



Federal Ministry
of Education
and Research

Managing the complexity in financing RIs

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Igniting ideas!



Introduction

The complexity in financing RIs

- The financing of large research infrastructures is an enormous ***financial challenge*** for a single country or even for a region
- To be financed: ***construction*** and ***operation costs*** and ***decommissioning***.
- ***International cooperation*** is often the only solution, mainly due to the restricted know how availability in a single country but also because of the financial burden



The European Context

Policy background

- **World class research infrastructures are one of the pillars of ERA**
- The **European Strategy Forum for Research Infrastructures (ESFRI)** was in 2002 the political answer to a more **coordinated approach**.
- RI contribute to national, regional and European **economic development**.



The European Context

Policy background

- The first **European Roadmap for Research Infrastructures** was published by ESFRI in 2004 and included 35 key major projects of pan-European interest.
- The Roadmap was recently updated in December 2008.



Contributions

Financial Resources

- **Funding by existing research organisations**
- **Funding by national funding agencies or Ministries**
- **Joint funding by several countries**
- **Structural Funds (where appropriate)**
- **Funding by the European Investment Bank (EIB) through loans or Risk Sharing Finance Facility (RSFF)**



Contributions

- Contributions can be in cash or in kind
 - cash contribution means money
 - in kind means delivery of components



Contributions

Advantages / Disadvantages

- cash contributions
 - are flexible, can be used for everything
 - must be adjusted according to inflation
- in kind contributions
 - often requested from the cooperating partners
 - need to be valued a priori in agreement with all partners (cost book)
 - cost increases of the components are in the sole responsibility of the delivering partner (but also cost reductions)



Contributions

Agreement on the contributions

- depending on overall costs
 - up to a value of about 100 MEURO usually cooperation agreements are sufficient
 - with larger amounts intergovernmental agreements are indicated due to the needed long term commitments



Boundary Conditions

Legal aspects

- Legal frame of the organisation
- Staff remuneration
 - single remuneration system needed
 - pension scheme
 - transfer of acquired pension rights
- Taxation



Legal aspects

- Open access as ruling principle
- Privileges of shareholders
 - performance interchange, taxability
- IPR



Thank you for your attention!

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