

## Policy for Operation of the Fund for Innovative New Technology Research and Development

March 17, 2014

Council for Science and Technology Policy  
Committee for Promotion of the ImPACT Program

In accordance with section 2(4) of the Basic Policy for Management of the Impulsing Paradigm Change through Disruptive Technologies (ImPACT) Program (decided by the Council for Science and Technology Policy on February 14, 2014), necessary costs incurred in research, development, and other such activities of the ImPACT program are to be handled in accordance with the Policy for Operation of the Fund for Innovative New Technology Research and Development (hereinafter “Fund Operating Policy”) established by the Japan Science and Technology Agency (JST), as indicated below.

### **General Provisions**

- Rules for the administration of costs relating to R&D (hereinafter “research costs”), costs for support of PM activities (hereinafter “support costs”), and costs that are necessary for operation of the fund (hereinafter “fund management costs”) that are paid out of the Fund for Innovative New Technology R&D must be formulated so as to be in conformance with Fund Operating Policy.

### **Costs Subject to Payment**

#### <Research Costs>

- Research costs are allocated to R&D institutions that are selected in the implementation management of R&D programs (hereinafter “Programs”) carried out by Program Managers (PM), and that allocation is carried out by the JST according to commissioned research contracts and other such arrangements (direct costs consisting of research equipment and materials procurement costs, research personnel costs, and travel costs; indirect costs; etc.).
- Direct costs are to consist of the four cost categories of goods costs, travel costs, personnel costs and honorariums, and miscellaneous.
- Indirect costs are to amount to 10% or less of the direct costs included under research costs.
- The repurposing of funds between cost categories counted under research costs is to be allowed without undergoing JST procedures if it is within 50% of the total amount of the respective categories under the budget (direct costs) for the fiscal year. If repurposing that exceeds 50% of the total amount is to be carried out, it must be approved by the JST after being accepted by the PM.

#### <Support Costs>

- Support costs are paid out by the JST for costs that are necessary in the activities of planning, execution, management, and other such aspects of programs conducted by a PM. (This includes PM personnel costs, support staff personnel costs, contracted survey costs, research project recruitment costs, and costs of support operations relating to PM review and selection.)

<Fund Management Costs>

- Fund management costs will be paid for costs that are necessary for fund operation and other such management activities.

**Administration of Research Costs**

- Research costs are to be administered on the basis of commissioned research contracts and other such agreements decided upon between the JST and the R&D institution.
- In order that the execution of research will proceed smoothly within the R&D period, it is to be possible to administer costs in a flexible manner so that blank periods do not occur in cost administration at the end and beginning of the fiscal year. If unused portions of the research costs for a fiscal year occur in connection with changes to research plans or other such reasons, those portions do not need to be returned but can be held over for use in the following fiscal year, except in the final fiscal year, on the assumption that those portions will be used effectively in the following fiscal year. The amounts administered in each fiscal year during the R&D period, together with the unadministered amounts and the reasons for their occurrence, will be clearly stated in the Implementation Status Report for the fiscal year in question.
- In a case of necessity for the execution of research, and when recognized by the PM, an amount scheduled for disbursement for the fiscal year can be changed and an additional amount may be paid during the fiscal year. Those amounts are to be within the range of the total amount of costs required in the research plan.
- It is to be possible for equipment, facilities, and so on that have been acquired as research costs to be used effectively in other projects to an extent that does not interfere with the program. Furthermore, when the use for ImPACT of equipment, facilities, and so on that have been acquired using other subsidies or other such funding is allowed under the rules of that other subsidy or funding, it is to be possible to pay the necessary costs for such use out of research costs.
- An R&D institution can, on the basis of research plans agreed upon with the PM, have a portion of research costs used by another R&D institution under a contract for commissioned work or other such agreement (subcontracting). The handling of subcontracting costs is to conform to the handling of research costs.
- In the event that an improper use of costs is found in ImPACT, it is to be dealt with strictly as

determined by the JST in accordance with the Common Guidelines for the Execution of Indirect Expenses in Competitive Funds (agreement at liaison meeting by related government ministries on competitive funds, revised October 17, 2012).

- In the event that improper acts in R&D activities (fabrication, falsification, plagiarism, etc.) are found in ImPACT, to be dealt with strictly as determined by the JST in accordance with the Common Guidelines for the Execution of Indirect Expenses in Competitive Funds (agreement at liaison meeting by related government ministries on competitive funds, revised October 17, 2012).

### **Submission of Implementation Status Reports**

- The R&D institutions are to submit Implementation Status Reports to JST within one month of the end of each fiscal year, detailing the status of implementation of R&D and the status of accounts for research costs under each cost category. (When the R&D concludes within a fiscal year, however, Implementation Status Reports are to be submitted to the JST within one month of that time.) The JST will confirm that status of execution of research costs by means of the submitted Implementation Status Reports, on-site surveys, and other such means.

### **Finalization of Amounts**

- Following the conclusion of their R&D period, R&D institutions are to submit reports to JST on performance for the entire R&D period. The JST will finalize the amount of research costs on the basis of the performance reports, on-site surveys, and other such means.

### **Disclosure of Cost Applications, Etc.**

- With a view to reinforcing its accountability to the people, the JST is to use its website or other such widely public means to engage in full information disclosure regarding the application of cost funds for the fiscal year.

### **Ownership of Acquired Property**

- Ownership of research equipment and other such property that has been acquired by means of research costs is to revert to the R&D institution, regardless of whether it is a university, a business enterprise, or other such institution.

### **Miscellaneous**

- Matters that are necessary in connection with operation of the Fund for Innovative New Technology R&D, in addition to matters specified in the Fund Operating Policy, are to be determined by the JST in light of documents on ImPACT created by the Council for Science and Technology Policy and documents created by the Cabinet Office on the basis of those

documents.