

## Statute

### Article 1

#### **Name, legal form, registered office**

1. Bruegel, hereinafter referred to as the "Association", is a non-profit *association internationale sans but lucratif* (AISBL) under Part (*Titre*) III of Belgium's June 27<sup>th</sup>, 1921 Act.
2. The Association's registered office is in Brussels, Rue de la Charité 33, B-1210 Brussels.

### Article 2

#### **Purpose**

- 1 The Association's purpose is non-profit and of international utility (*but non lucratif d'intérêt international*). It is mainly to contribute to providing independent, non-partisan and high-quality research-based analyses and recommendations of relevance for European policymakers, on economic and financial issues of general interest under discussion in the European and international arena.
- 2 In addition, the Association aims to:
  - (a) provide a platform for developing links and fostering exchanges between European researchers, the policy community, the business community and the general public;
  - (b) improve the quality of the European public debate on the economic and financial dimensions of globalisation;
  - (c) disseminate European views on major international issues of economic or financial interest.
- 3 The activities carried out by the Association include works of research and analysis, the publication of documents in written, electronic or other form, the organisation of conferences, colloquiums, seminars, training sessions and meetings, and any other activity allowing it to pursue its aims.
- 4 The Association sees itself as augmenting the existing policy-oriented research activities in Europe. In fulfilling its mandate, the Association shall cooperate with outside researchers and institutions, in particular through creating a network of corresponding institutions. With its own research it shall contribute to the European and international economic policy discussion.
- 5 All research carried out at the Association is destined to publication.

### Article 3

#### **Membership**

1. Membership of the Association is open to private and public organisations as well as individuals, legally formed under the laws and practices of their country of origin. They may include EU member states, EU institutions, the central banks in the EU, commercial firms, research institutions, NGOs or academic scholars, this list being non-exclusive.
2. EU Member States other than the founding members shall become members by means of a written declaration to the Chairperson of the Association's Board, notwithstanding initial arrangements as set in Article 13.
3. All other members shall be accepted, upon application, by virtue of a resolution of the Board. Membership is strictly personal and shall not be transferred.
4. Membership shall be terminated:
  - (a) by written notice from the member to the end of the financial year; notice must be received by the Chairperson of the Board at least three months prior to the end of the financial year;
  - (b) in case of non-fulfilment of payment obligations during two consecutive years;
  - (c) in case of manifest impropriety, by a resolution of the Board confirmed by a vote of the General Assembly. Within fifteen days following its resolution, the Board notifies it to the member whose revocation is proposed. The Board shall include any written objection received from the member in the agenda of the General Assembly's meeting which examines the revocation.

In these items as well as in all the following Articles of this Statute, "written" means transmitted by postal mail, facsimile or electronic mail.
5. Members shall not try to influence the results of research carried out at the Association or obstruct to its dissemination.
6. Upon proposal by the Board, the General Assembly may appoint individuals or entities, who have rendered outstanding service to the Association, as Honorary Members. Honorary Members are exempt from the obligation to pay membership subscriptions.

#### Article 4

##### **Membership subscriptions**

1. Membership of the Association entails the payment of an annual subscription.
2. The annual membership subscription shall be determined as follows:
  - (a) For State Members, by a vote of the Group of States (pursuant to Article 7 of this Statute) with a three-quarters majority, upon proposition by the Board.
  - (b) For other members, annual subscriptions for relevant members and categories of members (e.g., corporate members, individual members, research institutions...) shall be adopted by a resolution of the General Assembly upon proposition by the Board.

The bylaws shall specify how subscriptions are set for members which join the Association in the course of a given year.

3. In addition to their annual subscription, members may support the Association through an additional contribution or a donation.
4. The conditions under which the requirement for payment of the annual subscription can be alleviated or replaced by a donation to the Association's Endowment are set in the bylaws.
5. Once the amount of the annual subscription has been paid, the member cannot reclaim it including in case of termination of membership.

#### Article 5

##### **Endowment**

1. The Association's Endowment is established to help stabilize the Association's funding and buttress its independence.
2. Rules and conditions for transferring funds to the Endowment and managing it are set in the bylaws.
3. Donations to the Endowment are the property of the Association and cannot be reclaimed in any manner by the donating member.

#### Article 6

##### **The General Assembly**

- 1 The General Assembly is the Association's general steering body (*Organe général de direction*).
- 2 An ordinary General Assembly shall be held within six months of the close of each financial year.
- 3 An extraordinary General Assembly may be called by the Chairperson of the Board, and is to be called if requested by members representing one-third of all votes or by one third of the Member States participating in the Association.
- 4 The ordinary or extraordinary General Assembly shall be convened in writing by the Chairperson of the Board, giving three weeks' notice and stating the agenda. Propositions by members for amendments to the agenda should be accepted if received by the Chairperson of the Board at least one week before the Meeting's date and endorsed by at least one-twentieth of members or members carrying at least 15% of votes.
- 5 The Chairperson of the Board shall chair the General Assembly.
- 6 The General Assembly has the following tasks:
  - (a) election of representatives to the Board as outlined in Article 8;
  - (b) appointment of the external auditor;
  - (c) approval of the annual report and the annual accounts;
  - (d) approval of the year's budget;
  - (e) discharging the Board;
  - (f) Appointing Honorary Members pursuant to Article 3 of this Statute
  - (g) passing resolutions on the expulsion of members pursuant to Article 3 of this statute;
  - (h) passing resolutions on an amendment of the statute pursuant to Article 12 of this statute;
  - (i) deciding on the dissolution of the Association pursuant to Article 12 of this statute.
- 7 A report on the Association's research activity and outlook is presented annually to the General Assembly for discussion.
- 8 Notwithstanding initial arrangements as described in Article 13, every member which has duly paid its subscription has one vote for every euro committed and effectively paid in subscription. Members who have donated to the Association's Endowment have their number of votes computed on the total eurozone-inflation-adjusted amount donated and effectively paid multiplied by 6%, instead of or in addition to their subscription. The number of votes of any member (not including proxies) is subject to a maximum of 15% of the total number of votes. Unless this statute provides otherwise, resolutions shall be decided by the majority of votes cast.

- 9 Legal entities may be asked by the Chairperson to provide a written authorisation of proxy for the individual exercising voting rights on their behalf. In addition, the voting right may be assigned to another member by means of written proxy. No member can hold proxies representing more than 10% of voting rights. A quorum of 51%, including proxies, is required.
- 10 A written record of the resolutions passed by the General Assembly should be prepared and signed by the Chairperson of the Board and the Director. It is contained in a register kept at the Association's registered office and made accessible to the Association's members upon written request. This register also contains the decisions of the Board.

#### Article 7

##### **The Groups**

- 1 Three Groups are formed within the Association's Members:
  - (a) the participating Member States shall form the Group of States;
  - (b) the Corporate Members shall form the Group of Corporate Members;
  - (c) the Partner Research Institutions (as referred to in Article 8) shall form the Group of Partner Institutions.
- 2 The Groups are involved in the appointment of the Board under rules set in the bylaws. In addition, the Group of States decides on the subscription amount for State Members (Articles 4), the Group of States and Group of Corporate Members confirm the appointment of the Director and Deputy Director (Article 8), and the Group of States ratifies amendments to the Statute (Article 12).
- 3 Each Group shall follow the following rules of procedure:
  - (a) The Group shall be convened, whenever required by the execution of this Statute, in writing by the Chairperson of the Board, giving two weeks' notice and stating the agenda.
  - (b) Unless otherwise decided by the Group, the Group's meeting shall be chaired either by the Chairperson of the Board or by one of the relevant Group's members under explicit delegation by the Chairperson of the Board.
  - (c) Within the Group of States and the Group of Corporate Members, every member has one vote for every euro committed and effectively paid in subscription; members who have donated to the Association's Endowment have their number of votes computed on the total eurozone-inflation-adjusted amount donated and effectively paid multiplied by 6% instead of or in addition to their subscription. Notwithstanding initial arrangements as described in Article 14 §4, the number of votes of any member (not including proxies) is subject to a maximum of 15% of the total number of votes of all the members of the Group. Within the Group of Partner Institutions, every member has one vote.
  - (d) Unless this statute provides otherwise, decisions shall be decided by the majority of votes cast.
  - (e) Legal entities may be asked by the Chairperson of the Group's meeting to provide a written authorisation of proxy for the individual exercising voting rights on their behalf. In addition, the voting right may be assigned to another member by means of written proxy. No member can hold: proxies representing more than 10% of total voting rights. A quorum of 51%, including proxies, is required.
  - (f) In the case that corporations have made significant grants to the Association in a given year without becoming members due to country-specific legal or tax reasons, they shall be consulted during that year before every vote by the Group of Corporate Members.
  - (g) A written record of the Group's decisions should be prepared after each meeting and signed by the Chairperson of the Group's meeting.
  - (h) Each Group may set additional rules of procedure.

#### Article 8

##### **The Board**

- 1 The Board is the Association's General Administration Body (*Organe Général d'Administration*). It is composed of at least 6 Board members.
- 2 Board members shall have a three-year term of office. They may be re-appointed twice. Once elected, they act in a personal capacity and are fully independent in the execution of their duty. If a position is vacant, e.g. due to a member's retirement before the end of his/her term of office, a replacement must be appointed for the remainder of the term of office through the same selection process as has been the case for his/her appointment, at the latest at the next General Assembly.
- 3 Board Members are elected by the General Assembly based on a list prepared under rules set by the bylaws, which ensure that the Board members representing, respectively, State Members and Corporate Members are in equal number.

- 4 Board members can be dismissed on an individual basis by a vote of the General Assembly with a four-fifths majority.
- 5 The Board shall elect the Chairperson and up to two Vice-Chairpersons from its members for a three-year term of office. They may be re-elected twice.
- 6 Board meetings should be held at least three times a year. They shall be convened by the Chairperson of the Board. In addition, two-fifths of the Board members acting together can convene a meeting. Invitations should be sent out with the agenda at least two weeks in advance, except in cases of justified emergency.
- 7 The Board has the following tasks
- (a) appointment of the Director and Deputy Director with an absolute majority of its members. The candidates nominated by the Board must be confirmed by both the Group of State Members and the Group of Corporate Members;
  - (b) dismissal, in case of serious misconduct or incompetence, of the Director or Deputy Director, with an absolute majority of its members after consultation of the Group of States, the Group of Corporate Members and the Group of Partner Institutions;
  - (c) closing of the annual accounts and annual report;
  - (d) approval of the annual budget;
  - (e) discharging the Director;
  - (f) passing resolutions on new members pursuant to Article 3 of this statute;
  - (g) change of location of the Association's offices and opening of new offices locations;
  - (h) approval of the hiring of senior staff;
  - (i) deciding on investment guidelines for the Endowment and monitoring its financial management;
  - (j) long-term cooperation agreements with other institutions, of which some may be designated "Partner Research Institutions" by the Board;
  - (k) decision on the Association's medium-term research programme and annual work plan prepared by the Director and Deputy Director;
  - (l) monitoring of the activities of the Association and setting of its research and publication strategy; to this end, the Board may at any time request information from the Director on the Association's activities and demand access to all its business records;
  - (m) appointment of a Scientific Council under rules set in the bylaws.
- 8 The Board shall have a quorum when at least half of its members are present, either physically or by means of audio- or video-conference. Resolutions shall be passed with a simple majority unless this statute provides for a different majority; in the event of a tie the Chairperson shall have the casting vote. The Board may also pass resolutions in a written procedure. Resolutions are to be recorded in writing in a register kept in the Association's registered office.
- 9 The Director and Deputy Director shall attend the Board meetings unless otherwise specified by the Chairperson of the Board, but they do not have voting rights. Other individuals, members or not of the Association's staff, may be asked to attend Board meetings if deemed appropriate.
- 10 The Board shall adopt rules of procedure and may set up specialized committees within itself.
- 11 The Board shall have no responsibility for the editorial content of the Association's publications, which are a responsibility of the Director.
- 12 Initial Arrangements concerning the Board are set in Article 13.

## Article 9

### **The Executive Management**

- 1 The Director is in charge of operating management (*gestion journalière*) of the Association and is entitled to represent it vis-à-vis third parties for that purpose. The Director is assisted in his/her tasks by the Deputy Director.
- 2 The Director and Deputy Director shall be appointed for three years by the Board with voting rules as specified in Article 8. They may be re-appointed twice.
- 3 The Director's tasks include in particular:
- (a) preparing the Board meetings;
  - (b) reporting to the Board of the Association's activities;
  - (c) preparing the annual accounts;
  - (d) preparing the annual report;
  - (e) preparing and executing the annual budgets;
  - (f) representing the Association externally;
  - (g) preparing the medium-term research programme and the annual work plan for decision by the Board;
  - (h) directing and monitoring the quality of the Association's research;
  - (i) in addition to Article 8, §7j, establishing contacts and collaborations with external research institutions and researchers;

- (j) managing the Association's Endowment.
- 4 The Deputy Director shall assist the Director in those tasks and may be assigned specific tasks by the Board in compliance with the Board's rules of procedure. The medium-term research programme, the annual work plan, the annual budget and the annual report are jointly prepared and presented by Director and Deputy Director to the Board for decision in compliance with Article 8.
- 5 There is no nationality requirement for the Director or Deputy Director.
- 6 Initial arrangements regarding the Association's operational management are set in Article 13.

#### Article 10

##### **Legal representation**

The Association shall be validly represented vis-à-vis third parties and judicially, in requests or defence, by the Director, or jointly by the Director and a Board member.

#### Article 11

##### **Accounting**

- 1 The Director shall draw up the annual accounts and present them to the Board no later than three months after the end of the financial year, which is identical to the calendar year. Accounts should be prepared in accordance to the Belgian law and regulations.
- 2 The annual accounts shall be audited by an external statutory auditor (commissaire aux comptes) appointed by the General Assembly. The accounts are closed (*arrêtés*) by the Board and approved by the General Assembly.

#### Article 12

##### **Amendments to the statute; dissolution of the Association**

- 1. Amendments to the statute, change of the Association's name and a resolution to dissolve the Association require a three-quarters majority of both the General Assembly and of the Group of States.
- 2. In case of dissolution, the Association's Endowment shall be transferred to non-profit purposes of European interest. The transfer of the Association's other funds and assets to a non-profit aim (*à une fin désintéressée*) shall be decided by the General Assembly.
- 3. Amendments to the statute are subject to the approval of Belgium's Minister of Justice and published in the *Moniteur belge*.

#### Article 13

##### **Initial Arrangements**

- 1. Throughout 2004, voting rights are calculated on commitments rather than amounts effectively paid.
- 2. A functioning Board shall be in place no later than December 31<sup>st</sup>, 2004 under rules set by the bylaws. As soon as it is elected, it should appoint the Association's Director.
- 3. Before the Board is elected, its missions are exercised by an Interim Committee composed of at least three members, appointed by the General Assembly as the Association's temporary *organe d'administration*. The Interim Committee may appoint a Project Manager in charge of the Association's operational management (*gestion journalière*) and representation. This setting ends with the election of the Board and the appointment of the Director.
- 4. During the first five years of existence of the Association, accession to membership by EU Member States requires the signature of an agreement specifying various transitional provisions. This agreement is agreed and signed at the time of creation of the Association by all founding State Members of the Association.

All arrangements not expressly provided for by this Statute and/or other rules established by the Association shall be subject to Part (*Titre*) III of Belgium's June 27<sup>th</sup>, 1921 Act.

*The initial French version of this Statute was recognised by Royal Decree on 10 August 2004 and published in the annexes of the Moniteur Belge on 8 October 2004. Modifications resulting in the current version were approved by the General Assembly of 30 June 2005. Only the French version has legal value.*