
An independent governance review of the International Cricket Council

By Lord Woolf and
PricewaterhouseCoopers LLP

1 February 2012



Lord Woolf
House of Lords
London
SW1A OPW



1 February 2012

For the attention of the Directors of the International Cricket Council (ICC)

We are pleased to present to the ICC our review on governance.

The scope of our review, as set out in Appendix (i), was agreed with the ICC in August 2011 and approved by the Board in October 2011. We were reassured that the intention was that our review would be a public report.

In our report, we make 65 recommendations. The majority of our recommendations can be implemented within a short timescale but we recognise that adopting our recommendations will constitute a considerable challenge. We are confident that with strong leadership from the ICC, our vision for the good of the game can be realised.

It is our view that these recommendations along with our vision and the Plan for Transition will ensure the ICC, and Board, is rightly positioned to fulfil its role as the global leader of international cricket.

We would like to thank both the ICC and the wider cricket community for their commitment and assistance provided to us during our review.

A handwritten signature in blue ink, appearing to read 'Lord Woolf', with a horizontal line underneath.

The Rt Hon The Lord Woolf of Barnes

A handwritten signature in blue ink, appearing to read 'Richard Sykes', with a horizontal line underneath.

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1.0 Introduction

Cricket is a great game. It deserves to have governance, including management and ethics, worthy of the sport. This is not the position at the present time. This report does not identify the causes and who is responsible for this, but it does identify the shortcomings and the action which now needs to be taken to remedy this. We have not conducted an inquest but instead have set out a vision as to the changes that need to be made and the transformation in the situation that these changes should bring about.

The history and growth of the ICC

The International Cricket Council (the ICC) is the governing body of international cricket. It has a long history. This can be traced back to 15 June 1909 when it was founded as the Imperial Cricket Conference. The name reflecting the fact that historically, and still today, its Full Members were, and are, drawn from current and former Commonwealth nations. Nations that are voluntarily linked by their adherence to common values that include democracy, the common law and the fact that they are usually devoted to playing cricket within its laws and the Spirit of the Game, with its emphasis on fair play.

Having been renamed the International Cricket Conference in 1965, it adopted its current name of the International Cricket Council in 1989. At that point it took over the role of the MCC by administering aspects of the game on behalf of the Test playing nations. However, the MCC retained responsibility for the Laws of the Game.

At that time, there were eight Full Members (the eight Test playing countries, Australia, England, India, New Zealand, Pakistan, South Africa, Sri Lanka and West Indies), together with a small number of Associate Members. The first full-time Chief Executive of the ICC was appointed in 1993 and the status of England and Australia as Foundation Members was changed, so that all Test playing countries had equal standing. Two additional Member Boards have been invited to join the ICC in recent years – Zimbabwe (1992) and Bangladesh (2000).

As the governing body of international cricket, the ICC has ambitions to expand its Membership. It has embarked on a “Bigger Better Global Campaign.” The ambitions include expanding the playing of cricket in USA, China and more controversially to potentially introduce cricket as an Olympic sport. If the ICC is even partly successful in any of these endeavours, the scale of its activities will be dramatically expanded. As the current president of the ICC, Sharad Pawar, has stated “*cricket must be an aspirational game, where nations and their cricket lovers can dream of being on the biggest stages.*”

At its creation, the home of the ICC was Lord’s cricket ground but in August 2005, it moved to Dubai. This enabled all its activities to be conducted more efficiently from a single neutral base, providing a convenient hub to travel between the many countries that are Members. Its objects as recorded in its Memorandum of Association support its ambitions. They include:

“to administer, develop, co-ordinate, regulate and promote cricket world-wide in co-operation with its Members.”

In recent years, the finances of the ICC have been transformed as a result of the new tournaments it organises. These attract substantial sponsorship and generous payments for television rights, the major portion of which it distributes to its Members.

The need for a review of governance

Cricket has a proud record. Not only is it demanding physically, requiring great skills, but it also stands out because of its values. It has generated revenues on a scale which would not even have been dreamt of a few years ago. Against this backdrop, these values need to be preserved.

The ICC's ambitions inevitably mean that as the governing body of cricket, it has a heavy responsibility to adopt the highest standards. At the present time, it has 105 Members (10 Full, 36 Associate and 59 Affiliate.) The ten Full Members are the governing bodies for cricket of a country recognised by the ICC from which representative teams are qualified to play official Test Cricket. The 36 Associate Members do not qualify as Full Members, but are countries where cricket is firmly established and organised. The 59 Affiliate Members are countries which do not meet the criteria for either Full or Associate Membership, but where the ICC recognises that cricket is played in accordance with the Laws of Cricket and certain other playing and administrative criteria are met.

Those Members, other stakeholders and the cricketing public in general are entitled to expect the ICC set an example by adopting standards of excellence in its governance. Such standards are essential for any organisation with the scale of responsibilities of the ICC, if it is to avoid inappropriate risks that could damage its good reputation.

In the Strategic Plan for 2011-15, approved by the ICC Board on 4 April 2011, under the heading "Key Initiatives; building a platform for global growth" the first initiative identified is the need to conduct a "Governance review (from 2011.)" The initiative states:

"by the end of this plan..... (having) a reputation as a well governed leading global sporting organisation. Our Committee structure and Board make up will benefit from a thorough review. The ICC's Memorandum and Articles of Association were drafted at a time when the cricket landscape was very different. An independent review must begin as soon as practical."

The Appointment of the Review Team, their terms of reference and the manner in which the review has been conducted

In fact, an independent external review was appointed by the Board in October 2011 and this is the report of its findings and recommendations. The Chairman of the review was the Rt Hon the Lord Woolf. He has been supported by a team from PwC UK, India and Australia led by Richard Sykes, a senior Partner in London, Alastair Tatton and Guy Higgins, and other PwC governance and sport sector specialists. Lord Woolf's advisor on the review, particularly in relation to the cricket scene in India, is the former Chief Justice of the Punjab Mukul Mudgal, a committed supporter and writer on the subject of cricket. Together, they constitute the 'Review Team'.

The decision to have an independent external review, the report of which is to be published, demonstrates that the ICC recognised that the review process needed to be open and transparent. This was the approach adopted by the Review Team.

The team was prepared to learn from any individual who might be able to provide information of value. In addition to the extensive and valuable briefing and supporting documentation provided by the Chief Executive of the ICC, Haroon Lorgat and his team, the Review Team interviewed over 60 individuals. We interviewed all the Members of the Board. That includes, in the great majority of cases, the Chairman or the President of each of the national cricket governing bodies who are Members of the Board and their Chief Executive Officers. A questionnaire was prepared for other key stakeholders including past and present players, officials and journalists. Those who completed this document have had their answers considered.

In addition, we have given careful consideration to a significant number of submissions that have been received. In total, individuals from 38 countries have contributed to our understanding of the issues and concerns. We are very grateful for each and every contribution received.

Terms of Reference

We were required to conduct a comprehensive forward looking review of the governance of the ICC. This included an analysis of governance structures, ethics, membership and funding. Central to this review was gaining an understanding of the purpose of the ICC and the challenges it faced in fulfilling this purpose.

We understand that our report will be published.

What is involved in governance?

A generally accepted definition of governance is that it is the system by which an organisation is directed and controlled with reference to the interests of its stakeholders. It is the responsibility of the Board of Directors and requires the Board to set the strategic direction, provide leadership, supervise management and report to stakeholders. Governance should be principles-based, requiring Boards to think seriously about a wide range of issues and to apply the principles appropriately to their organisation.

We have approached the task of reviewing the governance of the ICC by asking:

- what does the ICC need to do (i.e. the role of the ICC); and
- how are outcomes against the objectives assessed and determined (i.e. the need for appropriate structures and behaviours).

Good governance should result in the ICC delivering on its strategic objectives in a transparent and effective manner and should give the ICC the confidence that it can meet the expectations of all interested stakeholders.

To help identify best practice we have used global and country specific governance guidance in areas such as integrity, fairness, leadership, strategy, effectiveness, accountability and transparency. To help frame our recommendations for change we have also considered the outputs of Member Boards' governance reviews and the governance principles and practices of other global sporting bodies.

What we've heard

Our impression is that the officers of the ICC and the representatives of all classes of their Members are deeply committed to the future of cricket and enthusiastic about implementing the ICC's vision for the future. All those interviewed considered that the governance of the ICC required reform across some or all of the areas included in our Terms of Reference.

In many cases, the criticisms made to the Review Team were remarkably similar. It is our view that if these criticisms are not tackled, there is a serious risk that the ICC's reputation could at any time be seriously damaged. This report addresses how these risks should be avoided.

Failure to respond to the criticisms will cause consequential harm to the ICC's vision of a bigger and better future for cricket. In addition, unless the ICC (in the reasonably near future) is in the position to make it clear that significant changes are imminent, many of the Members most adversely affected by the present situation could lose their enthusiasm for trying to achieve improvements in the situation.

What has changed in the last ten years

Cricket has a unique position in the sporting world. It is synonymous with fairness and integrity, exemplified by common referrals to ‘the spirit of cricket’ and ‘it’s just not cricket.’ Cricket’s values are integral to the game and its future. They are perceived by the public as being instrumental to cricket’s long-standing success.

The arrival on the international scene of the One Day International (ODI), World Cups and Twenty20 (T20) have transformed the scale of the earnings to be made from audiences for the international game. This, together with the general changes in the way of life, has had a significant effect upon the commitment of players and the public alike to Test Cricket. It no longer has the same status. For example, players are now conscious they can earn so much more with less inconvenience from new forms of the game.

This is not to suggest that we are in favour of downgrading Test Cricket. We are not. Test Cricket should be preserved, but this should not be at the cost of condemning some of those countries who cannot be expected to play Test Cricket to an unduly disadvantaged status.

The financial balance of the world game has changed over the last decade, with the commercial success of the ICC’s Cricket World Cup (CWC), the World Twenty20 (WT20) and the Champions Trophy (CT), as well as the Indian Premier League (IPL), the Champions League (CL) and other Twenty20 tournaments. The base of its financial success has been in the Indian subcontinent where cricket is almost a religion for millions. It is there that the devotion to cricket generates the financial success, which could give cricket the funding it needs to develop new opportunities. This success is to be welcomed, as cricket (along with other international sports) cannot afford to ignore the potential to increase its revenues. Global players, sponsors, the media and the public are all beneficiaries of the increased resources.

The focus on cricket’s new-found affluence must be tempered with maintaining and enhancing the integrity of the game, both on and off-field. Cricket’s values need to keep pace with the changing financial landscape. Whereas recent publicity has focused largely on on-field issues, there is a need to be just as vigilant concerning off-field behaviours.

What needs to change?

Integrity can be undermined by what happens on the field, demonstrated by the attention given to the visible and topical spot fixing issues that culminated in prison sentences in London’s Criminal Courts recently. Allegations surrounding match-fixing or convictions concerning high-profile players damage cricket’s reputation for integrity. If cricket is to protect the high level of awareness and financial support it currently enjoys, it needs to adopt a robust stance in detecting, exposing and punishing those guilty of misconduct who bring the game into disrepute, irrespective of who is responsible and where, how or when this occurs.

Off-field issues have the potential to be just as damaging as those on the field. They are equally capable of putting at risk the commercial value of the ICC events through sponsorship and broadcast rights and the benefit in hosting such events. Similar risks apply when commercial contracts are being entered into by the ICC, if it is not clear who all the interested parties might be.

Additionally, preserving organisational integrity, fairness and transparency are as important to reputation as harder-edged, commercial results. The reputation of the ICC and international cricket as a whole is at risk if the right standard of Boardroom behaviour is not seen to be in place, both at the ICC and at each and every Member Board. The challenge of embedding these values in an organisation grows as stakeholders’ demands increase.

In short, protecting and maintaining the reputation of cricket is fundamental to the long term sustainability of the game. It may be everyone’s responsibility, but the ICC has, and should have, a lead role to play. Repositioning the ICC to proactively shape the overall governance of the game rather than its current reactive role on behalf of the Full Members is critical.

Structure of the report

The remainder of the report is structured as follows:

In Section 2, we evaluate the role of the ICC, highlight existing uncertainties and propose a way forward. Recommendations are made as to the actions the ICC should take in the interests of cricket as a whole, and to achieve its desired position as having a reputation as a well governed leading global sporting organisation.

In Section 3, we summarise the fundamental governance issues that need to be addressed, including a vision for what we believe the ICC should stand for by 2015 assuming all the issues have been fully resolved.

In Section 4, we examine the challenges in more detail, and propose a way forward. Recommendations are made relating to governance structures, ethics, membership and funding together with other observations arising from stakeholder consultations and interviews and the submissions received from the ICC website.

In Section 5, we have developed a Plan for Transition from today to 2015, recognising that a number of our recommendations need careful consideration before being able to be implemented, and some need prioritising and implementing as soon as is practical.

In Section 6, we set out a complete list of our recommendations.

The nature of the changes required and how they should be implemented

Our overall focus within this report is to demonstrate how good governance can ensure cricket's reputation is protected and enhanced. We examine each challenge facing the ICC and set out what we believe is the preferable solution.

As long as there is a programme for change, it is not necessary for all the changes to be implemented immediately. They will require leadership and forward thinking on the part of Members who will be adversely affected to ensure the growth of the game. In some cases, individual expectations may be damaged. However, no recommendation for change will be made unless the future interests of cricket make the recommendation necessary. In addition, where this is appropriate, we have suggested a transitional course of action.

We do recognise however, that there is room for opinions to differ as to the precise nature of a recommendation and the order in which it can be effectively implemented. With that qualification, we urge the implementation of each recommendation.

It is essential that those adversely affected accept that the changes are being made in the interests of the future of cricket as a whole. They should therefore be made in the spirit of cricket and the sense of fairness that should be a central theme not only of playing cricket, but just as importantly, its governance.

If this is done, in due course all those who are interested in improving cricket in the long term, will have the great satisfaction of seeing the improvements come about.

2.0 *Role of the ICC*

Determining ‘what is the role of the ICC?’ is critical to addressing questions around whether the ICC governance arrangements are suited to the needs of the organisation. Simply put, unless there is clarity over the role of the ICC it is not possible to determine the appropriate governance that will enable the ICC to function in a manner that will fulfil the demands of its role.

As the game has developed, the increase in the scale and complexity over the past decade have emphasised the need for clarity of the role of the ICC. For example, one critical issue is whether or not the individuals on the Board of the ICC should be seen as doing no more than be the representatives of their respective Member Boards. Such a role might just be possible if the ICC was limited to supporting cricket in the countries in which it is played. Then the ICC would be little more than acting as a service company for the various Boards of Members.

In this first scenario, the Member Boards would be using the ICC as a ‘club for Members’, with new Full Members being admitted at the discretion of the existing Full Members.

A second scenario is quite different. The role of the ICC is more far reaching. Its role would be to act in the best interests of cricket generally and promote, lead and develop the international game. It would be held accountable to all its 105 Members, not just the existing 10 Full Members.

In the past, the first scenario might have been appropriate but that is no longer the case. If cricket is to be a truly international game, it is essential that a body exists that is responsible for, and in charge of, the global game. The ICC has reached a point in its development where only the second scenario can be appropriate. Therefore it is critical that the ICC acknowledges that it is the body to lead the global game and Member Boards and the Members of the ICC accept that is the position. This does not mean it cannot continue in its role to support the Full Member Boards.

Existing position

The global role of the ICC is articulated in its constitution as follows:

“to administer, develop, co-ordinate, regulate and promote the game of cricket world-wide in co-operation with its Members”¹

The Strategic Plan for 2011-2015 also implies a broad role for the ICC. However, many of the ICC’s existing governance arrangements reflect the Membership structure that has been in place for a number of years and consequently the role of the ICC as apparently acting in the best interests of its Full Member Boards.

For example, the ICC is currently funded through a subscription model that requires the Full Members to fund the annual budget of the ICC. This implicitly encourages the Full Members to think and act as ‘shareholders’ of the ICC. This means that the ICC is financially dependent on the Full Members, which inhibits its ability to be seen and to act independently of the Full Members. The position is reinforced by distributing 75% of the net profits back to the Full Members evenly. Full Members could see this as a right to share in the commercial success of the ICC. Full Members are consequently reluctant to see an increase in their numbers as it would dilute the share they receive of the profits. A barrier is therefore placed in the way of admitting additional Full Members, unless the concept of ‘relegating’ Full Members to Associates is entertained.

¹ *Amended & Restated Memorandum and Articles of Association – Article 3 (A)*

Similarly the role of the ICC to host commercially successful ICC events principally benefits the Full Members. This is because, at the present time, they have an automatic right to participate in all ICC events without the need to qualify, whereas places for the Associates are limited by the commercial pressures to restrict the overall number of participants.

Development of the international game by the ICC is currently focused largely on the non-Test playing countries. The ICC determines the allocation of 25% of the profits to develop cricket within the Associate and Affiliate Members, based on a balanced scorecard. In contrast the ICC has little influence over how the greater allocation to the Full Members benefits the development of cricket in the respective countries.

The ICC has no substantive control over the Future Tours Programme (FTP), as Full Members determine their own bi-lateral arrangements, and hence the ICC is in no position to ensure the 'fairness' of such a programme. They are, however, expected to support the FTP through provision of umpires and officials on behalf of the Full Members; as well as to try and embed common playing conditions across all international matches.

Recent challenges and observations:

Throughout the review, those interviewed have repeatedly come back to the question of whether the role of the ICC is to act in the best interests of its Full Member Boards or to act in the best interests of the international game. There is a significant, although not unanimous, body of opinion that believes it is essential that the ICC is positioned and empowered to promote, develop and act in the best interests of the international game as a whole. These views are echoed by respondents to the consultation, who, irrespective of their country of origin, were consistently advocating a global 'parent body' role for the ICC.

To date, no conclusive discussion has been led by the ICC to confirm and clarify that this is the role it should play. This is probably the explanation for a number of decisions of the ICC that are seen by many to have been taken in the interests of the Full Members without due regard being given to the wider cricketing community.

One recent example includes the lack of clarity over the right to participate in the ICC CWC 2015. Initially it was determined that the event should comprise the best ten teams, thereby providing the Associate and Affiliate Members with the potential to qualify on playing merit. Over a period of four consecutive Board meetings this decision moved from having all ten Full Members participate as a right (thereby excluding Associates and Affiliates) to a competition whereby the number of teams increased to 14, thereby protecting the Full Members whilst also enabling the Associate and Affiliate countries to have the ability to qualify for the event. However as a consequence of increasing participation to 14 Members in the CWC 2015, the teams competing in the WT20 in 2012 and 2014 reverted to 12 with the effect of limiting Associate and Affiliate involvement to two teams.

Other examples include the inability to increase the number of Full Members despite the commercial value of ICC events having increased dramatically and not enabling the Associate Members to schedule One Day matches against Full Members due to the increasing amount of cricket now being played under the umbrella of the FTP.

More specifically, the lack of clarity as to the role of the ICC has also contributed to the following issues:

- **Implementation of the Strategic Plan:** The current Strategic Plan for the period 2011 -2015 is a plan for the future of international cricket. Despite being approved by the ICC Board, a minority of Full Members have expressed doubts over whether the Strategic Plan has been adopted by the ICC. As one Member put it, *“the umbrella of the Strategic Plan allows everyone to interpret it as they choose.”* This is neither correct nor helpful. It also demonstrates that some Members are not respecting previous decisions and are seeking to go back on them. A decision, one way or another, needs to be taken and then full Board backing given to the decision.
- **The role of ICC management:** The ICC management are seeking to implement the agreed Strategic Plan, whereas some ICC Board Members believe the role of executive management is more of an administrative nature. This is a source of tension for both parties; with the ICC Management Team believing that their delegated authority to implement the Strategic Plan may be undermined and certain Board Members believing that ICC management encroach upon issues and decisions that are the responsibility of the ICC Board.
- **Financial strength of Member Boards:** There are differences between the financial strength of Member Boards brought about by the respective value of commercial rights in countries such as India, England and, to a lesser extent, Australia and South Africa. The increased commercial strength of cricket generally is of significant benefit to the international game as a whole and needs to be embraced. An unintended consequence of this however, is that there is a perception that those in a strong financial position are using that strength to provide leverage to reach decisions that may be in individual Members’ interests rather than the interests of the majority of Full Members, or indeed international cricket as a whole. There is insufficient information currently available to the ICC over the respective financial strength of the individual Full Members and there are no specific obligations on Full Members to disclose such details. If there were proper governance, this type of situation, which undermines the ICC, would be less likely to exist.

In summary, based on feedback received by the Review Team during the consultation process there is a genuine desire by the majority of Members for the ICC to be positioned in a way that will enable it to lead the international game of cricket. But currently the ICC reacts as though it is primarily a Members club; its interest in enhancing the global development of the game is secondary. In today’s environment this is not an acceptable situation. Cricket is a global game and there is a need for global governance. If the ICC is prevented from developing, promoting and protecting world cricket, public opinion will be increasingly critical of the Members of the ICC Board who are responsible for this. It is unacceptable for Members to be half hearted in their support of the ICC; they must realise that the good of global cricket must come first. If this is ignored, the pressure for change that will be created will either make change inevitable, or destroy the support for the game on which its success depends.

To avoid this requires the existing Members to be open and to put the interests of the global game ahead of their own short-term parochial interests. This may be seen as involving the surrender of what are perceived to be long established privileges of Members to the ICC. Whether they are perceived or real they should be given up. If this happens there can be confidence that the ICC can possess the capability to ensure the best interests of the game.

An example of the type of change that may be needed is provided by the FTP. The FTP at present solely benefits the Test playing nations. It is perceived to operate effectively as it gives certainty to the Full Members of their playing schedules which in turn enables medium term commercial arrangements to be concluded with broadcasters. However this needs to come under the governance and oversight of the ICC for the global good of the game, in particular to open up the One Day cricket schedule to more than just the Full Members. Other examples include the automatic right to Board Membership, distribution of surplus revenues and automatic participation in ICC events currently enjoyed by Full Members.

Recommendations:

- R1. The role of the ICC as the leader of the international game needs to be reinforced and confirmed by all.*
- R2. The ICC needs to own all elements of the international game either directly or through appropriate delegation.*

The game is too big and globally important to permit continuation of Full Member Boards using the ICC as a 'club'. The ICC's stakeholders are more than just its Members; they include the public, players, the media, suppliers and commercial partners. There is an obligation on the ICC to consider the needs of all stakeholders and define its role to meet the objectives of what is good for the international game. This will help to ensure that expectations of its stakeholders are met. When issues affecting international cricket arise, the ICC must similarly be able to take charge and come to conclusions as to what is the right way forward.

The ICC should only delegate responsibility for aspects of the game that may be appropriate to be performed by others, for example the laws of the game which have remained under the traditional, long established authority of the MCC.

3.0 *Fundamental issues and our vision*

Having in Section 2 identified the role of the ICC, we now identify the fundamental overarching issues that need to be addressed in respect of the existing governance arrangements of the ICC. This will then ensure the governance structures are consistent with the broader role of the ICC.

Summarised below is the outline of what is required. Our analysis and recommendations follow in Section 4.

- **Ensuring good governance:** An effective Board is essential if the ICC is to fulfil its governance obligations. The Board has to provide strong leadership. There needs to be clarity over its remit and objectives. The Board requires an independent Chairman to be identified to lead it, who is appointed solely on merit. The Board needs to embrace diversity and independence of view. An equitable voting structure should apply of ‘one person, one vote’ removing the current power of veto that sits with the Full Members. An individual Director’s fiduciary responsibility is to the ICC Board, not to individual Member Boards. The role of President, which enables all Members to have the opportunity to lead the ICC, should become an ambassadorial role. See Section 4.1.
- **Ethical standards:** Embedding the highest ethical standards at the ICC, across international, and indeed domestic cricket, as a whole is essential. The ICC needs to ensure that an effective ethical code, covering both on and off-field activities is developed, embedded, policed and consistently enforced; with all Members being expected and required to adopt similar standards within their own Member bodies. This needs to be embedded in a pragmatic and effective manner rather than being seen as merely aspirational. See Section 4.2.
- **The reform of Members’ rights:** Test Cricket is, and will remain, at the heart of the international game. At present, countries are obliged to be Test playing nations in order to have access to the privileges of Full Membership. This restriction is outdated and needs to be removed. It unfairly discriminates against Associate and Affiliate Members. It also deprives them of fair and appropriate representation on the Board of the ICC. It prevents them receiving commensurate funding which would enable cricket to be developed and support their ability to play other Members outside of ICC events without any unfair restrictions being placed on them because of their category of Membership. See Section 4.3.
- **Increasing the resources of the ICC:** The ICC needs to have the funding it requires to perform its enhanced role. Moving from the present subscription based funding mechanism for the ICC, to one where the ICC is self-funding is essential. The surplus revenues from the ICC’s activities should be available to the ICC to be distributed for the good of the international game. The present arrangements involving a revenue sharing mechanism predominantly for the benefit of existing Full Members should cease. It should be replaced with one whereby Full Members receive a fair share of revenues based on need. This will enable the ICC to distribute funding in accordance with its overarching role to promote and develop international cricket, including Test Cricket, across all Members. See Section 4.4.

It is essential that the existing Board recognises that it must give unqualified support to the international leadership role of the ICC. This is the key to progress – without such clarity cricket as a whole and the reputation of those involved with its governance may suffer.

We have developed a Plan for Transition from today to 2015, recognising that the required changes cannot happen overnight. The Plan and the recommendations need careful consideration before being implemented. Certain recommendations need to be prioritised and implemented as soon as practical. The recommendations collectively should remain a priority and should not be cherry picked.

The Vision for the ICC in 2015

We have used 2015 to provide a vision of how the ICC could look if our recommendations are adopted. 2015 has been chosen as it coincides with the end of the current strategic plan period and commercial rights deal.

The Vision for the ICC in 2015

- The ICC seen to be promoting and leading global cricket – acknowledged as the leading international sporting governance body.
- Strategic Plan for 2016 – 2020 focused on developing the international game driving all ICC activities – consistent application of ICC decisions across all Members.
- ICC events open to all, based on a fair qualification system covering both One Day Internationals and Twenty20.
- Test Cricket to have a ‘secure’ future, underpinned with an established World Test Championship.
- FTP used to support Test Cricket and to encourage wider engagement between all Members based on the One Day game.
- Cricket expanding into developing countries supported by Members, all the developments being measured with KPIs to demonstrate progress.
- Cricket’s relationship with the Olympic Programme determined and understood.
- Clear routes established for the development of Members based on well-known requirements, with no artificial barriers preventing progression.
- Members whose standards improve replace Members whose standards do not.
- Funding to support the game as a whole, from Test Cricket to grass roots cricket.

Governance

- Strong governance led by an independent Chairman supported by a streamlined Board containing Independent Directors.
- Fair representation on the Board, providing diversity of interests and experience.
- ICC executive management empowered to implement the strategy of the ICC.
- Decisions taken in the best interests of the game, not individual Members.
- All Directors exercising their fiduciary duty first and foremost for the benefit of the ICC.
- Equality of voting at the Board and the Full Council.
- Fair rotation of the ambassadorial role of President between all Members.

Ethics

- Embedded values of integrity, trust, fairness and transparency.
- Cricket to be seen to be a ‘fair’ sport.
- Appreciation of appropriate behaviours and culture.
- Consistent standards for both on and off-field activities.
- Resources available to support and investigate potential breaches.
- On and off-field policies embedded across the game.
- Code of Ethics binding on all.
- Member Boards held to the same ethical standards as the ICC.

4.0 Findings and recommendations

4.1. The ICC Board

This Section of the report focuses on the performance of the ICC Board, which should reflect the need to fulfil the global role of the ICC, which we have already identified. The ICC Board (currently known as the Executive Board) manages the affairs of the ICC. It currently comprises 16 Directors: ten Full Member representatives and three Associate/Affiliate representatives (known as Associate Member Directors.) The ICC President, Vice-President and Chief Executive attend by invitation but do not have a vote. The Principal Advisor to the President also attends Board meetings by invitation of the President.

Recent challenges and observations:

A number of issues have been raised by the stakeholders interviewed. They have highlighted the need to reconsider ICC Board Membership.

- **Past difficulties in nominating and electing the future President:** The majority of people interviewed referred to the nomination and election of the ICC Vice-President (President Elect) and President as being one of the most emotive, and immediate, governance challenges facing the ICC. Reference was made in particular to nomination deadlocks, failed past nominations and differences of views between the Full Members on the basis of nominating the future President. The possibility of an Associate or Affiliate Member becoming President was also raised. Amongst those interviewed, there was broad, but not unanimous, support for the existing rotation system for electing the President and Vice President, with different regions having an opportunity to nominate a candidate every two years. This support, however, was often linked to a desire for a clearer definition of the role of the President and the potential introduction of a separate Chairman role who was “*the best person for the job*”.

The present appointment system, or any conceivable variation of that system can produce a President who has the required qualities but that is far from certain. The existing system is more likely to produce a President who has given worthy service to cricket, who has risen by stages through the hierarchy of his country’s cricket Board and the most senior roles and has held office as a Member of the ICC. He is likely to be of some seniority in experience and age. He may or may not be the ideal leader of the cricket world today, but he is likely to have all the qualities needed of the President, if that role is seen as ceremonial and advisory.

- **Independence of the ICC Board:** Current structures in the ICC do not permit any role at the ICC Board level to be taken by an individual who is not either associated with the ICC or one of its Members. The prevailing custom amongst Full Members is to appoint the Chairman or President of the Full Member itself to the ICC Board. The ICC Board is currently dominated by Full Members which has the effect that representation on the Board is primarily from Test playing countries. As a result of this “*decisions are perceived to be taken in the interests of the 10 and not of the 95.*”
- **Directors’ fiduciary duties:** As referred to before, there is an inherent tension between the ICC Board Directors’ responsibilities to their Member Boards’ and their fiduciary responsibilities to the ICC to promote the international game of cricket. The ‘co-operative’ model of the ICC Board is viewed as “*logical*” by some, given its international structure. Nevertheless, the risks of self-interested or parochial decision-making were raised relatively frequently by many we spoke to; this culture is likely to predominate. Some, but not all, Members take the view that there is a need for independent Board Members “*to discipline parochialism.*”

- **Quality of debate and decision-making:** Several comments referred to the inadequate quality of debate and decision-making at ICC Board meetings. For example, there is felt to be limited time for discussion of certain complex issues, which resulted in decisions being postponed or subsequently revised. Another characteristic noted by stakeholders is a tendency for decisions to be taken, but then subsequently re-opened. One example is the continuing debate over the use of the Decision Review System (DRS). Several people interviewed also commented on the reversal of the original decision to limit the 2015 World Cup to ten teams, and the ‘balancing’ of this reversal with a reduction of the 2012 and 2014 World Twenty20 tournaments to twelve teams, as examples of inconsistent decision making which is not in the best interests of the global game.
- **Length of service:** Currently the terms of office for Board Directors are not defined. In practice, this results in widely varying tenures. Over the recent past, the tenure of Board Members has ranged from a few months up to in excess of ten years. This may contribute to the tendency for issues to be revisited due to a lack of knowledge of the underlying facts, or at the other extreme, views becoming entrenched.
- **Effectiveness of the ICC Board:** There was also a widely held view expressed that meetings are poorly structured and chaired, which again adversely affects the quality of debate. The manner in which some issues are discussed amongst the ICC Board Members was also frequently criticised, with some referring to “*inappropriate*” or “*dysfunctional*” behaviour. A broader, related issue is the fact that the ICC Board meets up to four times each year, which is arguably insufficient time to fulfil its demanding role. This is exacerbating the challenges described above.

Recommendations:

- B1. The ICC should appoint an independent Chairman to lead the ICC Board. This role should be separate to the role of ICC President. Both these roles should be clearly defined and delineated. The Chairman role should be remunerated.*

“Good Boards are created by good chairmen.”²

The Chairman is fundamental to setting the tone for overall Board and individual Director effectiveness. They should create the environment for high quality debate and decision-making. The qualities required given the current status of the ICC will be proven leadership skills and the ability to drive change through an organisation. The Chairman should be independent in character and judgement. The current rotation process for nominating the ICC President between paired Member Boards would not result in the selection of an independent Chairman, or necessarily the best choice for the Chairman.

The role of the ICC Chairman would encompass giving Board Directors strong guidance over their fiduciary responsibilities to the ICC and helping to ensure decisions are taken that are in the best interests of cricket, rather than self-interest.

The individual should also have considerable diplomatic qualities to be at the head of the Board. They need to be able to lead a complex international high profile sporting body, dealing with all the complexities this entails.

The selection process for the Chairman needs to be as thorough and transparent as possible to assist in identifying the best person for the role. It could be a person with an existing role in the ICC, but that is not essential. If it is an existing Board Member, they should give up any roles within Member Boards. Given the scale of responsibility of the Chairman role, the role should be remunerated to attract the highest calibre of candidates.

² UK Financial Reporting Council Guidance on Board Effectiveness (2011)

B2. A Nominations Committee should be convened to identify the right person to be Chairman, using a skills-based assessment.

The Nominations Committee should take responsibility for identifying the Chairman. The selection process should include seeking external advice to identify suitable candidates, prior to final approval by the Full Council. The Nominations Committee's remit should also encompass reviewing the performance of the Chairman, including removing them from their role if required.

As a transitional measure a Committee of the Board to appoint the Chairman should be established under the chairmanship of the President. On an ongoing basis this Committee should be chaired by the Senior Independent Director with the President being a member of the Committee.

B3. The role of the ICC President should be an Ambassadorial role, enhancing relationships with ICC stakeholders and other sporting bodies and acting as a figurehead for the ICC at worldwide functions.

B4. All Members should continue to have the opportunity to become ICC President under the existing rotation system.

B5. A Nominations Committee, led by the Chairman, should recommend the appropriate candidate for President, having given due consideration to the submissions received from the Member Boards against the revised requirements of the role.

Fairness dictates that all Members, including existing Associate and Affiliate Members are eligible to hold the office of President. This position is comparable with other sporting organisations such as FIFA, IAAF, IOC and FIH, where the President can potentially come from any Member or Member association. The current rotation system is inclusive as it permits the Full Members, Associates and Affiliates to nominate a future President. Although it is not strictly equitable, as it favours existing Full Members when compared to the overall Membership, this frequency of opportunity for an Associate and Affiliate nomination is appropriate, given the existing Full Members relative stature and maturity.

B6. Each Board Member has a fiduciary duty first and foremost to the ICC. Each Member Board nominee needs to act in recognition of this.

Each Full Member currently has the right to nominate a Director to represent them on the Board of the ICC. In determining who is the best person to nominate to act as their representative each Member should:

- Identify the person best suited for the role based on merit;
- Ensure that person can commit to serving on the Board, subject to unforeseen circumstances, for a minimum of a three year period to ensure continuity of active participation as a Board Member;
- Limit the appointment to a maximum of two three year periods to ensure that continuity is balanced by freshness of view at the Board;
- Understand that the representative's primary responsibility is their fiduciary duty to the ICC Board;
- Recognise that their secondary responsibility is as a representative of the Member Board. This ensures that the voice of their Member Board is heard at the ICC and that the Director acts as a conduit of information on behalf of the Member Board; and
- Understand that any inherent conflict that arises between these two duties is acceptable, as long as the primary duty of care remains to the ICC.

The fiduciary duty of the Directors to the ICC was recently reinforced in a paper prepared for the Board. Therefore the recommendation above should not be seen to be a new requirement being placed on Directors, but merely reinforcing what should already be the case.

B7. In future, accepting appointment as an ICC Director should necessitate the person relinquishing any executive or leadership role within their Member Board.

An ICC Director owes a duty to the ICC not to disclose to third parties any confidential information and to promote the interests of the ICC over all other interests. Given the primary duty of the ICC Director to the ICC as a whole, it is not feasible for that Director to also have a similar fiduciary duty to their home Member Board as there is an inherent potential for conflict between the two roles.

Applying the above recommendation immediately could be disruptive to existing obligations. Consequently, for practical reasons, we recommend that the above does not apply to existing Members of the ICC Board but that current Directors should appreciate that their primary fiduciary duty lies with the ICC.

B8. Independent Directors should be introduced to the Board to augment the existing skills on the Board. The Independent Directors should be given voting rights. The role should be remunerated. Three Independent Directors should initially be included on the Board.

The ICC is a complex organisation, and the Board is required to take decisions with significant implications for the international game. A Board containing a proportion of Independent Directors is both a natural next step in its corporate governance development and an important component to ensure its longer term success. The Board should have the appropriate balance of skills, experience, independence and knowledge of the ICC. A balance needs to be struck between independence and knowledge. In the ICC's case, independence is of particular importance, in order to address any perceptions that an individual Director, or small group of Directors, can dominate the Board's decision-taking.

There are currently no 'Independent' Directors on the ICC Board or IDI Board, the two key decision-making bodies of the ICC. This structure risks being seen as increasingly out of step with good practice. From a corporate perspective, independent Non-Executives typically comprise a majority on Boards.

Independence is a state of mind. In order to ensure Independent Directors are not only independent but are seen to be independent it is considered necessary that such Directors have not recently held positions of authority on any Member Board nor any commercial body that has had significant contractual relationships with the ICC. Independent Directors should also be able to address any potential conflicts of interest that may arise. It is essential that they are of sufficient integrity, independence and calibre.

The benefit of having Independent Directors has also been recognised in certain of the Member Boards' own national governance structures, including the England and Wales Cricket Board, Cricket South Africa, New Zealand Cricket, the West Indies Cricket Board and potentially Cricket Australia.

The expectations on Independent Directors are increasing. The skills required of Independent Directors would need to take into account the ICC's strategic priorities and look to augment the existing skills of the Board Members. We suggest that the Board as a whole should seek to have a wide range of expertise in cricket and in business, with successful organisational leadership and proven governance experience.

On the basis of broadening the skills of the Board as a whole and ensuring that there are enough of them to 'carry weight', we recommend the addition of three Independent Directors initially to the existing Board.

B9. The ICC should ensure a greater diversity of views on the ICC Board. Two additional Directors should be included on the Board to provide this diversity.

Diversity of view is critical to the effectiveness of a Board, both in terms of providing fresh perspectives and insights but also potentially changing Boardroom dynamics for the better.

Given the current make-up of the Board we recommend that two additional Board Members are included to provide greater diversity of view, with particular consideration given to experience gained from playing, officiating and commentating on the international men's and women's game.

- B10. All Board Members, including the Independent Directors, need to receive appropriate information, data and insights into the operations of the ICC for them to fulfil their role – backed up by access to an independent monitoring function if necessary.*
- B11. An effective Internal Audit function covering the operations of the ICC and the related ICC events, and reporting into the Chairman of the Audit Committee, is required to act on behalf of the Independent Directors.*

Effective monitoring and review is critical to the long-term sustainability of an organisation's governance procedures. The design and implementation of monitoring and review procedures should focus on those areas of activity which tend to create the most risk for an organisation.

The Board, the Chairman and Independent Directors in particular, have a key role to play in monitoring the performance of the organisation and the operation of its governance procedures. As these Directors would not be involved in the day-to-day running of the organisation, it is vital they seek out and receive full access to sufficient, appropriate, robust and timely information and data to fulfil their monitoring role effectively.

The Directors should ensure that they have sufficient comfort that the governance procedures and controls are operating effectively; where appropriate drawing on the services of independent reviewers, such as Internal Audit, the Anti Corruption and Security Unit (ACSU), the Ethics Officer, or external assurance providers.

- B12. The terms of office for the Chairman and Board Members should be clearly defined.*

In line with corporate leading practice, we suggest that the term of office for the Chairman should be three years, with a maximum ability to serve two terms. Other Board Members should similarly serve a maximum of two terms of three years each. This does not mean that an existing appointment should be curtailed. Serving more than six years may impair a Director's independence, so any longer term should be on an exceptional basis, for example to assist with succession planning should an Independent Director be appointed Chairman. All Directors should be submitted for re-election at the expiry of their existing term or the expiry of three years, whichever is the earlier.

Full Members currently have the right to determine their representative on the Board. In these cases the re-election for a second three year term should be automatic unless the ICC Board by a simple majority decides otherwise on the grounds there is good reason for not granting a new appointment.

- B13. Board resolutions should be binding on Member Boards.*

The process to ensure decisions are ratified by the Board should be reviewed and strengthened, to ensure that decisions on international matters are binding on Member Boards. This would help resolve uncertainties created over issues such as the use of the DRS.

- B14. In the interests of transparency Board decisions should be publicised.*

One of the most frequent views expressed to us in the public consultation on this review was a desire for greater transparency over the ICC's decision-making. In addition to the current press briefings by the ICC immediately after each Board meeting, we suggest that decisions taken at the Board are publicised promptly, openly and transparently. This should include the rationale behind key decisions, in a form that is easy for the public to digest and understand. The IOC, for example, publishes summaries of Executive Board decisions on the IOC website.

- B15. With the separation of the roles of the independent Chairman and President the roles of Vice President and the Presidents' Principal Advisor should no longer be necessary.*

4.2. Ethics

Ethics can be defined as ‘doing the right thing when no-one else is looking.’ It is becoming the expected requirement that proper ethical standards will be observed by bodies operating globally in a world where reputational and ethical risks require proactive and ever vigilant management. The pressure on the ICC to maintain high standards of ethical conduct is coming from three main sources:

- Increased recognition by organisations, particularly those responsible for the governance of a global sport, that they are expected by their stakeholders, including the participants and followers of the sport, to conduct their governance in a manner which meets the highest ethical standards. If they do not, they will forfeit their support;
- Boardroom focus on the obligation to mitigate inappropriate behaviour including fraud, bribery and unethical business conduct, resulting from high profile reputational incidents across all industry sectors, including sport; and
- Heightened expectations of stakeholders in cricket, including players, employees, the public, the media, investors, sponsors and the government.

Ethics in the context of the Governance Review

Ethics covers both on and off-field activities. On-field activities (including anti-corruption, doping, betting and match-fixing) have been subject to separate independent studies, and hence we have been requested by the ICC to treat them as outside the direct scope of this review. Nevertheless, on-field activities have required our consideration. In order to properly assess ethics in relation to off-field activities, which are within the overall remit of the ICC and its governance structures, it is necessary to consider the question of ethics as a whole. The highest ethical standards for on-field activities should also be applied in principle to all off-field activities.

On-field activities fall under the remit of the Anti Corruption and Security Unit. The ACSU is managed independently of the Code of Ethics and ICC Ethics Officer. Allegations of players’ or officials’ corrupt activity are investigated by the Unit’s investigators.

The ACSU’s broad remit is to address the objectives of investigation, education and prevention of corruption in the game of cricket. It was set up in 2000 following the corruption crisis and is currently chaired by Sir Ronnie Flanagan, in succession to Lord Condon. It has evolved to focus primarily on player or ‘on-field’ anti-corruption and has adopted operational strategies over the following areas:

- Education and awareness of all players and support staff;
- Enforcement of safeguards over the Players and Match Officials Area (PMOA);
- Information and intelligence; and
- Investigation and Prosecution.

An independent report on Corruption in International Cricket was published under the Chairmanship of Lord Condon in April 2001 and a number of the recommendations raised therein have not been fully adopted and remain relevant today.

Off-field activities include conflicts of interest, government intervention, gifts and hospitality, inappropriate behaviours, abuse of power, fraud, bribery and other unethical conduct. Off-field corruption is managed by the ICC Ethics Officer and the ICC Code of Ethics (the Code).

There are two key questions that we have examined in our consideration of ethics:

- Whether the existing Code is fit for purpose and capable of being effectively implemented and enforced; and
- Has the Code become a key part of the ICC's 'DNA', so that the ICC is capable of meeting the expectations of all its stakeholders?

Establishing and maintaining an ethical culture

Recent challenges and observations:

A number of fundamental issues relating to ethics within the ICC have demanded attention:

Conflicts of interest: There are two different dimensions that call for attention. These can be defined in two principal contexts:

- i. The conflicts of interest between a Director of the ICC and their personal interests (Personal Conflicts of Interest).

Examples of how such conflicts of interest can occur include:

- a. Personal involvement with sponsors, suppliers, contractors, venues, broadcasters or customers. This would include ownership of a material interest in such an entity, acting in any material capacity in such an entity, or acceptance of material payments, commissions, services or loans from such an entity;
 - b. Ownership of property affected by ICC action or acquired as a result of confidential information obtained from ICC;
 - c. Outside employment which might materially affect a Director's performance or efficiency in relation to his duties to the ICC; or
 - d. Involvement in civic, professional or political organisations which create the perception that there is improper and unauthorised divulging of confidential information.
- ii. The inherent conflicts of interest between an individual's fiduciary duty as a Director of the ICC and their role as a representative of their own Member Board (Institutional Conflict of Interest).

The ICC is, as is typically the case for sports governing bodies, an organisation where Directors are appointed to the Board through nomination by stakeholders (i.e. the Member Boards.) The Directors also typically hold senior positions within the organisations that have nominated them. This leads to an inherent potential conflict of interest between an ICC Director's fiduciary duty to the ICC and their duty as a representative and often officer of the nominating stakeholder.

In each of the above categories of possible conflict of interest, it is important to consider direct and indirect interests; both individually and through related parties.

Some of those interviewed complained of a lack of openness and transparent behaviour where conflicts of interest, particularly at Director level could occur. They were left in doubt as to whether Member Boards' interests were promoted over the ICC's interests. Due to the lack of disclosure, remarkably no person interviewed could recall, for example, a situation where a conflict of interest was disclosed and the Director concerned excused himself and abstained from voting on a particular issue. Given that conflicts of interest are likely to arise from time to time in an organisation such as the ICC, this may indicate that the underlying requirements in this and other areas have not been made sufficiently clear, or are not sufficiently understood or observed.

- **Undue influence:** There are significant differences between the financial strength of Member Boards. Some of those interviewed believe that there are occasions when those with greater financial leverage are able to use their financial power to influence voting at the ICC Board, for example, through the offer of a future tour that would bring additional revenue to the host Member.
- **Side agreements:** Concerns were expressed that the way a Director voted may have been influenced by factors beyond the specific issue in hand in order to obtain favourable treatment for another project.
- **Government interference:** Government interference in a country's administration of cricket, including but not limited to interference in operational matters, the selection and management of teams, the appointment of coaches or support personnel or the activities of a Member, is precluded by the ICC's Articles of Association. A number of concerns have been raised, some of which may be unwarranted. For example, we have heard concerns about government patronage which could be of immense benefit to cricket in the country in question. On the other hand there were reports of inappropriate government interference that is not being addressed. In practice, the failure may boil down to a lack of willingness to address this issue head-on, notwithstanding the fact that the ICC's Articles of Association were updated in this respect in June 2011. This uncertainty over the extent to which full buy-in has been achieved was reinforced by the ICC Board and Full Council decision that no sanctions will be taken against a Member for failure to comply with this clause until the 2013 Annual Conference.
- **Gifts and hospitality:** In both the sporting and corporate world the appropriateness of gifts and hospitality is increasingly being scrutinised. Part of the culture of the ICC involves entertaining fellow Members and colleagues at various ICC events and FTP matches. This is understandable but there is a need to avoid excess.

One person interviewed commented that "*the Code is not clear on how gifts should be addressed, with opportunity for non-disclosure based on an individual's own interpretation.*" For example, the section on gifts excludes hospitality and is vague. It provides a carve-out so that "gifts, which the recipient reasonably, and in good faith, believes to have a nominal value, may be accepted without disclosure." This is open to interpretation.

The real risk in this area, however, is the extent to which suppliers, other commercial partners and interested parties may seek to influence decisions relating to the awarding of ICC commercial contracts, particularly for media rights, events and sponsorship. The significant increase in the value of the commercial rights today compared to ten years ago, has greatly accentuated this risk.

- **Loans between Members:** The disparity of the financial positions of Members creates an environment in which it is possible that one Member may approach another Member for financial support or a loan. Such transactions could potentially create (or be perceived to create) a conflict of interest and could jeopardise the independence of Members. There is currently no requirement for such financial arrangements to be disclosed to the ICC and therefore the ICC would not necessarily be aware if loans were being made between Members and any consequent impairment of independence.
- **Confidentiality:** We are aware that at times the ICC has struggled to retain control over confidential matters as a result of leaks arising from the organisation.

Recommendations:

Personal Conflicts of Interest

- E1. A culture should be established where all potential conflicts of interest are declared, assessed and addressed. Where a Director of the ICC has a personal conflict of interest from which they stand to benefit, they should be excluded from decision-making on matters that may be affected by that conflict.*

All Directors and staff of the ICC have a responsibility to declare any conflicts or potential conflicts between their personal interests (directly or through a related party) and those of the ICC. These should be recorded in a centrally held register of interests. This is particularly relevant where an individual (or a party related to them) has commercial interests that may have an effect or be affected by ICC decisions. The judgement as to whether

potential conflicts of interest need to be declared and mitigated should not rest with the individual who may be conflicted.

The ICC must take an active role both in the identification of conflicts of interest that may not have been declared and in the judgement as to whether a potential conflict is an actual conflict and what if any, mitigating action should be taken.

Clear principles-based guidance supplemented by rules on specific areas of interpretation should be issued and regularly communicated to Directors and staff of the ICC and the Member Boards themselves, setting out what would constitute a personal conflict of interest and how and when to declare such conflicts of interest. The ICC should undertake a regular proactive risk assessment to identify potential conflicts of interest that should have been but were not declared.

Where potential conflicts of interest have been identified, it is important that there is transparency, such that all other decision makers are aware of the potential conflicts and can take account of them.

In certain instances, which should be clearly defined and adhered to, it may be appropriate for Directors to abstain or be excluded from the debate and decision making processes.

Institutional Conflicts of Interest

E2. The primacy of ICC Directors' fiduciary duties to the ICC should be re-established, such that each Director acts consistently in the interests of the ICC as a whole, ahead of the interests of individual stakeholders. The secondary duty of ICC Directors, nominated to represent and therefore openly express the interests of individual stakeholders, should be acknowledged.

It is essential for the good of cricket that the ICC acts in the interests of cricket as a whole, rather than the interests of individual Members (or a minority of Members). However, while Directors are nominated by stakeholders, it would be disingenuous to expect Directors to ignore the interests of the bodies that have nominated them. There is a positive role for Nominee Directors to play in expressing the interests of the bodies they represent and in communication between the ICC and its Member bodies.

All ICC Directors (especially the independent Chairman and Independent Directors recommended by this review) should be responsible for monitoring the rationale for Board decisions and ensuring that these have not been unduly influenced by the interests of individual Members.

This recommendation builds on and is consistent with recommendation B14 in Section 4.1. The key is that these institutional conflicts of interest need to be openly acknowledged at each and every Board meeting and that such conflicts are handled in a similar manner to those arising from personal conflicts of interest.

Undue influence

E3. ICC Directors should neither seek to place undue influence on other Members, nor allow themselves to be influenced inappropriately by other Members to support the interests of individual Members.

If the Directors all consistently act in the best interests of cricket as a whole, this should mean that less powerful Members are not subject to, and do not allow themselves to be swayed by, undue influence.

The introduction of Independent Directors and the Chairman, recommended in this report, should also help to safeguard against the exercise of undue influence, as should greater transparency and safeguards over conflicts of interest – both institutional and personal.

It has been suggested to us that one way of addressing undue influence of some Members would be the introduction of secret ballots for Board decisions. We have considered this as a potential transitional measure until there is adequate independent representation on the Board. On balance we have concluded that secret ballots would not sit well with the greater transparency and openness that we are seeking to promote.

Side agreements

E4. Any side agreements between Members that may affect the interests of the ICC and Global cricket should be disclosed so that there is due transparency and their effects are understood.

Side agreements between Members may, on occasion, be a pragmatic way of reaching decisions. A recent example of this is the agreement between Pakistan and Bangladesh that Pakistan will support the Bangladesh nomination for the ICC Presidency in return for Bangladesh agreeing to tour Pakistan. This agreement has been publically announced and we applaud the openness of that announcement; all parties can see the nature of the agreement and how a decision has been reached.

Government interference

E5. Government interference is inappropriate and is not acceptable. A level of government patronage and support of cricket is permissible.

As with any third party, governments exercising undue influence and interfering in a manner that may run counter to the interests of cricket is undesirable and the ICC should take all practicable steps to eradicate such interference. At the same time, governments taking an interest in the development of cricket and providing support and patronage to Member Boards may be acceptable or even desirable. It is a matter of achieving an appropriate balance between support and interference. It is important for the credibility of such safeguards that once defined, they are enforced rigorously and consistently.

The ICC should take a proactive role in understanding and monitoring the degree of government involvement in Member Boards and whether this constitutes inappropriate interference.

Gifts and Hospitality

E6. There should be clear and enforced limits on the value of Gifts and Hospitality (individually and aggregate) that ICC Directors and staff can give or receive. It should be mandatory to log all gifts and hospitality that are given or received (over a de-minimus level).

The ICC should not be expected to provide lavish gifts, hospitality or entertainment to Members, to representatives of Commercial organisations or other Third Parties.

The ICC should undertake regular risk assessments to identify those commercial arrangements and individuals that are most likely to attract attempts by third parties to inappropriately influence the ICC's decision making.

It is important that the ICC ensures that it has adequate safeguards in place to protect against gifts and hospitality (and in the most extreme cases bribes) being used to influence its decision-making processes. The risk of this occurring is greatly increased by the large value of many of the commercial arrangements that the ICC enters into and the potential benefits that flow from the award of ICC events and associated commercial contracts. Safeguards should focus in particular on those individuals who have the capacity to take or influence decisions regarding the award of ICC commercial contracts and the allocation of and arrangements for ICC events.

The nature of international cricket is such that it is inevitable there will be an element of entertainment and hospitality, especially when one Member tours another. This is, in our view, acceptable as long as it remains proportionate and would not be considered excessive or lavish.

Loans between Members

E7. There should be an obligation, both on the giver and receiver, for loans or other financial assistance between ICC Members to be fully and promptly disclosed to the ICC Board.

The ICC should have the right to obtain full explanation of such loans or financial assistance, including any conditions that may attach to the granting of assistance.

The disparity of financial positions of Members means it is possible that one Member may be in a position to offer financial assistance to another. This would potentially provide for the giver of assistance certain leverage over the receiver and has the potential to impair the perceived or actual independence of Members. We considered whether it was appropriate to forbid such financial assistance between Members, but concluded that this was not in the best interests of promoting and protecting the interests of world cricket – the ‘haves’ should be in a position to help the ‘have-nots’.

We believe it is essential that the ICC and its Board fully understand the nature and extent of any financial assistance that may be given by one Member Board to another, to mitigate any potential threats to the independence of the Members concerned and therefore we have recommended transparent disclosure and a right to receive full information. We also considered whether to recommend that any such assistance between Members should require the prior approval of the ICC Board. We concluded that disclosure should provide an adequate safeguard, but this should be kept under review.

Confidentiality and behaviours

E8. In order to build an ethical culture, appropriate behaviours need to be promoted to ensure that confidentiality is respected and diversity of view is appreciated.

Respect for the confidentiality of documents and information should be expected of all, in the confidence that the transparency of decision making within the ICC is fully respected.

Code of Ethics

The Code of Ethics (the Code) was originally implemented in 2002 following Lord Condon’s investigation into corruption in cricket in 2001. The 2005 Code (as amended in 2011) is the version in use today and is currently undergoing review by the ICC legal department. The Code covers the following key areas:

- Introduction, including high level objectives and applicability;
- Fiduciary duties of Directors;
- Conflicts of Interest;
- Confidentiality;
- Gifts;
- Betting, Gaming or Gambling; and
- Enforcement.

The Code currently applies to “persons serving on the Executive Board of the ICC and/or any Associated Company, Members of all ICC Committees, including without limitation, Full Member Directors, Associate Member Directors, the President, the Chief Executive, the Vice-President all alternate Directors, and all ICC staff.”

Whilst acknowledging that the Code as currently drafted may not be perfect, little comment has been received, other than from ICC management, suggesting that the Code itself is defective. Consequently, whilst we have made a few recommendations as to how the Code itself should be updated to reflect today's environment, our focus is not on the wording of the Code but on the ability of the ICC and Member Boards to 'live the Code.'

Recommendations:

E9. An ethical risk assessment should be conducted to identify areas of higher risk to the ICC. Guidance on risk areas, to a sufficient level of detail, should be included in the Code.

The ICC is updating the 2005 Code to reflect the most recent ethical risks identified. The Code should be regularly reviewed and refreshed in light of any change in the ethical risk profile of the ICC. The need for supporting policies or training to reinforce understanding of high risk areas should be evaluated and developed as appropriate. Additional procedures or controls to address these areas of risk should also be put in place where necessary.

The guidance in the Code could be strengthened and made more specific on areas of highest risk. In addition guidance in the Code on other areas of higher ethical risk is at a high level with no referencing to supporting policies and procedures.

Implementing and enforcing the Code of Ethics

Ultimately the effectiveness of any ethics code is dependent on appropriate behaviours being identified, embedded and monitored across an organisation. Such behaviours need to stem from the leadership of the organisation – in this case from the Board Members of the ICC and the respective Board Members within each Member Organisation of the ICC. Unless this is totally bought into by leadership, any ethics code and structure will be undermined and not effective. Embedding strong ethical leadership at the ICC is the one key area that is critical to the success of the organisation.

Recent challenges and observations:

- **Scope and applicability of the Code:** The Code has been in place for a number of years, yet some of those interviewed still appear unclear as to what it represents and to whom it applies. Whilst the responsibilities of players and match officials are well understood, some are of the view that similar standards do not always appear to apply to those 'off-field', including those closely linked to Member Boards.
- **Role and resources of the Ethics Officer:** At present the ICC Ethics Officer role is an unpaid role with no formalised powers of authority or responsibility. The role has limited supporting resources.
- **Relationship with the ACSU:** There is lack of clarity over the interaction between the Ethics Officer and the ACSU function.
- **Enforcing the Code:** The Ethics Officer does not have the means to proactively respond to emerging issues or conduct ongoing checks on compliance with the Code. This may result in some potential referrals not being made to the ICC Ethics Officer.
- **Independent review and sanctions:** The role of the ICC Ethics Officer encompasses the end-to-end case management process from investigation through to adjudication and appeals, and so does not provide for independent review or appropriate challenge. It is not clear in the Code if, and when, incidents being investigated by Member Boards, should be independently investigated by the ICC Ethics Officer. It is also unclear whether any sanctions subsequently determined by the Ethics Officer are enforceable.
- **Visibility and governance over ethics:** Some of the people interviewed felt there would be benefits in formalising the internal oversight over unethical or corrupt on and off-field activities.

Recommendations:

E10. The scope and applicability of the ICC Code of Ethics must be clearly reinforced. It should apply to everyone who is part of the ICC in every capacity, including ICC Member Boards. The Code should also apply to parties having a significant commercial relationship with the ICC as well as intermediaries such as agents.

As a condition of Membership all Member Boards need to adopt and enforce a Code of Ethics that is at least as stringent as the ICC's Code. Both the ICC Board and the Member Boards should ensure all employees and representatives appreciate the requirements and obligations placed on them by the Code.

Best practice would require the Code to also apply to all external bodies with which the ICC has significant commercial relationships, as well as their intermediaries such as agents.

E11. The responsibilities of all individuals who fall within the scope of the Code need to be underpinned with the appropriate training and communication.

An ethics training and communications programme, sponsored by the ICC CEO and managed by the ICC Ethics Officer, should be developed and delivered on a regular basis. The programme should form part of any induction process for new employees and be refreshed annually to reflect areas of highest ethical risk contained in the Code, supported by regular communications from the ICC Ethics Officer on ethical standards and procedures.

E12. A 'speak-up' hotline should be established under the direction of the ICC Ethics Officer.

As part of building an ethical culture within the ICC, a mechanism should be developed and made available to all ICC employees, ICC Members, and potentially external stakeholders, to enable concerns and queries on the Code and any ethical matters to be raised.

A speak-up hotline should be designed to encourage discussion and debate around ethical concerns or dilemmas in the confidence that the culture of the ICC will understand and encourage such openness (i.e. it represents an 'ask us' facility as well as 'tell us' or whistle blowing process).

E13. There should be a properly resourced ethics function led by a senior Ethics Officer. The ICC Ethics Officer's reporting lines to the ICC Board and the independent Governance and Ethics Board Committee should be defined and agreed.

Clear terms should be drawn up and agreed as to the role of the ICC Ethics Officer. It should reflect the scope of the Code, giving the Ethics Officer the powers and authority required.

The ICC Ethics Officer should have overall responsibility for the Code and its supporting risk-based policies and procedures, and for the reporting and monitoring of compliance with the Code, including training and communications. The ICC Ethics Officer should be given adequate budget and resource to enable delivery of their role and responsibilities.

There should be sufficient resources available to improve segregation of duties and the independent role of the ICC Ethics Officer during the investigation, review, sanction and appeals procedures.

There should be clear reporting lines directly from the ICC Ethics Officer to the CEO and ICC Board, with direct access to the Chair of an independent Governance and Ethics Board Committee.

E14. A formal policy should be developed in response to violations of the Code of Ethics.

The ICC Ethics Officer should be the first point of contact in relation to violations of the Code of Ethics. If the ICC Ethics Officer considers that the incident could involve a criminal offence, the incident should be reported to the appropriate authorities.

If the ICC Ethics Officer regards the incident as minor in nature and one that can be dealt with by a reprimand or a sanction within previously agreed parameters, and the penalty is not contested, it may be dealt with summarily by the ICC Ethics Officer. Where a minor matter relating to ICC employees is contested it should be investigated by the ICC Ethics Officer and, if it requires further action, referred to an Ethics Disciplinary Committee (EDC). The EDC should normally comprise the ICC Chief Executive, an Independent Board Member and one other Board Member with the ICC Ethics Officer in attendance. The EDC should adjudicate upon all matters that are referred to it and determine whether a breach of the Code of Ethics has been established and if this is the case, impose the appropriate disciplinary measures.

For more serious complaints, whether relating to ICC employees or any other individual, the ICC Ethics Officer should investigate and if further action is warranted refer the matter to the Chairman of the Code of Conduct Commission. A tribunal convened by the Chairman together with two members drawn from the Code of Conduct Commission shall make the necessary determination. The Review Team consulted with the Chairman of the Code of Conduct Commission on this recommendation who did not raise concerns on the principles contained in this proposal.

E15. A range of sanctions should be determined, understood and enforced.

Preset sanctions should be determined and made available to the ICC Ethics Officer and the Ethics Disciplinary Committee to address minor breaches by ICC employees. These would typically involve disciplinary reprimands or other minor sanctions. Greater sanctions should be imposed only by the tribunal appointed by the Chairman of the Code of Conduct Commission.

E16. There should be provision for a right of appeal against decisions of the Ethics Disciplinary Committee or the Code of Conduct Commission.

Any party aggrieved by a decision of the Ethics Disciplinary Committee or a tribunal of the Code of Conduct Commission has the right to appeal. Appeals on decisions of the EDC should be conducted by a tribunal of the Code of Conduct Commission. Parties whose cases have been adjudicated at first instance by a tribunal from the Code of Conduct Commission have the right to appeal against such decisions to the Court of Arbitration for Sport (CAS).

E17. The ICC Ethics Officer should be party to Member Board investigations.

Investigations and disciplinary procedures carried out in relation to Member Boards should be undertaken by the Member Boards themselves. The ICC Ethics Officer should be party to this investigation and should report to the ICC Governance and Ethics Committee on the appropriateness of investigations and subsequent actions by the Member Board.

E18. The remit of the Governance Review Committee should be broadened to encompass both on and off-field ethics. It should be renamed the Governance and Ethics Committee. It should oversee the activities of the Ethics Officer, the ACSU, the Ethics Disciplinary Committee and the Code of Conduct Commission.

It is good practice to establish a Board Committee for establishing, reinforcing and monitoring the Code of Ethics and identifying ethical risks in ICC activities. The remit of this Committee should be broadened to address questions of ethical behaviour on and off-field. It should have responsibility for the oversight and monitoring of ethical standards and behaviour and for monitoring compliance with the ICC Code of Ethics at all levels.

4.3. Membership, Board Structure and Committees

This Section of the report considers Membership structures and the associated rights or benefits of Membership, and the extent to which these remain appropriate.

Rights of Full Membership

The additional rights or benefits of Full Membership, when compared to Associate Membership, encompass competition participation, voting rights and share of funding.

Competition participation: In addition to having Test playing status, Full Members also receive automatic qualification for ICC Events, the Cricket World Cup, World Twenty20 and U19 Cricket World Cup. The Champions Trophy is open to the top eight Members in the Reliance ICC ODI rankings. The ten Full Members also benefit from the FTP where Test, One Day International and Twenty20 matches are played on a reciprocal basis between Full Members under ICC regulations.

Voting rights: Full Members receive representation and voting rights on ICC decision making bodies, including the ICC Board as described further in Section 4.4.

Share of funding: Full Members receive financial distributions as a result of ICC events. Of the surplus revenue, 75% is distributed to Full Members equally (7.5% each). In the past ICC events were not so well commercially promoted. However, over the course of recent World Cup history, the income has exponentially risen. This funding plays a pivotal role in creating what is in practice a ‘closed shop’ as to who is entitled to Full Membership. It may be no coincidence that since the significant increase in revenues from commercial rights relating to the ICC events, no new Full Member has been admitted.

Bangladesh was the last new Full Member to be admitted in 2000. At that time the financial effect on the existing Full Members was minimal. For each new Full Member to be admitted today, the financial cost to each existing Full Member could be as much as US\$2.5 million over each four year period ending with a Cricket World Cup. Given the financial dependency of the majority of the existing Full Members on distributions from the ICC, it would require a very public spirited action on their part to agree to admit a new Full Member in the absence of alternative ways being found to protect those Members from the adverse financial consequences.

Recent challenges and observations:

Based on feedback received there are three fundamental questions relating to Membership that need to be addressed. The first relates to whether there is now a need for a change in the forms of Membership.

- **Membership criteria:** There is a growing body of opinion, particularly among Associate and Affiliate Members, that Membership status should depend on playing ability and therefore be merit or performance-based. The criteria for Full Membership have not been formally updated for over a decade. As one submission put it, “Associate and Affiliate Members have always sought progression. Yet three Associates becoming Full Members in 30 years is not evidence of strong progression.” Some of those interviewed also commented on the lack of any means to monitor the continuing appropriateness of a Full Member’s status.
- **Pathway to Full Membership status:** There is currently felt to be no clear pathway to achieving Full Member status. This is evidenced by the circumstances surrounding the request from Cricket Ireland in October 2009.

The existing criteria for Full Membership include a requirement for a country to play regular first class cricket (domestic three or four day competition) before playing Test Cricket, which Ireland is not currently in a position to comply with. Cricket Ireland subsequently requested that the ICC consider elevating it to a form of ‘enhanced Membership’ which does not include the immediate right to play Test Cricket. However, as there is no recognised ‘enhanced Membership’ status for Associate Members in the ICC’s Articles and playing Test Cricket is a condition of Full Member status, there appears to be no clear

way forward, short of putting the necessary infrastructure in place. Consequently Ireland recently announced their intention to put in place the necessary infrastructure to achieve the aim of becoming a Test playing nation.

One of the main challenges to increasing the number of Full Members is the already congested fixture list. However the FTP was designed primarily for Test Cricket and the cause of this congestion is increasingly the number of One Day Internationals and Twenty20 matches as it is the number of Test matches. This scheduling issue needs to be addressed by the ICC as a matter of urgency, and ways found for any 'new' Full Members to play ODIs and Twenty20 matches.

- **Linkage of Test playing status to Full Membership:** This requirement was established in an era before multi-format cricket and several of those interviewed now feel that it is time to de-link Test playing status from Full Membership. This would potentially assist in establishing a pathway to Full Member status for Associate Members.

The requirement to play Test Cricket in order to become a Full Member now seems outdated, given the growth of One Day Internationals and Twenty20 which have changed the cricketing landscape. Is a category of Membership which creates a closed shop any longer justified? There is a need to preserve and value Test Cricket, but not at the expense of being able to develop new nations. The automatic right for Full Members to qualify for ICC events can also be challenged, as this similarly perpetuates the status quo.

The second question relates to whether the rights or benefits of Full Membership remain appropriate.

- **Access to competition:** The importance of openness of competition to all was emphasised by a number of those interviewed and submissions we received. For Associate Members, having the opportunity to play regular competitive cricket against Full Members (for example, through qualification for ICC events such as the Cricket World Cup and World Twenty20) is of paramount importance. Associate Members also seek more opportunities to play Full Members outside the existing FTP.
- **Priority of scheduling within the FTP:** This is an important issue for certain Full Members as some believe there is insufficient competition available for some Full Members and that scheduling decisions are on occasions influenced by pressure from certain Members. The ICC has little ability to influence this scheduling.
- **Representation on ICC Board:** Full Members also have an automatic right to a seat and voting rights at the ICC Board. This needs to be questioned, particularly taking account of the need for the ICC Board to work efficiently and effectively. Over time, we believe that this principle should be replaced by a system of representation at the ICC Board.
- **Share of revenues:** Full Members are currently automatically entitled to an equal share of the surplus from ICC run events.
- **Obligations of Full Membership:** The lack of clarity regarding the obligations of Full Membership, including the need to protect and support the international game was also the subject of comment. The obligations on Associate and Affiliate Membership in contrast were felt to be relatively clearly defined.

The third question relates to how proactive the ICC has been in developing the game both within and outside Full Membership.

- **Developing the international game:** Whilst the majority of those who were interviewed acknowledge that the FTP is an effective mechanism to arrange tours between Full Members, there is a wider question as to whether it helps, or hinders, the ICC's attempts to develop the international game and in particular, strengthen the game in the Associate Member countries. There are currently very limited opportunities for high performing Associates to compete against Full Members.

- **Olympic participation:** Another opportunity to potentially grow the global appeal of cricket is through admission to the Olympic programme. New sports are evaluated against specific criteria and ultimately approved for inclusion by the International Olympic Committee (IOC). The overwhelming majority of those interviewed and respondents to the public consultation felt that Olympic participation would raise the profile of cricket and benefit the game's development. But the opposition of a minority means that there have not been any conclusive published studies undertaken by the ICC to evaluate whether cricket should be proposed for entry.

Recommendations:

- M1. Membership classes should be simplified and divided into two categories. A Full Member class should be retained. The Associate and Affiliate Member categories should be combined into one class of Associate Member.*
- M2. Mandatory Test playing status should not be a requirement of Full Member status. The Full Member class should include Test playing Members together with other high-performing (but not Test playing) Members.*

Most stakeholders recognised the ongoing importance and pre-eminence of Test Cricket. Any review of Membership structures needs to be sensitive to the risk of unintended consequences undermining the position of Test Cricket. Nevertheless, there is a strong body of opinion to support the removal of the ability to play Test Cricket as a requirement of Full Membership.

Removing Test playing status as a condition of Full Membership is intended to increase the incentives and opportunities for high-performing countries, who do not currently aspire to Test Cricket, to advance the game.

- M3. Clear, objective and measurable criteria should be established in order to determine countries entitled to the benefits of Full Membership.*

The route to full Membership of the ICC should be made transparent to ensure there is clarity of the requirements to become a Full Member. We consider there to be two routes to full Membership:

- Test Cricket playing nations; and
- Objective criteria taking account of performance in ICC events and ratings (both men's and women's cricket) and other balanced scorecard measures around the wider development of the game.

There should be an ongoing presumption that those currently playing Test Cricket qualify as Full Members.

The objective criteria should comprise an overall balanced scorecard, including, but not limited to, specific performance-related elements for national teams in all forms of the game.

- M4. The current number of ten Full Members should be reviewed with the intention to open up the Full Membership category more widely.*

The main constraining factors behind limiting the number of Full Members to 10 are the requirement to play Test Cricket and the negative financial impact on existing Full Members arising from distributing surplus revenues across more individual Members.

As noted above, we recommend removing the requirement to play Test Cricket as a condition of Full Membership. The funding constraint is more problematic as it has direct financial consequences on Member Boards, the majority of whom are dependent on ICC revenue distributions to remain financially sound. We have therefore recommended (within the transitional arrangements later in this report) that the financial consequence of admitting new Full Members be underwritten by the ICC until such time as a new funding structure is in place.

Given the above, we encourage the admission of potentially two new Full Members as a priority (provided that the objective criteria can be demonstrated in their cases to be met), in order to provide confidence that the current ‘closed shop’ no longer exists. In the unlikely event of more than two Members fulfilling the criteria the two strongest candidates should be promoted initially. Once the transition period is over and the automatic rights of Full Membership to a seat on the Board and an equal share of the ICC revenues is removed we would not see the need to limit the number of Full Members.

M5. The rights and obligations of Full Membership should be more clearly defined, measured and enforced.

A mechanism, similar in nature to the existing Associate and Affiliate monitoring processes, should be developed to help ensure that the maintenance of Member status can be more actively monitored on an ongoing basis. This should include assessment against the use of key performance indicators where appropriate.

Membership audits on Full Members should be established and implemented where necessary. Such audits would cover ensuring the submissions received from Members in respect of the balanced scorecard are appropriately prepared. The Full Council should retain the right to withdraw a Full Member’s entitlements for non-compliance with their obligations after one year.

M6. Full Membership should be accompanied by the right to representation on the Board of the ICC.

In the longer term, we believe the Full Members should be capable of determining how to achieve appropriate representation on the ICC Board through collaboration. This would be consistent with our intention that the ICC Board becomes more efficient and effective. However, recognising the current structure, we accept that in the short term, it will be appropriate to retain a seat on the Board with voting rights for all Full Members, whilst a transition plan is properly thought through and developed.

M7. ICC global competitions should be open to all with clear qualification routes and limited automatic rights to participate.

In line with equitable and meritocratic principles, qualification routes such as tournaments and/or league structures, should be established to maximise the opportunity for all Members to participate in ICC events.

The current arrangement, whereby all Full Members automatically qualify for all ICC events, has the effect of restricting non Full Member participation to a relatively small number of teams, given the commercial desire to ensure such events are manageable by limiting the number of games played and duration of the event. The type of qualification system used should maximise the opportunity for all Members to participate in qualification for ICC events and for high performing teams to play in the events, possibly at the expense of existing Full Members, if their performance warrants it.

We note the intention to incorporate qualification into the CWC in 2019 and subsequent events and the reduction in automatic rights to participate, as an indication that positive steps are being taken in respect of this recommendation.

M8. The ICC should review the ongoing appropriateness of the FTP to ensure that more opportunities are given to Associate Members to compete outside of ICC events against Full Members.

The ICC has shown its ability to develop and broaden interest and participation in the international game when given the opportunity to take a leadership role. A good example of this is in women’s cricket, where participation has increased significantly over the past few years, partly due to the ICC profiling the women’s game alongside the men’s game at recent ICC events such as the ICC World Twenty20s in England in 2009 and the West Indies in 2010.

The role of the ICC over the FTP has been limited to an administrative role given that there has been little need for active involvement. The FTP requires the approval of the ICC Board but to date this has merely involved confirming the scheduling of tours.

Given the increasing volume of cricket, coupled with the desire for the high performing Associate and Affiliate Members to have more opportunity to compete against the Full Members, the ICC needs to take a more proactive role in understanding both the scheduling and the commercial implications of the FTP, to enable wider participation amongst its Members in One Day competitions outside of the formal ICC events. We are not in a position to make detailed suggestions as to how this should work in practice, but we would encourage the ICC to undertake a detailed review to assess the changes needed.

M9. Clarity is required over the potential merits of the admission of cricket into the Olympic Programme.

Other sports have recently welcomed Olympic involvement to provide a platform for growing global appeal. Whilst the ICC has debated the merits of participation informally, no formal study or conclusion has been undertaken in order that a definitive answer can be provided to Members.

ICC Board structure and voting

The skills and attributes required at the ICC Board have been previously discussed. The ICC Board structure and voting is considered below, taking account of the proposed Membership structures.

Recent challenges and observations:

- **Voting thresholds:** The manner of voting on the ICC Board was regularly criticised as inequitable by the majority of stakeholders. Currently, the ten Full Member Directors and three Associate Member Directors have the right to vote. The President, Vice-President and Chief Executive have no right to vote on the ICC Board. However, as outlined in the Articles of Association, in practice seven out of ten Full Members are required to pass an ordinary resolution, so only the votes of Full Members are counted. This means that the votes of the Associate Directors, who represent 95 Associate and Affiliate Members, are merely for cosmetic effect and have no consequence. One submission commented on “*the embedded control of the 10 Full Members ... (is) a constant frustration to the majority of Members who feel, and are in practice, second class citizens.*” In our view, the lack of an effective voice for Associate and Affiliate Members is unacceptable under contemporary standards for a body such as the ICC.
- **Voting behaviour:** Financial disparities between Full Members were felt to increase risks of pressure being brought to bear on certain Members to vote in accordance with a defined agenda. Given the breadth of the Board’s role and the implications of the decisions being taken, the requirement for decision making to be, and to be seen to be, in the best interests of cricket is paramount. The majority of those interviewed suggest that the introduction of Independent Directors to the Board as recommended in Section 4.1 would be a positive step to address these risks.

Recommendations:

M10. The ICC should adopt the principle of one Board Member, one vote.

As noted above, the current voting system, where the votes of seven out of ten Full Members are required for a majority, should be discontinued and replaced by a system where each Board Member vote counts equally. On the grounds of fairness, this would also ensure the votes of the Associate Board Members, which are currently of no value, are meaningful.

The Chairman should be provided with a vote, given the pivotal role in the Board organisation. The Chief Executive is also very involved in the running of the organisation and the Board. But given the importance of clearly delineating the role of the Board and ICC management, we suggest the Chief Executive remains an attendee at Board Meetings without a vote.

The Chairman should have the casting vote if needed.

M11. The Board should be reduced to an optimal size ensuring that the Independent Directors are not in a minority.

A streamlined new Board should comprise an independent Chairman, four Directors representing the Full Members, two Directors representing the Associate Members, three Independent Directors, two Independent Directors representing the wider game, together with the President and Chief Executive in attendance.

This streamlined Board would ensure that the Independent Directors are no longer in a minority on the Board (aligning to corporate best practice) and the Board has been reduced in size to a more manageable number of Directors.

There is a need for a transitional period to reach this optimal size of Board. On the basis of the recommendations made in Section 4.1 earlier in this report, the Board would initially consist of an independent Chairman, 12 Full Members, three Associate Member Directors, three Independent Directors, two Independent Directors representing the wider game, and President and Chief Executive in attendance.

We recognise that this results in a large Board. However, the importance of improving the balance of the Board, including ensuring wider representation and introducing Independent Directors is the primary concern in the short term.

The ICC should give consideration as to how quickly the size of the Board could be progressively reduced. This could be achieved by removing the automatic right of all Full Members to have a seat at the Board and move towards a situation whereby Full Members are represented on the Board by a smaller number of Directors, for example, on a regional basis. A similar approach has been adopted in certain of the Member Boards' own national governance structures, including the England and Wales Cricket Board and New Zealand Cricket.

M12. An Executive Committee comprising the Chairman, Chief Executive and the Independent Directors should be introduced to act as a bridge between the Board and executive management as a transitional measure.

In the short term given the enlarged Board, we recommend that an additional Committee is introduced as a transitional measure to assist the Board. The scope of this new Committee's work requires tight definition, but in principle it should focus upon areas such as preparing policy for consideration of the Board and ensuring that the appropriate responsibilities are delegated to executive management. By comprising the Chairman, Chief Executive and the Independent Directors, it will also improve communications between the Board and other Committees, without duplicating their work.

The IRB and IAAF have an Executive Committee (or equivalent) that sits between the Board, management and Committees. These act as the bridge between the Board and the day-to-day management of the organisation. The IAAF Executive Committee meets on at least one occasion, between each Board meeting and may take decisions on the Board's behalf which, because of their urgency, cannot be transferred to the next Board meeting.

M13. The strategic direction of the ICC needs to be owned by the Board. Implementation of the strategy needs to be the explicit responsibility of executive management.

The Strategic Plan needs to be an effective 'mandate' for the international game, with explicit measures and KPIs being developed, measured and monitored to demonstrate progress against implementation of the Plan.

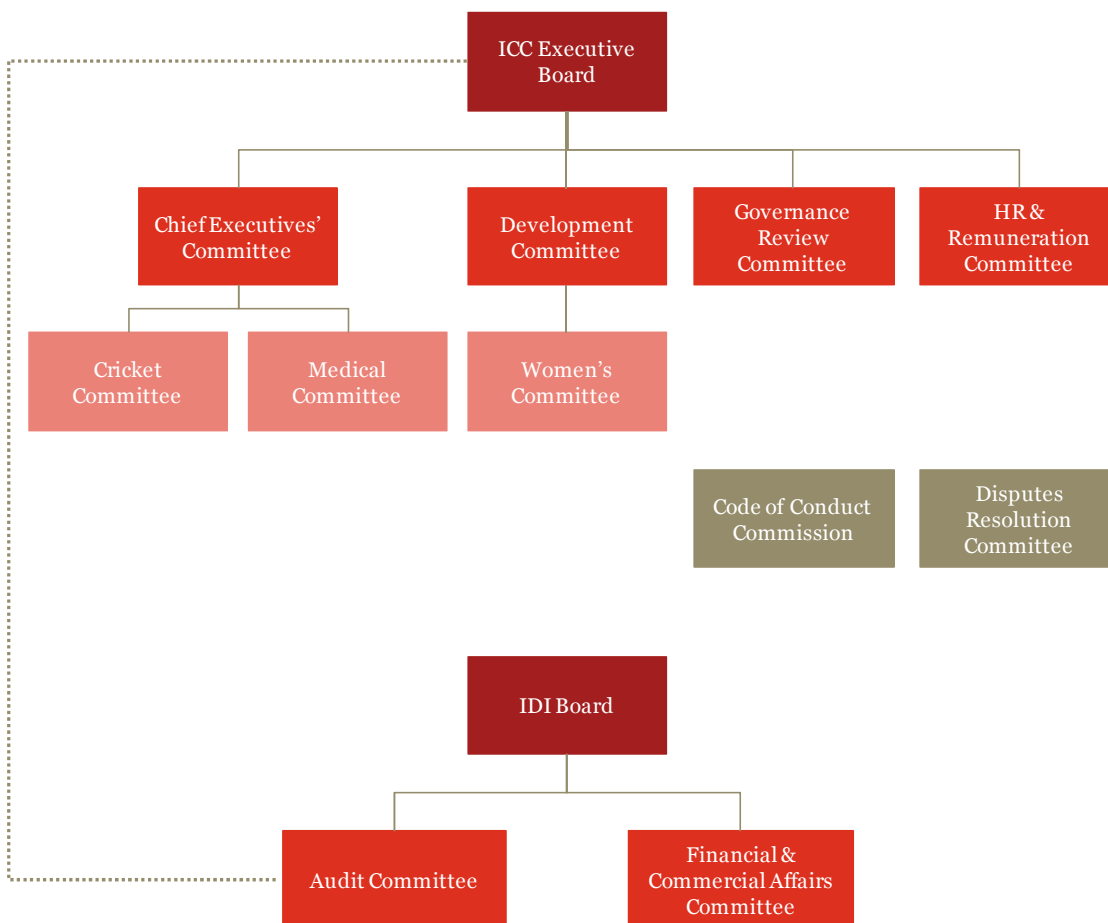
Given the size and commercial remit of the ICC, it needs to be run in a professional manner, with more day-to-day executive responsibility for implementing the Strategic Plan and direction of the ICC being owned by the Chief Executive and their Executive Management team. The organisation is too large and complex to require the Board to be involved in operational decision making. Equally, Member Boards cannot 'opt out' or exercise a veto over elements of the Plan that may not be individually acceptable to them.

M14. The Executive Board of the ICC should be renamed the ICC Board.

Removing the word ‘Executive’ from how the Board is currently referred to, whilst symbolic, would reinforce the point that the Board’s responsibility is to determine the strategy and lead the organisation.

Committees of the Board and IDI

The existing Board and Committee structure is outlined below. The Chief Executives’ Committee (CEC), the Development Committee, the Governance Review Committee and the HR & Remuneration Committee, assist and advise the ICC Board. The CEC in turn receives recommendations from the Cricket Committee, Development Committee (in relation to playing matters only) and the Medical Committee. The Women’s Committee reports to the Development Committee.



IDI is a wholly owned subsidiary of ICC. It functions as the ICC’s commercial arm, together with a number of wholly owned subsidiaries. It is principally responsible for:

- managing the commercial and intellectual property connected with ICC events;
- managing the ICC Development Programme; and
- providing such administration services as are required by the ICC.

The IDI Board is identical in composition to that of the ICC Board.

The Audit Committee and the Financial & Commercial Affairs Committee assist and advise the IDI Board.

Recent challenges and observations:

- **IDI Board:** While understanding and supporting the need to keep the IDI Board activities separate from the ICC Board, we believe that it is unnecessarily cumbersome to duplicate the Membership of the ICC and IDI Boards.
- **Role of the Chief Executives' Committee (CEC):** The CEC provides valuable insight and challenge to the ICC Board and the ICC Chief Executive. It is clear to us that its Members have an important role to play in providing a bridge between the ICC and its Members. However, some of those interviewed felt that the CEC's mandate was unclear and that the interaction between the ICC Board and the CEC needs improvement to ensure greater consistency of decision-making.

An underlying concern expressed to us was that at times, the CEC was being used as an alternative Board, because the Members of the CEC were seen to have a better appreciation of the practicalities involved. Whilst on the surface this may seem to be an effective use of the CEC, in practice it is both confusing the division of responsibilities between the ICC Board and Executive Management, as well as enabling the Board to defer taking decisions by referring contentious issues back to the CEC.

The scope and role being undertaken by the CEC has therefore developed into a role that is broader than its original remit. We understand that a recent example was the suggestion that matters relating to finance should also be tabled at the CEC. Comments have also been made suggesting that the quality of debate and detailed knowledge of the issues involved is greater at the CEC than at the Board.

- **Membership of Committees:** The choice of individuals to fulfil roles on the Governance Review Committee, the Audit Committee, the Financial & Commercial Affairs Committee and the HR & Remuneration Committee is at the discretion of the ICC President. Some questioned the robustness of the process and contrasted it with Membership of certain Committees (such as the Development Committee, Women's Committee and the Cricket Committee), who are nominated and elected by a regional or other wider stakeholder group. Some of those interviewed questioned whether increased use of Independent Directors would strengthen Committees, as compared to the existing practice of placing an ICC Board Director on every Committee.

The challenges and observations above highlight the lack of clarity between the overall responsibility of the Board, the related Committees, the Chief Executive and his Management Team. There is a need to recognise that the Board's responsibilities must be focused on determining and driving forward the strategy of the ICC. The Executive Management team need to be empowered so that they can deliver on the strategic, operational and day-to-day activities of the ICC. In setting out our recommendations below, we have looked to provide clarity through the various structures of the ICC. In addition unless the Chief Executive is empowered, inefficiencies and confusion will remain.

Recommendations:

M15. The Cricket Committee should report directly into the ICC Board given its strategic importance.

The Cricket Committee is seen to be effective. It provides leadership and guidance over all aspects of the on-field activities of the ICC and has a diverse Membership that is respected within and outside the ICC. Positioning this Committee as a Committee of the ICC Board, rather than as a Committee of the CEC should ensure that all cricketing decisions are properly positioned with the Board as a whole.

M16. The Chief Executives' Committee should cease to be a Committee of the Board and should act as a sounding and advisory forum for the Chief Executive.

In positioning the Chief Executive with primary responsibility for implementing the strategic direction of the ICC, it no longer makes sense to maintain the existing CEC as a Committee of the Board. However, the value of the inputs from the cricket administrators from each of the Member Boards remains critical, ensuring the Chief Executive has a proper appreciation of the practicalities of all decisions and recommendations taken by the ICC.

Consequently, repositioning the CEC as a sounding and advisory forum for the Chief Executive ensures that this experience is retained without inappropriately constraining the Chief Executive from undertaking his role.

M17. The Development Committee, Women's Committee and Medical Committee should come under the auspices of the Chief Executive. In addition a Board Member should have a liaison responsibility for each Committee to ensure relevant issues can be evaluated and dealt with.

M18. The Audit Committee should be a Committee of the ICC Board not the IDI Board.

Given the simplification of the IDI Board which would take on more of an executive function, it is necessary to elevate the Audit Committee to a Committee of the Full Board, unless there is any unintended tax or legal consequence.

M19. The IDI Board should be simplified and take over the activities of the Financial & Commercial Affairs Committee.

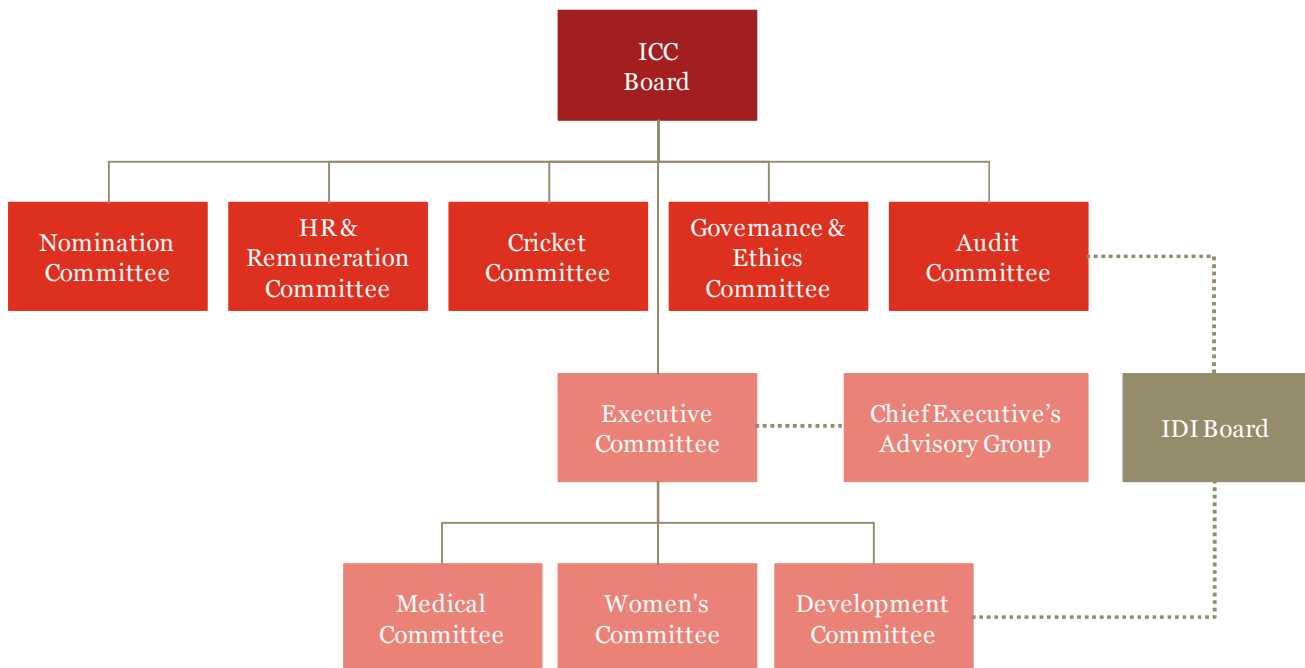
The IDI Board's responsibility for all matters related to finance is currently executed through the Financial & Commercial Affairs (FCA) Committee. The IDI Board should be simplified such that the FCA Committee's activities can be carried out by the IDI Board.

The IDI Board would be reduced in size from 16 to five Directors. The Directors would be the independent Chairman, the Chief Executive, two Full Member Directors and an Associate Representative Director. The two Full Member representatives and the Associate Representative should initially come from the current FCA Committee.

M20. The membership of Committees should be driven by the skill sets required, including Independent Directors chairing Committees where appropriate.

Whereas the Cricket Committee clearly has the appropriate skills and experience to fulfil its mandate, it is unclear whether similar consideration has been given to the appropriate constitution of the other Committees. Consequently further evaluation of the skills required for the membership of Committees should be undertaken to assist in identifying the appropriately qualified individuals for the role. In particular, ensuring the Independent Directors are in a majority on the Committees of the Board will lessen the risk of parochial behaviours being allowed to dominate.

In summary the diagram below provides our recommended structure for the ICC Board and related Committees.



Key:

- Board Committee
- Executive Committee

Full Council

The 'Council' or 'Full Council' is equivalent to the General Assembly of the ICC. It consists of 51 voting Members; all 10 Full Members and 36 Associate Members, together with five Affiliate Member representatives from the regions. All Members are entitled to attend, although Affiliate Members may only attend in an observer capacity.

The Full Council typically meets once a year at the Annual Conference, usually held in June or July.

The scope of the Full Council's decision making powers at the Annual Conference is outlined in the ICC's Memorandum and Articles. They include the following items of ordinary business in the Annual Conference:

- The election to, up-grading or cessation of Membership of the ICC;
- The appointment or re-appointment of the Chief Executive and any other officers of the ICC;
- The appointment by the ICC, or ratification by the ICC of the appointment of Committees or Sub-Committees; and
- The approval of the budget of income and expenditure of the ICC.

Other areas of responsibility, such as the adoption of the President's report and auditors' report and accounts are also included.

Items of special business in the Annual Conference which are evaluated by Full Council, if not appropriate to be considered by Associate Members' meetings, include:

- Changes to the Articles of Association of the ICC;
- The approval of any levy to be made by the ICC on Full and/or Associate Members;
- The approval of any levy to be made by the ICC in respect of any World Cup Competition or any other competition or tournament not forming a part of an approved official tour; and
- The approval of the venue and frequency of the ICC World Cup and any other competition or cricket event held under the aegis of the ICC or any financial arrangements pertaining thereto as may have been recommended by the ICC Board.

Although there is one vote for each of the 10 Full Members, 36 Associate Members and five Affiliate Representatives at the Full Council, there are conditions around the proportion of votes needed to be cast, which favour Full Members. Two-thirds of Full Members are needed to support an ordinary resolution and three-quarters are needed for a special resolution, hence the value of the votes of the Associate Members and Affiliate Representatives is effectively of little value. This conflicts fundamentally with cricket's values.

Recent challenges and observations:

- **Role of Full Council:** We did not receive many observations on the appropriateness of the scope of the Full Council role. The role and power of the Full Council (or Congress or equivalent) varies from other sporting governing bodies. The IRB for example affords less significance to the Congress, with election of the Chairman and host venue decisions being made by the Board. In contrast, at the IOC, the most high profile decisions such as electing the President and determination of host venues are made by the Congress rather than the Board. Given the degree of change anticipated by the recommendations from this review, we suggest that the decision-making of the Full Council remains as it is, but also that it is revisited subsequently to ensure that it is operating in a manner that is desirable and relevant. For example, the Full Council should have a defined role in appointing or re-appointing the independent Chairman and Independent Directors.

Recommendations:

M21. The role of the Full Council should include the ratification of the appointment of the Chairman, the President and the independent ICC Board Members, but not the Chief Executive.

M22. The Full Council should continue to have the final ratification of changes to Membership status including the upgrading and cessation of Members.

M23. In the spirit of transparency, the ICC Board needs to be held accountable to all Members of the ICC through the forum of the Full Council on an annual basis. The voting rights at the Full Council should move to 'one person, one vote' but be for ratification purposes only.

The role of the Full Council should be to provide oversight of Board appointments and Membership changes. Executive management appointments do not require Full Council oversight as these should be decisions of the ICC Board.

Members should be under an express duty to exercise their powers fairly and equitably. Whilst it is not practical or desirable for the Full Council to be able to overturn Board decisions, it is appropriate that Full Council is able to express both approval of and dissatisfaction with decisions taken by the Board. Consequently, using the Full Council to present key issues and obtain input by means of an advisory vote on a 'one person, one vote' basis will ensure transparency and openness. In the event of a negative vote, it is incumbent on the Board to reconsider its decision and communicate any subsequent changes.

4.4. Funding

The level of funds flowing through the ICC and Global Cricket has been transformed in the last ten years, with a significant growth in revenues arising principally from increased television rights and sponsorship. At the same time, the greater level of commercial activity and increase in the activities of the ICC in areas such as anti-corruption and anti-doping programmes has increased the scale and complexity of the ICC activities and therefore its financial needs.

The funding and distribution capacity of the ICC has not kept abreast with the fundamental change in the financial dynamics of cricket and the changing responsibilities and role of the ICC. These are factors that have an effect on the governance that the ICC needs. They are at the core of the ICC's ability to fulfil the role of leader of the international game. The ICC must have adequate funding to fulfil its leadership role and must strike an appropriate balance between commercial success and developing the game.

Competing funding priorities

We believe there is an inherent conflict between the consequences of the ICC's objective to increase the commercial revenues from ICC events to maximise distribution to Members and its objective to develop the global game.

Growing commercial revenues strengthens the existing Members, as they benefit from greater revenue distribution from the ICC. This enables the Members to budget for the ICC distributions over each four year cycle and provides them with a degree of certainty over their revenue from the global game.

The ICC's funding ability to develop the global game is currently restricted to the existing percentage deductions from the commercial revenues which include 6% of revenue allocated to the Development Fund and the 25% of distributions allocated to Associates and Affiliates. Any additional funding to Associates and Affiliates is only achievable with the agreement of the Full Members to take a lesser share themselves.

There is currently insufficient information available to the ICC to gain an overall picture of the financial strength of the game as a whole and each individual Member's financial position. The first step to develop an overall funding structure (to ensure the ICC is able to achieve better balance between these competing objectives) requires the ICC to have access to, and due consideration of, full information about the current economic distribution in global cricket and the financial position of each of the ICC's Members. We strongly encourage the ICC and its Members to work together to understand the finances of world cricket. Armed with this information, the ICC should develop a funding structure that reflects the demands of the international, multi-faceted, game today, rather than the current funding structure that was developed prior to the substantial increase in commercial revenues generated by cricket today.

There are two main funding elements to consider:

- The funding of the ICC itself; and
- The distribution of funds currently generated by global cricket.

Funding of the ICC

ICC Revenues

The ICC's main sources of income are Members' Subscriptions, Event Income and Commercial revenues (which includes sponsorship of Match Officials for international games, central licensing and merchandising, management fees from the Global Cricket Academy and interest income).

Member subscriptions

The Subscriptions are intended to fund the ICC's central operating expenses, net of Commercial & Other revenues. Subscriptions are received from the Members, with the ten Full Members contributing 75% and the Associate Members contributing the remaining 25%. The Affiliate Members do not pay subscriptions.

Subscription revenue has grown significantly in recent years from US\$0.3 million in total for the year ended 31 March 2001 to US\$22 million in 2010.

The current subscription funding model came into effect from the year ending 31 March 2002, a time when the ICC's profitability was less assured than has been the case more recently. It was designed so the Members would sustain the ICC, whether it was profitable or not. Prior to this arrangement, the ICC charged nominal subscriptions to all Members and sustained itself mainly through selling the rights of ICC-run events to the host country.

Event income

In common with many other sports governing bodies, the main source of income generated by the ICC comes from staging major events, such as the ICC Cricket World Cup, the ICC Champions Trophy and the ICC World Twenty20. This revenue principally comes from ICC selling commercial rights as a bundled package. The net surplus from ICC events is currently distributed evenly between the Full Members.

The key reason for the growth in revenues from ICC events has been the bundling of television rights and selling them as a package. Prior to 2001 rights to events were sold one-by-one to the host nation. Unbundled, the revenue from events was estimated to be worth approximately US\$350 million for the seven year period from 2001; bundled these rights were sold for US\$550 million.

ICC Expenditure

ICC central operating expenditure includes staff salaries and related costs, infrastructure and premises, travel and accommodation, meetings, IT, research into new technologies, Member services, Match Officials for international cricket, Integrity protection (Anti-Corruption and Anti-Doping programmes), and legal and other professional costs.

ICC operating expenditure has increased from US\$6 million in the year ended 31 March 2001 to US\$29 million in the year ended 31 December 2010. This reflects the growth in the organisation's headcount and activities it undertakes. In 2005 the ICC had a worldwide staff of about 70 people. Currently it has approximately 130 staff.

ICC Surplus

Any net surplus from ICC-run events is distributed to Members on the following basis:

- An amount equivalent to 6% of Gross Revenue accruing to the ICC from events is allocated to the ICC Global Development Programme; and then
- The remaining balance of the net surplus from ICC-run events is distributed:
 - 75% to Full Members in equal proportion (i.e. 7.5% each); and
 - 25% to Associate and Affiliate Members, largely distributed based on a performance-related scorecard.

The distributions to Members follow the pattern of the inflows from ICC-run events and hence are uneven from one year to another with a significant peak following each CWC. The IRB face a similar situation with the great proportion of their revenue generated by the Rugby World Cup. We understand they spread out their distributions to Members over a four year cycle.

When we consider the distribution policies of other international sports governing bodies (IOC, IRB, FIFA, ITF and IAAF) we note that they typically pay out a proportion of their surplus to Members in the form of grants, strategic investments and development funding. However the extent and nature of the beneficiaries varies.

Recent challenges and observations:

- **The Subscription Model:** The current subscription model of funding the ICC was developed at a time when the profitability of ICC Events was less assured and the volume of funds in the game was much lower. It may now be outdated and it has the effect of reinforcing the ten Full Members' belief that they 'own' the ICC.
- **The Distribution Model:** The current distribution model acts a barrier to the admission of new Full Members. For instance, if an eleventh Full Member were admitted, this would reduce each existing Full Member's share of the distributions from 7.5% to 6.8%.
- **Uneven inflow of funds from ICC-run events:** The CWC generates a greater proportion of the funds flowing into the ICC than other events and revenue sources. This means that there are significant revenue and distribution peaks and troughs for the ICC and its Members to manage.
- **Control of ICC Funds:** The ICC is a sizeable commercial body, but it has limited capacity to control its own funds, as it is required to distribute most of any surplus funds generated from ICC events to Members. Consequently, the ICC has restricted ability to build up reserves to deal with unexpected events and crises, or funding long term development plans.
- **Financial Discipline:** The current subscription model does not appear to encourage financial discipline by the ICC. If there is overspend against budget, this can be recovered from the Members. Putting the ICC on commercial footing would encourage both the optimisation of ICC revenues and tight control of costs.
- **Investment for the future of cricket:** The ICC management has limited capacity to make strategic decisions on how to invest funds for the future growth of global cricket.

Recommendations:

- F1. The subscription model of funding the ICC should be abolished and the ICC should become self-funding and financially independent.*
- F2. The distribution model should be revised so that amounts distributed to Members are on a needs basis as opposed to an automatic entitlement.*
- F3. The ICC should develop a clear funding strategy to ensure an appropriate allocation of revenue between distribution to Members, funding of development of global cricket and targeted assistance to Members.*

The ICC would be better able to fulfil its role as leader of the international game, if the current subscription and distribution model were replaced.

The subscription element of the current model, including the ability to recover any overspend of the ICC budget from Members, should not be necessary with the level of funds flowing through the ICC from its events and commercial activities.

The subscription reinforces the belief in the Full Members that they are automatically entitled to a set proportion of any surplus generated, thereby perpetuating the 'closed shop' and deterring the admission of new Full Members.

Given that a key role of the ICC is to develop and promote international cricket, then the ICC needs to have sufficient funding to target specific development needs. The plan to introduce a Targeted Assistance Performance Programme is a positive step in the right direction. By giving the ICC control of its income and

expenditure, it should be better placed to allocate funds for the development of and protection of the global game including smoothing funding allocations to Members over the four year cycle between CWCs to help Members with their own financial planning and discipline.

Giving the ICC control of its income and expenditure will increase the governance demands on the ICC to ensure that its funds are used effectively and efficiently for the good of the game. It would contribute to transparency and accord with the principles of good governance. It would also facilitate the ICC achieving its policy of building up reserves to deal with unexpected events and crises. FIFA has recognised the importance of building up reserves. It has a specific funding objective to create reserves in order to safeguard and guarantee FIFA's major duties in future, particularly given its financial dependence on the FIFA World Cup.

We are conscious that implementing the recommendations in this report will increase the costs of the ICC, with the introduction of new governance features such as an independent chairman, Independent Directors and properly resourcing and funding the Ethics and Internal Audit functions. In our view, these changes are fully justified and will be beneficial for cricket as a whole. They also reinforce the need for the ICC to be financially and operationally independent and to ensure that it is not financially compromised in responding to our recommendations.

The ICC and economic distribution in global cricket

As noted above, the level of funds flowing through the ICC and global cricket has been completely transformed in the last ten years, with a significant increase in revenues, principally from growth in income from television rights. For ICC-run events, the additional funds from television rights flow through the ICC to the Members. For other competitions and matches, such as those under the FTP, the income flows directly to the Members.

The most notable source and beneficiary of the greater revenue flowing into cricket is India. That nation's love of the game has combined with significant population and GDP growth in recent years, to make India the commercial hub of world cricket. There are unsubstantiated estimates that India generates between 60% and 80% of revenues flowing into global cricket. India also has a significant impact on the ICC's Commercial Revenue, as almost all of the ICC's major commercial partners have significant links with India.

Recent challenges and observations:

- **Lack of financial transparency:** We believe there is an overall lack of transparency around financial distribution in global cricket, which means certain aspects of the finances of global cricket are not well understood. We have been unable to obtain a full picture of the current financial position of global cricket. For instance, although there are various media estimates in circulation of the impact of tour cancellations (actual or threatened), it is not known with any degree of certainty the financial effect a tour by one Member has on another Member. It is clear that tours by certain Members (such as India) to other Members give a significant revenue boost to the host nation.
- **Increase in the value of ICC events and commercial contracts:** While the greater value of ICC events and commercial contracts has undoubtedly benefits for cricket, it also highlights the need for greater transparency over both the parties involved and the manner of contracting.
- **Financial evaluation of the FTP:** One aspect is the lack of transparency over the financial elements of the FTP. There is no apparent financial evaluation of the FTP schedule to ensure all existing Full Members remain financially secure. The economic impact on Members of the FTP funding mechanism is not fully visible or properly understood by the ICC (or, probably, by the Members).
- **Visibility of loans between Members:** Another illustration of the lack of transparency is that the ICC would not necessarily be aware if loans were being made between Members (as noted in the Ethics Section of this report). Such transactions could potentially create, or be perceived to create, a conflict of interest and jeopardise the independence of Members.
- **Financial information from Full Members:** While there is a requirement to provide Annual Audited Financial Accounts to the ICC, Full Members are no longer required to provide the ICC with

financial information in sufficient detail and in a format that allows for effective monitoring or comparison. This contrasts with the obligations on Associate and Affiliate Members, whose distributions are dependent on them providing regular detailed financial information that is subject to review and challenge by the ICC.

- **Visibility of funds to develop the global game:** This lack of transparency combined with the distribution model outlined above creates a situation where there is no clear view of what funds could be available to develop the global game and a lack of strategy to deploy those funds most effectively.
- **Member dependence on income from the ICC:** Income from the ICC is believed to be critically important for the majority of Full Members and most Associate and Affiliates are wholly dependent on it.
- **Member financial difficulties:** A number of Full Members have experienced financial difficulties. We understand there has been at least one incidence of a Full Member coming to the ICC (without prior warning) needing a loan through a difficult cash flow period. If one accepts provision of such support is within the remit of the ICC, fuller financial information on Full Members would help the ICC anticipate such requests and put appropriate financial planning and support in place.
- **Event Hosting Fees:** The current hosting fees for ICC-run events give significant rewards to the hosts of a CWC, but much less incentive to host other ICC-run events. There are lower hosting fees for the Champions Trophy and World Twenty20. This was originally intended to allow funds to be available for development of the game, but development is no longer funded just from these events. Increasing hosting fees may accentuate the current wealth divide between the richer and less well-off Members, if the events tend to be hosted by the richer Members.
- **Event Ticketing Revenue:** The ticketing revenue formula for the Champions Trophy and World Twenty20 events (which guarantee the hosts US\$2 million of net revenue from ticketing regardless of how many tickets are sold) may not always incentivise the hosts to sell as many tickets as they can. A number of Members, if they were to host such an event, would be unlikely to sell enough tickets at sufficient price to generate US\$2 million of profit from ticketing and therefore there is limited financial motivation to sell as many tickets as possible.

Recommendations:

- F4. The ICC should undertake a full financial review of global cricket that incorporates the commercial implications of ICC events and the FTP.*
- F5. The ICC should make all reasonable efforts to confirm the flow of funds relating to its events and major commercial arrangements with the aim of ensuring the funds only go to intended legitimate recipients.*
- F6. The ICC should put mechanisms in place to obtain and monitor full financial information from all Members on a regular basis. Complying with these obligations should be a condition of receipt of any distributions by the ICC.*
- F7. As a condition of Membership and the right to receive distributions, all Members should be obliged to assist ICC in gaining a full understanding of the finances of global cricket, so that the economic distribution and impact of the FTP funding mechanism can be effectively evaluated.*

To fulfil its role as leader of the international game, the ICC must proactively understand and monitor global economic distribution in cricket. We believe it has an ethical responsibility to ensure the funds it generates and distributes are deployed for the good of the game as a whole to:

- support participation;
- invest in development; or
- deploy funds strategically to protect existing core elements of the game (e.g. Test Cricket).

This responsibility to understand and monitor the flow of funds includes being able to ‘follow the money’ with regards to all ICC events and major commercial arrangements. The ICC should seek to ensure the funds flowing from its events and contracts are going to the intended legitimate recipients.

Although the ICC is not responsible for the financial security of its Members, it is easy to envisage the reputational damage the ICC might suffer if a Member were to face bankruptcy and the ICC were not seen to have done everything it could in support.

Currently the ICC has more ability to support Associate and Affiliate Members than Full Members, yet a number of Full Members could benefit from additional support, particularly to secure the future of Test Cricket. The Targeted Development Fund starts to address this.

Once the economics of cricket are better understood, there should be a review of the hosting of ICC-run events to establish an appropriate balance between economic success and development of the game.

4.5. Submissions from the global cricket community

We gave the global cricket community an opportunity to share their views with us. We received contributions from a variety of interested parties including, but not limited to: national cricket associations; retired professional players; match officials; cricket coaches; and cricket fans from across the globe. In total, submissions have been received from over 30 different countries (see Appendix (v)), demonstrating the extent of the global interest in this governance review and the international game and reinforcing the duty of care that the ICC owes to the wider game of cricket, as opposed to just the current Full Members.

We have greatly appreciated all of the submissions received and have been impressed by the level of cricket knowledge and enthusiasm for the game demonstrated by those who have taken the time to communicate with us.

Recurring themes within submissions

There are a number of recurring themes within these submissions that are governance related. To the extent that these are within the scope of the review, we have sought to address them within Sections 2, 3 and 4 of this Report. The main recurring themes are:

- **Authority of the ICC:** A number of comments were made relating to the inconsistencies that arose between the responsibilities of the ICC and those of the Member Boards, in particular for matches played outside of the ICC events. Examples included responsibilities for match officials, ability to implement the DRS, sponsorship restrictions during ICC events and inconsistent playing conditions. In most cases there was support for the ICC to take more, rather than less, responsibility for such issues in order to ensure consistency across the game as a whole.
- **Test Cricket:** There is a strong feeling that Test Cricket should be preserved and that, on grounds of fairness, it should be open to all cricket-playing nations without restriction. A number of contributors feel it would help Associates to progress and develop if they were able to play Test Cricket against each other. Some believe that, if it is not possible for Associates to play Test Cricket, regional Test teams comprising players from Associates within that geographical area should be formed, as a stepping stone to future playing of Test Cricket by Associates.
- **International sporting events:** Many submissions encouraged the ICC to seek the inclusion of cricket in broader sporting events such as the Commonwealth Games and the Olympics, as a means to turning cricket into a truly global sport.
- **Playing infrastructures:** A number of contributors felt the requirements for ICC recognised international cricket should be more flexible to accommodate the participation of those countries with significant challenges regarding their playing environments (e.g. stadium and pitch size and surface type). It is suggested that some countries, such as Japan and the USA, are unlikely to make significant progress unless the regulations on standard cricket grounds and natural turf pitches are amended to legitimise smaller boundaries and artificial pitches.
- **Hosting of ICC events outside of Full Member countries:** A number of submissions raised the possibility of taking ICC events into the developing markets in order to broaden interest in the game. It was recognised by some however, that the economic and spectator interest benefits of hosting events in particular countries (because of their existing infrastructure and suitability of their time-zones for attracting international audiences) may outweigh the benefits of hosting events in developing countries.

- **Communication:** Among those making submissions there is great demand for the ICC to have more substantive dialogue with cricket fans. Whilst acknowledging that the use of social media such as Facebook and Twitter is one example where the ICC has reached out to fans, it has been suggested that the ICC could establish a Supporters' Committee to help shape the future of cricket through regular and constructive dialogue between fans and the ICC.
- **Constituency of international teams:** A number of submissions requested that individual countries or states that are currently part of a Member should be permitted to play official ICC recognised ODIs and T20s in their own right and be eligible to participate at the World Cups on this basis. Examples quoted to us include Wales, Trinidad and Tobago, and Hawaii.
- **Funding:** Some submissions suggest the current funding arrangements mean that a disproportionate share of distributions goes to the Full Members, meaning there is insufficient left for development of Associates and Affiliates as cricket playing nations. Suggestions on funding ranged from introducing a regional share of funding to deliver a more equitable balance, to giving specific amounts to other events, such as the Asia Cup, to help the long term sustainable development of the game within this region.
- **Player representation:** Currently the Federation of International Cricketers' Associations (FICA) represents most but not all of the players in the Member Board countries. Submissions received encourage the ICC to look to persuade all Full Members to give recognition to their respective representatives within FICA to ensure that the voice of the players could be heard both at the ICC and within each Member country.

Other points within submissions

In addition to the recurring themes noted above, the following topics were also raised within submissions, which we make available to the ICC for consideration:

- Creating an ombudsman to act as an independent adjudicator on the ICC's response to the implementation of this report;
- Improving female representation at the ICC, including having female Board Members;
- Splitting the FTP to have a separate calendar for each different format (Test Cricket, Twenty20 and ODI);
- Scheduling an increased number of international games on the women's FTP;
- Increasing the number of nations in the High Performance Programme (HPP);
- Extending the model of the supporting arrangement between New Zealand Cricket and the United States Cricket Association, so that other Full Members support specific Associate and Affiliate Members;
- Enforcing strict nationality rules on players within Associate teams and penalising countries who use 'expat' cricketers;
- Increasing the number of development hubs within specific regions;
- Assessing the case for the ICC to launch its own TV production and broadcasting channel to show ICC events;
- Reviewing previous decisions not to recognise certain matches as official internationals (such as games against Rest of the World teams) and honouring players accordingly;
- Assessing the case for a museum based on the history of cricket and the ICC; and
- Assessing the case for the ICC maintaining its own official statistics, rather than relying on third parties to do so.

In reflecting on the overall level of interest and the variety of ideas put to the Review Team there is clearly an opportunity for the ICC to continue to engage more widely and openly with the cricketing community.

5.0 *Plan for transition*

We have made a significant number of recommendations within this report and are conscious that implementing each and every recommendation immediately is not practical. We have consequently given some thought as to what actions should be taken immediately. We have also considered how to develop a route map to achieve effective transition through to full implementation of the remaining recommendations.

Implementing certain recommendations immediately is critical, in order to change the governance and culture of the ICC. This will also send a message to the wider cricketing stakeholders that the need for change is being embraced by the ICC. In our view, the priorities are as follows:

- **Implementation of fair voting system at the ICC Board:** With immediate effect the ICC Board should embrace a fairer voting system of ‘one person, one vote’ for the ICC Board and remove the effective veto of the Full Members.
- **Introduction of position of Chairman of the ICC:** With effect from 1 July 2012, it is recommended that the incoming President of the ICC also acts as Chairman in a transitional role until an independent chairman can be selected and appointed; at which time the role of President becomes an ambassadorial role.
- **Introduction of Independent Directors to the ICC Board:** The process of identifying and appointing up to three Independent Directors together with the two Directors representing the wider game, should commence immediately, with a focus on identifying complementary skills to provide diversity and expertise.
- **Restructuring of the ICC Board and Committees:** Immediate changes should include reducing the size of the Board of IDI; moving the Audit Committee to become a Committee of the ICC Board rather than the IDI Board; widening the remit of the Governance Committee to embrace the whole of the ethics agenda; and introducing the Executive Committee to act as a bridge between the enlarged Board and the Chief Executive.
- **Clarify the responsibilities of the ICC Board and Executive Management:** Achieve clarity of the role of the ICC Board to define and agree the strategy of the international game and empower the Chief Executive to implement the strategy. At the same time, change the current CEC from a Committee of the ICC Board, to an advisory forum in support of the ICC Chief Executive. It should be renamed the Chief Executive’s Advisory Board.
- **Role of ICC:** Progress against the existing Strategic Plan of the ICC for 2011 - 2015 should be assessed and communicated and the actions required to ensure achievement of the Plan is reinforced.
- **Role of the Full Council:** Ensure changes that require formal approval by the Full Council are prioritised in order to use the 2012 Conference to gain such approval (e.g. changes to Memorandum and Articles of Association of the ICC and IDI).
- **Application of the ICC Code of Ethics (as updated) as a condition of Membership on all Members of the ICC:** Combine the Code of Ethics with the requirements of the ACSU, to cover all aspects of integrity over both on and off-field activities, and build the resources needed to enforce the code under the leadership of a full time ethics officer.
- **Reducing the size of the ICC Board:** Commence discussions amongst the Full Members to determine an appropriate method to enable a move to a representative basis, rather than an automatic right, of participation on the ICC Board. This would enable the ICC Board to reduce to an optimal size of 12 Directors by 2015.

- **Transparency:** Focus on living and embedding the values of the ICC, in particular fairness and integrity, and provide transparency over decision making.

Alongside implementing the above, work should commence on:

- **Membership:** Formalise and enforce the rights and obligations of Full Membership of the ICC, using a balanced scorecard approach similar to that in place for Associate Members. This should include removal of the requirement to play Test Cricket as a condition of Full Membership. Recognition that Full Members can be demoted if obligations are not fulfilled. This should be done in time for new Full Members to be admitted to the ICC with effect from July 2013, with the potential need to protect existing Full Members from any negative financial implications until such time as a new funding structure is in place.
- **Detailed funding review of the ICC:** Each Member needs to be open with the ICC regarding their individual financial position. This review needs to be completed well ahead of the commencement of negotiating the ICC commercial rights deal for 2015 onwards, which implies the funding study needs to be complete by no later than June 2013.
- **Development agenda for the ICC:** Confirmation of the role of the ICC in developing and protecting Test Cricket; determining the value of Olympic participation to the game as a whole; and understanding the constraints arising from the FTP.

Whilst the above does not attempt to cover all aspects of our report, it should provide a focus and recognition of the need for impetus if the changes that are required are to be embedded within a sensible and practical timeframe. Assuming that the recommendations contained within this report are embraced by the ICC, then we would suggest that a detailed plan be developed by ICC management to demonstrate how best to take action to implement all aspects of this report.

6.0 Summary of recommendations

2 Role of the ICC

- R1. *The role of the ICC as the leader of the international game needs to be reinforced and confirmed by all.*
- R2. *The ICC needs to own all elements of the international game either directly or through appropriate delegation.*

4.1 The ICC Board

- B1. *The ICC should appoint an independent Chairman to lead the ICC Board. This role should be separate to the role of ICC President. Both these roles should be clearly defined and delineated. The Chairman role should be remunerated.*
- B2. *A Nominations Committee should be convened to identify the right person to be Chairman, using a skills-based assessment.*
- B3. *The role of the ICC President should be an Ambassadorial role, enhancing relationships with ICC stakeholders and other sporting bodies and acting as a figurehead for the ICC at worldwide functions.*
- B4. *All Members should continue to have the opportunity to become ICC President under the existing rotation system.*
- B5. *A Nominations Committee, led by the Chairman, should recommend the appropriate candidate for President, having given due consideration to the submissions received from the Member Boards against the revised requirements of the role.*
- B6. *Each Board Member has a fiduciary duty first and foremost to the ICC. Each Member Board nominee needs to act in recognition of this.*
- B7. *In future, accepting appointment as an ICC Director should necessitate the person relinquishing any executive or leadership role within their Member Board.*
- B8. *Independent Directors should be introduced to the Board to augment the existing skills on the Board. The Independent Directors should be given voting rights. The role should be remunerated. Three Independent Directors should initially be included on the Board.*
- B9. *The ICC should ensure a greater diversity of views on the ICC Board. Two additional Directors should be included on the Board to provide this diversity.*
- B10. *All Board Members, including the Independent Directors, need to receive appropriate information, data and insights into the operations of the ICC for them to fulfil their role – backed up by access to an independent monitoring function if necessary.*
- B11. *An effective Internal Audit function covering the operations of the ICC and the related ICC events, and reporting into the Chairman of the Audit Committee, is required to act on behalf of the Independent Directors.*
- B12. *The terms of office for the Chairman and Board Members should be clearly defined.*
- B13. *Board resolutions should be binding on Member Boards.*
- B14. *In the interests of transparency Board decisions should be publicised.*
- B15. *With the separation of the roles of the independent Chairman and President the roles of Vice President and the Presidents' Principal Advisor should no longer be necessary.*

4.2 Ethics

- E1. *A culture should be established where all potential conflicts of interest are declared, assessed and addressed. Where a Director of the ICC has a personal conflict of interest from which they stand to benefit, they should be excluded from decision-making on matters that may be affected by that conflict.*
- E2. *The primacy of ICC Directors' fiduciary duties to the ICC should be re-established, such that each Director acts consistently in the interests of the ICC as a whole, ahead of the interests of individual stakeholders. The secondary duty of ICC Directors, nominated to represent and therefore openly express the interests of individual stakeholders, should be acknowledged.*
- E3. *ICC Directors' should neither seek to place undue influence on other Members, nor allow themselves to be influenced inappropriately by other Members to support the interests of individual Members.*
- E4. *Any side agreements between Members that may affect the interests of the ICC and Global cricket should be disclosed so that there is due transparency and their effects are understood.*
- E5. *Government interference is inappropriate and is not acceptable. A level of government patronage and support of cricket is permissible.*
- E6. *There should be clear and enforced limits on the value of Gifts and Hospitality (individually and aggregate) that ICC Directors and staff can give or receive. It should be mandatory to log all gifts and hospitality that are given or received (over a de-minimus level).*
- E7. *There should be an obligation, both on the giver and receiver, for loans or other financial assistance between ICC Members to be fully and promptly disclosed to the ICC Board.*
- E8. *In order to build an ethical culture, appropriate behaviours need to be promoted to ensure that confidentiality is respected and diversity of view is appreciated.*
- E9. *An ethical risk assessment should be conducted to identify areas of higher risk to the ICC. Guidance on risk areas, to a sufficient level of detail, should be included in the Code.*
- E10. *The scope and applicability of the ICC Code of Ethics must be clearly reinforced. It should apply to everyone who is part of the ICC in every capacity, including ICC Member Boards. The Code should also apply to parties having a significant commercial relationship with the ICC as well as intermediaries such as agents.*
- E11. *The responsibilities of all individuals who fall within the scope of the Code need to be underpinned with the appropriate training and communication.*
- E12. *A 'speak-up' hotline should be established under the direction of the ICC Ethics Officer.*
- E13. *There should be a properly resourced ethics function led by a senior Ethics Officer. The ICC Ethics Officer's reporting lines to the ICC Board and the independent Governance and Ethics Board Committee should be defined and agreed.*
- E14. *A formal policy should be developed in response to violations of the Code of Ethics.*
- E15. *A range of sanctions should be determined, understood and enforced.*
- E16. *There should be provision for a right of appeal against decisions of the Ethics Disciplinary Committee or the Code of Conduct Commission.*
- E17. *The ICC Ethics Officer should be party to Member Board investigations.*
- E18. *The remit of the Governance Review Committee should be broadened to encompass both on and off-field ethics. It should be renamed the Governance and Ethics Committee. It should oversee the activities of the Ethics Officer, the ACSU, the Ethics Disciplinary Committee and the Code of Conduct Commission.*

4.3 Membership, Board Structure and Committees

- M1. Membership classes should be simplified and divided into two categories. A Full Member class should be retained. The Associate and Affiliate Member categories should be combined into one class of Associate Member.*
- M2. Mandatory Test playing status should not be a requirement of Full Member status. The Full Member class should include Test playing Members together with other high-performing (but not Test playing) Members.*
- M3. Clear, objective and measurable criteria should be established in order to determine countries entitled to the benefits of Full Membership.*
- M4. The current number of ten Full Members should be reviewed with the intention to open up the Full Membership category more widely.*
- M5. The rights and obligations of Full Membership should be more clearly defined, measured and enforced.*
- M6. Full Membership should be accompanied by the right to representation on the Board of the ICC.*
- M7. ICC global competitions should be open to all with clear qualification routes and limited automatic rights to participate.*
- M8. The ICC should review the ongoing appropriateness of the FTP to ensure that more opportunities are given to Associate Members to compete outside of ICC events against Full Members.*
- M9. Clarity is required over the potential merits of the admission of cricket into the Olympic Programme.*
- M10. The ICC should adopt the principle of one Board Member, one vote.*
- M11. The Board should be reduced to an optimal size ensuring that the Independent Directors are not in a minority.*
- M12. An Executive Committee comprising the Chairman, Chief Executive and the Independent Directors should be introduced to act as a bridge between the Board and executive management as a transitional measure.*
- M13. The strategic direction of the ICC needs to be owned by the Board. Implementation of the strategy needs to be the explicit responsibility of executive management.*
- M14. The Executive Board of the ICC should be renamed the ICC Board.*
- M15. The Cricket Committee should report directly into the ICC Board given its strategic importance.*
- M16. The Chief Executives' Committee should cease to be a Committee of the Board and should act as a sounding and advisory forum for the Chief Executive.*
- M17. The Development Committee, Women's Committee and Medical Committee should come under the auspices of the Chief Executive. In addition a Board Member should have a liaison responsibility for each Committee to ensure relevant issues can be evaluated and dealt with.*
- M18. The Audit Committee should be a Committee of the ICC Board not the IDI Board.*
- M19. The IDI Board should be simplified and take over the activities of the Financial & Commercial Affairs Committee.*
- M20. The membership of Committees should be driven by the skill sets required, including Independent Directors chairing Committees where appropriate.*
- M21. The role of the Full Council should include the ratification of the appointment of the Chairman, the President and the independent ICC Board Members, but not the Chief Executive.*
- M22. The Full Council should continue to have the final ratification of changes to Membership status including the upgrading and cessation of Members.*
- M23. In the spirit of transparency, the ICC Board needs to be held accountable to all Members of the ICC through the forum of the Full Council on an annual basis. The voting rights at the Full Council should move to 'one person, one vote' but be for ratification purposes only.*

4.4 Funding

- F1. *The subscription model of funding the ICC should be abolished and the ICC should become self-funding and financially independent.*
 - F2. *The distribution model should be revised so that amounts distributed to Members are on a needs basis as opposed to an automatic entitlement.*
 - F3. *The ICC should develop a clear funding strategy to ensure an appropriate allocation of revenue between distribution to Members, funding of development of global cricket and targeted assistance to Members.*
 - F4. *The ICC should undertake a full financial review of global cricket that incorporates the commercial implications of ICC events and the FTP.*
 - F5. *The ICC should make all reasonable efforts to confirm the flow of funds relating to its events and major commercial arrangements with the aim of ensuring the funds only go to intended legitimate recipients.*
 - F6. *The ICC should put mechanisms in place to obtain and monitor full financial information from all Members on a regular basis. Complying with these obligations should be a condition of receipt of any distributions by the ICC.*
 - F7. *As a condition of Membership and the right to receive distributions, all Members should be obliged to assist ICC in gaining a full understanding of the finances of global cricket, so that the economic distribution and impact of the FTP funding mechanism can be effectively evaluated.*
-

7.0 Appendices

i. Terms of Reference

1. Conduct a comprehensive review of the governance of the International Cricket Council, including but not limited to:
 - a. an analysis of the governance structures of the organisation (including corporate structure, Board and Committees) and their effectiveness, both per se and comparative to other sports governing bodies and relevant international organisations;
 - b. an analysis of the Membership structures of the International Cricket Council and in particular Membership criteria and the retention of Membership status;
 - c. an analysis of the funding mechanisms applied by the International Cricket Council and their impact on (a) and (b) above;
 - d. an analysis of the International Cricket Council's memorandum and articles of association and an assessment of their suitability for an international sports governing body;
 - e. an analysis of the voting structures of the organisation (Board and Full Council);
 - f. advice on the necessity/desirability of Independent Directors on the Executive Board and/or as Members of Committees, together with suggested selection criteria and processes for adoption, if appropriate;
 - g. the process for the nomination and election of the ICC President; and
 - h. a review of the Code of Ethics and the process for dealing with investigations into corruption and breaches of ethics by the ICC Ethics Officer.
2. Compilation of a report based on the review, including recommendations for changes to the organisation's governance structures and a plan of action to be taken by relevant stakeholders so as to ensure that the International Cricket Council is a recognised leader in the field of the governance of sports organisations (one of the stated goals of its Strategic Plan 2011-15).

ii. About the Review Team

The Rt Hon The Lord Woolf of Barnes (Chairman)

Lord Woolf was called to the Bar in 1955, and was appointed to the Queen's Bench Division of the High Court of Justice in 1979, a Lord Justice of Appeal in 1986, and a Lord of Appeal in Ordinary in 1992. He was Master of the Rolls (1996-2000) and Lord Chief Justice of England and Wales (2000-2005). He chaired the network of the Presidents of the Supreme Judicial Courts of the European Union's Working Group on mediation; conducted a Review of the Working Methods of the ECHR (2005-2006); is joint editor of the standard text on administrative law in England, *Judicial Review of Administrative Action* (Sweet and Maxwell, latest edition 2007); has published widely in legal journals; frequently speaks at conferences around the world and has a number of honorary doctorates.

In June 2007, the Board of BAE Systems appointed Lord Woolf to lead and chair an independent expert committee to study and publish a report on the Group's ethical policies and processes. In March 2011, the Council of the London School of Economics and Political Science asked Lord Woolf to conduct an independent external inquiry into the School's relationship with Libya, the findings of which were published in November 2011.

Richard Sykes

Richard is the Governance, Risk and Compliance (GRC) Leader for PwC UK and has developed and led thinking in how to apply the conceptual aspects of GRC in practice. This role involves discussions at Board level with both executive and Non-Executive Directors on effective governance. Richard is a chartered accountant and has spent the majority of his career as an audit partner on FTSE100 clients. He was admitted as a Partner in 1989 and is passionate about cricket.

The PwC core team also included:

Alastair Tatton

Alastair is a Senior Manager in PwC UK's Risk Assurance team and is an avid follower of cricket. He advises global organisations from a range of sectors on governance, risk management and regulatory compliance. He has a particular focus on evaluating the effectiveness of organisations' governance structures.

Guy Higgins

Guy is a Director in PwC UK's Risk Assurance team. He works with organisations across a wide range of sectors. He assists organisations and their Boards with identifying, interpreting and assessing their governance, risk and compliance needs; reviewing their existing arrangements; and designing and implementing practical sustainable solutions.

Additional PwC subject matter input was provided by:

Julie Clark

Julie heads PwC UK's Sport and Leisure team. With experience of cricket, Julie also has extensive experience advising the public sector, private sector and governing bodies on strategy, facilities and the development of the sport.

Tracey Groves

Tracey, a Partner in PwC UK's Fraud, Corruption and Business Ethics team, has worked with organisations on addressing bribery, corruption and behavioural risk management issues with deep experience in ethical business conduct and implementation of integrity and compliance programmes.

Additional assistance was provided by colleagues in PwC India and PwC Australia.

Advisor to Lord Woolf

Justice Mukul Mudgal

(Retd.) Justice Mukul Mudgal was the Chairman of the Committee constituted to review the Draft National Sports (Development) Bill, 2011. Previously, Justice Mukul Mudgal has served as the Chief Justice of the Punjab & Haryana High Court as well as a Judge at the Delhi High Court. Mukul Mudgal was an advocate on record in the Supreme Court from 1978-1998 and handled as amicus several important cases relating to prison reforms, environmental and gender justice and under trial cases. He was the member secretary/treasurer of the Supreme Court Legal Aid Committee from 1986-1995. Justice Mudgal has delivered judgements on a number of prominent cases relating to sport. He is also the author of 'Law and Sports in India – Development, Issues and Challenges'.

iii. Stakeholder interviews and questionnaire response

Members of the Review Team held interviews or received questionnaire responses from the following individuals within the ICC.

Area	Name
ICC Board	
President	Sharad Pawar
Vice-President	Alan Isaac
Chief Executive	Haroon Lorgat
Australia	Wally Edwards/Jack Clarke
Bangladesh	AHM Mustafa Kamal
England and Wales	Giles Clarke
India	N. Srinivasan
New Zealand	Christopher Moller
Pakistan	M. Ijaz Butt
South Africa	A K Khan/Dr. Mtutuzeli Nyoka
Sri Lanka	Upali Dharmadasa
West Indies	Dr. Julian Hunte
Zimbabwe	Peter Chingoka
Associate Member Director	Keith Oliver (Scotland)
Associate Member Director	Imran Khwaja (Singapore)
Associate Member Director	Neil Speight (Bermuda)
Principal Advisor	Inderjit Singh Bindra
ICC Chief Executives' Committee	
Australia	James Sutherland
England and Wales	David Collier
New Zealand	Justin Vaughan
Pakistan	Subhan Ahmed
South Africa	Gerald Majola
Sri Lanka	Prakash Schaffter
West Indies	Dr. Ernest Hilaire
Associate Member Director	Dr. John Cribbin (Hong Kong)
Associate Member Director	Warren Deutrom (Ireland)
Associate Member Director	Francois Erasmus (Namibia)

Area	Name
ICC Other	
Affiliate Member Representative	Andrew Armitage (Finland, Europe)
Anti-Corruption and Security Unit	Sir Ronnie Flanagan
Elite Umpires Executive	Simon Taufel
Ethics Officer	Sean Cleary
Women's Committee	Clare Connor
ICC Management Team	
General Manager – Cricket	David Richardson
General Manager – Commercial	Campbell Jamieson
Chief Financial Officer	Faisal Hasnain
Head of Legal	David Becker
Head of Media and Communications	Colin Gibson
Head of Executive Programmes	Jon Long
Head of Conduct & Ethics and Company Lawyer	Iain Higgins
Global Development Manager	Tim Anderson
Ex-ICC	
President	Ehsan Mani
President	David Morgan
Chief Executive	Malcolm Speed

In addition, the Review Team held interviews or received questionnaire responses from a variety of stakeholders from the wider cricketing community.

Area	Name
National Cricket Bodies, Associations and Players	
Koninklijke Nederlandse Cricket Bond	Richard Cox
Cricket Belgium	Ken Farmiloe
Federazione Cricket Italiana	Simone Gambino
The Board of Control for Cricket in India	Arun Jaitley
Pakistan	Majid Khan
Federation of International Cricketers' Associations	Tim May
Professional Cricketers' Association	Angus Porter
Professional Cricketers' Association	Ian Smith
England	Andrew Strauss
Cricket Ireland	David Williams

Area	Name
Media and Others	
Journalist	Sambit Bal
Journalist	Harsha Bhogle
Journalist	Shekhar Gupta
Journalist	Gideon Haigh
Journalist	Roderick Lyall
Journalist	Sharda Ugra
Transparency International UK	Robert Barrington

iv. Documents reviewed

The following is a list of internal documentation provided by the ICC to the Review Team as background to the governance review.

Briefing papers for external governance review

- Item 1 – Organisational Structure
- Item 2 – Membership Structure and Criteria
- Item 3 – Analysis of Funding Mechanism
- Item 4 – Constitutional Review
- Item 5 – Analysis of Voting Structures
- Item 6 – Independent Directors/Committee Members
- Item 7 – Nomination and Election of ICC President
- Item 8 – Code of Ethics
- Item 9 – Conflicts of Interest
- Item 10 – Independence of Member Boards
- Item 11 – Economic Distribution & Effect on Governance

Constitutional and existing governance documents

- Amended & Restated Memorandum and Articles of Association of the International Cricket Council
- Memorandum and Articles of Association of ICC Development (International) Limited
- Members' Agreement and Trust Deed
- ICC Strategic Plan 2011-2015
- Executive Board of Directors Manual

External documents

- A good governance structure for Australian Cricket – David Crawford and Colin Carter (2011)
- A path to superior performance: Report of the New Zealand Cricket Review Committee – New Zealand Cricket Review Committee (1995 & 1998)
- ICC Governance Review – Transparency International (2011)
- Report on Corruption in International Cricket – Sir Paul Condon (2001)

Additional documents

- Confidential documents provided to the Review Team by the ICC

v. Interested parties survey and response

The Review Team invited submissions from interested parties that could be made confidentially through the ICC's secure website facility. The announcement was as follows.

As previously announced on Thursday 4 August 2011 the ICC has commissioned an Independent Governance Review.

The independent external Review Team has been appointed by the ICC to review and report on Governance of the ICC. The Chairman of the Review is the Rt Hon the Lord Woolf and he is being supported by PwC, led by Richard Sykes. Lord Woolf's advisor on the Review, particularly in relation to the cricket scene in India, is the former Chief Justice of the Punjab, Mukul Mudgal. Together they constitute the 'Review Team'.

The scope of the review covers Governance, Membership, Ethics and the Role of the ICC.

The Review Team is keen to consult widely with the global cricket community, and has undertaken a series of interviews with many key stakeholders in global cricket, however it is not practical to be speaking individually to every stakeholder.

In order for other stakeholders to be able to communicate their views on the ICC's governance, the Review Team has set up a restricted mailbox, which only they have access to.

You are invited to send any views that you wish to share with the Review Team on the ICC's Governance to governance.review.icc@uk.pwc.com.

In order to allow due consideration of your opinion, please send any views as soon as possible and not later than 9 December 2011.

In total, the Review Team received submissions from people in 38 countries:

Afghanistan, Australia, Bangladesh, Barbados, Belgium, Bermuda, Canada, Costa Rica, El Salvador, England, Fiji, Finland, France, Guernsey, Hong Kong, India, Ireland, Israel, Italy, Jamaica, Japan, Kenya, Mozambique, Namibia, Netherlands, New Zealand, Pakistan, Scotland, Singapore, South Africa, Sri Lanka, Trinidad and Tobago, United Arab Emirates, USA (Hawaii), Vanuatu, Wales, West Indies and Zimbabwe.

vi. Abbreviations

ACSU	Anti Corruption and Security Unit
CEC	Chief Executives' Committee
CL	Champions League
CT	Champions Trophy
CWC	Cricket World Cup
DRS	Decision Review System
FCA	Financial & Commercial Affairs Committee
FIFA	Fédération Internationale de Football Association
FIH	International Hockey Federation
FTP	Future Tours Programme
HPP	High Performance Programme
IAAF	International Association of Athletics Federations
ICC	International Cricket Council
IDI	ICC Development International
IOC	International Olympic Committee
IPL	Indian Premier League
IRB	International Rugby Board
ITF	International Tennis Federation
MCC	Marylebone Cricket Club
ODI	One Day International
PMOA	Players and Match Officials Area
T20	Twenty20
WT20	World Twenty20



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