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COUNCIL REGULATION (EC) No 876/2002
of 21 May 2002
setting up the Galileo Joint Undertaking
(OJ L 138, 28.5.2002, p. 1)

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COUNCIL REGULATION (EC) No 876/2002
of 21 May 2002
setting up the Galileo Joint Undertaking

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 171 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas:

- (1) On 13 January 1999 the European Parliament adopted a Resolution on the Communication from the Commission to the Council and the European Parliament 'Towards a trans-European Positioning and Navigation Network: including a European Strategy for Global Navigation Satellite Systems (GNSS)' ⁽⁴⁾.
- (2) On 10 February 1999 the Commission adopted the Communication 'Galileo — Involving Europe in a new generation of satellite navigation services'.
- (3) The conclusions of the European Council in Cologne (3 and 4 June 1999), Feira (19 and 20 June 2000), Nice (7 to 11 December 2000), Stockholm (23 and 24 March 2001), Laeken (14 and 15 December 2001) and Barcelona (15 and 16 March 2002) make reference to Galileo.
- (4) On 19 July 1999 the Council adopted a Resolution on the involvement of Europe in a new generation of satellite navigation services — Galileo — Definition phase ⁽⁵⁾.
- (5) On 22 November 2000 the Commission adopted a Communication to the European Parliament and the Council on Galileo.
- (6) The Council adopted a Resolution on Galileo on 5 April 2001 ⁽⁶⁾.
- (7) On 26 March 2002, the Council adopted conclusions on Galileo.
- (8) The first research contracts and feasibility studies were funded under the fourth and fifth framework programmes for research and development.
- (9) The technological development phase was funded from the appropriations assigned to the trans-European transport networks on the basis of Article 4(g) of Decision No 1692/96/EC of the European Parliament and of the Council of 23 July 1996 on Community guidelines for the development of the trans-European transport network ⁽⁷⁾, which provides for the possibility of funding for research and development, and Article 17 of

⁽¹⁾ OJ C 270 E, 25.9.2001, p. 119.

⁽²⁾ OJ C 48, 21.2.2002, p. 42.

⁽³⁾ Opinion delivered on 7 February 2002 (not yet published in the Official Journal).

⁽⁴⁾ OJ C 104, 14.4.1999, p. 73.

⁽⁵⁾ OJ C 221, 3.8.1999, p. 1.

⁽⁶⁾ OJ C 157, 30.5.2001, p. 1.

⁽⁷⁾ OJ L 228, 9.9.1996, p. 1. Decision as amended by Decision No 1346/2001/EC (OJ L 185, 6.7.2001, p. 1).

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Council Regulation (EC) No 2236/95 of 18 September 1995 laying down general rules for the granting of Community financial aid in the field of trans-European networks ⁽¹⁾.

- (10) At the beginning of 2001, the management of the Galileo satellite radio-navigation programme, hereinafter referred to as the 'Galileo programme', entered its development phase aimed at verifying and testing the assumptions made during the definition phase, in particular with regard to the various components of the architecture of the system.
- (11) The development phase should be followed by the deployment phase consisting of the production of satellites and terrestrial components, satellite launching and the installation of terrestrial stations and equipment in order to enable the system to be operational in 2008.
- (12) Taking into account the number of players who will need to be involved in this process, and the financial resources and technical expertise needed, it is vital to set up a legal entity capable of ensuring the coordinated management of the funds assigned to the Galileo programme during its development phase. For reasons of legal certainty, it should be specified that this entity, which is not designed to fulfil an economic purpose and is responsible for managing a public research programme of European interest, must be considered as an international organisation within the meaning of the second indent of Article 15(10) of the Sixth Council Directive 77/388/EEC of 17 May 1977 on the harmonisation of the laws of the Member States relating to turnover taxes ⁽²⁾ and the second indent of Article 23(1) of Council Directive 92/12/EEC of 25 February 1992 on the general arrangements for products subject to excise duty and on the holding, movement and monitoring of such products ⁽³⁾.
- (13) The Stockholm European Council noted that 'the private sector is ready to supplement the public budgets for the development phase'. The representatives of the main industries concerned signed a Memorandum of Understanding in March 2001 whereby they committed themselves to indicating their contribution to the total amount of EUR 200 million for the development phase of the Galileo programme by subscribing to the capital of the Joint Undertaking or contributing in some other form.
- (14) It is therefore necessary to set up a Joint Undertaking under Article 171 of the Treaty, since the Galileo programme involves a major research and development component which justifies and will continue to justify the use of funds assigned to the research and development framework programmes. In addition, this programme should make it possible to make considerable progress in the development of satellite navigation technologies.
- (15) The Joint Undertaking's main task should be, in accordance with Council decisions, successfully to complete the development of the Galileo programme during its development phase by combining public and private sector funding. In addition, it should make it possible to ensure the management of major demonstration projects.

⁽¹⁾ OJ L 228, 23.9.1995, p. 1. Regulation as amended by Regulation (EC) No 1655/1999 of the European Parliament and of the Council (OJ L 197, 29.7.1999, p. 1).

⁽²⁾ OJ L 145, 13.6.1977, p. 1. Directive as last amended by Directive 2001/115/EC (OJ L 15, 17.1.2002, p. 24).

⁽³⁾ OJ L 76, 23.3.1992, p. 1. Directive as last amended by Directive 2000/47/EC (OJ L 193, 29.7.2000, p. 73).

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- (16) The Joint Undertaking's financial regulations should respect the broad principles and rules as laid down in the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities ⁽¹⁾.
- (17) In formulating its proposal for the nomination of the Director of the Joint Undertaking, the Commission should consider that he/she be appointed on the grounds of merit and managerial skills, as well as competence and relevant experience, and should be independent of any undertaking in the performance of his/her duties,

HAS ADOPTED THIS REGULATION:

Article 1

For the implementation of the development phase of the Galileo programme, a Joint Undertaking within the meaning of Article 171 of the Treaty is hereby set up ► **M1** until 31 December 2006 ◀.

The aim of the Joint Undertaking shall be to ensure the unity of the administration and the financial control of the project for the research, development and demonstration phase of the Galileo programme, and to this end mobilise the funds assigned to that programme.

The Joint Undertaking shall be considered as an international organisation within the meaning of the second indent of Article 15(10) of Directive 77/388/EEC and the second indent of Article 23(1) of Directive 92/12/EEC.

Its seat shall be located in Brussels.

Article 2

The Statutes of the Joint Undertaking, as set out in the Annex hereto, are hereby adopted.

Article 3

1. In order to ensure an adequate flow of information and effective political control by Member States of the implementation of the development phase of the Galileo programme, a Supervisory Board shall be established. It shall be composed of one representative of each Member State of the European Union, and of the representative of the Commission at the Administrative Board of the Joint Undertaking.

2. The Supervisory Board shall be chaired by the representative of the Member State which holds the Presidency of the Council of the European Union.

3. In due time, and at least 15 days before each meeting of the Administrative Board, the Commission shall convene the Supervisory Board and submit all documents to its members convening the issues on the agenda for that meeting.

The Supervisory Board shall take a decision on all issues that are on the agenda of the upcoming meeting of the Administrative Board and may put other items on that agenda. The Commission shall, when carrying out its functions on the Administrative Board, do everything possible to ensure that decisions taken by the Administrative Board reflect the decisions and views of the Supervisory Board.

⁽¹⁾ OJ L 356, 31.12.1977, p. 1. Regulation as last amended by Regulation (EC) No 762/2001 (OJ L 111, 20.4.2001, p. 1).

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4. The Supervisory Board shall take its decisions by qualified majority of the votes of the representatives of the Member States, these votes being weighted in accordance with Article 205(2) of the Treaty. The representative of the Commission shall not participate in the vote.
5. The Supervisory Board shall adopt its rules of procedure.

Article 4

Every year, the Commission shall present to the Council the annual report on the progress of the Galileo programme as well as the programme development plan, including the financial aspects.

At the end of 2003, the Commission shall inform the Council of the results of the tendering procedure launched by the Joint Undertaking in accordance with Article 4 of its Statutes.

Article 5

The Commission shall report to the Council on the accession of new members.

Any participation of new members, including the participation of members from third countries, shall be submitted to the Council for approval.

Article 6

The Joint Undertaking shall be subject to the rules contained in Council Decision 2001/264/EC of 19 March 2001 adopting the Council's security regulations ⁽¹⁾.

Article 7

1. In order to deal with security matters regarding the Galileo system, a Security Board shall be established. It shall be composed of one representative of each Member State of the European Union and of a representative of the Commission.
2. The Security Board shall adopt its rules of procedure.

Article 8

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

⁽¹⁾ OJ L 101, 11.4.2001, p. 1.

▼B*ANNEX***STATUTES OF THE GALILEO JOINT UNDERTAKING***Article 1*

1. The name of the Joint Undertaking shall be: 'Galileo Joint Undertaking'.
2. Its seat shall be located in Brussels.
3. (a) The following shall be founding members of the Joint Undertaking:
 - the European Community, represented by the Commission,
 - the European Space Agency.
- (b) The following may become members of the Joint Undertaking:
 - the European Investment Bank,
 - any undertaking, after the Commission has, under Article 4 of Council Regulation (EC) No 876/2002 of 21 May 2002 setting up the Galileo Joint Undertaking ⁽¹⁾, informed the Council of the outcome of the tendering procedure, and after approval in accordance with the procedure set out in Article 5 of that Regulation.

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4. The funds of the Joint Undertaking shall be made up of contributions of its members. Assets in kind may be brought in. They shall be subject to an evaluation of their value and their utility to the carrying-out of the activities of the Joint Undertaking.

The founding members shall subscribe their shares of the financial contributions to the extent of the amounts indicated in their respective commitments of EUR 520 million for the European Community and EUR 50 million for the European Space Agency. They may, as necessary, make additional contributions to finance the development phase.

Once the Commission has informed the Council of the outcome of the tendering procedure, the Administrative Board shall immediately invite the undertakings mentioned in the second indent of paragraph 3(b) to subscribe. Undertakings need to subscribe EUR 5 million within a period of one year. That amount shall be reduced to EUR 250 000 for undertakings, subscribing individually or collectively, which may be regarded as small or medium-sized enterprises within the meaning of the Commission Recommendation of 3 April 1996 concerning the definition of small and medium-sized enterprises ⁽²⁾.

The Administrative Board shall decide on the amounts of these contributions which should be released in proportion to the share of the financial contributions subscribed by each member. Any member of the Joint Undertaking which fails to meet its commitments concerning the bringing-in of assets in kind or which does not release the amount due within the prescribed time-limits shall be, as a first step, disqualified from voting in the Administrative Board and, after six months, membership shall be repealed until such time as its obligations have been met.

The financial commitments of the Joint Undertaking shall not exceed the amount of the contributions at its disposal.

▼B*Article 2*

The main tasks of the Joint Undertaking shall be the following:

1. to oversee the optimal integration of the European Geostationary Navigation Overlay Service (EGNOS) in the Galileo programme and the implementation of the Galileo development and validation phase and help prepare for the deployment and operational phase;
2. to launch, in cooperation with the European Space Agency in accordance with Article 3 and through contractual arrangements with private sector entities, the research and development activities needed successfully to complete the phase

⁽¹⁾ OJ L 138, 28.5.2002, p. 1.

⁽²⁾ OJ L 107, 30.4.1996, p. 4..

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of development and coordination of national activities in this area; to launch, through the European Space Agency in accordance with Article 3, a first series of satellites to finalise the technological developments that have occurred and ensure the large-scale demonstration of the capabilities and reliability of the system;

3. in cooperation with the Commission, the European Space Agency and the private sector, to help to mobilise the public and private sector funds needed to make proposals to the Council for the management structures for the various successive phases of the programme, on the basis of the following activities:
 - it shall draw up a business plan covering all the phases of the Galileo programme, on the basis of data to be supplied by the Commission, concerning the services that can be offered by Galileo, the revenue that they may generate and the necessary accompanying measures,
 - it shall negotiate, by way of a competitive tendering process with the private sector, an overall agreement for the financing of the deployment and operational phases that sets out the responsibilities, roles and risks to be shared between the public and private sectors;
4. to supervise the carrying-out of all programmes, if necessary with the assistance of a consultant, and to make any necessary adjustments in the light of developments occurring during the development phase.

Article 3

The Joint Undertaking shall conclude an agreement with the European Space Agency by which:

- it charges to it the carrying-out of the activities required during the development phase with regard to the space segment and the earth segment associated with the system, and to that end the Joint Undertaking shall make available the funds at its disposal for that phase. The European Space Agency shall be responsible for administering them in accordance with procedures to be set out in the agreement to be concluded with the Joint Undertaking and based on the principles of non-discrimination, transparency and fair distribution of work, taking into account the Community character of the programme. In this context, an adequate participation of small and medium enterprises shall be aimed at,
- the Commission shall have the right to ensure that the financial interests of the Community are protected by carrying out effective controls. Should the Commission discover any irregularities, it shall reserve the right to reduce or suspend any subsequent payment to the Joint Undertaking. The reduced or suspended amount shall be equivalent to the amount of the irregularities actually discovered by the Commission. Any disputes shall be settled on the basis of the provisions of the agreement,
- the procedures for carrying out the Galileo programme are defined, in particular, the activities launched by the European Space Agency relating to the programme and financed from funds not assigned to the Joint Undertaking.

Article 4

Without prejudice to Article 3, and following an invitation to tender, the Joint Undertaking may conclude a contract for the provision of services with undertakings or a consortium of undertakings, in particular to carry out the activities provided for in point 3 of Article 2.

The Joint Undertaking shall ensure that the contract provides for the right of the Commission to carry out, on behalf of the Joint Undertaking, controls in order to ensure that the financial interests of the Community are protected and, in the event of the detection of irregularities, to impose dissuasive and proportionate penalties.

Article 5

The Joint Undertaking shall have legal personality. In all the Member States of the European Community, it shall enjoy the most extensive legal capacity

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accorded to legal persons under the laws of those States. It may, in particular, acquire or dispose of movable and immovable property and be a party to legal proceedings.

Article 6

The Joint Undertaking shall own all the tangible and intangible assets created or transferred to it for the development phase of the Galileo programme. If applicable, the right of ownership of governmental cryptography stays with the governmental authority that developed the cryptographic method.

Article 7

1. The bodies of the Joint Undertaking shall be the Administrative Board, the Executive Committee and the Director.
2. The Administrative Board may seek the advice of an Advisory Committee.

Article 8

1. Composition of the Administrative Board, voting rights:
 - (a) the Administrative Board shall be composed of the members of the Joint Undertaking;
 - (b) unless otherwise provided for in these Statutes, decisions of the Administrative Board shall be adopted by a simple majority of the votes cast. ► **M1** Each member of the Joint Undertaking shall have a number of votes in proportion to the share of the contributions subscribed by them. ◀ The Commission and the European Space Agency shall have the same number of votes and, in any case, at least 40 % of the total of votes each.
2. Functions of the Administrative Board:
 - (a) the Administrative Board shall take the decisions necessary for implementing the programme and exercise overall supervision of the execution of the programme;
 - (b) the Administrative Board shall in particular:
 - appoint the Director and approve the organisation chart,
 - designate the members of the Advisory Committee,
 - adopt the financial regulations of the Joint Undertaking in accordance with Article 14(3),
 - in accordance with Article 13, approve the annual budget, including the staff establishment plan, the development plan for the programme development phase, and the programme cost estimates,
 - approve the annual accounts and balance-sheet,
 - decide on any acquisition, sale and mortgaging of land and other titles to real property, as well as on the giving of any sureties or guarantees, the taking-out of shares in other undertakings or institutions, and on any granting or taking of loans,
 - approve, by a majority of 75 % of the votes, any proposal involving a significant change in the implementation of the Galileo programme,
 - adopt the annual reports on the progress of the Galileo programme and its financial situation referred to in Article 16(2),
 - exercise such other powers and perform such other functions, including the establishment of subsidiary bodies, as may be necessary for the purposes of the Galileo programme,
 - adopt the terms of reference of the Executive Committee.
3. Meetings, rules of procedure of the Administrative Board:
 - (a) the Administrative Board shall meet at least twice a year. Extraordinary meetings shall be convened at the request of either one-third of the members of the Administrative Board representing at least 40 % of the

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voting rights or its Chairman or the Director. The meetings shall normally take place at the seat of the Joint Undertaking. The Administrative Board shall elect its Chairman from among its members. Unless otherwise decided in particular cases, a representative of the Executive Committee and the Director shall participate in the meetings;

- (b) the Administrative Board shall adopt its rules of procedure.

Article 9

1. Composition of the Executive Committee, voting rights:

- (a) the Executive Committee shall be composed of a representative of the Commission, a representative of the European Space Agency and, as soon as undertakings are involved, a representative of industries designated by the Administrative Board;
- (b) the Executive Committee shall meet in the presence of the Director and of a representative of the Member State holding the Presidency of the Council of the European Union;
- (c) decisions of the Executive Committee shall be taken unanimously, unless these statutes state otherwise.

2. Functions of the Executive Committee:

- (a) the Executive Committee shall assist the Administrative Board in the preparation of its decisions;
- (b) the Executive Committee shall in particular:
- advise the Administrative Board and the Director on the progress of the Galileo programme on the basis of regular reports,
 - comment and make recommendations to the Administrative Board on the programme cost estimates and the draft budget, including the staff establishment plan drawn up by the Director,
 - approve the tendering procedures and the procedures for the award of contracts in accordance with the rules on the award of contracts to be established by the Administrative Board, which may not influence the execution of decisions to be taken by the Executive Committee,
 - perform tasks entrusted or delegated to it by the Administrative Board,
 - approve the release of funds set out under the agreement concluded in accordance with Article 3.

3. Meetings, rules of procedure of the Executive Committee:

- (a) the Executive Committee shall meet at least once a month. The meetings shall normally take place at the seat of the Joint Undertaking;
- (b) subject to the approval of the Administrative Board, the Executive Committee shall draw up its rules of procedure.

4. Treatment of documents:

the Executive Committee shall adopt rules on the treatment of documents, in order to conciliate the purposes of security, commercial secret, and public access. These rules shall take into account, where appropriate, the principles and limits laid down in Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents ⁽¹⁾.

Article 10

1. The Director shall be the chief executive responsible for the day-to-day management of the Joint Undertaking and be its legal representative. He/she shall be appointed by the Administrative Board on a proposal from the Commission. He/she shall perform his/her duties with complete independence.
2. He/she shall direct the execution of the programme within the guidelines established by the Administrative Board to which he/she shall be responsible. He/

⁽¹⁾ OJ L 145, 31.5.2001, p. 43.

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she shall supply the Administrative Board, the Executive Committee, the Advisory Committee and all other subsidiary bodies with all the information necessary for the performance of their functions.

3. The Director shall in particular:
 - organise, direct and supervise the staff of the Joint Undertaking,
 - submit to the Administrative Board his/her proposals concerning the organisation chart,
 - draw up and regularly update the programme development plan and the programme cost estimates, in accordance with the financial regulations, and submit them to the Administrative Board,
 - draw up, in accordance with the financial regulations, the draft annual budget, including the staff establishment plan, and submit them to the Administrative Board,
 - ensure that the obligations with regard to the Commission pursuant to the contract concluded between the latter and the Joint Undertaking are met, and in particular its provisions allowing representatives of the Commission to carry out effective controls and, in the event of the detection of irregularities, impose dissuasive and proportionate penalties,
 - submit the annual accounts and balance-sheet to the Administrative Board,
 - submit to the Administrative Board any proposal involving a significant change in the design of the Galileo programme,
 - be responsible for security and take all the measures needed to meet security requirements,
 - draw up the annual report on the progress of the Galileo programme and its financial situation, and such other reports as may be requested by the Administrative Board, and submit them to the latter.

Article 11

1. The staff complement shall be determined in the establishment plan that will be set out in the annual budget.
2. The members of the staff of the Joint Undertaking shall have a fixed-term contract based on the conditions of employment of other servants of the European Communities.
3. All staff costs shall be borne by the Joint Undertaking.
4. The Administrative Board shall adopt the necessary implementing arrangements.

Article 12

All the revenue of the Joint Undertaking shall be applied to promoting the tasks defined in Article 2. Subject to Article 21, no payment by way of division of any excess revenue over expenditure shall be paid to the members of the Joint Undertaking.

Article 13

1. The financial year shall correspond to the calendar year.
2. Before 31 March of each year, the Director shall transmit to the members the programme cost estimates as approved by the Administrative Board. The programme cost estimates shall include a forecast of annual expenditure for the following two years. Within this forecast, the estimates of revenue and expenditure for the first of those two financial years (preliminary draft budget) shall be drawn up in such detail as is necessary for the internal budgetary procedure of each member regarding its financial contributions to the Joint Undertaking. The Director shall supply the members with all supplementary information needed for this purpose.

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3. The members shall forthwith communicate to the Director their comments on the programme cost estimates, and in particular on the estimates of revenue and expenditure for the following year.

4. Based on the approved programme cost estimates, and taking into account the comments received from members, the Director shall prepare the draft budget for the following year and submit it to the Administrative Board for adoption, by a majority of 75 % of the votes, before 30 September.

Article 14

1. Financial regulations shall be adopted by the Administrative Board by a majority of 75 % of the votes.

2. The purpose of the financial regulations is to ensure the sound and economic financial management of the Joint Undertaking.

3. The financial regulations shall in particular include the principal rules on:

- the presentation and structure of the programme cost estimates and the annual budget,
- the implementation of the annual budget and internal financial control,
- the method of payment of contributions by the members of the Joint Undertaking,
- the keeping and presentation of accounts and inventory records as well as the drawing up and presentation of the annual balance-sheet,
- the procedure regarding calls for tender, based on non-discrimination between the countries of the members of the Joint Undertaking and the Community character of the project, the placing and the terms and conditions of contracts and orders on behalf of the Joint Undertaking.

4. The detailed implementing rules enabling the Commission to ensure compliance with its obligations pursuant to Article 274 of the Treaty establishing the European Community shall be set out in an agreement between the Joint Undertaking and the Commission.

Article 15

Within two months of the end of each financial year, the Director shall submit the annual accounts and balance-sheets for the preceding year to the Court of Auditors of the European Communities. The audit executed by the Court of Auditors shall be based on records and performed on the spot. The Director shall present the annual accounts and balance-sheet, together with the report of the Court of Auditors, to the Administrative Board for approval by a majority of 75 % of the votes. The Director is entitled and, if requested by the Administrative Board, obliged to comment on the report. The Court of Auditors shall send its report to the members of the Joint Undertaking.

Article 16

1. The programme development plan shall specify the plan for the execution of all elements of the programme. It shall cover the whole term of the Joint Undertaking and be updated regularly.

2. The annual report shall show the progress of the Galileo programme, in particular with regard to the timetable, costs and performance of the programme.

Article 17

1. The Joint Undertaking shall be solely responsible for meeting its obligations.

2. The contractual liability of the Joint Undertaking shall be governed by the relevant contractual provisions and by the law applicable to the contract in question.

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3. Any payment by the Joint Undertaking for covering the liability referred to in paragraph 2 and the costs and expenses incurred in connection therewith shall be considered as expenditure of the Joint Undertaking.

4. The Director shall propose to the Administrative Board any necessary insurance, and the Joint Undertaking shall take out such insurance as the Administrative Board may direct.

Article 18

The Joint Undertaking shall ensure the protection of sensitive information whose non-authorised disclosure could damage the interests of the contracting parties. The Joint Undertaking shall apply the security principles and minimum standards set in force by Council Decision 2001/264/EC of 19 March 2001 adopting the Council's security regulations ⁽¹⁾.

The Joint Undertaking shall take into account the experience of the Galileo System Security Board (GSSB). It shall also follow the rules of the Security Board referred to in Article 7 of Regulation (EC) No 876/2002 for all questions relating to the security of the system.

Article 19

1. The Joint Undertaking is open for accession by members other than those referred to in Article 1(3)(a).

2. Any request for accession shall be addressed to the Director, who shall transmit it to the Administrative Board. The Administrative Board shall decide whether the Joint Undertaking shall start negotiations with the applicant on the conditions of accession, in particular taking into account security aspects. In the case of a positive decision, the Joint Undertaking shall negotiate the conditions of accession and submit them to the Administrative Board which shall act by a majority of 75 % of the votes expressed.

3. Membership of the Joint Undertaking may not be transferred to a third party unless the prior and unanimous agreement of the Administrative Board is given. Any unauthorised transfer shall entail the immediate termination of membership of the Joint Undertaking and liability for any damage caused to the Joint Undertaking.

▼M1*Article 20*

The Joint Undertaking shall be established for a period starting on 28 May 2002 and ending on 31 December 2006..

▼B*Article 21*

For the purpose of conducting the proceedings involved in winding up the Joint Undertaking, the Administrative Board shall appoint one or more liquidators, who shall comply with the decisions of the Administrative Board taken by a majority of 75 % of the votes.

Article 22

In any matter not covered by these Statutes, the law of the State where the seat of the Joint Undertaking is located shall apply.

Article 23

Any member of the Joint Undertaking may submit proposals for the amendment of these Statutes to the Administrative Board.

⁽¹⁾ OJ L 101, 11.4.2001, p. 1.

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If the Administrative Board agrees to such proposals by a majority of 75 % of the votes, the Commission shall make a proposal to the Council for their approval in accordance with the procedure provided for in the first subparagraph of Article 172 of the Treaty establishing the European Community.