

THE SWISS-ROMANIAN COOPERATION PROGRAMME

**THEMATIC FUND AGREEMENT
FOR THE RESEARCH FUND**

BETWEEN

THE SWISS FEDERAL COUNCIL

REPRESENTED BY

THE SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)
OF THE SWISS CONFEDERATION

AND

THE GOVERNMENT OF ROMANIA

REPRESENTED BY

THE MINISTRY OF PUBLIC FINANCE OF ROMANIA,
AS THE NATIONAL COORDINATION UNIT (NCU),

THE MINISTRY OF EDUCATION, RESEARCH, YOUTH AND SPORT

AND

THE EXECUTIVE AGENCY FOR HIGHER EDUCATION, RESEARCH, DEVELOPMENT
AND INNOVATION FUNDING (UEFISCDI)

CONCERNING

THE GRANT FOR THE RESEARCH FUND

TO BE IMPLEMENTED DURING THE PERIOD
5TH AUGUST 2011 – 6TH DECEMBER 2019

The Swiss Federal Council (hereinafter referred to as "Switzerland") through the Swiss Agency for Development and Cooperation of the Swiss Confederation, hereinafter referred to as "SDC" and

The Government of Romania (hereinafter referred to as "Romania") through the Ministry of Public Finance of Romania as the National Coordination Unit, hereinafter referred to as "NCU", the Ministry of Education, Research, Youth and Sport (MERYS) and the Executive Agency for Higher Education, Research, Development and Innovation Funding (UEFISCDI)

Referring to the Framework Agreement between the Swiss Federal Council and the Government of Romania concerning the implementation of the Swiss-Romanian cooperation programme to reduce economic and social disparities within the enlarged European Union, signed on 7 September, 2010,

Considering the Swiss Grant for the Research Fund in favour of Romania in the context of the Swiss - Romanian Cooperation Programme,

have agreed as follows:

Article 1

Definitions

In this Research Fund Agreement, unless the context or the relevant provisions of the Framework Agreement otherwise require, the following terms shall have the following meaning:

- 1.1 "Framework Agreement" means the Agreement between the Swiss Federal Council and the Government of Romania concerning the implementation of the Swiss – Romanian Cooperation Programme to reduce the economic and social disparities within the enlarged European Union, signed on 7 September, 2010;
- 1.2 "Swiss-Romanian Cooperation Programme" (SRCP) means the bilateral programme for the implementation of the above mentioned Framework Agreement;
- 1.3 "Contribution" means the non-reimbursable financial contribution granted by Switzerland to Romania;
- 1.4 "Grant" means the non-reimbursable financial contribution provided by Switzerland under the present Research Fund Agreement;
- 1.5 "Supporting Measure" means a Project, a Thematic Fund, the Project Preparation Facility, the Technical Assistance Fund or other joint activities;
- 1.6 "Activity" means specific assistance for, inter alia, projects, scholarships, partnerships and knowledge transfer provided within a Thematic Fund
- 1.7 "Thematic Fund Agreement for the Research Fund", hereinafter referred to as "Research Fund Agreement", means the present Agreement between Romania, represented by the Ministry of Public Finance, acting as the National Coordination Unit (NCU), the Ministry of Education, Research, Youth and Sport (MERYS) and the Executive Agency for Higher Education, Research, Development and Innovation Funding (UEFISCDI) and Switzerland,

represented by the Swiss Agency for Development and Cooperation (SDC), which lays down the rights and obligations of the Contracting Parties regarding the implementation of the Research Fund;

- 1.8 "National Coordination Unit" (NCU) means the Romanian unit in charge of the coordination of the Swiss - Romanian Cooperation Programme. In reference to the Framework Agreement, Art. 9.1, Romania has authorized the Ministry of Public Finance to act on its behalf as the NCU for the Swiss - Romanian Cooperation Programme;
- 1.9 "Contracting Parties" to the Research Fund Agreement are Romania, represented by the NCU, MERYS and UEFISCDI on one side and Switzerland, represented by SDC on the other side;
- 1.10 "Swiss Intermediate Body" (SIB) means any legal public or private entity mandated by Switzerland for the management of a Thematic Fund;
- 1.11 "Mandate Agreement" means the agreement between SDC and the SIB for the implementation of a Thematic Fund;
- 1.12 The Swiss National Science Foundation (SNSF) represents the SIB appointed by the SDC for the implementation of the Research Thematic Fund;
- 1.13 The Executive Agency for Higher Education, Research, Development and Innovation Funding in Romania (UEFISCDI) represents the Romanian partner of the SNSF;
- 1.14 Cooperation Agreement for Programme Implementation means the document signed between UEFISCDI and SNSF in order to cooperate to implement the Romanian-Swiss Research Programme 2011-2016;
- 1.15 Joint Research Project (JRP) represents a project developed by a group of researchers from Romania jointly with a group of researchers from Switzerland;
- 1.16 Principal Investigator (PI) represents the leader of a group of researchers from Romania or Switzerland applicant for JRP.

Article 2

Objectives and Scope of the Research Fund

- 2.1. The objective of the Research Fund is to promote joint Romanian-Swiss research. The Research Fund channels the Swiss contribution to the activities aiming at reaching this objective.
- 2.2. The Research Fund has to be established, managed and implemented by the SIB according to the following documents, forming an integral part of the present Research Fund Agreement and listed by order of precedence in terms of legal applicability:
 - a) the Framework Agreement and its Annexes, particularly the Annex 4 and its sections A and B.6.A;
 - b) the present Research Fund Agreement;

- c) the Programme Document for the Romanian-Swiss Research Programme 2011-2016 (hereinafter called "Programme document"), including the Budget and indicative Financial Plan for the implementation and management of the Research Fund (Appendix);

Article 3

Amount and Utilization of the Research Fund

- 3.1 Switzerland shall provide a Grant in **Swiss Francs amounting to a maximum of CHF 9'750'000** (nine million seven hundred and fifty thousand Swiss francs) in favour of Romania for the implementation and management of the Research Fund as defined in Art. 2.
- 3.2 The Grant shall be managed in Switzerland and in Romania and its financing is considered as Swiss contribution in favour of Romania.
- 3.3 Co-financing shall be provided by the Ministry of Education Research, Youth and Sports for participating public research and academic institutions, as stipulated in the Framework Agreement and secured by UEFISDCI. The Grant for the implementation of JRPs shall cover a **maximum** of 85% of total eligible costs, borne in Swiss Francs, of the respective JRPs as provided by the Framework Agreement, Art. 5. This percentage shall never be exceeded during the Research Fund implementation.
- 3.4 Eligible costs include:
- (a) Management and administration of the Research Fund;
 - (b) Expenditures on JRPs financed by the Research Fund;
 - (c) Financial audit;
 - (d) Review and evaluation;
 - (e) Seminars and public events e.g.; to launch the call for JRPs proposals; to inform on procedures; to assess and inform on progress;
 - (f) Publicity of the Research Fund.
- 3.5 Not eligible costs include:
- (a) Expenditure incurred before the signing of the grant agreement;
 - (b) Expenditures on JRPs considered not eligible as stipulated in the Programme document;
 - (c) Interest of debt, purchase of land and buildings;
 - (d) VAT, if it could be recoverable by the beneficiary under national regulation.
- 3.6 The final date for eligibility of costs for the Research Fund in general corresponds with the end of the Research Fund as defined in Art. 19.6. Taking into account that the implementing period provided in the Programme document ends in 2016, SNSF's costs for reporting, auditing and evaluation can be considered eligible until June 30, 2017.

- 3.7 Any unutilised portion of the Grant remaining at the completion of JRPs shall be eligible for re-allocation as mutually agreed by the Contracting Parties.

Article 4

Payment Procedures

- 4.1 SDC provides working capital advances to SIB for the management costs including for the management costs of the UEFISCDI as well as for the JRPs. A prerequisite for payments is the approval by SDC of the relevant progress and financial reports of SIB covering the last-but-one period. The payment will be carried out annually based on the yearly activity and budget planning.
- 4.2 SDC informs the NCU at latest one month after the end of the year in question on the payments made to the SIB. The payments reported by SDC shall be included in the annual reports on the Swiss-Romanian Cooperation Programme as stipulated in Art. 8 of the Framework Agreement.

Article 5

Responsibilities of SDC

- 5.1 SDC, with the support of the Swiss Contribution Office in Bucharest, supervises and steers the implementation of the Research Fund. SDC ensures the establishment and operation of a monitoring system for the Research Fund.
- 5.2 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 Research Fund Agreement.
- 5.3 SDC shall conclude a Mandate Agreement with the SIB. After its conclusion, the Mandate Agreement will be sent by SDC to NCU in informative purposes. In the area of its competence SDC shall secure the management and implementation of the Research Fund by the mandated SIB in line with the stipulations of the present agreement and the Framework Agreement.
- 5.4 The Mandate Agreement shall be in full conformity with this Research Fund Agreement as well as with the Framework Agreement. It shall stipulate, inter alia, the implementation, planning and management responsibilities of SIB, disbursements, financial audit, monitoring, steering, reporting, review and evaluation.

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 Research Fund in Romania, according to Article 9.3 of Annex 4 of the Framework Agreement.
- 6.2 The NCU shall ensure the adoption of the necessary national legal documents for the implementation and monitoring of the Research Fund in Romania.
- 6.3 The NCU shall at all times clearly state that it is acting within the framework of the Swiss-Romanian Cooperation Programme to reduce economic and social disparities within the enlarged European Union. All publications shall refer to the Research Fund as a "Swiss-Romanian project". The general public in Romania shall be informed adequately about the Research Fund and the support provided by Switzerland.

Article 7

Responsibilities of the SIB

- 7.1 The Swiss National Science Foundation (SNSF), Wildhainweg 3, 3001 Berne, acts as the Swiss Intermediate Body (SIB) for the Research Fund in Switzerland and Romania.
- 7.2 The SIB is responsible for the set-up and management of the Research Fund in Romania, for the establishment of the JRPs portfolio, for the build-up, contracting and the supervision of the JRPs and for the reporting on the Research Fund.
- 7.3 The main tasks of the SIB are described in the Programme Document.
- 7.4 Tasks, responsibilities and obligation, including financial parameters for the service provided by SIB are further detailed in the Mandate Agreement.
- 7.5 The SIB will develop the Cooperation Agreement for Programme Implementation to be signed between UEFISCDI and SNSF in order to cooperate to implement the Romanian-Switzerland Research programme 2011-2016

Article 8

Steering/ Selection Committee

- 8.1 The Steering/Selection Committee shall provide guidance on strategic matters with a view to meeting the objectives of the Research Fund and with regard to ethics, compliance with applicable laws and regulatory policies, environmental safety and health policies, financial practices, disclosure and reporting. It is responsible for overseeing management and ensuring that systems are in place to manage the risks involved. In its steering function, this Committee will meet at least once a year.

- 8.2 The Steering/Selection Committee members will participate as observers in the evaluation of the panel's meeting. It will be consulted in the organisation of reviews and evaluation of the Fund. As a selection function, the Steering / Selection Committee shall make the final grant decision on JRPs. The Steering/Selection Committee is primarily accountable to SDC and the NCU.
- 8.3 The Steering/Selection Committee is to be established by the SIB after consultation with SDC and the NCU. It shall include representatives of the NCU, SDC, SNSF, MERYS and UEFISCDI. It shall meet at least once a year.
- 8.4 The lead of the Steering / Selection Committee shall be assured by SDC (co-chair) and the NCU (co-chair). The SIB shall secure the secretariat of the Steering Committee.

Article 9

Selection and approval of JRPs

Selection and approval of JRPs shall follow the procedure described in the Annex 4 of the Framework Agreement and the Programme Document. For each JPR, the SIB issues a Decision Letter to the Swiss Principal Investigator (PI) and UEFISCDI issues a Decision Letter to the Romanian PI.

Article 10

Flow of funds

- 10.1 For the operation of Research Fund Grant, the SIB shall use its bank account at the Federal Administration of Finance. All payments of SDC shall be made directly to this bank account. All payments from the SIB directly to UEFISCDI, respectively to the Swiss PI shall be made from this bank account.
- 10.2 Any gross interest must be indicated in the respective accounts statement and credited towards the next payment.

Article 11

Monitoring and Reporting

- 11.1 Monitoring shall take place at the level of the entire Research Fund and at the JRPs level. SDC shall ensure monitoring at the level of the entire fund. The SIB shall be responsible for monitoring at the level of the JRPs and at the programme level. Articles 11.2 to 11.4 detail monitoring and reporting requirements. These requirements may be adapted in the course of the implementation of the Research Fund provided changes have been accepted by the Steering / Selection Committee.
- 11.2 **At the level of the programme**, the SIB will inform SDC and the members of the Steering / Selection Committee via regular operational and financial reports as well as a completion report about management activities and progress made in the JRPs, including the experience gained through implementing the programme.

- a) Annual scientific narrative reports and annual financial reports for the Research Fund, respectively the final programme report that allow to assess periodically the status of achievement of the proposed objectives with annexes are transmitted to SDC and to the members of the Steering / Selection Committee
- b) Yearly activity and budget planning elaborated by SIB and discussed in the Steering / Selection Committee shall be the basis for the annual advance payments.
- c) A final Programme Report for the Research Fund shall include also "lessons learnt".

Annual Reports, respectively the final Programme Report, shall be transmitted to SDC no later than 3 months, respectively no later than 6 months, after expiry of the given reporting period. Annual Reports are to be discussed with the Steering/Selection Committee.

Reports at the level of the entire Research Fund shall support evidence for the payment from SDC to the SIB for management services as well as for financing the JRPs.

- 11.3 **At the level of JRP**, the Swiss PI in charge of the implementation of an JRP will submit at least one **annual scientific report** and a **final report** to the SIB providing information on the timelines and progress made in implementing the JRP. The financial part of the report will compare expenditures with the approved budgets. Reports will also be checked against the guidelines established at the start of the programme by the SIB.

Annual and final financial reports at JRPs level shall support evidence for the payment from the SIB to the Swiss PI for financing the JRPs as well the payment from the the Swiss PI to the Romanian PI and the payment of the part funded by Romania.

- 11.4 The Swiss PI must ensure that expenditure reflects the realities and is consistent with the work done. Then, the SIB controls the financial reports of the JRP first in connection with the JRP progress and also on the basis of the supporting documents (receipts, reports, etc.) attached to the reports.

Article 12

Right of Examination

Switzerland, as well as any third party appointed by it, shall have the right to conduct a comprehensive assessment or review of the activities implemented under the Research Fund, and shall be granted full access to all documents and information related to the implementation of the Research Fund, settled by this agreement, during its implementation and ten years after the completion of the Romanian-Swiss Research Programme. The SIB shall, upon request, ensure that the above mentioned third party representatives are accompanied by the relevant personnel and are provided with the necessary assistance.

Article 13

Common Concern

The Contracting Parties share a common concern in the fight against misuse of funds, which jeopardises good governance and the proper use of resources needed for development, and, in addition, endangers fair and open competition based on price and quality. They declare, therefore, their intention of combining their efforts to fight misuse of funds and, in particular, declare that whoever asks for, lets himself/herself be promised or accepts an advantage for acting or refraining from acting in the context of a mandate or contract within the framework of the present agreement will be considered to have committed an illegal act which shall not be accepted. Any actual case of this kind shall constitute sufficient grounds to justify termination of the present agreement, the annulment of the procurement or resulting award, or for taking any other corrective measure laid down by the applicable law.

Article 14

Liability

14.1 Each party is liable for any damages or injury, or other possible adverse effects caused to the other party for failure or delay in performance and / or malfunction of its obligations under the present agreement.

14.2 The contracting parties do not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the JRPs implemented by third parties, financed under the Research Fund in Romania.

Article 15

Settlement of Disputes

Any dispute which may result from the application of this Research Fund Agreement shall be solved by diplomatic means.

Article 16

Irregularities Clause

16.1 "Irregularity" means any breach of Romanian or Swiss law, the Framework Agreement, the Research Fund Agreement and/or related contracts, which has led or could lead to prejudicing the grant of the Romanian-Swiss Research Programme through unjustified expenditure.

16.2 In case of irregularities, willfully or negligently caused by a contracting party or the SIB regarding the execution of the Research Fund Agreement and the appendix thereto, Switzerland and/or Romania is entitled to:

(a) Stop payments immediately;

- (b) Instruct the other contracting party to stop payments from the Contribution;
 - (c) Ask repayment of illegitimately paid amounts at any stage of the activities.
- 16.3 Prior to making such a decision, SDC and NCU shall enter into a dialogue to ensure that it is based on accurate and correct facts.
- 16.4 In case of irregularities caused by the SIB, SDC will enter into dialogue with NCU in order to find an alternative solution for the continuation of implementation of activities within the Research Fund.
- 16.5 SDC or the NCU shall immediately and in written form communicate the reasons for their respective instructions to the other party and the other actors involved.

Article 17

Annexes

The Appendix: Programme Document for the Romanian-Swiss Research Programme 2011-2016 forms an integral part of this Research Fund Agreement;

Article 18

Competent Authorities

18.1 For the Government of Romania:

Ministry of Public Finance
Apolodor 17, Street
District 5, 050741, Bucharest
Romania
tel: +40 21 319 98 58
Fax: +40 21 315 13 66
www.mfinante.ro

Ministry of Education, Research, Youth and Sport
General Berthelot 28-30, Street
District 1, 010168, Bucharest
Romania
tel: +40 21 405 62 00
www.edu.ro

The Executive Agency for Higher Education,
Research, Development and Innovation Funding (UEFISDCI)
Mendeleev 21-25, Street
District 1, Bucharest
Tel: 021 3071918
Fax: 021 3071919
www.uefiscdi.gov.ro

18.2 For the Swiss Federal Council :
Swiss Agency for Development and Cooperation (SDC)
Freiburgerstrasse 130
CH - 3003 Bern
Switzerland
Tel: +41 31 32 25 735 / Fax: +41 31 32 41 696

Swiss Contribution Office for Romania
Embassy of Switzerland
16-20, Grigore Alexandrescu Street
010626 Bucharest 1
Romania
Tel.: +40 21 206 16 80
Fax: +40 21 206 16 20

18.3 All communication to Switzerland between Parties with regard to this Research Fund Agreement shall be established in English language and directed to the Swiss Contribution Office in Bucharest, which acts as a contact point for the NCU with regard to the official information referring to the Research Fund.

Article 19

Entry into Force, Amendments, Duration and Termination

19.1 This Research Fund Agreement shall enter into force on the date of its signing by the Contracting Parties and shall remain in force until all obligations under it have been fulfilled.

19.2 This Research Fund Agreement can be terminated at any time by one of the Contracting Parties upon a six-month prior written notice containing its justification. Prior to making such a decision, the Contracting Parties shall enter into a dialogue to ensure that it is based on accurate and correct facts. The Contracting Parties shall decide by mutual agreement on any consequences of the termination.

19.3 If either Contracting Party considers that the objectives of the Research 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 agreement by giving the other Contracting Party a written notice on the grounds.

19.4 The written notices regarding the termination or suspension of the present Agreement are to be done and sent by NCU in case of Romania or by SDC in case of Switzerland.

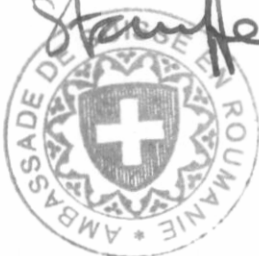
19.5 Any amendment to this Research Fund Agreement and its appendix shall be made in writing with the mutual agreement of NCU and SDC and according to their respective procedures.

19.6 The Research Fund shall be operational starting from the 5th August 2011 and ending on 6th December, 2019.

Done in Bucharest, Romania, on 05 of August 2011 in four originals in the English language.

For the Swiss Agency for Development and Cooperation

Thomas Stauffer
Head of the Swiss Contribution Office
Swiss Embassy

h. Stauffer


For the National Coordination Unit

Dan Tudor Lazar
Secretary of State



For the Ministry of Education,
Research, Youth and Sport

Daniel Funeriu
Minister

Daniel Funeriu


For the Executive Agency for Higher
Education, Research, Development
and Innovation Funding in Romania
(UEFISCDI)

Adrian Curaj
General Director

