

## STATUTES OF THE CHERENKOV TELESCOPE ARRAY OBSERVATORY ERIC (CTAO ERIC)

This version supersedes and replaces the version acknowledged by the European Commission ERIC Service in the written communication of 31.07.2025

### Version history

Revision Nr.	Act	Amendment(s) implemented	Part(s) concerned	Amendment(s) to essential elements	Date of adoption
1	CTAO ERIC Council Resolutions C3-9b and C3-9c (June 2025)	Changes in Membership of Swiss Confederation and Republic of Croatia	Preamble, Annex D	no	27.06.2025
2	Written Procedure WP06-2025 of CTAO ERIC Council (December 2025)	Update of Pre-construction amounts, introduced the indicative contribution of Croatia), with consequent updates in total amounts of construction costs, recalculation of Members' voting rights, changes in Representing entities	Annex A (Tables 1, 1a, 2 and 4), Art. 17.3 and Art. 21.1, Annex D	no	13.01.2026 as the result of the written procedure WP06.

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## PREAMBLE

The Republic of Austria

The Czech Republic

The French Republic

The Federal Republic of Germany

The Italian Republic

The Republic of Poland

The Republic of Slovenia

The Kingdom of Spain

The European Organisation for Astronomical Research in the Southern Hemisphere (ESO)

Hereinafter referred to as 'the Founding Members',

and:

The Swiss Confederation

The Republic of Croatia

The last two being admitted to CTAO ERIC as new Members within 18 months after the entry into force of the Commission Implementing Decision setting up CTAO ERIC, under the same conditions as the Founding Members;

RECOGNISING that the research enabled by the Cherenkov Telescope Array Observatory, hereafter CTAO, will be of great significance in many different fields of astronomy, astrophysics, and fundamental science, benefiting society by facilitating a process of learning about the cosmos;

DESIRING to further strengthen Europe's and the Founding Members' position in research in the world, and to intensify scientific cooperation across disciplinary and national boundaries;

CONSIDERING that the European Strategy Forum for Research Infrastructures (ESFRI) included the Cherenkov Telescope Array in its roadmap in 2008 and that the Cherenkov Telescope Array became an ESFRI Landmark in 2018;

BUILDING on the current Cherenkov Telescope Observatory gGmbH, the resources provided by its members and the Memorandum of Understanding on the intention to participate in the construction and operation of the Cherenkov Telescope Array;

CONSIDERING that engagement in and contribution to CTAO are possible as a Member or Observer of the CTAO ERIC (Art. 13), as a Strategic Partner under a strategic partnership agreement (Art. 15) or as a Third Party under a specific agreement (Art. 34);

BUILDING on the hosting agreements concluded between the current Cherenkov Telescope Observatory gGmbH and

- the Istituto Nazionale di Astrofisica (INAF) for the headquarters located in Bologna, Italy,
- the Deutsches Elektronen-Synchrotron DESY for the Science Data Management Center (SDMC) located in Zeuthen, Germany,
- the Instituto de Astrofísica de Canarias (IAC) for the Northern telescope array located at the Observatorio del Roque de Los Muchachos in La Palma, Spain,
- the European Organisation for Astronomical Research in the Southern Hemisphere (ESO) for the Southern telescope array located at the La Silla Paranal Observatory in Chile;

REFERRING to the decision of the ESO Council, as documented in ESO/Cou-2114 conf. rev. 2 dated 18.06.2024, regarding the specific reasons for accepting the jurisdiction of the Court of Justice of the European Union (CJEU) as referred to in Art 15 (2) of Regulation (EC) No 723/2009 on the Community legal framework for a European Research Infrastructure Consortium (ERIC);

RECOGNISING that the construction of CTAO is a key element in European efforts to develop next-generation ground-based observatories for gamma-ray astronomy at very-high energies and that CTAO will be open to the worldwide astronomical and astroparticle physics communities as a resource for data from unique astronomical observations of very-high energy gamma rays;

STRESSING that CTAO ERIC will be one of the first intergovernmental endeavours specifically dedicated to the field of astroparticle physics;

CONSIDERING that, given its trans-disciplinary nature, CTAO will strengthen bridges between the particle physics and the astrophysics communities, enabling disruptive scientific breakthroughs, and that jointly with other new facilities, CTAO will be driving the emerging field of multi-messenger astronomy that will be constitutive of science in the 21st century;

EXPECTING other countries to participate in the activities undertaken together under the following Statutes;

HEREBY HAVE AGREED AS FOLLOWS:

## CHAPTER 1

### ESSENTIAL ELEMENTS

#### *Article 1*

##### **Name and seat**

1. There shall be a European Research Infrastructure called the Cherenkov Telescope Array Observatory (CTAO).
2. CTAO shall have the legal form of a European Research Infrastructure Consortium (ERIC) incorporated under the provision of Regulation (EC) No 723/2009 and be named Cherenkov Telescope Array Observatory ERIC (CTAO ERIC).

3. CTAO ERIC shall have its statutory seat and its headquarters in Bologna, Italy.

## **Article 2**

### **Tasks and activities**

1. The task of CTAO ERIC shall be to construct an observatory for ground-based gamma-ray astronomy as described in the 'Scientific and Technical Description of the CTA Observatory', (Alpha configuration) and to further operate, upgrade and decommission this facility. The construction costs are laid down in the CTAO Cost Book.
2. CTAO ERIC shall carry out the following activities among others:
  - (a) contribute to top-level research, technological development, innovation and societal challenges and thus representing an added value for the development of the European Research Area (ERA) and beyond;
  - (b) ensure a full scientific exploitation of the CTAO and its suite of instruments;
  - (c) grant effective access to Users in accordance with the Access Policy set out in Article 3;
  - (d) contribute to the dissemination of scientific results;
  - (e) make optimum use of resources and know-how; and
  - (f) any other action necessary related to the paragraphs from (a) to (e).
3. CTAO ERIC shall pursue its principal task on a non-economic basis. However, it 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. CTAO 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.

## **Article 3**

### **Access policy for users of the Cherenkov Telescope Array Observatory**

1. CTAO ERIC will provide effective access for European and international researchers (Users) based on scientific merit, technical feasibility and/or other relevant criteria pertinent to the aim of CTAO ERIC. A limited amount of Observing Time shall be made available to scientifically meritorious proposals from researchers not belonging to a Member, Strategic Partner, Third Party or Observer, hereinafter called Other Users, under specific access terms, as defined by the Council.
2. Access to CTAO can be in the form of access to CTAO Observing Time, or in the form of access to archival CTAO Data Products (Article 33). Details of access shall be defined in an Access Policy, adopted by the Council (Article 25(13)(j)), which shall define the different types of proposals and provide for an appropriate level of opportunity for large legacy programmes (Key Science Projects).
3. The Director General is responsible for time allocation by organising and managing a peer review process during which scientific excellence and feasibility of proposals

are evaluated. Procedures and evaluation criteria shall be made publicly available on the CTAO ERIC website. The Director General shall report annually to the Council on the time allocation.

4. Users' Time denotes the Observing Time available after Guaranteed Time Observations arising from contractual obligations of CTAO ERIC are taken into account. The Users' Time will be split between Open Time for Standard Proposals and Key Science Project (KSP) time for large legacy programmes, International Community Observing Time for Other Users and Director General's Discretionary Time (DDT). The definitions are in the Scientific and Technical Description of the CTA Observatory.

5. Other Users shall contribute to the operation costs relating to their use of the CTAO, as defined in the Access Policy and the respective partnership agreements.

6. The provision in Article 3(5) shall not apply to the time allocations granted by CTAO ERIC through special agreements (e.g. hosting agreements).

#### **Article 4**

##### **Scientific Evaluation**

The scientific and technical activities of CTAO ERIC shall be evaluated annually by the Scientific and Technical Advisory Committee (Article 28). Details shall be defined in a Scientific Evaluation Policy, adopted by the Council (Article 25(13)(k)).

#### **Article 5**

##### **Dissemination of Research Results**

1. CTAO ERIC shall be a facilitator of research and shall as a general rule encourage open access to research data. Irrespective of this principle, CTAO ERIC shall promote high-quality research and shall support a culture of 'best practice' through training activities.

2. CTAO ERIC shall request Users to make their research results publicly available and to make results available through CTAO ERIC.

3. CTAO ERIC shall adopt its own Dissemination Policy (Article 25(13)(l)). The Dissemination Policy shall describe the various target groups, and CTAO ERIC shall use several channels to reach the target audiences, such as web portals, newsletters, workshops, presence in conferences, articles in journals, magazines and daily newspapers.

#### **Article 6**

##### **Intellectual Property Rights**

1. The term 'Intellectual Property' shall be understood according to Article 2 of the Convention Establishing the World Intellectual Property Organisation signed on 14 July 1967.

2. CTAO ERIC shall adopt its own Intellectual Property Rights Policy (Article 25(13)(m)).

3. CTAO ERIC shall be the owner of all Intellectual Property resulting from its activities under these Statutes including, but not limited to, Intellectual Property produced by staff employed by CTAO ERIC, except if covered by separate contractual agreements or where mandatory

legislation or these Statutes state otherwise.

4. The background Intellectual Property of the Members or their representing entities shall remain their property. It shall be licensed to CTAO ERIC if necessary and through specific agreements.

## ***Article 7***

### **Employment**

1. CTAO ERIC shall be an equal-opportunity employer. Employment contracts shall be governed by the laws of the country or territory in which staff is employed.

2. Subject to the requirements of national legislation, each Member shall within its jurisdiction seek to facilitate the movement and residence of nationals of the Members, Observers and Strategic Partners involved in the tasks of CTAO ERIC and of the family members of such nationals.

3. The selection procedures for CTAO ERIC staff positions shall be transparent, non-discriminatory and respect equal opportunities. Recruitment and employment shall not be discriminatory.

4. CTAO ERIC shall encourage the formation of an institutionalised employee representation.

## ***Article 8***

### **Procurement**

1. CTAO ERIC shall treat procurement candidates and tenderers equally and without discrimination regardless of whether they are based within the European Union. Detailed rules on procurement procedures and criteria shall be set out in the Procurement Policy adopted by Council (Article 25(12)(i)). This Procurement Policy shall respect the principles of transparency, competition, proportionality, mutual recognition, equal treatment, non-discrimination and sustainability.

2. Procurement by Members, Observers, Strategic Partners and Third Parties concerning CTAO ERIC activities shall be done in such a way that due consideration is given to CTAO ERIC needs, technical requirements, and specification issued by the relevant bodies.

3. The Procurement Policy shall stipulate that its provisions shall not apply to procurements made by CTAO ERIC using funds channelled through CTAO ERIC according to Article 21(4) of these Statutes. In these cases, the Basic Principles for In-Kind Contributions to CTAO ERIC and the In-Kind Contribution Framework (Annex B) shall be applied instead of the Procurement Policy.

## ***Article 9***

### **Duration**

CTAO ERIC shall be established for an indefinite term.

## **Article 10**

### **Winding up**

1. The winding up of CTAO ERIC shall be decided by the Council in accordance with Article 25(13)(h).
2. Without undue delay and in any event, within 10 days after adoption of the decision to wind up CTAO ERIC, CTAO ERIC shall notify the Commission about the decision.
3. Without undue delay and in any event, within 10 days of the closure of the winding up procedure, CTAO ERIC shall notify the Commission thereof.
4. CTAO ERIC shall cease to exist on the day on which the Commission publishes the appropriate notice in the Official Journal of the European Union.

## **Article 11**

### **Dissolution of CTAO ERIC or discontinuation of its tax privileges**

1. Upon dissolution of CTAO ERIC or discontinuation of its tax privileges and tax allowances the Members shall not receive anything more than their paid cash contributions and the actual value of their contributions in-kind.
2. Upon dissolution of CTAO ERIC or discontinuation of its tax privileges and tax allowances, the assets of CTAO ERIC exceeding the paid cash contributions and the actual value of the contributions in-kind shall be transferred to another public legal entity or another tax-privileged corporation or to another legal entity pursuing objects similar to those of CTAO ERIC for the promotion of science and research.

## **Article 12**

### **Liability regime and insurance**

1. CTAO ERIC shall be liable for its debts.
2. The Members are not jointly liable for the debts of CTAO ERIC. The Members' financial liability for the debts of CTAO ERIC shall be limited to their respective annual contribution.
3. CTAO ERIC shall take appropriate insurance to cover the risks specific to the construction and operation of CTAO.

## **CHAPTER 2**

### **MEMBERSHIP, OBSERVER STATUS, STRATEGIC PARTNERSHIP**

## **Article 13**

### **Membership, observer status and representing entity**

1. The following entities may become Members of CTAO ERIC or Observers without voting rights:
  - (a) Member States of the European Union;
  - (b) associated countries, as referred to in Regulation 723/2009 (ERIC Regulation);
  - (c) third countries other than associated countries;
  - (d) intergovernmental organisations.

Conditions for admission of Members and Observers are specified in Article 14.

2. Membership of CTAO ERIC must include at least an EU-Member State and two other countries that are either EU-Member States or associated countries.
3. EU-Member States and associated countries shall hold jointly the majority of the voting rights in the Council.
4. Any Member or Observer may be represented by one or more public entities, including regions or private entities with a public service mission, of its own choosing and appointed according to its own rules and procedures.
5. The Members and Observers of CTAO ERIC and their representing entities are listed in Annex D, which shall be kept up to date by the Chairperson of the Council.

#### **Article 14**

##### **Admission of Members and Observers**

1. The terms for admission of new Members are the following:
  - (a) the admission of new Members shall require the approval of the Council (Article 25(12)(d));
  - (b) applicants shall submit a written application to the Chairperson of the Council;
  - (c) the application shall describe how the applicant will contribute to the tasks and activities of CTAO ERIC and how the applicant will fulfil its obligations;
  - (d) new Members admitted to CTAO ERIC within a period of 18 months after the entry into force of the Commission Implementing Decision setting up CTAO ERIC, may do so under the same conditions as the Founding Members;
  - (e) new Members who become Members after the period described in (d) may join the CTAO ERIC making a contribution to the construction costs that shall be defined by the Council;
  - (f) for new Members who become Members after the completion of the construction phase (Article 19), the Council shall foresee a special contribution to capital investment in addition to the contribution to the operation costs.
2. Entities referred to in Article 13(1) who are willing to contribute to CTAO ERIC, but are not yet in a position to join as Members, may apply to the Council for observer status. The terms for admission of Observers are the following:

- (a) admission of Observers shall require the approval of the Council;
  - (b) Observers shall be admitted for a three-year period; in exceptional cases, the Council may extend the period of observer status;
  - (c) applicants shall submit a written application to the Chairperson of the Council.
3. Entities as referred to in Article 13(1), who join CTAO ERIC with observer status right from its establishment and commit themselves to contribute to the construction of the CTAO are defined as Founding Observers and are listed in the Preamble of this Statutes.
4. Founding Observers can maintain their status as Observers for a three-year period since the establishment of the CTAO ERIC; in exceptional cases, the Council may extend the period of observer status.

## **Article 15**

### **Strategic Partnership**

1. Subject to Council approval, CTAO ERIC may conclude strategic partnership agreements with Non-EU Member States or intergovernmental organisations.
2. The contributions of the Strategic Partners pursuant to the strategic partnership agreements shall be recorded separately in the annual budget of CTAO ERIC.
3. The contributions of the partners who sign a letter of commitment to become Strategic Partners and to participate to the construction of CTAO ERIC right from its establishment are listed in Annex A.
4. Strategic Partners have the same rights and obligations as Members as stated in Articles 16 and 17 except the right to vote at the Council.
5. CTAO ERIC invites representatives from Strategic Partners to attend Council meetings and state their position on any voting matter in the Council prior to the votes being cast. The Strategic Partners shall be consulted before any vote in the Council related to a decision affecting their contributions may be cast.
6. Strategic partners may be represented by one or more public entities, including regions or private entities with a public service mission, of its own choosing and appointed according to its own rules and procedures.
7. Representatives from Strategic Partners may be invited to attend the other committees of CTAO ERIC in accordance with each committee's rules of procedure.
8. The Council shall adopt a policy that specifies the conditions of the strategic partnership agreements, Article 25(13)(n).

## **Article 16**

### **Withdrawal of a Member or an Observer/Termination of membership or observer status**

1. Withdrawal of Members can take effect at the earliest at the end of the construction

phase or ten years after the entry into force of these Statutes. Any Member may withdraw from CTAO ERIC at the end of a financial year, following a written notification to be given to the Council three years prior to the withdrawal.

2. Observers may withdraw at the end of a financial year, following a written notification to the Council six months prior to the withdrawal.

3. The conditions and effects of withdrawal from CTAO ERIC by a Member, in particular, its share in the costs of decommissioning of CTAO shall be decided by the Council (Article 23(4)).

4. The Council shall have the power to terminate the membership of a Member or the observer status of an Observer if the following conditions are met:

5. the Member or Observer is in serious breach of one or more of its obligations under these Statutes;

(a) the Member or Observer has failed to rectify such breach within a period of six months after it has received notice of the breach in writing.

(b) Before the Council decides to terminate membership or observer status, the Member or Observer shall be given the opportunity to present its position to the Council.

6. Without prejudice to Article 16(1) and Article 16(3), Members and Observers that are associated countries, third countries other than associated countries, or intergovernmental organisations, may withdraw from CTAO ERIC following changes in Council Regulation (EC) No 723/2009 that would materially affect their rights and obligations in relation to CTAO ERIC. Such changes are considered material where they imply increased fees (including annual contributions or decommissioning costs), amend voting shares, impose requirements contrary to the applicable laws according to Article 36 of these Statutes, remove the right to be represented in the Council or other committees, or change their rights related to representation or use of the facility. The liabilities and effects of withdrawal from CTAO ERIC, including the withdrawing Member or Observer's share in the costs of decommissioning of CTAO, shall be initially decided in accordance with Article 16(3), subject to a unanimous vote of the CTAO Council. Notwithstanding Article 16(1), the affected Member or Observer shall (within six months of the relevant change to the ERIC Regulations) provide at least three months' notice to the Council of its withdrawal to take effect any time after the end of the construction phase or ten years after the entry into force of these Statutes.

## CHAPTER 3

### RIGHTS AND OBLIGATIONS OF MEMBERS AND OBSERVERS

#### *Article 17*

##### **Rights and obligations of Members**

1. Rights of Members shall include:

(a) access to CTAO for its scientific community under the conditions specified in Article 3;

(b) the right to attend and vote in meetings of the Council. However, a Member shall have no vote in a matter regarding that Member's termination of its membership.

2. Each Member shall

(a) provide the annual contribution in accordance with Articles 21 and 22(3);

(b) promote adoption of relevant standards;

(c) provide the necessary technical infrastructure to make access possible;

(d) promote uptake of services among researchers in the Member country, and gather User's feedback and requirements;

(e) facilitate integration into national and other relevant infrastructures.

3. Founding Members shall make the following contributions at the year 2021 prices, cash or in-kind, towards the construction costs (Articles 2(1), 21(1)):

The Republic of Austria	2,375 + 0,707 <sup>(1)</sup> million EUR
The Czech Republic	5,009 + 2,040 million EUR
The French Republic	58,476 + 2,388 million EUR
The Federal Republic of Germany	88,324 + 9,297 million EUR
The Italian Republic	64,570 + 6,115 million EUR
The Republic of Poland	16,578 + 0 million EUR
The Republic of Slovenia	0,507 + 0,272 million EUR
The Kingdom of Spain	47,143 + 1,529 million EUR
The Swiss Confederation	7,252 + 0,763 million EUR

In addition, the following Member who has joined CTAO ERIC after its establishment shall make the following contribution at the year 2021 prices, cash or in-kind, towards the construction costs:

The Republic of Croatia	0,647 + 0 million EUR
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<sup>(1)</sup> '+XX' are the accounted contributions to CTAO gGmbH as pre-construction costs, Article 21(2)(a).

ESO will contribute by making available an area of land for CTAO and by providing the usage, rights, and services as defined in the Agreement on the Construction, Commissioning and Operation of CTAO on the Paranal Site of the ESO La Silla Paranal Observatory in Chile signed on 19 December 2018.

4. Any other contributions to CTAO construction coming either from Founding Observers, Strategic Partners and Third Parties, who have announced to the designated Host State their firm intention to contribute to the CTAO construction prior to its establishment, are listed in Annex A and shall be materialized through direct contractual arrangements with CTAO ERIC after its establishment.

5. In addition to the contributions referred to in Article 17(3) and outside the Cost Book, the following Members shall provide as a host premium free of charge:

(a) the Federal Republic of Germany: the hosting of the SDMC;

(b) the Italian Republic: the hosting of the CTAO headquarters,

(c) the Kingdom of Spain: the hosting of the Northern telescope array.

The essential elements and conditions of the host premiums are described in Annex A.

### ***Article 18***

#### **Rights and obligations of Observers**

1. Rights of Observers shall include:
  - (a) the right to attend the Council and the Administrative and Finance Committee without voting;
  - (b) the participation in certain activities of CTAO ERIC identified by the Council.
2. Founding Observers as defined in Article 14(3) have the same rights and obligations as Observers as specified in Article 18(1).
3. The anticipated contributions of the Founding Observers to the construction of CTAO are listed in Annex A.
4. Each Founding Observer and each Observer shall provide an annual contribution to the annual budget of CTAO ERIC after the completion of the construction phase (operation phase), as defined in Annex C.

## **CHAPTER 4**

### **CONSTRUCTION, OPERATION AND FUNDING PRINCIPLES**

#### ***Article 19***

##### **Construction**

1. During the construction phase, CTAO ERIC shall construct and commission CTAO as described in the S&T document (Annex A). It may also perform early scientific activities using the deployed pieces of equipment of CTAO. The construction phase shall end at the date decided by the Council according to Art 25(12)(f).
2. The Council shall review at least annually the actual and forecast construction costs. If at any time and for any reason it appears to the Council that the completion of CTAO is under threat, the Council, upon proposal from the Director General, shall decide mitigation measures.

#### ***Article 20***

##### **Enhancement of the Observatory**

1. Contributions exceeding those stated in Article 17 from Members, Observers, Strategic Partners or Third Parties are expected to be identified for CTAO ERIC to enhance CTAO according to the S&T Document.

## **Article 21**

### **Construction costs**

1. The construction costs estimates are laid down in the CTAO Cost Book dated 22 June 2021 at 2021 prices that covers the overall expenditure. This cost book is the reference document for the members' contributions in cash and in kind.

The construction costs until the completion of CTAO shall not exceed 357 023 000 EUR at year 2021 prices.

The Council acting unanimously may approve a modification of these costs (Article 25(12)(a)).

2. The construction costs shall be the sum of:

(a) The accounted contributions to CTAO gGmbH of its shareholders, hereinafter named pre-construction costs;

(b) The total expenditure of CTAO ERIC during the construction phase;

(c) The Cost Book value of all pieces of equipment deployed as in-kind contributions.

3. The contributions to the construction costs can be delivered by the Members, Strategic Partners and Observers as cash contributions or as in-kind contributions as described in the Basic Principles for In-Kind Contributions to CTAO ERIC (Annex B). The Council shall decide on the allocation of in-kind contributions (Article 25(13)(e)).

4. As a general rule, in-kind contributions are delivered by the Member to CTAO ERIC. The Member may request CTAO ERIC to channel the funding required for this purpose on its behalf (dedicated cash). In this case, the Member shall make available in due time to CTAO ERIC the funding required.

5. Members shall deliver cash contributions to CTAO ERIC according to specifically agreed payment profiles. As far as possible, the payment profiles should match the profile of expenditure of CTAO ERIC. The table showing the estimated annual incidences of expenditure during the construction phase is included in the Cost Book.

## **Article 22**

### **Operation and operation costs**

1. After completion of the construction of CTAO, CTAO ERIC shall operate the observatory and pursue a research and development programme for its further sustainable development.

2. The operation of CTAO shall be financed from the annual budget of CTAO ERIC.

3. The contributions from Members to the annual budget of CTAO ERIC are apportioned according to the scheme set out in Annex C.

## **Article 23**

### **Decommissioning and decommissioning costs**

1. The decommissioning of CTAO shall be decided in due time by the Council in accordance with Article 25(12) (g).
2. Prior to the end of the construction phase and during the operation phase, the Council shall keep an up-to-date estimate of the costs and the time required to decommission CTAO.
3. Costs of decommissioning shall be shared between Members according to a policy adopted by the Council.
4. Should a Member leave CTAO ERIC ahead of the decision of the Council to decommission CTAO, it will transfer a reasonable amount to CTAO ERIC corresponding to its theoretical share of the decommissioning costs on the day of its departure from CTAO ERIC.

## **CHAPTER 5**

### **GOVERNANCE**

#### *Article 24*

#### **Organs of CTAO ERIC**

The organs of CTAO ERIC shall be the Council, the Director General, the Administrative and Finance Committee, and the Scientific and Technical Advisory Committee.

#### *Article 25*

#### **Council**

1. The Council shall be the governing body of CTAO ERIC and shall be composed of up to two official representatives (delegates) of each Member and Observer of CTAO ERIC. The delegates may be assisted by up to two experts.
2. Delegates to the Council shall be appointed and have their appointments terminated according to principles decided by each Member. Each Member shall inform the Chairperson of the Council in writing of any appointment or termination of appointment of its delegates to the Council without undue delay.
3. During the construction phase, several indivisible votes in the Council shall be apportioned to Members in proportion to their commitments to contribute to the construction costs as described in Annex A.
4. During the operation phase, this apportionment of each indivisible number of votes shall be revisited by the Council as described in Annex C. The decision concerning the revision of the apportionment of votes shall be made by the Council (Article 25(12)(h)).
5. The Council shall meet at least twice a year and shall be responsible in accordance with the provisions of these Statutes for the overall direction and supervision of CTAO ERIC. The Council may issue instructions to the Director General.

6. The meetings of the Council shall be convened by the Chairperson. A meeting of the Council shall also be convened by the Chairperson at the request of at least two Members.

7. The Council shall elect a Chairperson and a Vice-Chairperson from the delegations of the Members. The Vice-Chairperson shall substitute the Chair in the Chair's absence and in case of conflict of interest. With their election, the Chairperson and the Vice-Chairperson become *suprapartes* and leave their delegations. The Chair and the Vice-Chairperson shall be elected for a period of office not exceeding two years. Re-election shall be permitted twice.

8. The Council shall decide on its Rules of Procedure subject to the provisions in these Statutes.

9. The Council may set up committees as necessary to accomplish the task of the CTAO ERIC. The Council shall define the mandate of such committees.

10. Specific senior staff, as defined by the Council, shall be appointed by the Council in consultation with the Director General.

11. The Council should proceed to vote in accordance with the following principles:

(a) A 'simple majority' means a majority of more than 50 % of the votes of the Members represented at the meeting and not more than half of the Members voting against.

(b) A 'qualified majority' means a majority of at least 67 % of the votes of the Members represented at the meeting and not more than half of the Members voting against.

(c) A 'unanimous vote' means at least 90 % of the votes of the Members represented at the meeting and no Member voting against.

(d) Any Council meeting shall only be quorate if delegates of 67 % of all Members are represented.

Abstentions do not count as a vote.

12. The following matters shall require approval of the Council by unanimous vote:

(a) increasing the construction costs until the completion of the construction phase configuration as set out in Article 21(1));

(b) changes of contributions to construction costs;

(c) proposal for amendment of these Statutes and amendment of its Annexes or the Cost Book;

(d) admission and termination of a membership or observer status, including extensions to observer status;

(e) approval of agreements on the establishment of a strategic partnership, Article 15(1);

(f) decision on the end of the construction phase and start of operation phase, Article 19(1);

(g) decision on decommissioning of CTAO and the adoption of the policy for sharing of the decommissioning costs, Article 23(1) and (3);

- (h) revision of the apportionment of votes, Article 25(4);
- (i) adoption of the Procurement Policy of the CTAO ERIC, Article 8(1);

Any amendment of the Statutes shall be subject to the provisions set out in Article 9 (3) and Article 11 of Regulation (EC) No 723/2009 as amended by the Council on 2 December 2013 (Council Regulation (EU) No 1261/2013).

13. Decisions concerning the following shall require a qualified majority of the votes:

- (a) election of Chairperson and Vice-Chairperson;
- (b) appointment of the Director General as well as the suspension or dismissal of the Director General's appointment in accordance with Article 26;
- (c) medium-term (five years) scientific programme;
- (d) annual budgets, five-year budget plans and medium-term financial estimates;
- (e) allocation of in-kind contributions;
- (f) adoption of the annual financial statement;
- (g) the Financial Rules of CTAO ERIC (including the Terms of Reference and Rules of Procedures for the Administrative and Finance Committee (AFC));
- (h) winding up of CTAO ERIC;
- (i) Terms of Reference and Rules of Procedures for the Scientific and Technical Advisory Committee (STAC);
- (j) Access Policy, Article 3(2);
- (k) Scientific Evaluation Policy, Article 4;
- (l) Dissemination Policy, Article 5(3);
- (m) Intellectual Property Rights Policy, Article 6(2);
- (n) Policy on strategic partnerships, Article 15(8);
- (o) Data Policy, Article 33(2);
- (p) Policy on Third Party agreements, Article 34;
- (q) Terms of Reference and Rules of Procedures of all further committees established by the Council, Article 25(9).

14. All other decisions of the Council shall require a simple majority.

## **Article 26**

### **Director General**

1. The Council shall appoint the Director General of CTAO ERIC according to a procedure adopted by the Council. The term of the Director General shall not exceed five years; re-appointment is possible. The essential elements of the contract of employment shall be subject to approval by the Council.
2. The Director General shall be accountable to the Council and shall be the legal representative of CTAO ERIC. The Director General shall carry out the day-to-day management of CTAO ERIC with due diligence and in accordance with these Statutes, the instructions and resolutions of the Council, and applicable legal requirements.
3. The Director General has the authority to approve transactions up to values that shall be defined in the Financial Rules. Transactions above the set values require the approval by the Administrative and Finance Committee.
4. The Director General shall inform the Council regularly of the Director General's decisions on strategic, technical, scientific, legal, budgetary, and administrative matters. The Director General shall present an annual activity report to the Council.
5. The Director General shall prepare the decisions to be taken by the Council and the decisions to be taken by the committees.
6. In the event of the Director General's post falling vacant, the Council may designate a person, whose powers and responsibilities it shall determine, to act in place of the Director General.

#### ***Article 27***

##### **Administrative and Finance Committee**

1. There shall be 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 Council and will be supra-partes. The Committee shall advise the Council on administrative, legal, and financial matters.
2. The AFC approves transactions above the values set for the authority of the Director General (Article 26(3)) as defined in the Financial Rules.
3. The Terms of Reference of this Committee and its Rules of Procedure shall be adopted by the Council and incorporated into the Financial Rules (Article 25(13)(g)).
4. The Director General shall submit to the AFC the budget documents as detailed in the Financial Rules which shall be reviewed and subsequently submitted to the Council with the AFC's comments and recommendations.

#### ***Article 28***

##### **Scientific and Technical Advisory Committee**

1. There shall be a Scientific and Technical Advisory Committee (STAC). This Committee shall consist of outstanding scientists, not employed by or otherwise immediately connected with CTAO ERIC, and shall advise the Council in scientific, technical and other matters of importance for CTAO ERIC.

2. The members of the STAC shall be appointed by the Council in accordance with the Rules of Procedure. The Council shall strive to achieve a diverse STAC representing a balance of scientific and technical expertise, reflecting the broad participation in the CTA project.

3. The Chair of the STAC shall be appointed by the Council.

4. The Terms of Reference and Rules of Procedure of the STAC shall be adopted by the Council (Article 25(13)(i)).

## CHAPTER 6

### FINANCIAL MATTERS

#### *Article 29*

##### **Resources**

1. The resources of CTAO ERIC shall consist of the following:

(a) contributions of Members (Article 13), Observers (Article 14), Strategic Partners (Article 15), Third Parties (Article 34), and Other Users (Article 3(5));

(b) host premiums;

(c) other resources within the limits and under terms approved by the Council.

2. Resources of CTAO ERIC shall be used only for the purposes as described in the Statutes. Members of CTAO ERIC shall neither receive any profit shares nor anything else of value from CTAO ERIC resources.

#### *Article 30*

##### **Financial year**

1. The financial year of CTAO ERIC shall begin on 1 January and shall end on 31 December of each year.

2. The first year of business shall be a short financial year beginning from the date of the entry into force of the Commission Implementing Decision establishing CTAO ERIC and ending on 31 December of that year.

#### *Article 31*

##### **Auditing and Financial Rules**

1. The Council shall appoint external auditors who shall serve for a period of four years and may be re-appointed. The auditors shall audit the annual financial statement of CTAO ERIC and perform such functions as are set out in the Financial Rules.

2. The Director General shall provide the auditors with such information and

assistance as they may require in order to perform their duties.

3. The accounts of CTAO ERIC shall be accompanied by a report on the budgetary and financial management of the financial year.

4. The Financial Rules shall lay down all other arrangements relating to the budget of CTAO ERIC, accounting standards and finances, including rules regarding preparation, filing, auditing and publication of accounts, and a procedure concerning the approval of transactions over the values set for the authority of the Director General (Articles 26(3), 27(2)).

## **Article 32**

### **Tax and excise duty exemption**

1. VAT exemptions based on Articles 143(1)(g) and 151(1)(b) of Council Directive 2006/112/EC and in accordance with Articles 50 and 51 of Council Implementing Regulation (EU) No 282/2011, shall be limited to purchases of goods and services by CTAO ERIC and by Members of the ERIC, as defined in Article 9(1) of Council Regulation (EC) No 723/2009 of 25 June 2009 on the Community legal framework for a European Research Infrastructure Consortium (ERIC) which are for the official and exclusive use by CTAO ERIC provided that such purchase is made solely for the non-economic activities of CTAO ERIC in line with its activities.

2. VAT exemptions shall be limited to purchases exceeding the value of EUR 300.

3. Excise Duty exemptions based on Article 11 of Council Directive (EU) 2020/262 (Article 12 of Council Directive 2008/118/EC), shall be limited to purchases by CTAO ERIC which are for the official and exclusive use by CTAO ERIC provided that such purchase is made solely for the non-economic activities of the CTAO ERIC in line with its activities and that the purchase exceeds the value of EUR 300.

4. Purchases by the CTAO ERIC staff members are not covered by the exemptions.

## **CHAPTER 7**

### **OTHER POLICIES**

## **Article 33**

### **Data Policy**

1. Generally, Open Source and Open Access principles shall be favoured.

2. CTAO ERIC shall adopt its own Data Policy recognizing the FAIR principles (findability, accessibility, interoperability, and reusability (Article 25(13)(o)).

3. Data collected as a result of the use of CTAO shall be owned by CTAO ERIC. CTAO ERIC will process the raw data and will release data in a form suitable for User analysis (CTAO Data Products).

4. Access to CTAO Data Products shall be open, unrestricted and free of charge. The Council may define a limited period during which a User may be granted exclusive access

to CTAO Data Products resulting from Observing Time allocated to this User (the Proprietary Period).

5. CTAO ERIC shall provide guidance to Users to ensure that research undertaken using material made accessible through CTAO ERIC shall be undertaken within a framework that recognizes the rights of data owners and privacy of individuals.

6. CTAO ERIC shall ensure that Users agree to the terms and conditions governing access and that suitable security arrangements are in place regarding internal storage and handling of protected information and data.

7. CTAO ERIC shall define arrangements for investigating allegations of security breaches and confidentiality disclosures regarding research data.

#### ***Article 34***

##### **Policy on agreements with Third Parties**

1. The Council shall establish, according to Article 25(13)(p), a general policy on the conditions under which CTAO ERIC may enter into agreements with any legal person. Such agreement shall specify all rights and obligations of the parties.

2. Third Parties who commit themselves to enter into an agreement with the CTAO ERIC before it is established and to contribute to the CTAO construction may have their contribution listed in Annex A.

3. Third Parties shall not have voting rights in the Council.

## **CHAPTER 8**

### **REPORTING TO THE COMMISSION**

#### ***Article 35***

##### **Reporting to the Commission**

1. CTAO ERIC shall produce an annual activity report, containing the scientific, operational and financial aspects of its activities. The report shall be approved by the Council 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. CTAO ERIC shall inform the Commission of any circumstances which threaten to seriously jeopardize the achievement of the tasks of CTAO ERIC or hinder CTAO ERIC from fulfilling requirements laid down in Regulation (EC) No 723/2009.

## **CHAPTER 9**

### **APPLICABLE LAW, PRIVILEGES AND IMMUNITIES, DISPUTES, SETTING-UP PROVISIONS**

## **Article 36**

### **Applicable law, privileges and immunities**

1. The setting-up and internal functioning of CTAO ERIC shall be governed by:
  - (a) European Union law and in particular the Council Regulation (EC) No 723/2009 of 25 June 2009 on the Community legal framework for a European Research Infrastructure Consortium (ERIC);
  - (b) the law of the state where CTAO ERIC has its statutory seat and the law of the states and territories where CTAO ERIC has its additional places of operation in the case of matters not, or only partly, regulated by acts referred to in point (a);
  - (c) these Statutes and their implementing rules.
2. Nothing in these Statutes shall be interpreted as a waiver of any privileges or immunities accorded to ESO by its constituent documents or international law. This is without prejudice to Article 37 of these Statutes.

## **Article 37**

### **Disputes**

1. The Court of Justice of the European Union shall have jurisdiction over litigation among the Members in relation to CTAO ERIC, between the Members and CTAO ERIC and over any litigation to which the Union is a party.
2. European Union legislation on jurisdiction shall apply to disputes between CTAO ERIC and Third Parties. In cases not covered by European Union legislation, the law of the state where CTAO ERIC has its statutory seat shall determine the competent jurisdiction for the resolution of such disputes.

## **Article 38**

### **Availability of Statutes**

The Statutes shall be publicly available at the CTAO ERIC website and at the statutory seat.

## **Article 39**

### **Setting-up provisions**

1. A constitutional meeting of the Council shall be called by the Italian Republic as soon as possible but no later than 45 calendar days after the Commission decision to set up CTAO ERIC takes effect.
2. The Italian Republic shall notify the Founding Members of any specific urgent legal action that needs to be taken on behalf of CTAO ERIC before the constitutional meeting is held. Unless a Founding Member objects within five working days after being notified, the legal action shall be carried out by a person duly authorized by the Italian Republic.

## CHAPTER 10

### PLACES OF OPERATION AND WORKING LANGUAGE

#### *Article 40*

##### **Places of operation and working language**

1. CTAO ERIC shall have three additional places of operation: the Science Data Management Center (SDMC) located in Zeuthen, Germany, the Northern telescope array located at the Observatorio del Roque de Los Muchachos in La Palma, Spain, and the Southern telescope array located at the La Silla Paranal Observatory in Chile.
2. The working language of CTAO ERIC shall be English.

## CHAPTER 11

### ANNEXES

#### *Article 41*

##### **Annexes**

The following Annexes are attached:

- A. Contributions to the construction costs, host premiums and voting rights during the construction phase
- B. Basic Principles for In-Kind Contributions to CTAO ERIC
- C. Scheme for sharing the contributions to the annual budget of CTAO ERIC after the completion of the construction (Article 22 of the CTAO ERIC Statutes)
- D. Members, Observers and Representing Entities, Strategic Partners and Third Parties

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## ANNEX A

### Contributions to the construction costs, host premiums and voting rights during the construction phase

*Table 1*

#### Contributions to the construction costs of CTAO (million EUR)

Member/ Observer/ Strategic Partner/ Third Party	Construction					Pre-construction	Grand Total
	Materials and Services (M&S)	FTEs	Other (non- cash)	Direct cash	Total	Contribution to the gGmbH	Contribution to construction costs
The Commonwealth of Australia	1,340	0,108	0	0,450	1,898	0,318	2,216
The Republic of Austria	1,695	0,080	0	0,600	2,375	0,707	3,082
The Republic of Croatia	0,043	0,284	0	0,320	0,647	0	0,647
The Czech Republic	0,734	1,775	0	2,500	5,009	2,040	7,049
The French Republic	26,196	14,000	0	18,280	58,476	2,388	60,864
The Federal Republic of Germany	36,926	24,680	0	26,718	88,324	9,297	97,621
The Italian Republic	26,010	12,560	0	26,000	64,570	6,115	70,685
Japan	19,200	3,950	5,850	3,400	32,400	0,592	32,992
The Republic of Poland	9,143	1,339	0	6,096	16,578	0	16,578
The Republic of Slovenia	0,080	0,077	0	0,350	0,507	0,272	0,779
The Kingdom of Spain	21,397	9,814	14,932	1,000	47,143	1,529	48,672
The Swiss Confederation	1,550	5,082	0	0,620	7,252	0,763	8,015
<b>Total</b>	<b>144,314</b>	<b>73,749</b>	<b>20,782</b>	<b>86,334</b>	<b>325,179</b>	<b>24,021</b>	<b>349,200</b>

**Notes:**

The Italian Republic: The 26,01 million EUR M&S contribution and 12,56 million EUR FTEs contribution are intended to cover the following cost-book entries: P07.4.1 (85 %) P07.3.1 (7 %), P07.2.1 (4 %), P08.5.1, P08.6.1, P06.11.4, P02.5, O02.2.4 (residuals).

The Swiss Confederation: Anticipated contributions (see Art. 18.3 of the Statutes).

Pre-construction corresponds for each contributing party to the total amount of accumulated cash contributions paid to the gGmbH during the period 2014-2025 (at 2021 values for contributions paid after 2021) plus the total approved IKCs during the same period.

Table 1a

**Other expected contributions to the construction costs of CTAO (million EUR) from partners who may join the ERIC after its establishment**

Member/ Observer/ Strategic Partner/ Third Party	Construction					Pre-construction	Grand Total
	Materials and Services (M&S)	FTEs	Other (non-cash)	Direct cash	Total	Contribution to the gGmbH	Contribution to construction costs
the United Kingdom of Great Britain and Northern Ireland	1,900	0,460	0	1,000	3,360	1,477	4,837

Member/ Observer/ Strategic Partner/ Third Party	Construction					Pre-construction	Grand Total
	Materials and Services (M&S)	FTEs	Other (non-cash)	Direct cash	Total	Contribution to the gGmbH	Contribution to construction costs
The Kingdom of the Netherlands	1,004	1,631	0	0	2,635	0,351	2,986
Total	2,904	2,091	0	1,000	5,995	1,828	7,823

Notes:

Contributions to Pre-construction have been already paid to the CTAO gGmbH. The other contributions are still to be confirmed.

Table 2

**Indicative Yearly Cash contribution profile to construction costs of CTAO**

Member/ Observer/ Strategic Partner/ Third Party	2020-2021	2022	2023	2024	2025	2026	2027	2028	Total
The Commonwealth of Australia	0	0,450	0	0	0	0	0	0	0,450
The Republic of Austria	0,225	0,075	0,050	0,050	0,050	0,050	0,050	0,050	0,600
The Republic of Croatia	0	0	0	0	0,064	0,064	0,064	0,064	0,256
The Czech Republic	0	0,500	0,500	0,500	0,500	0,500	0	0	2,500
The French Republic	3,400	0,400	3,170	3,170	4,070	4,070	0	0	18,280
The Federal Republic of Germany	4,400	10,500	7,238	0,176	0,004	4,400	0	0	26,718
The Italian Republic	0	7,600	7,600	3,600	3,600	3,600	0	0	26,000
Japan	0	0,200	0,400	0,400	0,600	0,600	0,600	0,600	3,400
The Republic of Poland	0	0,488	0,427	2,072	2,926	0,183	0	0	6,096
The Republic of Slovenia	0	0,070	0,070	0,070	0,070	0,070	0	0	0,350
The Kingdom of Spain	0	0,200	0,200	0,200	0,200	0,200	0	0	1,000
The Swiss Confederation	0	0,120	0,120	0,380	0	0	0	0	0,620
Total									

Notes:

The Commonwealth of Australia: The EUR 450 000 amount is the total cash contribution to the CTAO GmbH up to 2021. New funding is available from later 2021 for another 4-5 years and additional cash contributions will be considered.

The Republic of Croatia: EUR 64 050 (in 2021 values) are expected to be paid also in 2029, which makes an

indicative total cash contribution to construction costs of CTAO of EUR 320 250 (in 2021 values) including 2029.  
 The French Republic: In year 2020 and 2021, France anticipated a payment of 3,4 million EUR for the South site construction.

The Federal Republic of Germany: In 2020 and 2021 the German Partners DESY and MPG advanced 4,4 million EUR of German construction funds and transferred it to the CTAO gGmbH to allow starting with basic constructions on the South Site. The advanced funds will be reimbursed in 2023. Therefore, the German contribution in year 2023 is equal to million EUR 11,358 - 4,4 = 7,238.

The Italian Republic: The assumption in this profile is that no In-Kind construction will be initiated before 2024 and that the delivery of the last part of the in-kind is possible during year 6 and year 7.

Japan Contribution in years 2027 and 2028 are intended as contributions for operation.

*Table 2a*

**Indicative Yearly Cash contribution profile to construction costs of CTAO from partners who may join the ERIC after its establishment**

Member/ Observer/ Strategic Partner/ Third Party	2020-2021	2022	2023	2024	2025	2026	2027	2028	Total
The United Kingdom of Great Britain and Northern Ireland	0	0,200	0,200	0,200	0,200	0,200	0	0	1,000
The Kingdom of the Netherlands	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0,200</b>	<b>0,200</b>	<b>0,200</b>	<b>0,200</b>	<b>0,200</b>	<b>0</b>	<b>0</b>	<b>1,000</b>

Table 3

**Essential elements and conditions of the host premiums**

Host Country	Host Premium	Conditions
<b>The Italian Republic</b>	EUR 4 300 000,00 <i>before deductions related to the hosting of the gGmbH HQ</i>	<p>Hosting of the headquarters of the CTAO-ERIC, where the following functions are located:</p> <ul style="list-style-type: none"> <li>— <b>Governance and policy:</b> Observatory governance exercised by the Council of shareholders, supported by appropriate administrative, scientific and technical committees;</li> <li>— <b>Management and Administration:</b> Overall management and administration of the CTA Observatory, including accounting, procurement, controlling, and administration of personnel legal services and international relations;</li> <li>— <b>Science Management:</b> Responsibility for issuing calls for proposals (Announcements of Opportunity) for allocation of Observation Time and issuing the long-term Schedule. Tier-2 Science Activities.</li> <li>— <b>Central Technical Operations:</b> Central support, coordination and monitoring of array operations, e.g. regarding operations procedures, maintenance, documentation and safety; IT services for HQ; instrument development, towards improved efficiency of operation and maintenance;</li> <li>— <b>Outreach:</b> Education and public outreach activities aiming to educate and to raise the profile of CTA among the general public, opinion formers, and school and university students; coordination of local outreach activities in the host countries.</li> </ul> <p>A binding document approved by CTAO ERIC Council is required before the release of the residual part of the Host Premium (part of it has already been anticipated for hosting CTAO gGmbH headquarters).</p> <p>The HQ is expected to be the seat of the Director General and of two of the Tier-1 Directors <sup>(1)</sup> (Operations and Administration).</p>

(1) A Tier-1 Directorate is an organizational unit with defined scope and charter; the unit is managed by a Director. Tier-1 Directors report directly to the ERIC Director General (Tier-0) who is the ultimate executive authority to rule on the Observatory and to implement Council decisions on any matter. The Tier-1 Director is in charge to deploy the DG directives related to the scope and charter of her/ his Directorate.

Host Country	Host Premium	Conditions
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<b>The Federal Republic of Germany</b>	EUR 6 750 000,00, of which: Building construction costs share for CTAO area: EUR 6 000 000,00;	<p>Hosting of the CTAO-ERIC Science Data Management Center (SDMC) where the following functions are located.</p> <ul style="list-style-type: none"> <li>— <b>Science Management Activities:</b> Includes preparation of calls for proposals, support of proposal preparation and proposal evaluation, and preparation of the long-term observation schedule for approval by the DG and to be issued by the HQ;</li> <li>— <b>Software Maintenance:</b> Maintenance, updates, quality control and release management of software for data pipelines, data dissemination, data archive and observer access.</li> <li>— <b>Data Management:</b> Management of data flow and of operation of data pipelines at the computing facilities; calibration of data; management of simulations to provide instrument response functions; monitoring of data quality.</li> <li>— <b>Observatory Data Services:</b> Operation of CTA Data Archive providing access to data, to instrument response functions, and to user software.</li> <li>— <b>User support and Training:</b> Through for example manuals, FAQ, a help desk, and schools.</li> </ul> <p>A binding document approved by CTAO ERIC Council is required before the release of the residual part of the Host Premium (part of it has already been anticipated for hosting CTAO gGmbH headquarters).</p> <p>The SDMC is expected to be the seat of one of the Tier-1 Directors <sup>(2)</sup> (Science Management).</p>
<b>The Kingdom of Spain</b>	EUR 30 000 000,00, calculated as the % of the existing common infrastructure and services in the ORM at the service of CTAO.	<p>Hosting of the Northern Telescope Array of CTAO ERIC at ORM for a duration of 20 years since its operation, site of:</p> <ul style="list-style-type: none"> <li>— 4 LST (23m)</li> <li>— Up to 15 MST (12m)</li> <li>— Service Building</li> <li>— The service roads to connect the different telescopes</li> <li>— A network of ducts and corresponding cabling and optics fiber to provide electrical power and data connection to all the telescopes, and all the necessary equipment to provide these services.</li> </ul> <p>Providing:</p> <ul style="list-style-type: none"> <li>— The Common Infrastructure: road, communications and power distribution up to the service connection point</li> <li>— Common Services: <ul style="list-style-type: none"> <li>— Access to IAC data connection to the European data network free of charge.</li> <li>— Access to the Residence and canteen.</li> </ul> </li> </ul> <p>A binding document approved by CTAO ERIC Council is required before the release of the residual part of the Host Premium.</p>

<sup>(2)</sup> See footnote above.

*Table 4*

### **Members' voting rights during the construction phase**

Voting rights are apportioned to Members in proportion to their commitments to contribute to the construction costs and their contribution to the gGmbH prior to the setting of the CTAO ERIC (Pre-construction).

The voting rights are expressed as thousandths. Considering that the contribution of ESO cannot be valorized in the same way as the contributions of the Member countries, it has been agreed that ESO shall hold 80 thousandth voting rights.

The following table shows the voting rights of each Member based on the contributions listed in Table 1.

Member	Contribution to construction costs (million EUR)	Voting rights
The Republic of Austria	3,082	9
The Republic of Croatia	0,647	2
The Czech Republic	7,049	21
French Republic	60,864	178
The Federal Republic of Germany	97,621	286
The Italian Republic	70,685	207
The Republic of Poland	16,578	49
The Republic of Slovenia	0,779	2
The Kingdom of Spain	48,672	143
The Swiss Confederation	8,015	23
ESO		80
Total	313,992	1 000

## ANNEX B

### Basic Principles for In-Kind Contributions to CTAO ERIC

#### I.

#### *In-Kind Contributions*

1. Members, Strategic Partners, Observers and Third Parties may contribute in-kind to the construction costs of the CTAO, Article 17(3) of the CTAO ERIC Statutes.
2. An In-Kind Contribution (IKC) is a non-cash contribution provided to CTAO ERIC by one of its Members, Strategic Partners, Observers or Third Parties and may include:
  - (a) technical components and its corresponding documentation as well as personnel for its assembly, testing, installation and/or integration and technical and scientific verification;
  - (b) R&D work beyond the construction phase as well as personnel needed to perform the R&D work (R&D for construction is not included);
  - (c) personnel made available for specific tasks; or
  - (d) other products or services relevant for and requested by CTAO ERIC.
3. Members, Strategic Partners, Observers and Third Parties shall identify an entity (delivering body) to perform the In-Kind Contribution on their behalf and to deal with the in-kind contribution's scientific and technical aspects.
4. All potential In-Kind Contributions to the construction costs of CTAO ERIC are listed in the Cost Book. Potential In-kind contributions to an enhancement phase of CTAO as well as R&D work shall be identified in due time by the Council and defined in an addendum to the Cost Book as well as in an addendum to the Scientific and Technical Description.
5. The Cost Book value defines the total value of an In-Kind Contribution. These values are expressed, until otherwise agreed, at the price level stated in the Statutes and Annexes. The Euro shall be the standard currency unit for all In-Kind Contributions. The Council shall implement internal provisions on In-Kind Contributions (In-Kind Contribution Framework). Each In-Kind Contribution will be subject to a written contract between the CTAO ERIC and the delivering body (In-kind Contribution Agreement) which shall – among other things – include the technical specification of the In-Kind Contribution as well as the time schedule.
6. The Council shall establish an advisory committee, the In-Kind Review Committee (IKRC), to provide expert advice to the Council in relation to In-Kind Contributions as contributions to the construction costs and to evaluate the In-Kind Contribution proposals and agreements, contracts and the implementation of the proposals. The IKRC shall also provide advice to the Council in case of conflicting proposals, partial or total withdrawal, re-allocation and deviations in In-Kind Contribution delivery potentially resulting in modifications of the value of the In-Kind Contribution.

7. If an expression of interest to deliver a Cost Book element has been received by CTAO Management from a Member, Strategic Partner, Observer, Third Parties, or a recognised consortium among them the CTAO Management verifies the formal and technical specifications of the proposal. After this verification, the IKRC evaluates and recommends the In-Kind Contribution proposal and contract to the Council. In case CTAO Management receives more than one expression of interest pertaining to the same Cost Book element, IKRC shall provide specific advice to CTAO Management.

8. After the delivery of the In-Kind Contribution by the delivering body to CTAO, the CTAO Management verifies and confirms the compliance of the In-Kind Contribution with the agreed scope of delivery as laid down in the respective In-Kind Contribution Agreement. Council and the IKRC will be informed by CTAO Management about the compliant delivery, and the IKRC will be asked to recommend that the contribution from the Member, Strategic Partner, Observer or Third Parties shall be credited with the agreed Cost Book Value as a part of its total contribution to construction or the enhancement phases of CTAO ERIC.

In case of disagreement between the contributor and CTAO, the IKRC shall evaluate the delivered In-Kind Contribution and recommend to the Council of CTAO ERIC how to proceed.

9. Members, Strategic Partners, Observers and Third Parties shall be fully responsible for the cost of their respective In-Kind Contributions, including any currency exposure.

## II.

### ***Allocation of In-Kind Contributions***

1. Members, Strategic Partners, Observers or Third Parties interested in contributing their In-Kind Contribution to the construction of specific items of the Cost Book shall respond – through their delivering body – to a Call for expressions of interest for potential IKCs issued by CTAO-ERIC and submit the corresponding In-Kind Contribution proposal. Members are encouraged to cluster their interests in order to cover all the potential In-Kind Contributions and to minimize the overlap among proposals.

2. The Council will decide on the allocation of an In-Kind Contribution to a specific Member, Strategic Partner, Observer, Third Party, or a recognised consortium among them and on the identification of its Cost Book Value to be credited (Article 25(13)(e) of the CTAO ERIC Statutes).

3. Members, Strategic Partners, Observers and/or Third Parties may join in a consortium to provide In-Kind Contributions of a specific Cost Book item, in which case the related In-Kind Contribution proposal shall be submitted jointly by all members of the consortium. In the proposal, one delivering body shall be designated as the lead delivering body. The proposal shall also include the principles of collaboration between the delivering bodies involved.

## III.

### ***In-Kind Contribution Agreement***

1. The In-kind-Contribution Agreement shall be based on a template for In-kind-Contribution Agreements approved by the Council with a qualified majority. Details of the In-Kind Contribution Agreement are to be negotiated between the CTAO and the delivering body for a particular IKC.
2. The In-kind Contribution Agreement shall include provisions ensuring that CTAO ERIC can monitor the technical and programmatic progress of each In-Kind Contribution and is provided with relevant information and data on a predefined and regular basis. This includes progress reports, regular meetings and visits of CTAO ERIC personnel for monitoring and quality assurance purposes.

## ANNEX C

### **Scheme for sharing the contributions to the annual budget of CTAO ERIC after the completion of the construction (Article 22 of the CTAO ERIC Statutes)**

Definitions:

member (with small initial)	Each of the Members, Observers and Strategic Partners, independently from its role in the ERIC.
Construction cost contributions	Equal to the sum of 'Direct cash', 'Other (not direct cash)', 'pre-construction contributions' (to the CTAO gGmbH), 'M&S' and 'FTEs' as listed in Article 17(3) and Annex A of the Statutes.
Actual cash	Equal to the sum of 'Direct cash' and 'Other (not direct cash)' contributions actually committed and the 'pre-construction contributions' to the CTAO gGmbH by each member
Nominal cash	The nominal cash contribution expected from each member. For a member's 'M&S' contribution, a total cash contribution equal to a cash fraction (cash / (cash + M&S)) of 40 % is expected, in addition to a pre-construction contribution to the CTAO gGmbH proportional to a member's relative 'M&S' contribution to the CTAO ERIC.

#### I.

The operation of the CTAO ERIC shall be financed from its annual budget, as defined in Article 22(2) of the CTAO ERIC Statutes.

#### II.

With the exception of ESO who is not bound to contribute in cash to the operation phase, the contributions of CTAO ERIC members to the annual budget of the CTAO ERIC after the completion of the construction (operation phase) shall reflect each member's share in the Construction costs and the use by its scientific community, over a period defined below.

For establishing the contributions of CTAO-ERIC members joining after the Construction Phase, an effective 'construction share' (admission fee) will be defined by Council decision as part of the terms of admission, in reference to Article 14(1) e, f and Article 15(1) of the Statutes.

#### III.

With the exception stated in IV, the contributions of members to the annual budget shall be apportioned as follows:

- 50 % according to their Construction cost contributions as defined above ('construction share') and
- 50 % according to the use by their scientific communities ('use-dependent share').

#### IV.

The difference between Actual cash and Nominal cash as defined above is acknowledged via the member's share of Observing Time and/or via the share of the member's operating costs. A positive deviation of the Actual from the Nominal cash value will result in increased Observing Time for a member and/or a decreased operating cost share. Details will be agreed upon by the Council in a separate policy document.

#### V.

Third Parties (Article 34 of the Statutes) shall contribute to the annual budget as determined in the corresponding Third Party agreements approved by Council. Other Users shall contribute to the operation costs relating to their use of the CTAO, as defined in the Access Policy (Article 3 (5) of the Statutes).

#### VI.

At the start of the operation phase, voting rights are apportioned to members in proportion to their contributions to Construction costs, according to Annex A. The voting rights are expressed as thousandths.

This apportionment of votes shall be revisited by Council. Revisions should take place at least every three years, based on the Members contributions to Construction cost and the use by their scientific communities.

Considering that contribution of ESO cannot be valorized in the same way as the contributions of the Member countries, it has been agreed that ESO shall hold 80 thousandth voting rights independent of the apportionment scheme.

#### VII.

CTAO ERIC Council shall decide with simple majority on the rules for measuring the use for which the following guidelines shall apply:

- As a general rule, use shall be defined as 'delivered time'. The Council shall decide on special arrangements with Users deviating from this rule.
- The nationality of the institute that the proposer is affiliated with shall be used to determine the pro-rata use time of that member.
- Proposals submitted jointly by proposers from several members are assigned to members pro rata to the number of proposers.
- Collaborations with proposers from non-member countries have no effect on the assignment of use to members. Proposers from non-member countries will be limited to a fraction of the total number of proposers, with details to be defined by Council. If proposers from institutes based in non-member countries are involved in such collaborations, only proposers from institutes based in member countries shall be taken into account for their pro rata assignment of their use.
- Proposers affiliated with internationally funded institutions (e.g. CERN, SKA, etc.) are considered Other Users, unless defined otherwise in specific agreements.

Use based on Guaranteed Time Observations arising from contractual obligations of CTAO ERIC shall not be counted towards the use by a member's scientific community (Article 3(4) of the CTAO ERIC Statutes).

Council shall define the details and mechanisms for the accounting of use, and in particular the relative value of observing time for the northern and southern array, and for partial arrays for cases where observations use only a subset of telescopes at a given site.

## VIII.

The CTA Observatory will operate on the principle that average use is proportional to members' shares in the project, with details to be defined in the Access Policy adopted by Council (Article 25(13)(j)). During the first three years of the operation phase, contributions of members to the annual budget of CTAO ERIC will be apportioned according to their respective shares in the Construction costs. After this transition period, the contributions of members to the annual budget of CTAO ERIC shall reflect their use on a three-year rolling average. This rolling average aims at excluding abrupt changes in contribution rates. The rolling average shall be implemented in the following way:

- The use of CTAO shall be reviewed annually by CTAO Director General and be reported to the Council, starting already during the Construction Phase of CTAO at a date determined by Council.
- An average use shall be calculated for the previous three years for each member.
- The average use shall determine the member's share of contributions to the annual budget of the year after the following year.

The contributions to the annual budget of members joining later shall obey the same principles as defined above.

## IX.

A significant fraction of the observing time in the early years of operation is expected to be dedicated to the execution of the Key Science Projects (KSPs). The sharing of operation costs relating to this Observing Time shall obey the general principles outlined above. The accounting scheme for KSP-related use depends on the detailed implementation of the KSPs and shall be defined and unanimously approved by Council.

## ANNEX D

### Members, Observers and Representing Entities, Strategic Partners and Third Parties

MEMBERS	
Country or Intergovernmental organization	Representing entity/ies
The Republic of Austria	Federal Ministry for Women, Science and Research
The Republic of Croatia	Ministry of Science, Education and Youth
The Czech Republic	Ministry of Education, Youth and Sports
The French Republic	Ministère de l'enseignement supérieur, de la recherche et de l'innovation
The Federal Republic of Germany	Federal Ministry for Research, Technology and Space
The Italian Republic	INAF - Istituto Nazionale di Astrofisica
The Republic of Poland	The Ministry of Science and Higher Education
The Republic of Slovenia	Ministry of Higher Education, Science and Innovation
The Kingdom of Spain	Ministry of Science, Innovation and Universities
The Swiss Confederation	State Secretariat for Education, Research and Innovation
ESO, European Organisation for Astronomical Research in the Southern Hemisphere.	ESO, European Organisation for Astronomical Research in the Southern Hemisphere.

OBSERVERS	
Country or Intergovernmental organisation	Representing entity/ies

The following Countries or Intergovernmental Organizations have expressed intention to become **Strategic Partners** (pursuant to Article 15 of the Statutes):

Country or Intergovernmental organisation	Representing entity/ies
Japan	The University of Tokyo Ministry of Education, Culture, Sports, Science, and Technology

The following Institutions or legal persons have expressed intention to become **Third Parties** (pursuant to Article 34 of the Statutes):

Institution / person	Nationality
Astronomy Australia Ltd (AAL)	Australian