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finanse edilmektedir



Technical Assistance for Turkey in Horizon 2020 Phase-II

EuropeAid/139098/IH/SER/TR

Preparing the budget and submission

(Practical and financial issues related to proposal writing)

Project Writing Camp on TEAMING (PWC-6)

Adamantios Koumpis

Online, 28 July 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

Horizon Europe - Work Programme 2021-2022
Widening participation and strengthening the European Research Area

Call - Teaming for Excellence

HORIZON-WIDERA-2022-ACCESS-01-two-stage

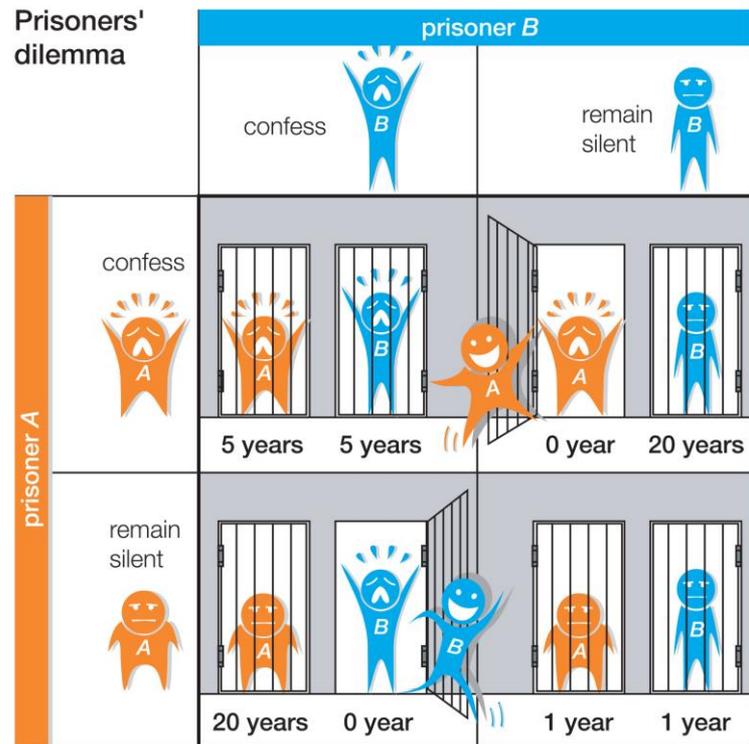
Conditions for the Call

Indicative budget(s)²

Topics	Type of Action	Budgets (EUR million)	Expected EU contribution per project (EUR million) ³	Number of projects expected to be funded
		2022		
Opening: 29 Jun 2021 Deadline(s): 05 Oct 2021 (First Stage), 08 Sep 2022 (Second Stage)				
HORIZON-WIDERA-2022-ACCESS-01-01-two-stage	CSA	180.00	8.00 to 15.00	12
Overall indicative budget		180.00		

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
- For the particular call range is between 12 projects (if all successful go for the max funding of 15 MEuros) to 22.5 if all go for the min funding of 8 MEuros
- Is this a relevant aspect to consider?
- *(Unfortunately yes...)*
- Is there a solution to this?
- *(Fortunately yes – elaborate later on it)*



Good news first...

- For the first stage there is no need to provide elaborate and detailed budget
- The call text mentions only that:
 - In the first stage of evaluation the R&I excellence and the conceptual approach for the Centers of Excellence will be evaluated.
 - Applicants have to present a strategic vision on how to develop R&I excellence beyond the state of the art in the chosen domain and on how the co-ordinator will benefit from the partnership with a leading institution from abroad.
 - In addition, the conceptual approach should outline how the access to complementary funding from other sources will be ensured, in the respect of national, regional and/or European strategies or policy priorities (e.g. notably smart specialisation strategies, Green Deal, Digital transformation).
 - Proposals also should sketch out briefly how the autonomy of the envisaged center will be ensured and the necessary human resources recruited and retained.
- So only relevant, short, convincing and up-to-the-point narratives have to be provided in this first stage!

Bad news now...

- Budget preparation is not trivial at all
- Will need even for experts in research fundraising to seek for external help and advice or acquire new knowledge – ideally both!
- One may see as the crux this here:
- Proposals invited to the second stage must include an investment plan for the full project including a binding commitment for the necessary complementary funding.
- But this is not the only point to consider!

Devil is in the (many) details

- An example...
- The Call text mentions:
- The managers of the complementary funding should apply to the operations the categories, maximum amounts and methods of calculation of eligible costs established under Horizon Europe. In addition, they should be able to apply *Art.25 (d) of the revised General Block Exemption Regulation*.

Article 25 — Aid for research and development projects

- (d) costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;

- Source:
<https://lexparency.org/eu/32014R0651/ART25/>

Some practical suggestions

At a detailed level the full proposal should:

- Budget preparation – and what for technical
 - Here budget can be given priority
 - Also:
 - Here budget meticulous aspect of the
- Present a strategy for how the centre will develop excellence in the chosen relevant R&I domain that will put it at the competitive edge beyond the state of the art enabling future success in competitive calls,
 - Demonstrate the growth potential and expected socio-economic outreach of the Centre of Excellence for the benefit of the host country or region,
 - Demonstrate how the project will contribute to encouraging and supporting reforms of the R&I system at regional and or/national level,
 - Elaborate on the structure of the consortium and how this will create a win-win situation,
 - Demonstrate how the newly established/upgraded Centre will have full autonomy in decision-making. In particular, the Centre of Excellence should have the maximum degree of autonomy in terms of taking its own decisions, being in legal, administrative, operational, personnel and academic matters. The Centre should be able to fix and pay competitive salaries for its personnel,
 - Elaborate on the steps that will be taken to ensure long-term self-sustainability after the end of the Horizon Europe grant,
 - Propose a robust human resource strategy that addresses gender equality (in line with the research institutions respective gender equality plans) and international component, ensuring appropriate management capacities for the effective and efficient running of the Centre of Excellence,
 - In order to assure the autonomy of the Centre of Excellence (CoE), if relevant, the project might benefit of having the CoE coordinating the project within the duration of the Grant,
 - Present an investment plan including the letter(s) of commitment for complementary funding from the competent national/regional authorities or private sources to commit financial resources (e.g. resources coming from programmes co-financed by the ERDF or other sources) for implementing the future Centre, in particular regarding investment in infrastructure and equipment. The letter(s) of commitment for complementary funding of the project will be an integral part of the evaluation of the proposal,
 - The grant awarded from the Horizon Europe budget should provide substantial support for the start-up and implementation phase of the future Centre of Excellence including the recruitment of the managerial, technical and scientific personnel. It should also cover expenses related to team members of the future Centre of Excellence (e.g. their salaries, recruitment costs^[1], management costs, travel and subsistence costs),
 - A minor research component can be accepted not exceeding 10% of the total Horizon Europe grant that may include a preparatory research project. Such small research project embedded in the Teaming action should be aligned with the objectives of the project and e.g. serve the purpose of developing and testing new methodologies and instruments and/or the integration of new scientific personnel. If preparatory research activity is planned to carry out, the outline of a respective work plan at an appropriate level of detail should be presented,
 - The duration of the grant should be up to six years.

Relation of budget components with results / outcomes (and the activities) of the project

Project results are expected to contribute to all of the following expected outcomes:

- Increased scientific capabilities of the beneficiary institution and the host country enabling them to successfully apply for competitive funding in the EU and globally,
- Improved the R&I culture of the country hosting the co-ordinator (indicators such as research intensity, innovation performance, values towards R&I) through centers of excellence as lighthouses and role models,
- Stimulus for institutional and systemic reforms and R&I investments at national level taking into account the enabling conditions on governance of smart specialisation introduced under cohesion policy programmes as far as applicable,
- Strengthened and mutually benefitting collaboration with partners from leading scientific institutions from abroad,
- Development and promotion of new research strands in relevant domains,
- Developed and enhanced research and innovation capacities and the uptake of advanced technologies,
- Contribution to the achievement of the specific objectives of the supporting national/regional/EU programme as complementary funding,
- Enhanced innovation and integration of planned processes, services and products of the centre,
- Enhanced co-operation and synergies with other EU projects.

Compliance checklist

- You may regard this as an elaborate compliance list
- Take care so that every of elements listed gets connected to a budget component
- This is not difficult – it only takes some time AND needs accurate planning

At a detailed level the full proposal should:

- Present a strategy for how the centre will develop excellence in the chosen relevant R&I domain that will put it at the competitive edge beyond the state of the art enabling future success in competitive calls,
- Demonstrate the growth potential and expected socio-economic outreach of the Centre of Excellence for the benefit of the host country or region,
- Demonstrate how the project will contribute to encouraging and supporting reforms of the R&I system at regional and or/national level,
- Elaborate on the structure of the consortium and how this will create a win-win situation,
- Demonstrate how the newly established/upgraded Centre will have full autonomy in decision-making. In particular, the Centre of Excellence should have the maximum degree of autonomy in terms of taking its own decisions, being in legal, administrative, operational, personnel and academic matters. The Centre should be able to fix and pay competitive salaries for its personnel,
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A specific example: the EMME-CARE project

EMME-CARE – BUDGET example for the purposes of TÜBİTAK-training July 2021:
 slot delivered by Dr. Adamantios Koumpis on 28/7/2021 at 13:00-13:30

- Confidential information
- Walkthrough and
- Most important (
- If submitted now call topic expected
- *(Not easy to answer)*



Call: H2020-WIDESPREAD-2018-2020

Topic: WIDESPREAD-01-2018-2019: Teaming Phase 2

Coordination and Support Actions



EMME-CARE
 EASTERN MEDITERRANEAN
 MIDDLE EAST - CLIMATE &
 ATMOSPHERE RESEARCH CENTRE

List of Participants

Participant No.	Participant organisation name	Country
1 (Coordinator)	The Cyprus Institute (Cyl)	Cyprus
2	Max Planck Institute for Chemistry (MPIC)	Germany
3	Commissariat à l'Energie Atomique (CEA)	France
4	University of Helsinki (UHEL)	Finland

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 high 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



Idiosyncracies of the specific call

- Generous funding
- (not to ignore especially when people are used to frugality!)
- Lack of previous experience (this we try to address in this event yesterday and today!)
- Coping with the complementary funding



Regional
National
Private
sources

Last but not least...

- When to deal with the budget?
- **Not** early in the proposal preparation as **WRONG!**
- 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 not care to contribute much at all... (Remember) **WRONG!**
- Ideal when almost 80% (or 95%) of the proposal is prepared **WRONG!**
- Not only a matter of tactics – how can one budget for things that have not been defined or described yet? **WRONG!**



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*