

Endeavour Fund 2020 Investment Round

Notice to the Science Board

1. In this notice, I:
 - a. specify that the Science Board is to make funding decisions on proposals for the Ministry of Business, Innovation and Employment (MBIE) Endeavour Fund under section 10(3)(b) of the Research, Science, and Technology Act 2010 (“RS&T Act 2010”);
 - b. set the criteria for the eligibility and assessment of proposals for the Endeavour Fund under section 8(1) of the RS&T Act 2010;
 - c. specify the total value of funding available for the Science Board to award to proposals in the 2020 Investment Round; and
 - d. specify the funding mechanisms to be used, and the value and duration of investments under those funding mechanisms.

General Policy Objectives

2. The general policy objectives of the Endeavour Fund are to:
 - a. support research, science or technology, or related activities that have high potential to positively transform New Zealand’s economic, environmental, and social outcomes, and give effect to the Vision Mātauranga policy; and
 - b. drive an increasing focus on:
 - i. excellent research; and
 - ii. the potential for impact in areas of future value, growth or critical need for New Zealand.

Interpretation

3. For the purposes of this notice and the Schedules to this notice, the terms:
 - a. **Vision Mātauranga policy** means the government policy which aims to enable a distinctive contribution to New Zealand by Māori through their engagement with research, science and innovation.
 - b. **Research Organisation** means an organisation that has sufficient internal capability for carrying out research, science or technology, or related activities.
 - c. **Relevance of Benefits** means the extent of alignment with one or more areas of future value, growth or critical need for New Zealand.
 - d. **areas of future value, growth or critical need for New Zealand** includes, but is not limited to, those areas specified as such in the Investment Plan.
 - e. **Radical Change** means “altering the fundamental nature of something”.
 - f. **2020 Investment Round** means the call for proposals made in 2019 and for which funding decisions are announced in 2020.
 - g. **Investment Plan** means the Endeavour Fund Investment Plan dated 3 September 2018 published on MBIE’s website: <https://www.mbie.govt.nz/assets/6a4e807a69/2019-endeavour-fund-investment-plan.pdf>.

Funding Available

4. The Science Board may invest up to \$56.8 million of new, annual funding (excluding GST) through the 2020 Investment Round for the Endeavour Fund with an indicative split of \$38.8 million in the Research Programmes investment mechanism and \$18 million in the Smart Ideas investment mechanism.
5. The table below gives indicative new annual funding by mechanism available under the 2021 and 2022 Investment Rounds:

Investment Mechanism	2021	2022

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Research Programmes	\$38.8 million	\$38.8 million
Smart Ideas	\$18 million	\$18 million

Funding Decisions

6. In making funding decisions on proposals for the Endeavour Fund, the Science Board will allocate funds as set out in the Investment Plan.
7. The Science Board must make funding decisions on proposals for the Endeavour Fund in accordance with:
 - a. the Public Finance Act 1989 and the relevant Appropriation Acts for Vote Business, Science and Innovation;
 - b. the eligibility and assessment criteria specified in this notice and the relevant Schedules to this notice;
 - c. the investment signals set out in the Investment Plan; and
 - d. the government's Vision Mātauranga policy.

Portfolio Approach

8. Where the Science Board takes a portfolio approach to funding decisions on proposals for the Endeavour Fund, this includes:
 - a. Ensuring each proposal funded has sufficient merit as assessed against the excellence and impact criteria in the relevant Schedules to this notice;
 - b. Considering how the overall mix of investments made, and the resulting total portfolio of new and existing contracts under the Endeavour Fund, meet the investment signals in the Investment Plan;
 - c. Considering the value offered by the largest Research Programme proposals;
 - d. Avoiding duplication, or excessive concentration, of research in any given area in the Endeavour Fund and the broader public science system; and
 - e. Meeting general policy objectives set out in clause 2 of this notice and specific policy objectives set out in clause 1 of each Schedule to this notice including, where appropriate, the Vision Mātauranga policy.

Eligibility Criteria

9. For proposals to be eligible under the Endeavour Fund, they must:
 - a. be made by a New Zealand-based Research Organisation or a New Zealand-based legal entity representing a New Zealand-based Research Organisation;
 - b. be designed so that the majority of benefits accrue outside of the Research Organisation or legal entity which represents the Research Organisation;
 - c. not be made by a department of the public service as listed in Schedule 1 of the State Sector Act 1988;
 - d. be made under an investment mechanism specified in the Schedules to this notice;
 - e. be for research, science or technology, or related activities, the majority of which are to be undertaken in New Zealand, unless the Science Board considers that there are compelling reasons to consider the proposals, despite the amount of research, science or technology or related activities being proposed to be undertaken overseas;
 - f. not be for research with the primary objective (more than 50%) of health outcomes ("health outcomes" includes cost savings to the health care system);
 - g. meet any applicable timing, formatting, system or other similar administrative requirements imposed by MBIE in supplying administrative services to the Science Board under section 10(7) of the RS&T Act 2010; and
 - h. advise that the proposed funding recipient will, and the Science Board is of the view that it can, adhere to the terms and conditions of funding set out in an investment contract determined by the Science Board.
10. Proposals determined to be ineligible by the Science Board under Paragraph 9 cannot be awarded funding.

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Effective Date

1. The Investment Plan came into effect on 3 September 2018.
2. This notice will come into effect on 10 July 2019.
3. This notice will be revoked on 1 November 2020.

Dated at Wellington this 30th day of June 2019.

HON DR MEGAN WOODS, Minister of Research, Science and Innovation.

Note: This notice revokes the notice titled "Endeavour Fund", published in the [New Zealand Gazette, 17 August 2017, Issue No. 83, Notice No. 2017-go4232](#).

Schedule 1

Smart Ideas Investment Mechanism

Specific Policy Objectives

1. This investment mechanism is intended to catalyse and rapidly test promising, innovative research ideas with high potential for benefit to New Zealand, to enable refresh and diversity in the science portfolio.

Value and Duration of Funding

2. Investments made under the Smart Ideas mechanism will have a duration of either two or three years.
3. Investments made under the Smart Ideas mechanism will have a minimum value of \$0.4 million and a maximum value of \$1 million per contract.

Assessment Criteria

4. In reaching funding decisions, the Science Board must initially assess proposals for Smart Ideas having regard to the extent to which each proposal meets the following criterion:
 1. Excellence
 - i. Science (weighted 50%). Research should be well-designed, involve risk and/or novelty, and leverage additional value from wider research. Assessment must have particular regard to whether the proposed research, science or technology or related activities:
 - a. progress and disseminate new knowledge;
 - b. have a well-designed research plan and credible approach to risk management;
 - c. are ambitious in terms of scientific risk, technical risk, novelty and/or innovative approaches; and
 - d. are well-positioned in the domestic and international research context.
 - ii. Team (weighted 15%). The proposed team should have the mix of complementary skills, knowledge and resources to deliver the proposed research, science or technology or related activities, and to manage risk.
5. Only proposals that have been assessed as having sufficient quality against the Excellence assessment criterion under clause 4(a) of this Schedule will be assessed with regard to the following additional criterion:
 1. Impact
 1. Benefit to New Zealand (weighted 25%). Research should have direct and indirect benefits or effect on individuals, communities or society as a whole, including broad benefits to New Zealand's economic, social, human or natural capital. Assessment must have particular regard to:
 - a. the scale and extent of potential benefits from the proposed research, science or technology or related activities; and
 - b. the Relevance of Benefits and additional value delivered to New Zealand.
 2. Implementation Pathway(s) (weighted 10%). The credibility of indicative implementation pathway(s) to deliver public benefit to New Zealand, not limited to a single firm or end-user, and which may be uncertain in nature;

6. Once proposals have been assessed against both the Excellence and Impact assessment criteria in this schedule, the Science Board may also assess them for alignment with investment signals in the Investment Plan and may apply the portfolio approach described in clause 8 of the main notice.

Schedule 2

Research Programmes Investment Mechanism

Specific Policy Objectives

1. This investment mechanism is intended to support ambitious, excellent, and well-defined research ideas which, collectively, have credible and high potential to positively transform New Zealand's future in areas of future value, growth or critical need.

Value and Duration of Funding

2. Investments made under the Research Programmes mechanism will have a duration of either three, four or five years.
3. Investments made under the Research Programmes mechanism will have a minimum value of \$0.5 million per year.
4. The Science Board will consider whether the largest Research Programme proposals provide good value. As a result, the Science Board may choose to fund some smaller proposals instead, which it considers offer better value.

Impact categories

5. A proposal for Research Programmes must be made under one of the impact categories "Transform" or "Protect and add value".
6. Proposals in the "Transform" category should meet the following criteria:
 - a. Immediate impact. Is the new, or changed, technology, process, practice, business model or policy, that is enabled by the research, a Radical Change and/or a leap in performance versus the status quo?; and
 - b. Ultimate impact. Could the research ultimately lead to a transformational change within the New Zealand economy, society or environment by, for example, creating or disrupting economic activities, creating a new sustainable resource use or eliminating environmental damage, or changing the character of risks and opportunities faced by individuals and society?
7. Proposals that do not meet both criteria under clause 6 of this schedule should be made under the "Protect and add value" category.
8. When making funding decisions, the Science Board will attempt to invest funding to proposals in each impact category in the ratio given in the Investment Plan, subject to the considerations set out in clause 8 of the main notice.

Assessment Criteria

9. In reaching funding decisions, the Science Board must initially assess Research Programmes proposals for the extent to which each proposal meets the following criterion:
 - a. Excellence
 - i. Science (weighted 25%). Research should be well-designed, involve risk and/or novelty, and leverage additional value from wider research. Assessment must have particular regard to whether the proposed research, science or technology or related activities:
 - a. progress and disseminate new knowledge;
 - b. have a well-designed research plan and credible approach to risk management;
 - c. are ambitious in terms of scientific risk, technical risk, novelty and/or innovative approaches; and
 - d. are well-positioned in the domestic and international research context.

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- ii. Team (weighted 25%). The proposed team should have the mix of complementary skills, knowledge and resources to deliver the proposed research, science or technology or related activities, and to manage risk.
10. Only proposals that have been assessed as having sufficient quality against the Excellence assessment criterion under clause 9(a) of this Schedule will be assessed with regard to the following criterion:
 - a. For proposals in the “Protect and add value” category:
 - i. Impact.
 - a. Benefit to New Zealand (weighted 25%). Research should have direct and indirect benefits or effect on individuals, communities or society as a whole, including broad benefits to New Zealand’s economic, social, human or natural capital. Assessment must have particular regard to:
 1. the scale and extent of potential benefits from the proposed research, science or technology or related activities; and
 2. the Relevance of Benefits and additional value delivered to New Zealand.
 - b. Implementation Pathway(s) (weighted 25%), including:
 1. the credibility of implementation pathway(s) to deliver public benefits to New Zealand, not limited to a single firm or end user, and the strength of relationships with relevant end users, beneficiaries, or stakeholders; and
 2. the mix of complementary skills and experience, within the team, relevant to achieving impact in the proposed impact areas.
 - b. For proposals in the “Transform” category:
 - i. Impact.
 - a. Benefit to New Zealand (weighted 25%). Research should have direct and indirect benefits or effect on individuals, communities or society as a whole, including broad benefits to New Zealand’s economic, social, human or natural capital. Assessment must have particular regard to:
 1. the extent to which the technology, process, practice, business model, or policy enabled by the research is a Radical Change and/or a leap in performance versus the status quo; and
 2. the extent to which the ultimate impact resulting from the new technology, process, practice, business model or policy is a transformation of the New Zealand economy, society or environment; and
 3. evidence of the Relevance of Benefits and additional value delivered to New Zealand.
 4. For the avoidance of doubt, the focus of assessment for proposals in the “Transform” category is on the nature rather than the size of the impact. Evidence of a large impact will not be taken as conclusive evidence of a transformational impact.
 - b. Implementation Pathway(s) (weighted 25%), including:
 1. demonstrated understanding of the enablers and barriers in potential implementation pathway(s) to deliver public benefits to New Zealand, not limited to a single firm or end user, and the strength of relationships with relevant end users, beneficiaries, or stakeholders; and
 2. the mix of complementary skills and experience, within the team, relevant to achieving impact in the proposed impact areas.
 11. Once proposals have been assessed against both the Excellence and Impact assessment criteria in this Schedule, the Science Board will also assess them for alignment with investment signals in the Investment Plan and will apply the portfolio approach described in Clause 8 of the main notice.

