



## PPP Call 2024 — Knowledge and Innovation Agenda for Agriculture, Water and Food

CALL FOR SUBMISSION OF PROPOSALS FOR PUBLIC-PRIVATE PARTNERSHIP (PPP) INITIATIVES FOR DEMAND-DRIVEN RESEARCH TO BE STARTED IN 2025

<b>Specific focal area:</b>	<b>Knowledge &amp; Innovation agenda for Agriculture, Water, Food</b>
<b>Priorities</b>	<b>PPP call Agriculture, Water, Food Priorities for new PPP proposals</b>
<b>Available public budget 2025:</b>	<b>12.8 million euros excl. VAT (indicative)</b>
<b>Consultations (optional):</b>	<b>May 2024</b>
<b>Submission of PPP proposals:</b>	<b>no later than 02 September 2024</b>
<b>Feedback to applicants:</b>	<b>from 01 November 2024</b>
<b>Submission:</b>	<a href="https://kia-landbouwwatervoedsel.nl">https://kia-landbouwwatervoedsel.nl</a>
<b>Information:</b>	<a href="mailto:info@landbouwwatervoedsel.nl">info@landbouwwatervoedsel.nl</a>

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## 1. The Knowledge and Innovation Agenda for Agriculture, Water and Food 2024-2027

In the upcoming 25 years, the Netherlands is facing a huge challenge in the areas of agriculture, water, and food. In 2050, we will have a vital rural area and resilient nature in a climate-proof Netherlands where water and soil issues play a decisive role, agriculture and food systems are ecological and economically sustainable and healthy, and the deltas and large bodies of water are safe. This is not only a major challenge, it also presents opportunities for Dutch business and society.

To face these challenges and address opportunities, the Top Sectors, Dutch ministries and other public authorities, companies, knowledge institutes and civil organisations have jointly set up a new agenda which describes the new knowledge and innovation needed to reach these goals: the Knowledge and Innovation Agenda for Agriculture, Water and Food 2024-2027 ([KIA-LWV](#)).

The agenda consists of 6 missions:

1. Resilient nature
2. Sustainable agriculture and horticulture
3. Vital rural area in a climate-proof Netherlands
4. Sustainable and valued food that is healthy, accessible and safe
5. Sustainable and safe use of the North Sea and other large bodies of water
6. Safe and resilient deltas

These missions are supported by three key technologies:

1. ST1 Smart technologies for agriculture-horticulture-water-food
2. ST2 Fast, efficient and accurate breeding of plants and animals
3. ST3 Fermentation and bioconversion

This agenda stimulates collaboration through supporting investments by the private sector with government (public) funding. As a result, social challenges are addressed and earning opportunities are strengthened for economic sectors and the Netherlands as a whole at the same time. The Top Sectors Agri & Food (A&F), Horticulture & Starting Materials (T&U) and Water and Maritime (W&M) fulfil a connecting and coordinating role in this.

## 2. Call for PPP proposals

The Top Sectors A&F, T&U and W&M are publishing a call to all parties actively involved in the field of knowledge and innovation in the domain of agriculture, water and food for public-private partnership (PPP) initiatives, to start in 2025. A PPP project contributes to at least one of the goals set out in the KIA, and focuses primarily on the development of *new* knowledge and innovation. For initiatives focused on upscaling or the implementation of knowledge and innovation, other schemes are available; the KIA website provides an overview of the opportunities.

### *Wide scope*

Proposals that cover the full spectrum of the KIA-LWV are welcome.<sup>1</sup> The KIA-LWV lists Innovation Programmes with multiple sub-programmes per programme through which knowledge and innovation are shaped. This also applies to the Key Technologies. It is important that proposals are in line with these innovation programmes. A complete overview of programmes and sub-programmes, followed by the identified knowledge tasks, can be found on the [KIA website](#).

### *Crossovers*

Three Top Sectors are driving the implementation of the KIA for Agriculture, Water and Food. In addition, work is being conducted on specific themes in collaboration with other Top Sectors in the form of 'crossovers'. Specifically, the 2025 LWV PPP call offers the option of **crossover projects** with the TKI (Top Consortia for Knowledge and Innovation) Life Sciences & Health (KIA Health & Care), the TKI Logistics (part of KIA Climate & Energy) and the TKI ICT (KIA Digitalisation). The topics eligible for these crossover projects are described in a separate document '**Crossover topics**', which can be found on the KIA website under [Grants](#).

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<sup>1</sup> Research that directly or indirectly conflicts with any government policy is not eligible for financing. For example, research related to tobacco or alcoholic drinks conflicts with goals set out in the National Prevention Agreement.

### 3. General framework and budget

In the context of the PPP call, financial resources have been made available by the Ministry of Agriculture, Nature and Food Quality, the Ministry of Water Management and Infrastructure, and the Ministry of Economic Affairs and Climate Policy. Use of this funding is governed by the conditions set out in legislation and regulations.

#### *Requirements for a PPP proposal*

- The primary focus of any PPP proposals must be **on applied research** (also known as ‘industrial research’) meaning the research is focused on gaining new knowledge and skills focused on the development of new, or at least significant improvements to, existing products, processes or services.<sup>2</sup>
- This applied research must be in the form of precompetitive research for which a contribution with public money is legitimate.
- All PPP proposals must clearly demonstrate how the knowledge and innovation developed will be shared with the relevant sectors and other parties. Publication of the results through appropriate channels, such as professional literature, is a precondition to be eligible for public financing. However, restrictions apply to how much of the cost of this can be covered by the PPP grants.
- The entity submitting a proposal must be a company, trade association or NGO based in the Netherlands. Any consortium must consist of at least one research organisation and two other parties, such as businesses or trade associations, NGOs or public organisations. Generally speaking, someone from a research institution will take the role of project manager during following the award of funding.
- PPP proposals must have a maximum term of four years. No minimum term applies.
- The budget must be balanced and properly substantiated. For the exact structure of the budget, follow the guidelines in Annex 3.
- The proposal and the budget must be drawn up in line with the 2024 templates made available for the purpose. The use of older templates is not permitted.

#### *Available public budget*

Assuming an average project duration of 4 years, approximately **12.8 million euros excl. VAT** is available in the 2024 PPP call for research to be carried out in 2025. This budget is compiled as follows:

1. WR capacity via the Ministry of Agriculture, Nature and Food Quality: for PPP research carried out by Wageningen Research in 2025, approx. **7.4 million euros is available** (9 million euros including VAT). Partnerships with other research organisations are permitted. In such partnerships, the partners will be bound by the applicable support and grant frameworks.
2. TO2 capacity via the Ministry of Infrastructure and Water Management: for the 2024 PPP call, approx. **0.66 million euros is available** (0.8 million euros incl. VAT) for cross-sector projects related to water and soil-related topics in the spatial domain.. This funding must be used at TO2 institutions (TNO, Deltares, Marin, WR).
3. PPP grants from the leading TKIs:
  - a. TKI Agriculture and Food will contribute approx. 10.8 million euros for new projects that are linked to the agriculture and/or food domain, including aquatic production. This budget can be used by all parties that are eligible for financing.<sup>3</sup>
  - b. TKI Horticulture and Starting Materials will contribute 4 million euros for new projects that are clearly linked to the domain Horticulture and Starting Materials. This budget can be used by all parties that are eligible for financing.
  - c. TKI Water Technology will contribute 0.7 million euros for new projects that are clearly linked to the TKI Water technology programme,<sup>4</sup> and in which at least one of the designated water

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<sup>2</sup>According to the definition of the [Netherlands Enterprise Agency \(RVO\)](#) Fundamental research is not excluded as long as there exists an evident contribution to the shorter or longer-term KIA goals. For experimental development (such as implementation, upscaling), statutory lower maximum grant percentages than allowed in the PPP call are applied, as a result such projects are excluded.

<sup>3</sup> Companies and knowledge institutes that have generated a positive PPP balance in previous years with TKI A&F can use this in the 2024 PPP call. All parties have been informed in writing about this.

<sup>4</sup> See <https://www.tkiwatertechnologie.nl/nieuws/kennis-en-innovatieprogramma-tki-watertechnologie-2024-2027-van-start/>

technology knowledge institutions participates.

- d. TKI Delta Technology will contribute 0.5 million euros for new PPP proposals that are clearly linked to the themes and goals of TKI Delta Technology and where, in addition to a PPP contribution from TKI Delta Technology, PPP funding from other TKIs, TO2 capacity from Ministry of Water Management and Infrastructure or WR capacity from the Ministry of Agriculture, Nature and Food Quality are also requested. At least 1 participant must come from the following group: Building Changes; Centrum Ondergronds Bouwen, Deltares, EcoShape, Zeeland University of Applied Sciences, NIOO, TU Delft, TNO, Twente University, WEnR, WMR.

#### 4. Crossovers

- a. TKI LSH will contribute a maximum of 1.5 million euros for projects that contribute to the KIA Health and Care and have a direct link with the KIA LWV
- b. TKI Logistics will contribute a maximum of 0.6 million euros for projects that contribute to the KIA Climate & Energy and have a direct link with the KIA LWV. Projects must be completed no later than 01 January 2027.<sup>5</sup>
- c. TKI ICT will contribute a maximum of 0.75 million euros for projects that contribute to the KIA Digitalisation and have a direct link with the KIA LWV.

Restrictions on the use of crossover budgets are described in the subjects in **Annex 4**. The relevant TKI is responsible for taking decisions on these funds. Additional information may be requested before final allocation.

## 4. Financing of PPP projects

The basic principle underlying this call is that parties form public-private partnerships, in which investments by parties in the field and public authorities reinforce each other. Joint financing by public and private parties is important because it facilitates involvement and offers a framework for collaboration (those who pay get a say).

### *Public-private financing ratio*

**As standard**, the total co-financing amount in this call must be **at least 50%** for industrial (applied) research. Of that 50%, at least 30% must consist of private contributions, of which at least 5% must be in cash. The remaining 20% may consist of contributions from public partners other than the Ministry for Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management, such as other government departments, provincial authorities, municipal authorities, water boards and land management organisations.

The following exceptions are applicable to this ratio:

1. Proposals with a strong **societal focus** or major collective approach that offer no direct interest to market parties for the time being (i.e. without any business model on the horizon) are eligible for 70% financing by the Ministry of Agriculture, Nature and Food Quality or from TO2 capacity. The use of PPP grants is excluded from this option.
2. In proposals related to **area programmes in the context of the National Rural Area Programme (NPLG) or mission 6: 'Safe deltas'**, co-financing may consist of up to 40% (instead of 20%) of cash contributions from public partners other than the Ministry for Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management.

See **Annex 2** for a complete overview of conditions for the different financing models. We recommend that applicants who wish to make use of one of the exceptions for financing urgently seek advice on this point in a consultation. The financiers will assess if any definitively submitted project proposal is covered by the exceptions under a different financing ratio. **Coordination with the relevant financier** about this well before submission is a requirement.

### *Who is eligible for financing?*

The public funds made available through this call may only be spent on **research activities** carried out by the following parties:

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<sup>5</sup> This concerns resources from the PPP funding scheme that was in force until 2023. The details of the conditions for this may differ from that stated in Annex 3. If in doubt, please contact us.

- Research organisations (including educational institutions) can receive up to 80% of their stake from PPP grants (accessible to all organisations), from WR capacity (exclusively Wageningen Research) or TO2 capacity (exclusively TO2 institutions).
- Innovative companies can receive up to 50% of their stake from PPP grants.
- **New:** SMEs and similar organisations can receive up to 40% of their stake from PPP grants, provided they are located in the Netherlands and can provide an SME declaration.

See **Annex 3** for further details and conditions. All mentioned parties may receive additional financing for their research activities from co-financing from other partners, provided that the total project budget meets the required financing ratio.

#### *International partnerships*

International cooperation is preferred for certain parts of the KIA, for example because it concerns a cross-border issue or expertise that is only available outside the Netherlands. In such cases, participation of non-Dutch partners is permitted under the conditions described in **Annex 3**.

## 5. Procedure

#### *PPP proposal submission*

PPP proposals can be submitted via the submission link on the KIA website from mid-June through to 02 September 2024. All PPP proposals must be submitted with an accompanying budget. The mandatory templates for both the proposal and the budget are available via [Grants](#).

#### *Consultation option*

Parties who intend to submit a PPP proposal have the option of arranging a consultation meeting with delegates from the responsible TKIs and ministries. The outcome of this consultation at the request of the applicant (i.e. on a voluntary basis) will never be more than a mere indication on (a) whether the project is suitable for the KIA/Innovation programmes and/or (b) the financing model. No rights can be derived from these consultations.

Applicants who would like a consultation meeting can register **until 12<sup>th</sup> of May** via the registration link on the KIA website under [Grants](#). The consultation meetings will be held between 20 and 31 May; days and time slots per KIA part can be found on the website.

#### *PPP proposal assessment*

The TKIs will assess the PPP proposals on whether they meet the administrative requirements, such as use of the template, completeness and sufficient co-financing. The content of the proposals will be assessed by review committees consisting of a balanced representation of experts from the world of business, public authorities and research organisations.

The criteria used in the assessment are as follows:

1. Project appropriate for the KIA and contributes to the portfolio
2. Impact; contribution to the achievement of the KIA objectives
3. Quality of the PPP proposal
4. Quality of the consortium

A more detailed explanation of criteria is available in **Annex 1**.

The selection of proposals will be based on the ranking of proposals per KIA element (Innovation programme, key technology etc.). In principle, this ranking will be decided by the average scores of the proposals on the above criteria, plus the following conditions:

- Proposals that do not meet the required quality (criterion 3) will be excluded from consideration.
- Proposals that do meet the required quality score and that are fully funded by self-generated PPP grants (so not free) of the participating parties will be placed at the top of the ranking.
- Diversity will be sought within each KIA element, and mutual overlap between project proposals to be considered will be avoided.

Based on the ranking per KIA element, a decision will be made as to which PPP proposals can be financed using the various sources.

#### *Recommendation and decision*

The TKIs, the Ministry of Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management will draw up a recommended programme for the allocation of the available funding, taking into account the programmes and target groups of the financing party. For the crossover themes, this will be carried out in close cooperation with the TKIs Logistics and Life Sciences and Health. The consortium will be accountable to just one TKI.

This recommendation will be submitted to TKI executive boards and Top Teams, and to the Ministry of Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management. The lead partners will be notified of the outcome of the assessment, with reasons, after 01 November 2024. No appeal can be made against the decision of the TKIs on the selection of proposals.

*Overview procedure*

Date	Activity
02 April	Call opens
20-31 May	Consultation meetings (subject to registration, optional)
mid-June	Submission link online
02 September	Deadline for submitting PPP proposals
September/October	Assessment by TKI agency, review committees
19-31 October	Decision TKI boards/Top Teams, the Ministry of Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management.
After 01 November	Feedback to applicants
November-December	Evaluation with programme teams and focus groups
November 2024 - March 2025	Drawing up of cooperation agreements, allocation of funding.
01 April 2025	<b>Exclusion</b> if no partnership agreement has been concluded

For additional information about this call, please send an e-mail to [info@landbouwwatervoedsel.nl](mailto:info@landbouwwatervoedsel.nl).

## Annex 1: Criteria for the assessment of PPP proposals

Complete PPP proposals will be assessed based on the criteria below. All criteria are equally weighted, and a minimum of 1 and a maximum of 5 points can be earned per criterion.

### 1. Project appropriate for the KIA and contributes to the portfolio

- Does the proposal fall under one or more of the missions in the KIA?
- Does the proposal add value to the existing portfolio?<sup>6</sup>
- Does the proposal concern a disruptive technological, social or system innovation?

### 2. Impact

- Do the intended results significantly contribute to the realisation of the missions described in the KIA, and is this contribution well substantiated?
- Does it concern promising new knowledge or innovation that would otherwise not be achieved or only with a significant delay?
- Are the intended results applicable to different groups of users, and will they be made available effectively?
- Are connections made with local/regional/national networks, testing grounds, implementation programmes, partnerships or study circles, insofar as there are similarities with these?

### 3. Quality of the proposal

- Is the proposal well-written, and is the approach clear, logical and consistent?
- Is there a demonstrably clear connection with relevant existing knowledge and activities?
- Is the proposed approach effective and efficient in relation to the intended result?
- Is sufficient attention paid to social and institutional preconditions (e.g. support, legislation) that could influence the result?
- Are the activities proportional to the budget applied for (value for money/efficiency)?

### 4. Consortium

- Does the consortium have the right expertise to successfully implement the project?
- Are the parties needed to achieve the desired change actively involved?
- If those parties are not all consortium partners, how is their involvement sufficiently guaranteed, and can this be expected to deliver the desired result?

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<sup>6</sup> An overview of current and recently completed PPP projects can be found [here](#). N.B. we recommend looking beyond the portfolio of PPP projects.

## Annex 2 Financing options

The following applies to **every PPP proposal**, regardless of the financing option:

- At least 75% of the total project costs are financed in cash (grants + private and public cash co-financing). A maximum of 25% may consist of contributions in kind.
- Contributions from public partners other than public research organisations must always be in cash;
- The private cash contribution is at least 5% of the total project expenditure.

The following three financing options are possible within these preconditions, (see also Figure 1).

### Standard financing model: 50/50% ratio of grants vs. co-financing

- The grant is up to 50% of the total project budget for Industrial (applied) Research. The total co-financing is therefore at least 50%, and consists of private contributions, possibly supplemented with contributions from public partners other than the Ministry of Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management.
- The minimum required co-financing may consist of up to 20% from cash contributions from **public partners** such as provinces, water boards, and site management organisations. These partners may contribute more, but this will not be counted as co-financing.

### Exception option 1: 70%/30% ratio of grant vs. co-financing

A reduction of the minimum co-financing to 30% (default is 50%) can be requested if the following conditions are met:

- The proposal has a strong **societal focus** or major collective approach that offers no direct interest to market parties for the time being (i.e. without any business model on the horizon).<sup>7</sup>
- The proposal exclusively concerns the use of WR capacity, TO2 capacity or PPP grants from the TKIs Water Technology and Delta Technology. The exception option applies to projects with mixed financing, in proportion to the share of these resources in the total requested grant.
- The 30% co-financing must be provided by private partners. Contributions to the project from public partners are permitted, but will not be counted as co-financing.
- Prior to submission, coordination with the Ministry of Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management will take place on the suitability of the subject in question for this exception (depending on the department to which the submitter appeals). Applicants are asked to send a substantiated request to [info@landbouwwatervoedse.nl](mailto:info@landbouwwatervoedse.nl) **before 01 June**. This will be followed by a consultation with the Ministry of Agriculture, Nature and Food Quality or the Ministry of Infrastructure and Water Management in which the following will be discussed:
  - o whether the scope of the project proposal is sufficiently in line with the policy tasks of the Ministry of Agriculture, Nature and Food Quality or the Ministry of Infrastructure and Water Management, so that there is a clear and strong social focus.
  - o whether the scope can be tailored more specifically to the willingness of private companies to invest, so that, if this is not possible, it can be demonstrated that the competitiveness (business model) is in fact limited.
  - o whether sufficient involvement and co-financing have been organised by private or public parties that have an interest in working on the challenge in question.

The coordination will result in a decision on appropriateness. This decision is separate from the decision on whether the definitively submitted proposal is accepted; the assessment of the review committee based on the assessment criteria stated in the call prevails.

### Exception option 2: 50/50% with a larger share of public co-financing

The maximum public cash contribution to the total co-financing may be increased to 40% (default = 20%) if the following conditions are met:

- The proposal contributes to (a) area programmes in the context of NPLG (evidenced by the participation of one or more provinces or water boards), or to (b) **mission 6: 'Safe Deltas'**

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<sup>7</sup> Example: developing a Campylobacter rapid test is subject to 50%, developing hygiene measures to prevent the spread of Campylobacter is subject to 30%.



- The remaining 10% of co-financing must be private, making the total co-financing at least 50%.

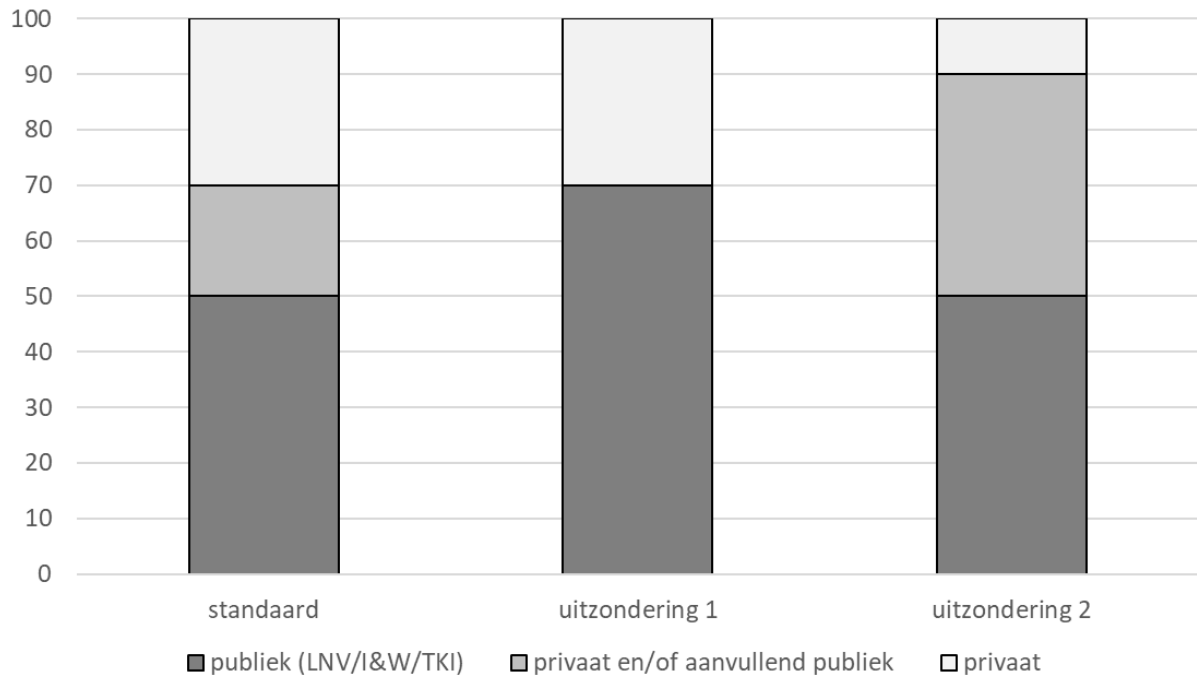


Figure 1. Illustration of the possible financing options for PPP proposals for industrial (applied) research.

## Annex 3: Setting budget, rates, co-financing requirements

A template is available with various tabs for drawing up the budget (it can be found on the KIA website under [Grants](#)).

### Participants tab:

Enter the name of the organisation and Chamber of Commerce number. Use list boxes to fill in the type of organisation and hourly rate calculation method.

If the type of organisation is not entered correctly, the cost overview tab will no longer be correct

### Cost overview tab:

Provides an overview of costs and financing. Automatically filled in based on the other tabs.

### Lead partner costs tab and other project partners costs tab:

A tab is completed for each partner.

The names of the partners are visible at the top, and taken from the 'participants' tab.

Enter the costs in the correct categories. If you have any doubts, see the '**Explanation of types of costs**'

Financing per partner is also entered. Pay attention to the permitted grant percentages.

These can be found in the '**grant percentages**' tab.

### Cash contribution tab:

Enter the cash contribution from private partners in the top column, and to whom the cash will be allocated. Make sure that this corresponds to the cash contributions entered in the tabs of separate partners.

Enter the cash contribution from private partners in the top column, and to whom the cash will be allocated. Make sure that this corresponds to the cash contributions entered in the tabs of separate partners.

The public and private cash contribution is included as a single amount in the individual partners tabs

### Financing tab

Tab 3a: the contribution in kind of the private partners (also include this in the costs in Tab 2b).

Tab 3b: the contribution in kind of the research organisations (also include this in the costs on Tab 2b).

Tab 3c: the cash contribution of the private partners. Please fill in who this cash contribution will be allocated to.

Tab 3d: the cash contribution of the public partners. Please fill in who this cash contribution will be allocated to.

Tab 3e: the requested public financing, broken down into financing type. Please fill in who this requested public financing will be allocated to.

Checks (by applicant and by TKI offices):

1. The total of the costs in the cost overview tab must equal the total of the financing
2. The grant percentages per partner must be at least the maximum permitted grant percentage
3. The costs per partner must be fully covered.
4. Compliance with the requirement of 50% (respectively 30%) co-financing, total project budget financed for at least 75% in cash
5. The activities as a whole must fit the [RVO's definitions](#) of fundamental or industrial research.

### Public financing

Projects must include partnerships with one or more **research organisations**. By research organisations, we mean:

- Wageningen Research
- Other TO2: TNO, Deltares, Marin
- Academic universities and universities of applied sciences
- Other research organisations, including KWR, LBI, National Institute for Public Health and the Environment (RIVM), Royal Netherlands Meteorological Institute (KNMI)

Research organizations can receive a grant for up to 80% of their stake. In addition, the following parties can also receive a grant:

- Innovative companies, such as GD, Schothorst, NIZO, CLM, Verify, SCFF (max. 50% of their stake)

- **SMEs** and similar organizations (max. 40% of their stake), provided they can provide an SME declaration.

### **Co-financing**

Private co-financing (cash and in kind) may be provided by:

- Companies and industry/producer organisations
- Societal organisations
- Public benefit organisations (ANBIs)
- Private research organisations

Public co-financing may be provided by:

- Water boards
- Public research organisations (including educational organisations)
- Provincial authorities, municipal authorities, national government authorities
- Ministries other than the Ministry of Agriculture, Nature and Food Quality and the Ministry of Infrastructure and Water Management.

The following cannot be included in any public co-financing<sup>8</sup>:

- Contribution in kind from public partners
- Funding from other schemes such as Regionaldeals, fieldlabs, etc.

### **Definition of contribution in kind**

It must be possible to allocate any contribution in kind to the research project/partnership during the project period. A contribution in kind is a cost incurred by a private or public party that adds value to the project. The parties which set up the PPP are responsible for indicating if a project includes any contributions in kind.

The following contributions may be eligible to be considered as contributions in kind:

- Labour costs.
- Costs of consumables, tools and software (licences) that are directly related to the project, based on the original purchase price.
- The purchase and operational cost of equipment, machines and infrastructure, on the understanding that these are based on the depreciation costs to be allocated to the project, calculated on the basis of the original purchase price and a depreciation period of at least five years; consumption and maintenance costs during the period of operation.
- Providing data to facilitate research on a project does not constitute a contribution in kind, but is considered a contribution of knowledge. As far as additional efforts are required in the context of the partnership to generate that knowledge, the additional costs may be included as a contribution in kind.

### **Cost calculation and rate structure**

In this regard, a distinction is made between three parties:

#### *1. Parties who receive a PPP grant and partners who are engaged on the basis of grants.*

These parties must calculate their cost of labour based on the standard methods as described in Articles 10 to 14 of the Framework Decision for National Grants by the Ministry of Economic Affairs and Climate Policy and Ministry of Agriculture, Nature and Food Quality. Costs will be accounted for exclusive of VAT if the grant recipient who incurred the costs is eligible to deduct VAT.

For the calculation of costs eligible for funding, participants may choose between:

- a. the integral cost system (Article 12 of the Framework Decision)
- b. the wage costs plus fixed allowance system (Article 13 of the Framework Decision), or
- c. the fixed hourly rate system (Article 14 of the Framework Decision).

#### Integral cost system

The system must be approved by the RVO. As a justification for the integral cost system, a declaration, notice or letter from the accountant of the participant must be submitted regarding the correct calculation of the rates based on the internal budgets.

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<sup>8</sup> This requirement applies on top of the formal requirements of the RVO

#### Labour costs plus fixed allowance system

The partners must supply an hourly rate calculation per employee used, i.e. including a cost component (gross wage cost, including employer contributions) and an hourly component (1,650 or less in case of part-time employment).

As a justification for these costs, the partner must supply an accountant's declaration or a calculation of the rate (labour costs + employer contribution, divided by hours), the payslips and the employer's contributions. The employer's contributions for social security and pensions submitted by the partners will be assessed in terms of reasonableness. If these contributions are higher than 30% of the gross wage costs, further justification must be provided for these costs in the form of the exact calculations of the social security and pension contributions.

#### Fixed hourly rate system

The costs eligible for funding must be calculated by multiplying the number of hours the parties involved spend on the PPP by a fixed hourly rate of 60 euros (Article 3.1.1. of the Regulations for National Grants by the Ministry of Economic Affairs and Climate Policy and Ministry of Agriculture, Nature and Food Quality).

#### *2. Wageningen Research*

WR rates apply for WR capacity. For the financing of third parties in a PPP from WR capacity, a distinction is made between:

- a. Outsourcing to third parties (subcontracting). The third parties in question are bound by the frameworks that follow from the subcontract and Public Procurement Act.
- b. Collaboration with research organisations who are part of the consortium. The partners are bound by the partnership agreements and the applicable support and grant frameworks.

#### *3. Parties who receive no grants*

The hourly rates of parties who do not receive grants must be calculated on the grounds of a method that is customary for and controllable by the participants in a partnership project, based on business economics principles and standards that are considered generally acceptable and applied systematically by the participants in a partnership project (Article 3.2.1 of the Regulations for National Grants by the Ministry of Economic Affairs and Climate Policy and Ministry of Agriculture, Nature and Food Quality).

#### **International partnerships**

Non-Dutch partners may participate in the consortium under the following conditions:

1. Non-Dutch partners are excluded from financing. However, they may receive co-financing or provide co-financing themselves.
2. **A company that does not have a branch in the Netherlands** may only participate if this company provides essential knowledge, expertise or technology to the consortium that cannot be provided by a company based in the Netherlands.

For projects involving the development of strategic/critical technology\*, the following applies in addition to the above:

3. Companies that **do not have a legal entity in the EU** are excluded from participation;
4. Companies that have a legal entity in the EU but whose **head office is located outside the EU** can also be asked to agree to additional clauses in the consortium agreement with the purpose of preventing 1) breaches and unwanted transfer of knowledge (IP, trade secrets) to countries outside the EU, and 2) the implementation of the project being influenced from a country outside the EU.

\* This applies in the case of development of highly innovative technology. Initiators can consult the economic security counter ([ondernemersloket economische veiligheid](#)) or the knowledge security counter ([loket kennisveiligheid](#)) if in doubt as to whether certain technology is qualified as strategic/critical.