# The Future of EUGIN

## Summary & Background

We recently sent a discussion paper regarding the future of the European Navigation Conference and a series of proposals and recommendations which we offered for discussion and consideration prior to possible decisions at the May Council Meeting and General Assembly. However, since then we have been considering a far more important and urgent situation – the very future of EUGIN itself. As a result, we have now prepared this discussion paper, which we now offer for your urgent consideration.

As you know, we have for some time been trying to resolve the issues related to the legal registration and address of EUGIN itself. As a result, we have commissioned BoldLaw in Brussels to provide EUGIN with legal support. We have also found a new host for the legal address for EUGIN. The updated documents were submitted by BoldLaw earlier this year, and the Antwerp Enterprise Court replied through a formal letter in January 2023. Unfortunately, the submitted documents were **rejected**. A fundamental aspect of the new requirements is that the Articles of Association of EUGIN need to be revised. As reported at previous EUGIN Council meetings we have known for some time that there was a need to revise the Articles to bring them into alignment with European and Belgium legal requirements. At the time, it was decided (by Council) to firstly address the legal registration and address issues before tackling the matter of revising the Articles of Association. However, it is now clear that the tasks are fundamentally linked and must be handled at once.

This protracted venture has resulted in high legal fees for the work of BoldLaw, which must be covered by the limited EUGIN funds. In addition, the EUGIN funds have not been significantly increased by a "profit share" of the ENC conferences for many years. In simple terms the EUGIN bank account has less than €2000 remaining. Our knowledge of known financial commitments (payments for the address, web hosting, bank fees etc.) means that by the end of this calendar year we estimate that the balance will be only €900. In order to finalise the revised Articles and for them to be processed in the correct legal manner we estimate that we will incur additional costs of around €4200. Clearly, we have reached an immediate and critical point, and firm decisions at the upcoming meetings are needed urgently.

## Options

Based on due consideration of the factors outlined above we propose the following options:

1. The General Assembly could take the decision that EUGIN is closed down as a legal not-for-profit organisation, with immediate effect. Clearly, the group could possibly continue as an informal discussion forum between the member Institutes, but would have no formal registration or administration, and would work purely through volunteered time and services. In order to officially shut down EUGIN we would still need to commission legal representation and a Notary to execute the formal legal process. This would mean that even with this terribly unfortunate outcome EUGIN could expect to incur additional financial costs of perhaps €3000 - €4000. We would propose that the inevitable deficit in EUGIN finances is equally shared by the EUGIN members (possibly of the order of €450 per member).
2. The General Assembly could support the current efforts to complete the process of legal registration and the submission of the revised Articles of Association, by the end of this calendar year. This would inevitably mean that there would be a need for an exceptional injection of financial support from the EUGIN members to cover the remaining legal costs (estimated at €4200) and the ongoing operational costs of the continued administration of EUGIN (currently estimated as €1600 per year). We expect these costs, to each and all member Institutes, to be as follows:
	1. An immediate one-off charge of €500;
	2. A regular annual subscription fee of €200 per year, from 1st January 2024, and thereafter.
3. A further possible variation could be to close down EUGIN in its current form (as suggested in option a) and then reform a new EUGIN organisation, with newly agreed goals and articles. It has been suggested this could be based in another European state (such as the Netherlands). Clearly, the role of EUGIN has changed since its formation, and a new organisation, with perhaps a focus on ENC, could now be a more logical option. There would, of course, be some costs involved with setting up the new EUGIN and these would be in addition to those listed above in option a. Therefore there would be a one-off cost, potentially slightly more than the €500 stated above, and the regular annual subscription of €200 per year.

## European Navigation Conference, ENC

The Future of ENC paper, distributed on the 30th March 2023, proposes a series of options, which included:

1. Finances: *A key question is how to finance ENCs, and how to deal with any surplus and, particularly, deficit. It is reasonable to expect that a sustainable and self-financing position for ENCs is achievable. Initially it may be necessary for Institutes to contribute to a fund, perhaps in a scaled way linked to Institute size, to underwrite the risks and assure the initial seed cash-flows for ENCs.*

Since that paper was prepared we have now estimated that the necessary start-up / reserve fund for ENC would need to be of the order of €20K - €30K as a minimum. This fund would provide the financial resources to allow the local conference organisers to cover deposits for conference venues, conference bureau and other initial expenditure. It is proposed that ENC could reach a self-sustaining financial situation and so this initial reserve would be expected to be maintained. It is proposed that any surplus from future ENC events would be split between this EUGIN/ENC reserve fund and the local organising Institute. To establish this start-up reserve fund a one-off subscription would be required. It is recognised that this may be beyond the financial resources of some member Institutes, and so it could be that a sub-set of EUGIN Members may be more able to commit to the fund and accept the financial risk. Clearly, the fewer the number of subscribers to this ENC reserve fund the larger would be their financial commitment. As an initial baseline estimate, if all members were to subscribe the share of the cost / risk would be of the order of €3500 for each member institute.

## Recommendation

The EUGIN Council, and the subsequent General Assembly, are invited to consider and discuss the options presented in this paper and to prepare to make the necessary decisions at the upcoming meetings.

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