This project has received funding from the European Union's Horizon 2020 research and innovation programme under Grant Agreement No 871106

Deliverable Number: D1.3	**Due date: Month 36**
Deliverable Title: Governance analysis & outlook **WP number:** 1 **Leader Beneficiary:** CNRS **Deliverable type:** Report **Dissemination level:** Public	**Reporting period**: RP2 **Issue date:** 15 November 2023 **Authors:** Geert Rikken, Eva Bezgousko **Reviewers**: ISABEL Coordination Board

ISABEL

Improving the sustainability of the European Magnetic Field Laboratory

DELIVERABLE 1.3

Governance analysis & outlook

Start date of the project: 1st November 2020

Duration: 48 months

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Version	Modifications	Date	Authors
1.0	First draft	07/06/2022	Coordinator
1.1	Updates	07/11/2023	Coordinator
2.0	Final version	15/11/2023	Coordinator & Coordination Board

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Document Abstract

The deliverable 1.3 "Governance analysis and outlook", is part of Work Package 1 "Management and governance".
The current and potential partners have been consulted whether the current EMFL AISBL structure is still adequate to realize the ambitions of EMFL. The aim of this deliverable is to evaluate the current organisation structure of the EMFL, and provide an outlook on possible improvements or alternatives to this structure.

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Introduction

High magnetic fields are one of the most powerful tools available to scientists for the study, the modification and the control of the state of matter. Europe has played a leading role in the development and application of high magnetic fields, both static and pulsed. In the 20th century, the research in this domain has been an extraordinary asset allowing many new discoveries of primary interest important for their scientific and their technological impacts, and in total 14 Nobel prizes in physics, chemistry and medicine have been attributed to research related to magnetic fields.

On the international scene, large scale high magnetic field facilities exist in the USA, China and Japan, and it was recognized that to remain competitive in the 21st century, the European high field facilities should join forces.

The European Magnetic Field Laboratory (EMFL) was established in 2009 as a collaboration of the existing four large-scale, open access European magnet laboratories (LNCMI-Grenoble, LNCMI-Toulouse, HLD (Dresden-Rossendorf) and HFML (Nijmegen)). The vision of EMFL is to strengthen the development and scientific exploitation of European high magnetic field laboratories, which was supported by the European Commission through the funding of several joint Transnational Access Projects and a Preparatory Phase Project. It was also embraced by ESFRI through the inclusion of the EMFL on the ESRFI Roadmap. The EMFL collaboration was over the years further formalised by establishing an AISBL under Belgium law in 2015. As a result of these developments EMFL was awarded ESFRI Landmark status in 2016. New members joined the EMFL AISBL; a UK user consortium, funded by the EPSRC, in 2015, a Polish user consortium, funded by the Ministry of Research in 2019, and the Commissariat A l'Energie Atomique et aux Energies Alternatives (CEA) in 2021. An Italian user consortium will become member in 2024.

To further strengthen the EMFL, a proposal was submitted to the H2020-INFRADEV program (ISABEL, Improving the sustainability of the EMFL) and started in 1/11/2021 for 4 years. One of its deliverables is the evaluation of the current EMFL organisation and an outlook on its possible evolution.

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Current EMFL organization

The EMFL AISBL has two types of members; the Host Members (CNRS, RU Nijmegen and HZDR), who own and operate the EMFL high field facilities, and Ordinary Members, organizations that represent high magnetic field user communities or other interested parties. It is financed by the annual contributions of its members.

The EMFL AISBL has two main governing bodies; The Council is the highest governing body of EMFL and consists of representatives of all the EMFL AISBL Members. It meets once per year or more often when needed, and its President is elected for a three-year period amongst the representatives of the Host Members by a simple majority vote of all EMFL Members. The Council is assisted by a Strategic Advisory Committee, that evaluates the technical and scientific performance and strategy of the EMFL facilities on a multi-annual basis, or on request by the Council

The Council oversees the second governing body, the EMFL Board of Directors (BoD) and has to approve all major financial and strategic operations of the BoD.

The EMFL BoD is composed of the same number of Directors as the number of Host Members and its members are appointed by the Council upon proposition by the Host Members. The Chairman of the BoD will be elected for a two-year period amongst the Directors by unanimous vote of the members of the BoD. The BoD is assisted by the Selection Committee, which evaluates access proposals, and a User Committee, that represents the EMFL facility users. Together with the chairs of these committees and the Executive Manager, the BoD meets typically once per month by video link to discuss and decide everyday EMFL operation.

The Board of Directors appoints the Executive Manager upon approval of the candidacy by the Council. The Executive Manager is in charge of the everyday operation of the EMFL AISBL. The detailed duties and powers of the Executive Manager are established by the Council and include the power to manage the daily affairs and business of the AISBL as well as manage the budget of the AISBL. The Executive Manager reports to the Board of Directors.

Although the AISBL statutes allow for it, currently, the EMFL does not employ any staff, temporary or permanent, all the personnel engaged in the EMFL AISBL belong to one of the stakeholders (CNRS, HZDR or RU) and are contributing to the EMFL AISBL activities as in-kind contributions. Administrative support in Belgium is provided by an external accounting company, as none of the EMFL staff has detailed knowledge of Belgium law and, in particular, of the intra-EU or extra-EU VAT regulations in Belgium.

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Evaluation of the current EMFL organization

EMFL now has 8 years of experience with this modus operandi, which is light, efficient and easy to run. No major complications or bottlenecks because of it have been encountered so far. Adhesion of new members has been easy, as soon as agreement upon the details of the admission conditions (duration, fee, payment modality, access quantity…) has been obtained.

The only aspect of the EMFL AISBL operation that has proven delicate is the matter of VAT. On several occasions, the help of specialized tax lawyers was required to determine the EMFL AISBL VAT obligations with respect to member fees and grant funding.

Outlook for improvements to the EMFL organization

The everyday operation of the EMFL is rather smooth and efficient, with little overhead, and no changes *per se* seem necessary. However, its official status as an AISBL may not be optimal, and other structures have been considered, like the Dutch "Stichting", the German "Eingetragener Verein", and the French "Société Civile". None of these structures was found to have obvious advantages with respect to the Belgian AISBL, in particular with respect to the VAT issues EMFL has encountered, whereas the AISBL has the advantage of being in a neutral country, not giving any preferential weight to one of the Host Members. As neutral structures, the Swiss "Association" and the European Research Infrastructure Consortium (ERIC) have been considered. The Swiss Association does not have any obvious advantages over the AISBL, and being located outside of the EU, was deemed politically unsatisfactory. The best potential alternative to the AISBL is therefore the ERIC.

Possible advantages ERIC:

With respect to the VAT issues the EMFL AISBL has been experiencing, the transformation of the AISBL into an ERIC could be advantageous, as the latter allows for exemptions from VAT and excise duty. However, after discussions with research ministry officials, it turns out that such exemptions are not automatic and have to be negotiated, with no guarantee of success. No other clear current advantages for the EMFL of an ERIC over an AISBL have been noted. As the EMFL has the ESFRI Landmark status, there are no current restrictions on replying to EU research funding calls. In the future, the ERIC status could become a prerequisite for access to certain European funding schemes. This would then become an argument in favour of an ERIC.

Disadvantages ERIC:

1) Transforming the AISBL into an ERIC will change the permanent members of the Council and thereby the definition of the EMFL strategy: at present, the members are representatives of CNRS, RU and HZDR as Host Members and of the Ordinary Members, with detailed knowledge of the functioning of the EMFL high field facilities. In an ERIC, the Council members will be appointed representatives of the respective ministries (France, the Netherlands, Germany, UK, Poland and Italy) and it will be evaluated and managed at the ministerial level.

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In view of the relatively modest scale of the EMFL, this seems excessive, whereas it will weaken the link of the facilities with their stakeholders.

2) Adhesion of new members of an ERIC will be administratively more difficult and time-consuming than for the AISBL, as governmental approval is required, which will discourage smaller potential user communities to become members of the EMFL. As the remaining candidate member user communities (Spain, Czech Republic, Switzerland) are all quite small, this would effectively stop the growth of the EMFL.

Conclusion

In view of the uncertain advantages of an ERIC, and its clear disadvantages, having discussed the matter extensively, the EMFL Council and the EMFL Board of Directors currently do not see any convincing argument to use time and energy for the transformation of the AISBL into an ERIC. They remain vigilant to future changes of the external factors that may tip the balance in favour of an ERIC and intend to re-evaluate the situation in five years from now.