

ANNUAL PROCENTAGE RAISE IN COTEC FEES

Until 2012 the COTEC fees were annually raised by a 4% raise as a rule of procedure. The Treasurer calculated and added the raise without separate notice to each membership fee invoice. A general raise in the cost of living was expected to affect COTEC costs so the financial balance was assured by the raise in the fees. In 2013 – 2015 there was no raise in the fees and in 2016 the fees are for the first time based on the so called banding system which was approved by the 3rd COTEC General Assembly in 2015. The principal of minimum fee and a maximum fee being no more than 25% of the total fee income will be obeyed.

The average inflation rate in Europe in 2011-2016 has been 1,5% and is expected to be 1,7% in the near future 2017-2020.* This is to be taken into consideration with COTEC expenses calculations and budgets in the coming years; e.g. costs of travel and accommodation rise with inflationary pressures and the costs of auditing can be expected to rise annually. The Executive Committee also see that COTEC fee income should be inflation proofed.

The Executive Committee is therefore proposing a 2,5% annual raise in COTEC Fees starting 2017 with the recommendation to vote for its acceptance.

* Source: Eurostat, <http://ec.europa.eu/eurostat>