“And yet it moves”

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Play the Game 2013
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Continuous professionalisation process
1998-2012

1998-2002

- KPMG annual audits of FIFA
- Audits of member associations (local and central by KPMG)
- Payment control for development programs (FAP, Goal)
- New commercial strategy: inhouse commercialisation
- Budgeting process
- Comprehensive annual Financial Report

2003-2006

- Internal Audit Committee
- Revised Statutes
- Annual activity reports
- International Financial Reporting Standards (IFRS)
- Code of Ethics
- Ethics Committee

2007-2011

- Compliance department
- Internal Organisation Regulations
- Internal Control System
- Asset management regulations
Objectives

• Improve the application of Good Governance principles
• Enhance transparency
• Strengthen the independence of the various FIFA committees and review the organisation of FIFA’s judicial bodies (particularly direct election by the Congress)
• Proceed to improvements in the areas of governance, compliance and ethics (review of the FIFA Code of Ethics) and in relation to the structure of the Ethics Committee
• Propose the necessary amendments in the FIFA Statutes
• Promotion of women’s participation in the FIFA Executive Committee
FIFA Governance Reform Process 2011-2013

Road map

- Oct 2011: ExCo meeting
- Nov-Dec 2011: reform work
- Dec 2011: ExCo meeting
- Jan-March 2012: reform work
- March 2012: ExCo meeting
- May 2012: FIFA Congress
- Aug-Oct 2012: reform work
- Nov-Feb 2013: reform work
- March 2013: ExCo meeting
- May 2013: FIFA Congress

- Establishment of four Task Forces
- First meetings of the Task Forces
- Establishment of Independent Governance Committee (IGC)
- Development of concrete reform proposals by Task Forces and recommendations by IGC
- Approval of first set of reform proposals
- Implementation of reform proposals: changes to Statutes
- Concrete proposals by the Audit and Compliance Committee
- Working group including General Secretaries and Legal Directors of Confederations to consult with all 209 member associations
- Approval of final set of reform proposals
- Implementation of remaining reform proposals: changes to Statutes
## FIFA Governance Reform Process 2011-2013

### IGC recommendations: status of implementation

<table>
<thead>
<tr>
<th>Type</th>
<th>IGC recommendation (report to ExCo, 20 March 2012)</th>
<th>Status (15 July 2013)</th>
</tr>
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</table>
| **Judicial system**| **Ethics Committee** (2.3)                                                                                      | ☑ implemented July 2012  
☑ implemented June 2012  
☑ implemented July 2012  
☑ H. Eckert (accepted by FIFA), M. Garcia (accepted by IGC)  
☑ implemented July 2012 (first election in 2013)  
☑ full access provided, no limitation of resources  
☑ implemented July 2012  
☑ implemented March 2013 |
|                    |  
- New Code of Ethics (e.g. “proprio motu”, retroactive)  
- 2-chamber system (investigatory, adjudicatory)  
- independent chairmen & deputy chairmen  
- Initial candidates proposed by the IGC  
- Candidates to be elected and start as soon as possible  
- EC to be given sufficient competences/resources  
- EC secretariat to directly report to chairmen  
- Confidential Reporting System (e.g. public access) |  
- ☑ New Code of Ethics (e.g. “proprio motu”, retroactive)  
- ☑ 2-chamber system (investigatory, adjudicatory)  
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- ☑ full access provided, no limitation of resources  
- ☑ implemented July 2012  
- ☑ implemented March 2013 |
| **Democratic reforms** | **Audit & Compliance Committee** (3.3.1.1)  
- Independent and professional chairman & deputy  
- Initial candidates proposed by the IGC  
- Candidates to be elected and start as soon as possible  
- ACC to be given sufficient competences/resources  
- Best practice compliance programme (compliance unit)  
- ACC to decide on compensation (strategy/individuals) | ☑ implemented June 2012 (deputy 2013)  
☑ proposal accepted (D. Scala)  
☑ implemented June 2012 (first election 2013)  
☑ implemented June 2012  
☑ currently being implemented (first draft accepted by ACC)  
☑ implemented March 2013 (independent compensation sub-committee)  
no There are different views on that |
|                    | **Executive Committee** (3.3.1.2)  
- Chair of ACC and Nomination Committee to have seat | (no) Partially adopted (ad-hoc attendance) |
|                    | **Terms of Office** (3.3.1.3)  
- Introduction of various terms of office for officials | (☑) Proposal to be submitted to Congress 2014 as this item will be examined further |
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<td><strong>Compliance Program</strong></td>
<td>• ACC to establish and monitor a best practice Compliance Program (conflicts of interest, gifts &amp; hospitality, Confidential Reporting mechanism, Responsibility and resources)</td>
<td>☑ already implemented (e.g. Code of Conduct, Organisation Regulations, Expense Regulations, internal audit function/control system, confidential reporting system) or in progress (e.g. directive for employees, training)</td>
</tr>
<tr>
<td><strong>Financial controls</strong></td>
<td><strong>Development programs</strong></td>
<td>☑ implemented June 2012 (FIFA Statutes)</td>
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<td></td>
<td>• Establishment of a Development Committee</td>
<td>☑ implemented March 2013 (new Regulations)</td>
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<td>• Control of funds (e.g. audits, requirements)</td>
<td>☑ implemented March 2013 (new Regulations)</td>
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<td>• Public disclosure of use of funds</td>
<td>☑ new principle approved by Congress 2011 and Congress 2013 (Statutes), regulations currently being prepared</td>
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<td><strong>Hosting of the FIFA World Cup™</strong></td>
<td>☑ professional procedures systematically applied (tenders, competitive bidding); formal policies to be developed</td>
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<td>• Regulations for the bidding procedure</td>
<td>☑ implemented March 2013 (Development Regulations)</td>
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<td><strong>Commercial contracts</strong></td>
<td>☑ obligation for integrity checks (Organisation Regulations); standardised self-declaration compulsory for key officials (e.g. Confederations); forms to be submitted to FIFA; investigatory chamber of Ethics Committee has access to files and can launch investigation if it deems necessary (instead of a Nomination Committee);</td>
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<td><strong>Financial Controls over Member Associations</strong></td>
<td><strong>Nomination Committee</strong> <em>(3.3.4.2)</em></td>
<td>☑ obligation for integrity checks (Organisation Regulations); standardised self-declaration compulsory for key officials (e.g. Confederations); forms to be submitted to FIFA; investigatory chamber of Ethics Committee has access to files and can launch investigation if it deems necessary (instead of a Nomination Committee);</td>
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<tr>
<td></td>
<td>• Establishment of a Nomination Committee to ensure integrity of FIFA’s officials and key employees</td>
<td>(☑)</td>
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"And yet it moves"
Some conclusions

- FIFA reform process has contributed to **greater transparency, stronger separation of powers, enhanced ethics and compliance structures and corresponding procedures**
- FIFA - like any other professionally structured and organised sports body - conducts its operations within defined procedures
- FIFA’s governance reform process is a self-regulation process which has to:
  a) observe a specific procedure emanating from the FIFA Statutes
  b) be the result of a democratic, intense and iterative consultation process involving stakeholders on all levels of football as well as external experts
Some conclusions

• The self-regulation process does not stop here. The reforms implemented so far provide for a **solid foundation for the implementation and application phase** which has already started and will be overseen by the independent chairman of the Audit and Compliance Committee.

• FIFA’s aim is to constantly adapt its structures and procedures where relevant and on the basis of the evolving needs of the organisation and the game.
Thank you