



New Zealand Gazette

OF THURSDAY, 7 NOVEMBER 2013

WELLINGTON: FRIDAY, 8 NOVEMBER 2013 — ISSUE NO. 148

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT

CRITERIA FOR PROPOSAL FOR SCIENCE-LED CONTESTABLE FUNDING AND FUNDING FOR SMART IDEAS IN THE 2014 SCIENCE INVESTMENT ROUND

PURSUANT TO THE RESEARCH, SCIENCE, AND
TECHNOLOGY ACT 2010

This Supplement to the *New Zealand Gazette* contains the following two notices issued by The Honourable Steven Joyce, Minister of Science and Innovation, under the Research, Science, and Technology Act 2010:

1. Criteria for Proposals for Science-led Contestable Funding
2. Funding for Smart Ideas in the 2014 Science Investment Round

Each notice contained in this supplement commences on the date of signature.

Criteria for Proposals for Science-led Contestable Funding

1. NOTICE TO THE SCIENCE BOARD

In this notice, I:

- (a) specify that the Science Board is to make funding decisions on proposals for science-led contestable funding under section 10(3)(b) of the Research, Science, and Technology Act 2010; and
- (b) set the criteria for the assessment of proposals for science-led contestable funding under section 8(1) of the Research, Science, and Technology Act 2010.

2. GENERAL POLICY OBJECTIVE

The general policy objective of science-led contestable funding is to fund research, science, or technology, or related activities that have the potential to:

- (a) enhance the productivity of established industries;
- (b) generate new industries for New Zealand;
- (c) add new value to public services in New Zealand;
- (d) develop world-leading technological capabilities by supporting programmes of research, science, or technology, or related activities to develop technology able to support a range of applications, products, and services; and
- (e) give effect to the Vision Mātauranga policy.

3. VISION MĀTAURANGA POLICY

The Vision Mātauranga policy aims to unlock the science and innovation potential of Māori knowledge, resources and people for the benefit of New Zealand. It focuses on four themes:

- (a) Indigenous innovation – contributing to economic growth through distinctive science and innovation;
- (b) Taiao/Environment – achieving environmental sustainability through iwi and hapū relationships with land and sea;
- (c) Hauora/Health – improving health and social wellbeing; and
- (d) Mātauranga – exploring indigenous knowledge and science and innovation.

4. SCIENCE BOARD TO MAKE DECISIONS ON PROPOSALS FOR SCIENCE-LED CONTESTABLE FUNDING

- 4.1 The Science Board will make funding decisions on proposals for science-led contestable funding.
- 4.2 In making funding decisions on proposals for science-led contestable funding, the Science Board may allocate funds from the following research funds:

- (a) Biological Industries
 - (b) High-Value Manufacturing and Services
 - (c) Energy and Minerals
 - (d) Environmental
 - (e) Hazards and Infrastructure
 - (f) Health and Society.
- 4.3 The Science Board must make funding decisions on proposals for science-led contestable funding in accordance with:
- (a) the Public Finance Act 1989 and the relevant Appropriation Acts for Vote Science and Innovation;
 - (b) the criteria set out in the notice entitled “Description of Funds within Vote RS&T”; and
 - (c) the criteria specified in this notice and the relevant schedule to this notice.
- 5. GENERAL ELIGIBILITY CRITERIA FOR SCIENCE-LED CONTESTABLE FUNDING PROPOSALS**
- 5.1 For a proposal to be assessed against the criteria in clause 6, the proposal must:
- (a) be made by a research organisation or a New Zealand-based legal entity representing a research organisation;
 - (b) not be solely for the benefit of the research organisation or New Zealand-based legal entity which represents this 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 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 proposal, despite the amount of research, science, or technology, or related activities being proposed to be undertaken overseas;
 - (e) meet any eligibility criteria specified in the relevant schedule to this notice;
 - (f) meet any applicable timing, formatting, system or other similar administrative requirements imposed by the Ministry of Business, Innovation and Employment in supplying administrative services to the Science Board under section 10(7) of the Research, Science, and Technology Act 2010; and
 - (g) 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.
- 5.2 For the purposes of clause 5.1(a), “research organisation” means an organisation that has internal capability for carrying out research, science or technology, or related activities.
- 6. ASSESSMENT CRITERIA FOR SCIENCE-LED CONTESTABLE FUNDING PROPOSALS**
- 6.1 A proposal that has been assessed as eligible for science-led contestable funding under clause 5 must be assessed having regard to the following criteria:
- (a) The criteria specified in the relevant schedule to this notice;
 - (b) the extent to which the proposal is likely to achieve the general policy objective of science-led contestable funding;
 - (c) the extent to which the proposal is likely to achieve the specific policy objectives specified in the relevant schedule to this notice;

- (d) the extent to which the proposal is likely to achieve the objectives of the relevant research fund set out in the notice entitled “Description of Funds within Vote RS&T”; and
- (e) how the proposal contributes to the overall mix of investments in respect of each research fund, including the extent to which the overall mix of investments:
 - (i) is likely to best achieve the objectives referred to in clause 6(b)–(d); and
 - (ii) will ensure that funding is not concurrently provided in respect of any two or more programmes of research, science, or technology, or related activities that are the same or substantially similar (whether those programmes are part of a new proposal or are already being funded); and
 - (iii) will minimise the risk that an applicant will not be able to undertake the relevant programme of research, science, or technology, or related activities because the applicant, or any person involved in delivering the programme, would concurrently be committed to one or more other programmes (whether those programmes are part of a new proposal or are already being funded).

7. REVOCATION OF PREVIOUS NOTICES

I hereby revoke the notice entitled “Criteria for Proposals for Science-led Contestable Funding” published in the Supplement to the *New Zealand Gazette*, 5 December 2012, No. 146, page 4242.

Dated at Wellington this 29th day of October 2013.

Hon Steven Joyce, Minister of Science and Innovation.

Schedule 1

Smart Ideas Investment Mechanism

1. Specific policy objectives

- 1.1 Smart Ideas is designed to drive innovation and an entrepreneurial culture in the research community. Smart Ideas supports novel ideas and emerging capability in research, science, or technology, or related activities, which refresh the national science portfolio.
- 1.2 Smart Ideas is intended to:
 - (a) support basic discovery of, or applied research into, novel, promising ideas;
 - (b) provide early guidance to researchers on positioning research, science, or technology, or related activities for successful application or commercialisation; and
 - (c) attract proposals from, and support, early career researchers in addition to more experienced researchers.
- 1.3 Subject to clause 2.2, Smart Ideas funding is available in two phases: a research phase ("Phase 1") and an application phase ("Phase 2"). The objectives of each phase are as follows:
 - (a) The objective of Phase 1 is investigative, in that it aims to use an innovative approach to develop new knowledge that will solve a problem, fulfil a need, or prove a hypothesis. While proposals should identify the potential application and benefits of the idea, the implementation pathway and user relationships should be indicative rather than detailed.
 - (b) The objective of Phase 2 is to encourage applicants to undertake research, science, or technology, or related activities that will help apply the idea to achieve its market potential.

2. Specific eligibility criteria

- 2.1 To be eligible for funding under the Smart Ideas investment mechanism in either Phase 1 or Phase 2, the applicant must have committed to:
 - (a) receiving advice or mentoring from an entrepreneur or similar commercialisation specialist to aid commercial positioning, or from an end user or service provider who could potentially apply the results of the research, science, or technology, or related activities; and
 - (b) ensuring that some market or user needs analysis will be undertaken or sourced during the programme to aid its positioning.
- 2.2 A proposal is eligible for Smart Ideas funding in Phase 2 only if the proposed research, science, or technology, or related activities directly build on the research programme that received Smart Ideas funding in Phase 1.

3. Specific assessment criteria

A proposal for Smart Ideas funding that has been assessed as meeting the eligibility criteria for science-led contestable funding must be assessed against the following specific assessment criteria, and each assessment criterion must be weighted as set out below:

Specific Assessment Criteria for Smart Ideas Phase 1 Funding

Benefits to New Zealand	Risk Management or Success Factors
Outcome benefits to New Zealand Key Question: To what extent could the proposed research, science, or technology, or related activities create benefits for New Zealand?	Implementation pathway** Key Question: To what extent does the proposal outline a plan to develop the idea to take it to market?
Weighting 10%	Weighting 10%
Benefits to New Zealand of research, science or technology, or related activities Key Questions: How novel* is the idea? What is the quality of the proposed research, science, or technology, or related activities?	Ability to deliver results (outputs) from research, science, or technology, or related activities Key Question: What is the likelihood that the proposed outputs of the research, science, or technology, or related activities will be achieved?
Weighting 55%	Weighting 25%

*See clause 4.1 of this schedule for information about what constitutes a novel idea for the purpose of this schedule.

** Securing co-funding, commercial partners or other commercial arrangements is not a requirement for this phase.

Specific Assessment Criteria for Smart Ideas Phase 2 Funding

Benefits to New Zealand	Risk Management or Success Factors
Outcome benefits to New Zealand Key Question: To what extent could the proposed research, science, or technology, or related activities create benefits for New Zealand?	Implementation pathway Key Question: To what extent does the proposal outline a plan to take the idea to market?
Weighting 25%	Weighting 25%
Benefits to New Zealand of research, science, or technology, or related activities Key Questions: How novel* is the idea? What is the quality of the proposed research, science, or technology, or related activities?	Ability to deliver results (outputs) from research, science, or technology, or related activities Key Question: What is the likelihood that the proposed outputs of the research, science, or technology, or related activities will be achieved?
Weighting 30%	Weighting 20%

*See clause 4.1 of this schedule for information about what constitutes a novel idea for the purpose of this schedule.

4. Other assessment criteria

- 4.1 When considering the novelty of ideas under this schedule, the Science Board must consider:
- (a) the novelty of the relevant idea itself rather than the novelty of the application of the idea (for example, an obvious extension of previous research, science, or technology, or related activities is not a novel idea for the purposes of this schedule); and
 - (b) novelty globally rather than merely in relation to New Zealand.
- 4.2 For each proposal the Science Board may allocate no more than \$500,000 (excluding GST) per year for up to two years.

Schedule 2

Enabling Technologies Investment Mechanism

1. Specific policy objectives

1.1 Enabling Technologies is designed to:

- (a) support the development and application of generic technologies that have the potential to be applied in a number of different ways by a number of disparate users across New Zealand's scientific, business or other communities;
- (b) accelerate the development of technology platforms that will lead to the development of the technologies described in clause 1.1(a) of this schedule;
- (c) support the technology platforms' short-term, medium-term or long-term development needs and help them build a core of expertise, knowledge and relevant infrastructure;
- (d) fund research, science, or technology, or related activities that are:
 - (i) purpose-driven and aligned with national priorities that generate economic, environmental or social benefits for New Zealand; and
 - (ii) likely to involve knowledge-transfer and co-ordination between participants linked to the proposed activities;
- (e) build on New Zealand's existing capability to undertake research, science, or technology, or related activities so there are not long start-up periods before impacts begin to accrue;
- (f) support proposals that are closely aligned or partnered with users, including industry, so that pathways to development of tangible outcomes of benefit to New Zealand are incorporated from the outset;
- (g) involve an integrated and multidisciplinary mix of "fit-for-purpose" research, science, or technology, or related activities that includes the expertise, capabilities and infrastructure required to deliver results (ie encompassing all stages of research from basic-targeted to applied); and
- (h) support proposals that include, if appropriate, strong international links so there is both rapid absorption of relevant and applicable overseas knowledge and expansion of New Zealand's market potential, while ensuring appropriate safeguards for New Zealand's intellectual property.

1.2 For the purposes of this schedule, a "technology platform" is a critical mass of capabilities and equipment that is responsive to industry needs and that provides the means to enhance the performance and capabilities of the users.

2. Specific assessment criteria

A proposal for Enabling Technologies funding that has been assessed as meeting the eligibility criteria for science-led contestable funding must be assessed against the following specific assessment criteria, which are all weighted equally:

Benefits to New Zealand	Risk Management or Success Factors
<p>Outcome benefits to New Zealand</p> <p>Key Questions:</p> <p>To what extent would the proposed research, science, or technology, or related activities create benefits for New Zealand?</p> <p>To what extent are there multiple opportunities arising from the technology platform?</p>	<p>Implementation pathway</p> <p>Key Question:</p> <p>To what extent does the proposal provide for engagement across multiple users and potential or proposed implementation through multiple channels, having regard for the stage of the development of the enabling technology?</p>
<p>Benefits to New Zealand of research, science, or technology, or related activities</p> <p>Key Questions:</p> <p>What is the quality of the proposed research, science, or technology, or related activities?</p> <p>To what extent could the proposed research, science, or technology, or related activities develop a platform of underpinning, enabling technologies that have multiple applications and many connections across science and business?</p> <p>To what extent would the proposed research, science, or technology, or related activities generate new knowledge?</p>	<p>Ability to deliver results (outputs) from research, science, or technology, or related activities</p> <p>Key Question:</p> <p>What is the likelihood that the proposed outputs of the research, science, or technology, or related activities will be achieved?</p>

3. Other assessment criteria

The Science Board may allocate funding under the Enabling Technologies investment mechanism only:

- (a) in medium to large scale funding amounts of between \$1.5 and \$3 million (excluding GST) per year for up to six years; or
- (b) in lower value sector development funding amounts of under \$250,000 (excluding GST) to assist the applicant in developing its engagement with a sector in order to realise the commercial potential of its research, science, or technology, or related activities.

Schedule 3

Targeted Research Investment Mechanism**1. Specific policy objectives**

- 1.1 Targeted Research is designed to support purpose-driven research, science, or technology, or related activities aligned with national priorities that generate economic, environmental or social benefits for New Zealand. To increase the impact of the national science portfolio, knowledge transfer is an important part of such programmes of research, science, or technology, or related activities.
- 1.2 Targeted Research addresses New Zealand's strategic needs, challenges and opportunities.

2. Specific assessment criteria

A proposal for Targeted Research funding that has been assessed as meeting the eligibility criteria for science-led contestable funding must be assessed against the following specific assessment criteria, which are all weighted equally:

Benefits to New Zealand	Risk Management or Success Factors
<p>Outcome benefits to New Zealand</p> <p>Key Question:</p> <p>To what extent would the proposed research, science, or technology, or related activities create benefits for New Zealand?</p>	<p>Implementation Pathway</p> <p>Key Question:</p> <p>To what extent does the proposal have a credible pathway to implementation?</p>
<p>Benefits to New Zealand of research, science, or technology, or related activities</p> <p>Key Questions:</p> <p>What is the quality of the proposed research, science, or technology, or related activities?</p> <p>To what extent would the proposed research, science, or technology, or related activities generate new knowledge?</p>	<p>Ability to deliver results (outputs) of research, science, or technology, or related activities</p> <p>Key Question:</p> <p>What is the likelihood that the proposed outputs of the research, science, or technology, or related activities will be achieved?</p>

Funding for Smart Ideas in the 2014 Science Investment Round

1. NOTICE TO THE SCIENCE BOARD

In this notice I specify under section 10(3)(b) of the Research, Science, and Technology Act 2010 how much specified RS&T funding is available for the Science Board to allocate for Smart Ideas in the 2014 science investment round.

2. FUNDING AVAILABLE FOR SMART IDEAS IN THE 2014 SCIENCE INVESTMENT ROUND

For Smart Ideas (as described in the Criteria for Proposals for Science-led Contestable Funding) in the 2014 science investment round the following specified RS&T funding is available.

2.1 High-Value Manufacturing and Services Research Fund – proposals must be for research, science, or technology, or related activities in areas described under the heading “Nature of the Fund” in the High-Value Manufacturing and Services Research Fund section of the notice entitled “Description of Funds within Vote RS&T”, published in the Supplement to the New Zealand Gazette, 31 January 2011, No. 9, p. 200.

- For Phase 1 up to \$5 million is available per annum (excluding GST); and
- For Phase 2 up to \$2.5 million is available per annum (excluding GST).

2.2 Biological Industries Research Fund – proposals must be for research, science, or technology, or related activities in the areas described under the heading “Nature of the Fund” in the Biological Industries Research Fund section of the notice entitled “Description of Funds within Vote RS&T”, published in the Supplement to the *New Zealand Gazette*, 31 January 2011, No. 9, page 200.

- For Phase 1 up to \$1.5 million is available per annum (excluding GST).

Proposals for Phase 1 must be made under the area high-value food and industrial biological products, processes and technologies as described under the heading “Nature of the Fund” in the Biological Industries Research Fund section of the notice entitled “Description of Funds within Vote RS&T”, published in the Supplement to the *New Zealand Gazette*, 31 January 2011, No. 9, page 200; and

- For Phase 2 up to \$1.0 million is available per annum (excluding GST).

2.3 Environmental Research Fund – proposals must be for research, science, or technology, or related activities in areas described under the heading “Nature of the Fund” in the Environmental Research Fund section of the notice entitled “Description of Funds within Vote RS&T”, published in the Supplement to the *New Zealand Gazette*, 31 January 2011, No. 9, page 200.

- For Phase 2 up to \$0.5 million is available per annum (excluding GST).

Dated at Wellington this 29th day of October 2013.

Hon Steven Joyce, Minister of Science and Innovation.