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**Statutes of ELI-ERIC**

**Preamble**

The Czech Republic, Hungary and Romania as hosts (hereinafter referred to as “the Host-Members”) of the three High Power Laser Facilities (hereinafter “Pillars”) built within the ELI (Extreme Light Infrastructure) project included in the roadmap of the European Strategy Forum for Research Infrastructures (ESFRI), and defined in Annex1 to these Statutes;

CONSIDERING the interest of each Host-Member as well as of other EU and non-EU Members in research areas relevant to and based on the use of the ELI Infrastructure providing the most advanced (pulse peak and average power, pulse duration, repetition rate) laser systems supporting new interdisciplinary research opportunities with light from lasers, as defined in the feasibility study reported in the “White Book, referred to in the Technical-Scientific Document ;

CONSIDERING that these research equipment and techniques are a strong potential basis for scientific and technological development, and that ELI as a pan-European Research infrastructure could be a specific asset to speed-up the growth of the Central European Area, helping to strengthen its competitiveness and contribution to the European Research Area, also by improving the quality and capability in education, technology and in the attraction of other socioeconomic returns;

TAKING INTO ACCOUNT the successful implementation of ELI, as the first infrastructure identified by ESFRI to be situated in new Member States based also on the preparatory phase supported within the 7th Framework Programme, and with the Pillar’s research facilities built in the Czech Republic, Hungary and Romania with a contribution of the European Regional Development Fund and of national funding for a total of about 850 million euros;

TAKING INTO ACCOUNT the declaration to the Competiveness Council of November 20th 2009: ”The Czech Republic, Hungary and Romania highlight the fact that the integrated ELI proposal implements the principle of pooling national resources with structural funds, as well as the fact that this proposal reflects the ESFRI Roadmap into national and regional integration. The integrated proposal on the implementation of ELI corresponds to the need to provide access to research infrastructures throughout Europe as well as to the need to develop Europe’s regions. The three Host-Countries invite all other Member Countries to participate in this endeavor and to make the ELI project a truly European achievement”.

TAKING INTO ACCOUNT that a Memorandum of Understanding has been signed on 16 April, 2010, and amended on 18 April, 2011, whereby the plenipotentiaries for ELI in the Czech Republic, Hungary and Romania confirm the intention of the three Host-Members to coordinate their activities of implementation of the Pillars within the ELI Delivery Consortium, and to cooperate with all interested parties on the establishment of a pan-European consortium in charge of the operation of ELI in the form of an European Research Infrastructure Consortium (ERIC);

TAKING INTO ACCOUNT the perspective, indicated in the White Book and to be better defined on the basis of the results which will be reached in the three Pillars once operational, to implement a fourth pillar of ELI dedicated to ultra-high field science applications.

CONSIDERING that it is of interest for each of the Host-Members and for the construction of the European Research Area to increase and strengthen the quality and integration of their capabilities, opening to the participation of other Members and further evolving into a common European distributed Research Infrastructure, overcoming fragmentation and fully exploiting the Members' capabilities to outreach and attract users worldwide, in a competitive and collaborative approach with capabilities and resources at international level;

RECOGNISING that by further developing and integrating the complementary capacities of these facilities and opening them to the wider international scientific communities via open peer reviewed access, will further strengthen their Regional and European significance through the socioeconomic and educational development of the entire Region, preventing and reversing the brain drain to other countries and contributing to possible further industrial developments;

RECOGNISING the support provided by the ELI Delivery Consortium International Association (ELI-DC) given by both the Host-Members and by France, Germany, Italy and the UK to promote the sustainable development of ELI as a unique pan-European research infrastructure.

CONSIDERING the Council Regulation (EC) No 723/2009, which provides a common legal framework for European Research Infrastructure Consortia (ERIC), hereinafter referred to as “the Regulation”;

RECOGNISING that the Regulation represents an appropriate legal framework for a strengthened cooperative undertaking;

CONSIDERING that, based on the executive projects funded by the European Structural and Investment Funds (ESIF) national Managing Authorities, the Host-Members have agreed to support the start-up period of the three Pillars, allowing for a gradual commitment of other Members and their support to the transition to full operation.

WHEREAS the Members request the European Commission to set up ELI-ERIC as a European Research Infrastructure Consortium (ERIC) legal entity.

HAVE AGREED AS FOLLOWS:

Chapter 1 Essential Elements

Article 1 Name

1. There shall be a distributed European Research Infrastructure called “The Extreme Light Infrastructure” (ELI).
2. ELI shall have the legal form of a European Research Infrastructure Consortium (ERIC) incorporated under the provisions of the Council Regulation 723/2009 of 25 June 2009 and be named “ELI-ERIC”.

Article 2 Tasks and Activities

1. ELI-ERIC shall establish and operate the ELI Research Infrastructure through the integration, development and operation of high power laser facilities (“Pillars”) built within the ELI (Extreme Light Infrastructure) project.
2. ELI-ERIC shall provide, through a single international access and peer review system, open access solely based on merit and on available resources. ,
3. ELI-ERIC may carry out limited economic activities, provided that they are closely related to its principal task, and that they do not jeopardise the achievement thereof.
4. In order to achieve its objectives, ELI-ERIC shall in particular:
5. Exploit the full scientific potential of the ELI-ERIC facilities by collaborating closely with user communities, by developing and making available a suite of complementary sources and instruments, by providing efficient services and optimum conditions for users and by undertaking outreaching activities for new potential users;
6. Offer open access to users selected solely by international peer review on the basis of quality. This approach shall be implemented to sustain in the participating Members the capability of improving the value, quality and effectiveness of their research communities in an international cooperation/competition approach;
7. Make optimum use of resources and know-how by coordinating research and development of relevant technologies, by promoting and coordinating joint training of scientific and technical personnel and young researchers, and by collaborating with neighbouring communities and industry;
8. Develop a common strategy and policy for intellectual property and know-how protection and exploitation, fostering the support to industrial developments and users;
9. Ensure an efficient internal and external communication network, coordinating promotion, outreach and marketing activities;
10. Carry out any other activity in support of the ELI-ERIC objectives.
11. The main relevant technical and scientific aspects, the basic budgetary and sustainability elements as well as aspects of the structure and operation of the ELI project are described in the Technical and Scientific Document, published on the ELI-ERIC website, which will be regularly revised and amended by ELI-ERIC.

Article 3 Statutory Seat

1. The Statutory Seat of ELI-ERIC shall be initially located in [place], [host state].
2. To ensure the direct and equal involvement of the Host-Members the Statutory Seat shall rotate every three years between these Countries.

1. The General Assembly (GA), as defined in Article 18, shall evaluate at the latest nine years after the entry into force of the ELI-ERIC Implementing Decision whether the operation of the rotating Statutory Seat is effective, and may decide on an alternative approach if shown to be otherwise.

Article 4 Duration and Procedure for the Winding-up

1. ELI-ERIC shall be established for an initial period of twenty years and may be extended by tacit renewal after evaluation by the GA for additional periods of ten years.
2. Members may withdraw from ELI-ERIC after an initial period of 10 [ten] years of membership (or otherwise negotiated in the membership Agreement) giving in writing one year of advance notice. Any withdrawal shall take effect at the end of the financial year following that in which notice is given or at such later date as the Member may propose.
3. A withdrawing Member shall remain bound in respect of all pending obligations and undertakings towards ELI-ERIC and third parties at the time the withdrawal has taken effect, including any compensation for damages at the charge of ELI-ERIC due to decision or acts accruing prior to its withdrawal.
4. In case of dissolution ELI-ERIC shall remain bound in respect of all pending obligations and undertakings towards third parties. The decommissioning or re-use of the Pillars, except for equipment reclaimed by other Members or Institutions, will be taken over by the Host-Members.
5. The winding-up of ELI-ERIC as a result of one of the conditions of dissolution listed in Article 18, shall require a decision of the General Assembly taken by a qualified majority of two thirds of all the Members and notified to the European Commission according to Article 16 of the Regulation. Such decision shall at least specify:
6. Number of liquidators and rules of functioning of the liquidator board in case of plurality of liquidators;
7. Appointment of the liquidators and indication of the liquidators who shall be legal representative of the winding-up ELI-ERIC;
8. The criteria of the winding-up, including the possible transfer of activities to another legal entity, and the powers of the liquidators.

Article 5 Liability Regime

1. ELI-ERIC shall be liable for its debts.
2. The financial liability of the Members for the debts of ELI-ERIC shall be limited to their respective contributions to ELI-ERIC.
3. ELI-ERIC shall take appropriate insurances to cover the risks specific to the construction and operation of the ELI-ERIC infrastructure.
4. The liabilities related to specific projects carried out within ELI-ERIC on behalf of one or more Members and/or Observers shall be established by the GA. The GA shall define liability on other issues which may be connected for example to the use of in-kind contributions, including those coming from Observers and external funding entities.

Article 6 Access Policy for users

1. ELI-ERIC shall offer to external users open access to the scientific utilities available at the Pillars through a common entry point with selection based on an international peer-review system, using solely the criteria of scientific quality of the expected outcome of the proposed experiments.
2. Users requiring and accessing technical and/or scientific services on a proprietary basis and/or for training and education may also be accepted if not in conflict with the open access policy and shall pay the appropriate cost of the services received.
3. The General Assembly shall establish strategies and procedures for the User Access Policy for both non-proprietary and proprietary research.

Article 7 Scientific Evaluation Policy

1. ELI-ERIC shall proceed to the periodical evaluation of the quality of its scientific activities by international peer review, and the assessment of its impact on the European Research Area, on the Regions hosting its activities and at international level through the definition of impact indicators and criteria, according to the best practices.

Article 8 Dissemination Policy

1. ELI-ERIC tasks and activities aim to strengthen European research and its communication and dissemination activities shall support this strategic approach. This approach will be implemented by using advanced ICT tools and networking with all relevant players and stakeholders, including the general public.
2. ELI-ERIC shall promote, through the most advanced approaches to the management of Data and Innovation, the dissemination of scientific results, publications and, in general, of the scientific-technical knowledge resulting from its activities to the scientific community, the industrial environment and the civil society at large.

Article 9 Intellectual Property Rights Policy

1. The term 'Intellectual Property' (IP) shall be understood in accordance with Article 2 of the Convention Establishing the World Intellectual Property Organization signed on 14 July 1967.
2. The exchange of intellectual property shall be subject to internal rules approved by the GA aiming at improving the value of IP shared and integrated by the three Pillars and its impact on the regional and EU economies. The internal rules shall also address terms of confidentiality of the exchanged data.
3. IP generated as a result of ELI-ERIC funded activities shall be the property of ELI-ERIC.

Article 10 Employment Policy

1. ELI-ERIC shall ensure equal treatment and opportunities for its personnel and shall support mobility with a view to foster professional development of personnel in Europe in general, with particular attention to the growth and development of the Central European Area. ELI-ERIC shall endeavor to attract junior staff such as students, researchers and technicians for training in an internationally-open environment.
2. The policy and internal rules for hiring of staff by ELI-ERIC and for accounting in-kind contributions shall be defined by the GA.

Article 11 Procurement Policy

ELI-ERIC Procurement Policy shall be based on the principles of transparency, non discrimination, and competition, taking into account the need of ensuring that bids fulfill the best technical, financial and delivery requirements, while providing advanced notification to industry about required specifications for the realisation of advanced components and systems. Specific rules will be defined by the GA.

Chapter 2 Membership and rights

Article 12 Members and Entities Representing the Members

1. Members shall have the right to participate fully to the activities of the ELI-ERIC infrastructure, and to allow access for their research and industrial communities, according to the principles and activities outlined in Article 2 and the applicable internal regulations
2. Each Member may appoint one "Representing Entity” (RE), being a public entity, including regional or private entities with a public service mission. The Members shall specify in the appointments the specific mandate and the discharge of which specific rights and obligations that have been delegated exclusively in direct connection with the scope and activities of ELI-ERIC.
3. The rights and obligations of the Members and REs may be further detailed in specific documents, as provided by internal rules of procedure approved by the GA according to Article 20 (2).
4. Each Member shall inform the GA of any change of its RE, of the specific rights and obligations which have been delegated to it, of the termination of the appointment or of other relevant changes, if any. The GA shall adopt internal rules specifying the scope of the activities and the role of the REs in particular as concerns the procedures for the provision of cash and in-kind contributions and the support to the statutory seat.
5. The non-host Members may propose, for approval by the GA, one Partner Facility. A Partner Facility shall respond adequately to the commitments and liabilities deriving from the participation in the scientific and technical activities of ELI-ERIC. The methodology to define the Partner Facility and its contribution to the activities of ELI-ERIC shall be set out in the Internal Regulations.
6. The Partner Facility shall be evaluated according to the procedure set out in Article 24 (5).

Article 13 Accession of New Members

1. ELI-ERIC shall be open to accession of new Members which are able to support the excellence and contribute to the sustainability of the research infrastructure by their users communities and/or by broadening the scientific and technical scope of ELI-ERIC by adding new technological capabilities, and contributing according to Article 2 (1) and Article 2 (2) as well as Article 26 (2), to develop, and/or make available appropriate technical and scientific expertise and resources, and apply the open-access policy.
2. The accession of new Members shall be subject to approval by the GA, as set out in Article 21 (3) (a). The accession agreement may include specific limits and conditions.
3. The GA shall define the criteria and procedures for the acceptance of a Partner Facility of a new Member, as well as for subsequent regular evaluations of RE’s and/or Partner Facilities.

Article 14 Observers

1. Member States of the European Union, third countries and intergovernmental organisations may become Observers in ELI-ERIC through specific agreements subject to approval by the GA as provided for in Article 20 (3) (a). The agreements will detail the scope, rights, commitments and liabilities of each Observer, as well as the duration of the Observer status.
2. Observers shall be:
   1. Countries or intergovernmental organizations, in particular when they intend to apply for full membership;
   2. Countries or intergovernmental organizations involved in joint longer term strategic projects with a specific scope and timeframe.
3. Each Observer may appoint one representative to attend the GA and the Administrative and Finance Committee “AFC” as defined in article 18, without voting rights.

Article 15 Agreement with Third Parties, Strategic Partners

The GA may deliberate specific agreements with third parties, and long term agreements with Strategic Partners, such as national Agencies and/or Institutions which will contribute to ELI-ERIC on a long-term perspective subject to approval as provided in Article 20 (3) (a).

Chapter 3 Obligations of Members and Observers

Article 16 Commitments and Resources

1. Commitments:

The Members, Observers, third Parties and Strategic Partners involved in the operation and use of the ELI-ERIC facilities are all committed to support the integrated operation of the three ELI pillars as indicated in Article 25 (2). The GA will define the operating costs based on the assessment of the AFC. The apportionment of each Members‘ contributions deliberated by the GA according to Article 20 (3b) will take into account the financial commitments agreed by each Member in the accession procedure. Annex 2 indicates the commitments by the Host-Countries and the contributions expected from non-Host Countries in the start-up and first years of operation. The basic criterion for Member’s commitments is that contributions shall be proportional to each member’s usage

1. Resources made available to ELI-ERIC shall consist of:
2. Cash and in-kind contributions by the Members, Observers and Strategic Partners for recurrent activities of ELI-ERIC, including the activities in support to the users, as defined annually by the GA, taking into account the budgetary principles referred to in Article 25 (2).
3. Contributions in-kind and/or cash by Members, Observers, Representing Entities, Strategic Partners and/or other public or private entities for specific projects of ELI-ERIC. The GA shall approve specific projects and related liabilities pursuant to Article 5.
4. Financial grants, supports, contributions from research and development activities. The GA shall adopt rules and procedures for the use of revenue from external contracts and contributions, approved by the GA in accordance with Article 20 (3) (l), in particular from EU funded activities.
5. Revenues from limited economic activities. ELI-ERIC may carry out limited economic activities such as joint development of commercial services. These services must be financially self-sustainable and cover initial investments to the extent and duration used for the services. Revenues shall be accounted for separately.
6. Other entries and financial resources. In order to develop specific activities or projects falling within the scope of Article 1, ELI-ERIC may take out loans, subject to the GA's approval with qualified majority of the Members, as set out in Article 20.
7. Gratuities and grants such as those from charities, lottery funds, no-profit entities. Subject to approval by the GA, ELI-ERIC shall be entitled to accept grants, special contributions, gifts, donations and other payments from any natural person or legal entity such as charity or a lottery fund for the tasks and activities set out in the Statutes.
8. Resources available to ELI-ERIC shall solely be used for performing the tasks and activities set out in Article 2.
9. Specific accounting provisions for the in-kind and financial contributions defined by the GA shall apply.

Article 17 Non-Fulfilment of Obligations

If a Member or Observer fails to fulfill its main obligations under the Statutes, it shall cease to be a member of ELI-ERIC after a decision of the General Assembly taken by a qualified majority of two thirds of the Members. The defaulting Member shall have no voting rights in the defaulting decision.

Chapter 4 Governance

Article 18 Bodies and operational structure

1. ELI-ERIC bodies shall be the GA, the Director General and the Board of Directors, as well as the International Scientific and Technical Advisory Committee and the Administrative and Finance Committee.
2. To ensure the effective operation of ELI-ERIC in each Host-Member, including the stable fulfilment of the functions in support of the Statutory Seat involving in a balanced way the Host-Members, each Pillar may be set-up as an Office or Establishment of ELI-ERIC, operating in accordance with Article 25 (5).

Article 19 General Assembly

1. Each Member shall be represented in the GA by up to two delegates. The delegates shall be appointed by the Member for a term of three years. The term of the delegates may be renewed three months before the end of their term. Each Member shall inform without delay the Chair of the GA in writing of any appointment or termination of appointment of its delegates. If one or both delegates of a Member are unable to attend a meeting and need to be represented by another authorised individual, a written notification shall be sent by the Member concerned, in accordance with the GA's rules of procedure, to the Chair of the GA in advance of the meeting.
2. Delegates may be accompanied by advisors and experts in accordance with the GA's rules of procedure.
3. Each Member shall have a single indivisible vote and is represented when at least one delegate is present in person or by teleconference according to the GA rules of procedure.
4. The Director General shall attend the meetings of the GA.
5. The Chair of the International Scientific and Technical Advisory Committee and the Chair of the Administrative and Finance Committee provided in Article 23 and in Article 24 shall attend the meetings of the GA in an advisory capacity.
6. Auditors and other attendees may be invited to the meeting of the GA in an advisory capacity.
7. The meeting of the GA shall be considered valid if two thirds of the Members are represented. If this condition is not fulfilled, a repeat meeting of the General Assembly with the same agenda shall be called as soon as possible in accordance with the rules of procedure of the GA. Except for matters specified in Article 20 (2) and (3), in a repeat meeting of the GA the quorum shall be considered met if at least half of the Members are represented.
8. Any decision of the GA affecting the capacity of the Host-Members to fulfil their legal obligations related to the implementation and ownership of the ELI Pillars shall be adopted under the condition that the respective Host-Member is represented. This applies also to the decisions related to the hosting of the Statutory Seat.
9. The Chair of the GA shall be elected from amongst the delegates by a qualified majority as set out in Article 20, for a three years term. A Vice-Chair may be appointed with the same majority upon proposal by the Chair and will have the same term as the Chair. In the case of absence of the Chair and the Vice-Chair, the GA shall be chaired by its most senior delegate in length of term of appointment.
10. Decisions of the GA shall be taken in accordance with Article 20.
11. The General Assembly shall meet at least twice a year. The GA may also be convened at the request of at least three Members, or of the Director General, if it is required in the interest of ELI-ERIC.
12. The GA shall draw up its own rules of procedure in compliance with the Statutes.
13. The cost of participation to the GA shall be borne by the Members.

Article 20 Voting Procedure

1. The General Assembly shall be the governing body of ELI-ERIC which shall ultimately decide on ELI-ERIC policy in scientific, technical and administrative matters. The General Assembly shall issue appropriate instructions to the Director General.
2. The following matters shall require the approval by the General Assembly by a qualified majority of two thirds of Members:
3. Accession of new Members and the status of Observers and Strategic Partners;
4. Proposals for contribution by Members, in accordance with the principles mentioned in Art. 16 (1) and Art. 25 (2)
5. Organizational and functional structure of ELI-ERIC;
6. General Assembly's rules of procedure;
7. Financial rules as well as any other rules and procedures for the implementation of provisions of the Statutes;
8. Appointment of the Chair and members of the International Scientific and Technical Advisory Committee and of the Administrative and Finance Committee;
9. Taking out of loans;
10. Approval or refusal of a Facility indicated by a Member as a Partner Facility, based on the evaluation by the ISTAC;
11. Appointment or termination of the appointment of the Director General and attributions of powers;
12. Termination of the participation to ELI-ERIC of a Member not fulfilling its obligations;
13. Winding-up of ELI-ERIC and the settlement of assets;
14. Adoption of the annual ordinary activities program and budget of ELI-ERIC;
15. Approval of contracts above contract values and/or scope as laid down in the Financial Rules;
16. Due contributions to operating costs.
17. The following matters shall require the approval by the General Assembly by a qualified majority of two thirds of the Members present:
18. Election of the Chair and Vice-Chair of the GA;
19. Adoption of the scientific and the technical program of ELI-ERIC;
20. Adoption of specific projects and related budgets;
21. Agreement of credited values for in-kind contributions;
22. Adoption of the Annual Activity Report;
23. Closure of annual accounts;
24. Establishment of advisory Committees or Bodies other than the ISTAC and AFC.
25. Except where otherwise provided in the Statutes, all other decisions of the General Assembly shall be taken by a majority of the Members present and voting.
26. Each Member shall have one vote in the General Assembly, unless decided otherwise according to Article 13 (2), and under condition that Member States of the European Union or associated countries shall hold jointly at all times the majority of the voting rights. Abstentions shall not be taken into account for achieving the majority of votes. In case of a tie, the vote of the Chair of the General Assembly shall prevail.
27. The General Assembly shall also have such other powers and perform such other functions as may be necessary for the achievement of the objectives of ELI-ERIC.

Article 21 Director General

1. The Director General shall be appointed by the General Assembly.
2. The Director General shall be the executive body of ELI-ERIC and the legal representative of ELI-ERIC. The Director General shall be responsible for the day-to-day management of ELI-ERIC and shall attend the General Assembly meetings.
3. The Director General shall submit to the General Assembly:
4. The annual report on ELI-ERIC activities;
5. In consultation with the ISTAC and the Board of Directors the proposed annual scientific and technical program of ELI-ERIC, together with a separate description of the contributions of in-kind which will be provided by each Member;
6. In consultation with the AFC, the proposed budget of ELI-ERIC for the coming financial year in accordance with the financial rules, including the accounting of the financial and in-kind contributions for the ordinary activities and the specific projects;
7. The accounts for the preceding financial year, together with the report of the AFC;
8. Any other item to be discussed and approved by the General Assembly.

Article 22 Board of Directors

1. The GA will define and approve the management structure to be implemented through the Board of Directors. The management structure shall ensure that the resources available in the Pillars are integrated, balanced and effective in support of the Users, the Statutory functions and all other activities required for the best performance of ELI-ERIC as an international Research Infrastructure.
2. The Board of Directors shall consist of the Director General, the Directors of the Pillars, and Deputy/Associate Directors acting within the management structure defined by the General Assembly.
3. The Director General shall chair the Board of Directors.
4. The Board of Directors may invite to specific meetings the Directors of Partner Facilities, the Chair of the ISTAC and/or the Chair of the AFC according to its internal Rules of Procedure.
5. The Board of Directors shall oversee the coordination of the implementation of the strategies approved by the General Assembly. It shall maintain coherence and consistency across ELI-ERIC and collaboration between the Members.
6. The Board of Directors shall be consulted by the Director General on all proposals to be submitted to the General Assembly relating to:
7. The proposed annual scientific and technical program of ELI-ERIC and the contributions required from the Members.
8. The proposed budget of ELI-ERIC for the coming financial year in accordance with the financial rules, including the accounting of the in-kind contributions for the basic operation and the specific projects.
9. The modalities for the operation of the Board of Directors and for their nomination shall be set out in rules of procedure to be adopted by the General Assembly.

Article 23 International Scientific and Technical Advisory Committee

1. The General Assembly shall appoint in accordance with Article 20 the ISTAC members that shall be outstanding personalities in the fields relevant to ELI-ERIC, whose number shall be defined by the General Assembly.
2. ISTAC shall amongst its members propose a Chair to be appointed by the General Assembly.
3. The ISTAC may be involved in an independent advisory capacity in the selection of the Director General, and of the Directors of the Pillars.
4. The ISTAC shall provide independent advice to the General Assembly and to the Director General on all strategic issues, including the proposals for a fourth pillar as well as on the scientific and technical activities carried out by ELI-ERIC.
5. The ISTAC shall, in particular, evaluate proposals for Partner Facilities, and the operation of existing ones, advising the General Assembly on acceptance and continuation.
6. The costs of the functioning of the ISTAC shall be borne by ELI-ERIC.

Article 24 Administrative and Finance Committee

1. The General Assembly shall set up an Administrative and Finance Committee (AFC) composed of up to two delegates nominated by each Member. The Chair of the AFC shall be appointed by the General Assembly and will be supra-partes. The Committee shall advise the General Assembly on matters of administrative, legal and financial management.
2. The operation and rules of procedure for the AFC are detailed in the ELI-ERIC Financial Rules.
3. The costs of the functioning of the AFC shall be borne by ELI-ERIC.

Chapter 6 Financial Matters

Article 25 Financial Year, Annual Accounts and Budgetary Principles

1. The financial year shall run from 1 January to 31 December. The annual accounts shall include the agreed value of in-kind contributions received and other revenue provided for in Article 16.
2. The revenues and expenditures in the budget must be balanced. The Members and other Parties involved in the use of the facility shall contribute to the operating costs of ELI-ERIC proportionally to their use of the infrastructure. The general principles for the use of the facility and the apportionment of Members’ contributions to the operating costs shall be documented in a stand-alone policy agreed by the GA. The GA shall create the prerequisites to avoid a lasting and significant imbalance between the use of the ELI facility by the scientific community of a Member and the contribution of that Member to the ELI-ERIC.
3. The annual accounts and the annual budgets shall be approved by the General Assembly. The GA shall ensure the correct correspondence between activities and resources in the three Pillars.The annual accounts shall be approved within six months after the end of the financial year. The annual accounts shall be accompanied by a report on budgetary and financial management of the financial year.
4. ELI-ERIC shall keep account of in-kind and financial contributions and expenses and shall ensure sound financial management aiming at achieving a balanced budget.
5. Direct VAT, Excise Duty and other exemptions granted, based on Articles 143 (1) (g) and 151 (1) (b) of Directive 2006/112/EC, as integrated and in accordance respectively with Articles 50 and 51 of Council Implementing Regulation 282/2011, and on Article 12 (1) b) of Directive 2008/118/EC, shall only apply to purchases made by ELI-ERIC, as well as to those made by each Member in order to provide it as in-kind contribution for the official and exclusive use of ELI-ERIC, provided that such purchase is made solely for the non-economic activities of ELI-ERIC . VAT exemptions shall be limited to purchases exceeding the value of EUR 300 VAT excluded. ELI-ERIC shall ensure the correct and straightforward application of Art. 131 of 2006/112/CE taking into account the indications coming from the VAT Committee according to Art. 398 of the VAT Directive. **NOTE: THIS COMMA WILL BE DEFINED BY THE COMMISSION**
6. ELI-ERIC shall record the costs and revenues of its economic activities separately and shall charge market prices for them, or, if these cannot be ascertained, full costs plus a reasonable margin. These activities shall not be covered by tax exemptions.
7. The Financial Rules shall lay down all other implementing rules relating to ELI-ERIC's budget, accounting standards and finances including rules regarding preparation, filing, auditing and publication of accounts.
8. The Director General shall submit to the Administrative and Finance Committee (AFC) the budget documents as detailed in the Financial Rules which shall be reviewed and subsequently submitted to the GA with the AFC's comments and recommendations.
9. The audit of the financial situation, the annual accounts and the verification that the transactions set out in the annual accounts comply with the legal requirements and the Statutes must be entrusted to one or several auditors, appointed by the General Assembly according to the requirements of the pertinent law. The auditors shall perform functions as laid down in the Financial Rules. The Director General shall provide the auditors with information and assistance as they may require.

Chapter 7 Basic Principles and Policies

Article 26 Technology Transfer and Industrial Relations

ELI-ERIC, as a distributed Research Infrastructure, shall act as a focal point for European industry by:

1. Providing R&D outreach and collaboration with industry, e.g. joint developments, prequalification through prototyping;
2. Enhancing the economic effect of individual Members or REs by building synergies and commonalities in the knowledge and technology transfer;
3. Underlining industry's involvement and opportunities;
4. Stimulating and supporting spin-off industries from Research.

Article 27 Working Language  
The working language of ELI-ERIC shall be English.

Chapter 6 Final Provisions

Article 28 Amendments of the Statutes

Proposals for amendments of the Statutes shall be adopted by the General Assembly by consensus and submitted to the Commission in accordance with Article 11 of the Regulation. Failing consensus, there shall a voting procedure by qualified majority according to Article 20 (2) and the deliberation will report the minority opinion.

Article 29 Consolidated Version of the Statutes

The Statutes shall be kept up to date and made publicly available on the website of ELI-ERIC and at its statutory seat. Any amendment to the Statutes shall be clearly indicated with a note specifying whether the amendment concerns an essential or non-essential element of the Statutes in accordance with Article 11 of the Regulation and the procedure followed for its adoption.

Article 30 Reporting to the Commission

1. ELI-ERIC shall produce an annual activity report, containing in particular the scientific, operational and financial aspects of its activities. The report shall be approved by the General Assembly and transmitted to the Commission and relevant public authorities within six months

from the end of the corresponding financial year. This report shall be made publicly available.

2. ELI-ERIC shall inform the Commission of any circumstances which threaten to seriously jeopardise the achievement of ELI ERIC tasks or hinder ELI ERIC from fulfilling requirements

laid down in Regulation (EC) No 723/2009.

Article 31 Applicable Law

The internal functioning of ELI ERIC shall be governed:

(a) by Union law, in particular Regulation (EC) No 723/2009 and the decisions referred to in Articles 6(1)(a) and 11(1) of the Regulation;

(b) by the law of the state where ELI ERIC has its statutory seat in the case of matters not, or only party, regulated by acts referred to in point (a

(c) by these statutes and their implementing rules.

Article 30 Disputes

1. The Court of Justice of the European Union shall have jurisdiction over litigation among the

members in relation to ELI-ERIC, between members and ELI-ERIC and over any litigation

to which the Union is a party.

2. Union legislation on jurisdiction shall apply to disputes between ELI-ERIC and third parties. In cases not covered by Union legislation, the law of the State where ELI-ERIC has its statutory seat shall determine the competent jurisdiction for the resolution of such disputes.

3. Implementing rules will set out how to deal with different applicable laws when transferring the seat from one State to another State.

ANNEX 1 TO THE ELI-ERIC STATUTE

Definition of the three Pillar in the Host-Countries

The three Pillars refer to the Research Centers built on the basis of the following ESIF executive projects:

For CZ reg. No. CCI 2009CZ161PR019 of 20.4. 2011, modified by K(2015)9585 from 17.12. 2015

For HU Commission Decision C(2014) 3025 of 8 May 2014, modified by C(2016) 3603 on 7.06.2016.

For RO: Commission Decision C(2012) 6270 of 18 September 2012, modified by COM C(2016) 775 on 4.02.2016

ANNEX 2 TO THE ELI-ERIC STATUTE

Annual financial Contributions by Members and Observers (**document in discussion)**