



**THE BONUS COOK BOOK: BUILDING ADMINISTRATIVE FRAME-  
WORK FOR THE JOINT BALTIC SEA RESEARCH PROGRAMME**  
BONUS Publication No. 8

# **The BONUS Cook Book: Building Administrative Framework for the Joint Baltic Sea Research Programme**

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Recommended citation: Andrusaitis A., A. Ikauniece, K. Kononen, J. Inkinen 2009. The BONUS Cook Book: Building Administrative Framework for the Joint Baltic Sea Research Programme. BONUS Publication No.8.

Layout: PixPoint ky  
Cover: Antti Kamppinen (ajk@saunalahti.fi)  
Press: Juvenes Print – Ammattikuva, Tampere 2008  
Copyright: BONUS ERA-NET Project 2008  
Web address: [www.bonusportal.org](http://www.bonusportal.org)  
ISBN 978-952-67033-6-7 (print)  
ISBN 978-952-67033-7-4 (pdf)

BONUS is an EU 6th Framework Programme ERA-NET project with a total funding of 3.03 million euros for years 2003-2008. The project brings together the key research funding organisations in all EU Member States and Russia around the Baltic Sea. The aim is to create gradually and systematically conditions for a joint Baltic Sea research and researcher training programme. BONUS operates in close connection with scientific and management actors.

### The objective of BONUS is

*to form a network and partnership of key agencies funding research aiming at deepening the understanding of conditions for science-based management of environmental issues in the Baltic Sea.*

The 'status quo' in ongoing research, research funding, marine research programme management and infrastructures is examined and the necessary communication and networking tools are established. The needs and conditions for a joint research programme from a scientific and administrative point of view are examined. The integration of the new EU Member States into the common funding scheme is considered in one of the tasks. Finally, an Action Plan for creating joint research programmes, including all jointly agreed procedures of programme management and aspects of common use of marine research infrastructure is produced. An additional activity is the development of a common postgraduate training scheme.

The consortium is composed of altogether 14 partners: 13 research funding organisations from nine countries and one international organisation. In addition, BONUS links six funding organisations as observers, which increases the number on involved organisations to 20.

### Partners

- Academy of Finland
- Project Management Organisation Juelich, Germany
- Danish Agency for Science, Technology and Innovation
- Estonian Science Foundation
- International Council for the Exploration of the Sea
- Ministry of Education and Science of the Republic of Lithuania
- Latvian Council of Science
- Ministry of Science and Higher Education, Poland
- Foundation for Strategic Environmental Research, Sweden
- Swedish Research Council for Environment, Agricultural Sciences and Spatial Planning
- Swedish Environmental Protection Agency
- Russian Foundation for Basic Research
- Institute of Oceanology Polish Academy of Sciences
- Baltic Organisations Network for Funding Science EEIG

### Observers

- Deutsche Bundesstiftung Umwelt
- Deutsche Forschungsgemeinschaft
- Estonian Ministry of Environment
- Latvian Environment Agency
- Maj and Tor Nessling Foundation, Finland
- Nordic Council of Ministers: Marine and air pollution group

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Previously published in the BONUS Publication Series:

1. BONUS ERA-NET 2004-2007
2. The Joint Baltic Sea Research Programme – Best Practice, Possibilities and Barriers
3. Baltic Sea Research and R&D Funding in 2004
4. Guidelines for a Common Evaluation Scheme for a Joint Baltic Research Programme
5. BONUS-169 Baltic Sea Science Plan and Implementation Strategy
6. Identification of Cooperation Areas and Gaps in Existing Programmes
7. Baltic School of Researchers

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## Summary

This publication sums up the work done and experience gathered while preparing the administrative framework for the BONUS-169 Joint Baltic Sea Research Programme. The work presented here has been initiated by the Task 3.2 of the BONUS ERA-NET Project (2003 – 2008), and further continued by the dedicated implementing structure of the Joint Programme - BONUS Baltic Organisations Network for Funding Science EEIG.

Building on the outputs produced by other BONUS ERA-NET tasks and work packages, authors give an outline of the status of the Baltic Sea research landscape before launching of the Programme – lack of cooperation among research funding institutions of different Baltic Sea states, insufficient awareness of the scientists' role in developing evidence-based and efficient national and international policies for reducing of marine pollution, conserving exploitable marine resources and biological diversity and tackling the climate change; difficulties in crossing the traditional borders of research disciplines; deficit of interdisciplinary teaching schemes for the young generation of experts and scientists; distribution of the marine research funding among the Baltic Sea countries, different research fields, and between competed and non-competed funding sources.

The steps of developing the BONUS-169 Baltic Sea Science Plan and Implementation Strategy, choosing format of the Joint Programme, establishing administrative bodies and evaluation procedures are described in detail.

A separate chapter of this publication is devoted to estimation of the potential funding volume of the future Programme, and identification of various types of resources that would be necessary and available to the participants of the programme. Although, ultimately

a true “Common Pot” would be an optimal funding concept for such a Programme, authors provide as an example, the details of the “BONUS Virtual Common Pot”. This mechanism, applied in the first joint call for research proposals, is considered as an important step towards further financial integration.

Establishing of efficiently and fairly governed, and well- managed dedicated implementation structure is a crucial step determining success and sustainability of the research integration. Development of normative documents like EEIG statutes, Internal Regulations, various technical procedures and practices, like – planning, implementing of decisions, managing the documentation, ensuring proper monitoring and feedback, processes of financial management, gathering advice from stake-holders are exemplified with solutions applied by BONUS EEIG. A detailed description of the specific procedures applied and bodies involved while managing the call for research proposals is given.

Publication does not limit itself with theoretical considerations of various aspects of the administration of the Joint Programme, but building on the rich experience gathered by the BONUS team, provides practical guidelines, and assesses the sequence of events and time necessary for different actions.

Throughout its work for the Joint Baltic Sea Research Programme, the BONUS team faced challenges that arise from the pioneering nature of this initiative. Therefore, the concluding chapter is fully devoted to the analysis of the lessons learned preparing the dedicated structure and its normative documentation, solving the financial issues of the Programme, developing its Science Plan and Implementation Strategy, and implementing various phases of the Call management.

## Preface

From the very beginning of drafting the ERA-NET project proposal, representatives of 12 research funding agencies of 9 Baltic Sea countries saw the creation of a joint marine research programme as a major task. Essentially, progress made with launching of the joint research programme is the most trustworthy measure of the success of the BONUS ERA-NET. Among various tasks and activities shared by the ERA-NET partners, the aim of task 3.2. “Action plan for the creation of a joint marine research programme”, led by the team of the Latvian Council of Science, was to compile information and suggestions produced by specialised groups into a clear action plan that would later serve as a roadmap for those who would create and implement the Joint Programme. In reality, however, the development and implementation of the action plan coincided, as the opportunity arose to build the Programme under EU Treaty Article 169, and later to implement the first Call for proposals in a form of an ERA-NET PLUS activity. This mode of work put much more pressure (in terms of timing and responsibility) on the task 3.2 team. The action plan could have been more theoretical had it been developed before actually being put into practice. Nevertheless, designing a project knowing that it would be implemented in real life and daily communication with those who would run and participate in the Joint Programme made the task team’s work far more interesting and rewarding.

Needless to say, due to these circumstances the task team received a lot of attention and support from all BONUS partners throughout the ERA-NET project. The nature of the proposals put forward by the team required consultations with each of the research funding agencies involved and had to be reviewed and approved by the collective bodies, namely the Group of the Legal Representatives of Participating Agencies, the Forum of Programme Managers (FPM), and the Network Steering Committee (NSC). Many of the initial ideas were crystallised within the Executive Committee of the BONUS ERA-NET – an informal supporting body for the BONUS ERA-NET Co-ordinator, formed by the Co-ordinator - chairs of the NSC, Advisory Board (AB) and FPM and supplemented by relevant task leaders. Being grateful to every member of these groups for his or her contribution, we would like to mention here the names of two colleagues whose input fundamentally shaped the action plan: Hans-Joergen Zahorka (legal adviser to BONUS ERA-NET, LIBERTAS - European Institute GmbH) and Hans-Ortwin Nalbach (Federal

Ministry of Education and Research, Germany). BONUS EEIG Financial Manager Elise Oukka contributed to the analysis of the financial issues in Chapter 5. Authors also wish to thank Anna Shepherd for the language check and Reetta Koivisto for assistance with the editing of the text.

Five similar names used in the following text might confuse the reader and therefore deserve some explanation:

***BONUS for the Baltic Sea Science – Network of Funding Agencies*** (denoted as BONUS ERA-NET or simply BONUS) is an ERA-NET project granted to the consortium of research funding agencies under the Sixth EU Research Framework Programme.

***BONUS+*** is an ERA-NET PLUS activity funded jointly by the research funding agencies of the Baltic Sea states and the EU under the Seventh EU Research Framework Programme. BONUS+ implements the first Joint Call for proposals of the Joint Baltic Sea Research Programme and serves as a bridging measure towards future BONUS-169 programme.

***BONUS-169*** is the eventual continuation of the Joint Baltic Sea Research Programme after BONUS+, which, in accordance with article No. 169 of the EU Treaty, will take a more sustainable and substantial form of research co-operation among EU member states<sup>1</sup>.

***BONUS EEIG*** is a dedicated management structure in the form of European Economic Interest Grouping<sup>2</sup> created by research funding agencies or their affiliates for the purpose of running the Joint Baltic Sea Research Programme.

***BONUS-169 Baltic Sea Science Plan and Implementation Strategy***<sup>3</sup>, usually referred to as the BONUS-169 Science Plan, is a document created under BONUS ERA-NET task 2.5. The BONUS Science Plan identifies the thematic contents and outlines the implementation strategy of the Joint Baltic Research Programme. The BONUS Science Plan

<sup>1</sup> See [http://cordis.europa.eu/fp7/art169\\_en.html](http://cordis.europa.eu/fp7/art169_en.html)

<sup>2</sup> Acc. to Council Regulation (EEC) No 2137/85 of 25 July 1985, see <http://europa.eu/scadplus/leg/en/lvb/l26015.htm>

<sup>3</sup> Hopkins C.C.E., J. Thulin, J.G. Sutinen, K. Kononen, P. Snoeijis, S. Johansson & H.-O. Nalbach 2006. BONUS-169 Baltic Sea Science Plan and Implementation Strategy. BONUS Publication No. 5

applies to both the BONUS+ and the future BONUS-169 Programme.

On May 17, 2007, the implementation structure of the Joint Baltic Sea Research Programme – BONUS European Economic Interest Grouping – was registered in Finland, and four months later the Call for research proposals for the first round of the Programme was issued<sup>4</sup>. The Joint Programme is now up and running and the 3.2 task team could limit itself to producing a formal report to the BONUS ERA-NET Co-ordinator and the Commission on fulfilling its task. We have, however, at least two good reasons to offer a description of our work to a broader audience:

1) This is only the beginning of the Joint Research Programme: new solutions will have to be found by its implementation bodies in order to achieve efficient administration, secure genuine equality among all of the participants, facilitate practical utilisation of the Programme's scientific outputs

and demonstrate the sustainability of this initiative. Many of the norms written in the regulatory documents will possibly have to be supplemented or even rewritten. Thus, future implementers of the Programme might be interested in looking back to how the principles embodied in the Programme were developed and what the reasoning behind the original norms and administrative solutions was.

2) Just as we strived to learn as much as possible from the surprisingly limited experience of joint research activities of EU member states, developers of international research programmes on other topics or in a different regional setup will certainly be interested in benefiting from the approaches tested and lessons learned in BONUS ERA-NET. The BONUS team sees dissemination of experience gained while building up the institutional framework of the Joint Programme as an important output of our effort.

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<sup>4</sup> For more details, see [www.bonusportal.org](http://www.bonusportal.org).

# 1 Initial Steps

## 1.1 Why a Joint Programme? Agreement on willingness to establish collaboration among the research funding agencies

The sustainability of the natural resources and the status of the marine environment of the Baltic Sea – the largest body of water inside the European Union – are of particular importance for Europe. It is also obvious that the sustainable use of the living and non-living marine resources has to be based on a strong scientific foundation. A thorough understanding of the natural environment's responses to human impact and of interdependencies existing in societies as regards environmental governance is needed. Science funding is an elemental part of environmental policy and management. Apart from research initiated by the scientific community itself, society, through its research funding mechanisms, may call for strategic research needed to strengthen the scientific basis of environmental management. Research programmes are funding instruments that specifically promote research required to reach these goals.

In the Baltic Sea area, co-operation and networking in marine research reaches back more than a hundred years. However, in the light of the direction taken by the EU towards a European Research Area, it became clear that further progress was hampered by a lack of a network of funding organisations. There was also a lack of effective co-operation and co-ordination as regards research activities necessary for advanced, integrated Baltic Sea management and governance carried out and funded at national or regional levels. Thus, BONUS was started in a situation where there was no co-ordination between funding organisations of ongoing programmes or projects. The lack of regional co-ordination of research programmes resulted in inefficient and uneconomically used research funding, e.g.,

- overlaps and gaps in research, researcher training and infrastructure investments;
- communication problems between scientists and stakeholders as regards information needs and applicability of research results;
- unnecessary time delays in the dissemination of results among scientists and between scientists and stakeholders;
- a lack of a critical mass to tackle region-wide problems;

- an inefficient and un-co-ordinated use of marine research infrastructures.

The lack of a common forum for science policy-makers and funding agencies hampered also the implementation of existing global marine research programmes in the Baltic region, as the relevance of these programmes was not evaluated in the regional context. In addition, the participation of smaller countries or universities was reduced in these research activities.

Hence, already at the beginning of the BONUS ERA-NET project (actually, even earlier: in the phase of compiling the ERA-NET proposal) its partners agreed on their ultimate goal: the creation of the Joint Baltic Sea Research Programme. Thus, the ambitious BONUS ERA-NET work description created jointly by the proposers – research funding agencies representing nine Baltic Sea States and one international organisation – did not limit itself to initial networking activities like staff exchange, promoting best practices, mapping national research efforts and inventorying research infrastructures. Instead, it embarked on tasks aiming at creating preconditions for the Joint Baltic Sea Research Programme with the aim of deepening the understanding of conditions for science-based management of environmental issues and sustainable use of resources. These tasks were: analyzing legal and administrative opportunities and barriers, analysing gaps and areas of co-operation in existing transnational research activities, outlining the thematic priorities of the future Joint Programme, and establishing common evaluation principles. Moreover, the work package No. 3 of ERA-NET commenced the implementation of the direct joint activities: developing an action plan in order to create the Joint Programme and develop a joint post-graduate training scheme.

With ten partners from eight EU member states, one international organisation and the Russian Foundation for Basic Research in the consortium of the project, BONUS ERA-NET was in a good position to reach the anticipated outcome – a programme with resources allocated by both national funding agencies and the EU, where funding is open to researchers irrespective of national borders and funding decisions are based on a fair competition of the scientific quality and practical impact of the proposals.

## 1.2 Status analysis

### 1.2.1 Identifying research gaps and challenges

Two BONUS ERA-NET tasks were performed in order to include the most relevant issues in the Joint Baltic Sea Research Programme. Planning and forecasting necessary future research in the BONUS-169 coincided with identifying currently missing knowledge and expected challenges. Scientists, policy makers and research funding administrators from around the Baltic Sea were extensively involved and consulted concerning both the tasks.

The following issues were found to be relevant when identifying research gaps and challenges:

- Communication between the research sector and administrative bodies at different levels is not satisfactory due to different backgrounds and the lack of a mechanism for such communication. There is probably still too little awareness of the benefits of mutual communication. This situation could be improved through more joint multidisciplinary workshops and meetings and engaging both scientific experts and officials in different forms of collaboration and ventures, thus strengthening the relationship between administrative entities and science.
  - The most difficult problems arise from traditionally separated research within one or neighbouring disciplines without real interaction as regards environmental problems. A complex way of tackling this problem is needed, and different scientific disciplines should be involved. Crossing traditional borders is crucial not only between different disciplines, but also between natural, social and economic sciences, e.g. research on potential mechanisms for solving conflicting interests of different economic sectors, socio-economic investigation into environmental problems, valuation of ecosystem goods and services (environmental economy). A more holistic approach to marine issues and a common “scientific” language should be developed and disseminated to the science, policy and administrative sectors.
  - Cross-disciplinarity in research should stem from well-oriented education offering cross-disciplinary programmes in environmental studies, which would provide future generations of scientists and decision-makers a new and broader way of thinking. In addition, a wider use of joint PhD level studies in the Baltic Sea area should be considered.
- Existing networks in the Baltic region show that the research community is quite well integrated in many areas, but there is still a lack of an interdisciplinary approach to co-operation. Most networks consist merely of co-ordination activities supporting the exchange of information<sup>5</sup>.

Cross-disciplinarity was adopted as a key concept when developing the BONUS-169 Science Plan. Preparation of the Science Plan revealed that the nine Baltic Sea States co-operate to set priorities and carry out concerted actions in international management and regulatory forums concerning the marine environment and living resources. However, there is a lack of corresponding pan-Baltic collaboration for co-ordinating the funding and implementation of RTD needed to effectively address the Baltic Sea’s trans-boundary environmental problems. Therefore, the future trans-national research programme should be co-operative, interdisciplinary, well-integrated and focused on supporting the sustainable development of the Baltic Sea region by providing scientific outputs facilitating the implementation of an ecosystem-based approach to managing (EAM) environmental issues of the Baltic Sea. It should enhance understanding and predictive capacity regarding the Baltic Sea ecosystem’s response to impending changes caused by both naturally and human induced pressures, and linkages between environmental problems and the social and economic dynamics in responding to them. In turn, it should form the basis for prudent management aimed at safeguarding the sustainable use of the ecosystem’s goods and services.

### 1.2.2 Analysis of the Baltic Sea research funding

The Baltic Sea has long been considered one of the best studied areas of the World Ocean. Nevertheless, the question “How much does Baltic Sea research cost?” had never been asked before. For the BONUS ERA-NET, the overall funding volume of Baltic Sea research was important to know because it gives an idea of the size of the pooled national funding available for the future Joint Programme<sup>6</sup>. A dedicated task team chose the year 2004 as a reference in analysing the amount

<sup>5</sup> Identification of Cooperation Areas and Gaps in Existing Programmes. BONUS Publication No.6.

<sup>6</sup> Further evolution of the Joint Baltic Sea Research Program revealed, however, that this approach cannot serve for direct identification of amount of the national committed funding from each of the participating countries. Still, the 2004 funding survey allowed monitoring the important relationship between the total national allocation for the marine research and a share committed for the ‘common pot’ of the Joint Program. See chapter 3.1. for more on this.

and structure of marine research funding in the 9 Baltic Sea states. The analysis revealed the distribution of the marine R&D funding sources in each of the countries, the proportions of competed and non-competed funding, and the disciplinary profile of each country's marine research.

From a total of 882 research projects carried out in the reference year, 631 (71%) were funded by national, 222 (25%) by EU, and 29 (3%) by Nordic co-operation sources. The total funding from all of the sources – national, EU and the Nordic Council of Ministers – amounted to € 52 million, with Sweden leading in total possession of funds, national allocation and obtained EU funding. The highest ranking research theme, receiving € 10 million, was “fish biology and fisheries”, followed by “basic research [on the functioning of the

Baltic Sea ecosystem]” (€ 8.3 million), “biodiversity” (€ 8.2 million), “eutrophication” (€ 7.7 million) and “climate change” (€ 5 million). However, the priority fields varied considerably between the countries. The share of national funding varied between 41% and 97% in the countries. The highest percentage of EU funding (about 57%) was found in Denmark. The share of competition-based funding from all sources varied between 13% and 75 % in various countries and amounted to a total of € 34 million. Importantly, the survey also included funding which goes directly, without competition, from the ministries to research institutes<sup>7</sup>. It was noticed that in the new EU member states (Estonia, Latvia, Lithuania), where the amount of total national marine research funding did not exceed € 0.6 million per year, the percentage of non-competed funding is relatively high<sup>8</sup>.

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<sup>7</sup> National funding for monitoring and fish stock assessment, as well as infrastructures was not included into this survey.

<sup>8</sup> Baltic Sea Research and R&D Funding in 2004. BONUS Publication No. 3.

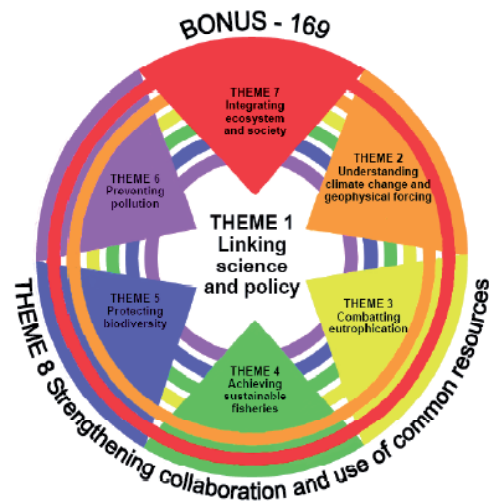
## 2 Laying the Fundamentals

### 2.1 Developing of the Science Plan

Like in any other research programme, the most important document shaping the BONUS-169 Joint Baltic Sea Research Programme is its Science Plan. Creating a science plan for the future programme was identified as a specific task (task 2.5) of the BONUS ERA-NET. The leading role in this task was assigned to the International Council for the Exploration of Sea (ICES)<sup>9</sup> – the ERA-NET partner that has been extensively involved in the international co-ordination of marine research and giving non-political scientific advice in the North Atlantic region, including the Baltic. In 2003–2007, ICES together with HELCOM implemented the GEF-supported Baltic Sea Regional Project with the aim of creating pre-conditions for the ecosystem approach to management. This greatly improved ICES's interest and capacity in the Baltic Sea problems.

In spring 2005, the Co-ordinator initiated discussion among the ERA-NET partners about the contents of the future programme. ICES presented to the other partners a tentative time frame for creating the Science Plan. A few months later, the composition of the programme was discussed with representatives of the Baltic Sea science community during a session of the bi-annual Baltic Sea Science Congress. Soon after this, the first draft of the Science Plan was published in the ERA-NET web portal.

It was agreed already in the early stages of the preparation of the Science Plan that the future programme would aim to fill two fundamental gaps: firstly, research on socioeconomic aspects of human impacts on the Baltic Sea ecosystem and the costs of mitigating these impacts and using resources and services in a sustainable way, and, secondly, the well known issues of linking science and policy. The decision was made to include socioeconomic research as one of six interlinked thematic areas of the Science Plan, while linking science and policy become a central theme of the whole Programme (Fig. 1).



**Figure 1.** Themes of the BONUS-169 Programme. (From: Hopkins, C.E., J.Thulin, J.G. Sutinen et al., 2006)<sup>10</sup>

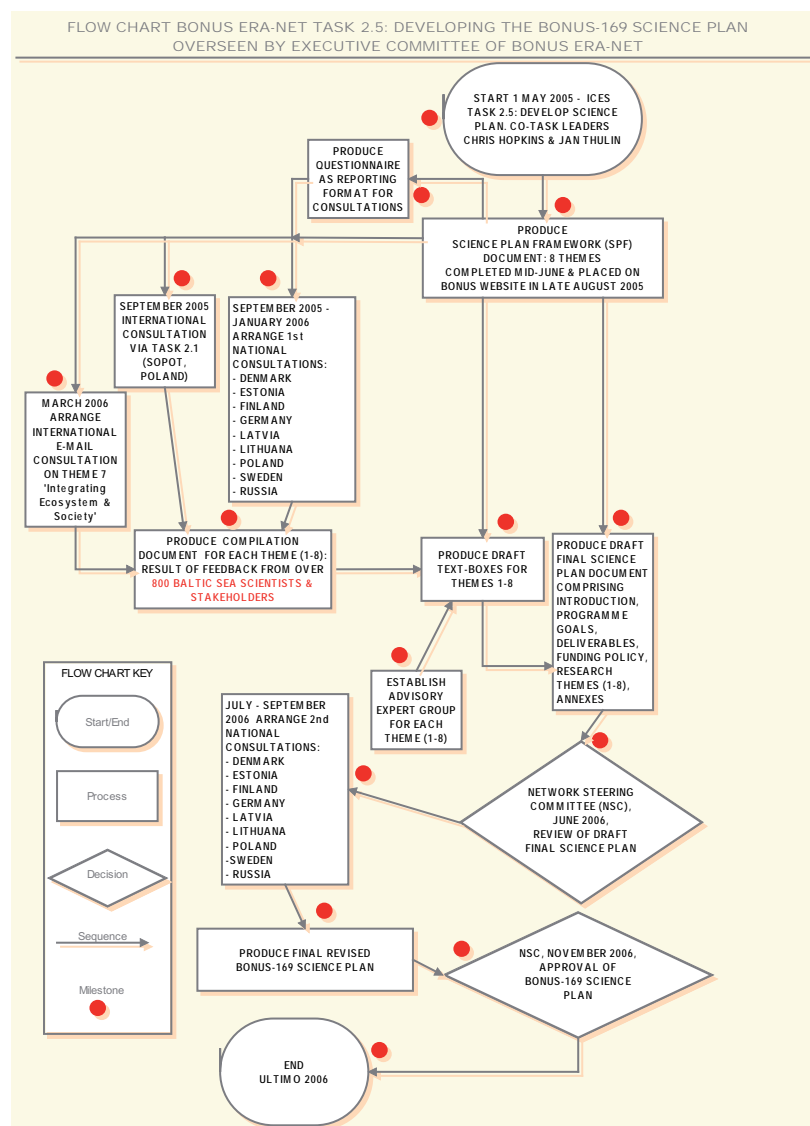
Preparation of the Science Plan involved repeated consultations with scientists, research managers, funding agencies and stakeholders. The first round of consultations took around 6 months. It included national workshops for scientists and stakeholders for the purpose of reviewing and formulating each country's national position as regards further developing the Science Plan. In some countries, Science Plan workshops were preceded by collecting written opinions from scientists and other involved experts. At the same time, the BONUS ERA-NET task 2.1 team arranged a workshop on "Identification of areas for co-operation in existing programmes and gaps". The Russian Foundation of Basic Research – the non-EU partner of the BONUS ERA-NET – supported the arrangement of a meeting in Russia, and thus the Russian marine research community also was able to have an input in developing the Science Plan. This work resulted in a new, greatly revised version of the Science Plan, which was published in the beginning of 2006. Almost one whole year was needed to amend the Science Plan with descriptions of themes 7, "Integrating Ecosystem and Society", and 1, "Linking Science and Policy", and a chapter on BONUS science policy.

<sup>9</sup> <http://www.ices.dk>

<sup>10</sup> Hopkins C.C.E., J. Thulin, J.G. Sutinen, K. Kononen, P. Snoeijs, S. Johansson & H.-O. Nalbach 2006. BONUS-169 Baltic Sea Science Plan and Implementation Strategy. BONUS Publication No. 5.

Importantly, the through consultation process during preparation of the Science Plan (Figure 2) was not limited to the agencies responsible for developing of the national science policies and distributing the research funds and the partitioning scientists. To ensure that the Science Plan truly responds to the research needs of various sectors, a feedback from a broad spectrum of stakeholders was gathered both directly through the consultation process, and several dedicated stakeholder events, as well as discussing the Plan with BONUS ERA-NET Advisory Board. List of the stakeholders that contributed to the development of the Science Plan ranges from EU level institutions as European

Environmental Agency, European Commission DG Environment, DG for Maritime Affairs and Fisheries, to regional level actors as Baltic Sea Environmental Protection Commission (HELCOM), International Council for the Exploration of the Sea (ICES), Baltic Sea Action Group (BSAG), and environmental and professional NGOs as e.g. Finnish Central Union of Farmers and Forest Owners (MTK) and World Wide Fund (WWF). Detailed retrospective on the stakeholder consultations that took place during development of the Science Plan is given in the BONUS Publication No. 10 <sup>11</sup>.



**Figure 2.** Process of developing of the BONUS -169 Science Plan (From: Hopkins, C.E., J.Thulin, J.G. Sutinen et al., 2006)<sup>12</sup>

<sup>11</sup> Hopkins C.C.E., J. Thulin, J.G. Sutinen, K. Kononen, P. Snoeijs, S. Johansson & H.-O. Nalbach 2006. BONUS-169 Baltic Sea Science Plan and Implementation Strategy. BONUS Publication No. 5.

<sup>12</sup> Hopkins C.C.E., J. Thulin, J.G. Sutinen, K. Kononen, P. Snoeijs, S. Johansson & H.-O. Nalbach 2006. BONUS-169 Baltic Sea Science Plan and Implementation Strategy. BONUS Publication No. 5.

## 2.2 Agreement on of the format of the Programme and its Projects

After collecting and analysing information from the project partners, three possible programme models with different levels of co-ordination and integration were discussed: a) a national call, evaluation and funding – only the overall common research theme is agreed upon; b) a joint call and evaluation, national funding – a joint call is launched for a common research programme, and incoming proposals are evaluated by an international expert committee according to evaluation criteria set by the partners; c) a joint call, evaluation and funding – a common call and a joint evaluation procedure and funding.

Initially outlined by the ERA-NET task 2.2 team and then shaped through a series of BONUS Network Steering Committee, Forum of Programme Managers and Advisory Board meetings during a period of half a year, the Programme acquired its final format. A decision was made to carry out a Joint Call and evaluation of the proposals according to the criteria of scientific excellence. The project proposals should be in accordance with the research themes described in the BONUS-169 Science Plan, and a minimum of two participants from the Baltic countries is required. Funding is provided by national sources, with additional funding from the EU. Funding is granted for a maximum of three years, and it is managed by a national funding agency. Hence, cost eligibility rules shall follow the rules of the national funding agency. Lower and upper limits of a project's total costs were set for the Call, € 100,000 and € 2,000,000 respectively. Eligible costs include all costs required for the successful implementation of the project, including salaries, travel, consumables, overhead etc. The project budget should be appropriate and realistic.

The following structure was chosen for the management of the Programme<sup>13</sup>:

1) The Steering Committee is composed of one representative from each BONUS EEIG member or participating funding agency. Its task is to supervise the Call and, ultimately, recommend to the national funding bodies projects to be funded. It should also make decisions concerning the distribution of EU funds made available for the Programme. After selecting projects for funding, the Steering Committee

should continue to steer the scientific co-ordination and monitor the funded projects.

2) The Secretariat of BONUS EEIG is responsible for running the Joint Baltic Sea Research Programme and this specific Call. Its tasks include the overall co-ordination and technical organisation of the programme with the help of the Call Task Force which later transforms into a more permanent Group of National Programme Managers. During the implementation of the research projects, it should take responsibility for scientific co-ordination with the help of the Forum of Project Co-ordinators. It should also arrange workshops and conferences, disseminate knowledge, and initiate and maintain communication with relevant actors. The Secretariat is led by the Executive Director of the EEIG.

3) The Evaluation Panel consists of scientific experts, appointed by the Steering Committee. It should cover all relevant fields of expertise related to the themes of the Call. It should be unbiased geographically, nationally and in respect to gender or conflict of interest. The chair of the Evaluation Panel is appointed by the Steering Committee.

4) The Advisory Board is an international panel of key stakeholders and scientific experts, appointed by the Steering Committee. On the basis of their relevance in relation to the Programme objectives, the Advisory Board gives recommendations concerning which projects rated highest by the Evaluation Panel should be funded. The Advisory Board selects its own chair.

5) The Call Task Force is composed of national programme managers appointed by BONUS EEIG members or participating funding agencies. Its task is to assist the Secretariat in technical matters when processing the proposals. It should also take care of all local matters in each country/organisation. The Call Task Force is chaired by the Executive Director of the BONUS EEIG.

6) After selecting which projects will be funded, a Forum of Project Co-ordinators will be created. This Forum will support the Secretariat in the scientific co-ordination of the projects. Its main aim is to ensure that the Joint Baltic Sea Research Programme will create added value and fulfil its overall goals.

<sup>13</sup> See chapter 4.2.2 for more detailed description of composition and terms of reference of these bodies as was implemented in the BONUS+ call.

## 2.3 Agreement on the evaluation of the project proposals submitted to the Programme

According to the outcome of task 2.3 on the evaluation procedures for the BONUS-169 Joint Baltic Sea Research Programme, the proposal submission will be organized by the Programme Secretariat, and the evaluation of the project proposals will be performed by an appointed panel or panels of evaluators. The scope of evaluators has been covered by another BONUS task (T. 1.3), creating an on-line directory of experts in the Baltic Sea area. The initial plan was to have a one-step evaluation procedure, which is most commonly applied by the majority of the BONUS partners. A two-step procedure is used for the evaluation of larger programmes. The task of the evaluation panel is to **rate** the proposals based on their scientific quality according to the criteria set by the Programme Steering Committee. After the projects have been rated, the Programme Steering Committee will make a **ranking** order according to the scientific ranking and relevance of the projects for the Call/Programme, and finally decide on which projects to recommend for funding taking into account suggestions by the Advisory Board.

In the process of compiling the final version of the evaluation procedure, it became clear that EU FP7 rules on project evaluation should be followed, as the Programme funding sources potentially embrace also EU financial contribution. Therefore, a two-step procedure involving a full international peer-review at both its stages – Letter of Intent and the Full Proposal – was applied for the Call. The principles of rating and ranking decisions remained the same: the Evaluation Panels rates the proposals according to their scientific excellence, and the Steering Committee ranks the projects according their relevance to the Programme aim and gives a funding recommendation.

The following evaluation criteria were used to rate the Letters of Intent:

- relevance to the topic of the Call
- trans-national added value
- scientific quality of the proposal

- quality of the composition of the consortium
- novelty and originality of the project

Each Letter of Intent is to be evaluated by at least three experts. Based on their ratings and comments, the Steering Committee should make a decision on which applicants are invited to submit their Full Proposal.

The evaluation of Full Proposals should be conducted according to the following criteria. Threshold 3/5 is used to guarantee the quality of the projects.

Scientific excellence (Threshold 3/5):

- *sound concept and quality of objectives*
- *progress beyond the state-of-the-art*
- *quality and effectiveness of the scientific methodology and associated work plan*
- *innovation and new approaches*
- *inter-disciplinarity.*

Implementation (Threshold 3/5):

- *appropriateness of the management structure and procedures*
- *quality and relevant experience of the individual participants*
- *quality of the consortium as a whole (including complementarity, balance, research environments)*
- *and appropriate allocation and justification of the resources to be committed (staff, equipment).*

Impact (Threshold 3/5):

- *relevance of the proposal in relation to the themes of the Call and the BONUS-169 Science Plan*
- *appropriateness of measures for the dissemination and/or exploitation of project*
- *researcher training and international co-operation beyond the project.*

For rating the proposals, the scale below should be used with whole or half numbers only:

1 Poor, 2 Fair, 3 Good, 4 Very good, 5 Excellent

The rated projects should be set against a quality threshold of 3/5 for each of the three abovementioned criteria. Any proposal failing to pass the threshold is rejected and will not progress to the evaluation of relevance.

## 3 Creating the Common Pot – Agreement of the Funding Principles

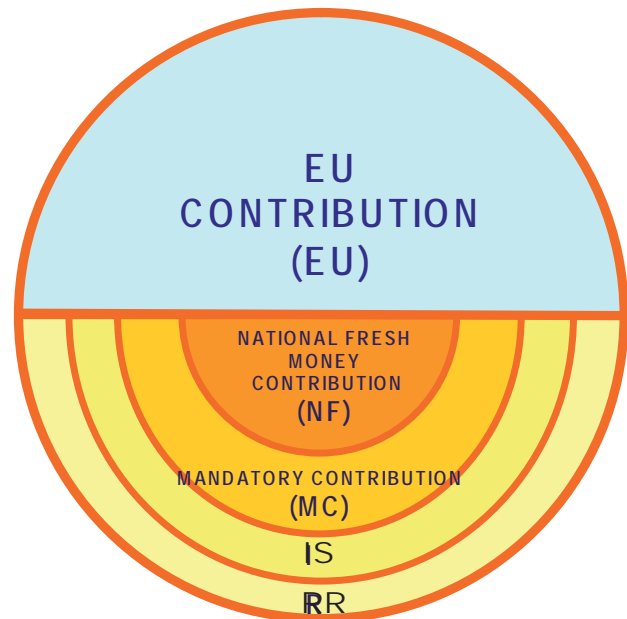
### 3.1 Identification of the funding volume

As already mentioned before, BONUS ERA-NET collected comprehensive information on R&D funding spent on Baltic Sea research in each of the partner countries. However, when the development of the Joint Programme reached the stage where the precise contribution of each of the participating funding agencies had to be committed, it was obvious that the funding estimates from 2004 would hardly serve directly as proxy of each individual country's share in the Programme. The first argument presented by the partners claimed that definitions of various funding categories in the 2004 survey<sup>14</sup> allowed for interpretation, and therefore the data supplied by various funding agencies are not strictly coherent. For example, in some cases it is difficult to distinguish the funds spent on marine environmental monitoring and fish resource surveying, in the data provided by countries.

Recognizing that the EU co-funding for the BONUS-169 Joint Baltic Sea Research Programme would potentially be in some proportion to the volume of aggregated national contribution of funds, including in-kind contribution, each participating funding agency was requested to identify its possible contribution as fully as possible based on more precise definitions (see Fig. 3, and explanations in Annex 1).

For precise post-calculation of all categories of a partner's incremental in-kind contribution to the Programme, these positions will be included into the Project's financial reporting formats.

The first Call for proposals of the Joint Baltic Sea Research Programme is being implemented as an ERA-NET PLUS activity under EC FP7. According to the Grant Agreement, the contribution of the Community will be limited to 1/3 of the total budget of the selected trans-national projects. In other words, the Community contribution to the whole Programme is proportional to the allocation of national fresh money to the Programme. Thus, after joining the dedicated common governance structure of the Programme (BONUS EEIG), each of the partners was once more requested to make a binding



**Figure 3.** Identification of the total funding volume for the Joint Baltic Sea Research Programme: the 'Common Pot'. EU – EU contribution to the Programme, NF – contribution of national funding to the Programme, MC – mandatory in-kind contribution by participants of the funded projects, IS – contribution to the Programme by providing free access to the national research infrastructures, RR – additional national funding through support to the related research (more detailed definitions of these funding components are given in Annex 1).

written commitment concerning its contribution to the funding of the selected research projects within the first Call. Variation between individual contributions of different Baltic Sea countries is significant, spanning from several hundreds of thousands of € to almost 5 million, with economically stable countries traditionally giving high priority to Baltic Sea Research, on the top of list. However, the strategies of the national funding agencies reveals remarkable dichotomy between Finland, Germany, Denmark, Poland and Sweden, participating with 10–20% of their [typical] annual national competed Baltic Sea research funding, and Estonia, Lithuania, Latvia and Russia, participating with more than 40% of their national competed Baltic Sea research funding (Table 1). In Latvia's case, for example, participation in the Joint Call allowed channelling of substantial additional funds into marine research. Thus, the committed national participation in the BONUS+ Call even exceeds the entire Latvian competed funding volume in 2004.

<sup>14</sup> Baltic Sea Research and R&D Funding in 2004. BONUS Publication No. 3

**Table 1:** Relationship between the committed national contribution of fresh funding to the BONUS+ Programme and the total funds spent by each of the countries in 2004.

Partner country	Amount of funding for the Baltic Sea research in 2004 (€, data gathered by BONUS ERA-NET Task 1.6)		Funding committed by national funding agencies for the BONUS+ call (average €/year)
	Total funding	Competed funding	
Finland	10,500,000	4,264,806	1,333,333
Germany	10,600,000	3,345,665	1,000,000
Denmark	8,000,000	1,045,516	400,000
Estonia	600,000	222,650	116,667
Lithuania	400,000	131,142	100,000
Latvia	300,000	55,200	71,333
Poland	4,900,000	1,011,081	255,537
Russia	680,000	508,714	300,000
Sweden	16,600,000	6,979,959	1,600,000

### 3.2 Principles of distribution of the Programme funds

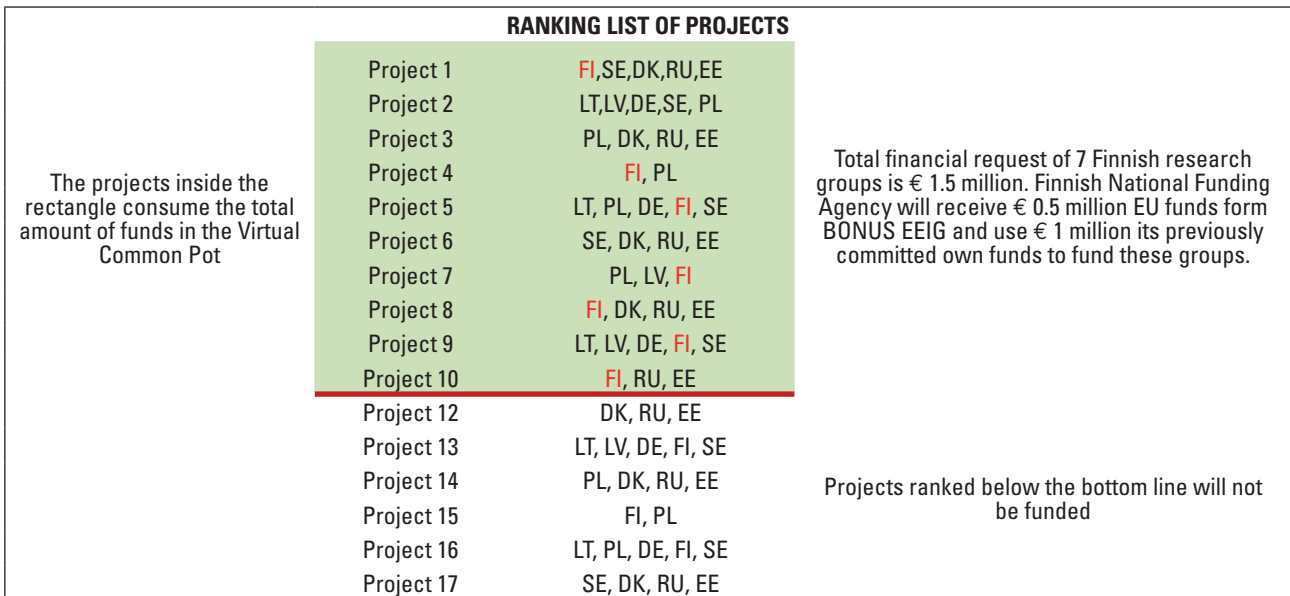
As described in the call management procedures (Section 4.2.2), the Evaluation Panel rates the project proposals according to their scientific merits, capacity for successful implementation and potential impact. Further, the EEIG Steering committee makes a decision on ranking the proposals and issues recommendations to the funding agencies to allocate funding to the national partners of the supported proposals. In addition to the national funds, the funding agencies receive from the dedicated implementing structure (BONUS EEIG) EU funding that correlates with the success of national research groups in the specific call. Thus, while the national share of the funding remains constant as committed by the funding agency, the *absolute* amount of external (EC) funding received by the researchers of each country depends on the excellence of the proposed research. The *relative* proportion of national/EC funding received by each of the countries depends greatly on the ratio between the strength of the national marine research<sup>15</sup> and allocation of the national funds to the Programme's "virtual common pot". This implies that maintaining a balanced proportion between national competed funding of research in a given discipline and national commitment to the Programme has a crucial

role in securing equal opportunities of all participating countries to receive additional funding.

In practice, reaching a funding decision involves several steps (model given in Fig. 4).

- 1) A preliminary funding list is complete when the combined funding request of the ranked projects reaches the indicative total funding volume of the Call (including committed national and expected EC funding).
- 2) The total amount of funding needed to cover funding required by national groups in projects which potentially will receive funding is calculated, and the amount of required EC funding is estimated.
- 3) The Steering Committee issues recommendations to fund groups of researchers within the limit of the national commitment.
- 4) When these recommendations are approved by the national funding agencies by corresponding funding decisions, the total national contribution to the Programme is reported to the EC and serves as a basis for the allocation of EC co-funding to the programme.
- 5) EC co-funding is received by the BONUS EEIG and further dispatched to the national funding agencies in accordance with the calculation in step (2).

<sup>15</sup> This may also be called "national capacity to consume the Program funds" and depends greatly on long-term national funding allocated to marine research.



**Figure 4.** A hypothetical model exemplifying the distribution of national and EC funds to the consortia members of the supported projects.

Consequently, the following contractual/reporting relationships would be established to implement the Programme:

**EC and BONUS EEIG** – implementation of the whole Programme and utilisation of the EC additional funding;

**BONUS EEIG and the national funding institution** – implementation of projects with respective national participants and utilisation of EC funds dispatched to the national funding institutions;

**National funding institutions and national Participants**<sup>16</sup> (institute, university, company or other entity, which is a part of a multinational consortium) – implementation of particular projects and utilisation of national and EC funds allocated to these groups.

In order to avoid burdening national groups of researchers with double reporting, the rules for utilising and making financial reports on national and EC funding should ideally be equal.

<sup>16</sup> Each of the national Participants incorporated into the project consortia should identify a Principal Scientist (PS) in their project proposal.

## 4 Building the Framework

### 4.1 Creating the implementing structure of the Programme

#### 4.1.1 Development of the BONUS EEIG Statutes

Statutes are the core regulatory document of the EEIG. Statutes stipulate:

- the purpose of the EEIG;
- responsibilities and functions of governance bodies and administrative officers of the EEIG;
- decision-making procedures by the EEIG; and
- financing and liability.

One of the crucial questions to be agreed upon is the level of detail of the Statutes. Statutes (The Agreement on Statutes) are registered under the legal authority of one of the participating countries. It must be understood that possible future modification of the Statutes will imply a legal procedure including both internal approval by the Steering Committee and re-approval by the local legal authority. Therefore, it is advisable not to include into the Statutes provisions that are likely to change. It is a better idea to leave technical descriptions of the procedures applied by the EEIG for the Internal Regulations<sup>17</sup>. It is impossible to foresee all circumstances that may appear while implementing the Joint Research Programme. Therefore, it is also important that the Statutes allow a certain degree of flexibility within the limits set by the mandatory requirements.

By definition, the Statutes of the European Economic Interest Grouping shall comply with EU regulations on the EEIG<sup>18</sup>. In the case of the BONUS EEIG – a legal entity whose main function will be to implement the Joint Research Programme of several EU member states, and thus influence decisions concerning the allocation of a share of national research funding – it is absolutely necessary that the Statutes are compatible with national legislation and regulations. The BONUS task team solved this problem by inviting the legal experts of all ERA-NET partners to work together on developing the Statutes. Initial meeting of this group was attended by legal experts of the Commission who

produced also some written comments. The group of legal experts started to work as soon as the contracted Legal Adviser (an expert specialising in legal aspects of EEIGs) produced the first preliminary draft of the Statutes (February 2006). As a result of two workshops dedicated for this purpose and active inter-session communication between the Legal Adviser and the Partner's legal experts facilitated and supervised by the BONUS ERA-NET task 3.2 team, the drafts of the Statutes were presented to the BONUS Steering Committee for approval (June 2006). Although the majority of the Statute chapters was accepted by the SC on a chapter-by-chapter basis, negotiations on several open chapters continued for another 5 months and required another workshop of the legal experts to settle the last issues (e.g. the requirement for the Executive Director and Finance Manager to act jointly vis-à-vis the third parties). The draft of the BONUS EEIG Statutes was finally adopted by the BONUS NSC in November 2006<sup>19</sup>. The subsequent review by a law firm of the BONUS EEIG host country involved only very minor modifications of the Statutes.

As an example, the BONUS EEIG Statutes with some unnecessary details removed are presented in Annex 2.

#### 4.1.2 Development of the BONUS EEIG Internal Regulations

At the same time as it was elaborating the EEIG Statutes, the ERA-NET task 3.2 team and the Group of Partners' Legal Experts started to draft the Internal Regulations (IR) of the BONUS EEIG. The aim of this document is to define with a necessary level of detail the internal procedures of the EEIG and its governance, and supporting bodies. IR is an internal document of EEIG. Thus, the Steering Committee has full competence to modify the IR when necessary, as far as these modifications comply with the legislative norms and the Agreement on the Statutes of the EEIG. In June 2007, the BONUS EEIG SC adopted the Internal Regulations as presented ANNEX 3. Similarly as in the Statutes, we attached our comments to explain the reasoning behind some clauses of the IR.

<sup>17</sup> See Annex 3.

<sup>18</sup> EU Council Regulation 2137/85

<sup>19</sup> See Annex 4 of this report for more details on the chronology of preparatory activities.

### 4.1.3 Technical aspects of office development

#### Procedure for setting up the BONUS EEIG Secretariat

The BONUS EEIG governance structure shall be established in connection with the Constitutive Meeting, before the EP & EC decision concerning the implementation of BONUS-169 under article 169 has been adopted, and the contract with the Commission has been made. The first tasks of BONUS EEIG are in line with the work packages and tasks of the present BONUS ERA-NET, and therefore BONUS ERA-NET prepares the EEIG and its structures. The cost of establishing the EEIG (registration etc.) shall be shared equally between the participants. As soon as the EP & EC decision has been made, and signing of the contract with the Commission is expected, the procedures for setting up the permanent Secretariat will be launched.

1. Procedure for when the EP & EC decision is pending, the EEIG is established, and the EEIG has no funds of its own:
  - a. Each EEIG member country appoints a national representative for the EEIG Steering Committee.
  - b. EEIG Steering Committee meetings are held in connection with BONUS ERA-NET NSC meetings.
  - c. The BONUS ERA-NET Co-ordinator acts as a temporary EEIG Executive Director
  - d. The BONUS ERA-NET Co-ordination Office acts as a temporary EEIG Secretariat.
2. Procedure for deciding about the host of the permanent EEIG Secretariat:
  - a. BONUS ERA-NET NSC discusses and decides what services, support etc. is required from the host organisation.
  - b. BONUS ERA-NET NSC decides where the EEIG Secretariat shall be established or if an open call will be launched for hosting the EEIG Secretariat.
  - c. If more than one offer needs to be considered, BONUS NSC elects 2-3 of its members to evaluate and rank the offers.
  - d. BONUS ERA-NET NSC decides about the host of the permanent EEIG Secretariat.
3. Procedure for electing the EEIG Executive Director and Financial Manager:
  - a. The EEIG Steering Committee approves the required qualifications for the Executive Director and Financial Manager.

- b. The EEIG Steering Committee elects 2-3 of its members to act as a Selection Committee.
- c. The temporary Secretariat of the EEIG announces a Call (the content of which has to be approved by the Selection Committee) for an Executive Director and a Financial Manager in appropriate media in the BONUS member states and the EU.
- d. The Selection Committee interviews the most qualified candidates.
- e. The Selection Committee prepares and presents an evaluation of the candidates to the EEIG Steering Committee, which makes the decision on persons to be elected.

#### Qualifications for the host organisation of the BONUS-169 Secretariat

1. Premises
  - a. location
  - b. space
  - c. meeting rooms
  - d. restaurant / canteen
  - e. social space, kitchen, gym, parking
  - f. other
2. ICT facilities
  - a. computers
  - b. printers
  - c. video conference equipment
  - d. other
3. Services
  - a. receptionist
  - b. general services (cleaning, maintenance)
  - c. other
4. Support
  - a. general science policy and research funding environment
  - b. IT, including on-line application & evaluation procedures
  - c. legal advice
  - d. other
5. Connections to other entities
  - a. travel connections
  - b. related organisations
  - c. other
6. Financing
  - a. management of BONUS finances
  - b. hosting budget
  - c. other

The Secretariat is composed of the following employees: Executive Director (ED), Financial Manager (FM), Programme Manager (PM) and Assistant. In addition, two other positions related to separate project implementation stages have been filled for a specific time period (2007-2008): a Scientific Officer for BONUS ERA-NET and a Call Officer for the BONUS+ Call. Separate project tasks with separate project funding can also in the future be carried out by officer(s) selected for the duration of the project<sup>20</sup>.

The selection of the ED and the FM is the responsibility of the BONUS EEIG Steering Committee. Other employees are selected by decision of the Secretariat.

The ED has the highest decision-making power within the Secretariat. S/he is responsible for the overall performance of the Secretariat. The following task descriptions illustrate the main tasks of each employee.

### **Executive Director**

The Executive Director is responsible for the overall co-ordination and monitoring of Programme activities. His/her main tasks include being responsible for the preparation of the Calls for proposal, organising the independent evaluation of projects, organising the scientific co-ordination of the Programme, monitoring and following up the projects, ensuring the expected outcome of the Programme, overall reporting of the EEIG activities, organising and implementing the Programme outreach, and disseminating and creating collaboration with other European marine and regional seas initiatives.

### **Financial Manager**

The Financial Manager is responsible for the financial and administrative matters of BONUS EEIG. His/her main tasks include implementing and monitoring the financial plan and the overall budget, preparing financial and judicial matters related to the Calls and Programme implementation, preparing contracts and other judicial material, carrying out personnel management duties, developing fundraising activities, and financial reporting on EEIG activities.

### **Programme Manager**

The Programme Manager's is responsible for the

scientific co-ordination of the Programme, including the following tasks: preparing and implementing the EEIG Steering Committee's decisions related to the Programme management, organising Programme workshops and conferences, monitoring and following up projects, communicating with relevant stakeholders and end-users of Programme outcomes, communicating with Baltic Sea and international marine research organisations and networks, organising scientific reporting on the Programme to the EU and national funding agencies, and disseminating Programme outcomes to the wider public, stakeholders and end-users of the results.

### **Assistant**

The Assistant is responsible for taking care of secretarial tasks related to financial, human resource and general office administration. The Assistant is also responsible for making meeting and travel arrangements and assisting Calls for proposals and scientific co-ordination of the Programme.

### **Scientific Officer of BONUS ERA-NET**

The Scientific Officer is responsible for the co-ordination of the BONUS ERA-NET project funded by the 6th Framework Programme of the European Union. His/her main tasks include development and maintenance of the web pages, tasks related to network co-ordination, production of information and promotion material, reporting to the European Commission and supporting the work of network partners.

### **Call Officer of BONUS+**

The Call Officer is responsible for tasks related to the management, preparation, implementation and development of the BONUS+ Call.

#### **4.1.4 Human Resource Strategy**

A prerequisite for the realisation of strategic objectives is a well-planned, supportive personnel strategy. In an expert organisation, the personnel has a key role in success of enterprise. Several factors in the operational environment of the BONUS EEIG place competency requirements on the BONUS EEIG personnel. BONUS EEIG operates in an international environment with different international and national actors, and, in addition, it has to take care of its relations to business, media and civic society. All these tasks place demands on the implementing personnel. The BONUS EEIG

<sup>20</sup> The following description of Secretariat procedures and principles is an excerpt from the BONUS EEIG Action Plan 2008-2011 Part II Governance, Administration and Management.

human resource strategy is described in detail in the BONUS EEIG Action Plan<sup>21</sup>.

## 4.2 Processes of the BONUS EEIG

### Planning

Processes of the BONUS EEIG Secretariat are well planned in advance. Needed resources (personnel, financial and time) are taken into account well in advance before starting a new task or project. Factors taken into account include the time and resources, both internal and external, needed for carrying out the project or task. Goals of the processes are clear to everyone at the office and to the other people involved in our work and the Baltic Sea. The BONUS EEIG Secretariat and its partners have clear roles and tasks in the international work carried out together.

The BONUS EEIG Secretariat plans, implements and monitors the processes with expertise, responsibility and confidentiality.

### Implementation

The processes and implementation strategies of the BONUS EEIG Secretariat are jointly discussed and agreed on. The processes of the BONUS EEIG Secretariat follow the rules and regulations commonly agreed on, but are still flexible and seek new, better ways of working (innovative, renewable).

The processes of the BONUS EEIG Secretariat are ecological, which means e.g. that they are as far as possible electronic and time, resource and energy saving.

All necessary partners, including the Secretariat's own office staff, are taken into account and kept informed during the implementation processes. Feedback is also collected. The goals are clear to both the office staff and the partners. The goals of the processes are acknowledged, commonly discussed, and decided on at the beginning of the process. Thus, the office staff and other participants in the process know from the start of the project what the plan is, what the content is, what the timetable is, what the expected deliveries of process participants are, and how and by whom it will be monitored. The implementation of processes is commonly agreed on.

### Documentation

The processes of the BONUS EEIG Secretariat are open and transparent. The processes of the BONUS EEIG Secretariat are well documented, and the publicity rules of the documents are followed. The decision-making and all other documents of the BONUS EEIG Secretariat are public.

### Monitoring and feedback

The processes of the BONUS EEIG Secretariat are monitored by the Secretariat itself and, if necessary, by external experts. The Secretariat is open to comments and feedback on its processes, which are collected regularly from all participants involved, both during and after the implementation of the process. The BONUS Secretariat reacts immediately to receive feedback in order to develop its processes and work.

### Resources

The BONUS EEIG Secretariat uses all needed internal and external administrative, financial, human, and technical resources in the planning, implementation and monitoring of the processes. Subcontracting and external national or international expertise is utilised when needed.

#### 4.2.1 Financial Management Processes

The financial management of BONUS EEIG is composed of accounting, liquidity management, budgeting, budget follow up and financial reporting to BONUS EEIG stakeholders. The Financial Manager (FM) of BONUS EEIG is responsible for these tasks.

The budget of BONUS EEIG is divided into 4 (four) cost centres in 2007 and 2008: A. Management, B. Scientific Co-ordination, C. BONUS+ and D. BONUS ERA-NET. The reason for this division and cost allocation is the different funding sources of the Secretariat's tasks. Therefore it's also required to have financial reporting per each cost center. The cost centers A. and B. are financed via the member fees and the funding from the Finnish Ministry of Education. The cost center C. is financed by the European Commission 7. Framework Programme of the European Commission, and cost center D. is financed by the 6th Framework Programme of the European Commission. The funding of cost centers C and D. will be finalized at the end of 2008. Therefore from 2009 on cost allocation will be carried out between cost centres A and B.

<sup>21</sup> BONUS EEIG Action Plan 2008-2011. Part II: Governance, Administration and Management.

The rules to be followed in the financial management are stated in the Statutes, Internal Regulations, and in EU and national rules and regulations on eligibility, accounting etc. In addition, a good and transparent accounting method will be followed.

The accounting, auditing and contracting processes as well as administrative processes are described in more detail in BONUS EEIG Action Plan.<sup>22</sup>

### Financial Management of BONUS+ Call/Calls

The financial management of the BONUS+ Call includes making financial decisions on the selected projects, organising the financial reporting, and overseeing payments to and from the BONUS EEIG Secretariat. The first step of the process is to select the projects for funding and decide on the shares of national and EU funding. The decision-making process is described in detail under the call management process.

The main tool for the financial management of BONUS+ projects and participants is the MS Access Tool database, which holds all the relevant financial data on the projects and participants, including budget, reported expenditure, EU expenditure per budget line etc. The FM of the BONUS EEIG are responsible for gathering national financial data (incurred total expenditure) and financial data on EU-funded expenditure.

A draft agenda is prepared by the ED and approved by the Chair. The agenda and the necessary working documents shall be made available to members registered for the meeting in the portal or by post with at least 10 calendar days notice.

#### 4.2.2 Call Management Processes

##### *Focus of the BONUS Call(s)*

BONUS Calls are for multilateral research projects within the framework of the BONUS-169 Science Plan (2006, see Section 3.1 for more details). Funding is provided for transnational, collaborative projects based on the division of work with a high degree of scientific excellence and sharing of resources and data.

Key research themes in the Call(s) are:

- 1: Linking Science and Policy

- 2: Understanding Climate Change and Geophysical Forcing
- 3: Combating Eutrophication
- 4: Achieving Sustainable Fisheries
- 5: Protecting Biodiversity
- 6: Preventing Pollution
- 7: Integrating Ecosystem and Society

BONUS Call(s) have two phases: Letter of Intent and Full Proposal phase. The submitted proposals are evaluated scientifically in both phases.

##### *Organisation structure and call management*

#### Call Steering Committee

The BONUS EEIG Steering Committee, chaired by the BONUS EEIG Steering Committee Chair, is the decision-making body as regards the Calls. It is composed of one member from each organisation participating in funding the Call. Its role is to supervise the Call and, ultimately, make recommendations to the national funding bodies on which projects should be funded. It also makes decisions concerning the Community ERANET PLUS funds. The Committee decides about the composition of the project evaluation panel(s). After the projects have been selected for funding, the BONUS+ Steering Committee will continue to steer the scientific co-ordination.

##### *Terms of reference:*

- *decide about opening the Call, including all related documents and funding volumes*
- *ensure good communication between the BONUS EEIG and the national funding agency*
- *decide about which experts will evaluate the LOIs*
- *decide about the composition of the Advisory Board*
- *appoint chairs for the Evaluation panels*
- *appoint experts for the Evaluation panels*
- *appoint an independent rapporteur for the evaluation process*
- *submit to the national funding agencies a proposal of which projects should be funded*
- *decide about the distribution of the EC funds*
- *approve all project deliverables*
- *steer and support the scientific co-ordination*

#### Call Evaluators of the Letters of Intent

Evaluators of the Letters of Intent rate the proposals in the first phase of the Call.

<sup>22</sup> BONUS EEIG Action Plan 2008-2011 Part II: Governance, Administration and Management.

## Call Evaluation Panel(s)

The BONUS Evaluation Panel(s) consist(s) of scientific experts appointed by the Steering Committee. Its/their composition should cover all relevant fields of expertise related to the themes of the Call. It should also be unbiased geographically, nationally and in respect to gender or conflict of interest. The chair of the panel is appointed by the Steering Committee of the BONUS EEIG.

*Terms of reference: make a scientific evaluation of the project applications and rate each project proposal on a scale from 0 to 5.*

## Call Advisory Board

The BONUS Call Advisory Board is a panel of stakeholders (e.g. HELCOM, ICES, European Environment Agency, DG Maritime Affairs and Fisheries, DG Environment, DG Energy and Transport) appointed by the BONUS EEIG Steering Committee. It gives a recommendation on which projects should be funded on the basis on their relevance to the management of environmental issues of the Baltic Sea. The Advisory Board selects its own chair.

*Terms of reference: make a recommendation on which projects should be funded based on their relevance to the management of environmental issues of the Baltic Sea.*

## Call Task Force

The BONUS Call Task Force (CTF) is composed of national Programme managers, representing organisations participating in BONUS. It will assist the BONUS EEIG Secretariat with technical matters concerning processing the proposals and take care of all local matters in each country/organisation. CTF is chaired by the Executive Director of the BONUS EEIG.

*Terms of reference:*

- support the Secretariat in call management
- perform an eligibility check on the respective national parts of and participants in the project plan
- prepare the national funding decisions

## Independent Expert

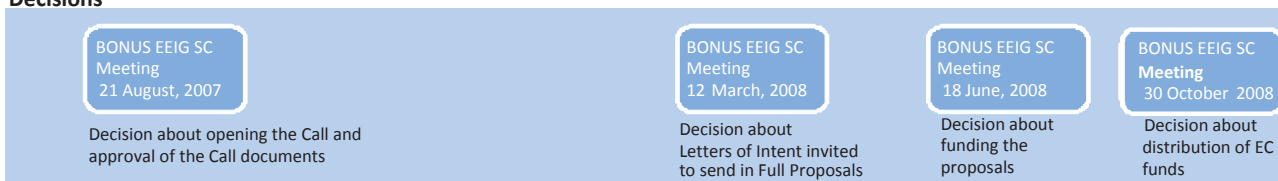
An Independent Expert is appointed by the Steering Committee. His/her duty is to monitor the Call process

**Table 2:** Indicative timetable of BONUS Calls.

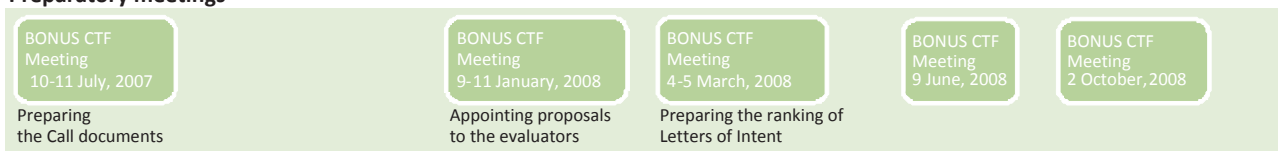
Actions	Month(s) from the start
Preparing the Call Documents and web pages BONUS+ Dow, Call text, Form A and Form B for the BONUS Electronic Proposal Submission System (EPSS), evaluation forms for Letters of Intent and the Full Proposal phase.	1-9
Opening the Call	9
Submission of Letters of Intent	9-12
Deadline for Letters of Intent, 16:00 CET	12
The Call for Letters of Intent closed	12
Searching for independent experts, evaluators and panelists, Invitation letters and e-mails	10-12
Preparing other documents needed for the Call and updating the web pages (Conflict of Interest rules, Agreement on having a Conflict of Interest, Personal data form for payment, Agreement on the evaluation)	12-13
Evaluation of the submitted Letters of Intent, ranking the proposals The Letters of Intent will be evaluated by an international peer review.	13-14
Inviting the highest ranked proposals to send in Full Proposals based on the ratings and comments given by the evaluators. The Steering Committee decides on which consortia are invited to submit a Full Proposal, approx. half of the consortia is invited.	15
Submission of Full Proposals	15-16
Deadline for Full Proposals, 16:00 CET	16
Planning and preparation of the panel meeting	13-17
Evaluation and ranking of the submitted Full Proposals	15-16
An international evaluation panel (month 17)	17
Funding Decisions (depending on the timetables of national decisions)	19-22
Starting the projects (depending on the timetables of national decision)	22
Total duration from Call preparation to starting the funded projects of the Call is approx. 20 months	

## BONUS+ Call for Proposals 2007 process

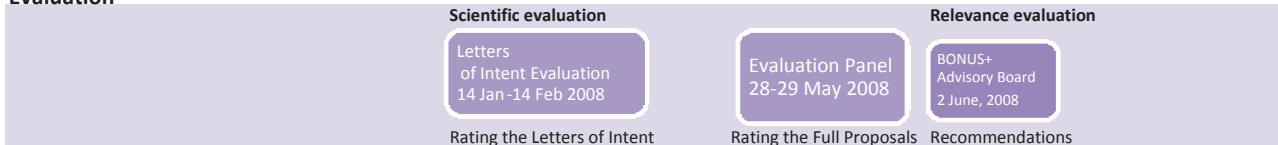
### Decisions



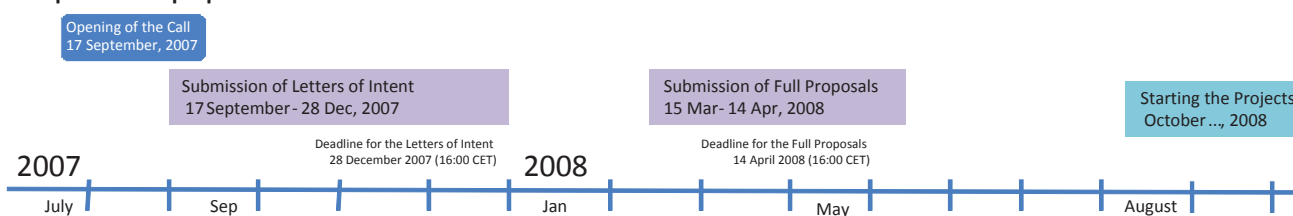
### Preparatory meetings



### Evaluation



### Preparation of proposals



**Figure 5.** Actions undertaken by different actors involved in the BONUS+ Call process (2007-2008). Colours denote different levels involved: purple - technical expertise (Evaluation Panel and Advisory Board); green – management (Call Task Force and Secretariat); blue – governance (Steering Committee).

and prepare a report to be submitted to all funders and other interested parties.

### Timetable

It took almost two years from drafting of the first documents of the BONUS+ call until its projects were started. Even with more experience accumulated and effectiveness maximized, altogether approximately 20 months would be necessary to implement a full cycle of a call for research proposals. An indicative timetable of the Call process is presented in Table 2 and Figure 5.

### BONUS proposals submission via BONUS Electronic Proposal Submission System (EPSS)

All the BONUS Call proposals (and evaluations) are submitted via the BONUS Electronic Proposal Submission System (EPSS). The BONUS Electronic Proposal Submission System is being developed for BONUS EEIG by the Estonian Science Foundation (ETF). The purpose of this development work is to

create an electronic system through which BONUS+ Call for Proposals Letters of Intent and Full Proposals, and evaluations, can be submitted easily. The system is also used in the BONUS Call(s) evaluation process, both in the evaluation of Letters of Intent and Full Proposals.

After the project submission/evaluation phase is over, the EPSS development continues to make EPSS a part of the BONUS reporting system. The same web-based interface already familiar to scientists will be used for gathering information about performance of projects. In addition to serving for the Programme management, in intention is to make it a useful project- level management tool for project coordinators.

EPSS submission and evaluation is flexible for users. It enables saving incomplete forms and returning to them later. It also enables co-work of a team of researchers preparing a research proposal and later reporting about the project implementation.

## Call proposals evaluation

BONUS Call(s) implement(s) a two phase evaluation process: a remote Letter of Intent evaluation and a remote Full Proposal evaluation, with a Panel meeting at the end of the process.

### Evaluation of Letters of Intent (LOI)

Letters of Intent are evaluated by an international peer review. Each Letter of Intent is evaluated by at least three experts. The evaluation criteria are:

- Relevance to the topic of the Call;
- Transnational added value;
- Scientific quality of the proposal;
- Quality of the composition of the consortium; and
- Novelty and originality of the project.

Based on the ratings and comments given by the evaluators, the Steering Committee decides which consortia are invited to submit a Full Proposal. The information should be available to Project Coordinators and Principal Scientists within one month after the LOI evaluation is finished.

For the BONUS+ Call it was estimated that about a third of the consortia that submitted LOI will be invited to submit a Full Proposal. Principles like the passing threshold in rating and overall proportion of LOI to be admitted to the next phase of evaluation may be decided separately for every Call.

### Evaluation of Full Proposals

An international evaluation panel (of approx. 10 persons), appointed by the BONUS+ Steering Committee, evaluates the scientific quality of the Full Proposals based on the following criteria (threshold 3/5):

- Scientific excellence:
  - sound concept, and quality of objectives;
  - progress beyond the state-of-the-art;
  - quality and effectiveness of the scientific methodology and associated work plan;
  - innovation and new approaches; and
  - interdisciplinarity
- Implementation:
  - appropriateness of the management structure and procedures;
  - quality and relevant experience of the individual participants;
  - quality of the consortium as a whole (including complementarity, balance, research

environments); and

- appropriate allocation and justification of the resources to be committed (staff, equipment).
- Impact:
  - relevance of the proposal to the themes of the Call and the BONUS-169 Science Plan;
  - appropriateness of measures for the dissemination
  - researcher training and
  - international co-operation beyond the project.

The proposals are rated on a scale from 1 to 5. Only whole or half numbers are used.

It is estimated that half of the consortia invited to submit a Full Proposal will receive funding based on the result of the evaluation process.

### Panel work frame

A schematic figure of the panel work frame is presented in Figure 6.

#### *People involved and their tasks*

Panelists: Discuss and decide on the scientific ratings of the proposals

CTF members: Prepare the final statement based on the evaluations and discussion in the panel meeting.

Executive Director (ED): Follows the discussion and keeps a record on the ratings, proofreads statements prepared by the CTF.

Programme Manager (PM): Co-ordinates and participates in the work of the CTF.

Assistant: Is responsible for projection of necessary information on a screen, circulates papers, collects signatures, collects and keeps a record of ready evaluations.

#### *Actions before the panel*

- Secretariat collects the Pre-Statements.
- Two Pre-Statements/applications are merged into one MS Word document.
- Merged Draft Statements are open for panelists to view before the meeting (if all Pre-Statements have been delivered in time).
- Merged Draft Statements and Full Proposals are saved on computers to be used in the panel and given to the CTF members and observers on memory sticks.

*Panel work*

- Applications are discussed according to the thematic grouping
- Each group has been appointed 1-3 CTF members to edit the statements according to points made during the panel discussion. CTF members can be divided into several groups, but so that their work load does not grow too large.
- The Merged Draft Statement is shown on the projector to facilitate discussing all points.
- The panel decides on the overall ratings on three aspects (Scientific excellence, Implementation and Impact) as full numbers, and on the total overall rating as full and half numbers .
- The panel carried out the rating and the Steering Committee the ranking, so comparison between applications should be avoided.

*Preparing Consensus Statements*

- CTF members share the workload in order to complete each Consensus Statement in an unhurried manner.
- CTF members write the draft Consensus Statement on the Merged Draft Statement document taking into account aspects noted in the discussion. They should make sure that all numbers are marked correctly and that there is no reference to the initial evaluator, comparison to other applications, or suggestions on whether the application should be financed or not.
- After the draft Consensus Statement has been finalised, it is printed out and given to the ED, who proofreads it. If there are corrections to be made, s/he returns it to the respective CTF member; if not,

it is given to the panelists who initially evaluated the application to be checked and signed. Again, if there is anything to be corrected, the panelists return it to the respective CTF member. The Assistant shall help in the circulation of documents and collects the Final Consensus Statements.

- The CTF members should save all Final Consensus Statements on a memory stick and, at the end of the panel, give the memory stick to the Secretariat.

**4.2.3 Programme Management Processes**

Implementation of a research programme is a joint effort of researchers representing different disciplines, nationalities, working cultures and traditions. The multinational projects which form the Programme are selected through competitive calls for proposals within the framework of the BONUS-169 Science Plan and Implementation Strategy. Such a ‘bottom-up’ approach does not ensure the coherence of the Programme per se, neither does it automatically create anticipated added value. Hence, the Programme needs proper management.

*Programme Management Bodies*

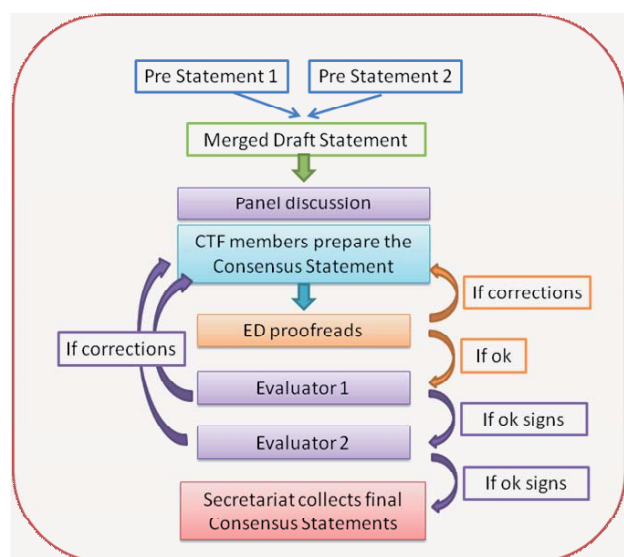
**Management boards**

Four administrative/technical bodies shall manage and direct the evaluation and approval of research projects with the support of BONUS ERA-NET Co-ordination office (hereafter referred to as BONUS Co-ordination)

1) The EEIG **Steering Committee** (EEIG SC) is composed of one member from each partner participating in the Call. Its task is to supervise the Call and, ultimately, make decisions on which projects will pass through the first stage evaluation. It makes recommendations to the national funding bodies on which full proposals will be funded. It also makes decisions concerning the Community ERA-NET Plus funds. It decides about the composition of the project evaluation panel.

2) The Call **Advisory Board** (AB) is a panel of scientific experts and stakeholders, which has been appointed by the BONUS ERA-NET Network Steering Committee. It makes the first stage evaluation of the letters of intent and makes a recommendation on projects to be accepted into the second stage.

3) The Call **Evaluation Panel** (EP) consists of scientific experts, appointed by the CSC. Its composition should



**Figure 6.** A schematic presentation of the Call panel work frame.

cover all relevant fields of expertise related to the themes of the Call. It should also be unbiased geographically, nationally and in respect to gender or conflict of interest.

4) The Call **Task Force** (CTF) is a technical body composed of national Programme managers, representing the partners. It assists BONUS Co-ordination with technical matters concerning processing the proposals. It also takes care of all local matters in each country/organisation.

### **Programme Manager**

The Programme Manager, employed by the EEIG, is the key individual regarding all activities of the Programme's scientific co-ordination and management of the calls. He is a staff member the Secretariat, and his/her duties are described in Chapter 4.1.3. of this report.

### **Forum of Project Co-ordinators**

After the selection of the projects to be funded within the specific calls, a Forum of Project Co-ordinators (FPC) shall be created to support the Programme Manager and the Secretariat in planning and executing the scientific co-ordination of the Programme. Its main aim is to ensure that the Programme will create added value.

Tasks of the FPC are to:

- prepare a plan for the scientific co-ordination of the Programme
- appoint focal points for thematic/crosscutting co-ordination
- implement the scientific co-ordination plan and lead the Programme towards its scientific objectives
- organise the production of Programme outputs which have specific relevance to the stakeholders

## 5 The Lessons Learned

In many aspects, establishing the framework of a Joint Programme has been a learning process for the governance and management bodies of the BONUS EEIG. Understandably, the practical aspects of constructing a functioning European Research Area mechanism were new for the participating funding institutions as well as for colleagues at the European Commissions' Directorate-General for Research. Several interesting and useful aspects were discussed during the three years of preparation for launching the Joint Programme. However, no ready-to-use guidance was available.

During the preparation and implementation of the Call, feedback was collected from all involved parties (officers of the national funding agencies, scientists who responded to the Call, members of the Evaluation Panel etc.). References made to drawbacks and suggestions for improvement are to some extent reflected in the management's report on the Call and, in particular, in the Report of the Independent Observer to the Call. A thorough analysis of lessons learned and discussions on the best ways to improve the Programme management will require some time. Here, we present only some of the most obvious issues met by the BONUS team while establishing conditions and the framework for the Programme. The points below are not presented in any order of priority.

### Preparation of the dedicated structure's normative documents

- 1) Selection of a legal form for the dedicated implementing structure is one of the key issues to be solved while preparing the preconditions for a Programme. This implementing structure should be independent in its decisions from the national research funding institutions or other organizations and, at the same time, possess a governing structure that allows fair representation of the interests of these institutions. These requirements prevented the BONUS team from basing the implementing structure on one of the existing National Funding Institutions (NFIs) or thematically relevant international institutions like HELCOM or ICES. Thus, the choice of the EEIG form seemed optimal, primarily because of its organizational lightness, independence and conformity with the national legislations of all participating EU member states<sup>23</sup>. Moreover, EEIG was the only tested example of a dedicated structure for implementing a joint research programme of EU member states under Article 169 of the EU Treaty<sup>24</sup>. Theoretically, however, the selection of options could be much broader, including supranational company forms such as *Societas Europaea*, the European Association, the European Cooperative Society, the European Mutual Society, and organizations under national law such as Associations and Foundations. A thorough analysis of these options is advised for each specific configuration of players preparing to implement a joint programme. In the case of BONUS EEIG, obvious disadvantages are its full and severe liability and the requirement that all its participants are legal persons. This prevented several national public institutions (such as ministries) from being directly involved with the EEIG. In several participating countries, specific affiliated organizations had to be identified or created to represent national interests through the EEIG membership.
- 2) The preparation process of the regulatory frameworks and procedures was more time and labour consuming than expected, mainly because it was necessary to avoid compromising any EEIG member's regulations.
- 3) Discussions amongst the BONUS ERA-NET partners while working on the various regulatory documents (such as Internal Regulations, Rules on Handling the Conflict of Interest, Memorandums of Understanding, and Agreements concerning the funding decisions) revealed a clear need for a common language and precise definitions of terms used in these documents.
- 4) During the implementation of the first Programme Call for proposals, it became obvious that the rules and practices for handling conflicts of interest are not the same in all participating countries, and therefore there was a need to establish stringent rules for the BONUS EEIG to avoid conflicts of interest. This was adopted as a separate regulatory

<sup>23</sup> EU Council Regulation 2137/85 is approximated in the legislations of all EU member states

<sup>24</sup> European and Developing Countries Clinical Trials Partnership: <http://www.edctp.org/>

document of the EEIG. The regulation on resolving conflicts of interest could well be prepared in advance. Nevertheless, the way in which BONUS treated each of the conflict of interest cases was recognized as flawless by the observers.

- 5) Practical implementation of the Programme required developing several other documents, such as a Model Consortium Agreement, a Framework Contract between BONUS EEIG and National Funding Agency, BONUS Data Policy, and BONUS Guidelines for Scientific Reporting (Fig. 7), which were developed rather late in the process. It would be a benefit if these documents were developed more in advance. It is important that the project participants know all conditions and obligations before submission of a proposal, so they can evaluate all possible efforts and responsibilities that will be demanded of them.

Preparation of the Science Plan

- 6) The 1½-year preparation process of the initial BONUS-169 Science Plan and Implementation Strategy (SPIS) involving repeated consultation with national stake holders was slightly too long. In the second round of consultations, the response was rather weak and, hence, did not yield much improvement. An adaptive circle (e.g. within

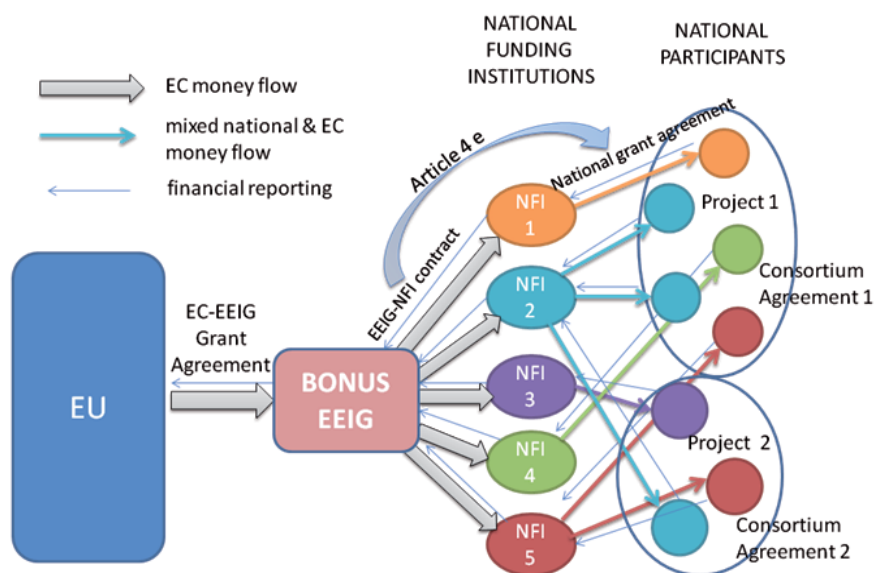
fixed time intervals or before each larger Call) was not included in the Science Plan preparation procedure, but was later included in the EEIG Action Plan.

- 7) More attention could have been paid to collecting the opinions of the end-users of the research results and stakeholder groups affected by the management decisions based on these research results. BONUS-169 SPIS evolved within the same time frame as when HELCOM was drafting the Baltic Sea Action Plan (BSAP). Both parties could have benefited had they cooperated more intensively.

BONUS+ Call: Financial aspects

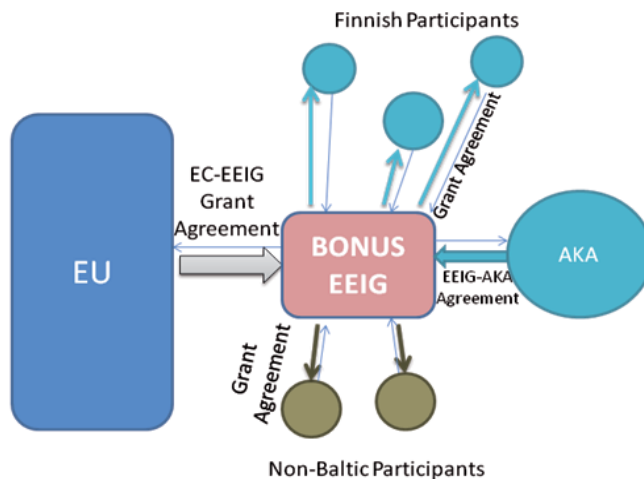
- 8) The idea of identifying the national financial commitment to the Joint Programme as a proportion of the country’s funding of competed Baltic Sea research within a selected representative period (e.g. 2004 in the BONUS case) was not fully applicable. In fact, separate commitments from the funding agencies had to be collected. However, the analysis of the marine research funding performed by the BONUS ERA-NET task group proved to be very useful in further developing the financial strategy of the Programme, e.g. monitoring the relationship between the total national allocation to marine research and the share allocated to the

**A. Contracting, money transfers and financial reporting**

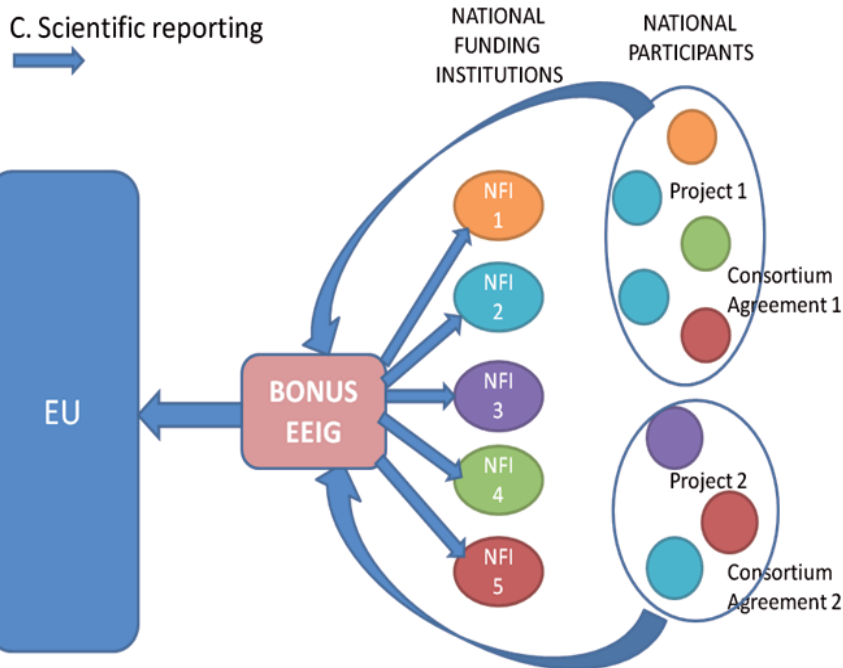


**Fig. 7.** Network of contracts, money flows and reporting obligations among the involved parties of the BONUS+ Call. A. The network of contracting, money flows and financial reporting between the European Commission, BONUS EEIG, National Funding Institutions, and Participants of the Project Consortia. Although the national grant agreements follow the national rules, Article 4e of the Framework EEIG-NFI contract determines the clauses that are to be mandatorily included in the National Grant Agreement. Each of the Project Consortia is supposed to conclude a Consortium Agreement.

**B. Contracting, money transfers and financial reporting: Finnish and non-Baltic participants**



*B. The network of contracting, money flows and financial reporting between the European Commission, BONUS EEIG, Academy of Finland (AKA), and Finnish and non-Baltic participants of the Project Consortia. All Finnish National funds are transferred from AKA to BONUS EEIG, and from there to the Finnish participants. Non-Baltic participants receive their funding (EU funds) directly from the EEIG.*



*C. The network of scientific reporting within the BONUS+ Call.*

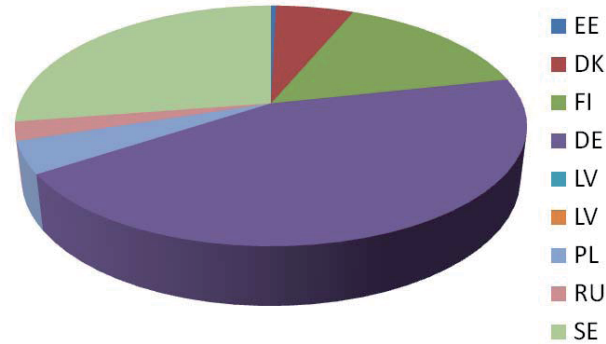
Joint Programme. See Chapter 3.1 for more on this.

9) The budget cuts resulting from the BONUS EEIG Steering Committee’s decision to fund 16 projects were quite substantial. The post-selection budget cuts logically led to the revision of the Research Plans. It would have been good if during the evaluation process the financial aspects and possibilities to cut the budget had been assessed in

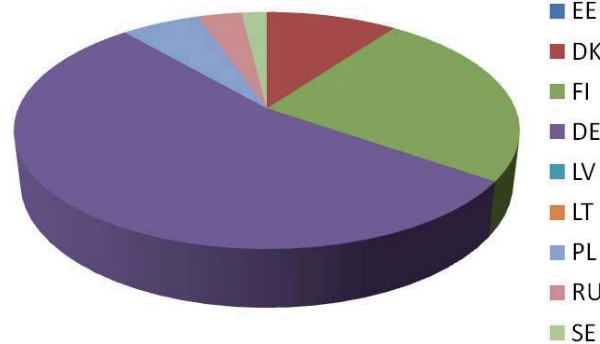
depth from the scientific point of view also. One option could be to include a well justified budget and cost-effectiveness as sub-criteria of evaluation, perhaps assessed separately from the overall scientific evaluation (see Lesson 13 also). This could have helped in defining the necessary cuts already in the SC meeting.

10) Differences in the national rules on eligibility of costs meant that the first phase of the cuts varied

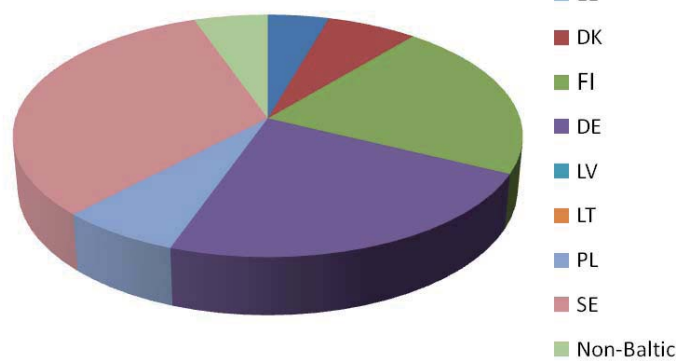
### A. ALL INFRASTRUCTURES



### B. SHIPS



### C. IN-KIND MANMONTHS



**Figure 8.** Non-monetary contribution of the participating countries to the BONUS+ Call.

A. Distribution of support through free access to all kinds of national marine research infrastructures: computing facilities, significant data pools, field equipment, field stations, laboratory instrumentation, ship time (altogether € 5.69 M).

B. Distribution of support through free ship time (€ 3.24 M).

C. Distribution of support through work time provided by other sources (€ 2.74 M).

from one country to another. The fact that some countries had more stringent rules and others allowed more flexibility with regard to e.g. cost categories made the participants unequal. The second phase of the cuts left it up to the project to decide where the required further cuts should be made. An agreed common set of rules from the beginning of the Call would have greatly improved the smoothness of the budget checking and cuts.

11) Implementation of the BONUS+ Call revealed certain controversy in the ERA-NET PLUS concept: on the one hand, national financing rules shall be applied, on the other hand only fresh money allocations by national funding institutions (NFIs) are included in the calculation of the financial volume of the Programme. The overheads proved to be one of the most complicated issues within the BONUS+ Call. Different levels of overheads and an

unexpected change in the national legislation of one country put the participants in unequal positions within the projects. The complexity regarding the overheads could have been avoided by agreeing on a maximum percentage for all participants regardless of their national affiliation. Another solution (excluded however by the ERA-NET PLUS rules) would have been to calculate project budgets on a full cost basis, taking the *in-kind* contributions into consideration. The overhead issue would not rise at all if the funds to the participants are distributed directly from a true common pot established within the BONUS EEIG.

- 12) National research institutions mobilized a significant amount of in-kind contributions through providing free access to research infrastructures and work time covered from other sources in order to support the projects funded under the BONUS+ Call. According to a very rough estimation, this support amounts to at least 31% of the real costs of the BONUS+ projects (18% infrastructure, 13% in-kind work time). Still, the amounts of infrastructures and additional work time that different countries provided vary significantly not only in their absolute amount but also in proportion to the amount of fresh money that each of the participating countries committed to contribute to the BONUS+ Call (Figure 8). This partly reflects the dichotomy between the prevailing research funding policies: relying mainly on direct governmental budget funding versus a high dominance of competed research funding. In continuing the Programme, it is necessary to find ways to encourage participating countries to aim at a more balanced relationship between their fresh money allocations and in-kind contributions. The situation may change dramatically if the in-kind contribution to the Programme is taken into account when determining the EU co-funding to the Programme.

#### BONUS+ Call: Submission of Proposals

- 13) A positive lesson has been the use of electronic tools to manage the applications and projects throughout the process, from the first evaluations to the funding decisions. All the applications and changes were submitted via the EPSS. From there, the data was easily transferred into the BONUS Access database, which has enabled a smooth and transparent management and production of statistics. From the financial point of view, the smooth and trustworthy transfer and management of financial data is crucial. This has been the case with the use of the

BONUS Access database. The system could have been exploited even more efficiently if the National Funding Institutions funding the Programme had been encouraged to check the eligibility of costs already in an early stage of project application.

#### BONUS+ Call: Evaluation of proposals

- 14) The involvement of an Independent Observer to monitor the evaluation and decision-making process proved to be very successful. In addition to observing the reporting, the Observer presented many good ideas and comments and gathered comprehensive feedback from the members of the evaluation panel and produced a thorough Observer's Report on issues which could have been done better.
- 15) The Letter of Intent deadline had to be postponed by one month due to the delays in the contracting procedures (Russia). The situation was such that there were no other ways of solving it. This case is still discussed as putting competitors in unfair conditions, and such cases should be avoided whenever possible. Moreover, the shift in the call timetable impacted some strict-budget-year dependant NFIs that had to miss or recall their BONUS+ allocations for 2008, thus compromising the overall financial plan of Programme.
- 16) Each Full Proposal was handed to two panel members for independent evaluations before the actual panel meeting. It would, however, have been better to have three instead of two independent evaluations. In some cases, the individual statements of evaluators were controversial, and there was a need to arrange a third evaluation for these cases during the EP session.
- 17) The final overall rating was made with a 0.5 point resolution during the Evaluation Panel (EP) discussions, and as a consequence the EP produced relatively large groups of equally rated proposals. This leaves more impact for entities that are involved in the post-evaluation ranking of the proposals, i.e. for the BONUS+ Call Advisory Board (AB) and the Steering Committee. They are in a position to pick out from equally rated proposals those that they recommend to be funded on the basis on specific, non-scientific criteria, such as relevance for the protection of the Baltic Sea, advancing the gender balance, promotion of research in new Member States etc. Understanding the importance of the scientific excellence criteria, BONUS+ AB

did not challenge any of the highest science quality proposals, and based on their recommendation the SC chose one of the twenty projects rated 4 into the funding group. In future calls, however, a higher resolution ranking could be considered, and one-after-one ranking of the proposals, based on weighted evaluation criteria, could be a result of the scientific EP work already. Deviations from the EP ranked list after the AB recommendations should then be clearly justified. Also, the power of stakeholder and policy-driven opinion to influence the final funding decision has to be precisely defined.

- 18) The impact of AB (stakeholders) in the selection was never clearly formulated, which created doubts about whether the stakeholders' interests have been truly taken into account. The "algorithm" of the AB work was created on the spot. Such a clear and pre-approved "algorithm" would be especially necessary in case the assessment of research proposals by AB would more significantly deviate from the rating made by EP.

#### BONUS+ Call: Attempt to find additional funders

- 19) The Steering Committee decided to fund 16 projects, which had a total budget of approximately € 4 million more than the available funding. The lesson learned is to make funding decisions only within the limits of fully secure funds.
- 20) One possible solution for solving the financial deficiency was to find potential additional funders, and a procedure for this was developed. However, the attempt was not successful. The main lessons learned were:
- Funders usually have their own strategies and profiles, which they want to maintain, and therefore they are not willing to jump into programmes that are outside the scope of their interest.
  - Funders have to be involved in the whole call process (definition of themes, evaluation, decisions). It is not possible to make them

interested in getting involved at the last minute in order to fill in gaps caused by decisions made by others, in particular when the problem is that the decision exceeds the amount of available funds.

- Negotiations take a considerable amount of time. In order to take the additional funding into account when calculating the overall BONUS+ funding scheme and distributing EC funds, the decisions by the potential additional funders have to be already made. This was unrealistic within the available time frames.
- Each of the BONUS+ research proposals involves multinational participation, while many of the potential additional funders are nationally based. This means that even if a national funder became interested in funding the respective national participant, funders from other countries should be found to fund the participants from other countries. This means that the search of potential additional funders would aim mostly at the international organizations, or organizations interested in cross-border cooperation.

#### BONUS+ Call: Gender balance

- 21) BONUS collaboration has not, so far, succeeded in promoting gender balance and women's careers in marine science. Only one of the project coordinators is a woman, and the percentage of women in the funded BONUS+ projects is 17%. Comparison with data collected in 2004 (Table 3) shows that in the top five countries (Denmark, Finland, Germany, Poland and Sweden), which contribute 89% of the total funding of the BONUS+ Call, the percentage of women has decreased, and only in Estonia, Latvia and Russia the percentage has increased. Although the reasons for this imbalance stem already from the level of early education, selection of positions at the institutes etc., the issue of gender balance through the process of selection of proposals should be given serious attention in future calls.

**Table 3:** *The number (n) and percentage (%) of women as principal scientists in the project data collected in 2004, in the letters of intent submitted to the BONUS+ Call (LOI), in projects invited to submit a full proposal (Invited FP), and in funded projects (Funded FP)*

	2004 data		BONUS+ LOI		BONUS+ Invited FP		BONUS+ Funded FP	
	n	%	n	%	n	%	n	%
DK	9	11.8	21	22.6	9	19.1	1	9.1
EE	1	2.3	8	12.7	3	11.1	1	20.0
FI	57	28.9	40	22.2	23	27.4	5	20.8
DE	13	17.3	21	17.1	10	18.5	3	12.5
LT	9	36.0	14	34.1	4	50.0	1	33.3
LV	5	35.7	10	40.0	5	50.0	2	66.7
PL	68	33.7	19	22.1	5	18.5	2	18.2
RU	13	20.0	26	33.3	5	22.7	3	33.3
SE	37	30.1	56	26.9	27	26.5	4	10.0
<b>total</b>	<b>212</b>	<b>25.8</b>	<b>218</b>	<b>23.5</b>	<b>93</b>	<b>23.4</b>	<b>23</b>	<b>17.0</b>

# ANNEX 1

## DEFINITIONS OF THE COMPONENTS OF THE BONUS COMMON POT

**EU – EU contribution.** Added on top of the consolidated national research funds to assist EU member states jointly implementing a research activity in accordance with Article 169 of the EU Treaty.

**NF – National fresh money contribution.** National research funding agencies participating in the Programme have to be committed to making their contribution to the Programme throughout its duration (e.g. 2007– 2011), under the sole restriction of budget availability. These funds will remain with the particular national research funding agency, but will be governed and distributed strictly and completely according to recommendations made by the Programme Steering Committee.

**MC – Mandatory Contribution.** Project proposal eligibility rules will stipulate a mandatory in-kind contribution from the funded institutions as a percentage of the fresh money obtained by them from the Programme in case of a successful proposal. The percentage is 10% in the case of structural units of universities and 30% in the case of governmental and independent research institutes.

For the purpose of pre-estimation, the amount of mandatory contribution shall be calculated as 20%<sup>25</sup> of doubled<sup>26</sup> national fresh money contribution.

**IS – In-kind contribution by the Programme partners for running research infrastructures** that are directly involved in projects funded by the Programme. For the purpose of pre-estimation, each of the Programme partners shall estimate the typical proportion of the fresh money value of competed research projects and additional running costs of infrastructures directly used to support these projects.

The most obvious (and potentially the largest) segment of infrastructure costs is ship-time. If, for instance, partner X typically awards € A million fresh money

grants per year for Baltic Sea research projects, and these grants are subsidised by € B million per year worth of ship-time contribution from other sources, e.g. from state budget allocations to research institutes, specific infrastructure funds, local governments etc., then IS (ships) is calculated as  $a \times NF \times B/A$ , where "a" is the proportion between the total volume of the 'common pot' and the aggregated national contribution to the Programme<sup>27</sup>.

Another example of infrastructure contribution is administration costs by national research funding agencies. Again, if, for instance, partner X typically awards € A million fresh money grants per year and spends € B million per year to administrate associated projects, IS (admin) is calculated as  $a \times NF \times B/A$ .

In addition to or instead of these two example categories, partners may identify other substantial infrastructure units as e.g. databases or computational facilities, data acquisition facilities, experimental facilities etc.

Partners are advised to include only such infrastructures that can really be substantiated in money-equivalent and that can be realistically justified as direct contributions to the Programme.

Partners are advised to check carefully that contributions identified as MC do not overlap with the declared IS contribution.

**RR - Related research.** It is possible that a project proposal the consortium of which comprises of a team or researcher related to a particular national funding agency meets the Programme objectives and scientific quality criteria, but is not awarded a Programme grant due to budgetary limitations. In such a case, the national funding agency may decide to fund the project from its own resources. Such funding may then be designated as Related Research. It is impossible to pre-estimate the amount of RR. The applicable proportion will be identified based on partners' financial reports and applied during the implementation of the Programme.

<sup>25</sup> For the purpose of pre-estimation, it is assumed that Program awards will be distributed evenly between university structures and other kinds of research institutes.

<sup>26</sup> It is assumed, that EU contribution to the Programme will be equal to total national fresh money contribution.

<sup>27</sup> For the FP 7 ERA-NET PLUS "BONUS+"  $a=1.5$

Example:

National research funding agency XX

Category	Amount (annual average)	Monetary unit	Explanation/justification
NF	1,000,000	€	
MC	2×NF×0.2 400,000	€	
IS	2×NF×B/A		
	Ship-time 417,00	€	In 2003-2005, agency XX awarded on average € 2.4 million per year (A) for the implementation of the National Baltic Sea Research Programme. These studies have been supported by 50 ship days, equivalent to € 500,000 per year (B1) allocated by national research ship foundation, Federal Meteorological service, and donated by the Ministry of the Interior.
	Other infrastructure 220,000	€	In 2003-2005, agency XX awarded on average € 2.4 million per year (A) to the National Baltic Sea Research Programme., For the purpose of modelling, these studies have been supported by 300 work hours worth of use of the National Environmental Data Centre's SUN computer, equivalent to € 240,000 per year running costs (B1) donated by the National Environmental Data Centre, and by 90 days of free of charge use of the Coastal Mesocosm Facility, equivalent to € 24,000 per year running costs (B2) subsidised by the National Marine Research Institute.
	Administration costs 25,000	€	
	<b>TOTAL INFRASTRUCTURE CONTRIBUTION</b> 662,000	€	In 2003-2005, agency XX awarded on average € 2.4 M per year (A) to the National Baltic Sea Research Programme. Agency XX spent € 30,000 per year (B) on the administration of this Programme. These expenditures include expenses of project evaluation, Programme committee meetings, postage, and the salary of the Programme administrator.

# ANNEX 2

## Annotated Agreement on Statutes of the BONUS EEIG

Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG	Comments
between the following members: [list of research funding agencies that concluded the Agreement]	<i>The list gives the legal names of the Contracting Parties and, if necessary, their legal status or affiliation with public authorities, their legal addresses, and the name of an authorised representative of each of the Parties.</i>
for the establishment of an European Economic Interest Grouping (EEIG), hereafter called EEIG, according to the EC Regulation 2137/85 and applicable legislation of [name of the host country]:	<i>BONUS ERA-NET Steering Committee decided that Finland will be the host country of the BONUS EEIG</i>
<b>1. Name and Registered Office</b> (1) The name of the EEIG is: <b>BONUS – Baltic Organisations Network for Funding Science EEIG</b> And in Finnish: <b>BONUS – Baltic Organisations Network for Funding Science ETEY</b>	
(2) The registered office of the EEIG shall be in Helsinki/Finland.	
<b>2. Objectives of the EEIG</b>	
(1) The objective of the EEIG is the implementation of a Joint Baltic Sea Research Programme of all members and associated members of the EEIG by a contract under article 169 EC Treaty, as well as with other donors of the Joint Baltic Sea Research Programme.	<i>This formulation allows implementing the joint Programme as an EU treaty Art. 169 activity, using different (and combined) funding instruments, e.g. the EC ERA-NET+ Programme.</i>
The Joint Programme will support sustainable development in Europe through the provision of scientific outputs facilitating the implementation of ecosystem-based management.	
In this context, mechanisms shall be developed and used for joint use of scientific infrastructures and facilities.	<i>This proposition emphasises the Programme's role in creating a platform for joint use of research facilities.</i>
(2) Further objectives of the EEIG are a European and world-wide exchange of experiences; holding and participating in conferences, seminars and similar fora; editing, distributing and promoting various publications; giving expert reports; participating in exhibitions; and generally co-operating with European and international public and non-government institutions and organisations.	
The undersigned parties procure that they shall in the Steering Committee meetings and other applicable connections respect the provisions of this agreement and that they shall in every reasonable connection act taking into account and in favour of the above objectives of the EEIG.	
<b>3. Term of Validity</b>	
(1) The EEIG has been established for an indefinite duration (sine dei).	
(2) If the recognition according to Article 169 of the EC Treaty is not awarded, the EEIG shall be liquidated unless its members decide otherwise by a unanimous vote.	<i>This formulation allows for uncertainty with regard to the funding instrument of the future Programme. See also comment to 2(1).</i>
<b>4. Financial Year and Start of Activities (open only due to practical reasons)</b>	
(1) The financial year of the EEIG shall be the calendar year (January 1 to December 31.).	
(2) The activities will start on ...	<i>The date on which the BONUS-EEIG activities come into effect. The activities shall normally start before the first Call for proposals is announced.</i>
<b>5. Bodies of the EEIG</b>	
The EEIG consists of the following bodies:	
– the General Assembly of Members, hereafter called Steering Committee;	
– the Executive Director, who is the head of the EEIG and should be a person with a scientific background; and	
– the Financial Manager.	
<b>6. Membership, Associated Membership, Observers</b>	
(1) There are [number] founding members. Additional full members may in the future be accepted by the Steering Committee.	<i>Founding members are legal entities that enter into agreement at the moment of the establishment of the EEIG.</i>
Full members are hereafter referred to as members. All members are members of the Steering Committee.	<i>This and the following preposition describe the difference between two types of members: full members and associate members.</i>

Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG	Comments
(2) The EEIG can also accept associated members – public or private national or international organisations - which may be resident within the EU or in third countries. The Steering Committee must conclude an Association Agreement with the associate members before they are accepted as associated members. The Association Agreement shall stipulate exhaustively on the participation rights of the associated member (such as possible voting rights) and on liability issues relating to the associated member.	<i>Originally this formulation determined the accession mechanism for non-EU members (in the case of the BONUS EEIG, the research funding agency of the Russian Federation,). However, this can also serve as a legal basis for the accession of other members, if considered beneficial for the implementation of the joint Programme.</i>
(3) The EEIG can also accept observers who can be admitted without the right to vote in sessions of the internal bodies of the EEIG.	<i>This formulation refers to various international bodies (in the case of the BONUS_ EEIG e.g. the Baltic Sea Environmental Protection Commission (HELCOM) and the International Council for Exploration of Sea, ESF Marine Board), whose admission as observers would support the implementation of the Programme.</i>
<b>7. Termination of Membership and Legal Succession</b>	
(1) Every member may terminate its membership in the EEIG on just and proper grounds, without agreement of the other members. A written notice of at least six months should be given to the Executive Director.	
In the case of an EC grant award, a member may terminate its membership in the EEIG if its participation in that award is terminated by the European Commission. At least six months' written notice should be provided for such a termination.	
A member shall not by termination of membership be relieved from any of its responsibilities under these Statutes, or an EC grant award, which have been or should have been carried out up to the date of termination.	
A member's participation in the EEIG and all the obligations thereof shall end by termination of the membership, unless a specific commitment to a particular activity, such as a decision on participating in a particular call, has been made.	<i>It is important that the possible termination of membership does not affect any previously agreed Joint Call(s).</i>
(2) Any member may be expelled due to failing obligations or causing or threatening to cause serious disruption of the operation of the EEIG. This requires, after an audition of the member in question, a unanimous decision, in which the concerned member cannot participate.	
(3) Insolvency of a member does not automatically end its membership in the EEIG. The question shall be dealt with by the Steering Committee, which shall decide unanimously on whether or not the membership shall continue.	
<b>8. Decision-making by Members</b>	
(1) As a rule, decisions by the members are made in Steering Committee meetings. The Executive Director, however, may also make decisions in writing, by e-mail, by telephone or by other communication channels in between formal Steering Committee meetings (hereinafter referred to as an Accelerated Decision Mechanism”).	<i>Technical aspects of the decision-making process shall be further determined by the Internal Regulations of the EEIG.</i>
(2) Both in the case of an Accelerated Decision Mechanism and a regular formal meeting an item pending for decision (the agenda) shall be notified to the members at least ten days before the date of decision. The date of the meeting shall be announced at least four weeks before. These periods can be deviated from by agreement of all members.	
(3) If a third of all members requests for a decision on a particular issue to be taken and present this request to the Executive Director in writing together with the objective of and rationale behind the requested decision, it is the obligation of the Executive Director to present, without unnecessary delay through the Accelerated Decision Mechanism or by calling a formal meeting of the Steering Committee, the issue to be decided on by the members.	
If the Executive Director has not followed up such a request within one month, the members requesting the decision are entitled to present the issue independently, through the Accelerated Decision Mechanism or by calling a formal Steering Committee meeting, to be decided on by the members.	
<b>9. Voting Rights of Members</b>	
Each member has one vote. If a member state has more than one member, the number of votes shall be calculated so that members of each member state have an equal number of votes per member state.	<i>The voting rights of members are one of the most sensitive issues in the rules. The formulation applied in the BONUS-EEIG Statutes emphasises national affiliation of the members: the voting power of each participating EU MS is equal disregarding the number of members representing each country. Five out of six EU MSs participating in the first Call for proposals are represented by one member.</i>

Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG	Comments
<b>10. Steering Committee</b>	
(1) The Steering Committee is the highest body of the EEIG, its decision-making body and board governing its dedicated legal structure. As the highest co-operation body of the members, it determines guidelines for all the activities and policies of the EEIG.	<i>In the EEIG Regulation (EC 2137/85) the Steering Committee is called the General Assembly of Members (see Art.5 of these Statutes).</i>
(2) The Steering Committee shall be convened at the place of the registered office or another place determined by the Executive Director or the Steering Committee at least once every year. The annual meeting of the Steering Committee should be held within 6 months of the end of the financial period.	
(3) Issues to be decided in the annual meeting of the Steering Committee shall be defined in the Internal Regulations confirmed by the Steering Committee.	
(4) If at least a third of the members formally and in writing requests a meeting of the Steering Committee, the Executive Director shall be obliged to call a meeting within four weeks of the request.	
(5) The Steering Committee shall decide on every matter that is not explicitly assigned to another body of the EEIG by these Statutes or additional Internal Regulations.	
<b>11. Proceeding of the Meetings of the Steering Committee</b>	
(1) The Steering Committee is chaired by one of its members. Chairmanship should normally rotate annually. The Steering Committee elects the Chair and the Vice-Chair annually. In the absence of the Chair, the Vice-Chair will chair the meetings. In the absence of both, the meeting shall elect a chair by simple majority.	
(2) In addition to representing themselves in meetings, members have the possibility to vote on issues on the agenda in writing (e.g. by letter, e-mail. to the official address of the EEIG and to the attention of the Executive Director) or by other communication means accepted by the Steering Committee, as long as such a vote is in the Steering Committee at the time of voting at the very latest. Only votes issued verifiably by a member shall be accepted. Accepted votes shall be added to the minutes.	
(3) If not all members are present or take part in a vote of the Steering Committee in which a unanimous vote is necessary, the Steering Committee is unable to decide on the matter in that meeting. Excluding matters which, according to the mandatory provisions of the applicable regulation, require unanimous decisions, another Steering Committee meeting has to be convened within three weeks. This meeting has a quorum if it represents 2/3 of all members' votes. This has to be clearly pointed out in the course of calling the meeting.	
(4) Regarding decisions in which no unanimous decision is needed, the Steering Committee has a quorum if it represents 2/3 of all members' votes. If no quorum is achieved, the Steering Committee is unable to decide on the matter in that meeting. In that case, another Steering Committee has to be convened within three weeks, which has a quorum independent of the number of represented votes. This has to be clearly pointed out in the course of calling the meeting.	
(5) The Executive Director shall provide minutes on the Steering Committee meetings and on all decisions made by the members outside of formal Steering Committee meetings in accordance with Art. 8. The minutes shall be signed by the Executive Director and transmitted immediately to the members. These minutes shall be considered to be approved by the Steering Committee if no objections or corrections have been communicated to the Executive Director within three weeks of receipt.	
<b>12. Decision-making order in certain matters</b>	
(1) The following decisions can be taken only unanimously, i.e. by agreement of all members:	<i>The consensus principle is applied to all of the most crucial EEIG decisions, including those stipulated by the EC Regulation 2137/85.</i>
a. altering the objective and Statutes of the EEIG,	
b. approving annual budgets,	
c. amending the financial structure,	
d. altering the contributions of all or certain members to financing the EEIG,	
e. setting up and amending an Internal Regulation with rules for procedure, not affecting the Statutes,	
f. setting up further regulations of all possible additional internal bodies, particularly regarding the number of members, composition, tasks, competences and activities,	
g. transferring the registered office of the EEIG to another member state,	

Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG	Comments
h. admitting new members,	
i. admitting associated members and approving the Association Agreement,	
j. admitting observers,	
k. deciding on the ownership and use of intellectual property rights in accordance with article 21, and	
l. discharging the auditor(s).	
For the sake of clarity, it is noted that the mandatory provisions of the applicable regulation have also to be observed (such as at the time of signing Art. 17 and Art. 26.1 of Council Regulation No 2137/85).	
(2) The members decide by a two-third majority of the voting members on:	<i>All decisions in which consensus may not be reached are made by a two-third majority.</i>
a. the approval of the annual financial accounts of the previous year,	
b. the regulation of distribution of losses, should there be any,	
c. the election of financial auditor(s) for the EEIG,	
d. the election of the Executive Director and the Financial Manager,	
e. the approval of the activities of the Executive Director and the Financial Manager within their regular competences. If they act ultra vires a unanimous decision is needed for approval.	
f. the liquidation, dissolution or winding-up of the EEIG, and	
g. the discharge of the Executive Director and the Financial Manager.	
(3) As far as these Statutes (or the applicable mandatory regulation) do not specify any other decision-making order, all other decisions of the members are taken with a two-third majority of the votes.	
(4) Abstentions are not taken into account in two-third majority votes.	
<b>13. Executive Director and Financial Manager</b>	
(1) The Executive Director and the Financial Manager are responsible for the implementation of the decisions of the Steering Committee and represent the EEIG only by acting jointly vis-à-vis third parties within the limits of the objectives of the EEIG.	<i>This implies that any actions (contracts, statements, bills etc.) regarding third parties are only legitimate if they are executed jointly by the Executive Director and the Finance Manager. This model, although disputed among the legal experts of BONUS ERA-NET partners, was adopted in order to comply with requirements set by the national legislation of one of the participating EU MSs.</i>
The Executive Director and the Financial Manager are responsible for the regular and current everyday management of the EEIG. The Executive Director and the Financial Manager are accountable to the Steering Committee. The Steering Committee can bestow further responsibilities on the Executive Director and the Financial Manager via Internal Regulations or on a case-by-case basis in accordance with Art. 12 (1).	<i>In the management model applied by BONUS EEIG, it is important to determine precisely the division of functions and responsibilities, and the hierarchy between the ED and the FM.</i>
(2) The Executive Director is responsible for the overall co-ordination and monitoring of Programme activities.	
(3) The Financial Manager is responsible for managing the overall budget. She/he shall report to the Executive Director.	
(4) The Executive Director and the Financial Manager can be only natural persons.	
(5) The term of office of the Executive Director and the Financial Manager is three years. Reappointment is possible. However, appointments beyond a second term have to be decided by the Steering Committee by a unanimous decision.	
<b>14. Conflict of interests</b>	
The Executive Director, the Financial Manager and members of the Steering Committee must indicate to the Steering Committee and the Executive Director without any delay and in writing any possible conflicts of interest in relation to the activities of the EEIG, especially any decisions of the EEIG. The Steering Committee shall process each such notification and make a formal decision regarding each such case.	<i>In practice, in an international research programme like ERA-NET PLUS or EU Treaty Art.169 the criteria for conflicts of interests and mechanisms to avoid any possible bias of decisions shall be determined with a sufficient level of detail. This may be included in the Internal Regulations or described in specific rules for resolving conflicts of interests, adopted by the EEIG SC.</i>
<b>15. Restrictions to the activities of the Executive Director</b>	
The total budget shall not be exceeded without prior approval of the Steering Committee.	

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Reallocation of budget funds exceeding in total e 10,000 shall be approved by the Steering Committee in advance.	
However, taking loans always requires a prior decision of the Steering Committee.	
<b>16. Financing of the EEIG</b>	
(1) The EEIG and its projects are financed by a virtual common pot. Members can decide otherwise by a unanimous decision.	
The principles of the funding and, for example, the concept of the virtual common pot shall be defined separately in a common memorandum of the members.	<i>In the case of the BONUS EEIG, the concept of the “common pot” is described in the Description of Call (ref.) adopted by the EEIG SC. See also Chapter 4 of this publication.</i>
At the time of signing the agreement, the virtual common pot shall primarily consist of:	
a. national money contributions, which shall remain on a national level and distributed strictly in accordance with Steering Committee recommendations; and	
b. European Community contributions, which are added to the consolidated national contributions and governed on both the EEIG and the national level.	
For the sake of clarity, it is further noted that the EEIG shall receive compensation for scientific co-ordination and administration expenses as national money contributions, and may also to some limited extent receive compensation for these purposes from the European Community.	
(2) The EEIG is allowed to accept:	
a. public or private grants, project means and subsidies,	
b. membership fees (which have to be determined by a unanimous vote of the Steering Committee),	
c. in-kind contributions,	
d. own revenues, and/or	
e. donations (conditional donations approved by the Steering Committee).	
<b>17. Balance of Possible Losses</b>	
(1) The EEIG is a non-profit-making body. It may not distribute any profits arising at the end of the fiscal year, and it shall reinvest any surplus in its activities.	
(2) If the revenues to cover the current costs of the EEIG are not sufficient, the members are responsible for uncovered costs by cash deposits. Losses are allotted firstly to the obvious causer/originator.	
If it is impossible to identify a causer with due effort, the first half of the losses is allotted equally among the members and the second half in proportion to the funding cumulative received from the European Commission by the member. Internally, the members shall, as far as possible, try to limit each member’s liability to the funding cumulative received from the European Commission.	
(3) The EEIG shall issue an early warning at the earliest possible date if it appears that additional funding shall be required.	
<b>18. Liability Questions</b>	<i>EC Regulation No. 2137/85 stipulates joint and severe liability of the EEIG members.</i>
(1) Internal liability of the members is determined by an Agreement on Liability to be set up separately.	
(2) New members shall not be liable for debts originating prior to their admission to the grouping.	
<b>19. Research Results</b>	
(1) The results of all research activities funded by the EEIG are public. The Steering Committee may unanimously decide otherwise if the protection or other exploitation of the results requires confidentiality or if the results include trade or commercial secrets.	
(2) If results are utilised, due acknowledgements shall be given in all publications.	
<b>20. Intellectual Property Rights</b>	
(1) The members are jointly entitled to the intellectual property rights (copyright, patents, registered designs, brand symbols and similar rights) that have been granted to the EEIG or applied for due to the activities of the EEIG on behalf of the EEIG, unless the Steering Committee does not state another kind of distribution by unanimous decision.	

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(2) These rights shall be enforced by the Executive Director on behalf of the EEIG and applied for respectively, if applicable.	
(3) The exploitation of the intellectual property rights of the EEIG shall be decided in a separate unanimous decision of the members.	
<b>21. Annual Accounts</b>	
(1) The Executive Director and the Financial Manager are obliged to draw up the annual accounts in accordance with the applicable legislation of [name of the host country] (at the time of signing this agreement the accounts have to be handed over to the auditor within four months of the end of the financial year).	
(2) The annual accounts have to be sent to the members at least two weeks before the annual Steering Committee meeting.	
<b>22. Auditor</b>	
The EEIG has one auditor and one deputy auditor. However, if a publicly certified (e.g. by the Finnish Central Chamber of Commerce) audit community is elected as the auditor, no deputy auditor is required.	
<b>23. Languages</b>	
(1) The official language of the EEIG authorities of the country of registration shall be the country's official EU language(s) and English.	
(2) The official language of the grouping in all other internal declarations, minutes or other documents by members and possible other bodies, e.g. the Steering Committee, shall be English, but any other official EU language is possible if so decided.	
(3) Programme correspondence, including calls and instructions to project proposers, research proposals, reports and other supplementary documents, shall be provided in English.	<i>During the discussions on the Statutes, some representatives of the research funding agencies pointed out that the requirement to use English for the Programme correspondence, including calls and instructions to project proposers, research proposals, reports etc., might not correspond with national regulations. This issue was, however, resolved on practical grounds.</i>
<b>24. Representation</b>	
(1) When exercising their rights resulting from their membership, members can give written authorisation for another member or representative to represent them.	
(2) The authorisation shall be deposited with the EEIG.	
<b>25. Notices</b>	
Any notice, request, consent and other communication to be given by a party under this Agreement (hereinafter called a "Notice") shall be in writing and in English and deemed to be valid and effective if:	
– personally served on the other party; or	
– sent by registered prepaid airmail (or if registered mail is not available by normal mail/airmail); or	
– sent by telefax	
to the relevant party's address given below or to another address the party may designate from time to time in accordance with this Clause:  [list of the members mail addresses and fax numbers]	
Any notice shall be deemed to have been served:	
– in the case of personal service: at the time of service;	
Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG	
– if sent by facsimile within 1 (one) hour of transmission during business hours at its destination or within 24 (twenty-four) hours if not within business hours; but subject to proof by the sender that it holds an acknowledgement confirming receipt of the transmitted notice in readable form; and	
– if sent by post within 48 (forty-eight) hours of posting (exclusive of the hours of Sunday) if posted to an address within the country of posting and 7 (seven) days of posting if posted to an address outside the country of posting.	
<b>26. Governing Law</b>	
This agreement shall be governed by and construed in accordance with the laws of [name of the host country] (including also EC Regulation 2137/85).	<i>EC Regulation No 2137/85 is implemented in the legislation of all EU MSs.</i>

Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG	Comments
<b>27. Mediation and Arbitration</b>	
All disputes or other differences arising from or in connection with this agreement and which cannot be settled amicably shall be resolved in arbitration in accordance with the rules of the [name of the appropriate arbitration institution].	
The arbitration tribunal shall consist of three (3) arbitrators. The arbitration proceedings shall be conducted in English.	
<b>28. Severability Clause</b>	
If one regulation of these Statutes should be or become invalid, the rest of the Statutes remain completely valid. The members commit themselves to help to replace the invalid regulation by an effective regulation that is as close as possible to the invalid regulation in the sense of the originally intended orientation.	
<b>29. Amendments or Additions to these EEIG Statutes</b>	
Amendments or additions to these Statutes shall be drawn up in writing. They are invalid if they do not meet this requirement. This also applies to an agreement waiving the requirement of written form.	
<b>30. Date and signatures</b>	

# ANNEX 3

## Annotated Internal Regulations of the BONUS EEIG

Internal Regulation of BONUS – Baltic Organisations Network for Funding science EEIG Established on 19 April 2007	Comments
<p><b>Definitions:</b></p> <p><b>Accelerated Decision Mechanism</b> – A procedure or a set of procedures determined in Art. 8 of BONUS EEIG Statutes for decision-making by the BONUS EEIG Steering Committee between formal Steering Committee meetings. The Accelerated Decision Mechanism may be implemented in writing, by e-mail, telephone or by other communication channels.</p> <p><b>Annual meeting</b> – A meeting of the Steering Committee deciding on mandatory budgetary issues of the EEIG according to Art. 10 (2) of the Statutes.</p> <p><b>Delegate</b> – A physical person appointed by a member of the EEIG to represent its interests in the BONUS EEIG Steering Committee.</p> <p><b>Joint Baltic Sea Research Programme (BONUS-169 Programme)</b> - A joint RTD activity addressing the aims and objectives of the BONUS Science Plan and implemented in accordance with this Plan by BONUS EEIG and its members. The BONUS Programme is funded jointly by countries represented in the BONUS EEIG, the European Commission and other sources as determined by Art. 16 of the BONUS EEIG Statutes.</p> <p><b>Member</b> – Full members are legal persons who have signed the “Agreement on Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG” (BONUS EEIG Statutes); associate members are legal persons with whom BONUS EEIG has concluded an Association Agreement.</p> <p><b>Sequence of countries</b> – The alphabetic sequence of countries’ names in English within the context of these Internal Regulations is as follows: Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Sweden.</p> <p><b>Statutes</b> – An agreement on the Statutes of the BONUS – Baltic Organisations Network for Funding Science EEIG (BONUS EEIG Statutes) signed in Helsinki on 19 April 2007.</p> <p><b>Steering Committee (SC)</b> – The general Assembly of the BONUS EEIG members. As the highest co-operation body of the members it determines policies, guides activities and approves outcomes of the BONUS EEIG.</p>	<p><i>Discussions amongst the BONUS ERA-NET partners while working on the Internal Regulations revealed a clear need of having a common language: clear definitions of the terms used.</i></p>
<p><b>Article 1 – Steering Committee</b></p> <p><b>1) Composition</b> Each full and associated member shall appoint one representative to the Steering Committee (hereinafter called “Delegate”) by letter or fax sent to the Executive Director, who shall inform the Chair of the Steering Committee without delay. Substitute members may also be appointed.</p>	
<p><b>2) Chair</b> The Steering Committee shall be chaired by a representative of one of the full members, the Chair, or, in his/her absence, the Vice-Chair. Nomination for chairmanship will rotate according to the alphabetical order of countries’ names in English. The delegate of the country which will be chair the following year is nominated Vice-Chair. The Chair and Vice-Chair shall be endorsed by vote of full members according to Art. 11 (1) of the Statutes.</p> <p>The responsibilities of the Chair shall be:</p> <ul style="list-style-type: none"> <li>– To ensure that the Steering Committee remains focussed on the mission of BONUS EEIG;</li> <li>– To promote respect for diversity of partners and support genuine partnership;</li> <li>– To promote high ethical and scientific standards and the efficient use of the funds of the EEIG;</li> <li>– To direct meetings in order to ensure a high quality of Steering Committee meetings and an effective decision-making process; and</li> <li>– To address the Steering Committee on matters which are not the responsibility of the ED or concerning the relationship between the Steering Committee and the ED.</li> </ul>	
<p><b>3) Meetings</b> The Steering Committee shall convene at least once a year. Meetings shall be held and convened at the initiative of the Chair of the Steering Committee or the Executive or at the initiative of at least a third of the members. The ED shall announce the meeting by e-mail with a read receipt request or in another written form at least 4 weeks before the planned meeting.</p>	
<p><b>4) Agenda</b> A draft agenda shall be prepared by the ED and approved by the Chair of the Steering Committee. The agenda and the necessary working documents shall be circulated to the members with at least 10 calendar days’ notice. If the matter is urgent, the members may, by way of exception, waive this rule</p>	

<b>Internal Regulation of BONUS – Baltic Organisations Network for Funding science EEIG</b> Established on 19 April 2007	<b>Comments</b>
<p>The Steering Committee may decide by a simple majority vote to add an item to the agenda or to withdraw an item from the agenda.</p> <p>The agenda of the annual meeting shall include the following mandatory items:</p> <ul style="list-style-type: none"> <li>– Presentation and approval of the financial accounts, consisting of an income statement and balance sheet;</li> <li>– Presentation and approval of the annual report;</li> <li>– Presentation on the auditor's report;</li> <li>– Decision upon measures regarding the approved balance sheet;</li> <li>– Election of auditor(s) for the ongoing financial period; and</li> <li>– Discussion on the budget of the next financial period.</li> </ul>	
<p><b>5) Attendance list</b></p> <p>The attendance list shall state the names, addresses and legal denominations of the delegates. The attendance list should be signed by the delegates present at the meeting and certified by the ED.</p> <p>Any other person may be heard at the discretion of the Steering Committee.</p>	
<p><b>6) Minutes</b></p> <p>Minutes shall be taken for all meetings of the Steering Committee.</p> <p>The minutes shall be signed by the ED and distributed to the delegates shortly after the meeting. The minutes shall be considered accepted if no objections have been communicated to the ED within three weeks. Thereafter, they are signed by the Chair. One copy of the final minutes shall be kept by the ED at the official address of the EEIG together with the attendance list, and one copy shall be sent to each delegate.</p>	<p><i>Describing a procedure for holding SC meetings by using technical communication tools (teleconference, SKYPE conference, video conference) may be worth considering.</i></p> <p><i>Specific provisions:</i></p> <ul style="list-style-type: none"> <li>– all delegates have access to the technical means;</li> <li>– a virtual meeting may be announced no less than 14 days before the meeting; and</li> <li>– meetings shall be recorded by technical means of audio or video recording. Records are stored at the EEIG office and made available to members by a request.</li> </ul>
<p><b>7) Representation</b></p> <p>When exercising their rights resulting from their membership, full members and associated members may authorise another member to exercise their respective rights. The Chair of the Steering Committee and the ED shall be informed of this authorisation in writing.</p>	
<p><b>8) Accelerated Decision Mechanism</b></p> <p>In case of necessity, the Steering Committee may make a decision by a written procedure. To this end, the ED shall communicate to the members the proposed measures by which their opinion is sought in accordance with Art. 12 of the Statutes. This communication shall include all relevant background information and shall require a return receipt. Any member having received the message who does not express his or her opposition or intention to abstain before the deadline specified in the letter is considered to have given his or her tacit agreement to the proposal. The response period shall be over 10 calendar days.</p> <p>However, if a third of the members request for the proposed measures to be examined in a Steering Committee meeting, the accelerated decision mechanism shall be terminated without result. In the case of emergency questions, the Chair or the ED shall call a meeting within 3 weeks.</p>	<p><i>Some legal experts suggested applying different majority rules for the ordinary and accelerated voting procedures. This proposal was rejected, however, so as to maintain a uniform system of decision-making rules stipulated by the Statutes.</i></p>
<p><b>9) Conflicts of interests and transparency</b></p> <p>A conflict of interests may arise in particular from economic or professional interest, political or national affinities, organisational, family or emotional ties or any other common interests that are liable to influence the impartial and objective performance of the tasks.</p> <p>Delegates representing the EEIG members in the Steering Committee shall take any action to avoid situations of conflict of interests. They shall inform the Chair of the Steering Committee and the ED without delay of any situation constituting or likely to lead to a conflict of interests. As a consequence, they shall abstain from taking part in any discussion or decision in which a conflict of interests may occur, such as appointments of managers, individual funding decisions, and partnership agreements.</p>	<p><i>During the implementation of the first Programme Call for proposals, the BONUS EEIG SC decided to establish as a separate document more stringent rules to avoid conflicts of interests. This may well have been included in the EEIG IR.</i></p>
<p>Internal Regulation of BONUS – Baltic Organisations Network for Funding science EEIG Established on 19 April 2007</p>	<p><i>Comments</i></p>

<b>Internal Regulation of BONUS – Baltic Organisations Network for Funding science EEIG</b> Established on 19 April 2007	<b>Comments</b>
<b>Article 2 – The Executive Director, the Financial Manager and the Secretariat</b>	
<p><b>1) General principle</b>                      The ED and FM are jointly responsible for the implementation of the decisions of the SC, the management of the EEIG, and actions vis-à-vis third parties. The ED and FM are jointly responsible for ensuring that:</p> <ul style="list-style-type: none"> <li>– All of the work needed for the EEIG and the BONUS Programme is carried out in conformity to applicable laws, the provisions of the Statutes, the Liability Agreement and the Internal Regulation, and the decisions and resolutions of the Steering Committee;</li> <li>– Steering Committee decisions are implemented in a proper and timely manner;</li> <li>– In every area of BONUS work, the flow of information, review processes, checks and controls, and agreements fully reflect the objectives and responsibilities of the BONUS Programme;</li> <li>– Risks and liabilities for the EEIG and its members are minimised; and</li> <li>– The resolutions passed and measures taken by the Steering Committee.</li> </ul>	
<p><b>2) ED and FM functions</b>                      In practice, the duties of the ED are related to the overall co-ordinating and monitoring of BONUS activities, whereas the duties of the FM focus on managing the EEIG budget. Specific functions of the ED are to:</p> <ul style="list-style-type: none"> <li>– Provide support for the work of the Steering Committee in general and for the organisation of meetings of the Steering Committee in particular;</li> <li>– Draft an overall management scheme of the EEIG Secretariat for SC approval and determine terms of reference for Secretariat staff;</li> <li>– Recruit Secretariat staff;</li> <li>– Manage the everyday work of the EEIG Secretariat;</li> <li>– Prepare Calls for proposals, organise the independent evaluation of projects and draft proposals for project funding;</li> <li>– Negotiate BONUS EEIG contracts; and</li> <li>– Monitor and follow up the projects of the BONUS Programme;</li> </ul> <p>Specific functions of the FM are to:</p> <ul style="list-style-type: none"> <li>– Prepare the annual accounts of the EEIG, draw the annual budget and, jointly with the ED, present financial information for approval by the Steering Committee;</li> <li>– Properly administrate the funds and accounts held by the EEIG;</li> <li>– Develop fundraising activities and submit the appropriate plans to the Steering Committee; and</li> <li>– Be responsible for tax compliance of the EEIG.</li> </ul>	<p><i>It was felt that the adopted text of Statutes does not delineate with the required precision the duties and responsibilities of the ED and FM. Therefore, this chapter was included into the Internal Regulations.</i></p>
<p><b>3) Offices of the Secretariat</b>                      The main offices of the EEIG shall be in Helsinki, and meetings shall be held there whenever appropriate.</p>	
<b>Article 3 - Appointment and dismissal of the two managers</b>	
<p><b>1) Appointment Procedure for the ED</b>                      The Steering Committee shall adopt a job description, required qualifications and terms of employment for the ED.                      The position shall be advertised in relevant media in BONUS member states and the EU. The Steering Committee shall elect a temporary (or an ad hoc) Selection Committee composed of 3 members. The committee should have one representative from the country, one from each of the 'old' EU member states (Denmark, Sweden and Germany) and one from each of the 'new' member states (Estonia, Latvia, Lithuania and Poland). The Selection Committee shall provide the Steering Committee with a ranked and annotated list of the three most appropriate candidates after interviews have been carried out. For that purpose, the Selection Committee may be assisted by a private recruitment agency. The Steering Committee shall make a decision on the person to be elected in accordance with provisions of Art. 12(2) of the Statutes.</p>	
<p><b>2) Appointment of the ED</b>                      The nomination decision of the ED shall mention the duration of the mandate, which is three years and which may be renewed in accordance with Art. 13 (5) of the Statutes, and specify the terms of reference, salary, duties of confidentiality and procedures for assessing and managing his/her performance.                      He/she shall work in a personal capacity and shall not represent any other organisation. The ED shall sign a declaration of confidentiality and impartiality concerning his/her tasks.</p>	
<p><b>3) Appointment procedure and appointment of the FM</b>                      The FM will be elected by the Steering Committee, after a selection process involving the same procedure as in case of the ED. For the purpose of FM selection, the Selection Committee mentioned in Art.3(1) is complemented by the ED. The contract will follow the model in paragraph 2 of this Article.</p>	<p><i>Only the general principles may be described here. They may, however, be in Finland's Law on Public Procurement.</i></p>
<p><b>4) Replacement of the managers</b>                      In case of non-availability of one of the two managers the other one shall replace him/her under the title of Acting Executive Director respectively Acting Financial Manager.</p>	

<b>Internal Regulation of BONUS – Baltic Organisations Network for Funding science EEIG</b> Established on 19 April 2007	<b>Comments</b>
<p><b>5) Dismissal and resignation of the managers</b>            Without prejudice to paragraphs 2 and 3 of this Article, the ED's functions and the FM's functions cease upon his/her death, legal or physical incapacity and upon a pronounced ban on managing any (un)specified company or any legal entity of private law. They also cease upon his/her revocation or his/her resignation. The ED's and the FM's appointment may be revoked at any time by the majority of 2/3 of the votes of full members present or otherwise taking part in the vote. The ED and the FM may resign at any time by giving one month's notice to the Chair of the Steering Committee. The letter of resignation shall be sent to the Chair by registered letter with acknowledgement of receipt, and the other manager shall be informed about the decision to resign.</p>	<p><i>This chapter greatly depends on the labour legislation in the host country of the EEIG.</i></p>
<p><b>Article 4 - Financial provisions</b></p>	
<p><b>1) Bank account</b>            The ED shall open a bank account in the name of the EEIG in the country where the Secretariat is allocated and shall inform the members of this account. This bank shall be secured or insured against insolvency and shall be rated as safe by an acknowledged rating agency. All monies received by the EEIG shall be paid into the EEIG's account. The ED shall issue instructions to staff members of the Secretariat for the control of cash money necessary for small purchases, foreign currencies etc.</p>	
<p><b>2) Incoming resources</b>            The Steering Committee shall be informed about any incoming resources accepted by the EEIG in accordance with Art. 16 (2) of the Statutes. The agreement of the Steering Committee is required if a donation is subject to specific conditions.</p>	
<p><b>3) Expenditures and custody of funds</b>            a) For shifts between different posts of an approved yearly budget no approval of the Steering Committee is needed as long as the total amount of shifts does not exceed 10,000 EUR of the total budget wherein these shifts occur.            b) Authorisation of payments shall be made on the basis of a supporting invoice or any such other document necessary to ensure that either respective services or goods have been received, that contract or Programme conditions have been observed and that payment has not been previously made. The ED, the FM and the person(s) authorised by the Steering Committee shall refuse to sign a payment order or to act as co-signatory if she/he is of the opinion that the relevant payment is incorrect. If such a case cannot be solved in the working order, it shall be brought to the immediate attention of the Steering Committee.</p>	
<p><b>4) Budget</b>            The ED and the FM shall present to the Steering Committee a draft of the annual budget for the coming year, together with a proposal for the yearly action plan, no later than two months prior to the beginning of each calendar year. The annual budget, as approved by the Steering Committee, shall be forwarded to the members. The budget shall be drawn up in euros. It shall contain detailed estimates of incomes, expenses and explanatory notes, and it shall identify all items above 10,000 e. The explanatory notes shall separately detail the estimated development of incomes and expenses used for funding BONUS-169 projects and general administrative funding and costs.</p>	
<p><b>5) Accounting</b>            The annual accounts and books of accounts shall be in accordance with generally accepted national accounting principles and statutory provisions of the state and shall record accurately the EEIG's assets, incomes, expenses, liability, and receipt and disbursement of cash. The books and all records shall be established, maintained and kept at the official address of the EEIG. The annual accounts, consisting of a balance sheet, profit and loss account, and detailed explanatory notes, shall be prepared by the ED and the FM and submitted to the auditor no later than 4 months after the end of the financial year. The auditor shall present its report no later than one month after receipt of the audit documents. Thereafter, the annual accounts and the auditor's report are approved by the SC. These documents shall be sent to the delegates no later than two weeks prior to the annual SC meeting. A copy of the annual accounts and a copy of the auditor's report shall be submitted to the registration authority within 6 months of the end of the financial year.</p>	
<p><b>6) Additional Audits</b>            Any member or any member's national audit bodies may instigate an additional audit of the EEIG at any time. The European Community may also instigate an additional audit of the EEIG in accordance with the provisions related to its grant. The ED shall provide such auditor access to the books and accounts during normal working hours. If a two-third majority of the members have requested an additional audit, the costs shall be supported by the EEIG.</p>	

<b>Internal Regulation of BONUS – Baltic Organisations Network for Funding science EEIG</b> Established on 19 April 2007	<b>Comments</b>
<p><b>Article 5 - General rules of conduct</b>                      The delegates, the ED, the FM and the staff of the Secretariat shall not disclose to third parties confidential information brought to their attention in the course of their duties. The delegates, the ED, the FM and the staff of the Secretariat shall not disclose opinions that have been expressed during discussions in meetings further than needed to fulfil their functions.                      The delegates, ED, FM and the staff of the Secretariat are forbidden to accept significant gifts or other benefits and services from third parties in the exercise of their duties.</p>	<p><i>Some legislations give detailed descriptions of situations in which officers are eligible to accept gifts (e.g. receiving international visitors or being on a mission abroad or in relation to an anniversary of their office). Nevertheless, these gifts remain public property and may be acquired by these officers according to specific procedures.</i></p>
<p><b>Article 6 - Procurement policy</b>                      For the acquisition of goods and procurement of services of an amount equal to or above € 15,000, at least three offers shall be obtained from competitive sources on the basis of a clear description of the goods or service requested.                      The most competitive bid offer in terms of specifications of goods, services and price shall be chosen. The principles of transparency and equal treatment of potential contractors shall be applied, and situations of conflicts of interest shall be avoided.</p>	<p><i>This chapter must follow public and municipal sector procurement regulations of the host country. The EEIG management is free to decide to apply the competition procedure also to cheaper purchases if it is considered useful.</i></p>
<p><b>Article 7 - Intellectual property rights</b>                      IPR arising from projects supported by the EEIG shall follow the provisions of the BONUS Data Policy.</p>	
<p><b>Article 8 - Tax and labour law</b>                      Tax and labour laws depend on respective national regulations applicable in the place of legal registration of the EEIG.</p>	
<p><b>Article 9 - Entry into force</b>                      This Internal Regulation shall enter into force immediately after its approval by the Steering Committee.</p>	

Timeline of the development of the composition, governance, and management structures of the Joint Baltic Sea Research Programme (BONUS)

Time	BONUS ERA NET lifetime (months)	Governance/management	Call management and evaluation of Project proposals	Contents of the Joint Baltic Sea Research Programme – BONUS-169 Science Plan
Feb 2005	15	First unofficial announcement that BONUS is considered a candidate for an Art. 169 activity	Common evaluation principles first discussed at BONUS ERA-NET FPM. BONUS ERA-NET task 2.3 "Development of a Common Evaluation Scheme" team initiates collection of information on call management and evaluation practices in participating research funding agencies.	First draft work plan on development of the Science Plan presented to BONUS ERA-NET FPM by the task 2.5. team.
Apr 2005	17	Options for building an Art. 169 programme first discussed at BONUS ERA-NET NSC	BONUS ERA-NET task 2.3 team "Development of a Common Evaluation Scheme" holds a workshop with representatives of the participating research funding agencies with the aim of reviewing national practices and agreeing on a proposal for a common evaluation scheme for the future Joint Programme .	The Co-ordinator initiates discussion with the BONUS partners on the contents of the Joint Programme due to the developments with Art. 169 preparations. The task 2.5. team presents a time-frame for creating the BONUS-169 Science Plan to the BONUS ERA-NET ExCom.
May 2005	18			Outlines of contents of the potential Joint Baltic Sea Research Programme first communicated to EC DG RES.
Jun 2005	19	The Co-ordinator calls for re-formulation of the task 3.2 work plan so as to better address issues of building a management structure for the eventual BONUS-169 Programme. Initial discussions on the implementation model of the BONUS-169 among the BONUS ERA-NET partners.		Template of the BONUS-169 Programme, including a list of its 8 work packages (themes), submitted to EC DG RES. Composition of the Joint Programme discussed with scientists at a dedicated session at the Baltic Sea Science Congress (Sopot, PL).
Jul 2005	20	Implementation model and programme governance and management matters discussed at the extraordinary brainstorming meeting of the BONUS ERA-NET FPM.		Draft BONUS-168 Science Plan published in the Bonus internet portal.
Sep 2005	22	Discussion with partner representatives continues, especially considering liability aspects and principles of Programme financing.		National workshops for scientists and stakeholders to review and formulate a national position as regards further developing of the Science Plan. In some countries, Science Plan workshops were preceded by collecting written opinions of scientists and other involved experts. Task 2.1.team arranges a workshop on "Identification of areas for co-operation in existing programmes and gaps".

Time	BONUS ERA NET Lifetime (months)	Governance/ management	Statutes of the dedicated management structure (EEIG)	Call management and evaluation of Project proposals	"Common Pot"	Contents of the Joint Baltic Sea Research Programme – BONUS-169 Science Plan
Oct 2005	23	Examination of options for establishing a dedicated management structure included in the ToR of the Legal Consultant.	ToR of the Legal Consultant developed by task 3.2. team in collaboration with the Co-ordinator.		Task 3.2 team identifies group of research funding agency legal/financial experts to be involved in elaboration of the Programme funding principles. Task 3.2 team distributes a questionnaire on Programme funding issues.	Outcomes of national discussions reviewed by the BONUS ERA-NET ExCom. Based on the results of the broad discussion, significant reformulation of the Science Plan requested, and a schedule for further work established.
Nov 2005	24	Analysis of the options for a dedicated structure presented to the BONUS ERA-NET NSC. NSC decides to address the existing structure (HELCOM) with a request to consider creating the dedicated BONUS structure within its system. As a second option, NSC recommends establishing an independent management structure in a form of European Economic Interest Grouping (EEIG).			BONUS ERA-NET workshop on the funding principles agrees on a 'virtual common pot' as a funding instrument of the Joint Programme, elaborates an approach to establish a mutually acceptable funding scheme, and identifies components of the 'virtual common pot'.	BONUS ERA-NET Advisory Board offers the first draft of a chapter on the research policy of the future Joint Programme.
Dec 2005	25	Negotiations with HELCOM reveals inconveniences in using it as the dedicated management structure of the Joint Programme.  Legal and financing aspects of the future Programme discussed with the ERA-NET unit at DG RES.  A drafting team of several BONUS ERA-NET team members works intensively on an Annex to the draft EU Parliament and Council decisions on the BONUS-169 Programme: contents and outcomes of the future Programme, and its management model. On December 11, 2005 this document is submitted to the DG RES. Comments from DG are received (FG), and the drafting group amends the document.	Task 2.3 team distributes the draft report to BONUS ERA-NET NCS, FPM and AB "Development of a common evaluation scheme" to the BONUS ERA-NET partners.	In order to estimate the national contribution to the funds of the Joint Programme, the participating research funding agencies are requested to submit their estimates of fresh national funds, contribution via access to the research infrastructure and via indirect funding to the related research.	A drafting team of several BONUS ERA-NET team members works intensively on an Annex to the draft EU Parliament and Council decisions on the BONUS-169 Programme: contents and outcomes of the future Programme, and its management model. A BONUS ERA-NET ExCom meeting devoted to these matters is held. A new edition of the Draft BONUS-169 Science Plan based on these discussions is produced by the task 2.5 team.	
Jan 2006	26	Revised version of the Annex including institutional build-up, basic funding principles and governance of the future Programme discussed by BONUS ERA-NET ExCom, and subsequently submitted to DG RES.  BONUS ERA-NET NSC decides to establish an independent EEIG and assigns the task 3.2. team to develop necessary regulatory documents: Statutes, Liability Agreement, Association Agreement with the Russian partner	BONUS ERA-NET NSC requests task 3.2 team to develop the Statutes of the BONUS EEIG; the dedicated management structure of the Joint Baltic Sea Research Programme	BONUS ERA-NET NSC accepts the formation principles of a 'virtual common pot' and requests the task 3.2 team to continue consulting with BONUS partners on an optimal way of disbursing the Programme funds.  A draft proposal of the funding model of the Joint Programme discussed with the ERA-NET unit at DG RES	Revised version of the Science Plan and enhanced co-operation with the task 2.1. "Identification of areas for co-operation in existing programmes and gaps" discussed by BONUS ERA-NET ExCom.  A revised version of the Science Plan chapter on the research policy of the future Joint Programme discussed amongst the BONUS ERA-NET partners.  BONUS-169 Science Plan discussed during a well represented dedicated meeting in Russia.	

Time	BONUS ERA NET Lifetime (months)	Governance/management	Statutes of the dedicated management structure (EEIG)	Liability Agreement between members of the BONUS EEIG	Internal Regulations of the BONUS EEIG and setting up the Secretariat.	Call management and evaluation of Project proposals	"Common Pot"	Contents of the Joint Baltic Sea Research Programme – BONUS-169 Science Plan
Feb 2006	27	Series of consultations with the research funding institutions in EU MSs and Russia on participatory principles of the EEIG. Workshops on legal aspects of the Joint Programme held in Estonia, Latvia, Lithuania, Poland, and Russia.	Legal Consultant develops the first draft of the BONUS EEIG Statutes. The first draft of Statutes is discussed in detail in a meeting of partners' Legal Experts and representatives of the ERA-NET unit of DG RES. BONUS ERA-NET Legal Adviser produces the first version of the Association Agreement between the EEIG and the research funding agency representing Russia, which is discussed by BONUS MSs and Russian partners.	Meeting of the Legal Expert group decides to extract liability-related norms from the Statutes into a specific Liability Agreement, and outlines its contents.	BONUS ERA-NET NSC agrees upon the host country of BONUS EEIG and the Secretariat of the future Joint Programme.	BONUS Publication 4 "Guidelines for a Joint Evaluation Scheme for a Joint Baltic Research Programme" published as a result of BONUS ERA-NET task 2.3. team work.	Development of the Science Plan continued by the task 2.5 team and supported by BONUS ERA-NET AB and ExCom.	
Mar 2006	28	Continued	Statutes greatly re-formulated in a series of consultations with the Legal Experts of the research funding agencies. Progress with the EEIG Statutes and Association Agreement with the Russian partner reviewed by the BONUS ERA-NET NSC. Second meeting of the group of Legal Experts held in March.					
Apr 2006	29		Continued				Final formulation of the elements of the 'common pot' developed by the task 3.2. team and supported by the BONUS ERA-NET ExCom.	
May 2006	30		Continued	BONUS Legal Consultant produces the first draft of the Liability Agreement between the BONUS EEIG members.	Procedure for setting up the BONUS EEIG Secretariat drafted by the BONUS ERA-NET Co-ordinator and discussed with the task 3.2 team.		Research funding agencies participating in the BONUS ERA-NET requested to identify their potential contribution to the 'common pot' of the future Joint Programme.	Final composition of the BONUS-169 Science Plan (except themes 6 and 7) presented to the BONUS ERA-NET FPM meeting. Second round of national discussions on the BONUS-169 Science Plan held. Description of the Science Plan theme 6, "Integrating Ecosystem and Society", and theme 7, "Linking Science and Policy", distributed by the task 2.5 team to BONUS ERA-NET NSC and FPM.
June 2006	31		Draft BONUS EEIG Statutes presented to the BONUS EEIG NSC. Approx. 1/2 of the articles approved by the NSC. Final tasks for the group of Legal Experts and the task 3.2. team formulated.	First version of the Liability Agreement presented to BONUS ERA-NET NSC along with the Statutes. NSC requests the task 3.2. team to continue elaboration of the Liability Agreement.	Procedure of setting up the BONUS EEIG Secretariat discussed with the Legal Experts of BONUS ERA-NET partners.			Second round of national discussions on the BONUS-169 Science Plan held.

Time	BONUS ERA NET lifetime (months)	Governance/management	Statutes of the management structure (EEIG)	Liability Agreement between members of the BONUS EEIG	Internal Regulations of the BONUS EEIG and setting up the Secretariat.	Call management and evaluation of Project proposals	"Common Pot"	Contents of the Joint Baltic Sea Research Programme – BONUS-169 Science Plan
Aug 2006	33	Description of the basic principles of Programme governance, management and advisory support; Programme funding,; calls for proposals; evaluation; reporting; networking and outreach; data archiving and exchange; educational schemes; mechanism for hiring of research infrastructure; policy collaboration condensed into description of Science Plan theme 8 "Strengthening Collaboration and Common use of Resources". (KK & CH with contribution from T.3.2.)	Final adjustments to the BONUS EEIG Statutes discussed by the Legal Experts of the BONUS ERA-NET.	Liability Agreement drafted and circulated among the BONUS partners for review.			The potential contribution to the "common pot" of the future Joint Programme identified by the research funding agencies participating in the BONUS ERA-NET.	Second round of national discussions on the BONUS-169 Science Plan.  Revised description of Science Plan theme 8 distributed to BONUS ERA-NET AB, FPM and NSC.
Sep 2006			Final draft of the BONUS EEIG Statutes finalised by the third meeting of the Legal Expert group.  Progress made on developing the BONUS EEIG Statutes presented to BONUS ERA-NET ExCom.	Final draft of the BONUS EEIG Liability Agreement finalised by the third meeting of the Legal Expert group.				Second round of national discussions on the BONUS-169 Science Plan completed; outcomes presented to the BONUS ERA-NET ExCom. [Week activity. Lesson: too lengthy discussion; distrust in ability to change things]
Oct 2006	35	Revised description of Science Plan theme 8, "Strengthening Collaboration and Common use of Resources", discussed by BONUS ERA-NET FPM.	Final draft Statutes of BONUS EEIG approved by the BONUS ERA-NET NSC.	Final draft version of the Liability Agreement completed and distributed to the BONUS partners.				
Nov 2006	36			Draft Liability Agreement presented to BONUS ERA-NET NSC. NSC requests more work on it.			Programme funding principles discussed by BONUS ERA-NET NSC.	Final version of the BONUS-169 reviewed by the BONUS ERA-NET NSC.

Time	BONUS ERA NET Lifetime (months)	Governance/management	Statutes of the dedicated management structure (EEIG)	Liability Agreement between members of the BONUS EEIG	Internal Regulations of the BONUS EEIG and setting up the Secretariat.	Call management and evaluation of Project proposals	"Common Pot"	Contents of the Joint Baltic Sea Research Programme – BONUS-169 Science Plan
Dec 2006	37	Financial support to BONUS EEIG for the implementation of the ERA-NET Plus action in order to bridge the gap between the "BONUS" ERA-NET Project and a Joint Programme implemented on the basis of Article 169 is included in the EC FP7 Provisional Work Programme. The BONUS ERA-NET team initiates preparation to launch the Joint Programme in a format of an ERA-NET+ activity.				First version of the call description discussed by the BONUS ERA-NET ExCom.		
Feb 2007	39			Liability Agreement distributed to NSC members.	First draft of the BONUS EEIG IR presented by the task 3.2 team.	Call text distributed for BONUS ERA-NET FPM comments.	Funding principles of the Joint Programme projects presented in the Call description.	
Mar 2007	40	BONUS + application drafted.		NSC approves the Liability Agreement in principle. One week given for partners' Legal Experts to agree on the final modifications.	BONUS EEIG Internal Regulation discussed by BONUS ERA-NET FPM and distributed for review by the Legal Experts of the BONUS ERA-NET partners.			
Apr 2007	41		BONUS EEIG Statutes reviewed by a law firm in the host country (Finland). BONUS EEIG founded by partner research funding agencies (except PL, LV and DE) by signing an Agreement on the BONUS EEIG Statutes.	Liability Agreement of the BONUS EEIG members reviewed by a law firm in the host country (Finland). Liability Agreement signed by members of BONUS EEIG.	Draft BONUS EEIG Internal Regulations finalised.			
June 2007	43		PL, LV and DE joins BONUS EEIG.		BONUS EEIG Internal Regulations adopted by the members of BONUS EEIG.			
Sep 2007	46					BONUS + Call published.		

## ANNEX 5

Abbreviations used in this publication.

AB	[BONUS ERA-NET] Advisory Board
BSAG	Baltic Sea Action Group <a href="http://www.bsag.fi/">http://www.bsag.fi/</a>
CoI	Conflict of Interest
CTF	Call Task Force
EAM	Ecosystem Approach to Management
ED	[BONUS EEIG] Executive Director
EEIG	European Economic Interest Grouping
EPSS	[BONUS] Electronic Proposal Submission System
ERA	European Research Area
ETF	Estonian Science Foundation <a href="http://www.etf.ee/">http://www.etf.ee/</a>
EU	European Union
ExCom	[BONUS ERA-NET] Executive Committee
FM	[BONUS EEIG] Finance Manager
FP	Full Proposal
FP6, 7	Sixth (Seventh) EU Framework Programme for Research and Technological Development
FPM	[BONUS ERA-NET] Forum of Programme Managers
GEF	Global Environmental Facility <a href="http://www.gefweb.org/">http://www.gefweb.org/</a>
HELCOM	Baltic Marine Environment Protection Commission, Helsinki Commission <a href="http://www.helcom.fi/">http://www.helcom.fi/</a>
ICES	International Council for Exploration of the Sea <a href="http://www.ices.dk/indexfla.asp">http://www.ices.dk/indexfla.asp</a>
IR	[BONUS EEIG] Internal Regulation
LoI	Letter of Intent
MoU	Memorandum of Understanding
MTK	Finnish Central Union of Agricultural Producers and Forest Owners <a href="http://www.mtk.fi/en_GB/">http://www.mtk.fi/en_GB/</a>
NFI	National [Research] Funding Institution
NSC	[BONUS ERA-NET] Network Steering Committee
PM	[BONUS EEIG] Programme Manager
SC	[BONUS EEIG] Steering Committee
ToR	Terms of reference
WWF	World Wide Fund <a href="http://www.wwf.org/">http://www.wwf.org/</a>



ISBN 978-952-87033-6-7 (print)  
ISBN 978-952-87033-7-4 (PDF)

Orders: BONUS Baltic Organisations Network for Funding Science EEIG  
Hämeentie 23, FIN-00500 Helsinki, Finland