

**MEETING MINUTES OF THE  
2016 AIBA EXTRAORDINARY CONGRESS**  
(20 December – Montreux, Switzerland)

**1. Opening remarks from Acting Executive Director**

William Louis-Marie opens the Extraordinary Congress, following a video recap of AIBA Boxing in 2016, dedicated to AIBA 70<sup>th</sup> anniversary. He welcomes the audience to Montreux. The Roll Call follows to ensure quorum.

**2. Roll Call**

William Louis-Marie starts the roll call and asks AIBA Acting Legal Director – Mr. Serge Vittoz to count and note the members in presence. He confirms then that he counted 80 National Federations present and the quorum is at 62, so the meeting is validated and can take valid decisions.

(4 further National Federations arrive during the Congress taking the total present to 84 - Barbados, Congo, St Martin, American Samoa)

**3. President Ching-Kuo Wu Opening Remarks**

President Wu, AIBA President, welcomes the delegates and thanks them for their presence adding there are several important elements to the Congress: to discuss the amendments of the statutes and competition rules for the new Olympic Cycle to Tokyo 2020. President informs that an Extraordinary Meeting of the Executive Committee had taken place the day before, 19 December, at which these changes were discussed along with the latest financial situation. President announces that the financial situation will be shown at the meeting as well as the amendments, and that the KPMG auditors will present their report on the AIBA financial situation.

President Wu acknowledges the previous Extraordinary Congress held in June, at which the historical decision was approved that Rio 2016 be the first Games in history that professional boxers could go through the Olympic qualification process, and the importance of that change to let the world see that AIBA opens its arms to other organizations and empowers National Federations to allow their registration, if approved.

President Wu discusses the media reaction to results at Rio 2016 and how it had called into question the integrity of the sport, as had some of the National Federations. The President describes his calling for a Special Commission, consisting of the five AIBA Vice-Presidents and the Chairmen of the Disciplinary and R&J Commissions, to discuss what crisis-management action was required, including sending home of all 5-star R&Js and the former Executive Director. These are described as essential emergency measures so that the public, media and AIBA members did not lose their confidence and the reputation was not damaged further.

The President says that immediately after the Olympic Games, the Special Committee was asked to again meet in Lausanne to discuss the Games and what elements still needed to be examined closely. A full study regarding competition rules, scoring and the assignment of R&Js was to be carried out, the results of which are now being presented to the AIBA family as the rationale behind the statute amendments.

President Wu cites the example of the computer selecting three of the five judges to score a bout in the previous system and the potential flaw in it that led to complaints. The President reveals that the successful testing of the new system carried out in Saint Petersburg, Russia, left all parties happy and accepting the system. He also mentions the assigning of the R&Js by a Draw Commission involved too many human factors in the process that contributed to a lack of confidence in R&Js, and that it has now been abolished in favor of computer selection to avoid any manipulation. The President hopes that those present agree with the changes.

The President moves on to mention the groundless accusations made in the media by a former employee and that AIBA was damaged by one man's misbehavior. President declares that the AIBA financials will be shared with the Congress and the KPMG audit information will be presented, and emphasizes AIBA's transparency. He emphasizes that AIBA financial situation is healthy with no debts.

President introduces William Louis Marie as new Acting Executive Director and declares that what occurred in the past will not be repeated and that AIBA has taken action. The Congress is declared an opportunity for AIBA to inform the NFs that it is clean, honest and transparent and any attempt at destroying this principal will not be allowed.

The question of the IOC blocking money to AIBA as announced in the press was denied, President Wu adding that he met the IOC President Thomas Bach the day before (19 December), who said that there was no question of the IOC withholding money and that the previous employee was misinforming the media.

President reflected on the previous day's Executive Committee meeting, at which a unanimous agreement and declaration was made to fully support the AIBA programs and to condemn the former employee, as presented in a press release that day.

President Wu said his opening words were intended to keep all the NFs informed of the latest information and that AIBA will make the Tokyo 2020 Olympic Games clean, honest and free from controversy. President declares that AIBA belongs to all the National Federations, not just the EC members, and that with St Maarten approved at the EC Meeting, there will be 201 NF members, all of whom AIBA will help develop their boxing.

#### **4. Presentation of Financial Report**

Financial Director Rob Garea presents a work-in-progress financial report for AIBA. He shows the balance sheet as of 30 November 2016, explaining current assets and

liabilities, operating incomes and expenses, as well as the strategic plan for the coming four years and projected profits. The current AIBA assets comprises \$10,453,728; the non-current assets which include financial assets investments, property, plant and equipment is \$1,989,188 making a total asset of \$12,442,916; the total current liabilities are \$5,540,294 and on the total unrestricted funds AIBA has \$7,388,621. The total liability and net assets match the total asset with \$12,442,916.

William Louis-Marie reminds those in attendance that this is a working document and that it should be treated with full confidentiality, and that the EC meeting in July will receive another full update of the financial situation. He highlights that AIBA is in a good financial situation.

On the statement of income and expenses from the period of July 2016 to November 2016, Rob Garea informs of a total operating income of \$2,006,361 and a total operating expense of \$2,939,183. He added that the total of other income and expenses is \$273,542, which give a result before tax of \$1,206,364 with a net profit loss \$1,208,770; compared to the accumulated gain from the prior years, this give an accurate gain of \$7,388,621. Then, he displays the strategic plan for the next four years, including the targets for operations costs. He summarizes that the accumulated profit at the end of the cycle would be around \$9 million (\$38 million of operating income and \$29 million of operating expenses).

Pierre-Henry Pingeon from KPMG adds his comments on the audit currently being carried out by his company on AIBA finances and the recent information disclosed in the press. He begins with a look at the previous financial presentation, stating that in 2010, WSB SA created a company WSB American Operations and this company obtained a private loan of \$10million in 2010. Mr Pingeon states that KPMG was not made aware of the loan, which was supposed to be repaid in 2013 but has not been. The loan was guaranteed by AIBA, leaving AIBA with an additional liability of \$10million. Mr Pingeon stresses the importance that the Congress is aware the financial situation presented to them in 2014 was inaccurate because it did not contain this \$10 million.

The presented balance sheet does not include yet the \$10 million loan which has been to be repaid by AIBA, KPMG was informed AIBA is currently in discussion with the loan company. But if the \$10 million is included into the liability AIBA based on this figure has negative equity. But it is not considered problematic because of the default income for Olympic revenue owed to AIBA that President Wu has confirmed with the IOC President Mr Bach, leaving the equity positive.

From a financial perspective, AIBA has enough liquidity and resources to operate, but needs to very carefully manage the financial situation. Mr Pingeon reminds that this is an audited statement, not an opinion on AIBA's situation, as he still awaits news on the outcome of all the discussions and negotiations which have currently made by AIBA in respect of the development of BMA to issue that opinion.

Although, the presented is only working documents and those financial statements are interim, President Wu assures the audience that AIBA finances are in good condition with no debt, and audit will continue to work towards the June 2017 financial report, where a full financial report will be presented at the next EC meeting in July

2017. He also notes that not all marketing revenues, WSB franchise fees and competition hosting fees were included into the current financial statement, which could further increase AIBA assets, while savings will be also be made.

President Wu states 2017 as Year of Africa and 2018 as Year of Caribbean, examples of using AIBA money positively, undoing the damaging work of the previous Executive Directors and controlling spending and generating revenue.

***President requests approval from the delegates on the presented financial data, to which no objections are raised.***

## **5. Amendments to AIBA statutes**

Acting Legal Director Serge Vittoz refers the room to the presentations they have previously received regarding the amendments put forward, as well as the addition of two new permanent commissions.

Mr Vittoz states that the current situation sees AIBA grant a license to Swiss-registered company BMA for marketing rights, but the situation is not ideal when various commercial partners would be preferable around the world. The EC and President propose amending the statute to remove any reference to BMA, showing the following articles that mention it:

(Articles 1, 56.1, 56.2, 57.2, 57.3, 57.4, 60.2.3, 62, and 63.2)

### **Article 34.2**

The first amendment is for the President to appoint non-voting Vice-Presidents to the Executive Committee. The President may appoint three people to APB, WSB or a BMA representative. The proposal is to change the wording to allow the president to appoint up to two non-voting Vice Presidents representing the commercial interests of AIBA, helping AIBA move forward in this key area.

#### **Current wording:**

- In addition to the EC Members elected by the Congress pursuant to article 34.1, the AIBA President shall appoint the following EC Members:
- one representative from the Board of APB as Vice President of the Executive Committee;
- one representative from the Board of WSB as Vice President of the Executive Committee;
- one representative from the Board of BMA as Vice President of the Executive Committee

#### **Proposed wording:**

- In addition to the EC Members elected by the Congress pursuant to article 34.1, the AIBA President shall appoint the following EC Members:
- one person representing the interest of APB as Vice President of the Executive Committee;
- one person representing the interests of WSB as Vice President of the Executive Committee;

- up to two persons representing the commercial interests of AIBA as Vice President of the Executive Committee.

Rationale: Removal of the reference to BMA in the appointment of a Vice President. Amendment of wording for clarity.

#### **Article 45.1**

The implementation of two new permanent commissions: The Finance Commission (removed under the former Executive Director) and a Marketing Commission relating to improving the commercial actions of AIBA.

Addition to the current list of Permanent Commissions:

- the Finance Commission;
- the Marketing Commission;

Rationale: Proposed new Commissions to deal with specific aspects of AIBA's business.

Voting will take place following the new member federation votes.

#### **Provisional AIBA Member Federations**

AIBA Legal Counsel Ricardo Contreras then presents the new National Federation member candidates. Mr Contreras recommends the full recognition of:

Guam,  
Libya,  
Malta,  
Anguilla,  
St Maarten  
India

All have fulfilled the requirements established by AIBA statutes, and their recognition as full members is recommended.

President Wu confirms that AIBA Membership will reach a record 201 NFs if the recommendation is approved, and non-voting delegates are asked to leave the room except for India, Malta and St Maarten.

Four observers are charged with counting the votes:

The first vote regarding new members sees 75 votes in favour, with no objections and no abstentions, and President Wu approves the Federations join the AIBA Family.

The first amendments to the statute are approved in the second vote with 78 members voting yes, with no abstentions or objections. President Wu congratulates the new National Federations.

The non-voting delegates return, and President Wu announces once again the confirmed full membership of Guam, Libya, Malta, Anguilla, Saint Martin and India to

AIBA family. William Louis-Marie adds that with 201 members, AIBA is one of the top 5 Olympic sports in terms of Federation membership.

## **6. AIBA Code of Ethics**

President reminds the audience that a strong code of ethics is vital to upholding the integrity of the institution and hands the floor over to the chairman of the Disciplinary Commission, Mr Tom Virgets, also chairman of the Special Investigation Commission.

Tom Virgets thanks the President and all present, before commenting on the Special Investigation ordered by President Wu following the Rio 2016 Olympics, when AIBA faced some issues with regard to the judging and officiating there were very large numbers of individuals who spoke out to media calling AIBA corrupted. The commission has been charged to determine whether or not a culture of corruption existed in our organization.

Mr Virgets says that the Committee interviewed over 100 persons from the AIBA Family and found that a number of individuals in the AIBA Family have failed to meet the standards required of members of this institution. Mr Virgets reminds the congress that every member is expected to follow the AIBA code of ethics, and that those placed in positions of leadership at NFs are leaders within AIBA, but the Commission has seen there are people who want the authority and privilege of leadership, but not the responsibilities.

Mr Virgets reminds that AIBA is only as strong as the integrity of its leaders. AIBA faced issues at the Olympics with the officiating, and many individuals and NF leaders were also quick to doubt AIBA's integrity, adding the commission looks for evidence whenever there are accusations of corruption and will always do everything in its power to ensure that AIBA remains corruption-free.

Mr Virgets presents a certification of compliance to the code of ethics and requests that all NFs sign, declaring they are beyond reproach in actions and practices and will demonstrate honor and not tolerate those who do not. Mr Virgets reminds of the collective experience of the room of those who love the sport of boxing.

Mr Virgets closes by saying that there wasn't sufficient evidence found by the investigation to say beyond doubt that corruption existed in AIBA, but it was clear that a culture of unethical behavior has existed in the organization, and the rumors that have resulted, from inside the organization, have had a negative impact on AIBA, and asks that the certificates of compliance be signed by all present and handed to President Wu.

President Wu confirms the hard work of the Commission and investigation and calls upon all members to realize how important compliance with the code of ethics is for the integrity of the organization.

***Members sign the certificates and present them to President Wu.***

## **7. Comments and thanks from the delegates**

The Guyana Boxing Association thanks President Wu for his support, followed by messages of support from Barbados, Togo on behalf of AFBC, Egypt, India, St Lucia, Botswana, Turkey, Iran, Ivory Coast, Philippines,

## **8. President closing remarks**

President Wu gives his heartfelt thanks for the support from the National Federations, and reflects on the past ten years since being elected as President of AIBA, the opportunity he has had to reform the organization and all of the challenges and achievements faced since 2006, most notably bringing women's boxing in to the Olympic Games and acting decisively for gender equality, removal of head-guards to preserve the status of the sport. Another key achievement was to allow professional boxers into the Olympic Games.

The unity and determination to work together and avoid the mistakes of the past was applauded by the President, and he closed the congress by looking ahead to the preparations for Tokyo 2020, including a call for all NFs to keep supporting AIBA as it continues to work hard to comply with the WADA code, continue rigorous out-of-competition testing and keep boxing drug-free, and to keep their boxers educated regarding the IOC ethics.

The President declares that the Special Investigation results will be known soon and action will be taken against those found guilty.

President is pleased with reaching such strong consensus in AIBA's 70<sup>th</sup> year and after 10 years' work, saying that the unity that has been shown today will make AIBA stronger, and improvements will never stop as AIBA seeks to serve the boxing family.

Before the meeting is closed, all participants are watching a video showing the direction for the World Championships Hamburg 2017 which are to start in 9 months.

Afterwards, President Wu expresses his thanks to all those involved in the preparations of the meeting - staff, interpreters and compliments an excellent organization and facilities. Finally, all participants are reminded about the tonight's Gala dinner to celebrate AIBA's 70<sup>th</sup> anniversary.

Approved by AIBA Extraordinary Congress on January 2018 Dubai