

Dear Action Chairs,

I wish with this email to give you an update about the current situation of COST. As you certainly know, the COST Association was established in September 2013 and became operational in May 2014 when the seven-year **Framework Partnership Agreement** (FPA) and the first one-year **Specific Grant Agreement** (SGA) with the European Commission (EC) entered into force. The FPA has set the strategic Action Plan for the seven years under Horizon 2020, while the yearly SGA describes the work to be done in order to implement that strategy and allows to receive the annual budget.

While the FPA guarantees COST a long-term perspective, the yearly SGAs, however, raises some issues as they are not adapted to the management of our four-year COST Actions. Therefore, specific arrangements are needed to reduce the risks of disruption of your Actions while allowing to comply with the EU legal exigencies. This has requested several months of discussions with the EC and has unfortunately caused some delay in the signature of the next SGA and consequently in some payments. We are confident the signature will take place in the very next days.

Therefore, and to overcome the laps of time between each SGA until the instalment of the next year's grant payment to the COST Association by the EC can take place, and to avoid disruption of activities, the COST Association had already last year signed up a **Finance Contract with the EIB** allowing to get a loan once a year (see: <http://www.eib.europa.eu/projects/pipeline/2013/20130649.htm>) to fill in the gap temporarily. This had to be launched this year for the first time and has taken several weeks as a full set of documentation and conditions had to be fulfilled to receive the first loan tranche disbursement. The good news are that we have received the 1st disbursement of the loan on 12 June, which has allowed us already to resorb quickly all payment delays.

We understand this situation might have caused difficulties in the fulfilment of your Action activities what we very much regret. We continue working with the EC services with the aim to achieve a solution for the time running under Horizon 2020. Once stabilised in the long-term, this condition should guarantee this does not happen in the next years anymore.

At a personal level, please note that as a former scientist who I was for many years, I'm very much aware of the difficulties late reimbursements may cause to most of you. That is why with my management team we have been putting the utmost effort to shorten this situation. I hope you were able to overcome this period of delay and thank you sincerely for your understanding.

Unfortunately, another event has touched COST most recently, as it has touched most other European funding programmes and agencies, which is the European Fund for Strategic Investments (EFSI) launched by Jean-Claude Juncker as President of the EC. As you all already know, COST will suffer from **future budget cuts**, and this will necessarily impact all running and new COST Actions. Although, good news, this cut will be less than initially expected, since the budget part coming from the Widening Pillar will not be cut.

In this context, you have received a message from the President of the COST Association inviting you to **sign the petition** we have tabled on our webpage (see: <http://www.cost.eu/> Highlights on the right side). You are already 6451 (at the moment of sending this email) having signed up and I wish to encourage you to pursue the effort. In the last years COST has mobilised and supported around 45.000 researchers, engineers and scholars through its COST Actions. COST having a small budget compared to other initiatives, policy makers do not always estimate the high value and long term impact that our, your networks produce. Your voice and support is of highest value to COST future.

I take profit of this message to give you other important new information.

The **next Open Call Collection Date** will be published soon, this year it will be on **8 September 2015**. As you know we are still in the implementation of the new Submission, Evaluation, Selection and Approval (SESA) procedure. A new, single, high level **Scientific Committee** has been established by the Committee of Senior Officials (CSO) with the mandate to supervise the quality of the SESA implementation and to do the final selection of the proposals to be approved by the CSO for funding. The Scientific Committee has met for the first time in its full composition on 16 June (see: http://www.cost.eu/media/newsroom/scientific_committee_getting_started).

Finally, in May I sent you an email welcoming the adhesion of Montenegro to COST and many of you answered very positively and I wish to sincerely thank you. Indeed, we are putting many efforts to fulfil our **Excellence and Inclusiveness Policy**, but we wish this to happen on a voluntary basis by respecting the bottom-up principle while gathering all top researchers, engineers and scholars from all COST Member Countries and the Cooperating State, as appropriate, for each of your Actions to achieve your objectives and contributing to achieve the COST Mission. Your commitment to this objective is however indispensable.

Your support and witness demonstrate that personal contact, knowledge sharing, mutual trust, joint work towards commonly agreed objectives are fundamental principles to make advance research and innovation and COST to be a unique framework for pan-European S&T cooperation as clear demonstration of European values.

The COST Association is committed to its research communities. Thank you all for your support and for your work.

I wish you all a restful and sunny summer break.

All the best

Monica