

THE SCHOLARSHIP FUND AGREEMENT

THE ESTONIAN - SWISS COOPERATION PROGRAMME

**AGREEMENT ON THE
SCHOLARSHIP FUND FOR THE REPUBLIC OF ESTONIA**

BETWEEN

**THE MINISTRY OF FINANCE OF ESTONIA AS THE NATIONAL COORDINATION UNIT
(NCU)**

AND

THE SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)

CONCERNING

**THE GRANT
FOR THE SCHOLARSHIP FUND
TO BE IMPLEMENTED DURING THE PERIOD
01. 04. 2009 – 31. 12. 2016**

The Ministry of Finance of the Republic of Estonia and the Swiss Agency for Development and Cooperation (SDC)

Having regard to the friendly relations between the two countries,

Desirous of strengthening these relations and the fruitful co-operation between the two countries,

Intending to promote further the social and economic development in the Republic of Estonia,

Referring to the Framework Agreement between the Government of the Republic of Estonia and the Swiss Federal Council concerning the implementation of the Estonian-Swiss Cooperation Programme to reduce economic and social disparities within the enlarged European Union, concluded on 20 December 2007,

Considering the Swiss Grant for the Scholarship Fund,

have agreed as follows:

Article 1 **Definitions**

In this Scholarship Fund Agreement, unless the context otherwise requires, the following terms shall have the following meaning:

- "Framework Agreement" means the Agreement between the Government of the Republic of Estonia (hereinafter "Estonia") and the Swiss Federal Council concerning the implementation of the Estonian-Swiss Cooperation Programme to reduce the economic and social disparities within the enlarged European Union, concluded on 20 December 2007;
- "Contribution" means the non-reimbursable financial contribution granted by Switzerland under the Framework Agreement;
- "Scholarship Fund Agreement" means the Agreement between the Ministry of Finance of Estonia acting as the National Coordination Unit (NCU) and the Swiss Agency for Development and Cooperation (SDC) which lays down the rights and obligations of the Contracting Parties regarding the implementation of the Scholarship Fund;
- "National Coordination Unit" (NCU) means the Estonian unit in charge of the coordination of the Estonian-Swiss Cooperation Programme. In reference to the Framework Agreement, Art 9., Estonia has authorized the Ministry of Finance of Estonia to act on its behalf as the NCU for the Estonian-Swiss Cooperation Programme;
- "Grant" means the non-reimbursable financial contribution granted by Switzerland under this Scholarship Fund Agreement;

- “Contracting Parties” of the Scholarship Fund Agreement means the Ministry of Finance of the Republic of Estonia on the one side and the SDC, on the other side;
- “Intermediate Body” is the Institution in Switzerland mandated by the SDC for the implementation of the Scholarship Fund;
- “Scholarship Fund for Estonia” is an Estonian-Swiss Project financing scholarships for Estonian researchers in the Framework of the Scientific Exchange Programme between Switzerland and the New Member States of the EU;
- “SciexNMS^{ch}” is the Scientific Exchange Programme between Switzerland and the New Member States of the European Union.

Article 2

Objectives and Scope of the Scholarship Fund

- 2.1 The Scholarship Fund for the Republic of Estonia implemented within the SciexNMS^{ch} aims at contributing to the reduction of economic and social disparities in the enlarged European Union through fostering the scientific capacities of researchers in New Member States and promoting sustainable research partnerships between Estonia and Switzerland.
- 2.2 The Scholarship Fund for Estonia has to be implemented according to the following documents listed by order of precedence in terms of legal applicability: The Framework Agreement and its Annexes, the present Scholarship Fund Agreement, the specific implementation arrangements with Estonia (annex 1), the Programme Document (annex 2) and the Budget for the implementation and management of the Swiss part (annex 3).

Article 3

Amount and Utilization

- 3.1 The total budget of the Scholarship Fund for Estonia amounts to CHF 1.58 million.
- 3.2 Switzerland shall provide a Grant in **Swiss Francs amounting to maximum CHF 1.58 million, (one million and five hundred and eighty thousand Swiss francs)**, in favour of Estonia for the implementation of the Scholarship Fund defined in Art. 1. The Grant covers activities listed in the Budget for the implementation and management in Switzerland (annex 3) of the present Agreement. The increase of the maximum amount of the Grant may be agreed by the parties in line with the Framework Agreement and based on an assessment of the Scholarship Fund implementation. This Grant shall be managed in Switzerland and its financing is considered as Swiss Grant in favour of Estonia. This amount covers also any possible taxes and fees in accordance with applicable law and regulations.
- 3.3 NCU shall ensure activities mentioned in Art. 6 of the present agreement. The financing of these activities shall be regarded as own contribution of the Estonian side. The costs of the advertisement activities will be covered from the Technical Assistance Fund.

- 3.4 Any unutilised portion of the Grant remaining at the completion of the Scholarship Fund shall be eligible for re-commitment according to Art. 3.2 of the Framework Agreement, unless otherwise mutually agreed by the Contracting Parties.

Article 4

Payment Procedures

- 4.1 SDC shall execute payments to the Intermediate Body in Switzerland based on the payment claims submitted by the Intermediate Body to SDC. SDC shall check the conformity of the payment and certify the correctness and legality of the payment claims.
- 4.2 SDC informs the NCU yearly at the latest one month after the termination of the year in question on the payments made to the Intermediate Body. The payments reported by SDC shall be included in the annual reports on the Estonian-Swiss Cooperation Programme as stipulated in Art. 8 of the Framework Agreement.

Article 5

Responsibilities of SDC

- 5.1 SDC shall take or cause to take all actions within its field of competences and responsibility, including coordination and other measures, necessary or appropriate, for the use of the Grant in accordance with this Scholarship Fund Agreement.
- 5.2 SDC shall conclude a mandating agreement with the Rectors' Conference of the Swiss Universities (CRUS) that shall be assigned as the Intermediate Body for this Scholarship Fund. This mandating agreement shall comply with this Scholarship Fund Agreement as well as with the Framework Agreement. The same shall apply to any other contract subscribed in the framework of the implementation of the Scholarship Fund.

Article 6

Responsibilities of NCU

- 6.1 The NCU shall take or cause to take all actions within its field of competences and responsibility, including coordination and other measures necessary or appropriate for facilitating the implementation of the Scholarship Fund in Estonia.
- 6.2 In particular, the NCU can be consulted in case the Intermediate Body would need some additional information on the home institutions.
- 6.3 The NCU cooperates with the Intermediate Body and ensures the following activities for the Scholarship Fund Estonia:
- a) General

- Advertise the Scholarship Fund and communicate related procedures in the country;
- Ensure the reservation of the domain www.sciex.ee at the beginning of the programme and link the domain to the website containing the relevant information on the Scholarship Fund Estonia.

b) Programme Cycle

- Disseminate information about the programme and calls among eligible institutions;
- Provide assistance to researchers in their native language;
- Verify formal requirements of all fellowship proposals;
- Send all the formally correct fellowship proposals to the Intermediate Body;
- Coordinate the signing of the multipartite contract and confirm the signatures of the national contractors;
- Send originals of nationally signed multipartite contracts to CRUS and distribute copies of the contracts with Swiss signatures to national contractors.

c) Monitoring and Reporting

- Provide data on the eligibility and quantity of received proposals to CRUS for compilation of the required progress reports;

6.4 The NCU shall at all times clearly state that it is acting within the framework of the Estonian-Swiss Cooperation Programme to reduce economic and social disparities within the enlarged European Union. All publications shall refer to the Scholarship Fund as it is financed by the "Estonian-Swiss Cooperation Programme". The general public in Estonia shall be informed adequately about the Scholarship Fund and the support provided by Switzerland.

6.5 All communication to SDC with regard to this Scholarship Fund Agreement shall be directed to the Swiss Embassy in Riga, which generally represents SDC towards the NCU. All communication on operational issues will be done between the NCU and the CRUS.

Article 7

Project Organisation

7.1 SDC supervises and steers the implementation of the SciexNMS^{ch}; SDC ensures the establishment of a monitoring system.

7.2 Operational decisions related to the SciexNMS^{ch} Programme are taken by the Steering Committee of the SciexNMS^{ch} Programme. The members of the Steering Committee are defined in the Programme Document (annex 2) of the present Agreement. Estonia may delegate an observer to the Steering Committee. The Steering Committee of the Scholarship Fund shall hold at least one meeting per year. The meetings shall be organised by the Intermediate Body, which also shall act as secretariat.

Article 8

Monitoring and Review

- 8.1 SDC shall ensure the establishment of a monitoring system that allows to assess periodically the status of achievement of the proposed objectives. Results and conclusions have to be part of the project reports as mentioned in Art. 9 below.
- 8.2 A review shall be organised by the SDC in the third year of the implementation of the SciexNMS^{ch} Programme. The purpose of the review is to assess progress achieved against set objectives and targets and to provide advice and direction for corrective measures, if required. The terms of reference for the review shall be consulted with the NCU.

Article 9

Reporting

- 9.1 SDC shall transmit Annual Project Reports on the SciexNMS^{ch} Programme to Estonia four months after the termination of the year in question. Annual Project Reports shall have an operational part that describes the progress of the SciexNMS^{ch} and a financial part (Financial Report) containing summary data on the financial progress for the reporting year as well as cumulative data to date. They compare actual with planned expenses and progress, based on quantified targets for output and where possible outcome indicators.
- 9.2 The Completion Report shall be transmitted to the NCU by SDC six months after the end of this Scholarship Fund. The Completion Report shall have an operational part that documents and comments the overall achievement of outputs and outcomes and suggests lessons learned and formulates conclusions. It shall contain a financial part (Final Financial Report) having a summary of financial data for the whole Scholarship Fund and compare effective with planned expenses.

Article 10

Audit

- 10.1 An external certified audit organisation shall carry out yearly Financial Audits of the activities listed in the Budget for the implementation and management of the Swiss part of the Scholarship Fund (annex 3). The conclusions and recommendations shall be presented by SDC to the NCU at the latest three months after the termination of the year in question.
- 10.2 At Project completion, an external certified audit organisation shall carry out a Final Financial Audit of the activities listed in the Budget for the implementation and management of the Swiss part of the Scholarship Fund (annex 3). The conclusions and recommendations shall be transmitted by SDC to the NCU together with the Project Completion Report, at the latest six months after the end of this Scholarship Fund.

Article 11

Liability

Each Contracting Party shall assume responsibility for any liability issues arising out of this Agreement on its own territory. Furthermore, each Contracting Party assumes responsibility for any liability issue resulting from its own wilful acts or gross negligence.

Article 12

Common Concern

The Contracting Parties share a common concern in the fight against corruption, which jeopardizes good governance and the proper use of resources needed for development, and, in addition, endangers fair and open competition. They declare, therefore, their intention of combining their efforts to fight corruption and, in particular, declare that any offer, gift, payment, remuneration or benefit of any kind whatsoever, made to whomsoever, directly or indirectly, with a view to being awarded a mandate, a contract or a fellowship within the framework of this Agreement, or during its execution, will be construed as an illegal act or corrupt practice. Any act of this kind constitutes sufficient grounds to justify termination of this Agreement, the procurement or resulting award, or for taking any other corrective measure laid down by applicable law.

Article 13

Post-Completion Obligations

13.1 An ex-post evaluation of SciexNMS^{ch} may be carried out by Switzerland.

13.2 The Contracting Parties shall keep all documents concerning this Agreement and its implementation for 10 years after the end of this Scholarship Fund.

Article 14

Annexes

The following annexes, listed by order of precedence in terms of legal applicability, form an integral part of this Scholarship Fund Agreement:

- annex 1: Specific implementation arrangements with Estonia
- annex 2: Programme Document
- annex 3: Budget for the management and implementation of the Swiss part

Article 15
Language

The correspondence between the Parties shall be conducted in English.

Article 16
Competent Authorities

16.1 Ministry of Finance of Estonia
Structural and Foreign Assistance Department
Suur-Ameerika 1
15006 Tallinn
Estonia

16.2 For the Swiss Government:
Swiss Agency for Development and Cooperation (SDC)
Freiburgerstrasse 130
CH - 3003 Bern
Switzerland

Embassy of Switzerland
Swiss Contribution Office
Elizabetes iela 2
1340 Riga
Latvia

Article 17
Settlement of Disputes

In accordance with Art. 11 of the Framework Agreement, any dispute which may result from the application of this Scholarship Fund Agreement shall be solved by diplomatic means.

Article 18
Amendments

- 18.1 Any amendment to this Scholarship Fund Agreement and its annexes shall be made in writing with the mutual agreement of the Contracting Parties and according to their respective procedures.
- 18.2 Any increase of the Scholarship Fund budget, any significant changes within the budget as well as any strategic changes or conceptual adjustments to the Scholarship Fund shall be discussed and approved by the Contracting Parties.

Article 19
Termination, Suspension

- 19.1 This Scholarship Fund Agreement can be terminated at any time by one of the Contracting Parties upon a six-month prior written notice. The Contracting Parties shall decide by mutual agreement on any consequences of the termination.
- 19.2 If either Contracting Party considers that the aims of the Scholarship Fund Agreement can no longer be achieved or that the other contracting party is not meeting its obligations, it shall have the right to suspend immediately the application of this Scholarship Fund Agreement by giving the other Contracting Party a written notice on the reasons.

Article 20
Entry into Force, Duration

- 20.1 This Scholarship Fund Agreement shall enter into force on the date of its signing by the Contracting Parties, shall be implemented until 31 December 2016 and shall remain in force until all obligations under it have been fulfilled.

Done in Tallinn on, in two authentic copies in the English language.

For the Ministry of Finance of the Republic of
Estonia

For the SDC

Mr Ivar Sikk

Ms Christina Grieder

Deputy Secretary-General for State Fiscal
Policy

Head of the Swiss Contribution Office for
Estonia, Latvia and Lithuania
Embassy of Switzerland, Riga

Annex 1: Specific Implementation Arrangements with Estonia

This annex defines additional elements or deviations from the Programme Document (see annex 2).

1. Coordination Body

No Coordination Body is established for the Scholarship Fund implementation in Estonia.

2. Confidentiality clause

The data concerning applications submitted will be kept confidential. Only statistical reviews shall be published before making the decision to satisfy or deny an application.

The names of the junior researcher, the home institution, the host institution, the mentors, the summary of the scientific project to receive the assistance and the amount of assistance shall be made public on relevant websites after the decision to satisfy an application has been made.

The data concerning applications which are not satisfied and the applicants who submitted such applications shall not be made public.

3. Selection procedures

Eligible Institutions

Eligible Estonian institutions are all institutions listed in the Estonian Research and Development Institutions Register which is published on the Estonian Research Portal (www.etis.ee) and will be linked with www.sciex.ee. Eligible Swiss institutions are defined by CRUS and are listed on www.sciex.ch.

Call for fellowship proposals

Call for fellowship proposals will take place annually.

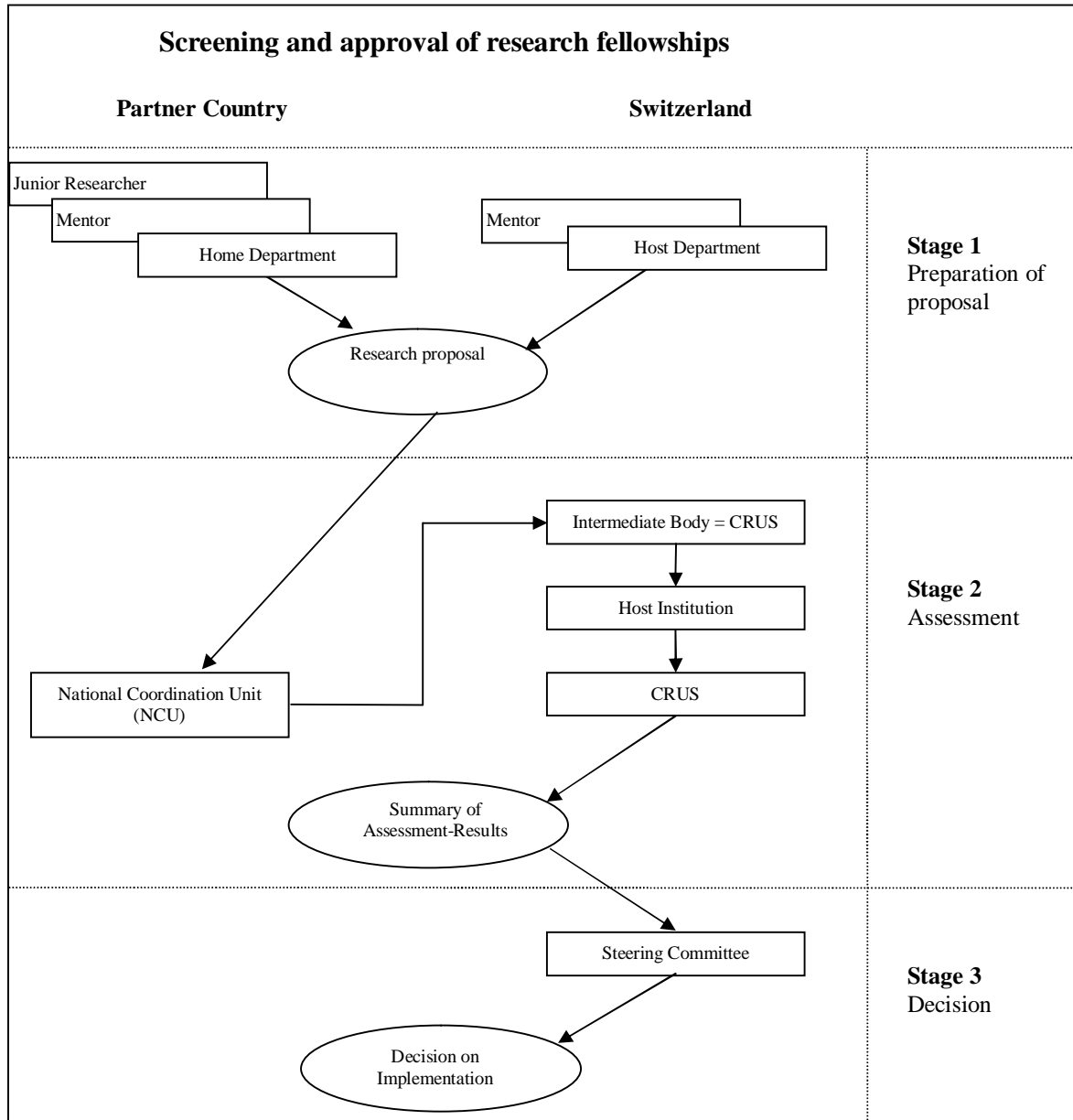
Selection procedure and scoring

The selection procedure differs from Chapter 6 of the Programme Document (annex 2).

The following text replaces chapter 6.4 and 6.5 of the Programme Document:

- "64 Approval process for research fellowships

The following schematic provides an overview of the process of proposal preparation, assessment and decision making.



Stage 1: Preparation of Proposals

The Junior Researcher defines a research stay project together with a Senior Researcher from his home department (home mentor). Contacts are established with a Senior Researcher from the envisaged host department in Switzerland (host mentor). A fellowship proposal is prepared by the Junior Researcher in close cooperation with the Senior Researchers from the host and the home department. The proposal includes details on the scientific cooperation and the Senior Researchers professional status, the potential and objectives of the fellowship candidate, description and justification of the research stay project, theoretical and methodological aspects and context, requests for funding and envisaged research environment (e.g. PhD programme, research team etc.). Application of the NMS Senior Researcher for a short term research visit for mentoring and the application of the Junior Researcher for a participation in the VKHS module can be included or they can also be made later during the Junior's research stay. The researchers submit the proposal to the NCU.

Stage 2: Assessment

Each involved institution evaluates the fellowship proposal according to predefined criteria, which are described in annex 1A of this agreement. The main stages of the assessment process are described below.

a) NCU

The NCU screens the fellowship proposal, containing all requirements formulated above under "Stage 1", with respect to the formal requirements and the eligibility of the university. The NCU transmits the assessment results to the Intermediate Body (CRUS), which forwards them to the host institution. Appeal procedure in relation to formal and eligibility check (administrative decisions) may be addressed to the NCU.

b) Host institution

The host institution screens and scores the proposal with respect to the potential of the researcher and the potential of the scientific project¹. The host institution confirms that both the research project and the involved researchers fit the institution's quality standards. It also certifies the host institutions' conformance with the employer's requirements stated in the Charter & Code. After the assessment is completed, the host institution transmits the documentation to CRUS. No appeals for the quality assessment done by research commissions (scoring) is envisaged.

c) Intermediate Body (CRUS)

The Intermediate Body (CRUS) screens the proposals formally and the scores used for ranking the proposals. It will scrutinize the scoring process at the host institutions. CRUS prepares the documentation for decision making of the Steering Committee.

Stage 3: Decision

The Steering Committee makes the final decision about the allocation of funds according to the ranking of the proposals. Following the Charter & Code recruitment recommendations, panels of experienced screening specialists from the SNSF pool will be appointed, whenever deemed necessary by the Steering Committee.

Approval (or denial) will be communicated by CRUS.

¹ The research commission of the institution involved.

A contract is subsequently prepared and sent to the host and home institution for signature. The signing of the multi-partite Contract and relocation can take place within three months after the decision of the Steering Committee.

65 Approval process for short term research visits

A simplified procedure is foreseen for the approval of short-term research visits. Two Senior Researchers, one from the Partner Country and one in Switzerland, apply for a short-term research visit to meet in Switzerland or in the Partner Country, to intensify their cooperation and discuss a joint research project.

Their application is made directly to the CRUS. The application contains the professional status of the researchers, a description of their joint research interest and the activities envisaged. CRUS checks the formalities and decides on the funding of the short term research visit on the basis of criteria fixed by the Steering Committee. CRUS notifies the applicants, the NCU, involved researchers and institutional contact points about the decision.

A contract is subsequently prepared and signed by the host institution and the NMS researcher."

Annex 1.A: Scoring of fellowship proposals

The Evaluation process follows a 3 stage procedure described above in annex 1, with institutions involved from Estonia and Switzerland. All institutions base their recommendations and/or evaluations on the set of criteria which are described below..

Stages for the appraisal by the involved bodies

Stage 1: Preparation of proposals

Stage 2: Assessment

Stage 3: Decision

Stage 1: Preparation of proposals

	Requirements / Evaluation Criteria
R ² 1	Professional qualification of the mentor and the junior researcher and confirmation of the language skills
R2	Scientific relevance of the project / project description
R3	Integration of the junior researcher in an existing Swiss research team and/or planned graduation programme
R4	Description of follow-up activities (reintegration in the home department upon return)
R5	Description of further competences of the researcher

Stage 2: Assessment

Host Department/Institution

	Requirements / Evaluation Criteria	Max Score
R6	Modalities of the employment contract according to c&c (declaration of the rectorate)	-
R7	Budget and length of the project	-
R8	Not obligatory: Confirmation of the admission to qualification programmes (doctorate) and nomination of a PhD supervisor	-
C5	Compatibility of the qualifications of the researcher with the institutional HR strategy and the team (institute).	30
C6	Compatibility of the scientific orientation and quality of the project with the research strategy of the institution	50
C7	Language skills of the researcher	10

² R = Requirements

C8	Mobility experience and networking potential	10
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Stage 3: Decision by steering committee

	Requirements / Evaluation Criteria
	Decision based on the recommendation and/or scoring provided by the involved institutions (according to Stage 2) and the available financial allocation for fellowships

Annex 2: General Implementation Arrangements

The Programme Document for SciexNMS^{ch} describes the general implementation arrangements.

Annex 3: Budget for the implementation and management of the Swiss part of the Scholarship Fund

A. Overview

Overview Budget for the Scholarship Fund Estonia (in Swiss Francs)	
Share of the Management Budget SciexNMS ^{ch}	121'660
Budget for the Programme Instruments (research fellowships incl. VKHS Module, short term research visits)	1'458'340
Total (Swiss Grant according to Art. 3.2)	1'580'000

B. Share of the Management Budget SciexNMS^{ch}

The share of the management budget within the SciexNMS^{ch} Programme financed by the Swiss Grant for the Scholarship Fund Estonia corresponds to **7.7% of the Swiss Grant or CHF121'660**. This rate is based on the assumption, that there is no special obstacle for a smooth development of the programme part implemented within Estonia.

The indicative budget for the SciexNMS^{ch} Programme is detailed in the Programme Document (Annex 2).

The management budget is allocated to three different project phases, an inception phase, an implementation phase and a completion phase. Disbursements by SDC to the Intermediate Body will be made according to the implementation status SciexNMS Programme.

In principle, the management budget is fully due, even if the full amount of the budget for the Programme Instruments is not entirely used.

In case of an increase of the allocated budget for the Scholarship Fund Estonia, the raising of the management budget will respect the 7.7% share.

C. Budget for the Programme Instruments

The amounts corresponding to the budgetary items shown below are indicative and may be adjusted according to real demand.

Indicative budget for Programme Instruments

Item	CHF
Research fellowships of 6 – 24 months (incl. VKHS Module)	1'308'340
Short term research visits	150'000
Total	1'458'340