

# Guide to reporting on in kind, free of charge infrastructure contributions to BONUS

**Version: October 2014**

*Please note that this document may be subject to changes. Any changes made are announced on the BONUS website at [www.bonusportal.org](http://www.bonusportal.org).*

## Disclaimer

This guide is aimed at assisting applicants and participants for BONUS projects. It is provided for information purposes only and its contents are not intended to replace consultation of any applicable legal sources or the necessary advice of a legal expert, where appropriate. Neither the BONUS EEIG nor any person acting on its behalf can be held responsible for the use made of these guidance notes.

## Contents

1. Introduction.....	3
2. Administration of the in kind, free of charge infrastructure contributions to BONUS .....	3
2.1. Notification of planned use of infrastructures .....	5
2.2. Evaluation of project proposals.....	7
2.3. Bilateral agreements with the infrastructure providers and grant agreements with project consortia ...	7
2.4. Use of infrastructures.....	7
2.5. Reporting on in kind, free of charge infrastructure contributions.....	8
3. Annexes .....	9
Annex 1 Model agreement with free of charge infrastructure provider .....	9
Annex 2 Reporting form on providing in kind, free of charge infrastructure contribution .....	12
Annex 3 Example of the evidence of the infrastructure use: a chief scientist’s log of a research cruise .....	14

## 1. Introduction

Half of the funding of BONUS, the joint Baltic Sea research and development programme, originates from the national funding institutions in eight participating states of Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden. The other half of the funding comes from the European Union research budget with the aim to implement the Seventh Research Framework Programme (FP7).

The BONUS Decision<sup>1</sup>, foresees that up to 25% of the EUR 50 million national contributions towards BONUS may be provided as an in kind provision of free of charge use of infrastructure within the BONUS projects. Within the terms of the BONUS decision, this national provision is then matched equally with funding from the EU. However, under the terms of the decision certain reporting obligations must be met to demonstrate the correct value of the infrastructure provided, confirm its actual use within a BONUS project and provide the EU with audit rights to check that provision is administered correctly and as reported. The use of infrastructures as an in kind, free of charge contribution, reduces the national cash contributions and per se creates added value and increases the efficiency of the limited resources towards research within the Baltic Sea countries.

This document provides the necessary guidance on the procedures and actions required to administer the infrastructure contributions according to the BONUS decision and the implementation agreement made between the BONUS EEIG and the European Commission.

In order to help applicants who foresee their projects needing major infrastructures, BONUS has prepared inventories on three types of research infrastructures: ships, field stations and advanced computing facilities (available at [www.bonusportal.org/files/2327/BONUS\\_2012\\_Infrastructure\\_inventory.pdf](http://www.bonusportal.org/files/2327/BONUS_2012_Infrastructure_inventory.pdf)).

## 2. Administration of the in kind, free of charge infrastructure contributions to BONUS

Categories of national research infrastructure within the BONUS participating states that are specifically addressed by this guide include research ships, field stations with major experimental facilities therein and advanced computing facilities. In kind provision of free of charge use of infrastructure to the BONUS projects may however include also other categories of research infrastructures. In general, the procedures described in this guide are applicable for reporting on free of charge use of any kind of research infrastructures.

The value of infrastructure provided by national authorities as in kind, free of charge contributions to BONUS projects shall be calculated on the basis of the actual costs incurred during the project. This may include capital costs and indirect costs related to the use of the infrastructure. The usual accounting practices shall be applied, with the exclusion of provisions and profit on the basis of detailed accounts that are open for inspection and audit. The value and nature of the in kind, free of charge infrastructure provided to the BONUS projects shall be reported by the national infrastructure provider to the BONUS EEIG.

---

<sup>1</sup> BONUS Decision no 862/2010/EU of the European Parliament and of the Council of 22 September 2010 on the participation of the Union in a Joint Baltic Sea Research and Development Programme (BONUS) undertaken by several Member States

Due to national differences concerning organisation of access to large infrastructures, the ‘infrastructure provider’ may in this context be the owner of the infrastructure, or the body administrating or granting the right to use a large infrastructure free of charge for the benefit of the BONUS projects.

The participant of a project that uses in kind, free of charge infrastructure contributions will provide evidence to the BONUS EEIG of the infrastructures' use as described in the "Guide for BONUS project participants".

In line with these principles the obligations of a national infrastructure provider will be confirmed within bilateral agreements between the BONUS EEIG and the national infrastructure provider.

The process related to in kind, free of charge infrastructure contributions to BONUS include the following steps (Figure 1):

- During the application phase, BONUS project applicants notify through their application forms about the planned use of in kind, free of charge infrastructure contributions. They may make tentative enquiries with infrastructure providers at this stage
- The BONUS EEIG will conclude bilateral agreements with national infrastructure providers that are willing to provide in kind, free of charge use of an infrastructure for those BONUS projects evaluated and selected for funding
- The project consortia and the national infrastructure providers sign operational agreements concerning infrastructures use (as/when necessary)
- BONUS project participants provide the required evidence of use of the in kind, free of charge infrastructure
- National infrastructure providers report on the value of providing in kind, free of charge use of the research infrastructures to BONUS projects in line with the abovementioned bilateral agreements

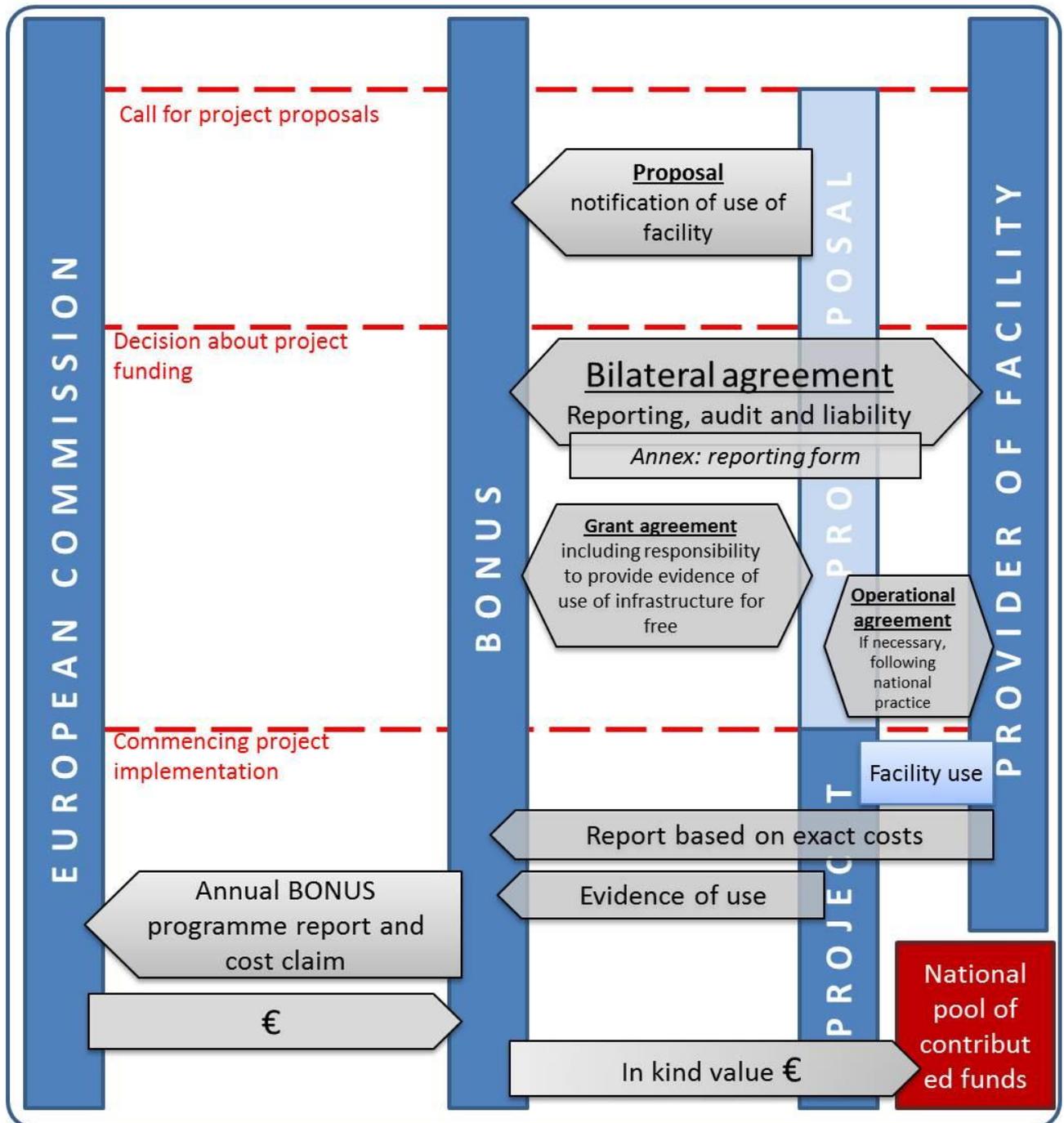


Figure 1: Chronology of procedures and actors involved in integration of in kind, free of charge infrastructure contributions by the participating states into the BONUS programme.

## 2.1. Notification of planned use of infrastructures

A consortium applying for BONUS funding shall include a notification and estimated value of the planned in kind, free of charge use of research infrastructure facilities in their project. The notification should include an estimation of the monetary value of the use of the in kind, free of charge infrastructure. Applicants are advised to contact suitable infrastructure providers during the proposal writing stage to check the availability of infrastructure and possible restrictions. Some infrastructure providers may require specific forms and procedures related to an infrastructure application. Notification by the applicant through the

BONUS Electronic Proposal Submission System does not replace those and does not confirm the availability of the infrastructure.

The notification form embedded in the BONUS EPSS includes following categories of information:

Type of infrastructure	Research ship	Advanced computing facility	Field station
Name of infrastructure	X	X	X
Country	X	X	X
Name and contact details of the potential infrastructure provider	X	X	X
Purpose of use	X	X	X
Area of cruise	X		
Tentative number of participants	X		X
Tentative start time	X		X
Tentative end time	X		X
Duration of event (d)	X		X
Amount of CPU hours		X	
Specific requirements	X	X	X
Your estimate of the value of in kind, free of charge contribution (EUR) related to the described service	X	X	X
Have you already negotiated the service with the provider?	X	X	X

For ships and field stations: A separate notification form for each planned cruise or event must be submitted with the project proposal.

For computing facilities: One notification form per project/facility is sufficient.

## 2.2. Evaluation of project proposals

During the evaluation and selection of proposals, the appropriateness of the resources deployed, including the planned uses of research infrastructures, represents one sub-criteria which is evaluated under the criterion 'Quality of the implementation'.

## 2.3. Bilateral agreements with the infrastructure providers and grant agreements with project consortia

Based on the summary of the notifications of the planned use of the infrastructures by the proposals that are selected for funding, the BONUS EEIG and the respective infrastructure providers negotiate the conditions of providing in kind, free of charge use of research infrastructures to the project(s) and subsequently conclude respective bilateral agreements with these infrastructure providers. The key issues to be agreed at this stage are:

- The reporting requirements
- That the value is calculated on the basis of the actual costs incurred during the BONUS project and may include capital costs and indirect costs related to the use of the infrastructure, recorded applying usual accounting practices, with the exclusion of provisions and profit on the basis of detailed accounts
- Granting the BONUS EEIG, the European Commission, the European Court of Auditors and European Anti-Fraud Office rights to audit the infrastructure provider's reports on the value of the infrastructure provided free of charge to the BONUS project(s) up to five years from the end of the project.

The form of reporting of the eligible value of the infrastructure provided free of charge constitutes an integral part of the model bilateral agreement.

In addition, the grant agreements concluded between the BONUS EEIG and the BONUS project oblige the consortia to provide evidence of the use of the in kind, free of charge infrastructure for the providers that have established bilateral agreements with the BONUS EEIG.

## 2.4. Use of infrastructures

BONUS projects use the free of charge infrastructure in accordance with the provisions of the respective bilateral agreement between the BONUS EEIG and the infrastructure provider. In order to ensure the exact infrastructure services, consortia of the proposals selected for funding are advised to conclude firm operational agreements with the infrastructure providers before commencement of the project. The arrangements and form of these agreements may vary according to the practices in the respective BONUS participating state. Operational agreements shall determine the details of the service provided such as the timing, location, quantity and restrictions of the use of the infrastructure. If there are considerable changes in the schedule or extent of the use of in kind infrastructures compared to what has been noted in the proposal stage, the persons in charge of the participants using the infrastructure are requested to notify the BONUS Secretariat about the changes occurred.

The participant of a BONUS project who has received access to and use of in kind, free of charge research infrastructures from infrastructure providers must provide the evidence of the use to the BONUS EEIG. Such

evidence may be represented by e.g. an extract from the chief scientist's log of a research cruise, usage agreement signed by both the user and provider of the infrastructure, a printout with details of amount of the supercomputer CPU-hours used by the specific project etc. An example of the chief scientist's log of a cruise by a research vessel is provided in Annex 3. In order to provide proper evidence of the use of in kind, free of charge research infrastructures, copies of the above mentioned evidence documents must be sent to the BONUS Secretariat at earliest convenience after the event; if the provider and the participant using the infrastructure is the same organisation, it is recommended to send both the evidence as well as the provider's reports together at once.

## **2.5. Reporting on in kind, free of charge infrastructure contributions**

The infrastructure provider must record in its accounts and report to the BONUS EEIG the value of the in kind, free of charge contributions provided. The value of providing BONUS access to and use of such infrastructures has to be calculated on the basis of the actual costs incurred during the duration of the project. The costs may include capital costs and actual indirect costs related to the use, with the exclusion of provisions and profit. The usual accounting practices in accordance with national laws must be applied, and detailed accounts must be open for inspection and audit. In case of field stations, the costs of using large-scale research equipment located at a field station as well as the cost of researchers visiting the field station will be considered as in kind free of charge infrastructure provision if these costs are not directly included into the project costs. The costs covering the working space of researchers working permanently at the field station are not considered as in kind infrastructure contribution.

The costs are reported in Euros (EUR) using either the conversion rate published by the European Central Bank that would have applied on the date that the actual costs were incurred, or its rate applicable on the first day of the month following the end of the reporting period.

### 3. Annexes

#### Annex 1 Model agreement with free of charge infrastructure provider

## AGREEMENT ON REPORTING AND AUDITING IN KIND, FREE OF CHARGE INFRASTRUCTURE CONTRIBUTIONS

### 1. Contracting Parties of this Agreement

Contracting Parties to this Agreement are

Baltic Organisations' Network for Funding Science EEIG (BONUS EEIG) and,

[Name of the organization] (National Infrastructure Provider).

The Contracting Parties have agreed as follows.

### 2. Preamble

According to Article 3.2 and 2.2.3 of Annex I of Decision No 862/2010/EU of the European Parliament and of the Council (BONUS Decision), 25% of the Participating States' allocations for the BONUS programme can be provided as free of charge use of infrastructure by BONUS beneficiaries. For this purpose BONUS EEIG shall conclude relevant agreements with the Participating States or the infrastructure owners on in kind provision of infrastructure for use within BONUS projects, such as access to ships, field stations, supercomputers or other infrastructures.

According to Article 2.2.3 of Annex I of Decision No 862/2010/EU of the European Parliament and of the Council (BONUS Decision) and Article 18.4. of the BONUS Implementation Agreement the obligations of the infrastructure provider, including annual reporting, open accounts and audit, shall be enshrined in bilateral agreements to be concluded between BONUS EEIG and the infrastructure provider.

Such agreements shall define reporting procedures including the method of evaluating in kind infrastructure contributions and, shall ensure that BONUS EEIG, the Commission and the Court of Auditors are entitled to audit the access to and use of the infrastructure and costs arising from it and, shall stipulate that the National Infrastructure Provider reports annually to BONUS EEIG.

The purpose of this Agreement is to establish legal rights and obligations for reporting, facilitating necessary audits and for implementing the defined methodology.

### 3. Relationship between the Parties

Contracting Parties are independent contractors. Nothing in this Agreement shall constitute either Party as an agent or audited representative of the other Party.

National Infrastructure Provider shall be responsible for compliance with national, EU- or international rules, such as environmental and territorial regulations.

### [Where applicable: 4. Relationship between National Infrastructure Provider and BONUS beneficiary

National Infrastructure Provider shall make sure that, for each individual infrastructure, the appropriate contractual and other arrangements, such as insurance coverage, safety measures and technical support for researchers are in place.

National Infrastructure Provider shall indemnify and hold BONUS EEIG harmless against any claim by BONUS beneficiary relating to provision and use of infrastructure. ]

## **5. Term and termination**

This Agreement shall enter into force upon signatures by both Parties. The Agreement shall stay in force until the end of the last project(s) listed in Article 6.

The BONUS EEIG shall be entitled to terminate this Agreement with immediate effect in case of breach of this Agreement by the National Infrastructure Provider.

## **6. Reporting and methodology of evaluating of the costs**

National Infrastructure Provider shall report on in kind, free of charge infrastructure contributions to each of the following BONUS project(s) and beneficiary(ies):

[Project X , BONUS beneficiary Y, start date, end date]

The reported costs shall be actual, recorded in the accounts of the National Infrastructure provider and incurred during the project(s). This may include capital costs and indirect costs related to the use of the infrastructure. The usual accounting practices shall be applied in accordance with national law, with the exclusion of provisions and profit on the basis of detailed accounts that are open for inspection and audit. The report shall include a description of calculation of each reported cost category.

The costs are reported in Euros using either the conversion rate published by the European Central Bank that would have applied on the date that the actual costs were incurred, or its rate applicable on the first working day of the month following the end of the reporting year. The selected method and the used exchange rate should be mentioned in the annual report.

BONUS EEIG shall be entitled to evaluate and accept the reported in kind infrastructure costs on the basis of the reported use of the infrastructure by respective BONUS project(s). BONUS EEIG shall report the accepted costs to the European Commission and inform National Infrastructure Provider accordingly.

## **6. Audits**

BONUS EEIG, the Commission (including OLAF) and/or the Court of Auditors of the European Union shall be entitled to audit, up to five years from the end date of the project, the access to and use of the infrastructure and costs arising from it.

## **7. Liability**

No Party shall be responsible to the other Party for any indirect or consequential loss or similar damage such as, but not limited to, loss of profit, loss of revenue or loss of contracts, provided such damage was not caused by a willful act or by a breach of confidentiality.

However, National Infrastructure Provider shall be responsible for any damage caused to the BONUS EEIG by falsely reported costs.

A Party shall be solely liable for any loss, damage or injury to third parties resulting from the performance of the said Party's obligations by it or on its behalf under this Agreement or from its use of confidential information.

## **8. Applicable Law and Competent Court**

The laws of Finland shall govern this Agreement. The Competent Court shall be the District Court of Helsinki.

## **9. Prevailing order of contract documents**

1. BONUS Decision
2. BONUS Implementation Agreement
3. This Agreement

Date and place

Signatures

National Infrastructure Provider

BONUS EEIG

Annexes:

Annex 1: BONUS Decision

Annex 2: BONUS Implementation Agreement

Annex 3: Reporting form of value of in kind infrastructures provide free of charge

## Annex 2 Reporting form on providing in kind, free of charge infrastructure contribution

### BONUS - infrastructure annual reporting form

sheet 1

1. Information on the infrastructure provider			
Legal name and address of the infrastructure provider			
Name of the contact person of the infrastructure provider		Email address	
Reporting year			
Date of the bilateral agreement between the infrastructure provider and BONUS EEIG			
2. Declaration of provided infrastructure free of charge and its value (in €)			
<b>Type of infrastructure</b> (select one; fill in separate reporting form for each type of infrastructure)			
Ship <input type="checkbox"/> Field station <input type="checkbox"/> Supercomputer <input type="checkbox"/> Other <input type="checkbox"/>			
If other, then specify the type			
Name(s) of the infrastructure			
Value of free-of-charge infrastructure			
The declared costs are incurred by the infrastructure provider and should be incurred within the reporting year. Please report only the value of free-of-charge use of infrastructure. If the costs are partly charged, the charged part shall be reported by the beneficiary in the project costs. If the use of infrastructure is shared, report only the part provided to BONUS beneficiary.			
Selected method of currency conversion (if original currency other than EUR)	Rate of the date of incurred actual cost		Currency exchange rate
	Rate of the first working day of the month following the reporting period		
	Original currency (specify)		EUR
Unit cost of infrastructure use (ship day, CPU hour, etc.)			
Personnel costs (crew, technicians etc. of the infrastructure provider)			
Administration costs (insurances, port fees, general administration etc.)			
Consumables, material costs (ship fuel etc)			
Costs of used premises			
Costs of used computer/calculation time			
Maintenance costs, amortisation of facilities and equipment etc.			
Indirect costs (according to the usual accounting method of the infrastructure provider)			
TOTAL		0,00	0,00
Quantity of free-of-charge infrastructure provided			
Number of days (in case of ship or field station)**		Dates of the use of infrastructure	
Number of hours (in case of computer time or use of equipment)**			
The use of infrastructure is shared with other users		In the case of shared use of the infrastructure, the proportion of BONUS beneficiary (%)	
Please, specify the purpose for the use of the reported infrastructure			
** Please select the appropriate reporting unit according to the type of the infrastructure			
3. Information on the beneficiary			
Legal name of the beneficiary			
Project Acronym			
Name of the person in charge		Email address	
4. Signature			
Infrastructure Provider's Stamp (optional)		Name of the person(s) authorised to sign this infrastructure reporting form	
		Date & signature	

BONUS - Description of calculation and costs: value of free-of-charge infrastructure		sheet 2
<b>The declared costs are incurred by the infrastructure provider!</b>	Please describe here costs and/or calculation methods used in reporting the value of free-of-charge infrastructure	
Personnel costs (crew, technicians etc. of the infrastructure provider)		
Number of personnel involved:		
Administration costs (insurances, port fees, general administration etc.)		
Consumables, material costs (ship fuels etc.)		
Costs of used premises		
Costs of used computer/calculation time		
Maintenance costs, amortisation of facilities and equipment etc.		
Indirect costs (according to the usual accounting method)		
Other information		
Infrastructure Provider's Stamp (optional)	Name of the person(s) authorised to sign this infrastructure reporting form	
	Date & signature	



**Annex 3 Example of the evidence of the infrastructure use: a chief scientist's log of a research cruise**

**CHIEF SCIENTIST'S LOG**

<b>Cruise number and name:</b>	
<b>Research vessel:</b>	
<b>Chief scientist / institute</b>	
<b>Cruise objective:</b>	
<b>Port of departure and time:</b>	[location, date, time]
<b>Port of arrival and time:</b>	[location, date, time]
<b>Sea area(s)</b>	

**Short daily description of activities and ship's locations**

<p>Example:</p> <p><i>14 October 2014: Sediment sampling at seven locations of the Gdansk Bay</i></p> <p><i>10 May 2015: Hydro-acoustic fish survey in the Northern Baltic Proper (Estonian EEZ).</i></p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>Institution</b>	<b>Project</b>	<b>Cruise days worked</b>	<b>Calculated cruise days per project</b>
			[Cruise days are calculated for each project in full / half days. See examples below. The sum of the calculated cruise days must be equal to the total number of cruise days]

**Example 1:**

10 days cruise: project A works on all 10 days and project B on two days.  $10/(12) = 0,83$  (rate)

$0,83 \times 10 = 8,3 \Rightarrow 8,5$  calculated days charged for project A

$0,83 \times 2 = 1,7 \Rightarrow 1,5$  calculated days charged for project B

**Example 2:**

15 days cruise: projects A, B and C, which work correspondingly on 15, 15 and 5 days.  $15/35 = 0,43$  (rate)

Project A:  $0,43 \times 15 = 6,45 \Rightarrow 6,5$  calculated days

Project B:  $0,43 \times 15 = 6,45 \Rightarrow 6,5$  calculated days

Project C:  $0,43 \times 5 = 2,15 \Rightarrow 2$  calculated days

**Research staff involved**

Institution	Working period [date – date]	Number of personnel	Total amount of working days [Number of personnel multiplied by working days]

If amount of personnel has changed during cruise, add as many rows as needed.

Name and surname of the chief scientist	Signature of the chief scientist

The evidence of the infrastructure use shall be confirmed by a stamp of the institution and/or signature of the authorising person of the institution that used the infrastructure.