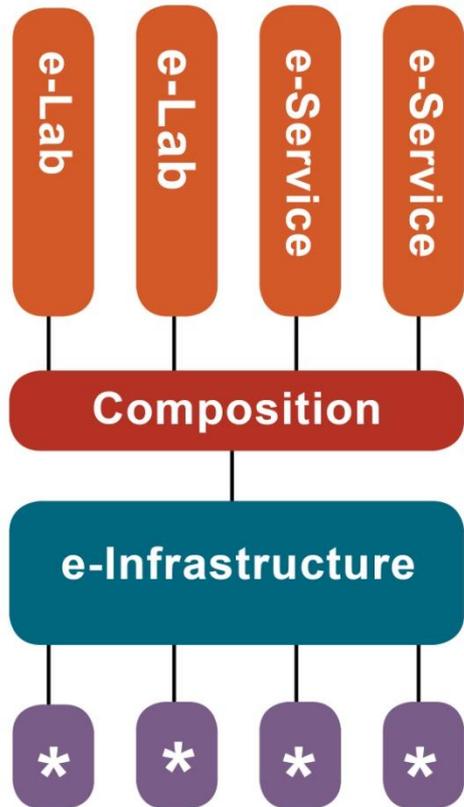


LifeWatch, costing and funding

The LifeWatch e-infrastructure
financial issues



LIFEWATCH architecture providing infrastructure services to users

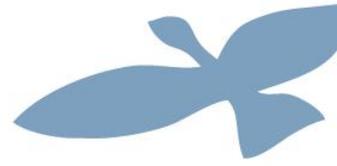


*Resource

User groups can create their own e-laboratories or e-services within a common architecture of the infrastructure

The e-laboratories are the '*community driven*' infrastructure, which promotes innovation.

Sharing data and algorithms, scientists can address questions not otherwise accessible



LifeWatch vs. a single sited R.I.

- No large capital investments
- Not in one place, mainly virtual
- Can operate on partial construction
- Number of users is 'infinite'
- Decommissioning not a major issue

Investments

- Development of software etc. as main task
- Outsourcing of specific services
- Mainly personnel costs
- These are all risk-mitigating ways to invest

A Virtual R.I.

- No need for large buildings/equipment
- Profit from existing e-infrastructure (Géant, Prace, EGI etc.)

Operations

- Like software, operate with releases. software requires maintenance, updates and upgrades
- Start small, create more functionality while in operation
- However, there is a need for a minimal critical mass

Users

- Number of users is 'infinite'
 - Except for users with heavy computing requirements
 - and for users who need new functionality, new virtual lab development
- Extra budget generates extra users and extra functionality
- Interesting proposition for countries: Investment immediately leads to functionality

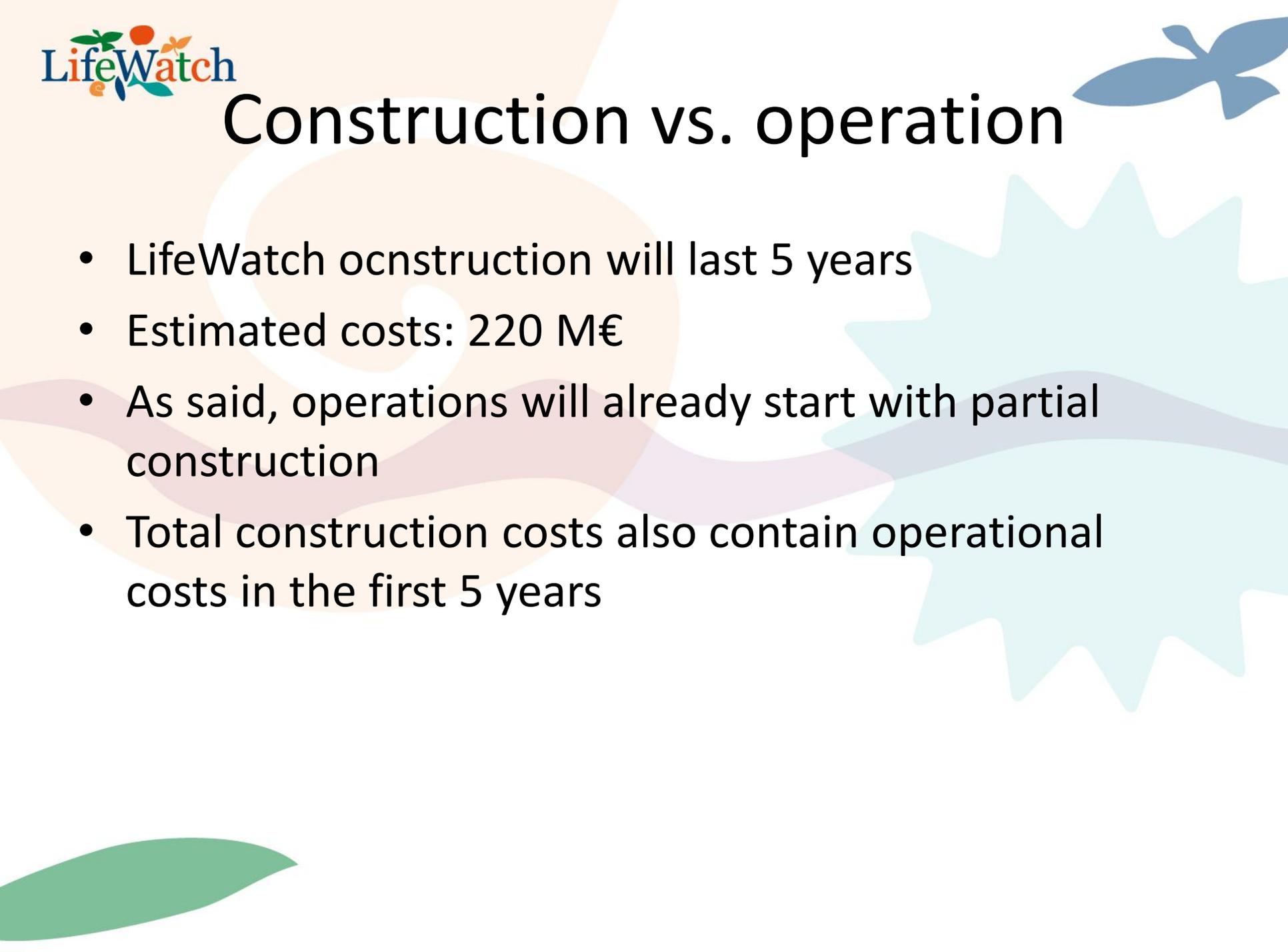
Decommissioning

- No nuclear waste, no large equipment, no buildings, no large fixed assets
- ERIC poses issues on contractual matters (fixed term vs. permanent).
- IPR can be an issue (but no large costs)

Operational costs

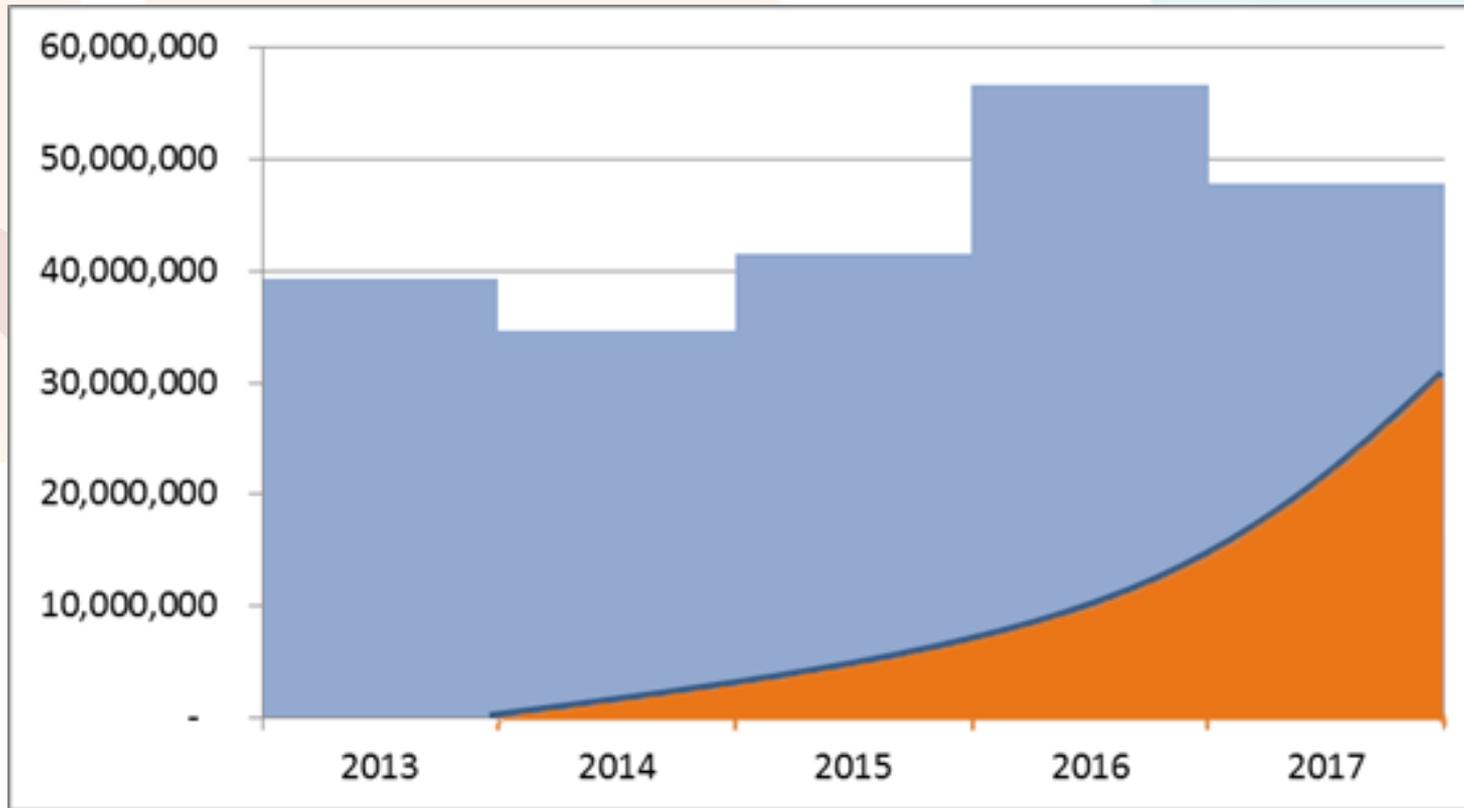
- Software based, so developments move fast
- High level of uncertainty about future beyond 5 years
- 'Rule of Thumb': operational costs are about 15% of total construction
- Critical mass and economies of scale to be taken into consideration!

Construction vs. operation

The background features abstract shapes in shades of orange, pink, and light blue, along with a blue bird silhouette in the top right corner and a green leaf shape in the bottom left corner.

- LifeWatch construction will last 5 years
- Estimated costs: 220 M€
- As said, operations will already start with partial construction
- Total construction costs also contain operational costs in the first 5 years

Spending pattern



LifeWatch Funding

Considerations on the funding of the RI:

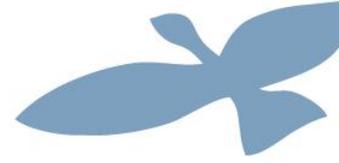
- ESFRI process requires us to convince individual countries to invest
- Completely new concept, difficult to understand for countries
- Virtual, distributed, so lots of investment possible accross Europe, and not in one place
- No need for the full amount of construction costs to start operating

Funding mechanism

- Countries contribute 15% of their funding in cash to the central operations of the ERIC
- Countries invest 85% of their contribution as in-kind investments/projects in their own countries
- the 85% in-kind has to match the identified construction items in the cost-book (which add up to 220 M€)

Advantages of this mechanism

- A relatively small percentage of the contribution is 'leaving the country'
- Countries have a big influence on prioritizing the needs of their scientific community (through the 85% national projects)
- The ERIC can coordinate the construction through Service Level Agreements with the countries



Determining Country contributions

- Based on GDP of all 27 EU countries
- Considering that only if all EU countries contribute, the 220 M€ is needed
- Minimal threshold of 2.5 M€ per country (for less one cannot really do relevant work)
- Little discount for the 5 largest countries in Europe, to facilitate their entrance
- Spain, The Netherlands, Italy, Belgium, Greece, Sweden and Romania will be the first countries to enter the ERIC, which makes the total construction budget 70 M€

Country contributions



	GDP average				GDP average		
	2007-2009 (million €)	Contribution 15% in cash	In-kind to be realized		2007-2009 (million €)	Contribution 15% in cash	In-kind to be realized
Malta	5,712	375,000	2,125,000	Finland	178,555	481,774	2,730,050
Estonia	15,265	375,000	2,125,000	Denmark	227,809	614,668	3,483,116
Cyprus	16,728	375,000	2,125,000	Greece	231,422	624,416	3,538,356
Latvia	20,896	375,000	2,125,000	Austria	276,472	745,970	4,227,164
Lithuania	29,124	375,000	2,125,000	Sweden	320,703	865,312	4,903,435
Bulgaria	33,749	375,000	2,125,000	Poland	328,214	885,578	5,018,275
Slovenia	35,752	375,000	2,125,000	Belgium	339,751	916,708	5,194,677
Luxembourg	38,392	375,000	2,125,000	Netherlands	579,993	1,564,922	8,867,891
Slovakia	60,843	375,000	2,125,000	Spain	1,065,192	2,531,315	14,344,121
Hungary	100,019	375,000	2,125,000	Italy	1,544,966	3,671,449	20,804,877
Romania	127,317	375,000	2,125,000	United Kingdom	1,811,338	4,304,453	24,391,898
Czech Republic	137,457	375,000	2,125,000	France	1,916,980	4,555,500	25,814,502
Portugal	169,602	457,615	2,593,151	Germany	2,436,900	5,791,035	32,815,867
Ireland	176,336	475,786	2,696,120	Total	12,225,487	32,986,500	186,923,500