. The purpose of the first International Drones Conference, held in early September, was to gather together all the individuals and sports entities involved in drones. The topics had included innovation, safety and sports. There was a multitude of potential uses for drones, including in agriculture, mining, rescue, freight transport, etc. Use of airspace was also a major issue, which led to the topic of safety. Many recreational drone users bought them off the shelf, and they could be dangerous. In Canada there had been a serious encounter between a drone and a passenger aircraft, so there was a great deal of concern. If the authorities thought the activity was dangerous, it could lead them to close down other air sport activities. If the FAI were not careful, this could lead to a situation where all aeromodelling was prohibited without a pilot's licence. The authorities had to be educated and invited into the world of air sports, to help them understand.

Some of the speakers had agreed that in the near future there could be millions of drones in the air. The conference had also provided a good opportunity to hear about what the aviation authorities and safety agencies were doing. They had invited event organisers, and the winner of the FAI World Cup series 2016 had presented his concept of why drone racing was a sport. The conference had been prepared on short notice at the EPFL in Lausanne, combined with an exhibition of science and research projects that showed the latest innovations. Most of those involved came not from aeromodelling but from a different world.

She hoped that more NACs would be able to attend next year's event. It was an opportunity to gain an insight into the world of drones and take the messages back to their countries.

17.1.4. FAI's position in global drone sports

Mr DELOR said that there was a clear focus on drone sports within the FAI, and there was obviously high potential for these activities, which were exciting for competitors and for a young audience. Drone sports were also interesting to spectators and media, and represented a good product for sponsors. However, they obviously had to be proactive, flexible and open-minded. The drone community was completely different from a traditional air sports community, which was driven by a passion for aviation. Drone racers, on the other hand, were into video and technology; they didn't know about the FAI or NACs, about aeromodelling, or airspace authorities, so the FAI had to inform them and be attractive to that community. They had to capture this community and give them good information to help them fly correctly with their drones. They should promote and develop activities in a sustainable way, and take a long-term view.

It was clear that a drone racer was a model aircraft, which meant that drone racing was aeromodelling. He was very surprised that in some countries drone racing was not considered an air sport. Those countries were making a mistake. However, drone activities within the FAI had to be visible outside, which explained why the new FAI website presented drones separately from aeromodelling. They were increasingly seeing drone racing, FPV racing and multicopters flying together on the same circuit. The difference was that pilots wore goggles that received video from

onboard cameras. Each pilot had a helper to guarantee their safety. The drones flew very low, at less than 10 metres, so there was no problem with airspace, and everything was visible to spectators.

The FAI had introduced the drone World Cup on 1 January 2016, so they now had two years' experience. The 2016 edition had featured 9 competitions in 7 countries, and by the end of the year it had involved 200 competitors from 17 countries. The 2017 World Cup featured 16 competitions in 12 countries, and they had 381 competitors from 33 countries. The person at the top of the world rankings was a junior.

Everyone in these competitions dreamed of being a world champion. If the FAI quickly introduced a world championship, it could be the leader. The possibility had been discussed at the CIAM Bureau and had been unanimously approved. In cooperation with the FAI Head Office, a set of bid documents had been produced and sent out in May. Three bids had been received, and evaluated in a professional way. The EB had made a decision, and the result would be announced soon.

For the following years, they would have to define a strategy for drone sport events, in a format that was adapted for media production and interesting to spectators. They would have to be open to other leagues, and offer their best competitors the opportunity to participate.

Phase 1 was to continue with the World Cup, and staging the first FAI World Championships. The format was not particularly well adapted for the media, and needed to be adjusted. After meeting with the sports marketing agencies, the tennis system had been identified as a good model to follow. For 2019, they anticipated an adapted world cup with two series of events. Series A would comprise four major events with a high-quality media production. Series B would be less well supported for the media. The end of the year would see the World Championships and the grand final, with wildcards for players from other leagues.

A delegate asked for information on marketing and media partners. FPV racing was moving very fast, and if they did not have a product within the next six months it would be too late. The Secretary General replied that they were in close conversations with a sports marketing agency, and had discussed in depth the core presenting element of a drone racing event. There were serious challenges that had to be resolved quickly, in terms of how to film small drones, and how to explain the race to spectators to make it interesting. Another element was that, because the video from the drone perspective was so fast, spectators needed immediate slow motion. They were happy to have the championships at the end of 2018 because it gave them more time to go to the world cup events and conduct a test event at the world championship location.

Mr DE ORLEANS BORBÓN pointed out that while aerobatics was much more fun than golf, people still preferred to watch golf on TV, because more people played golf. This was good for drones because there were millions of people who flew drones. The media knew this, so media access was almost automatic.

Mr MALBOS said he was impressed by the concept, which had been well tested in tennis and in paragliding. By going down one level they could really develop the sports, and it would be possible to organise drone racing in Africa and South America, where the sports needed to grow. In this respect, drone racing would be a perfect showcase for all the FAI's other sports.

A representative of SLOVAKIA noted that, according to FAI rules, non-FAI members could not compete in FAI competitions. How would it be possible to accommodate this? The FAI could change its rules but they should be careful not to set a precedent. Mr DELOR agreed, and said that they would find a solution for the long term.

A representative of ISRAEL asked if it had been possible to compare the situation of the various world cups for the current year. Mr DELOR said it was not easy to get statistics from the international leagues. It was hard to know how many events there were, but the plan was to discuss with the leagues directly.

A representative of SWITZERLAND asked how the FAI Sporting Licenses would be organised for 2018. Mr DELOR said this would need to be evaluated. As soon as the World Cup was over in mid-November they would analyse how many FAI drone licenses had been issued, and how many had

been used in FAI world cup events. They would discuss it at the next CIAM Bureau meeting in December and make a proposal to the FAI EB.

A representative of KOREA noted that drone racing championships had been staged in South Korea, where there were several drone racing leagues. They had been done by the NAC, and non-NAC members were able to compete as individual competitors.

Mr DELOR said that for the first World Championships there would be national teams fielded by the NACs. It would also be possible to have some individual competitors, especially from countries whose NACs did not recognise drone racing. He thanked the Executive Board, FAI Head Office and everyone who had been involved.

The President asked the General Conference if the procedure of the CIAM Bureau was acceptable to them.

The General Conference unanimously approved the procedure suggested by the CIAM Bureau.

The President announced that at the conclusion of a careful procedure, in consultation with the EB working group on Drones that comprised CIAM also, the FAI Executive Board could announce that Shenzhen would host the first FAI Drone Racing World Championships.

The representative of the Air Sport Federation of China thanked the FAI for their trust and said it was a pleasure and an honour to host the championships. The Chinese government was very supportive of the development of air sports. Shenzhen would do its best to host a great event.

The President noted that, the following week, a delegation from the FAI would visit the Air Sports Federation of China, which was a very promising country for air sports development.

17.2. FAI World Indoor Skydiving Championships and World Cups, global developments

Mrs Ron MIASNIKOV (Israel) introduced a short video. She explained that indoor skydiving, body flying, was an amazing sport that was developing very fast. There were two parts – formation skydiving, which was similar to the outdoor version, and an artistic event featuring solo flyers, two-way and four-way routines. The first indoor world cup had taken place in 2014, and had boomed since then. It was broadcast live, and received millions of views, and was very attractive to kids. Many aspects of the sport were similar to drones. There were some objections to the sport within the IPC, and some NACs refused to accept the indoor sport. There were over 200 tunnels around the world, and they were all happy to be kept busy and to make money from the sport. To keep up the pace of development they had to push higher and faster.

She thanked Gill Rayner and the French parachuting federation, who had worked hard to make it possible for the IPC to accept indoor sky diving.

17.3. FAI Swoop Freestyle World Championship Series

Mrs MASNIKOV introduced swoop freestyle, which was a derivative of canopy piloting. The discipline had existed since 2001, and freestyle had been introduced around 10 years ago. It was surprising that, although many bids were received for conventional speed, distance and accuracy events, there were no bids from NACs for the freestyle part. It was a high-quality event; the competitors had to be not only a good canopy pilot, they also had to perform special freestyle tricks over water. Based on these facts, the IPC had been approached by a company that had organised two very successful competitions in Copenhagen, which had attracted an unprecedented number of spectators. The IPC had chosen to consult and assist in developing the rule system for the event, in order to guarantee that FAI rules would apply to the event.

A brief video was shown.

17.4. Green air sports

Mr Alfons HUBMANN noted that CIACA for a long time had promoted new technologies and power sources, and the future was now here. They had electric aircraft, solar powered flight, and a new era of hydrogen was not far off. The first Fly-In for electric powered aircraft had taken place in Grenchen, which had attracted considerable attention and more aircraft than expected, plus builders and constructors. They were trying to create a platform for electric innovation. Human-powered flight using new materials was getting a big impulse, particularly in Asia, and many new records were being set every year.

Following the success of Solar Impulse, CIACA was now investing in a similar project called SolarStratos, which would have two seats. He showed a video. He urged the NACs to motivate their builders and enthusiasts to join CIACA in building electric aircraft.

Mr ANANOV noted that the Environment Commission had two green technology projects. The first was an electric-powered race from London to Paris, an idea he had presented in Bali. After talking with some potential sponsors, they had realised that because of the many sub-categories of electric flyers, the result would not be significant. They had therefore switched their focus to the second project: a multi-sport event involving electric racing in different environments, on land, in water and in the air. They had talked to the other motor sports federations, the FIA and FIM, with a view to organising a joint competition where teams could compete in all four modalities. They were working towards an event in Paris in 2019, in the Bois de Boulogne. Most world capitals would in fact have a suitable venue. The event could potentially also include drone racing. It would be a great demonstration to present to the IOC the clean-powered part of air sport. His commission would submit a project to the EB in time for the next General Conference.

The President said that this event seemed very promising. He thanked Mr HUBMANN and CIACA as well as Mr. ANANOV and the Environmental Commission.

18. Multi Sports Events

See ANNEX 10

18.1. FAI participation in World Games 2017

Mr Max BISHOP referred to his slide presentation (**ANNEX 11**), noting that the World Games in Wroclaw had been a great success, with over 30 non-Olympic sports. The FAI was present for the 6th time, with three air sports: glider aerobatics, paramotoring and swooping. They had been very well received. The evaluation of the event had shown that the public loved the events but were intolerant of any gaps in the programme, so they had to work carefully on how to integrate the different air sport events to ensure absolute continuity. The commentary had been very good, but they would work to improve it even further.

The World Games represented a dynamic and exciting programme. He would soon send all the member federations a letter inviting them to propose sports they would like to see in the next World Games. A decision was needed by January. The events would be selected by the IWGA Executive Board in time for their general assembly in April, which meant that the FAI members would need to make a decision within the next few months.

He showed a brief video.

The President thanked Mr BISHOP and wished him success in his preparations for the next World Games.

18.2. FAI participation in Asian Games 2018 in Indonesia

Mr Agust GUDMUNDSSON noted that he was responsible, along with Mr BRINK, for Asian matters, including the Asian Games. He referred to a slide presentation (**ANNEX 12**).

He reported that the FAI had been involved in many multi-sports events since 1965. Asia was a growing region for air sports, and the Asian Games were a huge event and very important for the Asian community. Paragliding was on the programme; it was a well-known and growing sport in Asia, and the competition format was simple and understandable. Another sport under discussion was paragliding cross-country, which was a very short circuit race, a new format of which was currently being developed. Being on the programme of the Asian Games gave them a status, and they had to ensure this continued. The OCA President had been with them the day before, which showed how air sports were becoming more accepted within the Olympic community. When a country hosted the Olympic Games, this changed the status of the NAC, and changed the way it was treated within the sports community, and the way the NAC received money.

There would be a test event in August, and the FAI would be on hand to ensure everything went well. Key officials from CIVL would ensure the events were conducted properly and safely. Because the structure of the events and rules might not comply directly with the FAI, they had to be creative and ensure they were taking the right steps to ensure the rules were properly managed by the FAI. It was possible that the FAI would have to adjust its sporting codes to comply with the IOC code.

The President agreed that it was a good message for the NACs to tell their NOCs they had a link with the Olympic Movement. This could be important for the FAI.

19. Modern technology

19.1. Partnership FAI – NOOSPHERE

The President reported that Noosphere had been a partner of the FAI for some time. They had met at the space model world championships in Lviv, Ukraine, and had appreciated the way Noosphere had involved young people and schools in the event. Early in 2017 he and the Secretary General had signed a contract with them and discussed a constructive partnership. Noosphere was a global organisation with contacts in universities, tech companies and business. They could be very proud of this relationship.

Mr LETSER explained (**ANNEX 13**) that Noosphere worked with various different industries, and some years ago had begun to support the space model installation in Ukraine. They had managed the European and world championships in space modelling with success. Using the eNavigator platform they had also managed the World Games, which had been an important experience and a great success. The system was designed to handle sports events and had been developed by Noosphere with the FAI according to FAI requirements. The system provided a detailed description of the event, schedule creation, lists of participants, judges, officials and a database of everyone involved in the competition. There would be integration with the FAI database, in order to perform instantaneous licence checks. There was also a presentation layer through which, as soon as an event was configured, the system would provide a website with news, descriptions, competitor lists, and immediate results. They had created a multi-event system in line with the FAI event calendar so that organisers could connect to the system and use it for their events. The system could also display scoreboards and titles for live television broadcasts.

Noosphere looked forward to taking the relationship with the FAI further and was open to finding solutions for every commission and every competition.

The President said that Noosphere provided very good support for the FAI's activities. They had made a promising start.

Mr HAGGENEY noted that FAI representatives would ensure the possibilities were brought to the attention of the commission plenaries.

The Secretary General added that the commissions were urged to transfer this knowledge to their event organisers, because it made sense for them to implement this solution.

20. Commission Reports

The President noted that the Commissions had been asked to send in a written report.

FAI Air Sport General Commission (CASI) – ANNEX 14

Mr Antonis PAPADOPOULOS (CASI President) noted that at the plenary two days ago, CASI had decided that the issue of sporting licences was very important for the future of the FAI. In view of the urgency, they asked the EB to consider the commission's proposal to establish a task force comprising members of the EB and CASI to deal with the matter urgently.

FAI Aeromodelling Commission (CIAM) – ANNEX 15

Nothing to add.

FAI Ballooning Commission (CIA) – ANNEX 16

Nothing to add.

FAI General Aviation Commission (GAC) – ANNEX 17

Nothing to add.

FAI International Gliding Commission (IGC) – ANNEX 18

Mr Eric MOZER (IGC President) noted that since he had submitted his report, the Perlan Project had established a new altitude record claim of 15,902 metres or 52,172 feet. Their ultimate goal was 90,000 feet, so this was a stage process. He also wished to point out that the IGC was working very hard on an electric 13.5 metre world gliding championships with self-launch capability, making energy usage part of the competition. OSTIV had been very helpful in assisting them to work out the details, and he hoped to have more to report.

International Scientific and Technical Organisation for Gliding (OSTIV)

Mr RADESPIEL (OSTIV President) noted that the upcoming OSTIV congress would take place in Přebram in the Czech Republic during the World Gliding Championships, from 28 July to 2 August 2018. Anyone interested in gliding technology and other gliding vehicles was invited to look at the OSTIV website.

FAI Aerobatics Commission (CIVA)

Mr Nick BUCKENHAM (CIVA President) had not submitted a written report, but he had a brief slide presentation (**ANNEX**). He reported that Aerobatics had had a good year, with five good championships. They had enjoyed excellent collaboration with China on staging the new formation championships, and were hoping to do more next year.

FAI Parachuting Commission (IPC)

Dr Rainer HOENLE (IPC President) reported that from a total of 10 disciplines, 8 had completed their events, with a further two to come. The most exciting event of the year had been the swooping freestyle championship.

FAI Hang Gliding and Paragliding Commission (CIVL) – ANNEX 19

Mr Stéphane MALBOS (CIVL President) noted that CIVL was lucky to have 300 competitions involving around 10,000 pilots and many nations. He thanked the NACs, without whose support they

would not accomplish anything. However, with such staggering numbers they also had problems, most of them connected with the sporting licence scheme. According to the rules and the sporting code, sporting licences were the responsibility of the NACs. The system was supposed to be as universal as possible, but fairness was not guaranteed, and this was a problem. In some countries, sporting licences were free and valid for all disciplines, some were valid for 25 years, some cost \$105 per discipline and lasted just three weeks. It was total chaos, but most NACs took their job seriously and offered licenses at a reasonable price, with good access. However, because these problems had been going on for years, they had around 10,000 pilots in the ranking scheme, but only about 8,000 of these had sporting licences. Under the rules, competitions were supposed to be cancelled if even one pilot competed without a licence. This would mean cancelling 95 percent of their competitions, which would be a disaster for the sport. They had to change the rule and implement a new sporting licence scheme. This was a very urgent problem. They could keep going as they were, but it did not look good. They had to find a new, probably centralised system, to guarantee fairness, access and price. They would also have to look out for the interests of the NACs. He hoped the EB would set up a task force, so that they could come up with a solution by the next GC.

CIVL supported the Air Games Tour and the dedicated budget. Although the project had changed a great deal over the years, and the budget was considerable, CIVL supported it because they trusted that the work done on the Air Games Tour would trickle down to all FAI competitions. The solutions offered by Noosphere were a dream come true, as they provided a tool that worked, that everyone could use, and that was cheap. It was very important that the concept of the Air Games Tour was adapted to what they were able to deliver. CIVL trusted the EB to work with them to come up with a concept that worked.

The President thanked Mr MALBOS for his support. They had learned from the mistakes of the year before, and the next games would be very positive.

Mr MACHULA (Czech Republic) wished to support Mr MALBOS' comments regarding licences. From a technical point of view, the current system for issuing licences was impossible for the NACs to use. At one point the system had gone down for three weeks, and in the meantime some events were already happening. He had raised this issue in Bali and in Rotterdam, and the system was still the same. If they applied their rules he believed they would have to cancel all FAI events, since there were invariably one or two pilots without a valid licence because of technical problems.

The President said he had noted these concerns, and would take the matter further.

Mr ANANOV agreed with the Czech representative. He added that, before they started changing the rules for sporting licences, they had to understand and investigate statistically what prevented so many sports people from getting a licence. He did not think this was the fault of the NACs refusing licences, but the fact that the air sports persons were lazy, or ignorant of the need. However, they should analyse the situation before changing the rules.

Mr MALBOS responded that anyone attending a Cat 1 event was aware that the application had to come from the NAC, and if it did not come from the NAC, the organisers should know that the application could not be accepted. If the application did come from the NAC, the NAC knew that the sports persons had to have a sporting licence. Furthermore, he disagreed with the fact that NACs should make money from licences. Athletes represented their country and paid a membership fee. The NACs should be proud to send a competitor to a Cat 1 event, and the competitors should not have to pay for a sporting licence. The sporting licences issued by the FAI were free.

The President confirmed that the EB would discuss it this week and set up a task force with the commission presidents to tackle this very important issue.

Mrs Marina POSCH KALOUSDIAN noted, in reference to previous critical comments, that Brazil used the FAI licensing system and had no complaints at all. It worked immediately and was available 24/7.

Mrs Elsa MAI (Chinese Taipei) noted that the system had been very good before, but recently they had encountered some problems. Currently, Chinese Taipei was not listed as a member of the FAI

on the CIVL ranking system. Also, the Asian Games were coming up and it was very important that the sporting licences were delivered through the NAC.

Mr GUDMUNDSSON noted that the CIVL rankings were not the same thing as sporting licences. They had experienced some issues since the FAI had updated its website, but it was now working properly.

FAI Medico-Physiological Commission (CIMP)

Dr Henry LINDHOLM (Vice-President of CIMP) noted that the commission had prepared a brief report on what they had done during the year. Alcohol had been on the prohibited list for many years, but on 1st January 2018 it would be removed. This created a number of problems, and he hoped the commission could work with the EB to find a way to uphold their position that alcohol had no place in air sports.

FAI Microlight and Paramotor Commission (CIMA) – ANNEX 20

Mr Rob HUGHES (1st Vice-President of CIMA) noted that he was delivering the report on behalf of the president, who had taken some time off. There had been four major championships in 2017. In Hungary a hurricane had passed through on the night of the opening ceremony, destroying 30% of the aircraft, plus hangars and the toilets. The event had nevertheless been concluded successfully. CIMA was delighted to have been involved in the World Games. The main problems were that European regulations were trying to make the microlight class bigger by raising the weight limit, and the FAI might be obliged to change its own rules to accommodate this. In paramotoring, the slalom discipline had been developed some years ago and was now so successful that CIMA considered the speeds to be excessive, and they would need new rules to slow pilots down. There was also a new endurance format, where pilots were given 10 days to fly as far as possible. He concluded by thanking all those who had supported CIMA through the year, particularly Mr Haggenev, whose contribution during the World Games had been huge.

The President thanked Mr Hughes for doing a good job in Poland. The way CIMA presented its sport was good for the audience, and after the awful incident in Dubai he and Mr Haggenev had contributed to improve the safety aspects.

FAI Environmental Commission (EnvC)

Mr ANANOV (Vice-President of EnvC) noted that he had already mentioned two promising projects the commission was currently working on – the point-to-point race and the multi-sport event. The environmental policy and code were presented to CASI last year and adopted. They had been circulated to all the ASCs and NACs. This year, the code would be put up on the website along with all the FAI's other important documents. Everything had been done to ensure the ASCs and NACs had all the rules and tools they needed to adapt their competitions. The commission was ready to help them to adapt their rules where needed and where requested.

FAI Rotorcraft Commission (CIG) – ANNEX 21

The President of the commission, Jacques BERLO, had sent his apologies.

FAI Amateur-Built and Experimental Commission (CIACA) – ANNEX 22

Nothing to add.

21. FAI Budget 2018**21.1. Scale of Subscriptions (ANNEX 23)**

Mr Jean-Claude WEBER noted that the scale of subscriptions for 2018 was the same as the 2017 scale, with adjustment for changes in the membership. In fact, the scale of subscriptions had not been increased since 2012. The gross national income of Switzerland had increased by 27% between 2006 and 2016, whereas subscriptions had increased just by 5% in that time.

The General Conference unanimously approved the 2018 Scale of Subscriptions.

21.2. Budget for 2018 (ANNEXES 24)

Mr WEBER reported that the budget for 2018 (**ANNEX 24a+24b**) included the ASC budget. It had been prepared in association with the Secretary General and approved by the EB, and was based on realistic facts and figures. Last year he had said this was a courageous budget for a crucial year for the FAI; they were developing the FAI of the future and needed to invest to ensure they remained relevant.

He began by giving a few key figures from the budget (all figures in CHF). Total income was budgeted at 2.196 million, an increase of 144,000, of which 1.014 m came from member subscriptions and 1.182 m from operational income. The expenditures proposed for 2018 had been set out considering the known and proposed activities. The staff costs were set at 1.25 m, an increase of 150,000. The total of 2.698 m gave an excess of expenditure over income of 0.5 m.

The major expenditures were staff costs at 1.25 m, an increase of 150,000. Special projects – doping programme, IT development programmes, showed an increase of 37,000; Development programmes, IT and strategy workshops came to 80,000. The AGT budget amounted to 205,000, and there was depreciation of 149,000 (a non-cash item).

The ASC budget saw a total income of 366,000 and total expenditures of 381,000. There was a deficit of 15,000 for the ASCs. These budgets were set yearly by the ASCs in their plenaries.

The Secretary General noted that they had to look at how the figures were presented, in terms of the relationships between the work of HO and the ASCs, and they would work on that over the next six months. Referring to the slide presentation, she reported that Head Office operations were running on a deficit, and 2018 would be a very decisive year in the sense of succeeding in generating additional revenue and then being able to continue what they were currently doing, or otherwise adjust the budget. That was a discussion for the GC 2019.

Membership revenues were unchanged. Sanction fees for the WAG and AGT had been included, along with an amount for the World Drone Racing Championships. Commercial revenues were unchanged. The Breitling partnership would end, and it was a matter of negotiation now. Otherwise, Head Office was continuously working on expanding cooperations. In Other Income there was a significant change from the year before because the GC was hosted in Lausanne, which meant the numbers related to this event were also running through the FAI books.

Expenditures included an additional amount of CHF 150,000 for HO staff, subject to a strategy discussion that would take place with the EB, on where to put the focus for the coming year. One element was that, over the last two years they had used external sports marketing consultants; now, there were so many needs that needed to be serviced on a permanent basis that the proposal was to allow for a permanent inclusion as a HO staff expenditure. They also had to think about other elements in terms of how to improve HO operations, including member services, sports and event services, financial and administrative support. But this was subject to the strategy discussion. The General Conference was asked to confirm the principle. HO would be as efficient in the use of the budget as possible.

In Special Projects, the anti-doping service had become more expensive. The contract with the Doping-Free Sports United in Lausanne had had to be renegotiated. There were IT development issues related to multi air sports development, and improvement of services beyond the event

management system in order to allow all the official registration and confirmation etc. to be done via the IT database rather than on paper.

Operating expenses had been reduced. They had included a position under World Air Games and other multi-sport events because they would have the Asian Games in 2018. The local organiser would also be approached to fund aspects such as travel costs for officials, accommodation, etc.

The Development Programme was a major item. In the past year many governance and strategy-related issues had emerged, such as sporting licences, the role of the NACs in changing environments, drone sports. This had to be put on a more fundamental basis, to work with the FAI members and air sports commissions in order to renew the strategy on a proper basis. This would start this year with the EB doing a small workshop, leading on to further activities in 2018.

Finally, the Air Games Event Series Budget totalled 202,500, and there would be more detail in the next presentation (**ANNEX 24c**).

The Secretary General noted that, in the initial presentation at the GC 2015, the Air Games Event Series had been presented as part of the Marketing and Communications strategy. It was still part of that, and there was a large overlap with other FAI activities. The reference document had been presented at the 2015 GC, and included descriptions of the general direction of the series, and a commitment to multi-discipline air sports events. Another important element was that the event strategy must include consistent branding and marketing strategies, which also had budget relevance. The main items of the activities approved at the GC 2015 had been executed in 2016 and 2017, structured along the lines of the original budget presentation, i.e. workforce / consultancy / quality control of events; further agency services; marketing & brand development and communication. They had spent 498,000 in 2016; they planned to spend 270,000 in 2017 and 202,000 in 2018.

The focus of the sports marketing agencies that FAI was in conversations with was on drones for the time being, with the possibility to expand their focus to the WAG, AGT and other FAI events. The planned Air Games development activities for 2018 were the same as for 2017, except that the planned investment had been reduced. A key element of the current discussions with the 7-8 potential hosts was to facilitate nationally driven Air Games. Drones had emerged as a strong factor since 2015, and it was important to respond to that.

The AGT concept needed the support of the NACs and ASCs. If the NACs thought it made sense to have a national team comprised not just of parachutists and glider pilots, but 5 or 10 air sports, presenting the whole range of their activities within a national team concept, it would also help the NACs to better promote air sports.

Mr WEBER invited questions from the floor.

Mr PRINCIPATO said he was confused by the use of reserves as income. Generally, reserves should not be used for operations, only emergencies. The amounts in restricted and unrestricted reserves were getting lower. He asked what strategy there was to move beyond this situation, and what was the timeline for getting beyond where they had been in the last couple of years.

Mr WEBER noted that, in his first year as Treasurer, he had seen that there were many projects on the table to decide on. They had to implement some and get moving, but the EB felt these projects were worthwhile. They were looking into replenishing the reserves in the near future. There was no timeline but they hoped to secure some revenue during the coming year. It was not easy to propose a budget with clear figures in this respect, because the project was a work in progress. It was important to understand that, if they did not take the risk and act today by running a deficit, they would be obliged to reduce their activities and their services to air sports people around the world. He would try to give some answers, but he was not in a position to give a deadline, other than a hopeful outlook for the coming year.

Mr DE ORLEANS BORBÓN thanked Mr PRINCIPATO for raising these questions. The EB tried to execute the choices made by the members, but sometimes they had to try to anticipate. Given the prospect that more and more aero clubs became less and less willing to pay the subscription fees, they had to look for a way out. There were plenty of people who made money in sport; the FAI was

among the few that did not. Of those that did make money, the money was generally made outside the federation, as was the case of Formula 1 and MotoGP. The FAI had a fantastic reputation, and they must not waste that. At the same time, it would be a tragedy if there were more external events that came along and made money out of what the FAI had invented and enticed the best pilots away. The FAI had to evolve, it had to establish its brand and make an imprint in the sports commercial world. The IOC President had recently spent an evening with the FAI, and Mr WOLF of Red Bull Air Race had spent the morning with them. They had come a long way, and the preparations they had made had encountered the unexpected phenomenon of drones, which had great potential, and they were lucky that they were in a position to be able to manage it. They had the WAG project, which was now a product that they could sell, for the first time. They had the Air Games Tour, a concept copied from the IAAF. And they had drones, which they had decided to give high priority, and they had to do it now or they would be “Ecclestoned” by someone else. If the GC decided it was too risky that was up to them, but they should make a rational decision. They could downsize to irrelevance. They should take their time and do it carefully – 2018 would be a make-or-break year.

Mr Mike CLOSE noted that Mr WEBER had said that 2018 would be a high-risk year. Risk was inherent in many things, but it was usual to have a risk management plan as decision points were made. He did not see how the EB planned to handle the risk. They needed a plan with decision points built in, and business and financial feedback that was sufficiently up to date to do it.

Mr DE ORLEANS BORBÓN said that the way they were doing risk management was to generate options. The WAG was a low-risk option and money was already coming in. The AGT was another, but it had been put on the back burner because of the urgency of the drone situation. The way to manage risk was to make choices by considering what they could accomplish with their resources. This meant making no blunders with the WAG, exploiting drones as much as possible and continuing to add value to the AGT. Risk management meant prioritising. This had been debated extensively.

Mr Patrick NAEGELI said he agreed that 2018 was make or break for the FAI. He agreed on the commentary to the budget, and was glad that the fundamental questions about the finances would be worked on in the next 6 months. At the end of 2018, when their reserves were down to 1.4 million, what would the plan be if there was no further clarification on where the substantial incomes were coming from? They could not afford to continue spending at this rate.

Mr WEBER said he appreciated the comments and questions. It was very helpful for the EB to be reminded that these were difficult figures. In 2018, if the investment did not live up to their hopes, they would be obliged to go back to relying entirely on subscriptions, and reduce all the services they had promised to deliver.

Mr NAEGELI pointed out that, as a subscription-driven organisation in the past they had accumulated reserves of CHF 3 million. Would they have to significantly reduce the scope within their subscription income, or would they have to increase subscriptions significantly?

Mr WEBER said he did not expect an increase in subscriptions; they would probably see a decrease in services.

Mr MALBOS supported the budget and the AGT, but had mixed feelings about what they were doing. They should continue to work on the projects, and consider drones and wind tunnels, but they had to work with the NACs and ASCs. The best place to do this was CASI, which would give them the chance to make comments. They must move forward, but together.

Mr PRINCIPATO said he appreciated the job Mr WEBER was doing. Drafting a budget was not an accounting exercise; it was not about numbers, it was a guide to what they wanted to achieve. They had to prioritise according to the available resources. These were challenging times, but rather than plan to spend all the money they thought they were going to get, they should make a plan of priorities.

Mr WEBER thanked Mr PRINCIPATO for this suggestion. The FAI was in an urgent situation and needed to move on, and take the opportunities that were available today in terms of drones. They did not have a plan of this nature yet, but they would have one in the future.

The President said that they were now in the final year of the 3-year plan presented in 2015. The situation had changed and they had amended the plan. They were taking a different path, and in 6

months they would know whether it was working. If it did not, they would not spend the money, and they would think again. This was a crucial and very promising time, but it was risky and challenging. He was convinced that the plans were worthwhile and would be profitable for all the organisations.

A representative of ISRAEL said he believed that drones would be the saviour of the FAI, but if nothing happened in the next month or two some professional agency would step in and take them. If drones did not succeed, were there any other plans to bring in money?

The Secretary General said that, if they were not doing this, membership subscriptions would not completely finance HO operations. The FAI had a diverse sports structure with its ASCs and NACs, making decisions about sports events and defining championship rules, but they had no strong structure in the sense of a common understanding about core events. In the past, they had introduced a separate budget for the ASCs, but now it was questionable whether it was useful to keep these operations separate from Head Office. The ASC reserves had been there for 20 years and no one ever said what they were for. This merited another discussion at the General Conference. The FAI had embarked upon a journey to define core products that were not the 50 or 60 world championships that all took place in completely disparate environments. With their current resources the FAI HO could not sufficiently support local organisers, and they struggled to provide IT solutions that would give a more uniform presentation. They had to invest time and resources, and be able to offer something in return. The FAI could offer many different world championships, but these could not bring in sponsors. The point of having more resources in the future was to serve their community and grow stronger. When the EB had asked to embark on this journey in 2015 it was because they believed that a multi-disciplinary air sports event was the product they should present.

A representative noted that they had heard a concrete proposal from Mr MALBOS. Within CASI they had all the ASC presidents, and the same number of NAC representatives. It was a good tool to use for detailed investigation of FAI projects such as the Air Games Tour and the drone plan. It was worth considering.

The President agreed that it was worth investigating, but their first line was the EB, which worked together with the commissions. CASI could certainly be used more than it was now, however. There were also the advisory groups, which would be used more.

Mr DE ORLEANS BORBÓN said with CASI they had to be careful, because it had a 6-12 month decision cycle. CASI had a more important function: If the FAI's plans were successful, subscriptions would go down, and in that case whoever controlled the money would have a high political influence. They would have to start planning for this political environment in the future, and CASI could be a very important instrument.

Mr GUDMUNDSSON thought they should be careful not to compromise what CASI was doing. It was a very good tool for cooperation and discussion, but its role was not business management.

The President agreed that the role of CASI was very important. The other issue was how to use the expertise of the people they had in the organisation; sometimes they tried and it didn't work. There was nevertheless a sense of urgency now to ask again. He asked Mr Weber to think about how they could do this. They had to come to the next GC with a good answer. They would consult people, and think about a way they could monitor what was going on in the next few months to a year. He called for a vote on the 2018 Budget.

Mr LEINIKKI reminded the delegates that everyone could vote on this item, including the commission presidents. He noted that two countries had left the meeting, so currently an absolute majority required 164 votes.

The General Conference approved the Budget for 2018 by 175 votes for, 122 votes against and 28 abstentions.

Mr WEBER thanked the General Conference for their confidence, despite the tight vote. The EB would do its best to have a better situation next year.

22. Arrangements for General Conferences

22.1. Status of GC 2018

The President welcomed the Deputy Ambassador for Egypt in Bern, His Excellency Magdy Elderini. His Excellency thanked the President, Secretary General, Executive Board and FAI members. Sport was a bridge builder between people and countries, it bridged the gap between differences and created more trust. He wished to congratulate the Egyptian Aero Club for their efforts to introduce Egypt as the host of the 112th General Conference in Luxor. The General Conference had made a wise decision because Luxor was a marvellous city, and the Egyptian government was ready to host the event in cooperation with the Aero Club. His presence here was a reflection of the commitment of the Egyptian government. Preparations had already begun, and accommodation, security, hotels, transport and infrastructure arrangements were well in hand. Hosting this event not only supported the development of Egyptian air sport but also African and North African air sport. Egypt had been a member of the FAI since 1911, and with the support of the FAI they could achieve something for Africa. Cairo had hosted the General Conference in 1933, and it was now time to do it again. The embassy in Bern had good cooperation with the Swiss authorities in terms of Solar Impulse, which had landed in Cairo, and it had been a great experience to be part of that.

The President thanked His Excellency and noted that they would decide on the exact dates, around 21–27 October, and let the organisers know.

Mr HUBMANN thought that these dates were the same as the Gordon Bennett.

Mr HAGGENEY observed that the dates had been changed because they overlapped with four other events, but by moving them two weeks they were free of all Cat 1 events. The EB just had to decide whether to start on the Sunday or Monday.

The President thanked the Egyptian delegates, and noted that the FAI would visit Egypt very shortly to discuss the arrangements.

22.2. Plans for the 113th FAI General Conference 2019

The President announced that two proposals had already been received, from Quebec and Albuquerque, and Morocco had asked to be added to the list earlier during this conference. In the past the General Conference had been organised by the NACs, but now, if a city or state came forward to host the GC, the FAI was very pleased. These candidates must always have the approval of the NAC, however.

The representatives of Quebec, Albuquerque and Morocco each made a brief presentation of their bids.

The President thanked the cities and noted that the FAI had a choice of three wonderful places. A vote would be taken at the end.

22.3. Preliminary Bids for Future General Conferences (2020 onwards)

The President asked if there were any preliminary bids for future General Conferences.

Mr John GAILLARD said that 2020 would be the 100th anniversary of the South Africa Aero Club, so he wished to reinstate South Africa's bid.

Turkey and China also submitted preliminary bids for 2020.

The President thanked them for their bids.

23. FAI Anti-Doping Programme

The SECRETARY GENERAL noted that the FAI Anti-Doping Manager Ségolène ROUILLON had presented her report during the workshops and was available to answer questions now.

Dr John GRUBBSTRÖM asked why the cost of anti-doping had increased

Mrs Ségolène ROUILLON pointed out that the DFSU coordinated everything, and was the only body to do so. The FAI decided who, where and how, and the DFSU handled everything else, which saved a huge amount of time and effort.

In terms of the cost increase, the Secretary General observed that in the past the IOC had provided funding for their anti-doping programme, but it had changed its policy, and no longer required the funds to be spent on anti-doping..

Ms ROUILLON added that the FAI had also increased the number of in-competition tests conducted.

24. Amendments to Statutes

See **ANNEXES 25**.

Mrs Mary Anne STEVENS reported that the Statutes Working Group had been considering issues with the statutes and advising the EB. Since she had been elected onto the EB she had stood down as chair of the SWG and now acted as EB liaison, supporting the work of Mrs Marina VIGORITO GALETTO as interim chair. She wished to thank the members of the SWG, Marina Vigorito GALETTO, Andy CHAU and Ronald SCHNITKER for their ongoing work, which she felt was not recognised often enough.

Mrs Marina VIGORITO thanked Mrs STEVENS for her support over the last year. It had not been easy to take over as interim chair, even though she had worked for the SWG for six years.

Provisional Membership

Mrs VIGORITO noted that, since the GC met once a year, there was sometimes work to be done during the year. Provisional membership would give the EB the opportunity to appoint members during the year, which would be then ratified by the GC. This was a way to facilitate the process and give members the possibility to join FAI activities while awaiting formal approval.

Mrs VIGORITO suggested that they vote article by article. She also pointed out that, since she was presenting this item, there would be only two scrutineers.

Dr HOENLE asked for an explanation of how the membership worked. If someone applied in December, would they have immediate voting rights?

Mrs STEVENS said that they would in the commissions.

Mr LEINIKKI noted that, since this was a statutory vote, it required a two-thirds majority of active members present or represented, which currently meant a minimum of 190 votes. According to the statutes, a quorum of 50% of active members in good standing must be present or represented for a vote on statutory changes. At the moment there were 68 active members in good standing, 50% of which was 34, and there were 43 members present or represented by proxies.

The General Conference approved the new statute of Provisional Membership by 233 votes for, 35 against and 1 abstention.

Terms of the President and Executive Board

Mrs VIGORITO said that up to now, the President and Executive Board were elected for a two-year term, with a maximum of three terms for the President. These would now be four-year terms, with a two mandate limit for the President. The reason for the change was for continuity, and it would align with the periodicity of the Olympic Games. Many NACs already followed the Olympic cycle.

Mr PAPADOPOULOS asked whether it would be possible to add an implementation date. Logically, they would want to follow the cycle of the Summer Olympics, and most federations voted in an

Olympic year. This made sense, because otherwise the EB would change in the middle of the cycle. This provision would have to be implemented in 2020.

Mr CLOSE said he could see the advantage of a four-year term, because people needed time to learn the job. A four-year term would tie in with the Olympic Games, and they would not want to change the committee during the preparation for an Olympic Games. The continuity of corporate governance was important. However, the longer the term a board member served, the more likely they were to stand down. With four-year terms, where everyone was elected at the same time, there was a significant risk that they would have a new board every four years and lose continuity. He proposed amending article 6.2.1.1 to specify that the Executive Directors were elected for a four-year term, but that three directors would be elected every two years, to maintain continuity.

Mr PRINCIPATO seconded the motion.

Mr Anders ÅKVIST agreed that four years was a long time to commit as an individual to a board position. However, he saw a benefit in the President being elected for more than two years. An Olympic period of four years could be a good reason. However, he did not see the same reason for directors to be elected for four years, and he therefore supported changing 6.1.1.1 for the President, but not for the directors.

Mrs STEVENS asked if this was a motion to change the amendment or just to discuss it.

Mr ÅKVIST proposed that they vote on each section separately.

Mrs STEVENS suggested they deal with the existing motion first.

Mr CLOSE proposed the following wording for the end of 6.2.1.1: "with three directors each being elected at two-year intervals." At some point they would have to decide how they picked the first ones that had two years and those that had four years, but this was a secondary issue.

Dr HOENLE asked if there was a provision for a situation where you would have either a vote of no confidence or if a person was incapacitated and had to be replaced.

Mrs STEVENS replied that there was provision for replacement but there was no recall procedure.

Dr HOENLE moved to insert a paragraph that there was a possibility for a vote of no confidence.

Mrs STEVENS said they first had to deal with the first motion. Also, she noted that Dr Hoenle did not have the right to vote on this and so could not make a motion.

Mr PAPADOPOULOS noted that, when he had been a member of the SWG, he did not recall that it was possible to change or amend a proposal at the General Conference. Either they voted on the proposal as presented, or they referred it back for further consideration.

Mrs STEVENS confirmed that they had sufficient representation to amend the proposals now. There was a motion to amend article 6.2.1.1.

Mr BISHOP pointed out that it was not correct to say "three directors each".

Mr CLOSE said he understood that an amendment to a motion required an absolute majority, not two-thirds.

Mrs STEVENS said they would go with the highest standard, which was the two-thirds majority normally required to amend the statutes.

Mr Stephen SZIKORA (Canada) said that the sentence as it had been drafted made no sense to him. He knew what they were trying to accomplish, but this was not what it said. The question raised earlier about transition was correct; at what point would they hold the first election under this provision? How was it possible that three were not subject to election and three were, if they had not been identified? What happened when someone resigned and needed to be replaced? Did the replacement serve out the remainder of their term? He also felt it was difficult to vote on a slate of amendments, because they could nit-pick a particular section, but it had an effect on the other sections. He thought it might have been helpful at the beginning to have a discussion of whether they liked the idea of four-year terms versus two-year terms, and then discuss how to make it work,

rather than getting very precise with the rules of procedure. They could end up with something that made no sense as a cohesive unit.

Mrs STEVENS clarified that the original discussion was supposed to be on the issue of four-year versus two-year. She had a separate proposal: she suggested they take 6.2 off the table, and just consider 6.1 for now. In the meantime, 6.2 could be elaborated to take into account the discussions they had had today, and they could consider implementing it at the beginning of the 2018 General Conference.

A representative of SPAIN supported leaving the article as it was, because faster rotation meant that everyone had to earn their position more often.

Mrs STEVENS asked Mr Close if he was prepared to withdraw his amendment.

Mr CLOSE said he was prepared to withdraw it, on the basis that it would go back to the SWG for further consideration.

Mr HUGHES had a point of order: they were now voting on 6.1; without wishing to be personal, they would have to clarify whether the incumbent President would be eligible for a further eight years in 2018. If this motion was carried, they might have a President for 10 years.

Mrs STEVENS said that, because 6.1.1.1 said “on completion of his first term”, in the current circumstance, the first term would end in 2018, which meant the President would be eligible for six years, not ten.

Mr HUGHES pointed out that the President would not have been elected under 6.1.1.1, because he was not serving a four-year term.

Mrs STEVENS noted that the President was currently serving under 6.1.1.1, the way it was currently written.

Mr DELOR said they also had to consider Mr PAPADOPOULOS’s proposal about the implementation date. Would it be 2018, or would they have to wait until 2020 in order to align with the Olympic cycle?

Mrs STEVENS confirmed that as things stood, as with all statutory amendments, this would take effect on 1 January 2018. If they wished to change the implementation date it would require a motion from a member.

Mr DELOR thought they should consider it, because it was justified by the Olympic cycle. He moved to implement the rule in 2020 in compliance with the summer Olympic Games cycle.

Mrs STEVENS asked if there was a second for the motion. Seeing none, the motion was denied. There being no further motions to amend, she called for a vote on articles 6.1.1.1 and 6.1.1.3.

Mr LEINIKKI confirmed that 190 votes were required.

The General Conference approved the amendments to articles 6.1.1.1 and 6.1.1.3 by 197 votes for, 72 votes against and 9 abstentions.

Historic Membership

Mrs VIGORITO explained that this proposal was to introduce a new category of Historic Member.

A representative of Portugal explained that this new category would be similar to the existing founder member category, for those members that were not founders, and were no longer active members, and would confer the same rights as for founder members. He wanted to make a further motion, which was to replace “100 years” in the first paragraph with “50 years”.

Mr ANANOV seconded the motion. He thought it was a good idea. They wanted their organisation to grow, and this would make it possible for more organisations to become historic members.

Mr SZIKORA wondered how many member NACs had been in the FAI for more than 100 years, and how many for more than 50. His concern was related to the idea that, if someone was present as

the NAC, and there was another delegation present as the historic member for the same country, who had the moral authority to speak for that country? How many NACs qualified for historic membership?

The representative of Portugal said he had no firm statistics but he believed that 100 years would affect around 15 members, and 50 years would affect around 20. It would make a difference for some countries.

Mr GUDMUNDSSON pointed out that only 40 would *not* be historical members if they set the bar at 50 years.

The President observed that the background of this proposal was that one NAC had had a number of disciplines taken away and absorbed into a federation. The original body still existed, but it was not involved in sporting activities. This proposal was a way of reaching out to the people who had made history. This did not apply to functioning NACs. The Netherlands, for example, was not a historic member because it was still an active member.

Mrs STEVENS clarified that this proposal came directly from a member, not from the SWG or the EB.

Mr HUGHES asked what was the view of the EB.

The President confirmed that the Board saw no real necessity for it, and thought there could be other possibilities.

Mrs STEVENS called for a vote on the proposal to amend “100 years” to “50 years”.

There were 183 votes for, 96 against and 2 abstentions. The motion was not carried.

Mrs STEVENS asked the members now to vote on the original proposal.

The General Conference approved the proposal to create a Historic Membership category by 208 votes for, 68 against and 5 abstentions.

Renaming of ICARE

The Secretary General apologised on behalf of commission president Anu OJHA, who was unable to attend the meeting today. The point of the proposed name change was that they were seeing increasing activities in the stratosphere. Felix Baumgartner’s jump, for example, had been from the stratosphere, and SolarStratos was a stratospheric project. Space started at the Karman line, 100 km above the earth, but stratospheric space was between 15-20 km and 100 km above the earth. Since the ICARE commission was connected with such projects and would be doing more work in collaboration with other related commissions, they had suggested this change to more properly recognise their scope of activity.

Mr Art GREENFIELD (USA) thought that having this in the agenda as a renaming was a misnomer. They were also changing the duties and powers of the commission. For the reasons the Secretary General had just mentioned, this caused him great concern. They had planes flying in the stratosphere, and aeroplane records were governed by the GAC. They had glider records, SolarStratos, parachuting records, ballooning records, all taking place in the stratosphere. He questioned whether these issues had been properly considered by the SWG before they had made this proposal.

The Secretary General pointed out that there was no body within the FAI that looked at the stratospheric aspect of these activities. However, this was a proposal made by the ICARE commission and it was up to the GC to decide.

Further statements followed.

At the conclusion of the vote, there were 68 votes for, 185 against and 15 abstentions. The proposal was denied.

--

Mrs VIGORITO thanked the General Conference for their support. The mandate of the SWG was over for the year. She thanked the EB and the Secretary General for their help, and Bob HENDERSON, who had been an excellent point of contact in the last year.

The President invited Mr PAPADOPOULOS to say a few words about the Code of Ethics.

The Secretary General explained that the FAI already had a Code of Ethics, but it had not been updated for some time. A small group had worked on it, and the document was now ready for further discussion. The document would be sent out officially to the members of the General Conference.

Mr PAPADOPOULOS said that the Code of Ethics was an old document that had been approved in 2005. Knowing what was going on at national and international level, many national authorities were looking to see whether looking to see whether the International Federation had a Code of Ethics that was in line with the IOC's code. They had worked on this, taking into account the IOC Code of Ethics and input from other similar organisations, and had created a document to replace the existing one.

The President said he looked forward to seeing this important document next year.

25. Election of Statutes Working Group

The President had nominated the following members for the Statutes Working Group: Ronald Schnitker (Chair), Sigrid Berner, Andy Chau, Art Greenfield and Marina Vigorito. He asked if the General Conference wished to nominate any additional members.

There being none, each of the candidates briefly introduced themselves to the General Conference.

The President explained that the GC would be invited to vote first on the Chair, and then on the remaining members of the SWG.

Mr LEINIKKI noted that an absolute majority required 143, and the commissions and OSTIV were entitled to vote.

The General Conference voted to accept Mr Ronald SCHNITKER as Chair of the Statutes Working Group by 208 votes for, 0 votes against and 7 abstentions.

The General Conference voted to accept Mrs Sigrid BERNER, Mr Andy CHAU, Mr Art GREENFIELD and Mrs Marina VIGORITO as members of the Statutes Working Group by 206 votes for and 6 votes against, with 1 abstention.

26. Proposals from NACs

26.1. Proposal by NAC Russia (ANNEX 26)

Mr ANANOV noted that the relationship between the FAI and its members should be a two-way street, because they each contributed to the wellbeing of the other. As the President had said at the beginning of the conference, input from the NACs was very important. But the NACs also needed input from the FAI. The active members' presidents' meeting was a very interesting and informative conference for a few NACs, but it was more like a learning seminar than an operating and effective body, and the NACs had no real help with the issues that faced them today. There were several expert groups, but they were not all fully busy, because they did not receive any requests. This did not mean the NACs did not have problems, it meant they had a lot of inertia. The NACs would not take the first step, they needed a paternal body to organise their demands. He proposed a NACs Council, to foster better cooperation and communication between NACs horizontally. Special measures for strengthening and consolidating the NACs were needed to overcome the centrifugal processes and tendencies within the FAI, and there was no one currently in the FAI to deal with this. His motion was to create a NAC Council as an advisory body, to encourage better operation of the NACs and better handling of NAC functions within their countries. If the General Conference approved, a set of draft regulations would be provided shortly.

Mr PRINCIPATO asked if this Council would include all the NACs. Mr ANANOV confirmed that it would be for everyone. Mr PRINCIPATO said that in terms of getting people to talk to each other, the NAC Presidents' meeting had been very valuable, but it was not a decision-making body. He wondered if there was some way in the future to elect additional people to sit on the EB, selected through a regional structure. This would ensure the NACs were involved in the decision-making processes. Mr ANANOV confirmed that this was what the proposed Council was for.

Mrs Ron MIASNIKOV said there were many communication problems caused by NACs not responding. She did not see how they could help if the NACs did not react. Mr ANANOV agreed that this was a problem, and the NAC Council would be able to deal with this, by taking measures to motivate the NACs that did not have a representative on Air Sports Commissions.

The President said that this had been discussed in the EB, and they strongly encouraged the NACs to take part in decision making. The General Conference provided one opportunity, and there were also meetings of the Scandinavian area, the German-speaking area, an Asian summit, etc. The FAI leadership tried to visit many regions, and the EB hoped to develop the concept of regional vice-presidents further. Nevertheless, the EB was not sure that a council in a big session such as had been suggested was a good solution for the communication they needed. The EB felt it was important to continue with the regional discussion.

Mr MALBOS said he liked this idea, because when they had a problem it would be easy to address it to all the NACs together, rather than waiting for this conference. There was an easy way to do it: they could form a council, then work on Basecamp, a very efficient tool provided by the FAI, which the commission used.

The Secretary General pointed out that, if approved, the council would lead to an additional workload at Head Office, and it would need to be properly run. Someone would have to coordinate the activities, follow up with the NAC issues, organise meetings, etc. As a principle, she suggested that any proposals made should include a paragraph to cover budget consequences.

Mr DE ORLEANS BORBÓN said he had already participated in FAI councils, but the problem was that, because it met only once every six months, the decision cycle was too slow. The body had been replaced by the EB, which worked at a bigger frame rate and a faster decision cycle speed. The NAC council as proposed was a great idea. However, what would they do with those NACs who did not want to get involved? They were the real problem: the ones that did not participate. They were "ghosts": they paid their subscription but did not get involved.

The General Conference proceeded to a vote.

The proposal was seconded by Chinese Taipei.

Mr LEINIKKI noted that, according to article 5.1.2.4, "The General Conference may establish or disestablish permanent bodies by a 2/3 majority vote of the active members present or represented, for an infinite period of time." The required number of votes was therefore 190.

The Secretary General asked if Mr ANANOV wanted a vote on the establishment of the council, or would he prefer to come to the next General Conference with a specific statutes proposal.

Mr ANANOV said for now he wanted to vote on the principle of establishing the council.

The SECRETARY GENERAL said that in this case the vote was as for a regular agenda item.

Mr LEINIKKI confirmed that the required majority was 163 votes. The commissions were entitled to vote.

There were 118 votes for, 159 against and 36 abstentions. **The motion was not carried.**

27. Appointment of FAI Companion(s) of Honour

The President observed that the President was entitled to propose to the General Conference persons he considered suitable for appointment as FAI Companions of Honour. Accordingly, he

proposed Max POLYAKOV, the CEO and founder of Noosphere, who had offered enormous support as they worked on developing their cooperation over the next few years. His second proposal was Osmo JALOVAARA of Finland, who had been heavily involved in the FAI and other aero organisations. He was a former vice-president of CIVA and a member of the council. His sports aviation career had begun in 1954, and he had served as vice chair of the Finnish aero organisation and president of the Aerobatic Club of Finland.

If the General Conference agreed, he would find a proper time and place to hand over the awards.

The General Conference agreed to the appointment of Max POLYAKOV and Osmo JALOVAARA as FAI Companions of Honour.

28. Vote on Award of 113th FAI General Conference 2019

The President reminded the members that there were three candidates to host the 113th FAI General Conference in 2019: Quebec, Canada; Albuquerque, USA and Morocco.

Mr LEINIKKI explained that the members could vote for one candidate. If none secured an absolute majority on the first round of voting, the candidate with the fewest votes would be discarded and another round of voting would be held. The required majority was 163.

In the first round of voting, Morocco and the USA received the most votes.

A second vote took place between Morocco and the USA. **Morocco won the most votes, by 165 votes to 149.**

The president congratulated Morocco on being chosen to host the 113th FAI General Conference in 2019. He thanked Quebec and USA, and urged them to bid again.

Mr HUGHES requested that the bid documents be put in the Cloud as soon as possible.

29. Any Other Business

Belgium

Mr Jo VAN DE WOESTYNE (Belgium) noted that airspace was vital for all air sports, all over the world, and the future of the FAI needed special attention and quick action. The concerns over airspace had been discussed a few weeks previously at a meeting between Belgium, the Netherlands, Luxembourg, Austria, Germany and Switzerland, but airspace problems were not limited to the European skies. He proposed making a joint declaration, from the GC and the EB (Annex).

The President thanked Mr VAN DE WOESTYNE for his statement and said the EB would discuss it. Because this item had not been on the agenda it would not be possible to table a motion, but the GC could nevertheless give its support. There being no opposition from the General Conference, the President confirmed that the declaration had the unanimous support of the General Conference. They took this issue very seriously.

Closing

The President thanked the members of the FAI General Conference for their support over the two days of meetings. The atmosphere had been very good, and this was a positive way for them to discuss the future of all their activities. They had a great deal of work to do in 2018, which promised to be an exciting year.

30. Annexes

1. Report by the FAI President
2. Membership report
3. List of FAI Vice-Presidents for 2017-2018
4.
 - a. Report by the FAI Secretary General
 - b. Presentation by Secretary General
5.
 - a. Financial Statement 2016 and Auditor's report
 - b. Finances 2016
 - c. FiAG results
6.
 - a. Financial situation 2017
 - b. FiAG monitoring
7. FAI Air Sports Marketing plans
8. FAI World Air Games 2020
9. Air Games Event Series
10. Multi-Sports Events
11. World Games 2017
12. Asian Games 2018
13. Noosphere
14. Report by the President of the FAI Air Sport General Commission (CASI)
15. Report by the President of the FAI Aeromodelling Commission (CIAM)
16. Report by the President of the FAI Ballooning Commission (CIA)
17. Report by the President of the FAI General Aviation Commission (GAC)
18. Report by the President of the FAI Gliding Commission (IGC)
19. Report by the President of the FAI Hang Gliding and Paragliding Commission (CIVL)
20. Report by the President of the FAI Microlight and Paramotor Commission (CIMA)
21. Report by the President of the FAI Rotorcraft Commission (CIG)
22. Report by the President of the FAI Amateur-built and Experimental Aircraft Commission (CIACA)
23. Scale of Subscriptions 2018
24.
 - a. FAI 2018 Budget
 - b. FAI 2018 Budget – Presentation
 - c. FAI Air Games event series budget information
25.
 - a. Amendments to Statutes - Proposed Statutes changes
 - b. Amendments to Statutes - Presentation
26. Proposal – NAC Russia

Additional documents are annexed as follows:

27. Calendar of FAI Meetings 2018
28. List of Delegates of Commissions
29. International Calendar of Sporting Events 2018-2021

- 30.** List of FAI Award Winners for 2017
- 31.** List of Participants at the General Conference
- 32.** List of Companions of Honour
- 33.** List of FAI Members
- 34.** List of FAI Championships Winners for 2017

Minutes approved by Mr Frits BRINK, FAI President on 29 January 2018.