

# Special Committee Membership Subscription Formula

Florian Lemor  
Chair – FDI General

## Today's agenda items

**I. State of discussion in Shanghai**

**II. Work steps after Shanghai**

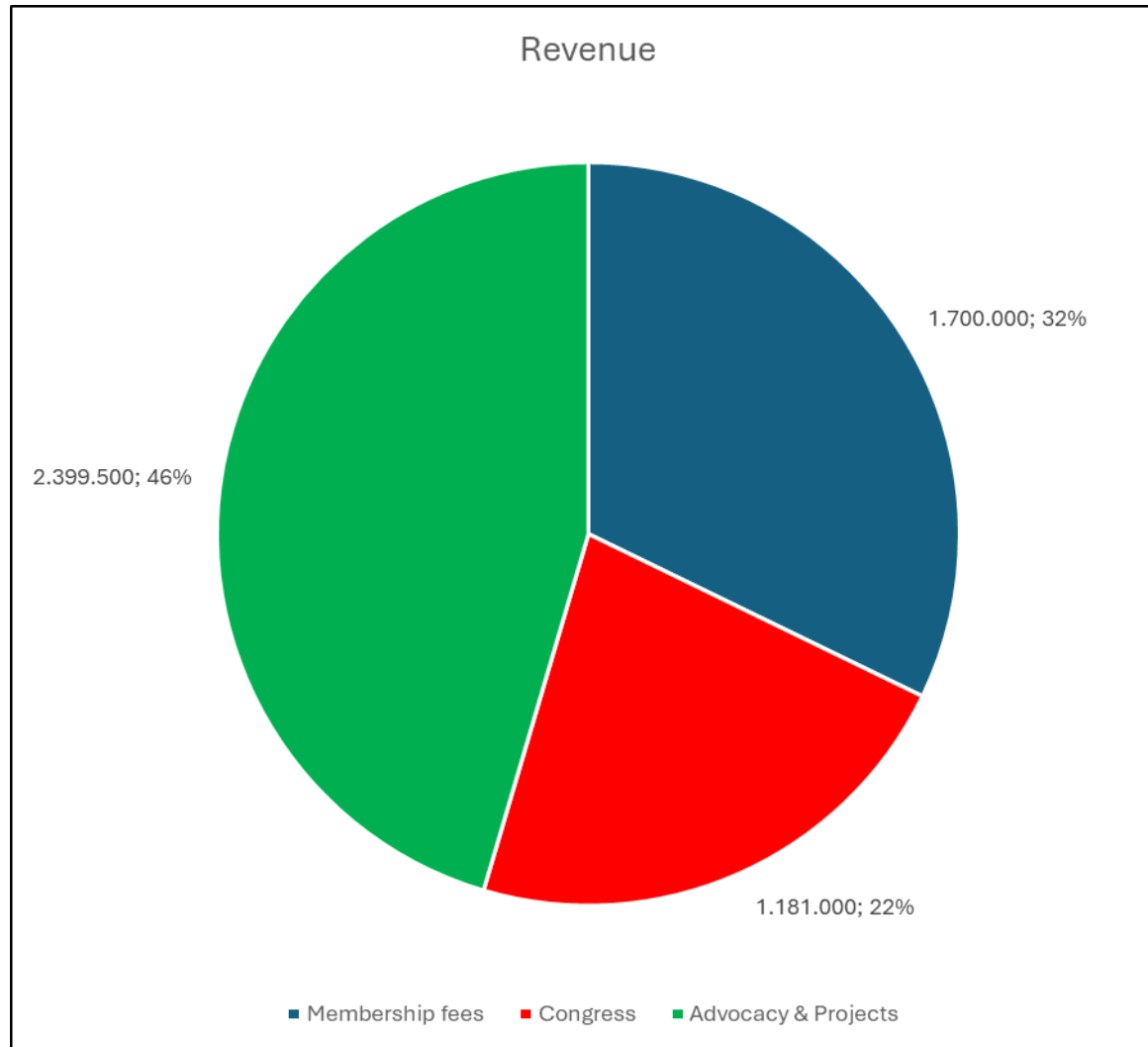
**III. Tasks ahead of us**

# Terms of Reference

## “The committee shall:

1. Conduct a **thorough analysis of the existing membership formula** and determine whether the current formula is fulfilling its intended purpose evaluating both: **formula's effectiveness and fairness. DONE**
2. Analyze **the relevance of use of GNI** (Gross National Income) in membership formula **DONE**
3. Gather new and analyze existing data and input from members related to **members's satisfaction on financial contributions to FDI and fairness of the formula** **DONE**
4. Consider the **feedback received** from members in 2024 **DONE**
5. Research into **alternative membership calculations used by similar organizations** and consider if they might **apply to FDI's** diverse membership structure **DONE**
6. Explore the **financial impact of any changes** for FDI membership revenue, and for FDI members.
7. Explore **non-financial impact** of any changes (community involvement, members satisfaction)

# Effectiveness & Fairness of Formula



## Discussion points in and after Shanghai:

- **Membership fees linked to distribution of votes?**  
„If distribution of votes and member fees are to be linked in any way, it will be necessary to look further into the rules concerning proxy voting and/or digital participation.“
- **“Necessity” of a wealth factor?**  
“GA 2025 explicitly emphasized **that it expected a kind of wealth factor to be included in any potentially new formula**, since such a factor is used by all known contribution formulas of comparable organizations worldwide”

# Work of SC since GA 2025

- **1st meeting** after GA in Shanghai took place on **25 November** (online)
- **Outcome:** SC defined four scenari to be checked by BZÄK-statistical department:
  - “1. Apply the actual formula to the whole membership **without taking into consideration the minimum fee or and discount**
  2. Integrate into the existing formula an **element that reflects the actual fee paid by the member (“DNI”)**
  3. **Divide the budget by number of members**, considering the sum needed for the annual budget (“British solution”)
  4. **Deduct 10% from the membership dues** of the five members who are paying the highest amount, and **redistribute the difference to the rest of the membership** (based on income needed for the budget).”

**1<sup>st</sup> meeting Results:** The evaluation of the four scenarios has been

- submitted to SC by 25th of January
- five supplementary scenarios have been suggested via email from 25th of January by one member of the SC

# Work of SC since GA 2025

- **New FDI Fee Model no 1**

In this first model I have set the maximum fee per individual member to CHF 3,50 (J1). It can of course be changed, along with the minimum fee per member organization which is set to CHF 275 (L1).

- **New FDI Fee Model no 2**

In the second model, GNI is exchanged with WB income level classification. The thresholds for the income groups used are from July 2025 (US dollars), taken from <https://ourworldindata.org/world-bank-income-groups-explained>

- Low income: \$1,135 or less
- Lower-middle income: \$1,136 to \$4,495
- Upper-middle income: \$4,496 to \$13,935
- High income: More than \$13,935

- In this model it is possible to insert different fees per individual member (dentist) for each of the four WB income levels. Furthermore, there is room for different fixed fees per organization - which, of course, also could be set to 0 for all WB income levels.

- **New FDI Fee Model no 3**

In addition to model no 2, I have added the possibility of inserting different minimum fees per member organization for each WB income level.

- **New FDI Fee Model no 4**

In this model it is possible to set a specific multiplier for each WB income level.

- **New FDI Fee Model no 5**

In this last model I have taken the consequences of the fact that WB High income level has a very wide range and suggested a split into three sub-levels:

- High income: \$13,935 to \$39,999
- Middle high income: \$40,000 to \$59,999
- Extra high income: More than \$60,000
- In addition, each of the expanded WB income levels can be set up with a minimum (Low + Lower Middle) or maximum (Upper Middle + High + Middle High + Extra High) total FDI Fee.

# Work of SC since GA 2025

Existing FDI formula

$$\frac{M \times \text{WBC} \times X}{1000}$$

Number of members x Wealth factor x multiplier (set annually by the GA)

## **World Bank Income Level Classifications**

### **What is the WBC?**

Classification of countries based on the GNI  
World Bank divides countries into

- low,
- middle and
- high income countries

Limits are set annually by the World Bank

Results and tasks from the **2<sup>nd</sup> meeting of the Special Committee** on April 7<sup>th</sup> with the following outcome:

- **Special Committee analyzed the various scenarios (10) and examined their impact on the FDI member organizations**
- Follow-up meeting in May
- Consideration should also be given to **linking the work** of the 2<sup>nd</sup> Special Committee and the WG on proxy voting etc.

# Work of SC since GA 2025

## Key findings:

- **current formula already contains viable elements to ease the financial burden** for large organisations from wealthy countries
- grouping of countries based **on any kind** of wealth factor (“British solution”) **will always favour those countries at the upper end of a group** at the cost of those at the lower end, especially in the upper group
- **abolition of the minimum fee would** considerably decrease the fees payable by many of the smaller members, hence **the main payers would have to pay even more**
- **Implementation of a maximum fee** seems not to be very effective, since the overall budget must still be met

## Follow-up tasks: meeting between the FDI and the BZÄK on 28th/29th of April

- Main focus on **alternative " "wealth factor"**
- **plausibility** of the reported **membership figures**
- redefinition of **minimum fee**
- implementation of **maximum fee**

**Thank you**

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# Thank you