



R&D Infrastructure – Expression of Intent (EOI)

- Research Tools and Equipment
- R&D Platforms

Expression of Intent (open): due April 16, 2010

Research & Development Corporation (RDC) R&D Infrastructure – Expression of Intent (EOI)

The Research & Development Corporation (RDC) is a provincial Crown corporation recently established to improve Newfoundland and Labrador’s research and development (R&D) performance. The mandate of the RDC is to strengthen the focus, quantity, quality and relevance of R&D for the long-term economic benefit of the province. Our success hinges on leveraging opportunities, enhancing collaboration and building new capacity as a R&D performer through strategic investments in people, research and infrastructure.

How does infrastructure funding align with RDC priorities?

R&D infrastructure is one of the building blocks of an innovative society. The RDC recognizes the need to invest in infrastructure as a prerequisite to building new capacity as a R&D performer. This Expression of Intent (EOI) is intended to identify and screen potential infrastructure projects leading up to a competitive call for proposals.

R&D infrastructure proposals must focus on identified industry needs and development opportunities in energy, ocean technology and other sectors with the potential to significantly impact Newfoundland and Labrador’s economy. Key objectives of this call include:

- strengthening the R&D capacity of Newfoundland and Labrador’s educational institutions and research facilities;
- building a world-class working environment for researchers which will develop, attract and retain highly qualified scientists and researchers, and;
- fostering industrial outreach and R&D collaboration between academia and industry stakeholders, including local, national and international research partnerships.

What is the budget envelope?

The total R&D infrastructure funding available through this call is \$10 million, with an initial allocation of \$2 million for research tools and equipment and \$8 million for R&D platforms. The final allocation will be based on the evaluation results and cost of the infrastructure projects recommended for funding.

RDC funding must not displace infrastructure funding available from other sources such as the Canada Foundation for Innovation (CFI), Natural Science and Engineering Research Council

(NSERC) Research Tools and Instruments, or industry. Rather, RDC funding must be required to address a gap and/or leverage infrastructure funding from other sources.

Who is eligible to submit an EOI?

The EOI is open to proposals that fit within the objectives of the investment. Eligible institutions include: Memorial University of Newfoundland and the College of the North Atlantic, including their institutes and incorporated entities, and other not-for-profit research facilities located or planning to locate in Newfoundland and Labrador. Federal government and private research facilities are not eligible through this call.

Is project readiness a consideration?

Project readiness will be a key factor in determining the infrastructure projects to be funded in 2010-11. Key considerations include:

- institutional capacity to execute the proposal,
- confirmation of funding from other sources,
- an expenditure timeline of up to 24 months,
- management/governance structure,
- operations and maintenance plans, and
- long-term sustainability.

What are the investment criteria?

As outlined in the table below, the investment requirements can be categorized in terms of: (i) investment priorities and (ii) funding parameters (i.e., contribution levels, eligible and non-eligible costs, and leveraging from other sources). The financial commitment of the institution to operate and maintain the resulting infrastructure will be a critical consideration.

| Investment Priorities | Research Tools and Equipment | R&D Platforms |
|------------------------------|---|--|
| Key areas | <ul style="list-style-type: none"> • tools and equipment that support industry needs and development opportunities | <ul style="list-style-type: none"> • dedicated research facilities that support industry needs and development opportunities • >75% of space utilized for R&D, academic-industry collaborative research, and industrial outreach activities |

| Funding Parameters | Research Tools and Equipment | R&D Platforms |
|--------------------------------|--|--|
| RDC contribution levels | <ul style="list-style-type: none"> • \$500,000 - \$1 m per project • up to 75% of total capital costs | <ul style="list-style-type: none"> • \$500,000 - \$5 m per project • up to 75% of total capital costs |
| Eligible costs | <ul style="list-style-type: none"> • new research tools, instruments, equipment, related components and software licences • related shipping, installation and commissioning costs • initial training and extended warranty costs (up to a maximum of 5 years) | <ul style="list-style-type: none"> • capital costs of new research facilities, building expansions, and renovations to existing space/upgrades to existing facilities • lab furniture and communications infrastructure used for research activities • external costs of facilities design, engineering and required technical services (if required) |
| Non-eligible costs | <ul style="list-style-type: none"> • overheads, maintenance and repair, and other operating costs • office supplies and other consumables • dedicated infrastructure for teaching and administration • in-kind contributions, with the exception of donated research tools, instruments, equipment and related components, software licenses and related installation costs (in-kind contributions may be subject to specific terms, conditions and limits as determined by the RDC upon review of the proposal) • research costs (travel, data collection, researcher and student salaries, etc.) • any costs incurred prior to June 25, 2010 | |
| Leveraging requirements | <ul style="list-style-type: none"> • non-RDC funding of at least 25% of total capital costs (note: the RDC will not consider proposals which fail to meet the minimum leveraging requirements) • leveraging may include: vendor discounts, other public sources, and/or industry funding • incremental overheads, maintenance and repair, and other operating costs are not eligible as leveraging (those costs will be the responsibility of the proponent or a third party) • non-RDC funding must be incremental (i.e., previously approved or expended funding from other sources is not eligible as leverage) | |

All proposals must avoid the duplication of equipment, facilities and services at other education and research institutions in NL. Final determination of eligible and non-eligible costs rests with the RDC.

Any proposal for RDC funding of less than \$500,000 should apply under the Industrial Research and Innovation Fund (IRIF), where applicable.

Any other funding options and/or alternatives should be identified in the EOI.

What is the business case for the investment?

Relevance and economic impact will be key considerations in evaluating the business case for the proposed R&D investments. The business case must address:

- the **relevance** to NL industry and our economy (i.e., the proposed infrastructure investment is required to address identified industry needs and/or development opportunities) and
- the **economic impact** of the infrastructure investment (i.e., leveraged R&D investments over the next 5 years and potential impact on expertise/talent, technology development, new products and services, industry productivity and/or competitiveness, employment and economic growth, and other benefits to NL).

Other considerations in preparing the business case include:

- there is a significant gap in R&D infrastructure (i.e., differentiate between existing R&D capacity and new capacity as a result of the investment);
- track record of collaborative R&D and research excellence (i.e., both the lead researchers and the institution/facilities involved);
- contribution to leading-edge (internationally-recognized) R&D;
- potential for technology commercialization;
- contribution to the recruitment and development of highly qualified researchers, including the alignment of new faculty recruitment and infrastructure investments in priority areas;
- contribution to industrial outreach, R&D collaboration and partnerships, internationalization and other features of a world-class R&D environment;
- estimated equipment and facilities utilization rates and provisions for use/access by other R&D performers;
- impact on NL R&D capacity (number of researchers, state-of-the-art equipment, world-class facilities, quality of research performed) in relation to comparable national and international R&D performers, and;
- other considerations (infrastructure ownership, location, IP, risk assessment, institutional commitment to building R&D capacity in this research area).

How will proposals be evaluated?

All proposals will be evaluated on a competitive basis using the project decision cycle outlined in Figure 1. The initial screen will be an open call for Expressions of Intent (EOI) due April 16, 2010. Submitted EOIs will be screened by RDC staff using an evaluation matrix outlined in Figure 2.

On May 7, 2010, only projects ‘screened in’ through the EOI process will be invited to submit full proposals for detailed evaluation, with a submission deadline of June 25, 2010. The evaluation matrix is outlined in Figure 2. Applicants may also be invited to present their proposal to the RDC.

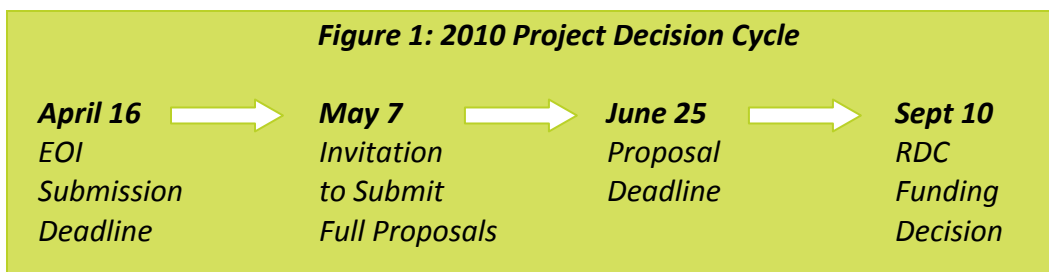


Figure 2: Evaluation Matrix

| | |
|--|----|
| Objectives <ul style="list-style-type: none"> - strengthens R&D capacity - builds world-class work environment for researchers - fosters industrial outreach and collaboration | 20 |
| Project readiness <ul style="list-style-type: none"> - institutional capacity to execute the proposal - confirmation of funding from other sources - expenditure timeline (target: 6-18 months) - management/governance structure - operations and maintenance plans - long-term sustainability. | 20 |
| Investment criteria <ul style="list-style-type: none"> - aligns with RDC investment priorities - aligns with funding parameters (eligible costs and financing) - leveraging from other sources | 20 |

| | |
|---|------------|
| <p>Business case</p> <ul style="list-style-type: none"> - relevance test (identified industry needs, resource development and/or market opportunities in a priority area) - economic impact test (i.e., leveraged R&D over the next 5 years and potential impact on expertise/talent, technology development, new products and services, industry productivity and/or competitiveness, employment and economic growth, and other benefits to NL) - identified infrastructure gap - R&D track record in this area - contribution to innovation, S&T excellence and development of HQP - contribution to industrial outreach and collaboration - impact on R&D capacity | 40 |
| Total score | 100 |

Infrastructure projects where RDC investments leverage funding from regional and national R&D programs will typically have been assessed and approved as a result of independent scientific review of the technical merits of the proposal. In addition, the RDC may at its sole discretion seek the views of external stakeholders from industry and academia, other provincial or federal departments and/or other independent parties for purposes of evaluating specific proposals, with appropriate safeguards to protect any proprietary or commercial information. The RDC will be vested with decision-making authority on all proposals.

It is anticipated that applicants would be notified of the funding decision on September 10, 2010.

How do I submit an EOI?

EOIs should be 4-6 pages in length, with the summary information required to screen the project against the objectives of the call, investment criteria and business case for the proposed infrastructure investment. EOIs must be submitted both electronically and in writing with a cover letter by 4:00 pm on April 16, 2010. Any letters of support and confirmation of leveraged sources of funding should be attached at the time of submission.

EOIs submitted from Memorial University of Newfoundland must be sanctioned by and transmitted through the Office of the Vice-President (Research). Proposals submitted from CNA must be sanctioned by and transmitted through the Office of Applied Research and Innovation. Other not-for-profit research institutions must provide written assurance that they are empowered to apply on behalf of their organization.

The RDC reserves the right to change any provision outlined in this EOI, prior to issuing the invited call for proposals.

What are the reporting, project management and financial administration requirements?

All funded projects are subject to: (i) project monitoring against milestones (during project execution) and (ii) annual results monitoring against performance indicators (upon completion of the project).

For invited R&D Platform proposals, a project management plan will be required outlining the details of the proposed governance structure.

The RDC will be responsible for the financial administration of funding under this R&D infrastructure call.

Who can I contact if I have questions?

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