

IdeaSquare

Finance, projects & outlook



IdeaSquare finance & projects

- **ID2 resource manager (ad-interim)**

Roy Pennings (for Markus Nordberg)

- **EU-projects driver**

Roy Pennings

- **Finance & EU project implementation support**

Laetitia Pedroso

- **Project development collaborators**

Lauri Valtonen (concepts - science)

Catarina Batista (concepts - training)

Ole Werner (concepts - SSH)

Dina Zimmermann (concepts)

Jimmy Pouillon (dissemination)

Pablo Garcia Tello (Call identification, general brainstorming)

EU project
capacity
building



Why are we here?



- **Finance:** monitoring & maintaining financial stability of ID2!
 - building internal capacity (project management)
 - support in expanding service & training portfolio.

- **Projects:** main instrument to maintain financial stability for ID2!
 - show relevance to CERN (training & workshops via ID2 + direct science support).

Now and then: 2023-2024

Status 2023	Status 2024
<p>Expenditure: CHF 815K in salaries and remunerations + CHF 336K operational cost of running ID2. Most salaries (CHF 715K) booked on ATTRACT.</p>	<p>Expenditure remains roughly the same, however:</p> <ul style="list-style-type: none">• 10-year anniversary costs (CHF 20k-30k).• Need to increase useable space + improve inside air quality.• General wear&tear (3d printers, toilets, outside area, etc.).
<p>Contribution from CERN budget: CHF 200k.</p>	<ul style="list-style-type: none">• Contribution from CERN budget: CHF 0.• Available budget (June): CHF 610k (incl. carry-forward + received MISK-part 1).• Total expenditure status to-date: CHF 106k spent + CHF 125k committed.• Reserves: CHF 604K from MISK (302K already included in budget; 302K to 2025 budget).
<p>Staffing increased by 3 persons (Lauri, Giulia, Roy). Markus went on holiday.</p>	<ul style="list-style-type: none">• Staffing unchanged (current end-of-term contracts were extended).• We cannot claim Markus' retirement as 'savings' from IPT.• ID2 salaries in process of being fully booked on ATTRACT2.
<p>Finances = 'in control'</p>	<p>Finances = 'in control', but CERN budget refusal is hurting us. Also: uncertainty about ATTRACT 1b, and failure to secure EU funding thus far.</p>
<ul style="list-style-type: none">• GV proposal failed, due to inaccurate evaluation. Re-evaluation resulted in apology from EC, but no money.• 'ATTRACT-type' proposal failed due to EC-internal miscommunication.• 1 direct collaboration (ongoing)	<ul style="list-style-type: none">• Many GV proposals submitted; most as partner.• GV proposals with non-CERN coordinator all failed thus far.• 2 proposals submitted as coordinator. 1 failed. 1 in evaluation (Sept.)• 2 new proposals (coordination) in preparation (1 of which with KT).• 2 direct collaborations (ongoing)

2023-2024 proposals (1)

Submission period	Focus area	Project acronym	Coordinator	Budget type (important for ID2 allocation share)	Allocated funding to CERN in € (incl. indirect costs)	Foreseen allocation to ID2 in € (note: indirect cost share to FAP to be deducted)	Evaluation result	Comments
Submitted in 2023								
	ID2	REACH	CERN	Standard	1.23M	1.23M	Rejected	Miscommunication at EC-internal level: they wanted proven experience in running cascade funding project on behalf of EC, but evaluators judged on scientific novelty. EC informally apologised for mistake in the process. Project is now managed by 4 KICs.
	GV	CARAT	CERN	Lump-sum	1.75M	1.2M (approx.)	Rejected	EC admitted in writing that evaluation had been botched. After successful redress, proposal was re-evaluated, but then still rejected.
Submitted in 2024 to-date								
	GV	IBRIDGE	RINA	Lump-sum	350K	250K	Rejected	Experienced coordinator.
	GV	CURATE	Dublin Polytechnic	Lump-sum	500K	350K	Rejected	Inexperienced coordinator.
	GV	REBALANCE	Univ. Murcia	Standard	120K (approx.)	120K	Rejected	Experienced coordinator.
	GV	MEDAILLON	Inlecom	Standard	821K	80K	Under evaluation	Inexperienced coordinator; proposal written by consultant.
	GV	I4RENO	Bouygues Construction	Standard	126K	25K	Under evaluation	If I4 RENO is approved, then SOLES is rejected, since only 1 project in this call is funded.
	GV	SOLES	CERN	Standard	1,2M	350K	Under evaluation	If SOLES is approved, then I4RENO is rejected, since only 1 project in this call is funded.
	ID2	TRACS	CERN	Lump-sum	725K	725K	Rejected	Above threshold, but not sufficiently competitive/original in terms of our approach to integration of collaboration strategies.

Considerations for selection:

ID2 proposals:

- Strengthen financial position in 'most direct manner' possible.

GV proposals:

- Build momentum and references.
- Create visibility inside CERN.
- Support CERN policy w.r.t. member states or network (examples: CURATE, IN4RENO, AirInMotion).

2023-2024 proposals (2)

Submission period	Focus area	Project acronym	Coordinator	Budget type (important for ID2 allocation share)	Allocated funding to CERN in € (incl. indirect costs)	Foreseen allocation to ID2 in € (note: indirect cost share to FAP to be deducted)	Evaluation result	Comments
To be submitted in 2024	ID2/KT	SHIELD	CERN	Lump-sum	900K	275K	In development	First real collaborative project between ID2 and KT. Topic: anomaly detection, using CERN ROOT (https://root.cern.ch/) and based on HighLo (https://www.highlo.org). Student activities to be included.
	ID2	'No-name'	CERN	Lump-sum	500K	500K	In development	CSA on collaboration between innovation ecosystems
	GV	SEEN	t.b.c. (not CERN!)	Lump-sum	600K	450K	To be started / confirmed	Smart district energy distribution to reduce security risks.
Direct collaborations								
Univ. Witwatersrand + partners	GV	AirInMotion	Univ. Witwatersrand	N/A			Running	Sensor development air quality. No student involvement. Each partner pays its own share. No cost to ID2.
Univ. Trento + Eledia network	GV	TREFAN	Univ. Trento	N/A			Running	6g passive signal reflection panels. Tests in CERN tunnels. No student involvement. Each partner pays its own share. No cost to ID2.



The playing field has changed!



- **CERN annual contribution:** We received 0.
- **ATTRACT 2: this is the cork that floats ID2.** Project is coming to an end. We will submit extension request to June 2025, but not yet confirmed.
- **ATTRACT 1b: this is the 'new cork' until we win EU-projects.** We are waiting to hear if the project can start or is cancelled.
- **EU projects:** Initial batch of proposals failed for various reasons (see previous slides). Currently the number of Calls is limited until new Work Programmes are released.
- **GV projects:** Strategy 2023-2024 does not work; modification to be implemented (see other slide for details).

The playing field has changed!

ID2 Budget 2024			
In CET confirmed	610,000 CHF		includes MISK 1st instalment, ATTRACT 1 overhead
CERN contribution	- CHF	+	
Spent to-date	106,262 CHF	-	Running cost ID2
Committed + pipeline	129,078 CHF	-	Running cost ID2
To be spent (not committed)	100,000 CHF	-	Running cost ID2
Unforeseen	50,000 CHF	-	10th anniversary, wear&tear
Available year-end	224,660 CHF		
Multi-annual commitments	113,100 CHF		
	111,560 CHF		

ID2 Budget 2025			
In CET from previous year-end	111,560 CHF		includes ATTRACT2 overhead (used for insurance + consultancy)
ESADE/MISK	305,000 CHF	+	2nd instalment
Carry-over from 2023	77,000 CHF	+	
ID2 running costs	300,000 CHF	-	estimate
Available year-end	193,560 CHF		

ID2 annual salaries pushing on ATTRACT 715,000 CHF

End-2025 scenario, in case ATTRACT 1b is cancelled and no new funded EU projects were generated

ATTRACT2 ending Feb 2025			
Available budget	193,560 CHF		
Salaries pressing on ID2	476,667 CHF	-	from March onward
Total -	283,107 CHF		

ATTRACT ending June 2025			
Available budget	193,560 CHF		
Salaries pressing on ID2	357,500 CHF	-	from July onward
Total -	163,940 CHF		

'Worst case' scenario end-2025:

- If ATTRACT1b cancelled.
- If no new EU funding.
- If running costs 'as-is'.
- But assuming that ATTRACT2 can be extended.



Mitigation:

- CERN Dynamic Fund (being investigated).
- CERN central funding.
- HEU projects!
- Reduction of running cost + trim to core-activities.
- ATTRACT successor (FP10).

Financial status 2024-2026

Observations:

- ATTRACT 2 MUST be extended by 6 months to June 2025, so salaries can be kept away from ID2-internal budget.
- ATTRACT 1b MUST become operational. Otherwise, we cannot cover costs from Q3-2025^(*). If operational, then risk is limited to running costs.
- If GV SOLES is funded but ATTRACT 1b is lost, then we can remain afloat until mid/end 2026 (assuming transfer of funding from SCE). Other GV EU projects (in evaluation) cannot compensate for loss of ATTRACT1b.
- Despite clear demand and need, ID2 building extension has moved out of view!
- **Operational costs must be trimmed in any case!** But we need CERN contribution to help pay for operational costs. We cannot keep doing it alone! Funding (>200K) should restart in 2025 to provide some form of financial stability.
- EU project participation must be (further) ramped up, but strategy must include non-GV (anything that supports student training!). Comfort is 'in the number of high-quality applications'.

^(*) IPT would still cover contractual obligations, but many current employment contracts end in 2025. This scenario would cannibalise core aims and activities of ID2.

Financial survival strategy (1)

1. EU project coordination
Main source of income
2. Executive Training programmes
Supportive income
3. Reduction of running costs

Ad 1: training-related projects

- Project coordination (7% of funding)
- Direct costs (18%-20% of funding)
- Indirect costs (25% of direct costs * 25%)

} Any programme, any Call!

Actions:

- ⇒ Keep ATTRACT 2 running (extension by 6 months).
- ⇒ Keep ATTRACT 1b alive.
- ⇒ Submit at least 2 more proposals in 2024 and 4 in 2025, but dependent on Call availability.
We are scouting new draft programmes across all HEU Pillars.

Financial survival strategy (2)

Ad 2: Green Village projects

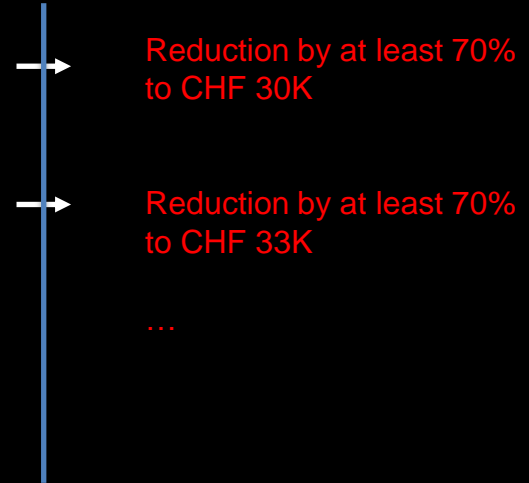
- **Project coordination**
 - 7% for PM + direct costs (18%-20% of funding) + indirect costs (25% of direct costs * 25%)
 - Always include student training (=direct costs)

 - **Project participations**
 - Original strategy does not work: if funded, too little money into ID2 for project management.
 - **Sole focus on lump-sum:**
 - Projects are pre-approved by SCE and focus on activities that SCE already has budget for.
 - SCE transfers their 'direct project costs' (effort) as contribution to ID2. SCE keeps (part of) materials budget.
 - Where possible, we include student training element to emphasize 'content link' to ID2, but this is not always possible since projects come from external consortia.
- ⇒ Drawback: we are dependent on quality of external consortium to write winning proposals.
- Our time investment = limited. We just provide service.
 - Visibility problem to CERN: people may not understand that that the strategy accepts many proposal rejections.

Financial survival strategy (3)

Ad 3: Reduction of ID2 running costs

- Reduce representation (hosting of CERN workshops, CERN prototyping, building EU projects etc.) CHF 97K (*)
- Reduce networking (Brussels lobby, SB contracts, consulting etc.) CHF 110K
- No refurbishments in 2024/2025, except for updates/upgrades of 3d printers.
- Assess if/what universities are willing to contribute to educational programmes.
- Re-assess activities of ID2?



=> Immediate trimming from CHF 360K - 400K to CHF 200K annual costs (as baseline/minimum).

(*) Actual expenditure 2023

Pipeline: 2025-2026

Activity	Objective/task
Build pressure inside CERN for CERN funding.	Record and highlight costs that should be covered by IPT/management. Highlight ID2 public visibility.
Start of SOLES, MEDAILLON.	If funded: operationalise costs. Build delivery capacity.
Expand direct project collaborations (non- funded).	Find new collaboration partners.
Submit SHIELD, project X. in 2024	Build pipeline of new funding opportunities, using revised strategy (for GV + other programmes).
Reorient target Calls for EU funding.	Emphasis on any Calls with strong student focus. Scout new draft Work Programmes.
Build more visibility for GV.	More exposure in ECTP. Only Lump-sum calls + student training.
Financially support 'face-lift' of ID2.	Interaction with SCE, Nagoya Univ.; build budgets/reserves.



Financial challenges beyond 2026



- Creating more training space (inside/outside) for students.
- Ramping up I2P (pilots, events, materials, features).
- More students = more training costs (materials, wear&tear)
- Expansion of 3-d printing/laser cutting.
- Re-stocking of mechanical shop and electrical shop.
- Improving inside air quality.
- Reserving money for replacement of standard equipment (kitchen, AV, tables, chairs, floors, ...).
- General wear & tear (to be discussed with SCE).



Please ask questions