This project is co-financed by the
European Union and the Republic of Turkey
Bu proje Avrupa Birliği ve Türkiye Cumhuriyeti tarafından
finanse edilmektedir

TURKEY in
HORIZON 2020
COOPERATION. INNOVATION. COMPETITIVENESS

Technical Assistance for Turkey in Horizon 2020 Phase-II
EuropeAid/139098/IH/SER/TR

Session 5. How to prepare a budget.
Financial issues related to proposal writing

Focused Group Training 14 on Horizon Europe Cluster 6:
Biodiversity-Food Systems-Circular Economy-Climate-Innovative Governance
Adamantios Koumpis

Online, 11 June 2021

Photo by Christian Lue on Unsplash

**REPUBLIC OF TURKEY
MINISTRY OF INDUSTRY
AND TECHNOLOGY**

COMPETITIVE
SECTORS
PROGRAMME

TÜBİTAK

Topics to cover:

- How to prepare a budget
- Financial issues related to proposal writing
- Practical tips
- Do's and Don'ts

On the budgets...

- Budgets are predefined for both:
- *All* the calls
- *Each* of the topics
- We already have estimates on:
- *how much money* will be allocated at maximum or as a range to each project,
- *how many projects* will be funded

Conditions for the Call

Indicative budget(s)[16]

Topics	Type of Action	Budgets (EUR million)		Expected EU contribution per project (EUR million)[17]	Number of projects expected to be funded
		2021	2022		
Opening: 15 Apr 2021 Deadline(s): 01 Sep 2021					
HORIZON-CL6-2021-BIODIV-01-01	RIA	20.00		10.00 to 20.00	2
HORIZON-CL6-2021-BIODIV-01-02	RIA	10.00		3.00 to 5.00	2
HORIZON-CL6-2021-BIODIV-01-03	RIA	16.00		Around 16.00	1
HORIZON-CL6-2021-BIODIV-01-04	RIA	10.00		Around 10.00	1
HORIZON-CL6-2021-BIODIV-01-05	RIA	5.00		Around 5.00	1
HORIZON-CL6-2021-BIODIV-01-06	CSA	5.00		Around 5.00	1

Isn't this rather too much information?

- Makes people like applying game theory…

- If all people will go to calls that shall fund more than 2 proposals, then competition will unfairly / uncontrollably increase

- On the other hand, it is too risky to go for calls that finance only 2 or even 1 proposals

- Is this a relevant aspect to consider?

- (*Unfortunately* yes…)

- Is there a solution to this?

- (*Fortunately* yes…)

© 2010 Encyclopædia Britannica, Inc.

Budget planning and preparation...

- As with many things in life it is a matter of the perspective:

- Bird's eye view vs

- Worm's-eye view

What does each of them mean…

- **Bird's eye view**
- We care for the big picture of the proposal
- We address individual partner funding from such a top-down perspective
- *It is a must* for the Coordinator to adopt this
- It is also good for the entire partnership and each individual partner

- **Worm's eye view**
- Will ensure individual interests
- People tend to follow it
- Many times it ends up in asymmetries that are very easy for externals to immediately spot
- Externals = Evaluators…

The background

- People / partners care for their individual component / 'part' of the budget
- They usually think in terms of transforming the money they get (usually for personnel expenses) to how many people they will be able to employ and under which terms
- For example:
- 2 full time research assistants and 1 PhD student?
- Or better 1 post-doctoral researcher and 1 research associate?
- Might end up in an NP-Complete problem or like squaring the circle, but
- It does not need to end up like this

Some tips (acquired through – many times – bitter experience)

- If you are the Coordinator:

- DO care for the big picture firstly

- DO also care for consistency in how much is asked for the different phases of the project

- For example:

- Not a good idea to ask for 25% of the budget for concepts and vision and hogh level design and then only 10% for implementation and then the rest for demonstration, dissemination and exploitation

A (cursed) source of asymmetries

- **Labor rates!**
- These do vary vastly:
- An engineer or researcher or programmer or assistant in *Country X*
- Compared with the costs of
- An engineer or researcher or programmer or assistant in *Country Y*

- X = Denmark? Norway? Switzerland?
- Y = Spain? Italy? Greece? Turkey?
- On the other hand…
- 1 line of code (or 1 line of text or 1 hour of a researcher's work) costs differently in the various countries **but for the project purposes what matters is the value it brings**

So good to avoid…

- Pump up all partners budgets to make them happy
- Pump up all partners budgets to keep balances within the consortium

- Difficult to achieve:
- Make all people happy
- What people usually do:
- Prefer to try please all during the proposal preparation and submission than
- Make people unhappy but possibly win the project

An exemplary process for Coordinators

- **Step 1:** On your own or with your 'own' team or partners that you trust, develop a draft of the resources for the entire project (not the oney! Only personmonths!)

- **Step 2:** Once you have this draft, with some initial assignments of resources for all WPs / Tasks and all the partners, include now the labor rates to come to a first estimate of the project costs

- **Step 3:** You may need to add also some 'default' figures for travel, other costs (e.g. audit certificates), equipment, consumables, etc.

- **Step 4:** Does it look OK? Are there any anomalies to correct? Or oversights to fix?

- **If NOT OK** → Go back to Step 1

- **If OK** → Communicate to all partners and try make only small corrections to it

An exemplary process for partners

- Try stay close to the Coordinator

- Try see things from their own perspective – helping the Coordinator will also eventually help you

- You can for sure put pressure and express your wants and make demands but it is wiser to win a project than only the negotiations in a failed proposal

- Longer run is what helps you gain from

- (Unless of course you may not care to work again with the team – be it that the proposal succeeds or fails)

For the individual budget…

- Costs and budget planning for an EU project may differ than for an internal project in your organisation

- Many resources are spent on communications

- Overheads are (of course) paid [25% of the total direct costs] but people tend to regard communications as a non-value added and tiring part

- What is the difficulty here?

- To find the right persons

- An example shall help us to understand what it is about…

A story

- Involved as a
- Main responsi
  support'
- Personmonths
- Personmonths
- How things tu
- We had to con
  involved
- BUT
- Our task was a
- A thing to alw
  get in the deta
- Whom to prai
  all required so

Task 3.4: Multi-lingual semantics support [Leader: UNIPASSAU; Participants: None; M5-M15]
This task consists of the development of a suitable interface to facilitate the automated translation of natural language text into several other languages, while paying substantial attention to getting the semantics right. It will integrate a natural language query interface and a semantic search engine (NLI&SS) developed by Uni Passau as a facilitation tool to perform exploratory data analysis on the integrated data sources of Tasks 3.2 and

Page 18 of 38

Associated with document Ref. Ares(2017)1619728 - 27/03/2017

3.3. Distributional semantic models (DSMs) will be used as a basis to develop comprehensive semantic models which can be used to support the construction of natural language and semantic search interfaces in the context of data access. Distributional semantics focuses on the construction of a semantic representation of a word, based on the statistical distribution of word co-occurrence in unstructured data. The availability of high volume and comprehensive corpora brought distributional semantic models as a promising approach to build and represent meaning at scale. One of the major strengths of distributional models is from the acquisition point of view, where a semantic model can be automatically built from large unstructured text. Since DSMs are automatically built from corpora in an unsupervised fashion, they provide an approach which has lower associated transportability effort to different specialisation domains and languages than the ones we deploy in the context of the project (especially Italian and Greek). This task includes the setup and adaptation of a NLI&SS infrastructure using the 3rdPLACE and the PERACTON platforms and the customisation and evaluation to languages.

What does this mean

- You plan for 1 person to fully work in your project for 36 months
- This person may :
- Work for the project (not always good!)
- Or
- Work only for themselves (for sure not good!)
- Be able to keep people 'happy' in all fronts :
- Care for the project but not 'burn' more resources than planned
- Increase the value of your organisation's contribution to the project
- Increase their own individual learning capital and knowledge
- The above you can find in people of all levels: entry level, junior or senior
- But they are not as obvious or easy-to-find skills at all!

Last but not least…

- When to deal with the budget?

- _**Not**_ early in the proposal preparation as…

- Partners who will get a high share will not care to contribute much as they will feel accommodated

- Partners who will take a small part will lose motivation and not care to contribute much at all… (Remember Napoleon…)

- Ideal when almost 80% (or 95%) of the proposal is already prepared

- Not only a matter of tactics – how can one budget for things that have not been defined or described yet?

For follow-up questions contact me at:

- adamantios.koumpis@gmail.com

Q&A

Time to ask your questions!

Teşekkür ederim!

Thank you!

Contact:

Office Address

Turkey in Horizon 2020 Project

And Sokak 8/12 Akasya Apt. 06680 Çankaya/Ankara

06520 Çankaya/Ankara,Turkey

Tel: +90 312 467 61 40

http://www.turkeyinh2020.eu/

info@TurkeyinH2020.eu