

ECONOMIC RESEARCH FORUM

INSTITUTIONAL CHARTER

First Draft: June 1993

Revised Draft: January 2012

I. Objectives

Article 1

The Economic Research Forum, acronym ERF, is dedicated to promoting high quality economic research that contributes to inclusive and sustainable development in the ERF region, defined to include the Arab Countries, Iran and Turkey.

To this end ERF aims to:

1. support the development of the economic research community in the ERF region;
2. encourage the production of independent and high-quality economic (and related) research pertaining to public policy in the ERF region;
3. undertake and manage regional research projects with a view to filling knowledge gaps about the key development challenges facing the ERF region; and
4. disseminate research outcomes widely, through various channels including conferences, workshops and publications.

II. Name, Domicile and Activities

Article 2

Under the name "Economic Research Forum", ERF is registered as a Foreign Non-Governmental Organization (NGO) in Egypt, subject to Law 84 for 2002* on Voluntary Associations and Foundations and the exchange of letters between ERF and the

(*.) Note: This law has been repealed and replaced by Law 149 for year 2019.

Egyptian Ministry of Foreign Affairs. It is an independent, non-profit, non-governmental, regional association.

Article 3

The domicile of ERF is in Egypt. ERF may, by a decision of the Board of Trustees, establish branch or representative offices in other countries of the ERF region.

Article 4

To achieve its objectives, ERF will undertake the following activities:

1. *Research Programs.* ERF engages its affiliates as well as non-affiliates in conducting research through research competitions, structured research projects, policy related research and other vehicles as necessary. Research outcomes will be disseminated widely through multiple channels as necessary.

2. *Annual Conference.* ERF will hold annually a highly visible conference that concentrates on issues relevant to economic policy in the region. The conference organizers may draw on both commissioned and submitted papers. To promote region-wide and international interactions, economists from different parts of the ERF region and from outside the region will be invited to participate.

3. *Publications.* ERF will produce various types of publications including:

i. Working Paper Series. The Working Paper Series provides a pre-publication outlet for the timely dissemination of the kind of research encouraged by ERF. The Working Paper Series will mainly feature research sponsored by ERF. Working papers are not refereed, but are edited lightly. ERF reserves the right to bar papers from the Series, if it finds them of low quality or irrelevant to its interests.

ii. Journal. The ERF Journal will publish original economic research of relevance to the ERF region. It will maintain top quality standards, and seek to be a highly respected publication. The Journal will comprise an Editorial Board, Editorial Team and a group of capable referees, selected

both from within the ERF region and from outside, to maintain quality standards.

iii. Books. ERF may publish books under its own name or through known publishers. Volumes will be based on work undertaken or supported by ERF or based on ERF conferences.

iv. Policy Reports. To disseminate its research to a wide audience, ERF may also publish Policy Research Reports, Regional Reports or similar publications, and may participate in other publications or publish articles through the media, as necessary.

v. Other Publications. ERF will produce an Annual Report. In addition it may produce other publications (such as Policy Perspectives, a newsletter, etc.) to achieve its mission.

4. Data. The availability of reliable data especially at the micro level is critical for research. Where justified, ERF will take the lead in collecting primary data or by putting together, harmonizing and updating data from other sources. In addition, researchers would be required to share with ERF data sets collected in the course of undertaking research supported by ERF.

In all instances, data will be made publicly available to researchers, with due respect to intellectual property rights, and any other contractual restrictions.

5. **Training.** To help develop the skills of researchers in the region, ERF will organize training and/or mentoring programs for promising young economists on selected topics or techniques.

Article 5

ERF is not dogmatic about the languages used in different activities. It recognizes that English is increasingly the main language used by professional economists, and Arabic is the main language of the ERF region. Beyond this, the decision on language will be made in a decentralized manner based on the language which is most practical and best suits ERF's objectives in each circumstance.

III. Organizational Form and Governance

Article 6

The organizational bodies of ERF are:

1. The Board of Trustees,
2. The Managing Director assisted by Officers and Staff,
3. The Advisory Committee and other committees, and
4. The General Assembly of Research Fellows.

Article 7

1. The Board of Trustees: governs ERF and has in particular the following responsibilities and authorities:

- i. Overseeing the application of the Charter of ERF;
- ii. Approving the rules and regulations governing ERF, including without limitation the operating manual, the information disclosure policy, the fundraising and acceptance of donations policy;
- iii. Proposing and formulating amendments to the Charter of ERF for approval by the General Assembly of Research Fellows;
- iv. Providing guidance to management on research priorities and the means to achieve these priorities;
- v. Approving ERF's annual work plan as well as the associated budget, major purchases of assets, investment policy and fundraising strategy;
- vi. Appointing the external auditor and determining the annual fees;
- vii. Approving the annual financial statements of ERF;
- viii. Approving the nominations for ERF membership, and creating new categories of affiliation as necessary;
- ix. Appointing ERF "Donors" representatives on the Board of Trustees, as well as the two members to be selected by the Board in accordance with Article 9 hereof;
- x. Assigning a specific role or responsibility to a Trustee, forming committees from amongst its members, to carry out specific responsibilities and delegating the necessary powers and authority to such Trustee or committees, as the case may be;
- xi. Appointing the members and the chairperson of the Advisory Committee;

- xii. Appointing the Managing Director of ERF and evaluating his/her performance, and terminating his/her contract;
- xiii. Appointing the members and the chairperson of the Code of Ethics Committee referred to in Article 34 hereof and defining its powers and authorities, and the rules governing its activities;
- xiv. Ensuring effective communication both to and from the Research Fellows;
- xv. Electing the Chairperson of the Board from its voting members.

Article 8

The Chairperson of the Board shall be elected by the Board of Trustees from its voting members. The Chairperson shall chair Board meetings. In case of his/her absence, the Chairperson shall delegate such authority to a voting member of the Board of Trustees, otherwise the most senior voting member of the Board of Trustees shall replace him/her. In addition, the Chairperson shall:

- i. Ensure that Board meetings are conducted in an efficient, effective and focused manner;
- ii. Summarize discussions of the Board to ensure that decisions and guidance communicated to management are clear;
- iii. Represent ERF officially and legally in his/her professional capacity before third parties;
- iv. Act as spokesperson for the Board of Trustees;
- v. Lead the Board in monitoring and evaluating the performance of the Managing Director and sign his/her appointment contract.
- vi. Take any other action as required by law or delegated by the Board.

Article 9

The Board of Trustees shall comprise thirteen Trustees, of which seven are elected by the General Assembly of Research Fellows, four are appointed by the Board of Trustees from among representatives of donors to ERF and two are appointed by the Board of Trustees to ensure regional, gender and professional balance. Representatives of Donors on the Board may choose to be observers without the right to vote. In such a case, the status of such Trustees shall be clearly entered into the records of ERF and the Board of Trustees. Trustees need not be Fellows themselves. In order to guarantee their objectivity and avoid any potential conflict of

interest, none of the Trustees may simultaneously hold an executive officer position within ERF. Moreover, no Trustee shall be entitled to vote on any decision which may directly or indirectly involve a conflict of interest with ERF. In such a case, such a Trustee shall disclose to the Board the relevant potential conflict of interest and refrain from voting.

Article 10

Without prejudice to Article 39 hereof, all the Members of the Board of Trustees shall be appointed for a term of office of five years. They may serve for a maximum of two consecutive terms of five years' duration each.

Article 11

Seven Trustees shall be elected by the General Assembly of Research Fellows for appointment to the Board of Trustees every five years according to the following procedures.

For this purpose, a list of candidates shall be compiled by the Managing Director. Such a list shall include two parts:

- i. Part A: the current Board of Trustees' proposed list of seven candidates for the new Board, which may include renewals for current Board members;
- ii. Part B: a list of additional candidates, each nominated by at least two Research Fellows.

Each Research Fellow shall have a number of votes equal to the number of vacancies on the Board of Trustees to be elected by the General Assembly of Research Fellows. Each vote must be attributed to one of the candidates on the list compiled and presented by the Managing Director. The candidates who receive the largest number of votes shall be appointed to the Board of Trustees as members.

Elections may be carried out through a formal electronic system.

Article 12

Two additional Members of the Board of Trustees shall be selected and appointed by the newly elected or re-elected Members of the Board of Trustees to ensure regional, professional and gender balance and otherwise to serve ERF's mission.

Article 13

Subject to the approval by the majority of the seven Trustees elected by the General Assembly of Research Fellows, the Board of Trustees shall appoint four further Members representing ERF donors according to their contributions to the development of ERF as determined by the Board of Trustees.

Article 14

In case any elected Member(s) of the Board of Trustees representing the Research Fellows ceases to be a member or decides to resign from Membership of the Board of Trustees during his/her five-year term of office, the Board of Trustees will appoint the candidate who attained the second highest votes in the latest elections as a Member(s) of the Board of Trustees replacing the departing Member(s) of the Board of Trustees for the remaining period of such departing member's term. In case of any vacancy with respect to the other members of the Board of Trustees, the Board of Trustees will appoint a qualified replacement and in the case of representatives of donors, will request the relevant donor organization to nominate a replacement.

Article 15

The Board shall meet at least once a year, upon the invitation of the Chairman. The location of meetings shall be determined by the Chairperson of the Board of Trustees. The Board shall also meet upon the written request of four or more trustees addressed to the Chairman and explaining the reasons for calling a Board meeting. Meetings of the Board shall be valid if attended by at least seven voting Trustees. The decisions made at each Board meeting, shall be made available to Research Fellows, following approval by the Chairperson of the Board of Trustees.

Article 16

Without prejudice to Article 9 of this Charter regarding Trustees representing donors and having observer status, each Trustee shall have one vote. All Board decisions, shall be made by a simple majority vote of the Trustees present, subject to a

minimum of five votes. As an exception, the following decisions will be passed as follows:

- i. Proposals to amend the Charter will be passed by two thirds of all the voting members of the Board of Trustees; and
- ii. Proposals to liquidate ERF will be passed by a majority of three quarters of all the voting members of the Board of Trustees.

Article 17

2. Managing Director: The Board of Trustees shall appoint a Managing Director who will be experienced, qualified and enjoy leadership qualities. The Board of Trustees shall determine his/her remuneration and delegate to him/her broad authorities to manage the day to day operations of ERF.

Article 18

The Managing Director shall be responsible for the implementation of ERF's mission and for the proper application of this Charter. Assisted by officers and staff, he/she shall have the following responsibilities and authorities:

- i. All executive functions, including management of all activities, fund-raising, administrative and financial management of the secretariat, selection, appointment and termination of all other executives and staff;
- ii. Signing all contracts and agreements on behalf of ERF and delegating authorities to various officers within the organization as deemed necessary for the efficient management of ERF's operations;
- iii. Application of the Charter and execution of the Board's decisions;
- iv. Preparing and submitting an annual work-plan and budget to the Board of Trustees for approval; and
- v. Submitting progress reports to the Board of Trustees.
- vi. Any other authority or responsibility delegated to the Managing Director by the Board of Trustees.

Article 19

The Managing Director shall be appointed for up to five years. Appointments may be renewed, provided that the overall tenure does not exceed ten years. The Managing Director shall be the only executive directly accountable to the Board of Trustees.

Article 20

3. Advisory Committee: The Board of Trustees shall appoint an Advisory Committee of nine members. The Board of Trustees shall also appoint the Advisory Committee's Chairperson from among those nine members. Members of the Advisory Committee shall be affiliates of ERF or other qualified persons.

Article 21

The terms of appointment of the Advisory Committee members, their renewal as well as the appointment of the Chairperson of the Committee will be based on criteria to be determined by the Board of Trustees.

Article 22

The Advisory Committee shall be responsible for screening nominations for ERF affiliation and for advising the Board and the Managing Director on substantive and scientific issues.

Article 23

The Board of Trustees may create other types of Committees and determine their responsibilities and authorities, as the need arises.

IV. The General Assembly of Research Fellows

Article 24

The General Assembly of the Research Fellows consists of all the Research Fellows of ERF and shall meet once a year during the Annual Conference. Meetings of the General Assembly shall be valid if attended by a majority of the Research Fellows in person or by proxy. Each Research Fellow may carry only one proxy. The General Assembly will elect its chairperson. The Chairperson shall chair the General Assembly meeting and sign the relevant minutes of meeting.

Each Research Fellow shall be entitled to attend the General Assembly meetings at his/her cost.

Article 25

The General Assembly shall have the following responsibilities and authorities:

- i. Election of the Chairperson of the General Assembly;
- ii. Election of the seven Trustees in accordance with the provisions of this Charter;
- iii. Approval of any amendments to the Charter proposed and formulated by the Board of Trustees;
- iv. Making recommendations to the Board of Trustees on any issues of significant benefit or impact on the strategies or policies of ERF with the aim of enhancing the achievement of its mission and the implementation of its objectives.
- v. Liquidation of ERF.

Article 26

Decisions by the General Assembly of Research Fellows shall be passed by a simple majority of the members present or represented, except for the following decisions:

- i. Approval of amendments to this Charter which shall require a majority of two thirds of all Research Fellows; and
- ii. Approval of liquidation of ERF shall require a majority of three quarters of all Research Fellows.

Decisions can also be made through a formal electronic voting system.

V. Affiliation

Article 27

Affiliates of ERF are selected with the objective of strengthening the ability of ERF to achieve its mission. Different categories of affiliation may be formed.

1. Research Fellows form a constituency of individuals from the ERF region engaged in high-quality research that falls within the scope of ERF's objectives.

Article 28

Research Fellows of ERF are approved by the Board of Trustees.

A candidate for admission must be nominated by two Research Fellows or Trustees.

Candidates shall be reviewed by the Advisory Committee, which will then submit its recommendations to the Board of Trustees for approval. The criteria for admission are that the individual be a researcher in economic or closely related field, who has proven capacity to produce top quality research, and is likely to be actively involved in and contribute substantially to ERF's activities. The detailed criteria shall be developed by the Advisory Committee and approved by the Board of Trustees.

Article 29

The term of Research Fellowship shall be five years from appointment, renewable for a second term of five years. Upon completion of the second term, the Research Fellowship shall either be renewed for a life membership or discontinued. Each Research Fellow may apply for renewal of affiliation in accordance with the foregoing, following the same procedure applicable to new candidates pursuant to Article (28), save that nomination shall be assumed.

Article 30

2. *Senior Associates.* This category is intended to respond to the need for building bridges between the research, policy making and business communities in the region.

The term of this affiliation is for life.

The Board reserves the right to grant this affiliation to researchers from inside and outside the ERF region if the candidate provided extraordinary services to ERF.

Article 31

3. *Research Associates.* This category is designed to promote and provide incentives for promising scholars in the ERF region.

Eligible researchers are young researchers from the ERF region with a Ph.D. in economics or related fields. The full criteria for acceptance shall be developed by the Advisory Committee and approved by the Board of Trustees.

The term, nomination rules and the process of selection for this affiliation shall be the same as those applied to Research Fellows, except that Research Associates are renewed once and on the second renewal they are either upgraded to Research Fellows or discontinued.

Article 32

4. Policy Affiliates. This category is intended for economists who no longer engage in academic research but are active in conducting policy work, advising policymakers and building research capacity through teaching. They are of enormous value to ERF in its effort to bridge the gap between research and policy as well as capacity building.

Policy Affiliates are nominated by the Advisory Committee and appointed by the Board of Trustees. Membership in this category is not open for application.

Article 33

The Board of Trustees may create other types of non-voting affiliations and may approve modifications of the membership criteria and the terms of affiliation.

Article 34

ERF members are expected to maintain high standards of professional ethics and conduct. Members are liable to disciplinary action if, in the course of carrying out their professional duties or otherwise, they have committed any act or default likely to bring discredit to themselves, or to ERF.

Disciplinary action may range from a written notice to expulsion of the concerned member. Disciplinary action requires approval by a Special Ethics Committee to be formed by the Board of Trustees, comprising three Research Fellows and two Board Members to evaluate the case and decide on the appropriate course of action.

VI. Finance

Article 35

ERF shall finance its activities and overhead costs out of the revenues generated from the following sources:

1. Income from its endowment fund;
2. Contributions of donors to core funding;
3. Project funding; and,
4. Income from ERF assets.

Article 36

The Board of Trustees and the Managing Director on its behalf will seek funding necessary to realise ERF's mission.

All income and assets of ERF shall only be used for the exclusive purpose of serving ERF's objectives. All Members of the Board of Trustees and the Advisory Committee work on an honorary basis and will therefore not be remunerated. ERF shall only bear travel and accommodation for trustees who are not resident in the city where board meetings are held.

Article 37

The financial year of ERF starts on the 1st of January and ends on the 31st of December.

VII. Amendments to Charter

Article 38

Amendments to the Charter may be proposed by the Board of Trustees or by at least 20% of the Research Fellows, following deliberations during the General Assembly meeting. The Board of Trustees must approve the proposed amendments by a majority of two thirds of its voting members and submit the proposed amendments to the Research Fellows during the General Assembly or electronically for voting. Amendments of the Charter shall be adopted by a two thirds majority vote of all Research Fellows.

Article 39

Amendments to the Charter shall be effective as of the date of approval by the Research Fellows in accordance with the provisions of Article 38 and will have no retroactive effect.

VIII. Liability

Article 40

ERF's liability to third parties shall be limited to the value of its own assets.

IX. Liquidation

Article 41

ERF may be liquidated, upon the proposal by the Board of Trustees, by a decision of the General Assembly of Research Fellows passed by a special majority of 75% of all Research Fellows.

In case of liquidation, the remaining assets of ERF, which form part of an endowment, shall be returned to the endower organization or donated with such endower's approval to another not for profit organization having the same purpose as ERF. The remaining assets of ERF, if any, shall be donated to one or more non-profit organizations having a similar purpose to that of ERF. Such organizations shall be identified by the Board of Trustees in its proposal for liquidation.