

Report from Secretariat - Administrative and Financial Issues

LDAC Executive Committee
Madrid, 20 January 2026

Background / history:

- The LDAC has kept the same fees since its creation in 2007 with no changes.
- We are one of the few ACs that only charge members for GA & ExCom (not WGs)
- The annual LDAC budget has been overshot in the last three years (*deficit*) due to four main factors:
 1. New lump sum approach with effective “freeze” of the EC annual contribution unchanged since 2021-2022 (circa EUR 280 000) with only 2% inflation rate;
 2. General increase of operational costs (meeting related costs, supply services...);
 3. Proliferation of online/hybrid meetings, including Focus Groups;
 4. Additional activities and events not initially foreseen in our Annual Work Programme (e.g., Workshops in Stockholm, Berlin and Vigo paid by the LDAC)

How did we handle this deficit?

- ***The LDAC had to make use of its contingency fund with savings accumulated over the last decade period (2016-2025) to avoid incurring in the red zone.***
- ***The current balance of the contingency fund to date (Jan 20) is EUR 143 000.***



Proposal for membership fee Increase (LDAC Secretariat)

RATIONALE

The Performance Review 2 (2020-2025) highlights the increasing constraints and efforts due to expansion of activities of the LDAC; requiring a revision of our current membership fees.

WHAT ARE WE ASKING FOR AND HOW IT WILL BE USED

- The proposed increase will ensure financial economic viability without compromising the future of the organization in the coming 3-5 years.
- All money will be allocated to support the smooth functioning and performance of the LDAC without need to do expenditure cuts or decrease the present workload.
- There will be a more equitable distribution of costs, commiserate with level of membership for those participating at several focus/working groups.

Next steps - Negotiation with EC – How the Grant Agreement works

- The LDAC operates under an EC monetary contribution consisting of an operational annual grant for functioning under the present EMFAF (valid until 2027).
- The lump sum approach requires to sign a 4-year framework partnership agreement (FPA).
- The amount is the same over this period with an increase of 2pc inflation subject to prior request.
- The LDAC was the first one to be implemented the lump sum approach.
The first 4-year period of MGA for the LDAC will end on 31 May 2026.
- With the authorization of the ExCom, the Secretariat will negotiate from now on an increase of the amount planned for the next 4-year period. The request for increase will be based on our objective needs based on average level of expenditure in the last 4 years supported by the assessment made both by independent reviewers and our external financial auditors.



Proposal for membership fee Increase

Breakdown of figures

Membership Type	Current Fee	Proposed new fee
General Assembly (55 members)	€300	€600
Executive Committee (23 members)	€600	€1,000
Working Groups (average: 30 members per WG)	€0	€150 per WG (?)

Proposal for membership fee Increase for year 20

Revenue projections based on two possible scenarios

Source of income Type of meeting (no of members)	Actual income (current status)	Option 1 (with WG fee)	Option 2 (without WG fee)
Working Groups (139)	€0	€20,850	€0
General Assembly (55)	€16,500	€33,000	€33,000
Executive Committee (23)	€13,800	€23,000	€23,000
Total	€30,300	€76,850	€56,000



Proposal for membership fee Increase starting on Y20 (2026-2027)

NEXT STEPS – PROCEDURE FOR DECISION / APPROVAL TODAY!

- This is the first proposal in writing.
- Need to have a final decision either today or at the ExCom of 12 March 2026 at latest. The Secretariat will start preparations of the new grant application to the European Commission in February.
- This decision aims to be formally ratified by the Annual General Assembly that will be held on 19 May 2026 in The Netherlands.
- Date of commencement of new MGA: 1 June 2026