

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

Guidelines for Budgeting Grant Applications

The budget proposed in grant applications shall be prepared pursuant to these guidelines.

1. The Basis for Forming Fixed Grant Amounts

- 1.1. This directive establishes the fixed grant amounts for postdoctoral, starting grant, and team projects which will begin in 2023.
- 1.2. The basis for fixing the grant amounts is the calculated size of direct costs corresponding to the grant type (postdoctoral, starting, or team grant). Overhead costs will be added to direct costs.
- 1.3. Direct costs consist of staff costs and research costs. Staff costs consist of the estimated remuneration costs and research scholarships for students. Research costs depend on the specifics of the research field and/or on the methods used in the project.
- 1.4. Based on the estimated direct costs and on the specifics of the research, postdoctoral grants are divided into two, while starting and team grants are divided into four different fixed grant amounts.
- 1.5. The bases for the grant amount one is applying for in the application are justified staff costs (why is it necessary to involve this particular number of senior or other members of the research staff, i.e., what are their roles and tasks, what is the role of the students involved in the project), and the estimated research costs, which justify the grant amount applied for in various aspects of the proposed research (materials, equipment, rental or travel costs, experimental nature of (some parts of) the research, open access publication fees, etc.).
- 1.6. The applicant of the starting or team grant has the right to request a smaller amount than the fixed grant amount.
- 1.7. In the grant contracts, the postdoctoral fellow/Principal Investigator (hereinafter *PI*) will only have to show the amounts of staff costs and research costs, which may vary over the budget years during the period of the project. In case of staff costs, remuneration costs and scholarships have to be explained separately. No distinction is necessary in case of research costs.
- 1.8. The fixed grant amount will remain the same each year, except when the PI of the starting grant or team project requests a smaller amount and justifies its necessity, or if the Council has made such a proposal. There is also an exception for the grants that, upon the request of the applicant, are smaller than the fixed grant amount during the first year and that can, if so requested, later increase up to the largest fixed grant amount of this grant type.
- 1.9. Since 2023, the fixed grant amounts which have been established in this document apply to the postdoctoral, starting and team grant projects which have begun before 2023.

2. Postdoctoral Grant

- 2.1. The budget for the postdoctoral project shall be drawn up for the entire period of the project. In order to calculate the grant amount, the budget will be divided proportionally over the budget years of the period of the project. The budget year begins on 1 January

and ends on 31 December. If the project begins later than at the beginning of the budget year, then during the first budget year the Council will reduce the amount of the grant in accordance with the number of the months passed. If the project begins before 1 July, then the later start date will extend the end date of the project, i.e., it does not change the period of the project. In justified cases, it is possible to request a later start date than 1 July after the decision to approve the application has been made by the Council, but in this case the end date of the project will not be extended.

- 2.2. The following direct costs serve as the basis for the fixed-amount postdoctoral grants:
 - 2.2.1. staff costs (salary of the postdoctoral fellow along with any and all state taxes, contributions, and compensations arising from law),
 - 2.2.2. research costs (subcontracting costs, costs related to the (open access) publication and popularisation of the R&D results obtained during the implementation of the project, costs related to the protection of intellectual property, travel costs, costs related to moving to and/or visiting the collaborating institution, and other direct costs that are necessary for conducting research and stem from the characteristics of the project).
- 2.3. The overhead costs of the postdoctoral project are incurred by the Estonian R&D institution and are related to the management of the grant by the institution. The overhead costs account for 5% of the amount of direct costs in case of outgoing postdoctoral grants.

2.4. The fixed amounts for postdoctoral grants in 2023:

| | Direct costs per year | Direct costs per month | Overhead costs (per year) | Overhead costs (per year) | Total fixed amount (per year) |
|--------------------------------------|-----------------------|------------------------|---------------------------|---------------------------|-------------------------------|
| Postdoctoral grant (PG) I (outgoing) | 51,432 | 4,286 | 2,568 | 214 | 54,000 |
| PG II (outgoing) | 54,288 | 4,524 | 2,712 | 226 | 57,000 |

2.5. Grant contract

- 2.5.1. The allocation of the postdoctoral grant is based on a tripartite contract (hereinafter *grant contract*) entered into by the Council, the Estonian R&D institution, and the postdoctoral fellow that is signed for each budget year of the project. The grant contract may be concluded for two consecutive budget years if the contractual period during the final budget year is six months or less. The contractual period cannot exceed 18 months. The grant contract entails the rights, obligations, and responsibilities of the parties. In the grant contract, the parties agree on the division of direct costs within the limits of the fixed grant amount. The ratio of staff costs and research costs may be changed up to 20% without making a contractual amendment.
- 2.5.2. The grant is allocated to the institution that is required to allow the postdoctoral fellow to use the portion of the direct costs of the grant and the mobility allowance for the implementation of the project in compliance with the grant contract.

2.5.3. If the project is temporarily suspended, the end date of the project will be extended by the suspension period. The grant contract will be suspended for the temporary suspension period of the project.

3. Starting Grant and Team Grant

3.1. The budget for starting grant and team projects shall be drawn up for the entire period of the project. In order to calculate the grant amount, the budget will be equally divided over the budget years of the period of the project. The budget year begins on 1 January and ends on 31 December.

3.2. If the applicant requests a later start date for the project than that of the beginning of the budget year, the Council will reduce the grant in accordance with the number of the months passed. The end date of the project will not be extended because of a later start date.

3.3. The following direct costs serve as the basis for the fixed-amount starting and team grants:

3.3.1. staff costs (salary along with any and all state taxes, contributions, and compensations arising from law as well as research scholarships). Salary is only intended for the people who have been listed as the members of the (senior) research staff and only for the period during which they participate in the project. Scholarships may be paid to students only for the period during which they participate in the project. The participation period is the period that is indicated in the project data in the Estonian Research Information System (ETIS).

3.3.2. research costs (travel costs, acquisition costs of fixed assets directly related to the implementation of the project (in accordance with the definition established by the institution), subcontracting costs, incl. the costs related to authorisation agreements and contracts for services, costs related to the (open access) publication and popularisation of the R&D results obtained during the implementation of the project, costs related to the protection of intellectual property, materials, equipment to be rented, (laboratory) experiments, fieldwork, and other direct costs that are necessary for conducting research and stem from the characteristics of the project).

3.4. The overhead costs of starting grant and team projects are incurred by the institution and are related to the management of the grant by the institution in order to provide a high-quality research environment for the participants of the project. The overhead costs account for 25% of the amount of direct costs.

3.5. The fixed amounts for starting grants in 2023:

| | Direct costs (per year) | Overhead costs (per year) | Total fixed amount (per year) |
|-----------------------|-------------------------|---------------------------|-------------------------------|
| Starting grant (SG) I | 57,600 | 14,400 | 72,000 |
| SG II | 60,800 | 15,200 | 76,000 |
| SG III | 88,000 | 22,000 | 110,000 |
| SG IV | 93,600 | 23,400 | 117,000 |

3.6. The fixed amounts for team grants in 2023:

| | Direct costs (per year) | Overhead costs (per year) | Total fixed amount (per year) |
|-------------------|-------------------------|---------------------------|-------------------------------|
| Team grant (TG) I | 141,760 | 35,440 | 177,200 |
| TG II | 153,920 | 38,480 | 192,400 |
| TG III | 199,800 | 49,950 | 249,750 |
| TG IV | 216,000 | 54,000 | 270,000 |

3.7. Grant contract

- 3.7.1. The allocation of the starting or team grant is based on a tripartite contract entered into by the Council, the institution, and the PI for one calendar year. In case of multi-annual projects, a new grant contract is concluded each year. The grant contract entails the rights, obligations, and responsibilities of the parties. In the grant contract, the parties agree on the amount of the grant and on the division of direct costs. The ratio of staff costs and research costs may be changed up to 20% without making a contractual amendment.
- 3.7.2. The grant is allocated to the institution that is required to allow the PI to use the portion of the direct costs of the grant for the implementation of the project in compliance with the grant contract.
- 3.7.3. If the project is temporarily suspended, the end date of the project will be extended by the suspension period. The grant contract will be suspended for the temporary suspension period of the project.