

FIDE
General Assembly meeting
Calviá
October 2004

Verification Commission Report

The Verification Commission takes note of the following:

There is an immediate need for the FIDE President to take care of his financial obligations to FIDE. The President made repeated promises in PB meetings and committed himself at the EC meeting in Greece last year to pay CHF 250,000 by the end of December 2003 and another CHF 250,000 by the end of February 2004. FIDE has received nothing at these dates and nothing at the date of this VC meeting.

The outstanding debt represents:

- * Financial support for the Continental Championships held already in 2003
- * Expenses made on behalf of the President for non Fide purposes
- * Reimbursements of personal expenses of the ED
- * Debts of World Chess Foundation

This is a very serious matter and the VC requests the President to make payments to Fide before the GA meeting, especially as some of these debts are due for more than 2 years.

2) The Commission supports the action of the Treasurer to freeze budgeted commission money other than operational expenses until the above debt has been paid. However, this measure had negative consequences on FIDE, which resulted in postponement or cancellation of projects, commission's activities leveled to the very minimum. In 2003, a mere CHF 43,190 was devoted to the commissions, a drop of 58% compared to 2002, whereas the budget provided for more than ten times this figure.

3) The VC notes that, following its previous report regarding particularly the soaring costs of the Secretariat and the subsequent resignation of the ED, a Troika of three people has been appointed to undertake the tasks previously undertaken by the ED. We are still concerned about the supervision of the Fide Office and control of costs whilst there is no full time person in charge.

4) The VC notes also that following our previous report, the EC agreed to move the Fide Office to Athens before the end of 2003. We recommend that, in future, such moves should not be made without a full cost benefit analysis and that such a decision should be open to bidding from any interested parties.

5) The Commission was glad to see that the FIDE records, a valuable asset, were transferred to the Hague Library where they will be safely stored and available to the wider chess community.

6) The VC notes that IOC support of USD 10,000 yearly had not been received in 2003 because the office failed to apply in due time. It was, however, obtained in 2004,

Lakhdar Mazouz,
Verification Commission Chairman:

Nigel Freeman,
Member, Verification Commission

Don Schultz,
Member, Verification Commission