

# Biobased Industries Consortium (BIC) AISBL

## INTERNAL RULES

31 March 2023

The present Internal Rules were adopted by the BIC AISBL General Assembly. The Internal Rules specify and implement the provisions of the Statutes and regulate the activities of the Association.

The purpose of the Internal Rules will be to complete and apply the Statutes and to establish administrative rules, without violating either the spirit or the letter of these Statutes. In case of contradiction between the Statutes and the Internal Rules, the Statutes prevail. (Articles of the Statutes are quoted below in bold for reference)

### **1. LEGAL STATUS, NAME AND REGISTERED OFFICE**

**Ad 1.2 The registered office of the Association is located in Brussels, Belgium.**

The official address of the Biobased Industries Consortium (BIC) is:

*Biobased Industries Consortium (BIC)  
Square de Meeûs 38-40  
B-1000 Brussels  
Belgium*

### **5. MEMBERSHIP**

***Ad 5.2.1 This kind of membership ('Industry Membership') is open to industrial and commercial companies, or any other kind of legal entity representing industrial and commercial companies, which are active in the field of biobased industries .***

Active in the field of biobased industries means:

- In general: active through either research, innovation or demonstration along the value chain and actively involved in building businesses and business cases to contribute to a more competitive, efficient and sustainable Europe.
- More specific: Active in the field of the production, logistics, or transformation and/or processing of biomass, including aquatic/waste/residues or side-streams (e.g. via biorefineries) with existing and new processes into a spectrum of innovative marketable products and energy and as such actively taking part or building new innovative bio-based value chains.

**Ad 5.2.3.1 Industry Full Members categories are defined as follow:**

The Industry Full Members shall be divided in the following size-based categories in accordance with the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (hereafter 'Enterprise Size-based Categories'):

- (a) Category 1: The category of large-sized enterprises
- (b) Category 2: The category of small and medium-sized enterprises
- (c) Category 3: The category of micro-enterprises;
- (d) Category 4: National or regional SME clusters

SMEs are enterprises that employ less than 250 persons and have either an annual turnover not exceeding EUR 50 million or an annual balance sheet total not exceeding EUR 43 million.

Micro-enterprises are enterprises that employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed EUR 2 million.

An SME cluster is a group of small, medium-sized and micro companies and other stakeholders. Clusters can only represent their SMEs within BIC, and can apply for Industry Membership if they represent at least two of their SME members, with a (written) mandate from their participating companies and commitments for investment into PPP projects by those companies.

Membership fees for Industry Full Members are detailed in Article 8 of the present Internal Rules

**Ad 5.2.4. Industry Project Members**

Companies in CBE JU project consortia that are not yet a BIC member can become an Industry 'Full' or a 'Project' Member. 'Project Member' is a temporary status, which lasts for the time period (at the maximum) of between the opening of an annual call until the results of the evaluation are known and/or the grant agreement has been signed:

- Companies that became a 'Project member' before the closing date of the call of the AWP for whom the project proposal is successful (in case of a positive evaluation) automatically become a BIC "Full Member" after signing the Grant Agreement for the CBE JU project, and have to remain a 'Full Member' for the duration of the project
- In case of a negative evaluation of the project proposal and no grant will be received, 'Project Members' can choose to become a BIC Full member or to resign as a BIC member.
- *Also members of SME clusters will have to become a BIC Project Member (and Full member) to be 'legally' labeled as a 'BIC member' by CBE JU/EC.*

***Ad 5.3.1 Legal entities that have an interest in the activities of BIC but are not companies active in the field of biobased industries (hereafter the 'Associate Members') are eligible for Associate Membership.***

Associate Membership categories are:

- Category A: Individual research organisations: organisations such as RTOs and Universities, who as their predominant activity provide research and development, technology and innovation services to enterprises, governments and other clients;
- Category B: National and regional clusters and associations, representing research organisations; European Technology Platforms;
- Category C: European Industry Trade associations, NGOs and other organisations (e.g. financing institutes) which have been recognized by the General Assembly as contributing to the Objectives of BIC;
- Category D: Consultants and consultancies.

Cat A and B will indirectly be involved in programming activities, not Cat C and D members.

Membership fees for Associate Members are detailed in Article 8 of the present Internal Rules.

***Ad 5.3.2 Associate Members enjoy the following rights:***

Concerning the CBE JU Programming activities:

- Associate Members of Category A and B will be consulted for the annual work programmes.
- Associate Members of Category C and D will be informed of the annual work programmes
- All Associate Members are invited to participate in the annual matchmaking events and have access to the partnering platform.

## **6. APPLICATION FOR MEMBERSHIP**

***Ad 6.1 All applications for membership shall be sent to the BIC's Executive Director, with all necessary documentation evidencing that the applicant fulfills the membership requirements.***

Applicants have to complete and sign the membership Application Form, and provide all requested information.

Applicants for Industry (Full) membership will also submit:

- For SME clusters, a signed letter of delegation of representation by at least two SMEs in their membership.

In case of uncertainty on the category of the applicant for Industry (Full) Member, the Board of Directors will discuss the category with the applicant, based on the information provided and the request of the applicant, before submitting a suggested category to the General Assembly, who will make a final decision.

In case of uncertainty on the category for an Associate Member, the Board of Directors can postpone any decision on acceptance of the applicant or can decide on a temporary admittance, until the next General Assembly.

## 8. OBLIGATIONS OF THE MEMBERS - FINANCIAL CONTRIBUTION

### **Ad 8.2** *Financial contribution – annual membership fee*

The membership fees will be established on a yearly basis by the General Assembly, upon proposal of the Board of Directors. The membership fees and eventual other financial contribution are voted by the General Assembly as a non-weighted vote.

The annual membership fees by category are:

Membership Category	Sub-category	Fees
<b>Industry (Full) Members</b>	Cat. 1: Large Industry	€ 30.000
	Cat. 2: SME <sup>1</sup> (excluding micro-enterprises)	€ 5.000
	Cat. 3: Micro-enterprise <sup>2</sup>	€ 1.500
	Cat. 4: SME cluster	€ 5.000
<b>Industry (Project) members<sup>3</sup></b>		-
<b>Associate Members</b>	Cat. A: Individual (non-for-profit) research organisations	€ 1.000
	Cat. B: Clusters or associations representing research organisations	€ 1.000
	Cat. C: European Industry Trade associations, NGOs, and other organisations	€ 1.000
	Cat. D: Consultants and consultancies	€ 5.000

- For new members, who apply for BIC membership after July 1<sup>st</sup>, the membership fee will be calculated as a pro-rata of the number of months to the end of the financial year at the date of Board approval.

### **Ad 8.3 Project contributions**

A project contribution of a maximum 8% will have to be paid by Industry (Full) Members participating in an Innovation Action. This project contribution is a fixed fee, calculated as a percentage of the grant received by the Industry Full member (as mentioned in the Grant Agreement), so not on the total grant received by the consortium.

A first installment of 4% shall be paid at the start of the project (at the time of the pre-financing of the grant). The second installment of a maximum 4% shall be paid upon receipt of any additional funds released by the CBE JU Programme Office (second installment or other payment). The exact percentage of the second installment of the project contribution will be decided and announced after the grants of the first two CBE JU calls have been attributed, but will be equal or lower than 4%. For Innovation Actions: if industry participants in the consortium are not yet members of BIC, the participants that are members shall invite them to consider becoming a member.

## **9. GENERAL ASSEMBLY**

### **9.1 Organisation of the General Assembly**

***Ad 9.1.1 The General Assembly of the Association shall be convened by the Chairperson of the Association or Executive Director and shall meet at least for one ordinary meeting per year. ...***

- To the exception of any extraordinary General Assembly, the Board of Directors and the Executive Director will set the date(s) of the General Assembly meetings for the whole year well in advance in order to facilitate organisation.

***Ad 9.3.2 Each Industry (Full) Member has one vote, except in the case of resolutions to be adopted on matters of a strategic nature as detailed in Article 9.2.2, where instead a weighted voting mechanism shall apply as follows:***

Each Industry (Full) Member has one weighted vote according to its membership category. Vote Weight according to categories and types of decisions:

<b>Membership Category</b>	<b>Vote Weight</b>	
	<b>Structural decisions with non-weighted vote</b>	<b>Strategic decisions with weighted vote</b>
Industry Member Category 1	1	6
Industry Member Category 2, 3 and 4	1	1
Associate Members	No vote	No vote

### **Ad 9.3 Quorum and Adoption of Decisions**

Rules for quorum and decision by the General Assembly, as described in the Statutes under Article 9.3 and article 17, are summarized in the table below:

<b>Decision</b>	<b>Majority</b>	<b>Quorum</b> (present and represented)
Decisions	2/3 of the votes	1/2 of the Members
Exclusion of a Member	3/4 of the votes	1/2 of the Members
Amendments to the Statutes	3/4 of the votes	2/3 of the Members
Dissolution of the Association	4/5 of the votes	2/3 of the Members

## **10. BOARD OF DIRECTORS**

### **10.1 Composition and designation**

**Ad 10.1.1 The Association is managed by the Board of Directors whose members are physical persons or legal entities and are elected by the General Assembly. The minimum number of Directors on the Board of Directors is six and the maximum number is twelve.**

The Board of Directors composition should be a balanced reflection of the composition of the Industry (Full) Members.

- Legal entities must state clearly who within their organisation will represent them as a Director of the Board.
- The Board aims to have the maximum number of Directors.
- The following procedure will be used for the election of the Board of Directors.

#### ***Voting procedure and principles for the selection of the Board of Directors:***

Industry (Full) Members will elect the Board of Directors according to the following voting procedure and principles.

#### **Principle for a balanced reflection of the composition of the Industry (Full) Members:**

Five industry sectors have been chosen as key sectors of the biobased industries:

- agri & agro-food;
- forest based and pulp & paper;
- chemicals & materials;
- other sectors (biotech, technology providers, bioenergy/biofuels, marine/algae, end-users, etc);
- SMEs & SME representatives: for all and only category B Members.

Industry (Full) Members choose their key sector of activity when applying for membership. This cannot be changed for a period of 2 years once elected.

Before the General Assembly vote:

1. Industry (Full) Members can propose one (1) candidate for a seat in the Board of Directors; the candidate needs to be of an appropriate level. He or she will provide the Executive Director of the Association with a CV and a short description on how they see their role on the Board of Directors (template provided).
2. Candidates will indicate what sector they represent.
3. An Election List will be prepared, stating: name of the candidate, affiliation (or members they represent in case of multiple SME-representations) and the sector they represent.

During the General Assembly vote:

1. The Industry (Full) Member representatives will fill-in a single Election List.
2. Each Industry (Full) Member has 3 votes to be used for 3 different candidates. Members have the right to vote for any candidate (including their own candidate), but need to use all 3 votes; Election Lists with less than 3 ticks will be invalid.
3. Candidates are ranked according to the amount of votes received: he/she who has most votes is ranked highest.
4. The following candidates are elected on the basis of most votes received, up to a maximum of 12 seats in total, and respecting the minimum number of seats per sector given below. They are elected for a period of two (2) years.
5. The minimum number of seats allocated to the sector are:
  - agri & agro-food: 2
  - chemicals and materials: 2
  - forestry and pulp & paper: 1
  - other sectors (biotech, technology providers, bioenergy/biofuels, marine/algae, end-users, etc): 1
  - SMEs and SME representatives: 2

The membership situation (how many in each sector) will be evaluated to define the sectors and the allocation of minimum number of seats per sector every two years based on an analysis of the membership .

***Ad 10.2.3 The Board of Directors is, amongst others, competent for: [...] choosing among the Directors, the BIC representatives to the CBE Governing Board, and informing the General Assembly;***

The BIC representatives to the CBE JU Governing Board are selected amongst BIC Directors. They will represent BIC and not their organisation or a sector.

The BIC representatives to the CBE JU Governing Board are 5 BIC Directors, among which the Chairperson of BIC (de facto), and an SME representative (selected from the 'SME and SME representative' sector). All other BIC Directors can be "Alternates", replacing Governing Board Members when they cannot attend a meeting.

**Ad 10.2.4** *The Board of Directors shall meet according to the rules defined in the Internal Rules. The Board of Directors shall meet at least twice a year and also on the initiative of the Executive Director. The meeting notice will be notified by mail or email at least two weeks before the date of the meeting and must include the agenda.*

- The Board of Directors will – as soon as established – and latest every December of the year set up a meeting schedule for the meetings of the Board of Directors for the coming calendar year. In this, they will also include one meeting just before and as preparation for the General Assembly.
- The meetings of the Board of Directors may be held virtually, without the members physically attending the meeting in the same place, by conference call or video conference or by any other relevant communication means. In these cases, decision making is allowed via these virtual means, and will be confirmed by mail or email by each of the separate members present at the meeting.
- All members will receive the agenda and a summary of the decisions taken by the Board of Directors within two weeks of the date of each meeting.

## **11 WORKING GROUPS**

**Ad 11.3** *The operational details of the functioning of the Working Groups are further detailed in the Internal Rules.*

- The decision to set up Working Groups lies within the Board of Directors.
- The Board of Directors will designate one Director per each Working Group to secure the link with the Board of Directors and in order to manage decision making. The Board of Directors will appoint a chairperson for each of the Working Groups.
- A list of Working Groups, tasks and mission will be communicated to the Members and each Member will be asked to contribute to the Working Groups; external advisors can be asked to complement the Working Groups.
- For each General Assembly, a short summary of objectives and achievements of the Working Groups will be provided to the members.
- Working Groups will set up an annual plan and report on a quarterly basis to the Board of Directors.



## **13 BIC's EXECUTIVE DIRECTOR**

### ***Ad 13.4 The function of Executive Director is remunerated.***

- The remuneration of the Executive Director is decided by the Board of Directors as part of his/her contract negotiation. Such remuneration should be at a level consistent with the common practice for Directors of European Industry Associations in Brussels.

### ***Ad 13.6 The duties of the Executive Director and the outline organisation of the BIC Office are specified in the Internal Rules.***

- The Executive Director reports and is accountable to the Board of Directors.  
The Executive Director will report to the Board of Directors whenever necessary, but at least with the frequency as requested by the Board of Directors; these reports will be done by means of written reports as well as verbal explanations / face-to-face meetings whenever requested by the Board of Directors.
- The Executive Director is entrusted with and responsible for the daily management of the Association, which includes amongst others, selecting and managing the BIC Office
- The Executive Director prepares the budget of the Association and is responsible for follow-up on the approved budget
- The Executive Director proposes strategies to the Board of Directors and implements the Board's decisions and approved strategies;
- The Executive Director will prepare, coordinate and follow-up the meetings:
  - of the Board of Directors
  - of the General Assembly
  - with the CBE JU
  - with the relevant European institutions

## **15. REPRESENTATION**

### ***Ad 15***

- Any representative of the Association shall always act in accordance with the objectives of the Association. It shall, in this respect, inter alia:
  - Consult with the members of the Association through relevant bodies (Board of Directors, Working Groups) depending on the issue.
  - Not defend positions that have not been agreed upon within the Association, that only represent a part of the Members and of which it might be anticipated to not be the position of the whole Association
  - Report back to the members through the relevant body on the representation role taken
- For Directors of the Board, a liability/third party insurance can be taken out.

## 16. ACCOUNTS AND BUDGET

***Ad 16.2 The Board of Directors shall submit for approval by the Annual General Assembly accounts for the past financial year and a budget for the next year.***

The annual budget shall include, inter alia, the following categories:

- Income
  - Total revenues (fees and possible additional financial contributions)
- Expenses
  - Salaries
  - Operational costs, such as
    - Travel and expenses
    - Telecoms & ICT
    - Conferences
    - Subscriptions
    - Meetings
    - Office
    - Office supplies
    - PR
    - Bookkeeping and audit
    - Insurances
  - Experts support (e.g. lawyer)
  - Reserved fund (2% fixed income)
- The Executive Director shall send a status on budget and accounts to the Board of Directors every quarterly and be discussed at the subsequent meeting of the Board.
- The status shall include a comparison between the expenditures per category as defined in the planned budget and as spent.

## 19. INTERNAL RULES

***Ad 19.1 Upon proposal of the Board of Directors, the General Assembly shall adopt the Internal Rules, which implement and specify the provisions of these Statutes and also regulate the activities of the Association. ...***

Amendments to the Internal Rules can be proposed by any Industry (Full) Member, by a member of the Board of Directors and the Executive Director. The Executive Director will present proposals for amendments for the Internal Rules to the General Assembly, which will decide on the incorporation of such amendments.

Every year, in preparation of the General Assembly meeting, the workability of the Internal Rules will be assessed by the Board of Directors and fed back to the General Assembly. In this respect, the Board of Directors will propose eventual changes to Internal Rules for approval by the General Assembly.