



ZonMw Grant Terms and Conditions

applicable as of 1 January 2009

Introduction

Conditions pertaining to the awarding of grants by ZonMw. These grant terms and conditions will apply from 1 January 2009. They are based on the Netherlands Organisation for Health Research Act, section 11, subsection 2.

The terms and conditions distinguish between different categories of grant applicants. The 'Agreement on the funding of scientific research', for example, applies to universities, research institutes affiliated to universities and university medical centres (teaching hospitals) (see Appendix 2 and 3). Adapted terms and conditions also apply to health promotion institutes (HPIs) and knowledge institutes (Appendix 4). All organisations other than those mentioned above are subject to the terms and conditions described in the section 'other institutions and institutes' (Appendix 5). This section also refers to collaboration with commercial partners (Appendix 6).

Chapter I General provisions

Article 1

The grant terms and conditions set out in this document apply to all ZonMw grants, irrespective of the programme and the organisation that has commissioned ZonMw to implement the programme.

The following definitions will apply:

- programme: a programme devised by ZonMw as described in the information booklet on ZonMw procedures;
- programme budget: the sum of money made available to ZonMw by the commissioning organisation(s) for the implementation of the programme;
- procedure: the method defined by ZonMw for the submission, assessment and selection of grant applications, for the monitoring of the projects and for the guidance and evaluation of programmes;
- project: an activity forming part of a programme in the field of health research, public health, disease prevention or healthcare, as described in the information booklet on ZonMw procedures;
- project leader: the individual responsible for the substance of the research;
- grant: a financial contribution towards the costs of a project;
- applicant: a legal or natural person;
- recipient: a legal or natural person who has been awarded a grant by ZonMw;
- input financing: a grant associated with effort expended;
- output financing: a grant associated with the results achieved;
- lump-sum financing: a grant awarded without further specification of individual costs.

ZonMw may deviate from the grant terms and conditions if there are compelling reasons to do so, and provided it presents supporting arguments. Any such deviation will be announced in the prior communication on the programme. Individual deviations from the terms and conditions will be substantiated in the letter awarding the grant.

Article 2

1. No applications will be accepted except in the context of programmes, and within the period specified.
2. At the launch of a programme, the associated budget will also be announced.
3. Grants will be awarded only insofar as ZonMw is of the opinion that this would be consistent with the objectives of the programme and the assessment procedure has led to a positive assessment of the application. ZonMw funding is not an alternative to regular funding.
4. If the programme budget threatens to be exceeded, ZonMw will give priority to those applications which, in comparison with other applications, comply best with the objectives, the desired standard and the defined priorities of the programme in question.
5. A general description of the procedures is given in the booklet 'ZonMw Procedures'; the procedures are described in more detail in individual programme documents.

Chapter II Applying for a grant

Article 3

1. Grants will be awarded only on the basis of applications.
2. Applicants must use the application procedure stipulated by ZonMw. The application procedure will be described in the public announcement of the launch of the programme.
3. Applications must be received by ZonMw by the closing date specified in the announcement.
4. Applications must be signed by the project leader and the legal or statutory representative of the legal person with whom the applicant has an employment relationship.
5. Applicants will receive confirmation of receipt and information as to the timeframe of the assessment procedure within three weeks of submitting their application.

Article 4

1. Applications submitted by legal persons established under private law must be accompanied by:
 - a) a copy of the memorandum or articles of association;
 - b) a copy of the applicant's entry in the appropriate public register;
 - c) if the application is signed by one or more persons other than the persons who, on the basis of the articles of association, are authorised to represent the institution: a copy of the power of attorney on the basis of which the application has been signed by that other or those other persons.
2. ZonMw may stipulate that an applicant must furnish a full account of the recipient's financial situation at the time of application.
3. Insofar as the applicant has applied to one or more other administrative bodies or organisations for a grant for the same budgeted expenditure, or has requested another financial contribution, he must provide notification of this fact in the application, stating the current status of that application or those applications.
4. The documents referred to in paragraph 1 need not be furnished if the applicant can reasonably demonstrate that these facts are known to ZonMw.
5. Paragraph 2 will not apply if a legal person established under public law applies for a grant.

Article 5

1. The grant application must include a project proposal and a project budget.
2. The budget must specify the costs and benefits of the project. All individual items must be described.
3. Appendices must be enclosed indicating what budget system is applicable: the 'Agreement on the funding of scientific research', that applying to HPIs and knowledge institutes; or 'other' (appendix 2 and 3, 4 or 5). Any additional arrangements must also be recorded in the appendices.
4. If the liquidity requirement is not evenly spread over the duration of the project, a liquidity prognosis must be supplied with the application. The liquidity prognosis should specify developments in the liquidity requirement for the planned activities on a monthly basis.

5. The applicant must inform ZonMw in writing, at the earliest opportunity, of any circumstances that might affect the decision concerning the grant application, or the amount to be awarded. Relevant documentation must be supplied.

Chapter III Awarding of grants and advance payments

Article 6

1. Applicants will be informed as soon as possible, and at any rate within six months of the closing date for submission of final applications, as to the decision on their application.
2. If the decision is to award a grant, the maximum amount to be awarded will be specified. Depending on the application, the grant will be associated either with the efforts to be made ('input financing') or with the results achieved in the project ('output financing'). Further conditions may be attached to the awarding of the grant. The amount awarded will always include any VAT (BTW) that is payable.
3. A grant will be awarded only if, in the opinion of ZonMw, the applicant has successfully argued that the financial resources, including the grant, will be reasonable and sufficient for the implementation of the planned activities.
4. No rights may be derived from the awarding of a grant or advance payment, nor from the definition of the grant to be awarded, nor from any subsequent grant application.
5. The project must commence no more than six months after the grant has been awarded. If a certificate is required as referred to in article 6, para. 8, that certificate must be received by the six-month deadline stipulated in that paragraph. ZonMw must be informed in writing of the actual date of commencement.
6. The commitment to award a grant will cease to apply if the project does not commence within six months of the award. This deadline may be extended in exceptional circumstances. In that case, the applicant must demonstrate by the above-mentioned deadline that circumstances exist which prevent the project from commencing within six months.
7. If a licence is required for the implementation of the project, ZonMw must receive a copy of the licence before any advance payments can be made.
8. If the project requires a certificate of approval from a medical ethics assessment committee, the Central Committee on Research Involving Human Subjects (CCMO), an animal experiments committee or the Population Screening Act committee (*Commissie WBO*), ZonMw must receive a copy of that certificate before the project can commence, and before any advance payments can be made.
9. Applicants for ZonMw grants must subscribe to and comply with the Biosecurity Code (*code Biosecurity*) and the Animal Experiments Disclosure Code (*code Openbaarheid Dierproeven*). Further codes may be declared applicable during the period of validity of these terms and conditions. Details concerning this matter can be found at www.zonmw.nl. Failure to subscribe to and comply with these codes may lead to a grant application being declared inadmissible.
10. Once an applicant has been awarded a grant and any further conditions have been met, and after ZonMw has received written notification of the actual date of commencement, ZonMw will made advance payments subject to a maximum of the approved budget for each project year.
11. The amount and frequency of advance payments will be determined by ZonMw. The applicant will be informed in writing.

12. Further advance payments will be made after receipt and approval of the progress reports referred to in article 7, para. 4. Advance payments may be suspended if insufficient progress is made. The amount paid may be adjusted if the report gives reason to do so.
13. Applicants must inform ZonMw in writing of any proposed changes to the budget, giving reasons for the changes. The changes will come into effect only after written permission has been received.

Chapter IV Obligations on the part of the grant recipient

Article 7

1. The recipient is responsible for the orderly progress of the project and for accounting for that progress. Programme committees, subcommittees and secretariats will oversee the implementation of projects (in terms of scientific content and procedure).
2. The recipient is obliged to comply with all relevant codes of conduct.
3. Project leaders must draw up a dissemination and implementation plan (VIP) in the first phase of their project. The VIP should describe the target and user groups to whom the results of the project might be relevant and, depending on the type of project, planned activities for the dissemination, consolidation and/or introduction of the project results. The implementation of the VIP must be evaluated in the final report. ZonMw will also organise regular activities for and by project leaders for the purposes of knowledge transfer and implementation of results. Project leaders will be expected to take part in any such activities.
4. Project leaders must supply progress reports. From the start date of the project, interim reports must be submitted at agreed intervals. ZonMw will make a form or online format available for the purpose. Project leaders may be invited to give presentations. ZonMw may conduct on-site investigations if necessary to obtain further information on the progress of projects.
5. Within four months of the end of the project, a final report must be submitted to ZonMw. ZonMw will make a form or online format available for the purpose. The final report should provide clear information on the activities for which the grant was awarded. It should also compare the results achieved with the activities set out in the project plan.
6. The progress reports and final report should make clear what efforts have been made to promote knowledge transfer or the implementation of project results.
7. Given that ZonMw regards it as important that others have access to information on projects funded by the organisation, successful applicants must notify the most appropriate database (see 'ZonMw Procedures' booklet) of their project, or announce the project in some other way (open source).
8. Recipients authorise ZonMw to include details from their project application forms, progress reports and final reports in published lists of projects.

Article 8

ZonMw may organise meetings in collaboration with project leaders at which parts of the programme are highlighted and discussed. Programmes are also generally rounded off with a presentation, in the form of a conference, for instance, at which the results achieved are presented and discussed. Project leaders are expected to participate in such events. The same applies to other activities undertaken as part of the

communication and implementation plan for the programme of which the project forms part.

Article 9

1. Recipients are expected to make presentations on the project and to publish papers or reports in professional journals, scientific journals and the general press on the results and findings, if necessary after coordination with ZonMw as to their content and timing.
2. With a view to ensuring that due care is taken with research and that reporting is balanced, recipients must comply with the applicable codes of conduct pertaining to privacy and to research and the media. A publication containing copies of these codes of conduct, entitled 'Good Conduct Code' (*code Goed Gedrag*), can be ordered from the Advisory Council on Health Research in The Hague. If it is intended that the results of the research should be publicised by means of a press release, press conference, article in a daily or weekly newspaper, or reports on radio, TV or the internet, the recipient must inform ZonMw in advance. Any publicity should refer to the ZonMw grant and the programme of which the project forms part.
3. ZonMw may stipulate that projects that are terminated before completion or that do not yield the desired result should be published.
4. ZonMw may stipulate that the recipient may not publicise the results of a project within a period of up to three months or, in the event that a patent application is submitted, up to twelve months of receipt of the results by ZonMw.
5. The recipient must use the ZonMw logo in all publications and presentations. The logo can be downloaded from www.zonmw.nl. Unless agreed otherwise, ZonMw must be provided with three copies of every publication.
6. ZonMw may decide to include the publication in a special series. ZonMw will consult with the recipient in good time concerning the practical implications of this.
7. ZonMw is free to reveal information about the substance and progress of the project in its communications. The usual restrictions applying to any secret or confidential data will be taken into account in the publication.
8. If the recipient refuses to publish the project results, or fails to do so in time, ZonMw will have the right to publish them, after consultation. All publications will identify the individual(s) who performed the research and the funding organisation(s).
9. If a grant is intended partly for the production of a work as referred to in section 10, subsection 1 of the Copyright Act 1912, the recipient will ensure that he acquires copyright of the said work.
10. The results of ZonMw projects must generally be made available, free of charge, to the general population or to other projects working in the same field. Any products may be marketed at cost price. Deviation from this provision will be possible in the event that the objective of the programme is valorisation, or if the research has been conducted in collaboration with commercial partners. Reference is made to appendix 6, Intellectual property rights and collaboration with commercial partners.
11. The recipient declares that he is willing to cooperate fully – even after completion of the project – with any surveys, summaries etc. concerning the project and the results achieved conducted or drawn up by ZonMw, up to four years after completion of the project.
12. In accepting a grant for research that results in copyrightable works and/or databases, the copyright holder or producer of the database(s) gives permission for the following: ZonMw may, in the interests of promoting the transfer of knowledge concerning research results, stipulate further conditions with regard to the copyright

and intellectual property rights on databases created in the framework of the research. Databases with background information – even those to which ZonMw does not hold the intellectual property rights – will at any rate be made available in a manner stipulated by ZonMw for use by other scientific researchers. ZonMw may therefore stipulate requirements concerning the availability of data collections with a view to ensuring they are used more intensively and efficiently.

13. ZonMw may request copies of publications on the project that are completed after the final report, up to four years after the grant amount is finalised.
14. In the event that ZonMw or the recipient believes there is a possibility that the research or the project will give rise to intellectual property or a patentable invention, reference is made to the intellectual property regulations set out in appendix 6 of these terms and conditions.

Article 10

1. The recipient will indemnify ZonMw against all claims by third parties in respect of any damage they suffer as a result of activities performed or associated publications distributed by or on behalf of the applicant.
2. ZonMw requires legal persons established under private law that receive grants to:
 - a. insure their movable and immovable goods adequately against the risk of theft and fire, and against the risk of legal liability towards third parties;
 - b. purchase third-party liability insurance for volunteers who engage in activities supported by the grant.

Article 11

The recipient will ensure that the grant is used efficiently for the purposes for which it is awarded.

Article 12

The recipient will also ensure that:

- a. accounts are kept in an orderly and efficient manner;
- b. proper evidence is present for all receipts and expenditure, clearly showing the nature and amount of goods or services supplied.

Article 13

Project costs and benefits that are apportioned by means of an internal system will be determined on a commercially and socially acceptable basis. Insofar as this includes the costs of fixed tangible assets, those costs will be calculated on the basis of the purchase price of those assets.

Payments made by the recipient from the project budget to third parties for goods or services supplied must not exceed amounts regarded as commercially sound and socially acceptable.

Recipients who supply goods to third parties, or provide services as part of the project, will charge a price for those goods or services that at least covers the cost of providing them.

Article 14

1. On request, the recipient will furnish the persons appointed by ZonMw with any documents and other information necessary for the proper performance of their task.
2. The documents will be shown at a single address and the information will be provided in writing on request. If, in meeting this obligation, the recipient will be forced to infringe the right to privacy of any individual, the recipient will provide the requested information in such a way that the individual in question cannot be identified.
3. The recipient will cooperate in any other way necessary to enable the persons appointed by ZonMw to perform their task properly. This includes cooperating on site visits by ZonMw.

Article 15

The recipient will inform ZonMw in writing, at the earliest opportunity, of any circumstances that might have a bearing on any decision to change, withdraw or finalise the amount of the grant. Relevant documentation must also be supplied. Any plans to change the objective, the question and the strategy of a project must, for example, be presented to ZonMw for approval.

Chapter V Settlement of accounts

Article 16

1. The recipient must submit the project accounts within four months of completion of the activities. The accounts must consist of:
 - a. the final report referred to in article 7, para. 5;
 - b. a declaration of expenditure;
 - c. if the accounts are signed by one or more persons who are authorised under the articles of association to represent the recipient: a copy of the power of attorney on the basis of which this other person or persons has signed the accounts.
2. The declaration of expenditure should provide information in such a way that a well-founded assessment can be made as to how the recipient has used and spent the grant, and provide any information necessary for the final grant amount to be determined. Any major discrepancies between the budget and actual expenditure must be explained. The declaration of expenditure should be itemised in the same way as the budget presented and finalised in the grant application.
3. In the event of input financing, the grant will consist of the difference between the actual costs associated with the activities funded, insofar as they are included in a budget approved by ZonMw, and the income generated by the activities funded. In the event of output financing, the grant will consist of the number of research activities performed, multiplied by the agreed sum per activity. The grant will not exceed the maximum amount referred to in article 6, para. 2.

Article 17

1. In the year following completion of the project, the recipient must ensure that the project is included in a separate appendix to the annual accounts. For the purposes of auditing by an accountant, reference is made to the protocol enclosed as appendix 1.

2. If the accountant does not issue a declaration of no objection concerning the project, ZonMw may reclaim all or part of the grant.
3. The recipient must ensure that the accountant cooperates on any investigations instigated by or on behalf of ZonMw into the audit conducted by the accountant. The associated costs will be deemed to be covered by the grant.

Article 18

Within three months of receipt of the annual accounts referred to in article 17, para. 1, ZonMw will establish the final grant amount payable.

Article 19

1. ZonMw may decide, in the cases mentioned in section 4:41, subsection 2 of the General Administrative Law Act, that the organisation to which a grant has been paid owes a sum to be determined by ZonMw in connection with asset formation.
2. The amount owed will be determined on the basis of the value of the goods at the time that payment becomes due, on the understanding that, in the event of receipt of compensation due to loss or damage, the amount of compensation received by the recipient will be taken as the basis.
3. The first paragraph will not apply if the activities of the recipient are continued by another legal person, with the permission of ZonMw, and the assets are transferred at their book value to that other legal person.

Chapter VI Final provisions

Article 20

1. If projects do not proceed in accordance with the approved project proposal, ZonMw has the right to terminate the financing and reclaim the grant paid.
2. If incorrect or incomplete information is provided by or on behalf of the recipient, or if the conditions attached to the awarding of the grant contained in these provisions are not complied with, ZonMw may amend or withdraw the award, suspend advance payments or reduce the amount of grant payable. It may also do so in response to the outcome of an accountant's audit at the institution where the project was performed.
3. ZonMw may deviate from the provisions of paragraphs 1 and 2 if there are compelling reasons to do so, or if strict application of these provisions would in its judgment lead to manifest unfairness.

Article 21

1. ZonMw has a special complaints procedure. Every complaint submitted in writing will be dealt with by the ZonMw management in accordance with this procedure.
2. A notice of objection to a decision may be submitted within six weeks of the date of a decision to award a grant, or a decision determining the amount of grant payable. Notices of objection should be addressed to the appropriate appeals and complaints committee.
3. Further information on the complaints and objections procedures can be found in the booklet 'Signaleren, klagen en bezwaar maken', a copy of which can be obtained from ZonMw.

Appendices

1. Audit protocol
2. Agreement on the funding of scientific research 2008
3. Addendum to the agreement on the funding of scientific research 2008
4. Specific grant terms and conditions applying to health promotion institutes (HPIs) and knowledge institutes
5. Specific grant terms and conditions applying to all other institutions
6. Intellectual property rights and collaboration with commercial parties and Technology Foundation STW's trade in knowledge policy, adapted to the ZonMw context

Audit protocol

The letter awarding the grant may include different or supplementary terms and conditions. The accountant will apprise himself of the contents of the letter and include compliance with any additional terms and conditions in the audit.

The accountant will issue his statement in accordance with the specimen in appendix E. The statement should refer to the letter or letters by which the grant was awarded. If these letters are mentioned in the declaration of expenditure, the accountant may refer to this by means of section numbers, page numbers etc.

Insofar as the recipient has failed to comply with the grant terms and conditions, the accountant must report this in his statement. If the management at the recipient organisation has already mentioned in the declaration of expenditure terms and conditions with which the organisation have failed to comply, the accountant may refer to this by means of section numbers, page numbers etc.

In conducting the audit on which the report regarding compliance with the grant terms and conditions as referred to in article 17, para. 1 is based, the accountant will devote attention to compliance with the articles listed below as follows:

<u>Article</u>	<u>Level of attention</u>
7	normal
8	normal
9	normal
11	normal
12	normal
13	special
15	normal
16	normal

Normal attention will be taken to mean: auditing to the same depth as is customary in an audit of the annual accounts.

Special attention will be taken to mean: an audit which expressly investigates whether the terms and conditions in question have been complied with.

Agreement on the funding of scientific research 2008

1. Introduction

This agreement builds on the 2001 and 2004 agreements pertaining to the role of employer (*Akkoord overlaten werkgeverschap*). It is intended to set out in a simple way the mutual obligations with respect to staff who join institutions for the purpose of conducting NWO-funded research. The basic principle is that staff should be employed in accordance with the collective agreement applying at the institution (known as 'CAO NU' at the universities), with the same rights and obligations as other staff (temporary or otherwise).

This is an agreement between the Netherlands Organisation for Scientific Research (NWO) and the Association of Universities in the Netherlands (VSNU). The NFU Dutch Federation of University Medical Centres (on behalf of the University Medical Centres), the Royal Netherlands Academy of Arts and Sciences (KNAW), ZonMw and the health funds section of charity association VFI have declared their willingness to operate in accordance with this agreement.

The parties, having established that, while working on their own individual missions, they have a collaborative relationship that is geared towards promoting higher standards of scientific research in the Netherlands, hope that the arrangements set forth in this agreement will reduce the administrative burden associated with the funding of scientific research and increase the transparency of funding for researchers.

The funding of scientific research at universities by NWO is assumed to take the form of the usual funding of direct costs. VSNU and NWO will in the near future investigate the possibility of applying the integrated costs model under this agreement. In the event of such a 'systemic change', this agreement will be subjected to a comprehensive review.

The parties will evaluate their experiences of working with this agreement annually, exploring possibilities for further reductions in the administrative burden.

In the event of structural divergence between the collective agreements applying at the universities and university medical centres (CAO-NU and CAO-UMC), the parties will hold further talks on remuneration.

ZonMw and NFU will if necessary lay down any further arrangements concerning specific payments in an addendum to this agreement.

The organisations belonging to the VFI health funds section will as far as possible comply with the arrangements set forth in this agreement.

The provisions of this agreement will be incorporated into the General Terms and Conditions of NWO Grants.

Every year, by 1 July, NWO will publish on its website details of the reimbursements payable on the basis of this agreement in the period 1 July to 30 June of the following year.

2. Costs eligible for reimbursement

NWO (and other funding organisations) will pay (1) staff costs, (2) a bench fee and (3) material costs as indicated in the grant award letter. No interim changes will be made to the amount awarded in the letter (which includes indexation). After the grant has been awarded, changes may if required be made in terms of the type of researcher to be appointed or the equipment to be purchased, after approval by NWO. The grant amount will be finalised after receipt and approval of a final report and final accounts. The institution will be expected to provide the necessary infrastructural facilities commonly provided for research funded by NWO.

2.1 Staff costs

Under this agreement, reimbursement will be available for the duration of the research of the staff costs for the appointment of researchers and/or support staff, on the basis of an employment contract for at least one year, and at least 50% of a full-time position. This reimbursement will be calculated as follows at the time of the award, based on the duration of the appointment:

- a) a basic salary based on the established norms, holiday allowance and end-of-year bonus;
- b) an allowance for non-wage labour costs;
- c) an allowance for other staff costs;
- d) an 'end of project' allowance to cover any extensions, redundancy pay (or lump-sum settlement), retention bonuses, exceptional pay scale allocations etc.

The amount to be reimbursed will be calculated using the agreed indexation after each 12-month period (see section 3).

re. a) basic salary

The basic salary for PhD students (including, besides *promovendi*, other similar positions at the institutions) is taken to be the salary for PhD students in the CAO-NU.¹ For PhD students, the reimbursement will be calculated on the basis of a full-time appointment for a period of up to four years (no adjusted reimbursement will be payable to institutions where PhD research takes longer).

Other staff will be paid on the following basis for the entire duration of their employment contract (irrespective of actual pay scale allocations and any allowances):

- senior academic staff (including post-docs and other researchers of a similar level): CAO-NU scale/increment 11.0;
- non-academic staff, secondary vocational qualifications: CAO-NU scale/increment 7.5
- non-academic staff, higher professional qualifications: CAO-NU scale/increment 9.3

¹ Other types of employment relationships with students studying for a PhD may be funded, on the basis of the actual costs incurred, without the allowances included in this agreement.

- non-academic staff, university degree: CAO-NU scale/increment 11.2.

The salary stipulated in the CAO-NU on 1 July 2008, an 8% holiday allowance and 6.4% end-of-year bonus will be payable for the period 1 July 2008 to 30 June 2009.

re. b) allowance for non-labour wage costs

The allowance for non-wage labour costs over the period 1 July 2008 to 30 June 2009 will be 22.9% of a). In the calculation of the allowance applying from 1 July 2008, any change in the allowance will be equivalent to the changes of which the government notifies NWO in connection with any salary adjustments.

re. c) allowance for other staff costs

The allowance for other staff costs (including advertising, training, replacement in the event of illness) will be paid at a rate of 7.2% of a) for the entire duration of the contract. The parties agree to review the level of this allowance over the coming years.

re. d) end-of-project allowance

The end-of-project allowance will be paid at a rate of one month's costs as specified at a), b) and c) for every year of the employment contract, based on the most recently agreed basic salary and the allowance for non-wage labour costs. In the event that only part of a year was worked, the allowance will be calculated on a proportional monthly basis (e.g. in the event of a contract lasting 3.5 years, 3.5 months' allowance will be paid). If the employment contract lasts less than one year, no 'end-of-project allowance' will be payable.

2.2 Bench fee

A bench fee of € 5000 per position will be made available for PhD students and senior academic staff. The bench fee is intended to further the scientific career of NWO-funded project staff, and may be used to pay for such things as the costs of PhD graduation and visits to conferences (in the Netherlands and abroad). The bench fee will be fully at the disposal of the project leader for the project staff being funded, in accordance with the rules applying at the institution in question. NB: project-related material costs are a separate part of the application/award (see section 2.3). Foreign travel that is necessary in connection with the research itself must be paid for from the grant awarded to cover material costs.

2.3 Material costs

Material costs will be reimbursed in accordance with the amounts awarded in the grant. Only direct material costs will be reimbursed, insofar as they have been applied for and awarded. Infrastructure costs (for premises, computer equipment) and overheads will not be reimbursed. The costs of equipment produced by the institution may be reimbursed insofar as they have been applied for and awarded.

3. Annual adjustments

Every year, by 1 July at the latest, and for the first time by 1 July 2009, NWO and VSNU will consult and set a new basic salary (as referred to at 2a), rate of indexation (as referred to at 2) and non-wage labour costs allowance (as referred to at 2b) for projects commencing from that date onwards. This will occur on the basis of the CAO-NU

applying at the time (salary), the inflation forecast (indexation) and expected developments in social security legislation. The basic salary and allowance for non-wage labour costs will remain in force for the following 12 months.²

The indexation rate will be the average of the adjustments for salary costs issued by the government for the year in which the payments commence, the following year (based on the estimate issued by the government) and the actual developments in the rate in the two years prior to the year in which this agreement enters into force. An indexation rate of 2.7% applies to the standard payments in the period 1 July 2008 to 30 June 2009 (this rate has been calculated on the basis of the system based on pay settlements in the private sector).

4. Payment schedule

Payment of the amount determined for staff costs will take place in annual instalments, starting with an initial payment after receipt and approval of the staff information or project launch form, in accordance with the funding schedule issued by NWO. Payment of the end-of-project allowance will take place after receipt and approval of the final report and final accounts. The final grant for staff costs will be calculated on the basis of the number of months and the number of hours per week (FTE proportion) that the staff appointed actually worked on the research, and the standard rates used in the award of the grant. Actual staff costs will not be considered.

The bench fee will be paid with the first instalment for staff costs. Use of the bench fee need not be accounted for, but it may only be used for the purpose for which it is intended.

Payment of the grant awarded for material costs will also take place after commencement of the research, on the basis of the funding schedule issued by NWO. A grant for a material loan of up to € 50,000 may be regarded as a lump sum; no final accounts need be submitted to NWO for the finalisation of the grant amount. Any unused resources should be spent on direct costs associated with scientific research related to the project. Overheads may never be paid for from this grant. In the event of a material loan in excess of € 50,000 for the purchase of specific equipment, or in the event of other special circumstances related to the spending of the grant, specific conditions may be set at the time of award concerning the final accounts and finalisation of the grant amount.

Payments may be suspended during the project if the group leader fails to comply with the conditions set, such as the timely submission of the required reports.

The grant amount will be finalised after receipt of the final report and final accounts. Guidelines will be provided concerning the requirements that the final report must meet. The final accounts must consist of: a statement of the months and weekly hours worked by the researchers appointed; if reimbursement of material costs is to be paid on the basis of the conditions in the decision to grant the award: an account of the material costs signed by the project leader and the competent authority (or, if mandated for the purpose, the administrator or auditor).

² A new reimbursement table will be introduced on one occasion, as of 1 January 2009.

NWO does not require any specific accountant's statement on the final accounts of projects at universities, KNAW and UMCs. This will not however apply if the organisation funding the grant has imposed specific requirements on NWO concerning the accountant's audit. For universities, the required audit of NWO-funded projects (including projects funded by ZonMw, Technology Foundation STW and, with effect from the 2008 financial year, the VFI health funds section) is regulated by the Ministry of Education, Culture and Science audit protocol. The following applies to the auditing of projects funded at UMCs and KNAW:

The institution's accountant must establish on the basis of the grant terms and conditions that the grants provided by NWO, STW, ZonMw or the VFI health funds section have been accounted for and spent in accordance with the grant terms and conditions. If the institution is obliged to settle the grant accounts in the year covered by the report and offset any surpluses in agreement with the funding organisation, the accountant must establish whether such settlement has been accounted for in the annual accounts.

The total expenditure from these grants is a separate block of expenditure to which the tolerances for the auditing of expenditure must be applied. The institution's accountant should conduct the audit in such a way that he can declare that no illegitimate expenditure has occurred in excess of 1% of the total expenditure from the grants.

If the institution's accountant finds that the expenditure is not legitimate, he must see to it that the institution corrects it. If no such correction occurs, the institution's accountant must state this fact in a report of findings and submit it to NWO.

5. Intellectual property rights

On the basis of its role as employer, the institution is the legal proprietor of all legal rights that accrue from or will accrue from NWO-funded research. However, in certain cases, and in connection with specific programme objectives, NWO may make prior arrangements as to the sharing of these rights. In this case, the exploitation of NWO-funded or co-funded projects will be agreed in consultation.

6. Eligibility to apply

The competent authority at the institution (under the current mandate) where the applicant works must co-sign the grant application.

7. Scope

This agreement is fully applicable to all non-individual forms of support unless explicitly stated otherwise in the call. Where the agreement is not applicable in full, the agreement will be applied analogously insofar as possible.

Individual forms of support like the Innovative Research Incentive Scheme (VI) involve specific premium-based funding, whereby the amount of premium paid will be determined as far as possible in line with the funding system in this agreement. No matching funding for direct costs by the universities has been required for the granting of VI funding since 2008.

8. Validity

The agreement will take effect as of 1 July 2008 and will remain in force until 30 June 2009, with automatic annual renewal, unless NWO or VSNU cancels the agreement in writing at least six months prior to the expiry date.

9. Provision of information

The university concerned must, with the final report of the project, and thereafter on request, furnish NWO with information concerning the subsequent employment of project staff after the project has ended.

10. Final provision

In the event of systemic changes or other major changes, the parties will hold consultations.

Signed at Amsterdam on 2 October 2008

ADDENDUM

This addendum supplements the 'Agreement on the funding of scientific research 2008' for the period 2008-2009 and applies only between the Dutch Federation of University Medical Centres (NFU) and the Netherlands Organisation for Health Research and Development (ZonMw).

Both NFU and ZonMw will comply with all arrangements agreed by the parties concerned in the 'Agreement on the funding of scientific research 2008', with the exception of the staff costs referred to in Art. 2.1 of the said agreement.

With regard to the reimbursement of staff costs, the parties have agreed as follows:

- Art. 2.1 Notwithstanding the provisions of article 2.1 of the 'Agreement on the funding of scientific research 2008', staff appointed to a ZonMw project may be appointed for an FTE percentage smaller than that specified in the said article, viz. 0.5 FTE for at least one year.
- Art. 2.1 re. a) The remuneration of medical specialists will be based on the salary component of the actual scale allocation at the UMC in question, provided the need for the appointment to the project has been convincingly argued in the grant application and endorsed by the programme committee and reviewers.
- Art. 2.1 re. a) PhD students (including, besides *promovendi*, other similar positions at UMCs) will be remunerated on the basis of CAO-UMCs scale 10, with increments rising from 10.0 in year 1 to 10.3 in year 4. The other terms and conditions set out in the 'Agreement on the funding of scientific research 2008' will remain in force.
- Senior researchers (including post-docs and other researchers) and registrars (*arts-assistenten in opleiding*) will be remunerated on the basis of CAO-UMCs scale 11/increment 11.2 for the duration of the project.
- Medical researchers will be remunerated on the basis of CAO-UMCs scale 10/increment 10.4 for the duration of the project.
- Non-academic staff will be given a scale allocation in accordance with the 'Agreement on the funding of scientific research 2008', provided that the CAO-UMCs is used for the purpose.

Allocations will be based on the CAO-UMCs applying at the time the grant is awarded.

The percentage allowances referred to at Art. 2.1 b, c and d and the holiday allowance and end-of-year bonus will be in accordance with the percentages stipulated in the 'Agreement on the funding of scientific research 2008'.

ZonMw and NFU will evaluate the effect of this agreement each year and explore possibilities for further reducing the administrative burden.

This addendum is part of the 'Agreement on the funding of scientific research 2008', and has the same period of validity.

In the event of systemic changes or other major changes, the parties will hold consultations.

Amsterdam, 2 October 2008

Prof. L.J. Gunning-Schepers
chair
NFU

Prof. P.L. Meurs
chair
ZonMw

Specific grant terms and conditions applying to health promotion institutes (HPIs) and knowledge institutes

The following will apply to grant applications from these institutes:

1. Institutions that use hourly or half-day rates that have been approved by the Ministry of Health, Welfare and Sport or another government ministry will provide ZonMw with the information on the basis of which the ministry approved the rates. ZonMw will adopt these rates.
2. Institutions that do not use rates approved by a government ministry must, in the final quarter, and at any rate before the end of the financial year, provide a clear statement detailing how the rates for the coming year have been compiled and what elements have been included in the calculation. Clarity on the composition of rates is required partly in order to simplify the auditing accountant's assessment.
3. Rates will apply from 1 January to 31 December of the financial year for which ZonMw has issued approval, and will apply to all awards made in that financial year.
4. ZonMw-approved rates for a certain financial year may be increased by 2% a year during the agreed duration of the project.
5. ZonMw will not amend grants already awarded to ongoing projects.
6. Institutions that have received approval from a ministry should submit a copy to ZonMw, preferably before the end of the year, or as soon as possible thereafter.
7. If the composition of elements deviates markedly from the data provided in previous years, reasons must be given and consultations held with ZonMw.
8. The final accounts submitted to ZonMw by the institutions must be based on the budget approved by ZonMw and the activities related thereto.
9. Once a project is complete and its scientific content has received ZonMw approval, ZonMw will not reclaim any positive balance on the budget, up to a maximum of 10% of the budget awarded. These funds may be used for similar projects or to extend the subsidised project.
10. Arrangements may be cancelled in the interim if one of the parties is compelled to do so, albeit that mutual consent will be required.
11. The grant amount will be provisionally determined after the final scientific report and the final financial accounts have been approved.
12. The project audit by the accountant must be included in the recipient's annual accounts as a separate appendix. The audit must be performed on the basis of the audit protocol included in this booklet.

13. ZonMw has the right to reclaim all or part of the grant amount paid on the basis of the outcomes of the audit mentioned at 12.

Specific grant terms and conditions applying to all other institutions

Guidelines for drawing up the budget

The budget should be broken down into the following items:

1. Staff costs
2. Material costs
3. Implementation costs
4. Equipment costs
5. Sundries

Each of these items is examined below.

Staff

Staff costs include:

- the actual salary costs incurred each year for the staff directly involved in executing the project; please state the salary scale, increment and FTE proportion, and calculate 12 times the gross monthly salary;
- an additional 37% over and above the salary costs to cover extra staff costs. This covers social security contributions, holiday allowance, redundancy pay, 13th month's salary, risk of illness, advertising and other recruitment costs, commuting expenses, parental leave and allowances, other leave costs, training costs, HR support, bonuses, domestic travel, death-in-service benefits, social activities, relocation and resettlement costs, contribution to health insurance premiums and end-of-project costs.

If a staff member's salary scale and increment are not yet known, the salary costs should be calculated on the basis of the midpoint of the scale. If the scale and increment are known, the actual costs should be used.

Project budgets should assume an annual rise in salary costs of no more than one increment, with 2% correction for inflation. Final settlement will take place on the basis of the costs actually incurred, subject to the maximum grant awarded.

Where it is specified in the programme, an additional 37% of the gross salary costs (12 times the gross monthly salary plus 37%) may be included to cover overheads. This allowance must be submitted to ZonMw for approval and applies to all project proposals submitted by the applicant.

In view of the general overheads allowance, no reimbursement will be provided for regular infrastructural costs such as supervision, indirect staff, general services, ethical assessment, insurance, accommodation costs, office equipment, photography and reproduction costs, postage and telephone costs, automation and other ICT costs, preparations for conference attendance, representation costs or page charges, reprinting and review costs for the submission of academic papers.

Material costs

The costs of goods needed specifically for the project should be specified in the budget, including VAT (BTW). Material costs include laboratory tests, X-rays, ultrasound scans etc. If the project incurs particularly high travelling expenses, they may be included as material costs.

Implementation costs

Implementation costs are costs incurred for the dissemination and transfer of knowledge/experience from the project. They also include costs associated with preparations for the actual introduction of project results. Specific items include: publications, newsletters, brochures, mailshots, lectures, expert meetings, exchange meetings and the organisation of conferences.

Equipment costs

Reasons must be given for any investment in equipment and infrastructure. Only costs specifically incurred in association with the project may be paid for from grant monies; interest charges will not be reimbursed. The costs of investment (depreciation) may be included as project costs in proportion to the extent to which the equipment is used for the project. If the full purchase price of equipment is funded, the residual value of the equipment must be taken into account. The following depreciation rates should be applied:

- computer equipment: 1st year: 40%
 2nd year: 30%
 3rd year: 20%
 4th year: 10%
- other equipment linear depreciation over five years (20% a year)

Sundries

Sundries include the costs of contracting out analyses, legal advice and any marketing and media advice and publicity campaigns.

A maximum of € 2000 a year may be included for the costs of attending conferences. A maximum of € 1200 per project may be included as a contribution towards the costs of printing theses, insofar as they are written by people engaged in ZonMw-funded research related to the thesis.

Intellectual property rights and collaboration with commercial parties

I. Summary

ZonMw works with various parties, and is increasingly involved with commercial parties at both programme and project level, either as commissioning organisations or as participants in a programme or project.

ZonMw is keen to allow collaboration with commercial parties where this is compatible with its mission and in the interests of the programme's objectives. Such collaboration allows knowledge to be further developed, thus ensuring innovation. Since state aid is not permitted, ZonMw sets careful conditions regarding collaboration (in addition to its existing grant terms and conditions, if necessary). Open access to knowledge must for example be guaranteed at all times. This requires a particular focus on the way in which ZonMw deals with commercial parties, whether they are the sole or joint commissioning organisation for a programme, or are involved in a project funded by a ZonMw grant. The essence of ZonMw's policy is that grants to or involvement with commercial parties is permissible only if this is manifestly in the interests of public health (e.g. vaccination, or in the event of major changes for a small group of patients).

This report sets out the principles and conditions on which ZonMw both:

- A. allows commercial parties to commission programmes and
- B. awards grants to projects involving commercial parties.

A. Commissions from commercial parties

ZonMw takes a number of due care criteria into account when deciding whether to accept programme commissions from commercial parties, including:

- the commission must not be incompatible with ZonMw's mission;
- it must be possible to fulfil the commission in compliance with ZonMw's procedures and grant terms and conditions;
- the independence of ZonMw and/or the research may not be jeopardised;
- the commission must not contravene any legislation, particularly legislation pertaining to state aid.

If necessary, ZonMw will establish a user committee to oversee the arrangements concerning public and private interests. The committee will include experts from various disciplines.

ZonMw will not as a rule claim any joint or sole intellectual property rights in respect of knowledge products. ZonMw has the right to deviate from this if there are compelling reasons for it to do so, for example if the institution or project leader does not invest adequately in trade in knowledge, or if results must be published without restriction.

Commissioning organisations, including commercial commissioning organisations

ZonMw commissions from the Ministry of Health, Welfare and Sport (VWS) and the Netherlands Organisation for Scientific Research (NWO) are regulated in the ZonMw,

VWS and NWO Working Agreement. The said agreement may also be applied to commissions from other organisations.

In the case of commissions from other central government organisations – in this case, other ministries – the agreement with the commissioning ministry stipulates that the ‘Working Agreements’ are applicable. Additional arrangements may be specified, or certain parts declared inapplicable.

Commissions from new partners

ZonMw is increasingly receiving commissions for programmes from partners other than its main commissioning organisations (VWS and NWO). They include other government ministries, funds and commercial organisations. The board sets certain conditions regarding these commissions.

Commissions from third parties may be accepted only with the permission of the ZonMw board and the main commissioning organisations VWS and NWO. This is also the case if a commercial party co-finances a programme.

Commissions from commercial parties are accepted by the signing of a contract which stipulates that:

- the commissioning party may stipulate conditions concerning the goal and the problem or question to be researched, but may have no influence over the selection of projects to be implemented or the study design;
- the commissioning party may have no influence over the procedures used by ZonMw;
- ZonMw is free to communicate on the programme. ZonMw and its researchers enjoy full freedom to publish;
- there may be no unilateral promotion of products or services supplied by a commercial commissioning organisation that contravenes national or European legislation, including legislation prohibiting state aid;
- it is up to ZonMw to determine the wording of conclusions and recommendations related to the results of the programme or the activities funded, for instance in the programme evaluation;
- the commissioning organisations may attend committee meetings as observers and informants;
- in accepting commissions from commercial parties, ZonMw will charge fees for the overheads associated with implementation at market rates;
- any mention of ZonMw in publicity material may occur only in consultation with ZonMw (i.e. not without the permission of ZonMw).

B. Collaboration with commercial parties on the implementation of subsidised projects

General principles

If there is collaboration with a commercial party on a ZonMw-funded project, arrangements must be made concerning intellectual property rights associated with and products developed during the project. ZonMw will assume:

- that knowledge should be freely accessible;
- that it is not responsible for applying for patents. Arrangements may however be made with ZonMw for announcements to be delayed for a short time if this is necessary in connection with a patent application;
- the public interest served by the project will be safeguarded, and may not be superseded by private interests;

- ZonMw may require that a user committee be established to oversee the arrangements concerning public and private interests. The committee must include experts from a range of disciplines.

Use of results: user committee

Project leaders may collaborate with a commercial party on the implementation of ZonMw-funded projects. If this is the case, ZonMw may establish a user committee for the project. The membership of the committee will be based on the objectives of the project. A user committee will generally consist of the project leader and potential users of the knowledge generated by the project (such as doctors, researchers, representatives of patient associations, representatives of commercial parties) and other individuals who can be regarded as having an understanding of and/or an interest in the potential uses and applications of the results of the research. If the project is being carried out at a knowledge institution with a Technology Transfer Office (TTO), ZonMw generally prefers the TTO to be represented on the user committee.

The purpose of a user committee is to ensure that the results achieved in the project are used. The activities of user committees have been defined in the Task and Procedures of the User Committee. If it is clear before the grant is awarded that ZonMw prefers that a user committee be established, because this is stipulated in the programme document, for example, or because a commercial party is involved in the project, this should preferably be stated in the letter awarding the grant. If it becomes apparent during the project that commercial interests involved, a user committee may be set up during the project.

The project leader, who also chairs the user committee, will submit to ZonMw a proposal as to the membership of the committee. ZonMw has the right to stipulate further conditions regarding the membership of the user committee. It may, for example, ask the project leader to include a representative of the TTO or the legal department. This allows ZonMw to help enhance institutions' expertise in this field. The user committee will be installed and disbanded by the director of ZonMw. The project leader acts as chair, and will generally also head the secretariat. ZonMw has the right to run the secretariat itself and to attend meetings.

The project leader has a responsibility to keep the user committee properly informed of the progress of the research, the utilisation activities undertaken and any utilisation potential of which he has become aware. The user committee may advise ZonMw on request or on its own initiative.

Intellectual property rights and access to results

ZonMw has the right to claim co-ownership (art. 9.14). In practice, ZonMw will not normally exercise this right. It will invoke this provision of the grant terms and conditions only if there are special reasons for doing so, for example if the institution or project leader does not invest adequately in trade in knowledge, or if results must be published without restriction. In deciding whether this is the case, ZonMw may base its decision on the opinion of expert members of the user committee.

The results of the project may be of such interest to a commercial party that is a member of a project user committee that that party wishes to have access to the results. In deciding on such matters, ZonMw takes into account in the Task and Procedures of the User Committee a number of principles derived from Technology Foundation STW's trade in knowledge policy, which have been appended here.

Technology Foundation STW's trade in knowledge policy, adapted to the ZonMw context

- Right of first refusal
Any user wishing to have exclusive access to the research results must make a substantial monetary or other contribution to the research in return. He may then take part in the user committee as sole user, and will acquire right of first refusal in respect of the user rights to the research results. This should preferably be laid down in a right of first refusal agreement. The contribution to the research does not confer on the party concerned the *right to application/commercialisation* of the results.
- Licence/know-how agreement
User/application rights must be obtained by means of a licence or know-how agreement. This may take the form of a 'second' agreement, subsequent to a right of first refusal agreement, or of a single agreement regulating both the right of first refusal and the licence, in the event that the right of first refusal is exercised. ZonMw grants licences on the following basis:
 - exclusivity
in most cases, an exclusive licence will be granted, whereby the research institution reserves the right to use the results for further scientific research and education, including the right to publish.
 - confidentiality
publication may be deferred for up to one year in view of commercial interests, unless there are overriding health interests or other overriding public interests.
 - royalties
a percentage of the turnover obtained using the rights acquired must be paid in return for those rights. Any contribution that the company/institution in question has made to the research and the commercial value of the results will both be taken into account in determining this percentage. No maximisation will be sought in monetary terms, though maximum duration may be sought, for example for the validity of any patent.
 - no-deferral clause
this is intended to provide more assurance that the research results will actually be commercialised. Such a clause generally takes the form of minimum annual royalties, with the additional penalty that, if certain milestones/turnover are/is not achieved, the exclusive right will be converted to a non-exclusive right, or that all rights granted under the licence agreement will be declared null and void.
 - patents
ZonMw sets great store by the protection of knowledge where this is necessary for its successful application. The project manager, staff involved and user committee members may therefore be subjected to a duty of confidentiality at any time throughout the entire research process. The researcher is also obliged to notify ZonMw immediately of any potential patents. ZonMw deems the researcher responsible for patenting the knowledge, and acknowledges that the Technology Transfer Offices of knowledge institutions have a key role to play in this.