Health~Holland
SHARED CHALLENGES, SMART SOLUTIONS

eureka

Cell-Based Technologies call for R&D Project Proposals
Flanders - Netherlands

TKI-LSH Funding conditions PPP allowance

As stated in the call, the Dutch consortia members apply for funding at Health~Holland according to the following rules:

- The consortium consists of at least one for-profit enterprise and at least one research organization.
- Research organisations and Small and Medium-sized Enterprises (SMEs) registered in the Netherlands are eligible for funding. The funding provided by Health~Holland are grants (for each participant: 50% for industrial research activities, 25% for experimental development activities)
- For this call Health~Holland requires minimum 30% contribution of project costs of (for-profit) enterprises in the consortium. This contribution can be in cash and/or in kind, depending on the size of the enterprise. At least 2/3 of the required minimum contribution of a large enterprise must consist of a cash contribution. The contribution of SMEs may be fully in kind.
- Projects fit within the societal challenge 'Health & Care', as outlined in the Knowledge and Innovation Agenda 2020-2023, and the objectives of the regulation.
- The project covers industrial research or experimental development, or a combination thereof. A description of the types of research is provided in Appendix A.
- Effective collaboration takes place. The project will be realised at joint cost and risk and all consortium partners will make a substantive contribution to the project.
- 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 research project benefits the Dutch knowledge infrastructure and economy.
- Dutch companies get the right to exploit the project results in their specific business area.
- The project must start within six months after the national awarding letter was received

Besides these main funding conditions this document contains the detailed funding conditions regarding the PPP allowance allocated to this call by Health~Holland.

1. Additional conditions

- The main applicant is located in the Netherlands.
- The cash contribution of the enterprises must be due to a Dutch research organisation (and not to the project concerned).
- Besides a possible cash contribution, all consortium partners should make an in-kind contribution. This means that at least all consortium partners incur payroll costs. These costs must also be visible on the budget form (Excel).
- Consortium partners may not send any invoices to each other for the project submitted.
- If the consortium has or shall receive other public funding for the project submitted, for example from NWO, ZonMw, TNO, TTW or Health~Holland, then the regulation concerning the accumulation of different grants is applicable[1].

[1] 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 and Climate Policy and Ministry of Agriculture, Nature and Food Quality.

- In principle, it is for the enterprises to decide how they fund their own contribution. However, coming up with creative constructions to do this is strongly advised against; improper use of PPP allowance by consortia should be prevented.
- Letters of commitment in which the pledge of the co-funding and the size of the cash/in-kind is stated are required upon application. The contribution by the parties is confirmed per participant (if this is not stated in the consortium agreement). Only the main applicant does not need to upload a letter of commitment. A letter of commitment template can be downloaded from our website. Letters of intent will not be accepted.

2. Consortium composition

The PPP Allowance applicants put together a consortium in which research organisations, for-profit enterprises and other relevant organisations, 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 (also principal applicant) who will be the point of contact for Health~Holland 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 research organisations, for-profit enterprises and other private or public parties, as long as the research contributes to the Dutch knowledge infrastructure.

3. How much can be applied for?

The funding provided by Health~Holland are grants based on the type of research conducted (for each participant: 50% for industrial research activities, 25% for experimental development activities). For this call Health~Holland requires minimum 30% contribution of project costs of (for-profit) enterprises in the consortium. This contribution can be in cash and/or in kind. The conditions as stated in Table 1 apply here.

Table 1: Funding per type of research

Type of research	Industrial research	Experimental development
Maximum % PPP Allowance to be deployed	50%	25%
For-profit enterprise(s) **- Large for profit** **- SME****	min. 30% - min. 2/3rd in cash* - may be fully in kind	min. 30% - min. 2/3rd in cash* - may be fully in kind

* At least 2/3 of the required minimum contribution of a large enterprise must consist of a cash contribution. This minimum contribution depends on the type of research and is based on their total project contribution.
** May be fully in kind. However, a cash contribution is encouraged.

The contribution of large non-profit enterprises also may be fully in kind. However, a cash contribution is encouraged.

4. Calculation of the project costs

Eligible costs

The project costs that can be incurred (eligible costs) must be directly related to the R&D activities. Examples are: scientific personnel, technicians, supporting staff, consumables and the use of equipment specifically required for the project (depreciation system). When entering costs for consumables, the historical cost price should be used. Commercial rates may not be entered. For a more detailed explanation of (the calculation of) eligible costs, please refer to the Commission Regulation (EU) No 651/2014 of 17 June 2014, article 25 and the Framework Decision National Grants of the Ministry of Economic Affairs, Chapter 4, articles 10-14. The PPP Allowance can only be used to cover part of the eligible costs.

Parties that make no use of PPP Allowance are not required to make use of one of the salary costs systems described in the Framework Decision National Grants of the Ministry of Economic Affairs. These parties may also use their own hourly rate. However, a condition for this is that the calculation of the hourly rate is based on a standard and controllable method and on commercial principles and standards that are considered to be acceptable in society and that the participants systematically apply in a collaborative project. On the budget form, these parties should choose 'fixed hourly rate' and change the standard hourly rate of 60 euros per hour to an hourly rate that they usually apply and that is verifiable.

Examples of ineligible costs
An overview of costs that are ineligible is given below. Therefore, these costs may not be entered on the budget form.

- Patent applications and costs for retaining a patent (patents purchased at arm's length conditions or for which external parties grant a licence are eligible for funding);
- Auditor's statement;
- Bench fee (Note: costs for consumables are eligible);
- Travel within the Netherlands;
- Supporting personnel who are not directly involved in the R&D activities, such as a project auditor, business developer, administrative employee;
- Drawing up a business case;
- Executing a Health Technology Assessment (HTA) for pharmacotherapy
- Overheads;
- Project management tasks that are not directly related to the specific R&D activities, such as: escalating to a steering group, drawing up a risk management model, drawing up reports to satisfy funding requirements, administrative accountability. Project management tasks that are directly related to the R&D activities (e.g. discussions with employees, analysing technical risks, drawing up research reports, drawing up specifications) are eligible for funding.

5. Use of PPP Allowance

Research organisations and Dutch SMEs[2] (for-profit and non-profit enterprises) may use PPP Allowance. Research organisations are, such as universities, university medical centres, universities of applied sciences, TO2 institutes, KNAW institutes and other organisations that satisfy the definition of a research organisation may use PPP Allowance. For this EUREKA call all parties may use PPP Allowance to a limited extent. In case of industrial research, a maximum of 50% of the in-kind costs they incur may be funded with PPP Allowance. In case of experimental development, a maximum of 25% of the in-kind costs they incur may be funded with PPP Allowance. Large enterprises, foreign SMEs and other (foreign) private parties may not use PPP Allowance; the costs they incur should be the same as the in-kind contribution that they provide.

6. Open access

Health~Holland believes that research results which are fully or partly funded with PPP Allowance (public funds) must be made freely accessible worldwide. All scientific publications emerging from research that is funded on the basis of awards from the Match Call should therefore be made freely accessible worldwide (open access) at the moment of publication. Via the website http://www.openaccess.nl/nl/node/644 you can check whether your organisation has made agreements with traditional publishers concerning open access. This website provides, amongst other things, an overview of more than 8000 journals in which corresponding authors from Dutch universities and university medical centres can publish in open access form free of charge or for a discounted price. Costs that are associated with open access publication fall under the eligible project costs.

[2] Each unit, irrespective of its legal form or manner of funding, that carries out an economic activity.

7. Data management

Health~Holland encourages the optimal use of research data and therefore wants this data to be stored according to the FAIR principle[3]: findable, accessible, interoperable and reusable. Furthermore, Health~Holland wants to increase researchers' awareness about the importance of responsible data management. Therefore, the applicant should answer in Section 16 of the application form some questions about data management. The applicants only need to draw up a date management plan if an application is awarded funding. The approval of the data management plan by Health~Holland is a condition for the disbursement of the PPP Allowance.

8. Award procedure, monitoring and payments

After a PPP Allowance application has been awarded

- Health~Holland will provide a template consortium agreement that should be used for this call.[4]
- Once the consortium agreement is signed by all partners and approved, Health~Holland will draw up the final grant decision letter.
- A data management plan should be supplied. Health~Holland will assess the plan as quickly as possible.
- Health~Holland will publish information about all projects awarded funding on the project page of its website (http://www.health-holland.com/project). A broadly understandable summary of the project should be submitted together with the data management plan.

Once Health~Holland has received and approved the data management plan and the summary for the Health~Holland projects page, the first advance of the PPP Allowance can be disbursed. The other payments will take place on an annual basis after a progress report has been received and approved. The disbursements will be made to the institution where the project coordinator works; the project coordinator is responsible for any further distribution of the funding to other consortium partners as well as the collective accountability for how the funding is used.

During the course of a project

- During the project, a record of each employee's working hours should be kept.
- At the start of each calendar year, the project coordinator will receive an Excel form entitled 'request for information about project efforts'. The primary purpose of this request for information is the annual round of informing the Dutch House of Representatives and a broad public about the progress of the top sectors policy within the area that the TKIs are responsible for. This form will be completed in advance by Health~Holland and only needs to be checked and supplemented (costs incurred over the previous calendar year).
- Within six weeks after the end of each project year, the project coordinator needs to submit a progress report. The template for this will be provided by Health~Holland. If the project has a duration of less than 18 months, then only a final report will be required.
- The consortium must hold a steering group meeting every six months. The project coordinator must inform Health~Holland about this, so that a representative from Health~Holland can attend the meetings.

[3] https://www.dtls.nl/fair-data/fair-data/

[4] If a Flemish research organisation participates as a consortium partner on the Flemish side, an extra clause needs to be added to the consortium agreement, following the "Toelichtingsdocument O&O projecten en Haalbaarheidsstudies" of VLAIO. Please contact VLAIO for more details.

After project end date
Within 8 weeks after the end date of the project, the project coordinator should submit the following documents to Health~Holland:

- A final report (for which the template will be supplied by Health~Holland).
- If a consortium partner has not used or has used less than 125,000 euros of PPP Allowance, then a board statement should be submitted concerning the total project costs of that consortium partner.
- If a consortium partner has used more than 125,000 euros in PPP Allowance, then an auditor's statement should be submitted concerning the total project costs of that consortium partner.

The final PPP Allowance payment will take place once the documents stated have been received and approved by Health~Holland.

Appendix A: Definitions of the three types of research

Fundamental research (*not applicable for this call)* means experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any direct commercial application or use in view.

Industrial research means the planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new products, processes or services or for bringing about a significant improvement in existing products, processes or services. It comprises the creation of components parts of complex systems, and may include the construction of prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems as well as of pilot lines, when necessary for the industrial research and notably for generic technology validation.

Experimental development means acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills with the aim of developing new or improved products, processes or services. This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services. Experimental development may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of a commercially usable prototype or pilot which is necessarily the final commercial product and which is too expensive to produce for it to be used only for demonstration and validation purposes. Experimental development does not include routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements.

Appendix B: Technology Readiness Levels

TRL	Definition	Indication type of research*
TRL 1	Basic principles observed	Fundamental research
TRL 2	Technology concept formulated	Fundamental research
TRL 3	Experimental proof of concept	Fundamental research
TRL 4	Technology validated in lab	Fundamental/industrial research
TRL 5	Technology validated in relevant environment (industrially relevant environment in the case of key enabling technologies)	Industrial research
TRL 6	Technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)	Industrial research
TRL 7	System prototype demonstration in operational environment	Industrial research/experimental development
TRL 8	System complete and qualified	Beyond the scope of the PPP Allowance Regulation
TRL 9	Actual system proven in operational environment (competitive manufacturing in the case of key enabling technologies; or in space)	Beyond the scope of the PPP Allowance Regulation

*The TRL is an indication of the type of research but the definition of type of research (Appendix A) prevails.