

Partnerships

2018 Funding Round Questions and Answers

Is “applied science” still part of the Partnership applications?

Partnerships do not discriminate on the type of science. Basic or applied science are equally valued. ‘Partnerships has a focus on excellent, longer-term research that develops emerging ideas’. The main criteria is science excellence meaning there is high science risk and stretch.

Are regional councils eligible to act as sector partners for the Partnership Investment Fund?

Yes, local government entities who are users of research may be included as sector partners in a partnership.

If 1 of the partners is a NZ legal entity can a second partner be an international legal entity?

The Gazette notice does not specify the required location of a sector partner. Therefore a proposal could include an international legal entity who is a research user as a sector partner.

We encourage partnerships to be well connected internationally. Some restrictions regarding international aspects of a partnership are set out below:

- The majority of the funded research should be undertaken in New Zealand.
- Assessment criteria includes 50% weighting on ‘impact’, which relates to benefits of the investment to New Zealand and the pathway to achieving this.
- The Partnerships Investment Contract includes an Intellectual Property principle around benefit to New Zealand which should be considered.

The proposed research would involve establishing a state of the art laboratory. If some of the equipment is supplied by the industry partners, how do the rules of co-funding apply?

Partnerships is an operational rather than capital fund, and co-funding may also only be for operational costs, as set out on page 3 of the Partnerships Call for Proposals.

If industry partners directly donate equipment for the research work, you could note the value of this additional support (strengthening the proposal), despite it being ineligible to count as part of the 60% co-funding.

Can co-funding be provided by an international party?

Yes, the Gazette notice does not specify any required location of a co-funder. Please note that the impact criteria for assessment focus on public benefits to New Zealand.

Does the co-funding need to be received in cash by the contract-holder, or could it be received by a partner who is then able to apply staff time to the research?

Co-funding needs to be received by the contract-holder in cash. Staff time would be considered an in-kind contribution, you could note the value of this additional support (strengthening the proposal), despite it being ineligible to count as part of the 60% co-funding.

Will co-funding for Partnership proposals be eligible for the upcoming R&D tax incentive?

While the government has agreed the design of the R&D Tax Incentive and published legislation, that legislation is currently passing through parliament and is not yet law. We anticipate that it will become law during the second quarter of 2019.

We recommend that businesses co-funding projects through the Partnership Scheme examine the legislation to determine whether they are eligible for the Tax Incentive. It is likely that this will depend on the specific circumstances of the research contracting arrangement. It is worth noting that under the schedules any expenditure that is related to a grant made by the Crown or local authority is likely to be ineligible.

We suggest businesses talk to their tax advisors to help determine eligibility under the rules.

What is meant by independent Chair?

Independence means the Chair is independent of the partners and funders. It is up to you who you propose in your governance structure, although the Call for Proposals (p19) gives guidance.

Are the committed key performance indicators (KPIs) similar to critical step deliverables?

KPIs should not duplicate critical steps. Consider aspects that a governance group would track, such as indicators of the quality of the activities, or broader aspects that contribute to the overall objective and post-contract outcomes.

We would expect KPIs to be unique to each Partnership, for instance capability development may be important aspect for a proposal in a new area of research. KPIs in the proposal are draft only and final KPIs would be agreed between MBIE and the contract-holder at a later point.

Is it acceptable to count partner co-funding if there are aspects of the work where they receive exclusive rights?

Whether or not contributions can count as co-funding will depend on the source of the funds.

Allocation of intellectual property rights will be a consideration for assessors under the impact assessment criteria and additional assessment criteria. Under the [contract](#), all intellectual property within a Partnership needs to be treated as set out in the Intellectual Property Management Plan and the Intellectual Property Agreement with Partners.

Refer to the [gazette notice](#) clause 4 for the definition of co-funding, clause 7 for impact assessment criteria and clause 8 for additional assessment criteria.

Can the proportion of partner co-funding to MBIE funding vary across years?

Yes, the co-funding requirement is across the project as a whole. The applicant specifies the timing of proposed partner contributions in the co-funding section of the proposal.

Ideally funding would match each year; however, an applicant may make a case for different proportions each year. Once contracted, the contract-holder needs to ensure that co-funding is received at the time and level agreed with MBIE in the contract.

Can an applicant apply for a different level of funding than indicated at concept stage?

Yes.