

THE SCHOLARSHIP FUND AGREEMENT

THE LITHUANIAN-SWISS COOPERATION PROGRAMME

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

BETWEEN

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

AND

**THE MINISTRY OF EDUCATION AND SCIENCE OF THE REPUBLIC OF LITHUANIA
AS THE INTERMEDIARY BODY IN LITHUANIA**

AND

**THE RESEARCH COUNCIL OF LITHUANIA
AS THE COORDINATION BODY**

AND

THE SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)

CONCERNING

**THE GRANT
FOR THE SCHOLARSHIP FUND**

The Swiss Agency for Development and Cooperation (hereinafter referred to as "Switzerland") and the Ministry of Finance of the Republic of Lithuania, the Ministry of Education and Science of the Republic of Lithuania as well as the Research Council of Lithuania (hereinafter referred to as "Lithuania"),

Hereinafter collectively referred as the "Contracting Parties",

Having regard to the friendly relations between the two countries,

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

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

Referring to the Framework Agreement between the Swiss Federal Council and the Government of the Republic of Lithuania concerning the implementation of the Swiss-Lithuanian cooperation programme to reduce economic and social disparities within the enlarged European Union, concluded on 20 December 2007,

Considering the Swiss Grant for the Scholarship Fund,

have agreed as follows:

Article 1 **Definitions**

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

- "Framework Agreement" means the Agreement between the Swiss Federal Council and the Government of the Republic of Lithuania concerning the implementation of the Swiss-Lithuanian Cooperation Programme to reduce the economic and social disparities within the enlarged European Union, concluded on 20 December 2007;
- "Contribution" means the non-reimbursable financial contribution granted by Switzerland under the Framework Agreement;
- "Scholarship Fund Agreement" means the Agreement between the Swiss Agency for Development and Cooperation (SDC), the Ministry of Finance of the Republic of Lithuania acting as the National Coordination Unit (NCU) and the Ministry of Education and Science of the Republic of Lithuania as the Intermediary Body in Lithuania and the Research Council of Lithuania as the Coordination Body which lays down the rights and obligations of the Contracting Parties regarding the implementation of the Scholarship Fund;
- "National Coordination Unit" (NCU) means the Ministry of Finance of the Republic of Lithuania acting in charge of the coordination of the Swiss-Lithuanian Cooperation Programme;
- "Grant" means the non-reimbursable financial contribution granted by Switzerland under this Scholarship Fund Agreement;

- “Intermediate Body” is the Institution in Switzerland mandated by the SDC for the implementation of the Scholarship Fund;
- “Coordination Body” means the Research Council of Lithuania responsible for the in-country management of the Scholarship Fund in Lithuania;
- "Intermediary Body in Lithuania" means the Ministry of Education and Science of the Republic of Lithuania and stands in the Scholarship Fund Agreement for the Intermediary institution for the Research and Development Programme under the Framework Agreement;
- “Scholarship Fund for Lithuania” is a Swiss-Lithuanian Project under the Research and Development Programme under the Framework Agreement for the financing of scholarships for Lithuanian researchers in the Framework of the Scientific Exchange Programme between Switzerland and the New Member States of the EU;
- “SciexNMS^{ch}” is the Scientific Exchange Programme between Switzerland and the New Member States of the European Union.

Article 2

Objectives and Scope of the Scholarship Fund

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

Article 3

Amount and Utilization

- 3.1 Switzerland shall provide a Grant of **maximum CHF 4'000'000.00, (four million Swiss Francs)**, in favour of Lithuania for the implementation of the Scholarship Fund defined in Art. 2. The Grant covers activities listed in the Budget for the implementation and management of the Swiss part (annex 3) of the present Agreement. The increase of the maximum amount of the Grant may be agreed by the parties in line with the Framework Agreement and based on an assessment of the Scholarship Fund implementation. This Grant shall be managed in Switzerland and its financing is considered as Swiss Grant in favour of Lithuania. This Grant covers also any possible taxes and fees in accordance with applicable law and regulations.

- 3.2 Lithuania shall finance activities of the Scholarship Fund listed in Article 7 of the present Agreement. The financing of these activities shall be regarded as co-financing of the Lithuanian side.
- 3.3 Any unutilised portion of the Grant remaining at the completion of the Scholarship Fund shall be eligible for re-commitment according to Article 3.2 of the Framework Agreement, unless otherwise mutually agreed by the Contracting Parties.

Article 4

Payment Procedures

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

Article 5

Responsibilities of SDC

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

Article 6

Responsibilities of NCU

- 6.1 The NCU shall take or cause to take all actions within its field of competences and responsibility, including coordination and other measures necessary or appropriate for facilitating the implementation of the Scholarship Fund in Lithuania.

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

6.3 All communication to SDC with regard to this Scholarship Fund Agreement shall be directed to the Swiss Embassy in Latvia, Riga, which generally represents SDC towards the NCU.

Article 7

Responsibilities of the Intermediary Body in Lithuania and of the Coordination Body

7.1 The Intermediary Body in Lithuania shall take or cause to take all actions within its field of competences and responsibility, including coordination and other measures necessary or appropriate for facilitating the implementation of the Scholarship Fund in Lithuania.

7.2 The Coordination Body shall ensure the implementation of the following activities:

a) General

- Conclude a Memorandum of Understanding with CRUS;
- Advertise the Scholarship Fund and communicate related procedures in Lithuania;
- Install at the beginning of the Scholarship Fund a national sciex website.

b) Scholarship Fund Cycle

- Disseminate information about the Scholarship Fund and calls among eligible institutions;
- Provide necessary information and consultations to researchers in Lithuanian language;
- Check formal requirements of all fellowship proposals;
- Coordinate the scoring of the fellowship proposals according to the predefined scoring system;
- Send all the formally correct fellowship proposals and the details of allocated scores to the CRUS;
- Coordinate the signing of the multipartite contract in Lithuania and confirm the eligibility of the national contractors;
- Send originals of nationally signed multipartite contracts to CRUS and distribute copies of the contracts with Swiss signatures to national contractors.

c) Monitoring and Reporting

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

Article 8

Project Organisation

- 8.1 SDC supervises and steers the implementation of the SciexNMS^{ch}. SDC ensures the establishment of a monitoring system.
- 8.2 Operational decisions related to the SciexNMS^{ch} Programme are taken by the Steering Committee of the SciexNMS^{ch} Programme. The members of the Steering Committee are defined in the Programme Document (annex 2) of the present Agreement. Lithuania may delegate an observer to the Steering Committee. The Steering Committee of the SciexNMS^{ch} Programme shall hold at least one meeting per year. The meetings shall be organised by the Intermediate Body, which also shall act as secretariat.

Article 9

Monitoring and Review

- 9.1 SDC shall ensure the establishment of a monitoring system that allows to assess periodically the status of achievement of the proposed objectives. Monitoring results and conclusions have to be part of the Project reports as mentioned in Article 10 of the present Agreement.
- 9.2 A review shall be organised by the SDC in the third year of the implementation of the Scholarship Fund for Lithuania in the framework of the SciexNMS^{ch} Programme. The purpose of the review is to assess progress achieved against set objectives and targets and to provide advice and direction for corrective measures, if required. The terms of reference for the review shall be consulted with the NCU.

Article 10

Reporting

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

Article 11

Audit

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

Article 12

Liability

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

Article 13

Common Concern

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

Article 14

Post-Completion Obligations

- 14.1 An ex-post evaluation of SciexNMS^{ch} may be carried out by Switzerland.
- 14.2 The Contracting Parties shall keep all documents concerning this Agreement and its implementation for 10 years after the end of this Scholarship Fund.

Article 15

Annexes

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

- annex 1: Specific Implementation Arrangements with Lithuania;
- annex 2: Programme Document;
- annex 3: Budget for the implementation and management of the Swiss part of the Scholarship Fund.

Article 16

Language

All correspondence between the SDC and the NCU on the Scholarship Fund shall be elaborated in English and shall be directed to the Swiss Embassy in Riga which generally represents Switzerland towards the NCU.

Article 17

Contact Information

17.1 For the Lithuanian Government:
Ministry of Finance of the Republic of Lithuania
International Financial Assistance Coordination Division
J. Tumo-Vaizganto str. 8a/2
01512 Vilnius
Lithuania
Tel: +370 5 239 02 93 / Fax: +370 5 219 44 09

Ministry of Education and Science of the Republic of Lithuania
Division of International Research Programmes
Department of the Research and Technology
Z. Sierakausko str. 15
03105 Vilnius
Lithuania
Tel: +370 5 219 01 18 / Fax: +370 5 219 01 00

The Research Council of Lithuania
Gedimino str. 3
01103 Vilnius
Lithuania
Te.: +370 5 212 49 33/Fax.: +370 5 261 85 35

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

Embassy of Switzerland
Swiss Contribution Office
Elizabetes iela 2
1340 Riga
Latvia
Tel: +371 67 35 08 65/66 / Fax: +371 67 35 08 72

Article 18 **Settlement of Disputes**

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

Article 19 **Amendments**

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

Article 20 **Termination, Suspension**

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

Article 21
Entry into Force, Duration

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

Signed on 29/06/2009, in four authentic copies in the English language.

For the Ministry of Finance of
the Republic of Lithuania

For the Swiss Agency for
Development and Cooperation (SDC)

Rolandas Kriščiūnas
Undersecretary of the Ministry of Finance

Christina Grieder
Swiss Embassy, Head of the Swiss
Contribution Office

For the Ministry of Education and Science of
the Republic of Lithuania

Gintaras Steponavičius
Minister of Education and Science

For the Research Council of Lithuania

Eugenijus Butkus
Chairman of the Council

Annex 1: Specific Implementation Arrangements with Lithuania

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

1. Coordination Body

The responsibilities of the Coordination Body are defined in Article 7.

CRUS and the Research Council of Lithuania shall define their cooperation in a Memorandum of Understanding (see annex 1.B).

2. Scoring and selection procedures

Eligible Institutions

Eligible Lithuanian institutions are defined by the Research Council of Lithuania and will be published on www.sciex.lt. Eligible Swiss institutions are defined by CRUS and are listed on www.sciex.ch.

Call for fellowship proposals

Call for fellowship proposals will take place annually. The Coordination Body and CRUS may mutually decide to launch calls semi-annually. The details and coordination on calls will be defined in the Memorandum of Understanding between CRUS and the Coordination Body.

Scoring and selection procedure

Scoring of fellowship proposals is defined in annex 1.A. Details of the scoring and the selection procedure may be defined in the Memorandum of Understanding between the Coordination Body and CRUS.

Annex 1.A: Scoring of fellowship proposals

The Evaluation process follows a 3 stage procedure described in the Programme Document with institutions involved from Lithuania and Switzerland. All institutions base their evaluation on one common set of criteria which are described below. More detailed criteria will be described in the Memorandum of Understanding between CRUS and the Coordination Body.

Stages for the appraisal by the involved bodies

Stage 1: Preparation of proposals

Stage 2: Assessment

Stage 3: Decision

Stage 1: Proposal Preparation

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

¹ R = Requirements

Stage 2: Assessment

a) Home Department/Institution

	Requirements / Evaluation Criteria	Max score
C ² 1	Track record of the participating researchers as publications, lectures, accomplished projects and results	8
C2	Scientific relevance of the planned project	8
C3	Support for the follow-up activities	8

b) Coordination Body in Lithuania

	Requirements / Evaluation Criteria	Max score
C4	Relevance of the planned project for the home country	26

c) Host Department/Institution

	Requirements / Evaluation Criteria	Max Score
R6	Modalities of the employment contract according to c&c (declaration of the rectorate)	-
R7	Budget and length of the project	-
R8	Not obligatory: Confirmation of the admission to qualification programmes (doctorate) and nomination of a PhD supervisor	-
C5	Compatibility of the qualifications of the researcher with the institutional HR strategy and the team (institute).	15
C6	Compatibility of the scientific orientation and quality of the project with the research strategy of the institution	25
C7	Language skills of the researcher	5
C8	Mobility experience and networking potential	5

Stage 3: Decision by steering committee

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

² C = Evaluation Criteria

Annex 1.B: Memorandum of Understanding between the Research Council of Lithuania and CRUS

CRUS shall prepare a Memorandum of Understanding (hereinafter referred to as "the MoU") detailing the cooperation arrangements between CRUS and the Research Council of Lithuania. CRUS and the Research Council of Lithuania shall conclude a MoU in compliance with the present Scholarship Fund agreement before the launch of the first call for fellowships.

The MoU includes inter alia:

- Detailed description of the coordination arrangements;
- Detailed description of scoring mechanism and assessment criteria;
- Planning of calls and timing;
- Reporting and monitoring arrangements;
- Information and communication arrangements.

Annex 2: Programme Document

The Programme Document for the SciexNMS^{ch} Programme between Switzerland and the New Member States of the EU describes the general implementation arrangements.

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

A. Overview

Overview Budget for the Scholarship Fund for Lithuania (in Swiss Francs)	
Share of the Management Budget SciexNMS ^{ch}	308'000
Budget for the Programme Instruments (research fellowships incl. preparatory courses for university studies in Switzerland (Vorbereitungskurs Hochschulstudium in der Schweiz, VKHS) Module, short term research visits)	3'692'000
Total (Swiss Grant according to Art. 3.1)	4'000'000

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

The share of the management budget within the SciexNMS^{ch} Programme financed by the Swiss Grant for the Scholarship Fund for Lithuania corresponds to **7.7% of the Swiss Grant or CHF 308'000**. This rate is based on the assumption, that there is no special obstacle for a smooth development of the programme part implemented within Lithuania.

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

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

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

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

C. Budget for the Programme Instruments

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

Indicative budget for Programme Instruments

Item	CHF
Research fellowships of 6 – 24 months (incl. VKHS Module)	3'402'000
Short term research visits	290'000
Total	3'692'000