

Canada – Korea Collaborative Industrial Research & Development Program 2019

Working together, the Government of Canada and Korea aim to foster and support collaborative industrial research and development (R&D) projects with high potential for commercialization. This Call for Proposals (CfP) is open to companies from Canada and Korea who wish to perform joint R&D leading to technology commercialization.

Funding to foster innovation and technology commercialization is available for qualified Canadian and Korean participants. Canadian companies are eligible for up to CN\$600,000 and Korean firms for up to 700,000,000 KRW per project. Applicants are expected to develop ready to market solutions for products, technology based services or methods which have strong market potential.

In Canada, this bilateral program is managed by Global Affairs Canada in partnership with the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP). It is managed in Korea by the Korea Institute for Advancement of Technology (KIAT).

1. Key dates & milestones for overall process

Launch of R&D Call for Proposals: February 15, 2019

Canadian Expression of Interest Deadline: March 15, 2019 (requirement for Canadian applicants only)

International Consortium Project Proposal Submission Deadline: May 30, 2019

Notification of Successful Proposals: July, 2019

Executed Funding Agreement and Project Start: beginning October, 2019

2. Sectors of Focus

Projects must be focused on one of the following sectors to be eligible for funding through this call for proposals:

- Healthcare;
- Advanced materials;
- Eco-friendly energy;
- Internet of Things (IoT) Solutions;
- Advanced Manufacturing;
- Artificial Intelligence and Machine Learning

3. Eligibility

Proposals must be collaboratively prepared and submitted by companies in Canada and in Korea according to the following eligibility criteria:

3.1 Joint Requirements:

Project results must contribute to the development of commercial products, processes and / or technical services. Additionally, the proposals must demonstrate all of the following requirements:

1. The partners must include at least one Canadian small and medium-sized enterprise (SME) and one Korean SME.
2. The project must have an obvious advantage and added value resulting from the cooperation between the participants from the two countries (e.g. increased knowledge base, commercial needs, access to R&D infrastructure, new fields of application, etc.).
3. The products/processes to be developed must be highly innovative and have significant commercial potential;
4. The partners in Canada and in Korea, must agree in advance on an IP (Intellectual Property) rights agreement and on a commercialization strategy for the product or process;
5. The partners in Canada and in Korea, must be capable of implementing the project and funding their respective share;
6. The project should demonstrate the scientific and technological contribution of the participants from both countries; and
7. The project must demonstrate adequate balance and significance for both partners.

Projects involving research and development of products, processes or technologies with military and/or non-peaceful applications are not eligible for funding.

3.2 Canadian Requirements:

- Be a Canadian incorporated, profit-oriented small and medium-sized enterprise (SME), with 500 or fewer full-time equivalent employees;
- Be ready to collaborate with the Korean partner on an industrial R&D project; and
- Be pursuing growth and profit generation through the development and commercialization of innovative, technology-driven, new or improved products, services, or processes.

3.3 Korean Requirements:

- The Korean Project Lead (KPL) must be a research and development performing company.
- Participation of further research organizations and companies is welcome as additional participants according to each country's funding regulations.
- A party that participates in a project shall carry out its project using the government contributions allocated to it, and for-profit organizations shall individually bear the cash portion of civilian dues.
- Royalties to be paid by Korean companies on net sales or fixed rate of being used dedicated budget.

4. Funding value and matching funds

Selected R&D projects will be eligible to receive funding from the Global Affairs Canada's Canadian International Innovation Program (CIIP) delivered through NRC IRAP and from Korea through the Korea Institute for Advancement of Technology (KIAT).

Funds will be provided in accordance with the national laws, rules, regulations and procedures established by each organization, and/or each jurisdiction/country. Although the type and value of individual contributions allocated to a R&D project may vary, one country cannot represent more than 70% of the total project budget.

KIAT and NRC IRAP will jointly select proposals according to the norms, conditions and funding limits of each of Party, stated below in section 4.1 (for NRC IRAP) and 4.2 (for KIAT).

4.1 Funding for R&D project participants in Canada

1. Canada will fund projects under the terms, conditions and funding limits of CIIP managed by Global Affairs Canada.
2. Canadian SMEs may receive up to 50% of their part of eligible project costs through NRC IRAP to a project maximum of \$600,000 over 12-36 months.

4.2 Funding for R&D project participants in Korea

1. The R&D budget provided by the Ministry of Trade, Industry and Energy (MOTIE) and managed by KIAT is open to all types of companies from Korean side with registered R&D laboratories.
2. Project funding consists of government contributions and civilian dues (cash and in-kind). The amount of government contributions will vary depending on the type of executing organizations and project in accordance with 'Common Operational regulations for the Industrial Technology Innovation Programs'.

3. Projects should be no more than 3 years in duration and may receive up to 700,000,000 KRW based on the funding percentages table below:

Classification	Share of government contributions in executing organization's project budget	Share of cash in executing organization's civilian dues
Large company	33% or less	60% or more
Mid-tier company	50% or less	50% or more
SME	67% or less	40% or more
Other	100% or less	To be borne if necessary

5. Submission of proposals

All project participants must submit a proposal to their respective funding agency. Failure to submit all required documents to NRC IRAP and/or KIAT will result in the project consortium being ineligible for funding.

5.1 Canadian Applicants:

Canadian applicants must be registered as NRC IRAP clients to be considered for funding through this Call for Proposals (CfP). If your organization is not already an NRC IRAP client and is based in Ontario, please contact IRAP.International.PARI@nrc-cnrc.gc.ca to be assigned an Industrial Technology Advisor (ITA). If your organization is not already an NRC IRAP client and is based outside of Ontario, please contact the NRC IRAP office at 1-877-994-4727 to be assigned an ITA.

March 15, 2019, by 19:00 EST is the deadline to register interest in the CfP by submitting the Canadian **Expression of Interest (EOI)** form. This form is provided upon request by the IRAP International Office. Please email IRAP.International.PARI@nrc-cnrc.gc.ca to obtain the EOI form*.

*The EOI form will not be provided unless your organization has registered as a client with NRC IRAP.

EOIs will be reviewed to determine if your organization, project, and consortium meet the CIIP and IRAP eligibility guidelines for this CfP. Only those who are eligible will be invited to submit a full project proposal.

May 30 2019, by 19:00 EST is the deadline to submit the **International Consortium Project Proposal (ICPP)**. The ICPP Form and submission instructions will be provided to your organization by the IRAP International Office if it is demonstrated in your EOI that your organization, project, and consortium meet the CIIP and IRAP eligibility guidelines for this CfP.

For a Canadian applicant to be considered for funding all of the following elements must be submitted to NRC IRAP by the application deadline:

1. International Consortium Project Proposal form;
2. International Consortium Project Proposal form signed signature pages; and
3. A well-developed (but unsigned) draft International Consortium Agreement.

5.2 Korean Applicants:

May 30, 2019, by 18:00 KST is the deadline to submit the **International Consortium Project Proposal**. Instructions and proposal documents are described on the KIAT website at www.kiat.or.kr.

For a Korean applicant to be considered for funding all of the following elements must be submitted to KIAT by the application deadline:

1. International Consortium Project Proposal Form completed in English containing signed signature pages;
2. A well-developed (but unsigned) draft International Consortium Agreement* written in English; and
3. Any additional documents as instructed by KIAT

* The minimum requirements for the consortium agreement are as follows:

- a. Names of all project partners
- b. Description of the project aims and differentiation of the subprojects of the partners including their working plans with person month (for this the common application proposals can be declared as part of the agreement)
- c. A clause that provides for both partners to be informed if third parties are involved in the project

Korean applicants must contact KIAT directly for information on Korean eligibility criteria and application requirements.

6. Evaluation and selection of the projects

KIAT in Korea and NRC IRAP in Canada will carry out independent evaluations of each Full Project Proposal in accordance with their National/Institutional Laws and Regulations.

A proposal will be considered selected under this agreement if both KIAT and NRC IRAP jointly decide to approve and fund it.

7. Notification of the results

The partners from Korea and from Canada whose proposals have been selected will be informed of the result and the amount of funding by their respective funding body on July 2019. They will then proceed to complete Contribution Agreements with their respective funding bodies.

8. Project Funding and Monitoring

The release of funds, project monitoring, and reporting requirements will be according to the terms of each organization's Contribution Agreement with their national funding body.

9. Contact Information

Canada

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