

TKI Life Sciences & Health

TKI LSH Match Regulation for public-private partnerships in 2017

Call for proposals for the TKI Regulation for the Top Sector Life Sciences & Health

1. Summary

The Top Sector Life Sciences & Health (LSH) encourages innovative research by (financially) supporting public-private partnerships (PPP) in the life sciences & health sector. With this Match Regulation, companies and research organisations are encouraged to jointly invest in research and development (R&D) with the aim of developing sustainable and innovative products and services within the LSH sector. The Top Consortium Knowledge and Innovation (TKI) office is the operating body of the Top Sector LSH and can financially support a collaborative project by awarding the PPP Allowance. To be eligible for a PPP Allowance, a proposal should be submitted via our website <http://www.health-holland.com/calls/tki-match>. All proposals will be collected three times per year and assessed by an independent and expert evaluation committee. The LSH-TKI Foundation Board decides whether to award a proposal.

Each proposal must satisfy at least the following criteria:

- The research fits within the [Knowledge and Innovation Agenda 2016-2019](#) and is of a high quality.
- The consortium consists of at least one company and at least one research organisation or knowledge institution.
- The project covers fundamental research, industrial research or experimental development, or a combination thereof.
- The project will be realised at joint cost and risk and all consortium partners will make a substantive contribution to the project.
- The main applicant is located in the Netherlands.
- The project may have a maximum duration of 5 years.

2. TKI-LSH regulation for public-private partnerships

Proposals can be submitted on a continuous basis from 1 January to 4 October 2017 via <mailto:TKI@health-holland.com>. There are three deadlines (18 January, 17 May and 4 October) at which point newly received proposals will be assessed and processed. Funds will be allocated on the basis of the proposal's quality and level of innovation, the added value to the strategy of the Top Sector LSH and the availability of the PPP Allowance (previously the TKI Allowance).

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3. Background information

Background TKI-LSH Regulation

The Top Sector LSH encourages public-private partnerships. Interdisciplinary collaboration from the perspective of top scientific expertise is vital for realising societally relevant, economically efficient and cost-effective innovations. The TKI-LSH Match Regulation was established to encourage (new) PPPs. This regulation is realised by the Top Consortium Knowledge & Innovation of the Top Sector Life Sciences & Health: TKI-LSH. It is also known as the LSH-TKI Foundation (brand name: Health-Holland).

With the Match Regulation, companies and recognised knowledge institutions are invited to jointly invest in research and development (R&D) for the benefit of evidence-based innovative products and services. In addition, the regulation offers other parties, such as health funds and health insurers, the opportunity to become involved as well.

The regulation falls within the framework of the TKI Allowance Regulation of the Dutch Ministry of Economic Affairs. Additional background information can be found on our [website](#). Background documents, such as the [Innovation Contract 2016-2017](#) and the [Knowledge and Innovation Agenda 2016-2019](#) of the Top Sector LSH, are also available.

Objectives of the regulation

Besides encouraging new PPPs, the regulation also aims to tackle the theme of cost management in healthcare and to contribute to the ambitions of the Top Sector LSH through R&D. These ambitions entail:

- Improving the performance and health-related quality of citizens' lives.
- Creating new, successful and innovative private and public relations, networks and companies at both the national and international levels.
- Contributing to the affordability of healthcare through the development of healthcare solutions, the results of which can be measured in an objective manner.
- Contributing to increasing the work productivity in healthcare.

In realising the aforementioned ambitions, the highest ethical and moral standards will be adhered to and due consideration will always be given to privacy, safety and animal welfare.

Research domain of the regulation

The proposed projects must fit within the [Knowledge and Innovation Agenda 2016-2019](#) of the Top Sector LSH. Ten roadmaps are described in this strategic document (Appendix 1, p. 22). A detailed explanation of these roadmaps is available on our [website](#). A description of these roadmaps is also provided as an annex to the application form. The Knowledge and Innovation Agenda 2016-2019 and the roadmaps provide the framework for the LSH research programme of the projects currently in the Match Regulation.

4. Conditions

4.1 Conditions for the project

The proposal should satisfy several conditions. Important aspects in this regard are:

- The project covers fundamental research, industrial research or experimental development, or a combination thereof. A description of the three types of research is provided on our [website](#).
- The research fits within the [Knowledge and Innovation Agenda 2016-2019](#) and the objectives of the regulation.
- The research is of a qualitatively high level and the innovative products and services are deliverables that have an added societal and economic value.
- The consortium consists of at least one company and at least one research organisation or knowledge institution. Foreign companies and research organisations/knowledge institutions are also encouraged to participate in the consortium, as long as the results of the research project benefit the Dutch knowledge infrastructure and economy.
- The main applicant is located in the Netherlands.
- Effective collaboration takes place¹. This means, for example, that the project is realised at joint cost and risk and that all consortium partners make a substantive contribution to the project.
- Besides a possible cash contribution, all consortium partners should make an in-kind contribution. This means that all consortium partners incur payroll costs, for example.
- If the consortium has or shall receive other public funding for the project submitted, for example from NWO, ZonMw, TNO, or the LSH-TKI Foundation, then the regulation concerning the accumulation of different grants is applicable².
- The starting date of the project is after the date of the next deadline for this Match Regulation.
- The project may have a maximum duration of five years from the moment that the decision of the Netherlands Enterprise Agency has been received by the LSH-TKI Foundation over the programme year concerned.

¹ Definition of 'effective collaboration' according to the [Framework for State aid for research and development and innovation](#): 'effective collaboration' means collaboration between at least two independent parties to exchange knowledge or technology, or to achieve a common objective based on the division of labour where the parties jointly define the scope of the collaborative project, contribute to its implementation and share its risks, as well as its results. One or several parties may bear the full costs of the project and thus relieve other parties of its financial risks. Contract research and provision of research services are not considered forms of collaboration.

² The accumulation provisions are stated in Section 2, article 6, of the [Framework Decision National Grants of the Ministry of Economic Affairs](#). The support limits with respect to the acquisition of PPP Allowance are stated in article 3.2.8 of the [Regulation National Grants of the Ministry of Economic Affairs](#).

4.2 Intellectual Property Policy

The consortium must make agreements about the intellectual property related to the knowledge and products that will be developed in the project. These agreements are recorded in the consortium agreement. A 'right of first refusal' is one of the options. Agreements about IP are in accordance with the [Framework for State aid for research and development and innovation](#) (specifically Article 2.2.2.) and the PPP Allowance Regulation (Dutch Government Gazette of [4 September 2012](#) and [18 November 2016](#)). This states, among other things, that the results for which no intellectual property rights can be derived may be widely disseminated and that the companies and/or health funds that participate in the project may acquire the IP from the research organisation against a remuneration. A model consortium agreement is available on our [website](#).

Note: We would strongly appreciate it, if consortia would make use of this model consortium agreement.

4.3 Consortium composition

The PPP Allowance applicants put together a consortium in which research organisations and private parties, which retain their own identity and responsibility, jointly realise a project based on a clear and optimal division of tasks and risks. All parties make a financial and substantive contribution to the project. The consortium provides a project coordinator/official secretary (also principal applicant) who will be the point of contact for TKI-LSH throughout the entire procedure. Each of the other parties within the consortium is a co-applicant. The regulation is open to co-applicants from Dutch and foreign institutes and companies, as long as the research takes place in the Netherlands.

4.4 How much can be applied for?

There are two options to apply for the PPP Allowance within the Match Regulation:

Option 1: PPP Allowance from grondslag 2015 (basic entitlement 2015)

Condition:

- If the applicants have generated PPP Allowance in 2016 from the TKI-LSH *grondslag 2015* (basic entitlement 2015), then this PPP Allowance may be used to co-fund a collaborative project. For this, a completed PPP Allowance proposal should be submitted no later than the second deadline of this Match Regulation. For 2017, this may be no later than 17 May. Proposals will be dealt with on a first-come, first-served basis.

Realisation:

- Of the total fundable project costs, a maximum of 75% of the PPP Allowance may be used for fundamental research, a maximum of 50% for industrial research and a maximum of 25% for experimental development. These maximum amounts are stated again in Table 1. Additionally, this table shows which minimum percentage a research organisation or knowledge institution must contribute and the minimum percentage that a company must contribute. In this table, a distinction is drawn between SMEs and large companies. A combination of the three types of research is possible. If you do not know whether you have generated PPP Allowance as the principal applicant (or as one of the co-applicants), please contact the LSH-TKI Foundation.

Table 1: Funding per type of research

Type of research	Fundamental research	Industrial research	Experimental development
Maximum % PPP Allowance to be deployed	75%	50%	25%
Research organisation/ knowledge institution	min. 10%*	min. 15%*	min. 20%*
Company	min. 15%	min. 35%	min. 55%
- Large	- min. 10% in cash	- min. 20% in cash	- min. 30% in cash
- SME	- min. 15%*	- min. 35%*	- min. 55%*

*May be fully in kind. In the case of SMEs, a cash contribution is encouraged

Option 2: PPP Allowance based on in-cash private contribution per individual collaborative project

If the applicants have not generated sufficient or any PPP Allowance from the *grondslag 2015* (basic entitlement 2015) to co-fund a collaborative project but the private partners do make a considerable in-cash contribution³, then a PPP Allowance may still be applied for. Proposals that satisfy the conditions (as described in Section 4.1) may be awarded on a first-come, first-served basis, depending on the availability of PPP Allowance within TKI-LSH. The PPP Allowance applied for may, in principle, be 20% of the total in-cash contributions to the project. The LSH-TKI Foundation Board has the right to deviate from this.

4.5 Fundable costs (use of PPP Allowance)

Funds granted by the LSH-TKI Foundation may be used to finance scientific personnel and technical support. Consumables and the use of equipment specifically required for the project may also be paid for from the budget (depreciation system). For a more detailed explanation of the calculation of fundable costs, please refer to the [Framework Decision National Grants of the Ministry of Economic Affairs](#), Chapter 4, articles 10-14.

5. Procedure

5.1 Application procedure

Only applications for PPP Allowance that have been completed on the TKI-LSH application form will be eligible for consideration. This form is available on our [website](#). The project coordinator/official secretary should send at least the following attachments with the application form:

- Specified budget. This is available for download from our [website](#).
- Letters of commitment in which the pledge of the co-funding and the size of the cash/in-kind contribution by the private parties is confirmed per participant (if this is not stated in the consortium agreement). Letters of intent will not be accepted. If it is not possible to pledge the size of the in-cash/in-kind contribution by the private parties in advance, then all contributions must be demonstrated annually (in Q1).
- Consortium agreement (if not yet signed: the draft version). We would appreciate it if you would use the model consortium agreement that is available on our [website](#). A research organisation should use the services of an expert (technology transfer office (TTO) or a lawyer) to draw up the consortium agreement. The signed consortium agreement should be sent as soon as possible, but no later than 4 months after the submission date for the next deadline.

³ Furthermore, the consortium must be able to demonstrate a private cash contribution of at least €10,000 per annum for each project.

- If a claim is made to the temporarily reserved PPP Allowance (generated from the *grondslag 2015* (basic entitlement 2015)) of a research organisation or company, then a statement should also be sent in which the PPP Allowance contact person or another authorised person states that (part of the) reserved PPP Allowance may be used for this project.

5.2 Evaluation of PPP Allowance proposals

A PPP Allowance proposal is assessed by TKI-LSH against the conditions as stated under Section 4.1. Proposals that satisfy these conditions will also be assessed by an expert and independent evaluation committee. The evaluation committee may make use of a referee, if so desired. The evaluation committee will issue an advice about scientific quality, the societal impact and the degree of innovation of the proposal to the LSH-TKI Foundation Board. The LSH-TKI Foundation Board will eventually decide whether to award a PPP Allowance to a proposal and what the size of the PPP Allowance for the project concerned will be. The applicant will be informed of the decision by means of a letter sent no later than 10 weeks after the relevant deadline.

Where both necessary and desirable, applicants may request the LSH-TKI Foundation to sign a non-disclosure agreement.

5.3 Award procedure, monitoring and payments

If a PPP Allowance is awarded to a project

Once the allowance is awarded, the project coordinator/official secretary should submit the following document to the LSH-TKI within four months of the relevant deadline:

- A consortium agreement signed by all partners. This contains both the work agreements and agreements concerning intellectual property.

Once the aforementioned document has been submitted, the LSH-TKI Foundation will draw up a PPP Allowance Agreement. The PPP Allowance Agreement is a contract between the LSH-TKI Foundation and all consortium partners in which, amongst other things, the rights/duties and contributions of the different partners are recorded. Once the LSH-TKI Foundation has received the signed PPP Allowance Agreement, the first advance payment can be disbursed. The remaining payments will take place annually after receipt and approval of a progress report (for which a template will be supplied by the LSH-TKI Foundation). Disbursements will take place to the institution where the project coordinator/official secretary is employed; the project coordinator/official secretary is responsible for any distribution of the funding to the other consortium partners as well as the joint account for the use of the funds.

After project end date

Within 2 months after the end date of the project, the project coordinator/official secretary should submit the following documents to the LSH-TKI Foundation:

- A final report (for which the template will be supplied by the LSH-TKI Foundation).
- An accountant's statement if a total of €125,000 or more was received in PPP Allowance.

The final PPP Allowance payment will take place once the documents stated have been received and approved by the LSH-TKI Foundation.

5.4 Intended timetable

Announcement TKI-LSH Regulation	22 December 2016
Deadlines	18 January, 17 May and 4 October
Last deadline for submission	4 October
Assessment by LSH Evaluation Committee	6 weeks
Decision LSH-TKI Foundation Board	8 weeks
Awarding or rejection letter	10 weeks

Please note: this timetable is subject to change.

6. Further information

6.1 Downloads

Documents to be completed

- [Application form TKI-LSH](#)
- [Budget form TKI LSH](#)

Information

- [Knowledge and Innovation Agenda 2016-2019](#)
- [Innovation Contract Top Sector LSH 2016-2017](#)
- [LSH roadmaps](#)
- [Model consortium agreement](#)

Laws and regulations

- [Definitions research and development from the EU Support Framework](#)
- [Framework for State aid for research and development and innovation](#)
- [Regulation National Grants of the Ministry of Economic Affairs](#)
- [Framework Decision National Grants of the Ministry of Economic Affairs](#)
- [TKI Allowance Regulation Government Gazette 2012](#)
- [TKI Allowance Regulation Government Gazette 2016](#)

6.2 Questions

For questions about the Match Call Regulation, please send an email to TKI@health-holland.com or contact us by phoning +31 70 349 5404.

7. Submission

The application may be submitted by email to TKI LSH via TKI@health-holland.com.