VALUING VOICES

University of York

Navigating research systems and processes in collaborations with global south partners

This toolkit was created for researchers working with global south partners, but can be used by anyone who manages, administers or enables international research collaborations. It is designed to help you understand what global equity issues might arise as a result of assurance, administrative and financial procedures, and how to mitigate them.



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Why do we need a toolkit?

Research collaborations with global south partners significantly enhance research agendas and impact. However, the way that global north funders and higher education institutions (HEIs) manage these research projects means there can be issues around equity. Whilst existing guidance and toolkits address how to ensure equity in areas such as research design and methodology, governance and intellectual property, few consider what researchers *Heney and Poleykett* refer to as the more 'mundane' aspects of conducting research – contracts, due diligence, payments, etc – and how complex and duplicative requirements, and delays, can affect the trust and goodwill of global south partners.

The aim of this toolkit is to highlight to researchers and research support staff some of the administrative, contractual and financial procedures that are a necessary part of international research collaborations, and to explain how these might impact on your global south partners. It offers suggestions for how to avoid or mitigate these impacts whilst still ensuring compliance requirements are met so that our north-south partnerships are more equitable.

What's in this toolkit?

The toolkit includes four composite case studies which highlight issues that may arise with **post-award** processes such as due diligence, contracts and overseas payments, all of which can require substantial time and effort, and which the *UKCDR* has identified as having the potential to adversely affect equity. The case studies are fictional but draw on some of the problems encountered in the past by researchers and research support staff at the University of York and other UK universities, and by global south partners. Following each case study there is advice on what practical steps can be taken to avoid these problems happening in your own research project.

The case studies also suggest what can be done at the **pre-award** stage of the project to anticipate and address some of these issues, for example accounting for all potential costs (local taxes, bank charges, overseas VAT, processing fees, etc) so that your partners don't later receive less than they are expecting. Pre-award can also be a good time to discuss how your partner would like to be paid – for example, does their cashflow allow them to be paid three months in arrears or should a different payment schedule be negotiated?

Resources: Further resources can be found through the *Valuing Voices tool* which supports the design and delivery of equitable and responsible research projects. There is a section on *equity and diversity* in teams, and the *resources* page has links to helpful webpages, toolkits, guidance documents, and more. An overview of research processes and where to get more information and support can be found in the University of York's *Grant Management Toolkit*.

CASE STUDY: Overspend due to unforeseen costs

In a funding application for a one-year research project with four named university partners in Africa, £10,000 (£2,500 per quarter) was allocated to each university for the salary of an academic who would be acting as a CoI. A budget of £40,000 (£10,000 per country) was also included for local NGOs who would be recruited later to take part in the research taking the total overseas budget to £80,000.

Original overseas budget

	BUDGET
CoI salaries	£40,000
NGOs	£40,000
Total	**£80,000**

Halfway through the project the PI receives a budget update expecting to have spent £5,000 per university on salaries. However, payments to two of the CoIs have incurred an overseas reverse VAT charge of 20% so in fact £22,000 has been spent on salaries.

In addition, all the payments to the NGOs have incurred VAT so this has cost the project £48,000 instead of the budgeted £40,000.

To pay the four CoIs their two final instalments the PI needs £22,000 (inc VAT) but only has £10,000 left.

Furthermore, one of the CoIs has only received £4,250 so far, not the £5,000 she was promised, as her university has removed 15% of the funding transferred for admin costs.

Budget after 6 months

	BUDGET	ACTUAL	REMAINING
CoI salaries	£40,000	£20,000	£20,000
• Overseas VAT		£2,000	-£2,000
NGOs	£40,000	£40,000	0
• Overseas VAT		£8,000	-£8,000
Total	**£80,000**	**£70,000**	**£10,000**

Putting the budget together

When preparing the budget it is important to understand what unforeseen costs might be incurred. Not planning for **overseas VAT charges** can result in significant overspends. In the case study, it was assumed that the four partners would be paid through their institutions and these were named in the funding application. However, at the contract stage two academics advised they wanted to be paid as consultants. Whilst research institutions named in funding applications are exempt from VAT, consultants are not.

The budget also allocated funding for NGOs but they were not named in the application and were recruited later. Only partners named in the original application are exempt from VAT, and they cannot be individuals. At the pre-award stage you should:

- Clarify what payments will include an **overseas reverse VAT** charge and factor these into your budget.
- Wherever possible, ensure partners are named on the funding application.

In some countries, academic staff are required to **take unpaid leave** to do fieldwork. In others, research is not included as part of academics' contracts and they may be expecting to be **paid directly as consultants**, not via their institution.

- At the **pre-award** stage, find out how overseas staff will be paid and any implications for **overseas VAT**. Also include payment for any other participants in the research, for example, those who might be taking part in workshops or focus groups.

Some overseas universities will remove **overheads, indirect costs, local taxes and / or administrative costs** from the amount received, even if this is not an intended part of the payment. For example, for every payment made to a particular university in Asia there is a 3% university charge, on top of 12% local taxation; at another in Africa, administrators will deduct 15%. In one country in Latin America, universities cannot receive funds directly. All payments must be made via a **federal agency** which charges for the process.

Some overseas banks may charge for receiving payments from the UK, or add **transaction fees**, reducing the amount of funding partners receive. There may be a **tax** on all foreign funding transfers in which case you will need to account for overseas reverse charge VAT in the UK AND tax charges in the receiving country.

- Can you factor the costs your overseas partner will incur into your budget to ensure partners receive the amounts they are supposed to?

Do you need to cost in **translating** any key documents, such as the contract? If UK staff plan to visit overseas sites, will **an interpreter** be required, or someone from the local community to accompany you? It should not be assumed the global south partner will cover these costs.

Navigating research bureaucracy is time-consuming, complex and can take researchers away from research. Where possible, cost in a dedicated research **project manager or administrator** who can act as a liaison between the PI, post-award and central services teams, and the global south partner, and prevent issues arising. Complying with assurance requirements can also significantly impact your research partners – can you build in some budget for **capacity training or administrative support** for your project partner?

Finally, there may be a long period of time between submitting your funding application and the grant being awarded. It might be wise to allow for **inflation** in all costs. If you have a project that won't be starting for a year, and will run for three years, might it make sense to increase estimated costs by 15%?

- Try to find out as much as you can in advance about any unforeseen costs by talking to other researchers (especially those who have worked with the partner / country before), to research support staff, and to your partners, and then make sure you have accounted for them before the application for funding is submitted.
- More information on costing research, including guidance on overseas VAT, can be found on the *Research Operations Hub*.

> *No one had said we'd need to pay VAT when we sent the budget to the award team. We were not aware of the VAT. So you think you have all this money, but you have less."* **Research PI – UK HEI**

> *It wasn't really clear who had control of finance, who was keeping track of financial expenditure. Then two months ago we went to check with post-award if our budget matched theirs – we'd spent way more than we thought because we didn't count VAT."*
> **Research PI – UK HEI**

Potential unforeseen costs

- overseas reverse charge VAT
- overseas partner overheads, indirect or administrative costs
- local taxes
- bank charges or transaction fees
- translation and interpreting
- inflation

CASE STUDY: due diligence caused delays, and offence

One of the named partners on a research project on armed conflict was a small NGO in the global south with just six members of staff, some of whom had experienced violence themselves. The NGO was essential to the project for their expertise, their knowledge of the region, and because of their extensive networks in hard-to-reach groups of survivors of violence.

Once the project was awarded, the founder of the NGO was asked to complete the post-award due diligence process which included providing evidence of insurance policies, audited accounts, safe-guarding policies, etc.

The partner had not been involved in a research project before and was not clear why she had to provide so much documentation to receive such a small amount of funding, and found the form itself difficult to understand. Some of the policies had no equivalent in the partner's country, or the partner did not have them. The partner was also offended that a former colonial power required victims of violence to demonstrate how they met global north safe-guarding standards.

The process went on for several months, involved countless emails, and took up a lot of the partner's time, creating stress for all those involved and leaving the partner feeling like the University did not trust her.

> *When I received the due diligence information I didn't understand what was required. I don't have professional indemnity and public liability policies. Nobody here has these policies. They asked me to put them in touch with my HR department. What HR department? I am the HR department. I'm everything. They also wanted audited accounts – how could we afford to get accounts audited? But the frustrating thing was that they knew what type of organisation we are, what resources we have. They knew when we applied for the funding that we are an organisation of just two people."* **Global south partner – NGO**

> *They demanded a huge amount of information, a huge amount of documentation, to ensure we were eligible to receive funds. Again, this is partly colonial, this assumption that there is corruption outside the global north. We are a research institution, everything's transparent. We are not corrupt. In fact, our federal laws are extremely strict – we are governed more strictly than the UK is. Anyway, we sent all the information they were demanding, and then they sent the payment to the wrong institution."* **Global south partner – HEI**

> *One of the reasons due diligence took so long was because we were trying to access some kind of public version of audited accounts. I had to talk to loads of people, escalate, and eventually it became clear that their regulatory system does not allow their accounts to be published. What do we do now? In their country that information is confidential, it's a different regulatory environment. They're not released. And that was fine. So I think you feel that all the due diligence is required but maybe they're not all required?"* **UK researcher**

Completing due diligence

Due diligence and other forms of research governance are key to ensuring accountability, transparency, quality control, fairness, and safeguarding, and that public money is spent responsibility. Due diligence takes place both pre- and post-award.

The aim of the **pre-award due diligence** process is to highlight potential risks and to then discuss the implications and how to proceed. For example, if a partner has faced politically motivated criminal charges this would not necessarily exclude them from being a research partner, but the process will provide a record of thought processes and decision making that could be referred to in the event of a challenge from an external body. Due diligence must be completed even where a partner will not receive funding, such as when their role on the project is to provide in-kind support. This is done via a google search by university staff.

A number of *organisations are exempt* from the due diligence process.

The person responsible for completing pre-award due diligence at York can be found on the research centre pages of the *Social Sciences*, *Humanities*, or *Sciences*. If you are unsure who to contact you can email *research-grants@york.ac.uk*

Even though further due diligence does not need to take place at this stage, it may be worth familiarising yourself with what will be required if the funding is awarded. You might also want to give your partners some warning of the kind of information they will be asked for, and why.

Once funding is awarded, the first key **post-award** process is due diligence. A **comprehensive document** covering governance, finance and financial procedures, experience of collaborative research projects, research good standing, insurance and other policies such data management, safe working environment, and equality must be completed in English.

It may not always be clear to global south partners **what information is being asked for, or why**. This can make **partners feel like they are not trusted**, even suspected of inappropriate or even illegal behaviour, such as money laundering. The process can even be experienced as an example of colonialism, where countries outside the global north are scrutinised and assumed to be corrupt even though the laws that govern research locally may be stricter than those in the UK. Although there is nothing to stop partners doing their own due diligence on global north partners, it can be felt to be very much a one-way process.

Due diligence forms sent by HEIs and funders may also require **information that is not available or relevant in other contexts, or it may be sensitive**. For example, the requirement for different insurance policies that are not common in other countries often causes problems. In addition, not all research partners are HEIs. NGOs or other non-university partners may not have policies in place that would be common in an academic setting.

Finally, the amount of information required, and trying to understand what alternatives might be suitable, places a **huge administrative burden** on partners. Whereas UK HEIs have departments whose responsibility it is to complete these kinds of forms, capacity can make it much harder for global south research partners to demonstrate that they meet due diligence requirements. This is further exacerbated in projects where both the HEI and the funder require partners to complete due diligence, and each requires different information.

- Research staff should be aware of the tensions and difficulties that can arise, and that the due diligence process can create a perceived power imbalance. Try to ensure that what is being asked of partners is communicated sensitively and not in a way that could be interpreted as an example of global north condescension.
- Whilst the process is normally initiated by the post-award team, you may wish to liaise with partners directly to explain the process and assist with the completion of the form to lessen the burden on them.
- If your partner can't meet one or more of the requirements, find out if there is another way of getting assurance on that point. Researchers will know the context of their partners and may be aware of local policies that whilst not an exact match for what is specified, might be comparable. For example, an anti-harassment policy might cover what is needed for safeguarding.

> *They ask so much stuff, they ask so much stuff ... there's certain things I don't understand but from the grants management position I think I understand why they ask. So they don't come and say 'we need this because of this and this' but having been in this office for a while, some of us can understand why they are asking."* **Global South partner HEI**

- A meeting between post-award staff, the research team, and the partner could help clarify what is needed and the best approach for proceeding where the information specified is not available.
- How to approach due diligence could be covered in the *initial grant meeting*.
- Do not underestimate how long this process can take, and how much work is involved.

CASE STUDY: contract delays lead to postponement of fieldwork

A one-year research collaboration involving one UK university and two global south universities was due to start in January 2024 with fieldwork planned for April-June. Completing due diligence took until the end of March, and delays at all three universities resulted in the final sign-off of all contracts being completed at the end June. Without a contract in place, focus groups, fieldwork trips and workshops planned for April/May had to be cancelled and rescheduled. The delay to data collection resulted in less time available for data analysis and writing up.

Proposed project timeframe

January	February	March	April	May	June	July	August	September	October	November	December
Award											
Due diligence											
		Contract									
			Fieldwork / data collection								
					Data analysis						
							Writing up				
										Publish / Disseminate	

Actual project timeframe

January	February	March	April	May	June	July	August	September	October	November	December
Award											
Due diligence											
			Contract								
						Fieldwork / data collection					
								Data analysis			
									Writing up		
											Publish / Disseminate

Project set up

Due diligence and contracting processes can involve negotiating complex bureaucracies and hierarchies in both UK HEIs and in partner organisations. The central teams working on these processes are also usually very busy dealing with multiple competing demands on their time. As a result, these processes often take longer than expected, sometimes up to several months depending on the complexity of the project. However, even a simple project with a small budget can take months to set up if bureaucracy in the host or partner institution, or both, moves slowly.

Knowing what the processes involve and following up to ensure they are kept on track can help reduce delays. Project support staff with experience of managing international research projects can be helpful here. Also, realistic **estimates of how long processes might take** should be built into timelines for 'project set up'. Scheduling UK-based work earlier in the project, and work with partners later on, can help avoid activities having to be postponed.

Contract negotiations is another area that needs to be dealt with **sensitively**. Partners are expected to understand UK legal terminology and to comply with the norms of UK legal agreements. Overseas legal teams have raised objections to clauses that favour UK HEIs, or to contracts that require partners to abide by laws that have no legal effect in their country. Whilst a contract is necessarily governed by the laws of one of the contracting parties, this may still be interpreted as an example of global north colonialism:

> *Inequality in power was also shown when the collaboration agreement indicated that it was to be interpreted according to Scottish law. This means that whether or not Botswana had a differing interpretation, this did not matter. Using Costello and Zumla's (2000) view about collaboration between South and North institutions, using a foreign law in another territory may be interpreted as new imperialism, whereby the North extends its power and recolonises the Global South, creating intellectual dependency."*
> **(A Partnership of Un-Equals: Global South-North Research Collaborations in HEIs)**

- Your institution's standard contract template may be for UK partnerships and unsuitable for overseas collaborations. Read it through carefully before it is sent to your partner. If referring to specific legislation, does it also recognise compliance with equivalent laws in the partner country? Is there anything in the contract that is not culturally appropriate? For example, there are specific principles for the management of data belonging indigenous peoples.
- Be aware of how the contract might be received by global south partners and work with the legal team to mitigate this as far as possible, ensuring contracts are **appropriate to the context**.
- As with the due diligence, it can be helpful for someone on the research project team to keep up to speed with the contracting process and to help where needed. Ask to be **copied-in to communication** to ensure the right person in the partner institution is receiving the information.
- If you have had discussions with your research partner and post-award staff about a **different payment schedule**, ensure that this is outlined in an appendix of the contract.

CASE STUDY: Project partner has to take out a loan

Although the length of time it takes to pay partners is often due to legitimate reasons – initial delays with due diligence and contracts, internal payment cycles, queries from banks worried about money laundering – working relationships can be impacted when **payments** are not made in a timely manner. More importantly, late payments can have serious consequences for partners – the *guide to GCRF research* highlights payments as **one of the most harmful institutional processes** in research with partners in the global south, alongside due diligence and contracts. Recent research has found:

- Smaller partners relying on their personal savings to cover salaries in the initial months of a project whilst waiting for payments.
- A partner taking out a loan to cover project costs while waiting to be reimbursed.
- An academic coming under internal review for corruption and being suspended from her institution for paying for project costs from her own bank account.
- A UK researcher covering overseas payments from their own money when delays meant a global south collaborator could not pay her rent.

> *So first they couldn't pay me anything because there wasn't a signed contract. Then they wanted me to pay for things and pay me three months in arrears. Do they know who they're talking to? I don't have that kind of money."* **Global south partner – NGO**

> There are also situations where the funder actually advances the funds but then the [UK] university sets up the cost reimbursement model which is I think unfair, it's very unfair. If the resources have been provided by the funder and then you let the partner have to look for their own resources. **Global south partner – HEI**

The *UKCDR guidance on equitable research partnerships* highlights that payment terms are often a barrier to equitable partnerships where 'partners can be hamstrung if contracts specify that payments will occur only after certain project milestones have been reached'. They also note that whilst more flexible approaches that allow for upfront payments would be preferable, these payments often involve additional monitoring that can be costly and time consuming.

The normal process is usually to pay partners three months in arrears, subject to receiving an invoice itemising, and with evidence of, costs incurred in the previous quarter. As outlined by the UKCDR, this may not be a suitable arrangement for all research partners. For some non-academic partners, paying for activities from their own funds may be against their regulations. Others may not have the funds to pay costs upfront and wait for reimbursement three months or more later.

Global south partners may question why UK HEIs can receive funds upfront from funders, but global south partners must claim their share of their funding, with evidence, in arrears.

Making payments run smoothly

Getting payments to overseas research partners can be a lengthy process. Due to the time taken to complete due diligence and contracts, it is not uncommon for partners to receive their first payment several months after the project has started. Then, the standard practice is to pay partners three months in arrears, although the amount of evidence needed to generate some payments, or because invoices are not processed in a timely way, can mean that in reality partners receive funds four, five or even six months after expenditure.

There may be times when you need to pay organisations or individuals overseas other than project partners. In such cases, delays with setting them up as suppliers, or not being permitted to set them up as suppliers, and restrictions on payment methods may delay or even prevent payment.

- Having discussions at the pre-award stage about how your research partner(s) will be paid if the application is successful can help mitigate problems later on. If your project partner(s) will need a different payment schedule to the standard 'three months in arrears', talk to the post-award team about what alternative arrangements could be put in place that still comply with university and funder due process, and then later ensure that this is documented in the contract.
- It might be helpful later if at the application stage you add to your **risk assessment** the implications of partners not being paid in advance / not being paid on time.
- As post-award teams are often incredibly busy managing multiple projects, it can be useful to keep a schedule of payments and liaise with the post-award team in plenty of time to **remind them that the payment** is due. You can also remind your partner to submit their invoice.
- Partners are likely to be asked to provide **evidence of spending**. This assumes a receipt-based system similar to that of the UK and does not take into account contexts where receipts are not generally provided. You may wish to advise your partner to use a receipt book to log purchases where receipts are not otherwise available.
- If you have agreed to pay partners three months in arrears but during the project you need to make a payment outside the schedule there is an **advance payment process** that can be initiated through the post-award team.
- When working with people or organisations overseas who are not project partners named in the original bid, talk to research support staff early to ensure that there will be a suitable method for payment. Request these payments as soon as possible.



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