

**GOVERNING BOARD MEETING
EUROPEAN STUDIES INSTITUTE
9TH MEETING - MINUTES
Moscow, 2 July 2009**

AGENDA

- 1. ESI Budget 2009-2010.**
- 2. ESI Preliminary budget forecast 2010-2013.**
- 3. Any other issue:**
 - **Preliminary report on students' selection for the academic year 2009-2010**
 - **Preliminary draft ESI Masters' programme 2009/2010**
 - **Dates of the next Board meetings**
 - **Any other matter**

PARTICIPANTS

Russian Federation side

Prihodko Sergey	Assistant to the President of the Russian Federation
Grushko Alexander	Deputy Minister of Foreign Affairs of the Russian Federation
Danilova Elena	Director of Department of the Ministry of Economic Development of the Russian Federation
Ivanov Ivan	Chief Researcher of the Institute of Europe of the Russian Academy of Science, member of the Russian Academy of Sciences
Torkunov Anatoly	Rector of MGIMO-University, Academician of the Russian Academy of Sciences
Filippov Alexander	Head of Division of Multilateral Cooperation and International Organizations, Ministry of Education and Science of the Russian Federation on behalf of the Director of the Department of International Cooperation in Education and Science Nichkov Vladislav
Entin Mark	Director of the European Studies Institute
Shashikhina Tamara	Deputy director of the European Studies Institute

European Union side

Berg Eiki	Professor of International relations, Department of Political Science, University of Tartu
Cadet Jean	Counsellor of the Administration on Affairs of special importance of Accounts Chamber of France (ministerial rank)

Hafner Gerhard	Professor of International Law, Faculty of Law, University of Vienna
Segbers Klaus	Director of the East European Studies at the “Free University of Berlin” and the “East-European Institute”
Tarschys Daniel	Professor of Political Science and Public Administration, Stockholm University
De Zwaan Jaap Willem	Director of the Netherlands Institute of International relations in the Hague

Observers

Franco Marc	Head of Delegation of the European Commission to Russia
Tsitsopoulos Georgios	Head of Sector Social Affairs and Civil Society, Delegation of the European Commission to Russia
Scaramuzzo Nicola	Project Officer, EU-Russian cooperation programme, Delegation of the European Commission to Russia
Nabokov Annouchka	Programme Manager, Development Office, College of Europe, Bruges

Absent

Curto Manuel Marcelo	Ambassador of Portugal to the Russian Federation
Triantaphyllou Dimitrios	Director General, International Centre for Black Sea Studies (ICBSS), Athens
Vuijlsteke Marc	Director General, Development Office, College of Europe, Bruges

Guests

Barabanov Oleg	Head of Chair of EU Politics
Sielski Mariusz	Member of the Selection Committee for Students (2009-2010 MA Programme) on behalf of Marc Vuijlsteke, Director General, Development Office, College of Europe, Bruges, observer at the ESI GB

BOARD MEMBERS PROPOSALS AND DECISIONS

S. Prikhodko welcomed all participants and presented the agenda. He expressed gratitude to all Board members for their involvement in establishing the European Studies Institute. The ESI turned out to be a success. The project was mentioned during the EU-Russia summit, held in Khabarovsk, as being important in improving the EU-RF relations. The proposal of the Russian President to officially celebrate the third anniversary of the ESI met the support of the EU side. A further allocation of resources for the ESI has been confirmed in principle. The Russian side considers the above-mentioned elements as proof of effective and good management of the ESI by its current administration. Thus, it suggests proceeding with the re-appointment of Prof. Mark Entin as its Director for the new three-year period.

K. Segbers & J. W. De Zwaan asked that minutes from the Governing Board meetings are sent to the Board members immediately after the meeting and that the minutes should be more detailed recording the issues discussed and the decisions taken.

On the first issue: ESI Budget 2009-2010

Board members listened to:

M. Entin presented a detailed review of the ESI draft budget 2009-2010. He explained the main features and key parameters indicating the relation with the ESI priority activities. Several figures are the same as the previous year; other figures differ. The ESI budget for 2009-2010 is based on the budget allocated for 2006-2009 and on savings obtained during this period. This shall ensure stable and smooth functioning of the ESI over the transition period when Russia and the EU should sign a financing agreement for a further allocation for 2010-2013.

Discussion:

S. Prikhodko drew attention of the Board members to the fact that the Draft Proposal of the Budget has been prepared by the ESI Administration, consulting EC Delegation.

E. Berg asked how the draft budget 2009-2010 was related to the Budget 2008-2009. In the past the ESI used to spend less money than planned in the budget, thus Mr Berg wanted to know whether this fact has been taken into consideration into the new budget.

G. Hafner asked for more information regarding the relation/comparison between the draft budget 2009-2010 and the budget being under implementation (2008-2009).

K. Segbers asked the ESI Administration to add an additional column to the budget showing the comparison with the budget actually spent the year(s) before. He also requested an explanation whether the heads of ESI chairs are full-time paid from the ESI budget. Moreover he asked more information about the budget line 'Administrative and other expenses'. Finally he asked where amount which should be used to purchase the equipment for the new building will come from. He recommended to cut other expenditures and to insert money for purchasing equipment into the Budget.

A. Torkunov & M. Entin The Draft Proposal of the Budget has been drawn in conformity with the EU rules and criteria. Therefore, the ESI Administration cannot change the structure of its budget on its own: some titles and some figures have to be kept. Explained that the forecast

presented to the Board members appears to be realistic in this sense that it shows only what the Institute spends or what it has to spend in order to ensure its statutory activity. The fact is that some costs are covered directly from the ESI budget, whereas some other expenses are paid from the MGIMO budget. Language courses for instance are run in the 'linguistic laboratories owned by the MGIMO-University. They have been furnished and fully equipped by MGIMO-University. They have been recently refreshed. The demand for such classrooms will increase in the new academic year. The Russian side has invested a lot of money to the construction of a new building, which will accommodate the ESI. Moreover, a number of activities of the ESI have been organised in co-operation with partner institutions. The costs of organising international conferences, seminars, round tables etc. have been shared by the ESI with these institutions.

However, in the future the Institute will be under the obligation of participating with co-financing of some events currently organised by partner organisations. Furthermore the contribution of the College of Europe to the ESI for some specific services (acquisitions of books, teachers' fees etc.) has been financed under the Tempus Project which has now come to an end.

In addition several speakers from the EC, EU Member States and Russia, as well as a number of professors from MGIMO delivered their lectures free-of-charge. All these factors partially explain how the ESI managed to make some savings in the past but it is not a general rule. It would have been not entirely appropriate to assume that the ESI could continue counting on these saving when drafting the budget 2009-2010 and the budget for 2010-2013.

J. W. De Zwaan indicated that it would be useful to add a column to the budget 2009-2010 (a fifth one) to indicate the difference between planned expenditure for the next year and planned expenditure for the current year as well as a sixth column showing the actual spending consumption of planned expenditures for the last year. Mr De Zwaan also asked to explain the difference between budget lines 3.1. and 3.2., given that both refer to 'invited professors' and asked also for more information regarding the implementation of the Board members previous recommendation as to increasing the number of foreign lecturers invited at the ESI Master's programme.

I. Ivanov asked to take into consideration the actual inflation rate (more than 10%) when drafting the budgets.

T. Shashikhina made available information requested by the members of the Governing Board concerning the budget of the previous year, i.e. 2008-2009. In addition, she provided information concerning the budget actually spent during the previous year(s) according to the latest available report. However, the information provided concerned the period September 2007 – December 2008 and thus it was not easy to compare the actual expenditure against planned expenditure as the information covered different periods (16-month period against 12-month period).

As far as the recommendation of the Governing Board concerning larger participation of foreign lecturers Mrs Shashikhina reported that the total number of hours taught by foreign Professors is actually bigger than those taught by Russian ones if considering the teaching hours of foreign Professors in Vienna, Bruges and Brussels during the summer study abroad sessions.

D. Tarschys reiterated the issue of adding a fifth and a sixth column to the budget but for the same periods as this would make figures more understandable and easy to compare.

M. Franco stressed the fact that the budget now looks much better than during the previous years however a fifth and a sixth column should indeed be added to the budget to make it easier to understand changes between the budget of different years and the actually expenditures incurred

year by year. In addition, it is necessary to add some fixed margins for unforeseen expenses, i.e. budget for contingency costs.

N. Scaramuzzo indicated that the contingency budget line could be maximum 5% of the total sum according to the grant contract.

S. Prikhodko He confirmed again that Russian side would provide parity financing of the ESI functioning along with the EU. The Russia side agrees with the positive assessment of the budgetary process and implementation of the budget by the ESI given by the Delegation of the European Commission. The discussion on the Draft Proposal of the Budget was very helpful. Members of the Governing Board have got answers to all their explanations And the budget has been approved as it stands.

The Board members decided unanimously:

To approve the Draft budget for 2009-2010 as it stands.

On the second issue: ESI Preliminary budget forecast 2010-2013

Board members listened to:

M. Entin presented a detailed review of the ESI Draft budget for 2010-2013. He explained the main features of the Budget and the link with the ESI priorities. In many respects the appropriations for 2010-2011, 2011-2012 and 2012-2013 must remain the same as they are meant to finance core activities of the ESI. Nevertheless, a degree of flexibility is necessary to enable the Strategy to be implemented. Some budget lines even though remain unchanged, year by year, they should allow for 'step-by-step' introduction of new activities as described in the explanatory report. These activities concern summer language courses, attracting students from abroad, additional language courses, week-end intensive "intra" and "extramural" (outside Moscow) sessions; seminars and short training programmes for regional civil servants, development of a network of partner institutions, establishment of the ESI Alumni Association, new types of visibility actions, etc. At the same time, the ESI intends also to collect students' fees as described in the explanatory note.

Discussion:

D. Tarschys gave advice to the ESI Administration to continue negotiating with the personnel departments of Russian ministries, agencies and services to ensure that the ESI students have their working functions and time in their governmental bodies much reduced.

G. Hafner inquired about the experience the ESI had achieved so far concerning foreign students and asked about ESI Administration plans to attract more students on fee-basis.

J. W. De Zwaan suggested postponing the discussion of the budget proposal for 2010-2013 to the next Board meeting taking into consideration that the Governing Board members are not prepared to discuss this matter as they received the corresponding documents the day of the meeting and thus they would need more time to study them.

M. Franco proposed that the ESI Administration instead of a lengthy explanatory report makes a very short one indicating several options taking on board the new activities as suggested in the Strategy. Such a report could be discussed at the next Governing Board meeting and therefore there is no need to hurry up to adopt the budget 2010-2013.

Regarding the ESI further financing from the EU side, Brussels made a decision concerning the continuation of financing the ESI statutory activity. To contract 3 million Euros for the ESI a financing agreement is needed to be signed. This issue is taken up with the Ministry of Foreign Affairs of Russia.

As for the possibility of attracting foreign students, the ESI shall propose more targeted educational programme, which would be different from the curricula of the European Studies, like comparative studies in EU-Russia relations as a new specialisation. Moreover, much more attention should be paid to research activities.

K. Segbers insisted that data related to the 5th and 6th columns (see above) be added. The revised budget could be discussed later on after all documents have been revised in accordance with proposals and advice given by the Board. Mr. Segbers asked the ESI Administration to take the Board's comments in due consideration.

M. Entin made it clear that the budget and financial plan 2010-2013 were prepared in accordance with the decision of the previous meetings of the Governing Board; nevertheless agreed that more time will be needed to improve the current documents.

J. Cadet & M. Franco proposed to postpone the discussion on the budget 2010-2013 to the next Board meeting on the basis of the new/revised documents the ESI Administration will provide.

The Board members:

Agreed to resume the discussion of the ESI budget 2010-2013 at the next Board meeting.

On the other issues (Preliminary report on students' selection for the academic year 2009-2010 and preliminary draft ESI Masters' programme 2009/2010)

Board members listened to:

Entin M. reported on the ESI students' selection for 2009/2010 and briefly commented on its results, indicating that a more detailed explanation had been given in the document distributed to the Board members. He also made a proposal concerning the establishment of the Governing Board editorial working group and necessary appointments.

M. Sielski (representing the College of Europe in the Selection Committee for Students) shared his experience as member of the selection committee.

Furthermore, he presented an overview of the ESI Master's Programme for the academic year 2009/2010.

The Board members:

- Endorsed the work of the selection committee.
- Took note of the ESI Master's Programme 2009/2010.
- Proposed that G. Hafner and K. Nikolov are invited to enter the ESI Editorial Board.
- Agreed to hold the next Board meeting tentatively on 22nd October 2009, on the eve of celebration of the ESI 3rd Anniversary.
- Planned the spring Board meeting for the 22nd of April 2010.

«APPROVED»

Prikhodko S.

Chairperson
of the Governing Board
of the European Studies Institute at MGIMO-University

