

The following is a translation from Estonian. In case of disputes the Estonian text shall prevail.

Guidelines for budgetary procedure of personal research funding

The budget of the application for personal research funding (hereinafter grant) shall be prepared pursuant to these guidelines.

1. Start-up and exploratory research project

The grant **application budget shall be drawn for one fiscal year** which starts on 1 January and ends on 31 December. The indicative size of a start-up or exploratory grant is about 50,000 to 70,000 euros per year. A follow-up application should be drawn in the same amount allocated in the previous year unless otherwise agreed in the grant contract for the start year.

The budget of a personal research project contains the following types of expenses:

I. Direct expenses include:

1. Calculated staff cost rates of implementers of start-up and exploratory research projects;
2. Full time equivalent of positions to be financed;
3. Amount of other direct costs.

II. The overhead rate for start-up and exploratory grants is 20% of the direct expenses (excluding subcontract costs).

1.1. Direct costs

The total amount of staff costs is calculated taking into account the staff cost rates and the number of full time equivalent positions¹. Scholarships for master and PhD students are not calculated separately but can be paid from the staff cost budget.

Based on the proposal of the Evaluation Committee, ETAg shall set up annual **staff cost rates for the full time equivalent positions**. The calculated staff costs include the salary along with any and all state taxes, contributions, benefits and compensation arising from law. This serves as the basis for allocating money but is not binding in determining a person's salary.

For 2017 the Council establishes the rates as follows: principal investigator of a start-up grant – 27,000 euros, principal investigator of an exploratory grant – 32,000 euros, members of the research staff – 16,000 euros.

All scholarships, staff costs of technical or auxiliary staff and other participants shall be counted into these calculated staff cost rates.

Full time equivalent of positions to be financed derives from the justified request for these positions in the application. The Evaluation Committee evaluates the need and expediency of the positions for implementing the research project. Based on that and the final score of the application, the Evaluation Committee will determine the number of positions to be financed.

In addition to staff costs, **other research project related direct costs will be covered** (e.g. acquisition costs of equipment, travel costs, IPR and popularisation costs, etc.). These expenses shall be outlined as separate budget lines and **explained individually**. The Evaluation Committee will assess the justification for each budget line taking

into account the specifics of the application and may reduce the amount of requested funding by providing a justification.

- ❖ In case of **travel costs** please explain how the planned trips contribute to the implementation of the research project.
- ❖ Acquisition costs of **fixed assets** directly related to the implementation of a research project (in accordance with the definition established by the host institution), to the extent of up to 10% of the direct expenses of the research project. Please provide an explanation.
- ❖ **Subcontracting** may only be used to obtain R&D services which directly support carrying out the research project (e.g. analyses, questionnaires, etc.). The share of subcontracting must be justified. Please provide an explanation.
- ❖ Costs relating to the publication and popularisation of R&D results obtained by way of implementing a research project, and expenses relating to the protection of intellectual property. Please provide an explanation.
- ❖ **Other research related direct costs** based on the characteristics of the research project. For example: consumables, chemicals, expenses related to maintaining equipment, expenses related to organizing scientific fora or participating in the fora, travel expenses to third persons (incl. PhD students, master students and students of an integrated long-cycle study programme who have completed 180 ECTS who do not have an employment agreement with the host institution), and other expenses which are necessary for carrying out the research project. Please provide an explanation.

1.2. Overhead costs

Overhead costs are indirect costs of an R&D institution related to the implementation of the research project, including research infrastructure maintenance costs and depreciation. Overhead costs together with depreciation account for 20% of the amount of the direct costs (excl. subcontracting).

1.3. Grant contract

The Council shall enter into a tripartite one-year grant contract with the host institution and the Principal Investigator. In the event of a multi-annual research project, a new grant contract is concluded annually.

The grant contract sets out the mutual rights, duties and liability of the parties. The applicant has the right to make adjustments in the budget allocated for the research project if the allocated budget differs from the requested one (adjustments in the budget lines within the allocated budget). A grant is awarded to the host institution that is required to allow the principal investigator to use the direct costs portion of the awarded grant for the implementation of the project in compliance with the application.

2. Postdoctoral research project

Upon the proposal from the Evaluation Committee, the Council shall establish the amount of calculated staff cost for the postdoctoral fellow, the amount of research related costs and the amount of nonrecurrent relocation support.

The budget for the pos-doctoral project shall be drawn for the whole period (except for the extra return year of the outgoing research fellow). The financial year starts on 1 January and ends on 31 December.

A recipient of a postdoctoral funding to carry out a project abroad has the right to apply for a 12-month extension to work at an Estonian research and development institution within three years of having completed the postdoctoral project at the collaborating institution.

The budget of a postdoctoral research project contains the following types of expenses:

- ❖ Direct expenses include:
 - Calculated staff cost for the postdoctoral fellow;
 - Amount of research related costs;

- Non-recurrent relocation support.
- ❖ Rate of overhead costs.

2.1. Direct expenses

Based on the proposal of the Evaluation Committee, ETAg shall annually set up the **calculated staff cost for the postdoctoral fellow** which includes salary along with any and all state taxes, contributions, benefits and compensation arising from law. This serves as the basis for allocating money but is not binding in determining a person's salary. **For 2017**, the staff cost for the postdoctoral fellow will be 27,000 euros.

For the year 2017, the amount of **other research related costs** will be as follows: experimental research project – 6,000 euros; non-experimental research project – 3,200 euros. The research related expenses may be, for example, acquisition costs of small-scale equipment, travel costs (including the cost of participating in research fora), IPR and popularisation costs, equipment maintenance costs, etc. which are necessary for the implementation of the research project and clearly identifiable. The taxes prescribed by Estonian law shall apply to the research related expenses.

The postdoctoral researchers whose employment entails relocation to Estonia from another country or from Estonia to another country may request **in 2017 a non-recurrent relocation support** of EUR 6500, if the person has not lived, worked or studied in Estonia or in a foreign country where the collaborating R&D institution is located more than 6 months before the start date of the call. The relocation allowance is a one-off payment to the host institution. The taxes prescribed by Estonian law shall apply to the relocation allowance.

2.2. Overhead expenses

Overhead expenses are indirect costs of an R&D institution related to the implementation of the research project, including research infrastructure maintenance costs and depreciation. In case of a postdoctoral research project, the overhead expenses account for 5% of the amount of the direct expenses (excl. non-recurrent relocation support).

2.3. Grant contract

The Council shall enter into a tripartite grant contract with the host institution and the postdoctoral fellow for the whole duration of the grant (except for the extra return year in the case of outgoing postdoctoral fellow for which a new tripartite grant contract will be entered into). The grant contract sets out the mutual rights, duties and liability of the parties.

The grant is awarded to the host institution that is required to allow the postdoctoral fellow to use the direct costs portion of the awarded grant for the implementation of the project in compliance with the application.