

# **UEF Federal Committee Meeting**

12 February 2022, Online (Zoom)

## **Minutes (draft)**

*Start: 10 :05*

*End: 12 :15*

### **1. Opening**

Philipp AGATHONOS, member of the UEF Federal Committee (FC) Presidium and Chair of the meeting, opens the extraordinary meeting and welcomes the participants. He underlines the main topic of the agenda, the budget and how crucial it is for the whole organization to adopt it today.

Luisa TRUMELLINI, Vice-President, acts on behalf of the President Sandro Gozi for the openings remarks. She apologizes for the fact that the EB was unable to submit the draft budget proposal and to share the related documentation in accordance with the terms set out in the Statutes. She thanks Brigitte WILLE, member of the EB particularly committed on a voluntary basis to delivering the budget. The budget proposal was drawn up in accordance with the new Financial and Contribution Order and with the important assessments of the Auditors. L. TRUMELLINI reminds that the administrative issues under discussion are functional to carry out the political activity of the UEF in a serious and responsible approach. Among these activities, there is the Conference on the Future of Europe which is moving towards its final phase and therefore the UEF campaign requires collective support for federalist proposals, including those of JEF, on the CoFoE platform.

### **2. Introduction to *Nemo vote platform***

Philipp AGATHONOS introduces online voting platform. He leaves the floor to Abdul Kerim AYDEMIR, a member of JEF and UEF Austria, to explain in detail how Nemo Voto Platform works.

### **3. Appointment of the Tellers**

Anna ECHTERHOFF suggests appointing Mariona ESPIN ONIEVA, UEF Policy and Communication Officer, and Abdul Kerim AYDEMIR as the tellers. There are no objections to it.

Decision: Mariona ESPIN ONIEVA and Abdul Kerim AYDEMIR are appointed as the tellers.

#### **4. Approval of the Agenda**

Philipp AGATHONOS presents the agenda. There are no objections to it.

Decision: The Agenda as distributed is approved by acclamation.

#### **5. Approval of the Minutes of the Federal Committee Meeting on 19 December 2021**

Philipp AGATHONOS asks if there are any remarks regarding the minutes. Nobody else takes the floor.

Decision: The minutes of the FC Meeting on 19 December 2021 are approved by acclamation.

#### **6. Financial situation: budget proposal 2022 - presentation and decision**

##### **Introduction of the 2022 budget proposal by the Treasurer**

Dominique OSTYN introduces the budget proposal 2022 reminding to the delegates the difficult situation the UEF experienced. In 2018, the UEF failed to obtain the operating grant and was negatively affected by it for a three-year period, until 2021, effectively having 70% less resources than it was traditionally used to. In the new seven-year programming framework, the UEF has obtained a new operating grant for 4 years but compared to the past it is necessary to co-finance for a higher percentage, 18%. In summary, in applying for the operating grant, the UEF Secretariat has suggested a total amount of EUR 285.000.000 for 2022 to be divided into various expenditure titles, of which the most substantial part relates to expenses for personnel and subcontracting, and which must be accurately reported to the European Commission by the end of December. Therefore, the first most important news is that the UEF has an agreement in place with an expenditure budget that gives the organization financial perspectives until 2025. According to the Treasurer, the second step is to present a more detailed budget plan each year in advance, based on the forecasts made in the budget table shared in the agreement with the EC.

Due to the fact the operating grant is the main financial resource of UEF, the budget that the Federal Committee is going to approve at this meeting is an expense-based budget

**for an amount of EUR 280.000.000**, from which UEF expects to co-finance 18% of the costs. Individual projects, such as "Make Europe Bloom", shall have a separate accounting as well as new projects according to the new regulations of UEF. The last column of the budget is dedicated to other activities that cannot be financed with the funds of the operating grant or those destined for specific projects, so they have not to be reported to EU Institutions but fall down in the "internal budgeting".

The rationale of the new general budget scheme is simplifying the reporting and accounting activities of the Office of the Secretariat and the external accountant. Regarding the horizontal lines of the budget, the Treasurer emphasizes the presence not only of the eligible direct costs that need to be reported to EU Institutions, but also of the revenues with which UEF intends to co-finance its budget. Traditionally, UEF has two or three ways of self-financing: membership fees are stable and around EUR 35.000 per year; little partnerships, contributions and donations. Dominique OSTYN stresses the importance of revenues in functioning of the of the operating grant. Members' support is needed to raise about EUR 50,000 / 55,000 each year to put UEF in a really safe position. At the beginning of 2022, UEF has already set aside important resources for co-financing of which over EUR 29,400 derive from donations, memberships, fees, contributions and small partnerships. Furthermore, UEF boasts some reserves that amount to EUR 35,000 / 40,000. Even in the worst-case scenario, it is predictable that in 2022 UEF should be able to meet its operating grant obligations, but fundraising is strongly recommended.

### **Comments by the Auditors**

Roland HÜHN takes the floor on behalf of the Auditing Committee and confirms that the budget was established following numerous online meetings that the Treasurer was unable to attend. Brigit Wille, was appointed by President Gozi to led the working group committed in drafting the budget. The Secretary General as well gave her full support having a complete knowledge of the activities of UEF. R. HÜHN points out two aspects, one of which is related to reservations due to disagreements between the Auditors disagree and the Treasurer. The Auditors argue that resources deriving from funded projects for which activities could not be carried out due to the covid pandemic led to significant savings on expenses. The controversial matter is whether those reserves should not be returned instead to the European Commission which financed those projects. The Auditors are warning the EB and the FC of the risks involved in budgeting that money as reserves if it is unsure whether it should be given back. The second aspect of disagreement is the amount of these reserves which, according to the Auditors, should be more accurate, considering the bank statements. Another point the Auditors want to bring to the attention of the FC delegates is the close link between the amount of direct funding by the European Commission and UEF's capabilities to co-finance about 20%. Failure to achieve the amounts leads to a reduction in the loan from year to year. The Auditors' suggestion is to monitor the budget every quarter period.

## **Comments by General Secretary**

Anna ECHTERHOFF, UEF Secretary General, thanks Dominique Ostyn for the exhaustive presentation of the budget and Brigit Wille for finalizing the budget proposal. She underlines that the operating grant represents a great chance for UEF, which also involves some burdens for which the national sections are also called to offer their contribution to implement the budget. The ongoing program of activities is ambitious, and among these there is the priority of registering the Statutes and moving the UEF registered office from the Netherlands to Belgium. This kind of action is not included in the costs of the operating grant and requires the contributions from national sections.

## **Discussion**

Iacopo BARBATI, JEF Europe, asks if there is more detailed information regarding the costs of online tools such as the Zoom, Canva, Mailchimp and similar service, as well as for the resources that are spent on organizing important meetings, workshops, think tank and academy events. He underlines the fact that overall, they seem excessively high to him, also considering that the pandemic has forced to online events.

Brigit WILLE, Executive Bureau, shares the Auditors' concern regarding the liquidities and argues that the details regarding the liquidities of UEF should be provided.

Francesco FRANCO, MFE Italy, underlines that UEF has been hit by an economic crisis which has not yet been resolved and therefore the provisions governing the budget need to be improved. He wonders if the budget 2022 was drafted and approved according to the rules of the new statutes.

Ophélie OMNES, UEF France, asks if there is an all-encompassing strategy of support for the sections, or if instead the actions are only those of support for the small sections if, for example, they deal with financial problems or the involvement of the sections in some projects.

George KOLYVAS, UEF Greece, asks if joint events were planned between UEF and the national sections and if there were related expenses in the budget.

Christopher GLÜCK, elected FC member, expresses concern for the money allocated to the staff believing that the number of three units is low in relation to the activities that UEF should carry on. He asks how UEF intends to maintain the current funding, activities, staff; if additional resources are foreseen from membership fees also in view of participation in further projects which in turn require to be co-funding.

Dominique OSTYN confirms that UEF liquidities were good at the end of December 2021 and are improved because of the agreement. Currently, 80% of the resources have been already transferred to the bank. Regarding, online communication and events, a substantial investment is necessary to carry out UEF's political campaigns and the internal meetings, even in the face of the emergency times that we are experienced due to covid. In terms of activities of the sections and the network, he argues that the operating grant

can finance activities that involve the sections. As for the staff, he agrees that three employees are not enough, but UEF cannot afford more for now (there may be a room for a fourth employee and trainees in the near future). The invitation to the sections is to find together self-financing strategies to increase the capabilities of UEF so that they can participate in other projects. On the question of the reserves accumulated in 2021, these relate not only to unspent resources for funded projects, but mostly derive from donations or are related to activities for which UEF has already reported or have been paid by the national sections.

Anna ECHTERHOFF points out the opportunity given by the operating grant. But this puts the organization in front of responsibilities and risks. Several ways to collect donations can be possible, some of them have been experienced but UEF and its section should find a way to put them into a system. She would have liked to ask for more funding and certainly hire a numerous staff, but the current operating grant is a realistic solution compared to the disastrous situation of the past. The Secretary General communicates that, at the moment, it is possible to be a partner in further projects of other organizations and different offers have to be evaluated. The new budget structure clearly distinguishes the costs UEF has to bear and report for the loans obtained, the revenues of which the main source are individual fees, membership contributions, donations. The choice made by UEF was to invest these resources, that can be spent once, in co-financing the operating grant. Inputs from the financial experts of the national sections are welcome to improve the budget in perspective. As regards to the collaborations between the sections and UEF, a proposal will be presented shortly to carry out online events and discussions rounds. Despite the difficulties in drafting and adopting the budget, the Secretary General has tried to comply with the provisions of the Statute and the Financial and Contributions Order. She expects a statement from the side of Executive Bureau on this matter. At the end, she reminds to the national sections to communicate the number of their members as soon as possible.

Rainer WIELAND speaks on behalf of the EUD delegation and declares their vote in favour of the budget while admitting some concerns. The financial situation of UEF looks improved and he recognizes that the obtention of the operating grant is the result of the joint work of several people. However, old controversies have not been resolved after the Congress and the German delegation expects that there will be no return to behaviours that are harmful to the whole organization. In the last period, he has endured with difficulty the behaviour and the absences of the Treasurer because the commitment required is on a voluntary basis and due to personal matters. R. WIELAND stresses there is still a lack of connection with a part of the organization and not everybody is giving own contributions in the organs where it is necessary, including in the relations between the EB, the Secretariat and the Secretary General. The President is expected to intervene urgently to understand the reasons and resolve this situation. He reminds to FC delegates that clear responsibilities have been established in the Statutes, Rules of Procedures, Financial Contributions Order and the whole German delegation expects clear responsibility in particular from the EB. This is closely linked to the approval of the budget proposal. By the end of March, it is expected that the definitive resolution of some old issues will also be reported in writing to the next FC and to the national sections. The UED is available to

support the organization like a whole if there is a feeling of mutual trust, real collaboration, a common vision and destiny, the healthy contradiction is acceptable to grow up together. Otherwise, the German delegation is willing by the end of April to call an extraordinary FC and use all the tools provided by the New Rules of Procedure of FC to reach a result in this direction.

Sebastiano PUTOTO, JEF Europe, reminds the Conference on the Future of Europe as a priority for UEF. So it is necessary to do the best and put money in it. Moreover, UEF can get funds if it has something to offer and this is a key issue for S. Putoto who suggests paying more attention to planning. He asks the Treasurer and Secretary General what political activities they intend to pursue now that UEF has the money and what they intend to reorganize the Office of the Secretariat. He asks as well what actions they intend to take to grow the organization and give prospects.

Alejandro PEINADO GARCIA intervenes on behalf of UEF Spain and expresses all its support for the approval of the budget.

Giulia ROSSOLILLO, EB Member, replies to Francesco Franco saying that the EB did not have time to discuss the budget because the Treasurer was unable to provide it. This is the reason why the deadlines were not met, and it was necessary to convene an extraordinary FC. The UEF has now a budget thanks to the hard work of many people and she is sure that the deadlines will be met in the future.

Dominique OSTYN underlines the usefulness of working in a task force for financial issues especially at an early stage of the discussion but argues that everyone's contribution is needed to intercept opportunities, propose improvements and activities for UEF. The Treasurer concludes by asking for a vote in favour of the 2022 budget proposal.

Philipp AGATHONOS asks for a final response from the EB about political activities that UEF expects to carry out.

Luisa TRUMELLINI explains that this is not the place to talk about topics beyond the agenda planned for the FC meeting. She repeats that, at the moment, the priority for UEF and the national sections is carrying out the federalist campaign in the framework of the Conference on the Future of Europe. There will be adequate meetings, ordinary FC meetings and meetings of the political commissions in the future to discuss the political positions and activities of UEF with a dedicated agenda.

Mathilde CERON, FC Presidium, opens the online voting process. She invites Abdul Kerim AYDEMIR to coordinate and manage electronic voting.

*Some delegates experience technical difficulties in accessing to electronic voting; others had to leave the meeting before the formal voting began. This opens the debate on whether to welcome a mixed vote and take note of it in the minutes, but this can conflict with the rule of the secret ballot.*

Rainer WIELAND argues that a margin of flexibility can be accepted for this first electronic vote as long as it does not become a case because the vote must be a clear operation. He asks to take notes in the minutes about this mixed vote.

Philipp AGATHONOS reiterates the new voting system only requires us to get practical so if there are no objections, all votes must be accepted, take note but do not include the names and surnames of the voters in the minutes.

Abdul Kerim AYDEMIR suggests taking the training for the next online vote because the use of online voting is beneficial.

Mathilde CERON asks that the minutes indicate that a majority of those present voted online and the others through the chat.

Rainer WIELAND suggests that a cross-checking system has to be provide so that no one can contest the vote, using absence, technical problems as an argument. He stresses that there must be clarity on the vote.

Mathilde CERON asks for flexibility for this first vote and believes that taking note in the minutes of the fact that some delegates have left before voting operations or had technical problems in using online voting can provide sufficient guarantees for the transparency of the vote. To this end, she recommends adding first and last name to the minutes.

Wolfgang WETTACH, EB member, suggests indicating in the minutes that delegates who did not vote for technical reasons or left the meeting earlier declare their support for the budget. This formula would reflect their will, respecting the secrecy of the vote and would avoid a case.

Decision: The proposal of W. Wettach is approval by unanimity.

Mathilde CERON declares the budget 2022 as approved.

Decision: The budget proposal for 2022 is approved with 64 votes in favour, 1 against and 3 abstentions.

## **7. AOB**

Florian ZIEGENBALG, UED, remembers once again that it is important to have a timetable agenda and to know in advance when the next meeting will take place because German sections commitment is on a voluntary basis and they have several meetings to attend. In detail, he asks for two dates scheduled and to ensure safe voting procedures.

## **8. Final Remarks from Vice-President Luisa Trumellini**

She thanks all delegates for attending the meeting and points out UEF comes from a difficult period, but the Valencia Congress represented a new beginning. UEF has adopted new rules to manage the administrative, organizational, and financial aspects and ensure that the organization grows and does not go back to dark times. The world in which UEF works, and the relationships that are established, have changed so it is

necessary to be responsible, accurate, precise in budgeting, in requiring fundings and overall in UEF actions. She feels herself charged, in replacing the President, to resolve further issues within the EB to prevent old issues from recurring and to give the proper answers to the questions arise at the FC meeting. She encourages delegates to engage in the federalist campaign at this stage in the context of the Conference for the Future of Europe.

*Draft Minutes:*

*Ilaria Caria, UEF Secretariat, Brussels, 15. February 2022;*

*Raphaël Bez, Berne, 24 June 2022*