Annex 2

Sample Grant Agreement between Swiss and Croatian PIs

**CSRP 2017 – 2023**

**Croatian-Swiss Research Programme**

**Grant Agreement between the Croatian and Swiss Beneficiaries**

No. # (e.g. IZHRI0\_144444)

the **Swiss PI:** Name, Title, Function, Institute, Street, City, Switzerland having the bank account no…….

(hereafter referred to as **"Swiss Beneficiary”)**

And

the **Croatian PI:** Name, Title, Function, Institute,Street, City, Croatia

And

the **Croatian Institute:** Name, Street, City, Croatia, duly represented by its #, XX, having the bank account no…….

(hereafter referred to as **"Croatian Beneficiary”**)

(collectively referred to as **"the Beneficiaries/the Parties "**)

The Swiss National Science Foundation (hereafter referred to as “SNSF”) and the Croatian Science Foundation (hereafter referred to as “CSF”) have selected for funding the Joint Research Project entitled **"#"** (hereafter referred to as "the JRP "; full proposal in Annex 1) submitted by the Beneficiaries in the framework of the *Croatian-Swiss Research Programme* (hereafter referred to as "CSRP"), which runs from 2017 to 2023 as a part of the Framework Agreement between the Government of Croatia and the Swiss Federal Council and which has been commissioned to the SNSF and the CSF by the Swiss Agency for Development and Cooperation (SDC) of the Federal Department of Foreign Affairs.

**Programme principles**

The following principles are of particular relevance for the CSRP:

**Transparency:** Transparency and openness are key to all cooperation activities and are binding at all levels. Special emphasis shall be placed on transparency in project and activity selection as well as in the awarding of contracts and financial management.

**Environmental sustainability:** Cooperation activities shall respect the need to incorporate environmental sustainability requirements.

**Commitment by all actors involved:** All decision-makers and entities involved with the CSRP shall be committed to the efficient and effective implementation of the agreed supporting measures.

**Partnerships:** Partnerships between Swiss and Croatian partners are an enriching element and are strongly encouraged, especially in fields where Switzerland has specific experience, know-how and technologies.

**Visibility:** Visibility is an important aspect that shall be taken into account when selecting and implementing activities. The funding and execution of the JRP shall be governed by the following provisions.

**Article 1 Scope**

The Beneficiaries shall carry out the JRP in accordance with the definitions laid down in the Research Plan. In particular, they shall ensure the continuous and thorough monitoring of the activities executed in the framework of the JRP in order to allow steady assessment of the progress made and quick intervention in case of need.

**Article 2 Role of the Beneficiaries**

Both beneficiaries are responsible for the implementation and completion of the funded JRP. The Beneficiaries shall make sure that the information they get from their respective agencies is also known to the other Beneficiary.

In addition to his/her tasks as defined in the Grant Agreement and in the Research Plan, the Swiss Beneficiary shall be responsible for the transfer of the Swiss financial contribution of the SNSF to the Croatian Beneficiary in accordance with the regulations of this Grant Agreement (see Article 4 for details). The Swiss Beneficiary shall also be responsible for the submission of the reports mentioned in Article 8 of this Grant Agreement to the SNSF. The Croatian Beneficiary shall deliver to the Swiss Beneficiary the information needed to write the reports and submit all necessary documents in due time.

If the Beneficiaries wish to forward information that is relevant for both the SNSF and the CSF, the Swiss Beneficiary will collect the information and share it with the SNSF. The SNSF will in turn inform the CSF.

**Article 3 Duration of the JRP**

The JRP shall run for # months from # until #.

**Article 4 Financial contribution**

The Swiss contribution to the JRPs (86.91%%) is allocated to the Swiss and Croatian Beneficiaries to finance the JRPs’ activities. These payments shall be transferred by the SNSF to the account of the Swiss Beneficiary mentioned in this Grant Agreement. The Swiss beneficiary will then annually transfer the share of the contribution defined in the budget of each JRP to the Croatian Beneficiary according to the progress made in the JRPs.

The Croatian contribution for JRPs (13.09%) is allocated to the Croatian Beneficiaries to finance the JRPs’ activities. These payments shall be transferred directly by the CSF to the Croatian Beneficiaries in three annual instalments.

The SNSF shall contribute CHF # to the JRP, the CSF CHF #. The payment shall be made in three (3) instalments as indicated in Annex A.

In Switzerland, the JRP grants are not subject to VAT or other taxes and charges. In Croatia, research is not excluded from VAT. Therefore, all costs budgeted in a JRP (e.g. equipment, consumables, etc.) will be charged to the programme, VAT included. However, VAT will not be considered as an eligible expenditure if the research institution in Croatia is able to recover the VAT.

**Article 5 Budget**

The allocation shall be used in accordance with the budget defined in Annex A to this Grant Agreement.

Possible savings in one of the budget categories may be transferred to cover higher costs in another category as far as no explicit terms or conditions set by the SNSF and the CSF may conflict with such transfers. Such transfers shall, however, not exceed 10% of the total allocation. For transfers above this limit, written permission shall be obtained from the SNSF and the CSF.

The allocated funds may only be spent within the approved duration of the JRP; they shall not be used beyond its official end as defined in Article 3 of this Grant Agreement. After completion of the JRP the Beneficiaries shall inform the SNSF of any unspent balance and shall be responsible for the reimbursement either to the SNSF or the CSF.

The following do not count as eligible costs:

* Salaries of Swiss and Croatian PIs and further applicants;
* Expenditure incurred before and after the official duration of the project;
* Interest on debt, purchase of land/real estate;
* Fines, financial penalties and expenses of litigation;
* Activities supported through other sources of funding;
* Costs which exceed the usual market prices;
* VAT, if it may be recovered by the beneficiary under national regulations.

**Article 6 Transfer of funds**

The Swiss Beneficiary shall be responsible for the transfer of part of the funds (according to Annex A) to the Croatian Beneficiary to the account mentioned by the Croatian Beneficiary.

The Beneficiaries shall take all necessary precautions, in particular with regard to (pre)payments and guarantees.

**Article 7 Ownership of equipment and other material investments**

When purchasing project material, the Beneficiaries must observe the principles of free competition and transparency and order material from the supplier that offers the best price/performance ratio, with due consideration to delivery times and guarantees. Any deviation from this principle must be justified.

Equipment and any other material investments bought by means of the financial contribution for the Swiss Beneficiary are subject to SNSF regulations. Equipment and any other material investments bought by means of the financial contribution for the Croatian Beneficiary are subject to CSF regulations. The Beneficiaries are entitled to accept, possess and use the equipment in accordance with the provisions of the Research Plan. The Beneficiaries shall ensure that the equipment is duly made available for the purposes of the JRP and remains available for its scientific purposes beyond the duration of this Grant Agreement.

At the end of the projects, the beneficiaries will be asked in the final financial report what they intend to do with the equipment bought with the money from the JRP. The main regulations of the SNSF and the CSF will apply.

**Article 8 Reporting**

**Scientific reports**: The Beneficiaries will submit through the Swiss Beneficiary short annual reports and a final report to the SNSF on the advancement of their project, providing information about timelines and progress made in implementing the JRP. The annual reports will be checked by the SNSF.

The final report will be checked by the member of the evaluation panel that was responsible for the given proposal and will need to be approved by the Specialised Committee of the SNSF and the CSF Board. The report (approved) is the only document which serves as a basis for declaring the project completed.

**Financial reports**: The beneficiaries will provide an annual and a final financial report to the SNSF and the CSF. The “Swiss PIs” in the JRP provide an annual and a final financial report to the SNSF, covering the expenses and revenues of the JRP financed by Switzerland (86.91%). This includes a financial report from the Croatian PIs, covering the expenses and revenues transferred by the Swiss PI (financed by Switzerland). Additionally, the Croatian PI compiles a second report to the CSF, accounting for the costs covered by the Croatian contribution (13.09%). The budget of the Croatian beneficiary will thus be clearly divided into a part funded by Switzerland and a part funded by Croatia. The Croatian contribution shall be calculated using the middle exchange rate of the Croatian National Bank (www.hnb.hr) prevailing on the date of conclusion of the Research Fund Agreement (10.07.2017) as a reference for the conversion from Swiss Francs to Croatian Kunas to calculate its 13.09%. For the reporting on the Croatian contribution (Croatian PI), a daily middle exchange rate of the Croatian National Bank prevailing at the last working day of the reporting period will act as reference for the conversion from Croatian Kuna to Swiss Franc. In the financial reports, expenditures will be compared with the initial budgets submitted. Financial reports will also be checked against the guidelines established at the start of the programme. Both the SNSF and the CSF will check and approve these reports (through Interdisciplinary and International Co-operation division and the CSF Board).

Templates and necessary instructions for both types of report will be provided by the SNSF and the CSF.

**Financial control**: The responsibility for overseeing the proper management of funds lies with the “Swiss and Croatian PI”. The SNSF only checks the reports for the expenses contributed by Switzerland (86.91%), while the CSF is responsible for checking the Croatian contribution (13.09%). Subsequently, the SNSF and the CSF examine the financial reports of the whole JRP first in connection with the project progress and also on the basis of the supporting documents (receipts, reports, etc.) attached to the reports.

**The financial report must be accompanied by copies of receipts for any single expense. The accounting shall be done according to the approved budget categories (Annex A of the Grant Agreement).**

Rebates, discounts and the like shall be regarded as cost reductions and must be declared as such in the financial report.

**All reports must be written in English.**

**Article 9** **Information**

The Beneficiaries shall immediately inform the SNSF of any occurrence and/or event likely to affect the execution and/or the successful conclusion of the JRP.

**Article 10 Audit of JRP**

The SNSF, CSF or any duly authorised representative, may execute audits of the Beneficiaries’ projects. The Beneficiaries shall provide any requested information and shall grant full access to any relevant documents and/or accounts as asked for the audit.

**Article 11 Ownership of intellectual property**

In respect of any discovery and/or invention derived from the execution of the JRP, the Beneficiaries shall consult and agree on the ownership of any intellectual property and/or the terms of commercial exploitation. In their consultations, the Beneficiaries shall have regard to their relative contributions as to the discovery and/or invention made.

The Beneficiaries shall duly inform – during and after a JRP – the SNSF and CSF of any agreements concluded and/or measures taken in view of protecting and/or exploiting such discoveries and/or inventions.

The Beneficiaries undertake not to violate the rights of third parties. Failing this, the Beneficiaries undertake to meet all claims by third parties arising from any violation of intellectual property rights for which they bear responsibility, and to bear the costs of any such violation, including their own legal costs and those of the countries, and any damage compensation.

If publication of a piece of information relating to this JRP arises from a legal requirement of Switzerland or Croatia (e.g. the Swiss federal law on the principle of transparency in administration, RS 152.3), the Beneficiaries shall not regard such publication as a violation of its rights or as giving rise to any claim against Switzerland or Croatia.

**Article 12 Publication and exploitation of results**

Prior to the publication of results derived from the JRP, the Beneficiary(s) shall ensure that consent is obtained from all the relevant parties involved in their creation.

The Beneficiaries are obliged to publish research results coming from the JRPs in appropriate form and according to SNSF and CSF’s standards. The following rules also apply:

* Publications are to be accessible, and to comply with Open Access regulations;
* The data collected within a JRP are to be accessible to other researchers for secondary research;
* The SNSF and the CSF can request that publications containing data gained in the framework of JRPs are submitted to them;
* All results of research activities developed through the JRPs are subject to the regulation of the Croatian and Swiss host institutions.

The Beneficiaries shall state in any printed matter (publications, conference proceedings, etc.) that the activities underlying the published results were carried out in the framework of the CSRP programme using the following text: “This work was supported by the Swiss Enlargement Contribution in the framework of the Croatian-Swiss Research Programme.”

The Beneficiaries, through the Swiss Beneficiary, shall send a copy of all published papers to the SNSF.

**Article 13 Safety**

The Beneficiaries shall be responsible for the safety of their staff working on the project and for setting up an appropriate security management system. In the event of a crisis situation (war, civil unrest, natural disaster, danger to experts’ lives, etc.), the Beneficiaries shall inform the nearest Swiss representation of the security conditions and any measures already taken.

**Article 14** **Liability**

The Beneficiaries shall be exclusively liable for the conduct of its auxiliary personnel and sub-contractors [pursuant to the Swiss Code of Obligations (SCO)]. They shall not be liable either to the SNSF or the CSF for damage arising as a result of force majeure or unpredictable events.

**Article 15 Confidentiality**

The Swiss and the Croatian Beneficiaries shall keep confidential and shall not disclose to any third party secret or proprietary information received from each other in the framework of the execution of the JRP without written consent.

**Article 16 Common concern**

The Beneficiaries are obliged, neither to offer directly or indirectly advantages of any kind to third parties, nor to accept directly or indirectly gifts or other advantages, which could be interpreted as bribery or as illegal practice.

**Article 17 Modifications and amendments**

No modifications and/or amendments to this Grant Agreement shall enter into effect before having been agreed in writing by the Beneficiaries and communicated to the SNSF.

**Article 18 Breach of Grant Agreement**

In the case of any improper use of the grant awarded by the SNSF and the CSF or of violations of any provisions of this Grant Agreement by the Beneficiaries, the SNSF and CSF shall be entitled to terminate the Grant Agreement with immediate effect, to close the accounts, to request reimbursement of any payments made so far and to take any appropriate action in order to remedy and/or mitigate damages.

**Article 19 Reservation**

In case the Federal Department of Foreign Affairs withdraws or reduces its financial allotment to the Programme, the SNSF and the CSF may be forced to reduce or cancel its financial contribution to the JRP as defined in Article 5 of this Grant Agreement.

The SNSF and the CSF shall immediately inform the Beneficiaries of such occurrence beyond its control and the Parties shall enter into negotiations in order to amend the Grant Agreement and, in particular, the execution of the JRP accordingly.

**Article 20 Entry into force and termination**

This Grant Agreement shall enter into force upon signature by the Swiss and Croatian Principal Investigators. A copy of the signed Grant Agreement must immediately be sent to the SNSF. The SNSF will inform the CSF and provide a copy and both can pay the first instalment. The Grant Agreement shall end upon fulfilment of all contractual obligations by the Parties.

**Article 21 Sub-contracting agreements**

The Beneficiaries shall inform the SNSF in advance in writing regarding the conclusion of any sub-contracting agreement that relates to the execution of the Grant Agreement as a whole or a significant part of it. Every sub-contracting agreement must comply with this Grant Agreement.

The Beneficiaries shall adhere to the free competition principle when selecting sub-contractors. Sub-contractors shall be chosen on the basis of the best quality/price ratio. Any departure from this rule must be justified. If appropriate, the legislation on procurement contracts of the relevant country must be complied with.

The SNSF and the CSF are obligated only to the Beneficiaries. Agreements concluded by the Beneficiaries, e.g. sub-contracting agreements, entail no obligation on the part of the SNSF or the CSF.

If the SNSF and the CSF so request, the Beneficiaries must supply copies of contracts and terms of reference agreed with its sub-contractor(s).

**Article 22 Applicable law and jurisdiction**

The Grant Agreement shall in all respects be governed by the laws of Switzerland and Croatia. In case of any difference and/or dispute with respect to the Grant Agreement, the Parties shall endeavour to reach an amicable resolution of such difference and/or dispute. Failing such efforts, the difference and/or dispute shall be settled by the competent courts in the canton of Bern.

The Beneficiaries undertake to comply with the applicable laws of Switzerland and Croatia, as well as the standards governing this Grant Agreement. They undertake to adhere to the employment principles as well as the relevant national and thematic strategies of their countries in the execution of this Grant Agreement.

**Article 23 Duty of loyalty**

The Beneficiaries undertake to execute this Grant Agreement with the required care and diligence and to fully safeguard the interests of the SNSF and the CSF. The Beneficiaries shall comply with the applicable legislation, rules and regulations.

In executing the project, the Beneficiaries are making a contribution to relations between Switzerland and Croatia. They undertake to cooperate constructively with the authorities of the countries concerned.

The Beneficiaries and their project staff undertake not to engage in accessory activities, either paid or unpaid, which might be detrimental to the execution of the Grant Agreement and to relations between the SNSF and the CSF.

The Beneficiaries undertake to inform the SNSF of any suspected illegal conduct related to the JRP.

**Article 24 Research authorisation**

Research requiring authorisation or notification (research on humans, on human embryonic stem cells, on animals; on GMO or pathogens) must be announced to and authorised by the concerned authorities in Switzerland and Croatia. The Swiss and Croatian Beneficiaries are responsible for their part of the project and inform the SNSF and the CSF respectively. If needed, the Croatian Beneficiary informs the Swiss Beneficiary about the existence of the authorisation in order to be able to release the grant.

**Article 25 Regulations for researchers**

Funded researchers based in Switzerland will be subject to the SNSF’s Funding Regulations on research grants (available on the SNSF website), unless explicitly stated otherwise in this contract or one of its annexes.

Funded researchers based in Croatia will be subject to the Funding Regulations of the CSF on research grants, unless explicitly stated otherwise in this contract or one of its annexes.

**Article 26 Annexes**

The following annexes shall form an integral part to this Grant Agreement:

- Annex A: Budget

- Annex B: SDC Code of Conduct (available upon request)

This Grant Agreement is made in English in # (#) original copies duly signed for and on behalf of the Parties, each party receiving an original copy.

**Signature of Swiss Beneficiary**

* **Swiss PI**

**Signature of Croatian Beneficiaries**

* **Legal representative of the Croatian host institution**
* **Croatian PI**

**ANNEX A**

**(Budget)**

**to the Grant Agreement No. #**

**Budget**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **TOTAL** | **SNSF contribution** | | **CSF contribution** |  |
|  | **CH team** | **Croatian team** | **Croatian team** | **Total** |
| Personnel / staff costs (incl. social charges) |  |  |  |  |
| Travel and sub. allowances |  |  |  |  |
| Equipment costs |  |  |  |  |
| Consumables |  |  |  |  |
| Other costs (incl. overhead for Croatia) |  |  |  |  |
| **Total** |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **1rst year** | **SNSF contribution** | | **CSF contribution** |  |
|  | **CH team** | **Croatian team** | **Croatian team** | **Total** |
| Personnel / staff costs (incl. social charges) |  |  |  |  |
| Travel and sub. allowances |  |  |  |  |
| Equipment costs |  |  |  |  |
| Consumables |  |  |  |  |
| Other costs (incl. overhead for Croatia) |  |  |  |  |
| **Total** |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **2nd year** | **SNSF contribution** | | **CSF contribution** |  |
|  | **CH team** | **Croatian team** | **Croatian team** | **Total** |
| Personnel / staff costs (incl. social charges) |  |  |  |  |
| Travel and sub. allowances |  |  |  |  |
| Equipment costs |  |  |  |  |
| Consumables |  |  |  |  |
| Other costs (incl. overhead for Croatia) |  |  |  |  |
| **Total** |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3rd year** | **SNSF contribution** | | **CSF contribution** |  |
|  | **CH team** | **Croatian team** | **Croatian team** | **Total** |
| Personnel / staff costs (incl. social charges) |  |  |  |  |
| Travel and sub. allowances |  |  |  |  |
| Equipment costs |  |  |  |  |
| Consumables |  |  |  |  |
| Other costs (incl. overhead for Croatia) |  |  |  |  |
| **Total** |  |  |  |  |