



**16TH EUROPEAN
REGIONAL CONFERENCE
24-28 AUGUST 2019
CROATIA**

Regional Report 2017 - 2019: Annex 3
EUROPE REGION
Conference document no. EGC 7

Progress against the recommendations of the Financial Governance Task Force

Introduction

The Europe Region Extraordinary General Meeting took place before the World Conference in 2017 and Document no. 4 'Europe Region Financial Governance Task Force Report' was adopted.

The main proposal was that we should improve the existing AISBL structure in Brussels, and there were four additional recommendations.

This paper provides an update on progress with the overall implementation for the European Member Organisations ahead of the Regional Conference in 2019.

Review of implementation

The table below summarises the proposals adopted in 2017 and contains an update on implementation against each point.

Option 1	Main proposal
<p>Improved AISBL (existing structure in Brussels)</p>	<p>Article 4 of the AISBL Statutes shall be revised to guarantee that the ERC has a majority of members on the General Assembly and the Board.</p> <p>The AISBL Board will be composed of 2 staffs and 3 ERC members supported in an ex officio manner by the treasurer of the committee.</p> <p>The FGTF strongly recommends an amendment be made to the Article 4 of the AISBL Statutes (article on the composition of the GA) by adding 2 sentences at the end of the article:</p> <p>The Chair, co-chair and minimum 1 other member of the Europe Region Committee become automatically members of the GA the moment they are officially elected.</p> <p>The composition of the GA is revised so that the majority is in the hands of the Europe Region Committee.</p>

Summary of progress
<p>Option 1 has largely been implemented.</p> <p>The legal entity under which the European Office operates remains an AISBL (BE) and an affiliate of WAGGGS (as registered in English and Wales, charity number: 1159255).</p> <p>The current members of the AISBL General Assembly are:</p> <ul style="list-style-type: none"> • Marjolein Sluijters (Chair, Europe Committee) • Eline Groeholt (Vice-Chair, Europe Committee) • Lilit Chilingaryan (Member, Europe Committee) • Sophie Stevens-Lemaigre (European volunteer) • Ana Maria Mideros (Chair, World Board, WAGGGS) • Sarah Nancollas (Chief Executive, WAGGGS)

The current members of the AISBL Board of Directors are:

- Chair/Director: Marjolein Sluijters (Chair, Europe Committee)
- Vice-Chair/Director: Eline Groeholt (Vice-Chair, Europe Committee)
- Director: Doris Rutinhausner (Former Treasurer, Europe Region) – *to be removed as a Director at meeting on 23 June 2019*
- Director: Ana Maria Mideros (Chair, World Board, WAGGGS)
- Director: Sarah Nancollas (Chief Executive, WAGGGS)

Therefore, the AISBL General Assembly and Board of Directors both now have regional members in the majority (although Doris Rutinhausner will need to be replaced on the Board).

The Annual General Assembly of the AISBL takes place on 23 June 2019 and WAGGGS has prepared, with our lawyers in Belgium, an amendment to the Articles of the Association for approval.

This amendment will ensure that once elected as Regional Chair and Regional Vice Chair, these individuals automatically become Directors of the AISBL.

Proposal 1	Detail
<p>Treasurer for the Europe Region Committee / region</p>	<p>The Europe Region Committee should be able to appoint a Treasurer (not just a financial advisor). This individual would ideally be an elected member of the Europe Region Committee with a strong background in financial management. If the appropriate skill set was not available from the members of the ERC elected at the European Regional Conference, then the members of the ERC would have the ability to appoint an ex-officio treasurer. Although it is outside the scope of its mandate, if this recommendation is accepted, the FGTF would be happy to provide the ERC with a detailed job description outlining the recommended roles and responsibility for the treasure position as well as an assessment of the necessary qualifications.</p>

Summary of progress

Proposal 1 was met, but there is now a vacancy for a Treasurer.

Doris Rutinhausner was appointed as the Treasurer to the Europe Committee but since she ceased in her role, it has not yet been possible to find another suitable person to appoint.

The current Europe Committee have explored some alternatives, and will share their ideas in a handover to the next Committee, which will then make a decision on how to proceed.

A call for volunteers will be forthcoming in 2019 and we encourage Member Organisations to propose people with the appropriate skills for the range of roles on offer.

In addition, we have proposed making available some budget in 2020-2022 for an Audit Committee in case this proves to be a more suitable model.

Proposal 2	Detail
Proposed accountability framework	To ensure there is a clear understanding of the accountability and governance of the funds within the European Region it is recommended that the following accountability framework be implemented ¹ .

Summary of progress
<p>Proposal 2 has been partially met.</p> <p>The accountability framework is in place and the WAGGGS budget approval process conforms to this.</p> <p>The absence of Head of Region in recent times has made the implementation of this challenging in some areas, but the systems and intention to follow the accountability framework is in place.</p> <p>The major shortcoming has been the ability to provide Member Organisations with quarterly financial reporting on actuals versus budget. This has only been achieved annually.</p>

Proposal 3	Detail
Service Level Agreements	The FGTF recommends the implementation of Service Level Agreements (SLAs) to be established between the ERC (and the AISBL) and WAGGGS. This would increase clarity and transparency by outlining the expectations for the nature and extent of services to be provided by WAGGGS to the ERC. This will ensure the ERC has a clear understanding of the services that will be provided by WAGGGS in return for the funds provided by the EVC and any donations/grants received from the EU. It will also allow WAGGGS staff to plan resource requirements in particular to estimate the appropriate staffing model.

Summary of progress
<p>Proposal 3 has not been met.</p> <p>This remains outstanding as Service Level Agreements are not yet in place.</p> <p>With the current global review of service provision, this provides a useful moment to ensure that the necessary SLAs are created so that there is clarity for all.</p> <p>As part of this review, we need to consider whether it might be sensible to revert to having the financial officer for the AISBL in Belgium.</p> <p>WAGGGS hopes that these SLAs will be completed in 2019, ready for an implementation from January 2020 at the start of the new financial year.</p>

¹ See pages 12 and 13 of the original report.

Proposal 4	Detail
<p>Payment of European Voluntary Contribution</p>	<p>Due to the decision of the Brexit, it is advised that WAGGGS prevents money transfers between EU & UK as much as possible to avoid losing money on bank transfer charges which could become even more important with UK leaving the EU.</p> <p>When the amount will be included in WAGGGS global account management, money transfer should only be done when absolutely necessary.</p> <p>The amounts received through the EVC & EU grants should remain on a Belgian account. Bank transfers between EU countries and especially countries using the EURO are free of charge.</p>

Summary of progress
<p>This proposal has been met.</p> <p>The European Contribution is held in the AISBL's bank account in Belgium and money transfers are therefore kept to a minimum.</p> <p>These monies are accounted for as a restricted fund in the WAGGGS global accounts.</p>

Conclusion

Whilst not all of the recommendations of the Financial Governance Review Task Group have been fully implemented as yet, there has been significant progress and it is anticipated that any outstanding areas can be completed before the end of 2019.

The Europe Committee will undertake to provide a further update to Member Organisations, in advance of the 37th World Conference in Uganda, where hopefully we will be able to demonstrate that all has been achieved.

We thank you for your continued support in achieving these recommendations and urge Member Organisations to assist us in fulfilling the regional volunteer roles when the next call goes out later this year.