

MINUTES OF STCU  
BOARD OF  
GOVERNORS MEETING

June 11, 2002, Kyiv, Ukraine

---

**Marianna Carbé**

*STCU Chief Administrative Officer (EU)*

**Summary of the 14<sup>th</sup> Meeting  
STCU Governing BOARD  
Kyiv, Ukraine, June 11, 2002, Ukraine**

**Board Members:** Canada Chairman: Rick Ward, EU: AMBASSADOR L.G. de Aranda y Villen, representing the EU Council Presidency, Acting Board Member Rainer Gerold, European Commission, Yaroslav Yatskiv, Ukraine:

**Party Representatives:** USA: Andrew Hood, Canada: Kate Stefanuk, EU: Didier Gambier

**Observers:** Papunashvili, Advisor to the Embassy of Georgia in Ukraine, Davron Khodzhaev, Commercial Advisor, Embassy of Uzbekistan in Ukraine

**Sponsors:** Japan: Koboyashi Yuki, Political Attache', Embassy of Japan in Ukraine

**Honorable Guests Attending:** Talyat Aliev, Ambassador Extraordinary & Plenipotentiary, **Azerbaijan**, Ake Peterson, Ambassador Extraordinary & Plenipotentiary, **Sweden**, Masha Yovanovitch, Deputy Chief of Mission, Embassy of the United States in Ukraine, **USA**, Vasilji Kremen, Minister, Ministry of Education and Sciences, **Ukraine**, Victor Bar'jakhtar, Academy of Sciences of Ukraine, **Ukraine**

**STCU Secretariat:** Leo Owsicki (ED), Yves Carmel (ED Designate), Boris Atamanenko (SDED), Arthur DuCharme (DED), Esa Manninen (DED), Curtis Bjelajac (CFO), and Marianna Carbe' (CAO)

- Mr. Ward officially welcomed and introduced Yves Carmel to the Board and Secretariat.

**Administrative Topics:**

- Approved minutes of the December 6, 2001 Board Meeting #13 as presented
- The ED in his report focused on the efforts made by the STCU on promoting the Center's expansion internationally. He also highlighted how the workload of the staff and Secretariat has significantly increased because of the doubling of budgets and new initiatives, yet the STCU was still able to deliver results on a timely basis, despite the problems encountered with the building and utilities issues. ED updated about the situation related to the building, electricity and water cut off, and the difficulties the Center had to face in the previous months. He mentioned that the presentations and meetings that have occurred related to these issues, have been very active over the course of the last 6 months. He then updated the status of the Banker's House issue. He congratulated the US representatives for the quick review of proposals. He also provided details about

*15th Board of Governors Meeting  
December 12, 2002  
Kyiv, Ukraine*

Internet initiatives in Georgia and Uzbekistan and about the implemented Monitoring schedule. He informed also the Board that the Electronic Registration of proposals opened May 20, 2002.

**Report from the Secretariat:**

- Mr. Du Charme illustrated the efforts made by the Information Technology team, providing several efficiencies to the Center operations such as the Electronic Proposal Registration, Annual Report desktop publishing, Internet initiatives, and web accessible full form Review.
- Mr. Manninen provided an update on staff training initiatives, he underlined that this support provided by the Center is playing a major role in the professional development of the STCU staff. In particular, he mentioned the attendance by STCU project coordinators of a Technology Transfer Training and Conference conducted in Prague in May '02.
- Mr. Atamanenko presented a detailed report on the accession interest of Moldova, Tajikistan and Azerbaijan. The ED added that these countries have formally concluded the process to join the STCU, the Parties would have at this stage to provide the decision. The US representative announced that all internal steps of review are concluded and the Canadian Representative confirmed their readiness too. The EU Representative informed that in Brussels the process is at the stage of a final round of approval between the countries, and that the European Union was not yet ready to provide a decision to the Governing Board.
- Mr. Manninen reported on the Sustainability Group Activities. He presented 6 new partner projects. He mentioned the Pilot Internship in Canada for scientists to travel and work with their colleagues in North American and the European Union.
- Mr. Du Charme presented the 2001 Annual report.
- Mr. Du Charme described the Mine Destruction special program, where the STCU would be involved in implementing one phase of the program coordinated by the UN.

The Board expressed interest in particular about the STCU role, and the issues that remain to be clarified. The project could be reviewed by STCU Parties scientific experts and may be approved between boards and funded.

- Ms Carbe' presented an update about STCU Information Office activities in the last 6 months in Georgia and Uzbekistan.
- Mr. Du Charme described the New Open Registration electronic process, started on May 20, 2002.
- Mr. Manninen reported on the MPA Revision status. Approved as presented.
- Ukrainian Issues/ Building , Mr. Seminozhenko took part in the Board Meeting, and informed the Governing Board that in the following week he would organize a meeting with all involved officials about this issue in order to work towards a solution acceptable to the Governing Board. He reiterated that the Ukrainian Government should fulfill the STCU International Agreement. The Ambassador of Spain, Mr. de Aranda y Villen, commented about the necessity for there to be confidence between countries, and went on to explain how in the European capitals it would not be understood why the Government of Ukraine is not able to provide the STCU with a building. Ms. Ognivez, Head of the MFA legal Department, said that MFA would look into a 6 months transition period in order to relocate the Center, she also said that the Landlord is committed not to cut utilities in this period. Ambassador de Aranda y Villen asked for a formal letter from Mr. Chalyj to the Board, where it would be stated in written in form, the message that was just communicated by Ms. Ognivez. Furthermore, he asked that it be specified how the Ukrainian Government intends to fulfill its obligations in terms of providing a new facility. Mr. Boright commented that 6 months is a very short period of time. Ambassador de Aranda y Villen suggested that the Center should be able to provide input about the length of the transition period, and he also reinforced that the disruption already experienced by the Center would never be accepted and understood in Western countries.

Financial topics:

- Mr. Bjelajac presented the Expenditures Status of the AOB and SB budget the 2002. No comments.
- The CFO provided an Audit update, since the last Board the STCU has undergone a number technical and financial audits and the recommendations were provided. The Center is now implementing them, but no major issues were raised. He provided the December 31, 2001 Financial Statements and Management Letter to the Board provided by Lubbock and Fine. The financial audit did not raise any major issues.

The Parties congratulated the Center for the management of the financial operations.

- Separate Partner Travel accounts report presented. No comments.
- STCU Donor Party spending by project as of May 31, 2002 document provided for information.
- 14<sup>th</sup> Board Record of Decisions:

"The GB took note of the difficulties encountered by the STCU in operating in its premises (suspension of electricity and other supplies) and of the continuing uncertainty brought on by this situation. The GB considers this situation unacceptable and inconsistent with the STCU Agreement, and confirms that the STCU can not enter into any agreement that conveys financial obligations with regard to accommodation. Therefore, the GB urges the GoU to provide to the STCU a legally valid document that assures a stable right of tenancy for the present facility or any other suitable accommodation. The GB took note of the assurances provided by Vice Prime Minister Semynozhenko that the problem will be solved. In this context, the GB asks the GoU to provide precise written information with regard to fulfilling its obligation under Article IX B."

In the event that the availability of facility services of the STCU is interrupted, the GB considers that this constitutes a case of "force majeure" and hence instructs the Executive Director to suspend or terminate funding of regular Ukrainian projects and activities until the GoU satisfactorily resolves this issue.

- Approved 25 regular projects (including continuations) for a total of \$ 4,688,988 + € 1,068,000. Ukrainian projects are approved upon condition of Ukraine fulfilling its obligations as set out above.
- Approved changes to the Financial Guidelines as presented, incorporating separate Funding Party Agency Partner Travel activities in the SB.
- Accepted the 2001 Financial Audit Report and Management letter as presented.
- Confirmed the revised STCU Statute effective March 1, 2002, incorporating new definitions and a new Article XIII.
- Approved the amended 2002 AOB, decreasing the Travel Within CIS budget by \$15K and increasing the Bank Fees Onshore and Bank Fees Offshore by \$7.5K each.
- Noted introduction of six new Partners to the STCU since the December'01 Board meeting, including: Hi-Tech Fabricators Inc. (Canada); Trimay Wear Plate Ltd. (Canada); XSENSOR Technology Corporation (Canada); Powerhouse

*15th Board of Governors Meeting  
December 12, 2002  
Kyiv, Ukraine*

Engineering Ltd. (Canada); Tracey Technologies (USA); and Arizona State University's Multidisciplinary Laboratory for Material-Wave Interactions (USA).

- Confirmed nine new Partner Project activities approved since the December'01 Board for a total of US \$981,000 + € 545,682, including P-085 – Institute for Protection and Nuclear Safety (IPSN), France & GRS Germany; P-086 – Breitmeier Messtechnik GmbH, Germany; P-098 – General Electric, USA; P-083 – DOE/IPP (Lawrence Livermore National Laboratory), USA; P-100 – ATOFINA Elf, France; P-095 – DOE/IPP (Pacific Northwest National Laboratory), USA; P-080 – EOARD, USA; and P-099 – Institute of Radiation Protection and Nuclear Safety (IRPNS), France; P-094 – Forschungszentrum Julich GmbH, Germany; also confirmed 4 Partner contract extensions with Max Planck Institute of Plasmaphysics (P-054a), Germany, "K+S Services" Inc. (P-070a), USA, and National Cancer Institute (P-004d), USA for 12 months each and with Dupont Agricultural Products (P-005b), USA for 24 months, for a total of US \$ 939,295 [GRAND TOTAL US \$ 1,920,295 + € 561,017]
- Appointed Mr. Y. Carmel as new Executive Director for a term beginning Aug. 1, 2002.

**Final Topics:**

- Date and location of the next Board Meeting: Kyiv , December 12, 2002
- The press statement is approved.