**Operational guidelines for the management of the 2nd Call for Proposals concerning the development of cooperation in research and innovation between the ministry of Economy, Science and Innovation of Québec and the ministry of Economy and Industry of Israel**

Deadline for letters of Intent : 3rd December, 2018

Deadline for full proposals: 1st April, 2019

The Québec-Israel Industrial Research and Development (R&D) calls for Proposals (herein called the “R&D Program”) are created as a result of the signature on May 2017 of the Agreement between the Government of Québec and the Government of the State of Israel concerning the development of cooperation in research and innovation (herein called the “Agreement”).  The Agreement will be implemented by the designated entities in both regions: the Ministry of Economy, Science and Innovation (MESI) on behalf of the Province of Québec and the Israel Innovation Authority (IIA) on behalf of the State of Israel (hereinafter called “The Parties”).

Each party will allocate a maximum of 3 M$ during the 5 years R&D Program (to be confirmed), between May 2017 and May 2022. The- aim will be to launch up to 3 Calls for Proposals on an annual basis. Each party would spend approximately 1 M$ for each Call for Proposals, with a similar sum to be matched by the funded companies.

The Parties have agreed to the following operational guidelines to facilitate the implementation and the administration of the Call for Proposals to take place within the 5 years R&D Program .

1. **OBJECTIVES AND POLICY**

The purpose of the Industrial R&D Program is to support greater collaboration among Québec and Israeli companies and researchers. The Program will support projects that fall within the framework of the Agreement between the governments of the Province of Québec and the State of Israel.

The general objectives of the 2nd Call for Proposals are primarily to ensure that the selected projects :

* Create close and direct working Relationship between the 2 jurisdictions innovation agencies;
* Benefit the economies of Québec and Israel;
* Generate fruitful and long term alliances between organizations and companies involved in research and innovation in Québec and in Israel;
* Highlight the complementary strenghts of Québec and Israel for the mutual benefit of both parties;
* Help both designated entities to achieve their strategic objectives.
1. **ELIGIBLE PROJECTS**

The Québec-Israel 2nd Call for Proposals aims to financially support two years Industrial R&D projects that should fall, primarily but not exhaustively, within one or more of the following topics:

1. Infrastructure and construction;
2. Electrical equipment, electronics and nanotechnology;
3. Agrotechnology and water management;
4. Environmental technologies;
5. Biotechnology, medical technology and the pharmaceutical industry;
6. Chemical and petrochemical industries;
7. Aerospace and automotive industries;
8. Information and communications technologies;
9. Services, in particular software, insurance, transportation and education;
10. Banking and financial sectors;
11. Marine related science and technologies
12. Any other relevant fields on which the Parties may agree.

**Activities Eligible for Support in Québec**

Funding awarded by Québec shall comply with the rules and regulations established by MESI and the specific guidelines set out in annual requests for proposal regarding special funding applications.

This grant application is open to Québec companies that have partnered with an Israeli company and are seeking grant funds to support their joint R&D project/technology. An eligible project must involve R&D activities in Québec and in Israel.

Eligible projects shall involve at least one academic partner from Québec, member of QuébecInnove and one unrelated Israeli company (companies are considered unrelated if they have separate legal identities and do not have a parent/wholly­owned or controlled subsidiary relationship). Hence, the applicant must ensure that these industrial researchers tangibly participate in carrying out the R&D activities leading to the completion of the project, in collaboration with academic researchers for the Québec part of the said project.

For the 2nd Call for Proposals, Québec’s Awarded companies will receive funding through the « Programme innovation, volet 1 : Soutien aux projets d’innovation ». This grant may be leveraged by other investments consistent with the policies and procedures of the Program. Québec companies interested in applying for funding must meet the eligibility criteria listed in the Program Application guideline at: <http://www.economie.gouv.qc.ca>

**Activities Eligible for Support in Israel**

Funding awarded by Israel shall comply with the rules and regulations established by the IIA for Industrial R&D and the specific guidelines set out in annual requests for proposals regarding special funding applications.

Israeli companies pursuing cooperative projects with Québec companies that will take place in Israel may apply for grant funds through the IIA. For eligibility of Israeli companies please refer to Jonathan.Cohen@innovationisrael.org.il

Please see letter of intent application form attached

Each funding entity will award funding to successful applicants based upon its own guidelines and procedures. Given the collaborative nature of the Program, funding from MESI is contingent on the Israeli company receiving funding from IIA or certifying that it will self­fund its participation. Similarly, funding from IIA is contingent on the Québec company receiving funding from MESI or certifying that it will self­fund its participation. As mentioned above, all projects are to be mutually beneficial for the Québec and Israeli companies and economies.

The Québec and Israeli partners may have a prior working relationship, but they may not apply for funding on any project where they have executed a collaborative R&D agreement for the same work prior to this Call for Proposals (October 2, 2018).

Participation by research institutions/universities as subcontractors on the project is required for the Québec part of the project and welcomed for the Israeli part, consistent with the programs guidelines and regulations in effect for each funding organization.

The proposed product/process aimed should be highly innovative with significant commercial potential and must provide mutual economic benefits for applicants and for both Québec and Israel.

1. **CALENDAR**

**The Parties will officially launch the second joint Request for Proposal on October 2, 2018 and have therefore developed the following calendar:**

* Call for proposals launched: October 2, 2018
* Deadline for the acceptance of the letters of intent : December 3, 2018
* Joint assessment MESI /IIA of the letters of intent : December 4 to December 23, 2018
* Feedback on eligible letters of intent : December 24, 2018 to January 14, 2019
* Full Application deadline: April 1, 2019
* Evaluation of projects submitted *(by the two Parties):* April 2 to July 15, 2019
* Joint committee to approve projects: July 16 to July 29, 2019
* Immediately thereafter
* Signing of funding agreements with Québec’s and Israel’s projects leaders.
* Joint announcement of the research projects selected under the 2nd Call for Proposals on the websites of the MESI and IIA.
* Meeting of the MESI and IIA program managers to examine the progress of the funded projects and discuss about the call : 1st quarter of 2020
1. **SUBMISSION GUIDELINES**

The bilateral activities eligible under this Québec-Israel 2nd Call for Proposals shall be discussed and agreed among the project proponents in each territory before any funding application may be submitted. Proponents in each territory shall then apply for financial assistance in accordance with their local requirements. Each applicant may provide all of the information required to allow an accurate assessment of the proposal.

1. **FINANCIAL ASSISTANCE**

Allowable expenses are consistent with the guidelines and regulations in effect for each funding organization and may include direct labor, academic subcontractors, consultants, equipment renting directly tied to project, consumable materials and supplies, project­related travels- all subject to the specific guidelines of the respective funding agencies.

Funded organizations would have to reach and present a cooperation agreement prior to receiving the grants.

The financial agreements between awarded companies and their funding organization doesn’t incur liability whatsoever to the other country/province.

**Project duration:​** not to exceed 24 months from the date of the award.

**Québec Company:**

**Maximum award from** MESI: up to 50% of the eligible R&D cost achieved in Québec province, without exceeding 250,000 CDN$ over the project duration. Criteria for qualifying cost share between MESI and the applicant are available at [www.economie.gouv.ca](http://www.economie.gouv.ca).

Applicants must complete and submit the Program Application Form available at : [www.economie.gouv.ca](http://www.economie.gouv.ca). A proposal guide specifying the terms and conditions of application is available at the same adress.

**Israeli Company:**

**Maximum award from IIA: Typically up to 50% of the Israeli R&D cost + regional (development zones) incentives**

Applicants must complete and submit all of the following:

1.1. ched by the funded companies 555555555555555555555555555555555555555555555555555555555555555555555555555555555555555555555555The Joint Bilateral Cooperative Application Form included at Appendix A.

2. For Israeli companies only: in addition to Appendix A above, Israeli companies must submit the OCS National Funding Application : (https://innovationisrael.org.il/program/2734)

**Number of Awards Anticipated**

As mentioned above, MESI and the IIA envision making between 12-15 awards under this R&D Program, including up to 4-5 projects per call, depending on the merit of the project proposals, the budgets associated with those proposals, and the overall availability of funds. MESI and IIA reserve the right to make no awards if the quality of proposals does not support funding the projects under review during any particular period of the application process.

1. **MANAGEMENT AND ASSESSMENT**

Each Funding entity independently ensures the assessment of the applications for its organizations and companies in accordance with its own criteria. Prior to its funding, a proposal must be accepted by both parties. A bilateral review committee will be set up to ensure that the selected projects satisfy both parties. Terms and conditions of this process will be established later.

**Application Documents and Program Deadlines**

For each partner, documents required are consistent with the corresponding funding Program as to be elaborated in the Call for Proposals

**Contacts**

**Québec**

For inquiries related to the Grant:

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**Israel**

For inquiries related to the Israel Innovation Authority Office:

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**2nd Call for Proposals Québec-Israel 2018-2019**

Detailed calendar

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| --- | --- | --- |
| Activities | Start date | End date |
| Call for proposals lauch | October 2, 2018 |  |
| Deadline for the acceptance of the letters of intent  | October 2, 2018 | December 3, 2018 |
| Joint assessment MESI /IIA of the letters of intent  | December 4, 2018 | December 23, 2018 |
| Feedback on eligible letters of intent  | December 24, 2018 | January 14, 2019 |
| Full Application deadline | January 15, 2019 | April 1, 2019 |
| Evaluation of projects submitted *(by the two Parties)*  | April 2, 2019 | July 15, 2019 |
| Joint committee to approve projects | July 16, 2019 | July 29, 2019 |
| Signing of funding agreements  | As soon as possible |  |
| Joint announcement of selected projects on the Web sites of MESI and Israel | As soon as possible |  |
| Meeting between MESI and IIA program managers to monitor funded projects and to discuss the preparation of the 3rd call for projects | 1stquarter of 2020 |  |