

European Spallation Source ERIC
37th Meeting of Council
by video and at PSI, Villigen, Switzerland
19–20 February 2024

Approved Minutes

Prepared by: ESS Governance Office

Meeting participants

Robert McGreevy Chair of Council
Andrea Fischer Vice Chair of Council

Delegates

Marek Vyšinka	Ministry of Education, Youth and Sport	Czech Republic
Ondřej Svoboda	Nuclear Physics Institute of CAS	Czech Republic
Bo Smith	Danish Ministry of Higher Education and Research	Denmark
Jane Hvolbæk Nielsen	Technical University of Denmark, Dpt. of Physics	Denmark
Toivo Rääm	Ministry of Education and Research	Estonia
Priit Tamm	Research Council of Estonia	Estonia
Marie-Hélène Mathon	French Alternative Energies and Atomic Energy Commission	France
Sylvain Ravy	National Centre for Scientific Research	France
Ralph Dieter ¹	Federal Ministry of Education and Research	Germany
Martin Müller	Helmholtz-Zentrum Hereon	Germany
Balázs Káplai ²	Development and Innovation Office	Hungary
Pierluigi Campana	National Institute of Nuclear Physics	Italy
Odd Ivar Eriksen	The Research Council of Norway	Norway
Marek Jeżabek ¹	The Henryk Niewodniczanski Institute of Nuclear Physics	Poland
Ana Maria Aricha Yanguas	Ministry of Science, Innovation and Universities	Spain
Lars Börjesson	Chalmers University of Technology	Sweden
Viktoria Mattsson	The Swedish Research Council	Sweden
Christian Rüegg	Paul Scherrer Institute	Switzerland
Xavier Raymond	State Secretariat for Education, Research, and Innovation	Switzerland
Mark Thomson	Science and Technology Facilities Council	United Kingdom
Ana Delgado	Department of Science, Innovation and Technology	United Kingdom

¹ On Zoom

² On Zoom and only joined to the Formal Meeting

Advisors

Line Bekker Poulsen ¹	Danish Agency for Higher Education and Science	Denmark
Morten Scharff	Ministry of Higher Education and Research	Denmark
Jean-Luc Biarrotte	French Ministry of Higher Education and Research	France
Johannes-Maria Wingen ¹	German Federal Ministry for Education and Research	Germany
Dariusz Bocian ¹	Institute of Nuclear Physics of PAN	Poland
Mario Perez	ESS-Bilbao	Spain
Aleksandar Matic ¹	Chalmers University of Technology	Sweden
Johan Holmberg	The Swedish Research Council	Sweden
Roger Eccleston	Director, ISIS Pulsed Neutron and Muon Source	United Kingdom
David Snell	Department of Science, Innovation and Technology	United Kingdom

Advisory Committee Chairs

Johanna Brandenburg	AFC Chair
Fiamma García Toriello	IKRC Chair
Victoria Garcia Sakai	SAC Chair

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Helmut Schober	Director General
Anders Ihr	Administration Director
Andrew Kimber	Project Director
Carlo Bocchetta ¹	Associate Director for Infrastructure and Operations
Giovanna Fragneto	Science Director
Kevin Jones	Technical Director
Karin Hélène	Head of Director General Office
Florian Weissbach ³	Head of Finance & Business Control
Ivan Korunoski ³	Head of Internal Audit
Marina Giampietro ³	Group Leader Communication
Mirko Menninga ³	Head of Procurement, Supply & Logistics
Michela Dell'Anno Boulton	Governance Office Lead – Council Secretary
Elisabetta Romano	Governance Administrator
Mark Robinson ³	Head of In-Kind Management Division

Excused

Ákos Horváth	HUN-REN Centre for Energy Research	Hungary
Mateusz Gaczyński	Ministry of Science and Higher Education	Poland
Adolfo Morais Ezquerro	Basque Department for Education	Spain
Aldo Covello	Italian Ministry of Education, University and Research	Italy

³ Only joined the Formal Meeting

1. Welcome and Opening of the Meeting

The Chair called the meeting to order on the 20th of February 2024 at 08:30 and welcomed the participants.

Tania Claudio Weber was welcomed as advisor to the German delegation for Council.37 and likewise was David Snell, advisor to the UK delegation taking over after James Loveder.

2. Adoption of the Agenda

Upon motion duly made,

Council unanimously

- **approved the agenda for its 37th Formal Meeting.**

3. Approval of the Minutes of the 36th Meeting of Council

Two proposals for amendments had been received beforehand by the Spanish delegation, one minor in the Open Minutes and one in the Restricted Minutes. The Swedish delegation asked for a clarification on the NPP Table.

Upon motion duly made,

Council unanimously

- **approved the Open Minutes from the 36th Meeting with one amendment requested by Spain, and the Restricted Minutes from the 36th Meeting with one amendment requested by Spain and pending a clarification asked by the Swedish delegation on the NPP Table.**

4. Matters Arising

The Council Secretary, Michela Dell'Anno Boulton, summarised the Council action items, both those proposed for closure at the meeting and those still ongoing.

In relation to the action regarding the signature of the In-Kind Collaboration Agreement with Spain, the Spanish delegation informed Council that before the IK agreement signature, an extension of the lifetime of the Consortium ESS Bilbao was required. To this end, an addendum to the Agreement between the Spanish Government and the Regional Basque Government was in the final steps of its process, as the Spanish government had concluded its internal process and the remaining procedure towards the final signatures was now with the regional Basque authorities.

Upon motion duly made,

Council unanimously

- **closed the following action item proposed for closure⁴: C.36.05.b**

⁴ See Annex 1 of the document Council.37.04 uploaded on Indico

5. Reports I

5.a Report from the Chair

The Council Chair, Robert McGreevy, gave a brief report based on the sessions on Steady State Operations (SSO) that took place during the Strategy meeting, highlighting some main points deriving from the discussions of the previous day and establishing the next steps in the SSO planning.

Four work streams were identified: political, sharing, budget and Statutes and Policies.

Regarding the first stream, the Chair was hoping to start a round of discussions with the single Members in April. For the sharing of SSO costs it was important to recognise its different components and look into sharing models and algorithms, preparing an analysis paper to present to Council in June where pros and cons of the different solutions were weighted against each other. It was discussed that the Council Working Group on SSO might also help with the analysis of sharing models, on top of monitoring the ESS process towards the SSO budget.

Finally, the Chair would send to Council a list of policies necessary for SSO presented in order of priority with regards to drafting and updating.

Council

- **took note of the Report from the Chair and the list of upcoming actions.**

5.b Status Update from the Director General

The Director General, Helmut Schober, opened his update presenting to Council the latest achievements in the various parts of the project, in particular the advancement of installations in the Accelerator tunnel with a nearly complete set of CryoModules ready for Beam on Dump (BoD). He described 2024 as a crucial year for the completion of the construction project, with several important milestones in all the sub-projects paving the way to Beam on Target (BoT) in 2025.

Despite the prompt reaction when facing a number of new technical challenges, the swift response to questions posed by the Swedish Radiation Safety Authority (SSM) in December 2023, the progress in the instruments belonging to Tranche 1 and the latest positive developments regarding the final depository of the radioactive waste, the attention remained high on the Licensing deadlines and on the re-planning of instruments in the later tranches, as well as for other activities that might impact the critical path.

Schober reinforced the need of a joint and relentless effort to master and mitigate all project risks in order to meet expectations and secure success.

Council

- **took note of the Status Update from the director General.**

6. Internal Audit Function

The Head of the Internal Audit function, Ivan Korunoski, presented to Council the responses from the Organisation to findings of the internal audits conducted in 2022 on Internal and External Communication, Procure-to-Pay and Cash-flow management.

In the vast majority of cases the findings had been acted upon and the actions had been closed, with only a few still ongoing.

He then presented the findings of the audits conducted in 2023, namely on Energy Management and on the Management of findings from external auditors. The audit on Management of Consultants was yet to be completed.

Finally, he presented the plan of the audits for 2024 and Q1 2025.

Council

- **took note of the actions taken to address findings from 2022/2023 audits;**
- **took note of the 2024/Q1 2025 plan.**

7. Financial Aspects

7.a Introduction of the new Administration Director

The Administration Director, Anders Ihr, who started his mandate at ESS on 2 January 2024, briefly introduced himself to Council, also reporting on his first impressions after his first weeks at ESS and priorities for the months to come.

Council

- **took note of the presentation of the new Administration Director.**

7.b Cash Flow Status and Cash Facilities

Florian Weissbach, Head of Finance and Business Control, presented to Council the latest view on cash flow and re-payment of the existing Cash Facilities.

A second early re-payment to reduce financing costs was planned for 2024 (either in April or October), following the first one of 35 MEUR of October 2023 and now possible due to the NPP commitments made at Council 37. The amount was expected to be significantly higher compared to the first, however it had to be carefully fine-tuned to balance risks and opportunities and taking into account all the inputs to the cash flow balance. Weissbach could foresee the preparation of a Council Written Procedure in March 2024, with two scenarios (no early-repayment or a substantial one in April) and containing all the information necessary for Council to make an informed decision.

Council

- **took note of the update on Cash Flow and Cash Facilities.**

8. Procedures

8.a Appointment of the CEC Members

Since the term of CEC members appointed by Council had ended between January and June 2023, and that the updated CEC Terms of Reference had been approved by Council in December 2023, a Call for Nominations for CEC Chair and CEC members had been launched by the Governance Office. As a result of it, the German Council delegate Martin Müller, nominated by Germany, was appointed as CEC Chair, and the French AFC delegate Stéphanie Lê Vân, nominated by France, was appointed as CEC member. Council further appointed as CEC member Martin Walter, Head of Administration at ILL, who had been nominated by the Council Chair as external expert.

Upon motion duly made,

Council appointed

- **Martin Müller as Chair of CEC for a two-year term starting 1 January 2024;**
- **Stéphanie Lê Vân as member of CEC for a two-year term starting 1 January 2024;**
- **Martin Walter as external member of CEC for a two-year term starting 1 January 2024.**

8.b Appointment of SAC Members

Giovanna Fragneto, Science Director, presented to Council the final proposal for new SAC members.

Special competence within data was still difficult to find and was needed in the SAC. The Chair proposed the creation of a little advisory group for DMSC, similar to the STAPs.

It was suggested for the next appointment procedure to specifically ask Council what areas of expertise were underrepresented in the Committee and also to maintain an optimal balance of nationalities in order to engage all user communities.

Upon motion duly made,

Council appointed

- **Romain Sibille**
- **Frank Schreiber**
- **Anne Borg**
- **Debora Berti**
- **Hartmut Abele**

to the ESS Science Advisory Committee for a three-year term starting 1 January 2024.

8.c Search & Selection Committee for Machine and Development Director

The Director General presented the current status of the search for a future Machine and Development Director. A first draft job description had been made available to Council beforehand and Council would be asked to nominate one member for the Search and Selection Committee shortly after the meeting.

Upon motion duly made,

Council

- **took note that they will be asked to nominate one member for the Search and Selection Committee;**

Council

- **approved the proposed draft job description for the Machine and Development Director, to be further developed by the SSC and**
- **asked ESS to initiate a tender process for a search agency to support ESS with the recruitment process of a Machine and Development Director.**

8.d Bank Mandate Update

The Head of Finance and Business Control, Florian Weissbach, presented the changes to the list of ESS employees authorised to perform banking services.

Upon motion duly made,

Council

- **approved the updated annex to the mandate regarding banking services on the Authorised Individuals as enclosed in C.37.08.d as per 20 February 2024.**

8.e Approval of the ToR of the Council Working Group on SSO

After a brief discussion, the Chair communicated to Council that an updated version of the ToR would be sent to Council together with a Call for nominations for the WG shortly after the meeting.

Council

- **took note that an updated version of the Terms of Reference of the Council Working Group on Steady State Operations would be sent shortly after Council.37 and a Call for Nominations for the composition of the Working Group would be started.**

8.f Approval of the ToR of the Council Working Group on Risks

After a brief discussion, the Chair communicated to Council that a new proposal for how to work on risk reviewing and related ToR would be sent to Council shortly after the meeting.

Council

- **took note that a new proposal for how to work on risk review and related Terms of Reference would be sent shortly after Council.37.**

8.e Approval of the Contingency Drawdown for the Cost of Capital

The Project Director, Andrew Kimber, explained that, due to the higher-than-anticipated increase of interest rates and the breaking fees and commitment fees linked to the first early repayment of the Cash Facilities from October 2023, and despite the savings due to the early re-payment, the total value of the new forecast for the cost of capital exceeded the original re-baseline budget for the cost of capital by 195,8 MSEK. Using the reference exchange rate of 11,1807, the same amount converted to 17.5 MEUR. This amount had to come from the contingency and, being above 10 MEUR, Council was asked to approve the contingency drawdown as per Council Resolution C.26.99.6.d.

Upon motion duly made,

Council

- **approved the contingency drawdown of 17,5 MEUR (195,8 MSEK) for the Change Request (CR)0435 “Additional budget to cover for cost for Cash Facility I and II (CF I and CF II)”.**

8.h Appointment of the External Auditor

The Head of Finance and Business Control, Florian Weissbach, reminded Council that, according to the ESS Statutes, Art. 24.2, and according to the ESS Financial Rules, Art. 26.2, Council shall appoint the external auditors for four years. Re-appointment was possible. ESS' current auditor, KPMG, was appointed by Council.18 in February 2020 for the annual reports 2020-23. Therefore, in autumn 2023, ESS made a tender for external audit services for the annual reports 2024-27. One company, KPMG, made a submission. Other companies had expressed interest, but did not submit a proposal. Council was therefore asked to re-appoint KPMG for the years 2024-27.

Upon motion duly made,

Council

- **re-appointed KPMG as external auditors for the annual accounts 2024-27.**

9. Confirmation of Resolution

The Council Secretary, Michela Dell'Anno Boulton, presented to Council the list of resolutions for Council.37.

Upon motion duly made,

Council unanimously approved

- **the Resolutions from the 37th meeting of Council.**

10. Any other Business

The Council Secretary, Michela Dell'Anno Boulton, presented to Council the list of dates for upcoming Council meetings. It was noted that a clash with the ECRI conference could affect the December 2024 Council meeting. The Governance Office would enquire to see how many delegations were involved in the conference and report to the Chair.

There being no further business to discuss, the Chair brought the meeting to an end at 12:45.

Closure of the Meeting

Annex 1: Results of the Written Procedure C.34.99.a

Council Approval of the first Early Re-payment on Cash Facilities previously recommended by the Administrative and Finance Committee

On 7 September 2023 ESS Governance Office initiated two written procedures regarding the first early re-payment on cash facilities, one for AFC to recommend it and the other one for Council to approve it. The AFC recommendation was communicated to Council on 22 September 2023. The details of the Council's voting behaviour regarding the subsequent approval are provided below:

Delegation	Represented by	Date	Vote
Czech Republic	Vyšíňka	26 September 2023, 11:45	in favour
Denmark	Smith	26 September 2023, 14:50	in favour
Estonia	Räim	22 September 2023, 12:47	in favour
France	Mathon	25 September 2023, 08:34	in favour
Germany	Dieter	22 September 2023, 10:16	in favour
Hungary	Kápli	26 September 2023, 20:01	In favour
Italy	Covello	25 September 2023, 08:00	in favour
Norway	Eriksen	26 September 2023, 21:57	in favour
Poland	Gaczyński	25 September 2023, 09:37	in favour
Spain	Aricha Yanguas	25 September 2023, 08:54	in favour
Sweden	Börjesson	25 September 2023, 08:06	in favour
Switzerland	Reymond	22 September 2023, 12:31	in favour
UK	Thomson	25 September 2023, 10:14	in favour

13 out of the 13 Member delegations voted in favour of the recommended resolutions by the deadline. The last vote was received by electronic mail on 26 September 2023 at 21:57 CEST.

Therefore,

Council, by written procedure, unanimously approved the

- **cancellation of the second cash facility including the last drawdown;**
- **first early re-payment towards the two cash facilities of up to 35 M€⁵ at the next possible payment date, i.e., 31 October 2023.**

⁵ 35 M€ according to the SEK-to-EUR exchange rate on 6 September 2023. The pre-payment to EIB will be made in EUR, the pre-payments to NIB and SEK will be made in SEK. Therefore, depending on exchange rate fluctuations, the total EUR amount of the first pre-payment on 31 October 2023 may deviate from 35 M€.

Annex 2: Results of the Written Procedure C.34.99.b

Council Appointment of the ESS Administration Director

On 27 October 2023 ESS Governance Office initiated a written procedure concerning the appointment of Anders Ihr as the ESS Administration Director for a five-year term, and the mandate to the Director General for the contractual negotiation. The details of the Council's voting behaviour are provided below:

Delegation	Represented by	Date	Vote
Czech Republic	Svoboda	8 November 2023, 15:19	in favour
Denmark	Smith	7 November 2023, 09:36	in favour
Estonia	Räim	3 November 2023, 11:01	in favour
France	Mathon	6 November 2023, 12:07	in favour
Germany	Dieter	7 November 2023, 08:28	in favour
Hungary	Kápli	8 November 2023, 15:22	In favour
Italy	Covello	27 October 2023, 14:08	in favour
Norway	Eriksen	3 November 2023, 09:49	in favour
Poland	Gaczyński	7 November 2023, 09:45	in favour
Spain	Aricha Yanguas	31 October 2023, 13:20	in favour
Sweden	Börjesson	8 November 2023, 11:04	in favour
Switzerland	Reymond	3 November 2023, 10:14	in favour
UK	Delgado	3 November 2023, 20:11	in favour

13 out of the 13 Member delegations voted in favour of the recommended resolutions by the deadline. The last vote was received by electronic mail on 8 November 2023 at 15:22 CET.

Therefore,

Council, by written procedure, unanimously

- **appointed Anders Ihr as the ESS Administration Director for a period of five years, starting as soon as possible (1 Jan 2024);**
- **mandated the Director General to negotiate and sign an employment contract between ESS and the candidate, within the conditions mentioned in Annex 2 of the Written Procedure.**

Verified and approved by ESS Council at its 38th Meeting on 4–5 June 2024



Robert McGreevy
Council Chair



Michela Dell'Anno Boulton
Council Secretary