EXPANDI4.0

Annual Report
Financial Report

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30.11.2024

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PLÁN OBNOVY

EDIH EXPANDI 4.0
Expanding Industry 4.0 in Slovakia

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Združenie Industry 4UM	I4UM

Annual Report and Financial Report

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EXECUTIVE SUMMARY

This deliverable provides a comprehensive overview of the progress of service delivery through our European Digital Innovation Hub for supporting the expansion of the principles and tools of I4.0 and developing the relevant innovation ecosystem for I4.0

EDIH EXPANDI 4.0 is referred to below as EDIH EXPANDI.

The document is structured in three parts: 1) Introduction outlining the goal and objectives of this report; 2) Overview of supplied services and key performance indicators (KPIs) that measure the success and impact of our services, providing quantitative insights into our progress; 3) Financial report

By highlighting these elements, this report aims to offer valuable insights into our project's progress and strategic direction and to demonstrate how our services meet expectations, fostering sustained growth and satisfaction.

INTRODUCTION

The European Digital Innovation Hubs (EDIHs) aim to prepare European society and economy for a leading role in sustainable technology development and the twin transition of digital and green progress. The overarching goal of EXPANDI 4.0 is to facilitate digital transition across all Slovak regions by supporting local small and medium enterprises (SMEs), small mid-caps and Public Sector Organizations (PSOs) in their digital transformation, including the consideration of their environmental impact. In a rapidly evolving global landscape, the competitiveness, internationalization and scaling are critical priorities for companies. EXPANDI 4.0 aims to provide the holistic set of the services that could accelerate digitalization and increase the competitiveness of SMEs on local and international markets and support t develop innovative ecosystem of I4.0 bringing together all stakeholders and networks.

After a project duration of 24 months (but actually on 18 months of full implementation, after the co-financing grant was concluded), this deliverable reports on the overall status the project.

Intended Audience

This deliverable is addressed to three main audiences: 1) the consortium members, 2) the commission services and the independent reviewers of the project and 3) the public interested in the work of the EDIHs. As a public deliverable, its content is intended to be made available to other parties via the project website.

Goal

This document aims to is to demonstrate how the services we provide contribute to the broader goals of the project and support EDIH's mission and vision.

ANNUAL OVERVIEW OF THE PROGRESS

1.1 Implementation plan and efficient use of resources

During the first 18 months, the work has adhered to the project plan and proposed timeline, despite unforeseen risks No. 10 and 11, and administrative bottlenecks which delayed the project's commencement by approximately 6 months. Additionally, discussions regarding the EU Court of Auditors' decision on double financing and how to allocate (or not) the funding and services of the EDIHs in Slovakia caused further delays. The final decision by the Managing Authority (MA), with the consent of the European Commission (EC), was to avoid double financing and continue with the original setup. This led to about 2 months of unproductive discussions and work.

On the other hand, we are making significant progress in WP3, WP4, WP5, and WP6, meeting deliverables and milestones. The slightly slower start of the training sessions is due to the extended time required to design, fine-tune, and produce the four training modules, which are set to launch this autumn. The risk No.7 has been mitigated with appropriate involvement of all project partners in communication field as well as in transfer of smaller number (30.000 €) of resources from WP 4 to WP7 (communication) to support better awareness rising among the target group on Ing4.0 program. The communication campaign is effectively raising awareness among the target group.

Positive outcomes so far:

- To date, we have successfully engaged 188 unique organizations, surpassing our initial project targets. The services provided are not only meeting our mid-term goals but are also exceeding expectations, especially considering that only 1 out of the 255 planned educational services have been completed so far (6 are not administratively completed yet).

- There is interest among SMEs in digitalization, although it needs to be supported and encouraged. Therefore, activities of WP2 ate still ongoing

- There is high interest in cybersecurity analysis in both public and private sectors. This resulted in the increase of the budget for Task 3.5 by 100.000 € transfer from the budget of WP 5, where we are mitigating risk No.10, but the overall expected KPIs will be achieved.

- Startups focusing on big data, robotization, and industrial automation (DeepTech) are highly interested in the support provided by WP5. After the first four start ups supported, we saw the interest among the investors and the very first one was awarded by services of the value of 20.000 and inclusion into the accelerator. Other success stories are described in WP5.

- There is very high interest in boot camps among students of vocational education institutions and high schools, exceeding our expectations.

Less positive outcomes:

- The agenda related to SME assessment is significantly impacting our performance and budget. The absence of an official database further complicates the assessment process.

- Some planned activities were too dependent on EU funds managed within the country (financial instruments, grants, vouchers). The delay in launching these calls, due to the recent 2023 elections, is causing project implementation delays, mainly in WP 5, part Grant management advisory. Nevertheless, the recent development is promising.

1.2 Challenges

During the implementation of Work Package 1 – Project Management, the consortium and its partners faced several significant challenges that led to a budget overrun in staff costs. These issues were primarily due to excessive administrative activities, the complexity of client verification processes, and extensive delays in service delivery.

Challenge 1. Significant Time Lost to Unnecessary Administrative Activities

A large amount of time and resources were spent on administrative efforts that yielded little to no value:

- Ongoing Negotiations with MIRRI: Considerable time was devoted to continuous negotiations with the Ministry of Investment, Regional Development, and Informatization (MIRRI) in an effort to simplify administrative processes and minimize the burden on EDIH clients. Despite these extensive efforts, the processes remained complicated and inefficient.

- Reviewing and Commenting on Strategic Documents: Additional time was spent reviewing multiple versions of strategic and implementation documents and submitting counter-proposals, particularly due to frequent staff changes at MIRRI.

- Preparation of Internal Processes: The most time was invested in internally preparing processes such as client journeys, questionnaires, applications, declarations, and email templates, as well as methodologies to meet MIRRI's changing demands while aiming for a quick service rollout.

- Active Project Staff Without Value Creation: Throughout this period, EDIHs maintained a fully active and capable project management staff, ready for immediate implementation. Unfortunately, these teams could not create value for clients, as their efforts were redirected to administrative tasks.

- Unfulfilled Commitments from MIRRI: Several key promises made by MIRRI—such as not interfering with the verification of EDIH aid and independently handling checks—were later broken. The subsequent complications from these broken commitments continue to impact project implementation negatively.

- Issues with Funding Splits and VAT: Time was also lost addressing the complexities of splitting DEP and RRF funding, as well as issues related to VAT calculation and adjustments to project values.

- Administrative Revisions: Further administrative activities were needed to adjust the aid scheme as per MIRRI's requirements.

Challenge 2. Complexity of the Client Verification Process

Despite persistent efforts and communication with MIRRI to simplify the client verification and contracting process, it remained excessively complicated:

- Cumbersome and Resource-Intensive Processes: The final client verification and contracting processes required a significant amount of time, effort, and documentation from both clients and EDIHs. The requirement for physical signatures on applications also made client onboarding challenging, and a fully digital, automated process was not feasible.

- Framework Contracts: The use of framework contracts, although necessary to streamline verification, proved difficult to manage and severely restricted the flexibility of organizing group events. Processing individual applications for group events remained the only alternative, but it was highly inefficient, as client verification had to be repeated for each event.

Challenge 3. Delays in Providing Services

Although EDIH activities officially began in September-November 2022, service provision was significantly delayed:

- Unestablished National Rules: Even though EU co-financing was secured, Slovak EDIHs could not begin providing services due to unresolved national rules regarding cost eligibility, client verification, reporting, and the EDIH call. This situation created a risk that services rendered would not be approved by Slovak authorities.

- Frequent Changes by MIRRI: MIRRI frequently altered the agreed-upon operational concepts of EDIHs, adding layers of uncertainty. As a result, EDIHs were hesitant to allocate further resources, fearing that preparation efforts would be wasted.

- Delayed Contract Finalization: MIRRI only proposed a draft contract in July 2023, which was signed on July 28, 2023. Even after signing, EDIHs could not provide services to de minimis clients (companies) until the state aid scheme was finalized on October 25, 2023.

- Service Start Delayed Until November 2023: Consequently, services for companies did not begin

until November 2023, more than a year after the project's official start. During this entire period (September 2022 - November 2023), EDIHs kept a fully operational project management team, which was primarily engaged in administrative activities rather than client service delivery.

Detailed description of the challenges

PHASE 1 (June 2022 - July 2023): Preparation of the State Aid Scheme, Call for Co-financing from the RRF, and Administrative Rules for EDIHs

This phase involved consultations with MIRRI to establish the rules and address challenges related to state aid. Efforts were made to simplify the verification, application, and contract signing processes. It also included several meetings among Slovak EDIHs and MIRRI.

- August 2022: Initial discussions with MIRRI regarding reporting:

  o Proposal to align reporting rules with those of the European Commission (i.e., certifying expenditures through a single audit at the end of the project, as part of the final financial report).

- September 2022: MIRRI sent Slovak EDIHs the draft ECDI call, including annexes, the proposed de minimis aid scheme, and the draft contract with its annexes.

- September 2022: The first open letter to MIRRI was coordinated among all EDIHs to present a unified approach to MIRRI.

  o Objectives of the letter were to eliminate legal and substantive uncertainties arising from the contract text and its annexes; align the contract and annexes with European legal acts and the European Digital Innovation Hubs (DIGITAL-2021-EDIH-01) call.; remove excessive and unnecessary administrative burdens imposed on both

  EDIHs and MIRRI, which went beyond European Commission requirements and were not anticipated in the approved project plan that is binding as part of the grant agreement.

- November 2022: While waiting for updated strategic documents from MIRRI, Hopero prepared and shared a draft of the State Aid Provision Process with other EDIHs, detailing each step:

  o Application submission

  o Condition verification

  o Recommendation of services and approval of applications

  o Provision of aid

  o Publication of the list of recipients

  o Record-keeping

- December 2022: MIRRI prepared the de minimis aid scheme, but there was still no clarity on the exact procedures EDIHs should use for client verification.

  o EDIHs advocated for minimal documentation requirements from businesses, suggesting that most information be handled through sworn declarations.

- January 2023: EDIHs received an unofficial version of the implementing documents for the aid scheme (methodological guidance, manual) and provided feedback to minimize the administrative burden on businesses.

- February 2023: EDIHs submitted comments to MIRRI on the received documents, summarizing problematic points, including the negative impact on EDIH project implementation.

- February 2023: Leadership at MIRRI's project implementation department changed, leading to a shift in the approach to verification rules and a complete rewrite of the call documentation, funding conditions, and obligations for EDIHs.

- March 2023: MIRRI issued the call for applications for EDIH project co-financing.

- March - May 2023: Several meetings took place between EDIHs and MIRRI to address the client

verification process. The then-deputy minister of MIRRI also attended these meetings.

- o During these meetings, MIRRI made several key promises that were later not fulfilled, resulting in ongoing problems that negatively affect project implementation to this day.

- o MIRRI prepared multiple versions of the implementation documents, which EDIHs reviewed and commented on.

- o In the meantime, EDIHs worked on unified administrative procedures (verification, contracting, and document sharing with MIRRI, event administration, and project audit).

- June 2023: MIRRI finally published the call for EDIH project co-financing applications, which raised several operational questions and issues.

- o EDIHs had to attend additional meetings with MIRRI to address these issues, and MIRRI subsequently revised the call.

- July 2023: Co-financing contracts were signed, but unresolved issues related to client verification and contracting (application process, contract signing, aid granting, and registration in the state aid register) persisted.

PHASE 2 (August 2023 - December 2023): Preparation of the Revised De Minimis Aid Scheme and Verification Methodology

- Following the signing of co-funding contracts with MIRRI, EDIHs hoped to start service provision from September 2023.

- August 2023: Updated administrative process documents were created based on MIRRI's comments, including the call for applications for digitization aid and updated client application formats. These were discussed with MIRRI and revised as instructed.

- Consultations: Several meetings took place between Slovak EDIHs and MIRRI to address administrative simplifications:

- o Proposals were made to streamline aid delivery:

- ⬚ Electronic submission of applications (without requiring physical signatures)

- ⬚ Use of methods other than authorized electronic signatures or paper signatures for contract signing

- ⬚ Leveraging the Transparex system (which could determine business size using public data) for client eligibility verification

- Unfortunately, these simplification proposals were rejected.

- September 2023: Leadership at MIRRI changed again, prompting further amendments to the de minimis aid scheme. Key revisions included:

- o Requirement to verify a single enterprise only once—at the point of aid provision.

- o Preference for framework contracts to simplify the verification process.

- o While beneficial, these changes delayed aid provision by an additional three months.

- September - October 2023: MIRRI worked on revising the de minimis aid scheme, while EDIHs adjusted internal processes to comply with the proposed changes.

- o This included setting up client application processes, verifying eligibility, signing contracts, preparing internal documentation, and finalizing the client zone.

- October 2023: The revised de minimis aid scheme was published, creating optimism that aid could soon be provided. However, MIRRI's methodology for verification and contracting remained unclear.

- Based on the final version of the scheme, EDIHs finalized administrative processes, but individual client contracting did not start until November.

- Even after that, service provision was limited due to (i) the need to update processes for the finalized scheme and (ii) insufficient time before the holiday season to organize service delivery.

- As a result, the full rollout of services did not occur until January-February 2024.

PHASE 3 (January 2024 - August 2024): Additional Administrative Activities and Project Adjustments

- March - August 2024: Efforts focused on handling project splits, submitting budget split proposals, and communication with MIRRI and the European Commission. The project split was ultimately rejected by MIRRI, despite extensive work and multiple meetings:

  o March 15, 2024: Discussion on project split status and communication with the European Commission.

  o April 10, 2024: EDIH meeting to agree on proceeding with the project split.

  o May 2, 2024: Communication with the European Commission (EC) on split options and procedures.

  o August 2, 2024: Meeting on the VAT implications following MIRRI's emails and how to proceed after the split rejection.

- Significant effort was spent on project re-planning and budget revisions, which ultimately proved unnecessary.

- April - July 2024: Modifications to the call, applications, and contracts with clients due to changes in the de minimis scheme for digitization aid.

  o April 29, 2024: Meeting with MIRRI on the new de minimis aid scheme effective from July 1, 2024.

- April - August 2024: Discussions on VAT invoicing for services and the necessity of charging VAT, as informed by MIRRI.

  o April 29, 2024: Meeting on VAT procedures.

  o May 15, 2024: Meeting on resolving VAT issues and the project split status.

- July 2024: Further modifications to the call, application, and client contract following amendments to the de minimis aid scheme.

Alongside all of these hurdles, we have step by step implemented our plan and faced several necessary adjustments to better reflect our understanding of the needs of the SMEs: All of the proposed adjustments were submitted and approved by the program officer

a) Start up support

b) Penetration test launch (cybersecurity)

All the changes were incorporated into the price list of the EXPANDI 4.0Table 1: Innovation Ecosystem and Networking service catalogue

Project management, quality assurance and monitoring and evaluation strategy:

Project management is running as proposed in the approved project. Regular meetings of the project management team and regular beneficiary meetings list of the meetings and dates) provide the basis for the full control of the activities and deliverables across all the WPs.

We do not foresee any major change in the process

Cost effectiveness and financial management

During the implementation of Work Package 1 – Project Management, the consortium and its partners encountered several significant challenges that resulted in a budget overrun in staff costs, primarily on the part of the Coordinator. The root causes of this situation include excessive administrative activities related to the MA work—particularly since the introduction of a third implementation monitoring team in 2022—along with the complexity of client verification processes. These factors have led to extensive

delays in service delivery.

Challenge 1. Significant Time Lost to Unnecessary Administrative Activities

A large amount of time and resources were spent on administrative efforts that yielded little to no value:

- **Ongoing Negotiations with MA** to simplify administrative processes and minimize the burden on EDIH clients. Despite these extensive efforts, the processes remained complicated and inefficient.
- **Reviewing and Commenting on Strategic Documents**: Additional time was spent reviewing multiple versions of strategic and implementation documents and submitting counter-proposals, particularly due to frequent staff changes at MA.
- **Preparation of Internal Processes** to meet MIRRI's changing demands while aiming for a quick service rollout.
- **Inconsistency of the Commitments and implementation of the monitoring activities by MA** affecting project implementation negatively.
- **Issues with Funding Splits and VAT**: Time was also lost addressing the complexities of splitting DEP and RRF funding, as well as issues related to VAT calculation and adjustments to project values.
- **Administrative Revisions**: Further administrative activities were needed to adjust the aid scheme as per MA requirements, non-existent national co-funding till November 2023

Change of the budget items -. Approved by the Beneficiary meeting on August 15, 2024 is the only major change, but in summary, it is not exceeding the 20% of the overall project budget.

Critical risks and risk management strategy

1.3 Impact

The condensed list of the KPIs is shown in Tables 2-4.

Table 1: KPI 1

KPI 1: Number of business and public sector entities, which have used the EDIH´s services

Type of service provided	SMEs	Actual	Mid caps/LA	Actual	Public entities	Actual	Total	Actual
Assessment of the current situation	76	82	6		6		88	82
Advisory on digital transformation	20	8			2		22	8
Cybersecurity assessment	46	46	2		2		50	46
Advisory on data management	10	16	6				16	
Advisory on design of digital product	15	5	5		1		21	5
Total	**167**	**149**	**19**		**11**		**197**	**149**

Table 2: KPI 2

KPI 2: KP 2 Amount of additional investments successfully trigerred

Type of investment	Number of businesses - Plan	Actual	Total investment in EUR	Actual
Bank loans	4	1	1 500 000	466 440
Access to innovation/digitalisation vouchers	25		1 000 000	
Total	**29**		**2 500 000**	**466 440**

Table 3: KPI 3

KPI 3: Number of collaborations foreseen with other EDIHs and stakeholders outside the region at EU level

Activity	Events/year	Total value planned	Actual
Annual conference on I4.0	1 event per year	3	1
Conference of EU funding opportunities for digitalisation[1]	1 event per year	3	0
Seminars on specific EU funding programs[1]	6 events per year	18	4
Funding Strategy trainings[1]	3 courses per year	9	0
Investment trainings[1]	3 courses a year	9	0
Best Practice Safari[2]	2 events per year	6	1
Pick&Do workshop[3]	2 events per year	6	4
Impact Workshop[3]	1-2 events per year	4	30
Total		**58**	**40**

[1] EXPANDI will provide the space for the event and support mobilisation and engagement of SMEs into active participation, while SHopero will cover the organisation costs

[2] EXPANDI will cover the organisation costs, DInO, Hopero, AT Platform I 4.0 will mobilize stakeholders to participate

[3] EXPANDI will cover the organisation costs, BOWI will be used to attract other relevant EDIHs to nominate case studies

Changes in the impact strategy of EXPANDI 4.0

Work package 4:

In Slovakia, there are only 999 registered medium-sized enterprises (10–249 employees) in the manufacturing sector. These enterprises play a crucial role in the open economy of Slovakia, primarily focusing on supplying Tier 1 and Tier 2 Original Equipment Manufacturers (OEMs) such as Volkswagen, KIA, Peugeot-Citroen, Jaguar-Land Rover, and soon Volvo. Given their reliance on these major automotive producers, any global market slowdown significantly affects their daily operations.

The interconnectedness of the Slovak manufacturing ecosystem with the German and broader European manufacturing industries is profound. Germany, being Slovakia's largest trading partner, heavily influences the Slovak economy. When business optimism declines in Germany, it reverberates through Slovakia's manufacturing sector, leading to reduced orders and production slowdowns. **This dependency underscores the vulnerability of Slovak SMEs to broader European economic trends.**

Political instability and an unclear vision from the Slovak government further exacerbate these challenges. This uncertainty creates a significant hindrance when engaging with potential customers, particularly in the area of employee education and training. Companies are hesitant to invest in training programs amidst an unpredictable regulatory environment.

To address these challenges and meet our service goals, we have adopted a different approach. We have increased our communication efforts and provided pilot sessions to garner positive testimonials from key industrial partners in Slovakia. This strategy aims to build trust and demonstrate the value of our offerings despite the challenging environment.

Our signature product, Ing4.0, has received strong support from all partners. Although inspired by the Swedish Ingenjör 4.0, our version has been developed to surpass the original in terms of relevance and applicability to the Slovak context. This tailored approach has already yielded positive results, with a growing number of registered participants for courses starting in the first quarter of 2025.

Work Package 5:

Our joint plan with Hopero to organize events focusing on access to EU and national funds encountered significant challenges due to administrative burdens (detailed in Part 2). Additionally, the Ministry of Economy of the Slovak Republic has repeatedly postponed and partially declined the use of financial instruments for the digitalization of Slovak SMEs via Slovak banks supported by the Slovak Investment Holding (SIH). Consequently, we redirected our main scope of activities to support young entities—startups

in the DeepTech field. We provided these startups with tailor-made services, facilitating direct contact with potential investors at highly respected events.

Work Package 6:

Our Best Practice Safari (BPS) program faced major setbacks due to a lack of support from Slovak entities capable of hosting less developed SMEs. To address this, we initiated the first edition of BPS in collaboration with EIT Manufacturing East, focusing on visits to established R&D centers of industrial companies in Austria. This initiative targets R&D leaders from SMEs, aiming to provide insights into the functioning of Austrian R&D centers, their competencies compared to parent companies, and their collaboration with technical universities. The goal is to foster cooperation between EDIH and innovation teams, strengthening the link between industry and academia.

However, the implementation of the BPS in Austria faces challenges due to low interest from R&D and SME representatives. This reluctance is driven by market uncertainties caused by upcoming legislative measures and the busy autumn business period. Despite these obstacles, our targeted efforts and strategic adjustments are beginning to show promise, positioning us to better support the Slovak manufacturing sector in these turbulent times.

Similarly our Pick&Do workshops, seminars and conference on EU funding and funding strategies and impact workshop have been rearranged and managed by internal resources, or due to the U10 not implemented at all (funding strategies etc.).

Communication, dissemination and visibility of funding

During the first 24 months, communication and dissemination activities followed the project plan and proposed timeline, despite unforeseen risks #1 and #2, which delayed the launch and delivery of EXPANDI 4.0 services by approximately six months. This caused a shift in the implementation of EXPANDI 4.0 services.

In this period, our communication focused on raising awareness of the EXPANDI 4.0 brand among target groups and introducing individual services, their funding mechanisms, and profiles of consortium partners. The communication to support the acquisition of specific services was moved to the next period when clear financing rules and guidelines for providing services were established by MIRRI.

We disseminated key information and news at relevant events where we can reach our target groups as effectively as possible.. In the monitored period, we organized 78 events aimed at knowledge transfer and reaching our target audiences. Event formats were designed to maximize reach. EXPANDI 4.0 representatives attended 37 impact events (30 in Slovakia and 7 abroad), organized 16 consortium events, 3 "Pick and Do" meetings, 5 seminars on specific EU funding programs, 1 Best Practice Safari, 1 Annual Conference, and 15 Technology Bootcamps.

Changes, Adjustments, and Additions

We regularly evaluated the progress of communication activities and their reach to target groups. Based on these evaluations, we adjusted the content with new messages, adapted the communication tool mix, and refined dissemination methods.

We also incorporated a survey on the level of digital penetration in companies into EXPANDI 4.0 activities. I4UM has conducted this survey for eight years, and its results are particularly useful for achieving strategic goals in WP4, WP6, and WP7. We communicated the survey results through media, newsletters, and presentations at events, reaching both the general public and academic communities.

For the Technology Bootcamp (WP4 - T4.3), we adjusted parameters - reducing the duration of bootcamps, increasing their frequency, and refining the target audience. These changes allowed us to strengthen digital manufacturing skills for a significantly larger number of secondary vocational schools

(public entities). By September 30, 2024, a total of 284 students participated in **16 bootcamps**. We are pleased with the strong interest from both schools and students. We decided to hold bootcamps once a month, adding an Innovation Bootcamp concept led by SIEA.

In WP7 Task 7.3, we added an acquisition campaign for the ING 4.0 program and established a platform to run the educational program. The campaign launched in summer 2024 and continues into autumn 2024. Full-scale practical training will begin in fall 2024, following the completion of pilot courses by the first 7 graduates. The total target is 225 graduates. Delays in the training start were caused by the complex preparation of content, methodology, and course operations. This preparation took over 1,5 year, involving collaboration between I4UM, partners, businesses, and SIEA, with content developed by three universities and private sector representatives. Summer holidays further contributed to the delays.

In response, NACERO increased the budget for communication activities implemented by I4UM under WP7 – Task 7.3, including running the Canvas educational portal that hosts the program. Communication activities on social media are ongoing, and presentations are being delivered at relevant events. We also prepared promotional materials—brochures, flyers, and roll-ups to support ING 4.0 marketing efforts.

For the educational program itself, we produced 90 instructional videos in collaboration with academics from technical universities in Bratislava, Žilina, and Košice, including Professors: Prof. Ing. Hana Pačaiová, CSc., Doc. Ing. Tibor Krenický, PhD., Prof. Ing. Iveta Zolotová, CSC., Doc. Ing. Peter Papcun, PhD., Ing. Dušan Horváth, Doc. Ing. Juraj Grenčík, PhD., Ing. Peter Darvaši, Prof. Ing. František Duchoň, PhD., Prof. Ing. Jozef Svetlík, PhD., Prof. Ing. Aleš Janota, PhD., Doc. Ing. Vojtech Šimák, PhD., Ing. Milan Lokšík, PhD., Ing. Lukáš Špendla, PhD., Doc. Ing. Peter Bednár, PhD., Doc. ing. Ján Vachálek, PhD., Prof. Ing. Martin Krajčovič, PhD., Prof. Ing. Gabriel Fedorko, PhD., Ing. Andrej Štefánik. PhD.

We are also in negotiations for program promotion and recruitment with employers and professional associations like APZD, AZZZ, ZAP SR, and sector councils. We are discussing support from ministries (MH SR, MŠVVM SR, MIRRI SR) and VAIA. We cooperate with the Association of Sector Councils.

We actively collaborate with HR specialists to enhance the dissemination of information and streamline the recruitment process for the ING 4.0 training courses. This partnership helps us expand our reach and effectively target potential participants, ensuring the training opportunities are well-promoted and accessible to a broader audience.

We held the first Annual Conference (October 3-4, 2024), which brought new ideas, collaborations, and connections. The conference was part of the National Productivity Forum, which has been active for 25 years. The two-day forum attracted 200 participants, including both large and small-to-medium enterprises (SMEs). It's important to recognize that SMEs are integral to larger supply chains, and opening dialogues on digitalization between SMEs and large companies is crucial. Large companies can play a mobilizing role, encouraging SMEs to take digitalization steps.

On October 4, 2024, we organized a Best Practice Safari for 42 participants at one of the most modern production plants—KIA Slovakia in Teplička nad Váhom. The BPS featured expert presentations, a discussion segment, and a tour of the production facilities.

We added the Best Practice Catalogue to WP7, which involves documenting and publishing case studies of clients who utilized EXPANDI 4.0 services. Several case studies are in progress, and we will publish them on the EXPANDI 4.0 website in a dedicated section for sharing best practices. These will also be disseminated via social media and e-newsletters.

In all communication and dissemination activities, we consistently referenced EU funding options according to MIRRI guidelines outlined in the Information and Communication Manual, ensuring visibility of funding bodies.

On promotional materials (e.g., EXPANDI 4.0 service catalogs, presentations, as well as print, online,

podcast, and video outputs), we adhered strictly to communication guidelines and displayed logos of funding partners in the required position and size. All formats mentioned are documented in the attachments of the WP7 report under Task 7.3.

2. WORK PLAN, WORK PACKAGES, ACTIVITIES, AND TIMING

2.1 Work package 1: Project management and coordination

Task No.	Task name	Description of the work performed
T1.1	**Overall project management** (including financial management)	**Implementation Summary** The main activities under T1.1 were successfully carried out by the consortium's Project Management Team, led by the Coordinator and supported by administrative staff from all partners. The main responsibilities included project administration, financial management, and reporting to the European Commission. Activities under this task involved the preparation of financial statements, monitoring expenditures, coordinating with the EC, and managing the distribution of project funds. In addition, the team facilitated internal reporting and supported the delivery of project outputs through coordinated efforts. Significant efforts were made to align with the complex administrative processes imposed by the MIRRI. We have launched a dashboard in 2023 to provide a visual interface that consolidates key information, metrics, and data points in one place. Here are some key functions and benefits of dashboards: 1. **Data Visualization**: Dashboards present complex data in an easily digestible format using charts, graphs, and tables, making it simpler for users to understand trends and insights at a glance. 2. **Real-Time Monitoring**: They allow for near real-time tracking of performance metrics, enabling users to make informed decisions quickly based on current data. 3. **Centralized Information**: Dashboards serve as a single source of truth, aggregating data from various sources, which helps eliminate confusion and ensures everyone is on the same page. 4. **Enhanced Decision-Making**: By providing a comprehensive overview of relevant data, dashboards facilitate better, data-driven decisions, helping organizations respond effectively to changes and challenges. 5. **Performance Tracking**: They are useful for monitoring key performance indicators (KPIs) and other critical metrics, allowing teams to assess progress toward goals and identify areas for improvement. However, the implementation of T1.1 was impacted by unforeseen administrative hurdles. The PMT faced substantial delays and an increased workload due to additional obligations required for verifying the eligibility of EXPANDI 4.0 clients under the state aid scheme. These requirements were not anticipated in the initial project plan

T1.2		and included extensive documentation, physical form submissions, and continuous consultations with MIRRI. Consequently, more resources than planned had to be allocated to administrative activities, resulting in budget overruns.

and included extensive documentation, physical form submissions, and continuous consultations with MIRRI. Consequently, more resources than planned had to be allocated to administrative activities, resulting in budget overruns.

For the detailed description of activities that have been carried out under T1.1 see also the chapter *Cost effectiveness and financial management.*

The Hopero project's administrative process, which is highly resource-intensive, includes the following steps:

‣ Client Application Submission: Clients must submit a detailed application for assistance, providing comprehensive information about their business, including size, ownership, and management details.

‣ Application Review: EDIH staff review the application to ensure all required information is complete and accurate. If any data is missing, the EDIH team must contact the client to rectify these gaps.

‣ Eligibility Verification: The EDIH team verifies the client's eligibility, including confirming the business size using publicly available sources in conjunction with the provided client information.

‣ Application Finalization: Once verified, the final application is sent to the client for signature.

‣ Framework Contract Preparation: For ongoing services (not one-off group events), a framework contract is drafted.

‣ Contract Execution: After the client signs the contract, they must physically deliver the signed copy to the EDIH's designated address. The EDIH signs the contract, and if CCSAS is also involved, the contract must be published.

‣ Aid Registration: The aid details are uploaded to the IS SEMP (Central State Aid Register).

‣ Digital Folder Creation: A digital folder must be created per MIRRI's guidelines. The system is case-based rather than client-based, meaning multiple folders are needed for a single client if they receive assistance from different partners or under different conditions. This results in duplicated documents across multiple digital folders, increasing administrative complexity.

Mitigating the challenges

To mitigate these challenges, we continue to adopt more efficient administrative procedures and continue advocating for simplification in our engagements with MIRRI. Additionally, specific resources were reallocated to administrative functions, and a dedicated team was established to handle the administrative aspects of the process. This will allow core project staff to refocus on planned deliverables and financial management.

T1.2	**Beneficiaries´ meetings**	**Implementation Summary**
		Task T1.2 focused on ensuring the efficient and coordinated

Task No.	Task name	Description of the work performed
		execution of all project activities. Led by the Coordinator, this task aimed to establish a strong project performance supervision to maintain high-quality outputs and timely delivery throughout the project lifecycle. Beneficiary meetings are held monthly alongside the Project Management Team meetings, except summer period where the meetings are bimonthly.
T1.3	**Project Management Team**	PMT consists of all WP leaders and COO. Supervise and coordinate the technical work within the WPs, to ensure that the tasks in the work plan are achieved (in terms of both quality and time).
T 1.4	**Collaboration with Digital Transformation Accelerator (DTA)**	The Project Management Team (PMT) consists of all Work Package (WP) leaders and the Chief Operating Officer (COO). The team supervises and coordinates the technical work within the WPs to ensure that tasks outlined in the work plan are completed on time and meet quality standards. Meetings are held on a monthly basis. The PMT utilizes the MS Teams environment and dashboard outputs to closely monitor project performance based on the services provided and the progress of each WP. This includes detailed tracking of engaged clients, categorizing them into those who have applied for services, those undergoing administrative assessment, those currently in progress, and those who have received services.

2.2 Work package 2: Client Acquistion

Task No.	Task name	Description of the work performed
T2.1	**Appointment of sales staff; preparation of sales and training documents for sales**	Our unique approach to achieving performance targets is grounded in the extensive experience of our partners in the business. We recognize that **client acquisition is of utmost importance and cannot be substituted by communication alone**. Therefore, we have chosen experienced consultants, who bring a wealth of expertise in the field. To ensure their effectiveness, we trained them through several **workshops covering topics such as EDIH, state aid, and the services we provide**. These consultants have actively participated in the preparation of sales materials, leveraging their knowledge to create compelling and informative content. Their involvement has been instrumental in our strategy, as they bring a hands-on approach to client acquisition. By combining their field experience with targeted training, we have equipped them to effectively communicate the value of our services and engage potential clients directly. This approach has allowed us to build stronger relationships with our target audience and achieve our performance goals more efficiently.

Task No.	Task name	Description of the work performed
T2.2	**Regular reporting on sales; Sales pipeline; Sales feedback loop**	Sales representatives regularly report the current sales status. The status of the orders is recorded in a shared, secure folder. They communicate based on the created database and through marketing activities and sent promotional emails. Feedback from sales/implementation is recorded through questionnaires—customer satisfaction surveys.

2.3 Work package 3: Test Before Invest

Task No.	Task name	Description of the work performed
T3.1	**Overall analysis of the clients' current state; setting the digitalization road map**	The implementation team at Sova Digital assesses the company's level of digitalisation and subsequently recommends further steps for digitalisation (roadmap). They provide advisory services by evaluating customer needs for further Expandi services. 40 services have been sold. We expect an increase in service sales in the next period
T3.2	**Cybersecurity assessment**	Since the beginning of the project, the senior cybersecurity team from Soitron-VOID SOC has successfully conducted 16 cybersecurity assessments for SMEs, delivering detailed analysis reports. Currently, assessments for 5 additional SMEs are in progress. We have also received positive feedback from SMEs, as different vulnerabilities were identified and highlighted in each report. The reports also included tailored recommendations on how to enhance cybersecurity within the SMEs' IT infrastructure. Additionally, 13 more SMEs are in the pipeline to be approached and to agree on conducting a cybersecurity analysis. There were also 10 SMEs we attempted to contact multiple times, but we have not yet received any feedback despite several efforts from our side. The new service – PENETRATION TEST has been added to the offering since 09/2024 followed by the financial transfer from SIEA to SOITRON (personal costs, 100.000 € and related 7%) to cover extension of the services in this WP and Task.
T3.3	**Advisory on digital transformation and proof of concept**	The service is carried out in the form of personal meetings between Matador specialists and interested parties. It is based on practical demonstrations of digitalization and automation solutions and personal consultation and advice on solutions for the specific needs of the company. The given services are always operatively adapted to the actual needs of the interested parties.1 service has been done by Alžbeta Podobová and by Petra Pecháčková. Matador identified and modified original offerings to become more suitable and interesting for potential clients.
T3.4	**Digital solution application (laboratories, test**	A team of seven top experts from NCR (Chovanec, Babinec, Duchoň, Goga, Paulech, Dobiš, Morháč) and 3 experts from

	bed etc.)	SOVA (Olšavský, Lokšík and Ferenčík) was created, who continuously during the duration of the project are dedicated to the implementation of digital solution application for EXPANDI4.0 customers. In total, 10 services of this nature were recorded. A total of 16 such services are to be provided. The deviation from this number is due to inconsistencies around the reporting of services in general. Currently, traders from SOVA DIGITAL are highly active in offering this service. A team of senior application engineers from SOVA Digital is actively delivering the service of laboratory validation of solutions for customers. We identify the most suitable applications of digital solutions in a test laboratory or test bed environment. A total of 10 services have been sold, and we see potential to sell 6 additional services in the next period.
T3.5	**Advisory on data management**	A team of senior application engineers is actively delivering the enterprise data management service. 8 services have been sold out of 16. We see potential to sell an additional 8 services in the next period.
T3.6	**Advisory on design of digital product**	A team of seven top experts from NCR (Chovanec, Babinec, Duchoň, Goga, Paulech, Dobiš, Morháč) and 3 experts from SOVA (Olšavský, Lokšík and Ferenčík) was created, who continuously during the duration of the project are dedicated to advisory on design of digital product. In total, 1 services of this nature were recorded. 16 such services are to be provided. The deviation from this number is due to inconsistencies around the reporting of services in general. Currently, traders from SOVA DIGITAL are highly active in offering this service.1 sold service will be delivered in the next period. The company that purchased the service is currently busy, which is why the implementation has not yet taken place. The service will be carried out by a team of senior application engineers from Sova Digital
T3.7	**Environmental assessment**	The key industries in Slovakia are automotive, mechanical engineering and electrical engineering, concentrating only on manufacturing. This industry does not cause a significant environmental burden. This service is provided as a side service within the WP 5 during technology scouting and during the preparation of grant proposals (grant management), where environmental aspects are mandatory part of the proposal (similarly to HE, DEP etc.)

2.4 Work package 4: Skills and training

Task No.	Task name	Description of the work performed
T4.1	**Content development:**	The project was developed based on a memorandum signed by representatives from industrial associations, leading technical universities, and the state. The content definition and oversight

		Upskilling and Reskilling Training Tool/Content development	are managed by a **Council of Experts**, which includes representatives from both industrial enterprises and universities. This Council has identified five themes that are most relevant to practical applications.
			A total of **20 selected experts** from three of the top Slovak technical universities and leading companies contributed to the content creation. Four educational modules were developed, focusing on **robotics, logistics, data processing,** and **maintenance**. The module designed for top managers has been temporarily postponed due to a shortage of experts in that area.
			Each team consists of three university representatives, one company representative, and one coordinator. The courses are structured for **21 teaching hours**, which include five webinars (2.5 hours each), six hours of hands-on exercises, and a 2.5-hour final meeting. All courses are delivered via video recordings, making them independent of specific lecturers. Following the videos, participants engage in discussions and complete a test. A methodology for developing course content and completion requirements has been established, and all content has been evaluated by a group of experts from Slovak companies.
T4.2	**Skills development:** Train the trainers Management and I4.0 evangelists trainings; Training courses up and running		Currently, **29 specialists** from universities and industry are trained and actively involved in teaching. Pilot courses for each module were conducted in **May-June 2024**, providing valuable feedback for minor content adjustments. These pilot courses have successfully produced the first **7 graduates**, with a total of **225 graduates** planned to be served.
			The delay in starting the training was primarily due to the complex development process of the content by the three universities and a representative from the private sector. Additional delays occurred because of the summer holidays.
			To address this, an intensive campaign (WP7) was launched during the summer of 2024, which will continue throughout autumn 2024. This initiative, along with future campaigns through Industry4UM, will enable us to serve many more participants. Starting in autumn 2024, we will fully implement learning for practice.
T4.3	**Technology Bootcamps**		Based on the evaluation of the current state, supported by the latest Industry4UM 2023 survey on the level of digitization in enterprises, we identified a significant issue: graduates from secondary vocational schools often lack the necessary skills for digitized production. In response, we re-evaluated the parameters of our technology bootcamps and shifted our training focus toward students from secondary vocational schools and gymnasiums.
			We adjusted the format from 3-4 day sessions to 1-2 day bootcamps, aligning the content with the amount of information students can effectively absorb in a single session. This shorter format also enabled us to increase the frequency of bootcamps within the capacity of the EXPANDI 4.0 team.
			As a result, we successfully trained and enhanced the digital production skills of 284 students throughout the project.

2.5 Work package 5: Support to find investments

Task No.	Task name	Description of the work performed
T5.1	**Establishing the MoU with the funding entities**	Due to delays in implementing financial instruments in Slovakia, we currently have only a Memorandum of Understanding (MoU) between EIT Manufacturing East GmbH and SIEA, which outlines various aspects of our joint collaboration.
		The anticipated MoUs with Slovak Investment Holding and investors have not yet been signed due to these delays. However, we maintain close cooperation and regular communication with both institutions. We also jointly coordinate several communication and dissemination activities e.g. participation at ITAPA conference 2023 and participation in the panel discussion on financing the digitalization during Annual conference 2024.
T5.2	**Access to EU programs and investors**	The goal of this task is to support companies, including start-ups, in accessing European funding for the deployment of new technologies. In 2022, we organized a specialized event in collaboration with Hopero to advance this initiative.
		This task was impacted by the unforeseen risk U1, prompting us to develop a strategy to assist start-ups at selected events. We provide opportunities for technology scouting, including intellectual property rights (IPR) scouting.
		We facilitate participation in key events such as the DeepTech Summit 2023 and 2024 in Warsaw, the a4i event in Las Vegas, and the Inpho Venture Summit in Bordeaux 2024. We see these events as viable pathways for accessing venture capital and other types of investors.
		For instance, RobotsDoArt secured a ticket to an international accelerator and software services valued at €20,000 after the DeepTech Summit 2023. BatteryCheck reached a preliminary agreement during the DeepTech Summit 2024 to pilot its solutions in Poland, with potential scaling to Slovakia, and is receiving support for its globalization strategy. Additionally, Daiable connected with a potential investor during the Las Vegas event, with discussions underway for an investment of $2 to $3 million into this Slovak start-up.
		Currently, our pipeline includes approximately eight start-ups, along with several returning clients.
T5.3	**Access to national funds**	**The main EXPANDI tool supports organizations in utilizing national funding—albeit limited—to grow their digital innovations and transform their businesses. Our key achievements and learnings in this area include:**
		The support we provide is based on our extensive experience as assessors of national and international programs in Slovakia, Serbia, and Poland/Switzerland. Our strategy focuses on delivering a dedicated and tailored approach that enhances proposals, effectively assisting clients in securing funding.
		We have successfully supported companies in accessing national funds, with **Patak Motor Company** being our first client in this capacity. We maintain an open contract for long-term support as the company seeks multiple sources to finance the development of a modern production facility for small series of custom-made cars. Our initial grant management support led to

| | | a grant award totaling **€466.440,69** (OPII-MH/DP/2022/9.5-35/CRC9 | Centrálny register zmlúv). |
| | | Our pipeline for these services is expanding, and we are currently finalizing details of support with entities in the battery industry. |

2.6 Work package 6: Ecosystem and Networking

Task No.	Task name	Description of the work performed
T6.1	**Cooperation with SK I4.0 platform**	During the monitored period, we provided strategic advice to policymakers on developing effective professional, strategic, and political measures for the implementation of Industry 4.0 and the digitization of industry. We created platforms for consulting and sharing best practices in policy development, specifically focused on the digitization of industrial processes. Furthermore, we established opportunities to build ecosystems and informal groups that we connect to develop tools and infrastructure to support Industry 4.0 and digitization in SMEs. One of our key tools was a survey assessing the level of digitization penetration in businesses.
		We successfully engaged with domestic and international organizations, stakeholders, and opinion leaders to create joint programs that promote digitization. Our collaboration with the Association of the Automotive Industry of the Slovak Republic has been particularly fruitful, resulting in initiatives like the Digitalization Indicator for the automotive sector and an award recognizing outstanding digitization practices. We also partnered with them to recruit participants for the ING 4.0 educational courses.
		Our international cooperation is further extended via partnership in [EDIH] East-West Corridor Thematic Work Group and via partnership with the Czech EDIHs on the CZECH - SLOVAK TECHNOLOGY SUMMIT 2022, 2023 and 2024
		Additionally, we worked closely with the Association of Industrial Unions and Transport, as well as sector councils, to help recruit employees for the ING 4.0 reskilling and upskilling programs. Our cooperation with EIT Manufacturing in Vienna has been a success, particularly in supporting R&D leaders and organizing Best Practice Safaris to Austrian R&D centers.
T6.2	**Technology scouting Task**	This task is provisioned within the WP 5 as a side service for preparation on the meetings with investors. Altogether 10 services already provided. The service is supported by the SW solution inno-verse.
T6.3	**Advisory to policy makers**	This task was successfully completed with the delivery of the comprehensive report titled "Enhancing the SMEs Support linked to Industry 4.0 in Slovakia." This report provides a set of policy recommendations based on an in-depth analysis of the Slovak ecosystem, incorporating best practices and experiences from Korean policymakers. The report was prepared in cooperation with the Korean Development Institute and within the framework of the Knowledge Sharing Program.
		Slovak experts, including Michal Muhl and Artur Bobovnický, actively participated in the preparation of this report. It was presented at the Ministry of Economy to Mr. Tomas Kakula,

| | | Director General of the Section of Competitiveness, and senior experts from the Slovak Research and Innovation Authority, including Mr. Ronald Blaško, on June 16, 2023. |

2.7 Work package 7: Support to find investments

Task No.	Task name	Description of the work performed
T7.1	Communication Strategy	During the first 24 months, we fulfilled the communication strategy, despite unforeseen risks no. 1 and 2, which delayed the start of the project by approximately 6 months.
		We created sets of information and expert content based on the needs of SMEs and the set goals of communication. So that all target groups get the necessary information and can use it for their other activities.
		We regularly communicated updates on our key information platform – the website www.expandi40.sk, which serves as the primary source of information about EXPANDI 4.0 and its services. It explains the funding mechanism through the support scheme, provides details about individual services, service pricing, news updates, planned events, contact information, and references for completed services.
		We continued producing expert and informational materials, along with analyses based on business needs and the state of digital transformation in Slovak industry. These reports contain information on surveys conducted as part of the project, along with their results, key findings, and recommendations. The survey results serve as essential reference material for the market, universities, and the media.
		An important part of our communication strategy during the monitored period was building a stakeholder community for exchanging knowledge and experiences. We significantly expanded our database of cooperating entities, including representatives from businesses, academia, universities, vocational schools, and policymakers. We successfully involved them actively in creating and disseminating content.
		Together with experts from industrial enterprises and academia we developed the content of the ING 4.0 educational program. We established an Expert Council, which identified and refined the program's content and methodology. The collected insights from various areas of Industry 4.0 are being gradually prepared for further dissemination to our target groups in various formats (such as lectures, training sessions, conferences, workshops, etc.).
		We can confidently state that our communication efforts are effectively supporting our activities. As a result, the number of SMEs utilizing the services of EXPANDI 4.0 has increased. In creating content and developing formats, we work closely with the EDIH sales representatives, consulting on the content, intensity, and focus of each topic, as well as the promotion of individual services. Together, we discuss and assess the relevance of various communication tools. Through this collaboration with the acquisition team, we are successfully achieving the expected results in recruiting SMEs to utilize our services.
T7.2	Events	We actively shared expert content by organizing our own events and participating in others, engaging our target groups

		effectively. Through these events, we disseminated information about the EDIH, its services, project outcomes, and best practices. Additionally, these events served as networking opportunities, allowing us to recruit new collaborators and build our expert capacities and communities of stakeholders. In total, we disseminated content at 77 events.
		However, the bureaucratic burden imposed by the complex and time-consuming registration process mandated by national legislation has proven to be a significant barrier. This process discouraged many potential clients from completing their registrations, resulting in a low client registration rate. Consequently, this directly impacted our ability to host group events and workshops as planned.
		This situation also affected our Joint EDIH events. We had planned to implement several seminars as joint events with Hopero to achieve the KPI of collaborations with stakeholders at the EU level. These events were intended to include "Seminars on Specific EU Funding Programs" and "Workshops on the Use of EU Financial Instruments." While we managed to conduct one such workshop in 2022, administrative constraints and low registration numbers limited our ability to organize further collaborative sessions, impacting our goal of fostering cross-EDIH investments and partnerships.
		Despite these challenges, we partially succeeded in participating in or co-organizing four cross-border EDIH meetings with Czech EDIHs. These included the CZ-SK Tech Summit in Mikulov (2022, 2023, and 2024) and the EDIH Twister event in 2023. Our partner in the Twister event was Czech EDIH CIH.
		Additionally, we participated in the online collaboration platform EDIH East-West Corridor Thematic Work Group.
T7.3	Media relations and outreach	
T7.4	Best Practice Safari	As part of a broader professional forum focused on small and medium-sized enterprises (SMEs) and the effective functioning of supply chains, we are organizing a **Best Practice Safari (BPS)** at the KIA Slovakia production plant in Teplička nad Váhom.
		The BPS program includes:
		• A 4-hour presentation of key insights,
		• A tour of the production halls (welding and assembly),
		• A presentation of digitalization programs,
		• A discussion featuring successful best practices in manufacturing.
		A total of 42 participants from SMEs attended the Best Practice Safari.
		In cooperation with **EIT Manufacturing Wien**, we are preparing a road trip to established R&D centers of industrial

companies in Austria. We are targeting R&D leaders from SMEs. The purpose of this initiative is to:

Understand how R&D centers in Austria function,

Compare their competences with those of the parent company,

Explore their cooperation with technical universities,

Identify trends and directions in various R&D fields,

Establish and develop cooperation between EDIH and innovation teams,

Strengthen the connection between industry and the academic community.

However, the implementation of the BPS in Austria is threatened by the low interest of R&D and SME representatives. This is due to the uncertain market situation caused by upcoming legislative measures and the busy autumn business period.

2.8 Timetable

| Starting date: Oct 1, 2022	Year 1				Year 2				Year 3				Year 4	
	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26
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T7.4														

3 FINANCIAL REPORT

3.1 Eligible costs per budget category and per partner

All the partners are diligently using the granted resources. As of the October, the usage of the resources is **96,28%.**

There are some differences in budget utilization related to the services provide in some partners, mainly in case of MATADOR.

The partners will be dealing with this at the first Beneficiaries meeting planned on mid January 2025, alongside approval of the new price list for 2025.

		Eligible[1] costs (per budget category)						
		Direct costs					Indirect costs	
		A. Personnel costs	**B. Subcontracting costs**	**C. Purchase costs**			**E. Indirect costs[2]**	**Total costs**
		A.1 Employees (or equivalent)	B. Subcontracting	C.1 Travel and subsistence	C.2 Equipment	C.3 Other goods, works and services	E. Indirect costs	
1 - SIEA	RP	307 174,45	-	7 330,39	5 699,40	96 284,00	29 154,18	445 642,42
2 - SOVA	RP	289 015,50	-	1 953,14	-	259,20	20 385,95	311 613,79
3 - NCR	RP	157 395,15	49 329,68	3 088,56	1 649,00	8 806,67	15 418,83	235 687,89
4 - MATADOR	RP	15 134,63	-	200,00	2 000,00	-	1 213,42	18 548,05
5 - SOITRON	RP	153 095,75	-	-	12 675,75	-	11 604,01	177 375,51
6 - I4UM	RP	182 930,46	-	3 823,95	2 523,29	49 363,55	16 704,89	255 346,14
TOTAL		**1 104 745,94**	**49 329,68**	**16 396,04**	**24 547,44**	**154 713,42**	**94 481,28**	**1 444 213,80**
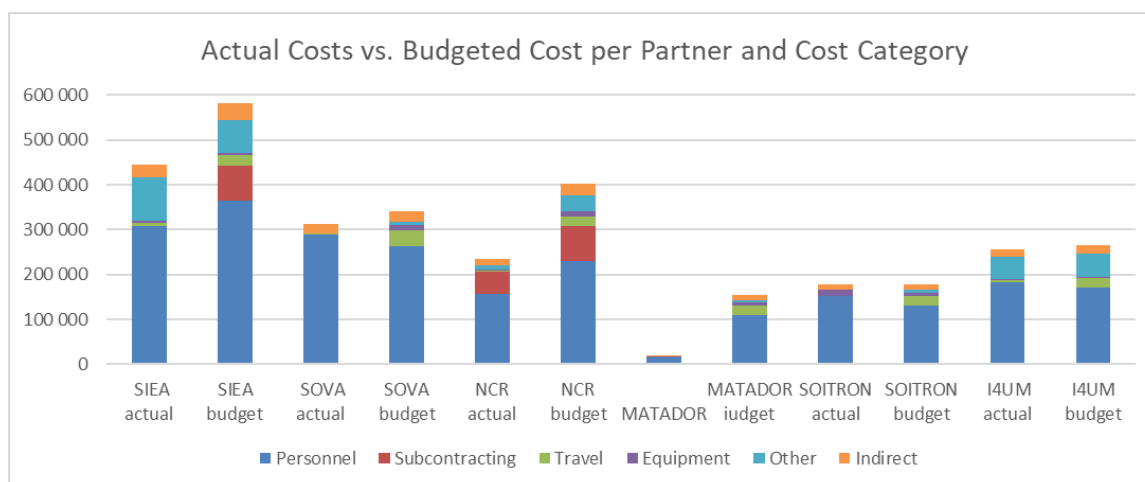
Note: In this chart the actuals are compared with the total amount provided as a pre-financing.

SUMMARY

In this deliverable, the annual review of the work performed by EDIH EXPANDI was presented alkongside with Financial Report.

In general we can summarize the first half of the project implementation in following points:

- The delivery of services in each of the pillars has commenced in accordance with co-financing contract, that mean app. 9 months later than expected in the grant agreement.
- The main KPIs for the project mid-term were achieved.
- Achieving the planned indicators for involving participants for Skills and Training WP4 will require additional efforts in the further part of the project.
- The overall feedback on the developed and conducted service formats is positive and inspiring.
- There was identified a market need for additional services that were launched as of October 1, 2024
- The continuous process of service improvement will be maintained through established agile feedback process, considering the identified adaptation

History of changes

Date	Ver.	Author(s)	Change description
21.10.2024	1.0	Artur Bobovnicky	Document creation
4.11.2024	1.0	Partners: Morháč, Lohnert, Podobova, Bendová, Duchoň	Text KPI evaluation
25.11.2024	1.1	Artur Bobovnicky	Final text and document review
29.11.2024	1.1	Artur Bobovnicky	Final text