**Hong Kong-Israel R&D Cooperation Programme**

 **A bilateral framework providing financial support for collaborative industrial R&D Projects between Hong Kong and Israeli companies**

1. **About the Program**

With the goal of promoting industrial research and development (R&D) cooperation between Hong Kong and Israeli companies, a Memorandum of Cooperation was signed in February 2014 between The Innovation and Technology Commission (ITC) on behalf of the Government of Hong Kong SAR and the Israel Innovation Authority (IIA) on behalf of the Government of the state of Israel.

The Hong Kong-Israel R&D Cooperation Programme provides Israeli and Hong Kong companies access to government funding for collaborative R&D projects aiming at the development of products or processes leading to commercialisation in the global market; as well as assistance in locating R&D partners.

This bilateral framework is jointly implemented by ITC in Hong Kong and IIA in Israel, and will be promoted to the companies in their own economies by the respective funding organisations.

These guidelines and information are specific to the Hong Kong-Israel R&D Cooperation Programme.

Hong Kong and Israeli companies are welcome to submit proposals for funding for bilateral industrial R&D projects, involving at least one company from each economy, which include science and technology development leading to commercial success, social good and benefit to both economies.

1. **Common Requirements & Criteria**

In order to apply for funding under the bilateral industrial R&D projects, companies and projects must meet the following criteria:

1. At least one science and technology companies from each of the respective economies, fulfilling the eligibility criteria mentioned below, should express awish to cooperate in the R&D of a new product or a new process.
2. The project may involve more than one company from each side.
3. Academic/Research entities are eligible to join as sub-contractors only.
4. The product should be highly innovative with significant commercial potential. The joint industrial R&D project should aim at the development of products/processes leading to commercialisation in the global market.
5. Companies and projects from the different technology fields including new energy or energy/environment/resource conservation, smart community, robot technology, machinery systems technology, electronics, Information and telecommunications, materialand nanotechnology, biotechnology, agricultural machinery, medical devices, and water treatment.
6. The project partners should agree in advance on the intellectual property rights (IPRs) and the commercialisation strategy of the product or process.\*\*\*

*\*\*\*Note: At the application stage, an LOI (Letter of Intent) or a preliminary agreement is required. For approved projects, the partner companies would be required to show a signed final agreement that has been entered and signed by the companies indicating details on arrangements relating to IPRs and commercialisation strategy.*

1. The project should demonstrate the contribution of the participants from both economies.
2. The project must be balanced between participants and significant to both partners.
3. The maximum project period is generally up to two years.

Any partner whose cooperative R&D project meets the aforementioned criteria can apply for funding in accordance with the following procedure and requirements.

1. **Eligibility**

**Hong Kong Applicants:**

Companies that are incorporated in Hong Kong under the Companies Ordinance and registered in Hong Kong under the Business Registration Ordinance. They shall not be a government subvented organisation or subsidiary of any government subvented organisation that receives grant from the government on a recurrent basis.

**Israeli Applicants:**

Eligible applicants will be R&D performing Israeli registered companies operating in Israel.

1. **Funding Support**

Funding support will be provided to each partner through its own funding organisation (either ITC in Hong Kong or IIA in Israel) in accordance with the laws in the corresponding region, rules, regulations and procedures in effect.

**In Hong Kong**

1. ITC will consider applications for Enterprise Support Scheme (ESS) under the Innovation and Technology Fund, funding support of up to HK$10 million may be provided on a dollar-for-dollar matching basis for the approved R&D expenses of a project conducted by an eligible Hong Kong company.

For more information about funding conditions of ESS, applicants should visit the website of ITC: [hyperlink will be updated after the revamp of ITF website]

**In Israel**

* 1. Funding will be provided in the form of a *conditional grant* to the projects selected under the Call for Proposals.
	2. The total funding from the Government of Israel via the IIA will not exceed 50% of the eligible and approved costs of the R&D, in accordance with the national laws and regulations.
	3. When a project results in sales of a product, service or process, the financial support must be repaid to the Israel Innovation Authority according to its regulations (in general, royalties are paid at rates beginning at 3% of sales, depending on various criteria. Royalties are payable until 100% of the amount of the grant has been repaid with interest as provided in the applicable regulations). If the project does not result in sales, no repayment is required.
	4. For more information on funding conditions, applicants should visit the Israel Innovation Authority’s [website](https://innovationisrael.org.il/international/).

**5. The Application Process**

Applicants are required to follow the local requirements and use the provided application format with instructions and **submit their proposal to ITC and IIA by December 9th, 2020**. Proposals that are not in the approved format will not be accepted.

In addition to the local application, an LOIand a Bilateral Application Form (BAF) must be submitted by each project partner to their respective funding organisations.

**The BAF and LOI must be completed and signed by both Hong-Kong and Israeli partners and must include IP and commercialisation plans for the project.**

Applicants are required to follow the local requirements and use the provided application format with instructions and submit their proposals. **Proposals that are not in the approved format will not be accepted**.

**In Hong Kong**

The Hong Kong partneris required to submit the completed ESS application, through an online system [INSERT hyperlink to ITCFAS registration page], followed by one duly signed and stamped original hard copy by post or delivery by hand to the ITC.

**In Israel**

The Israeli partneris required to submit the full IIA application, in accordance with Israel Innovation Authority regulations, through an [online system](https://my.innovationisrael.org.il/company) following the instructions on the relevant incentive program on the [IIA’s website](https://innovationisrael.org.il/node/2763/maslulim). In addition to the local application, an LOI/MOU and a Bilateral Application Form (BAF) must be submitted by Israeli companies.

**6. Evaluation and Selection**

ITC in Hong Kong and IIA in Israel will carry out an independent evaluation of the joint R&D application and will select the eligible project to be financially supported in accordance with the laws and regulations in the respective regions.

The successful projects will be jointly selected by the two funding organisations based on the project criteria and requirements specified in the application form. Companies who receive joint approval will be notified by their local funding organisations.

Parties whose projects have been selected will be informed of the result and the amount of funding for the successful projects by their respective funding organisation.

**7. Timeline & Deadlines**

|  |  |
| --- | --- |
| **Item** | **Date** |
| **Launch of 1st Call for Proposals** | **July 6th, 2020** |
| **Application Submission Deadline** | **December 9th, 2020** |
| **Evaluation Period** | **December 2020 – February 2021** |
| **Notification of Results** | **March/April 2020** |

**8. CONTACTS**

**Hong Kong**

Ms. Carman Leung

Manager (Technopreneurial Funding)

Innovation & Technology Commission

Tel: +852 34223701

Email: carman.leung@itc.gov.hk

Room 1275,

Kowloonbay International Trade and Exhibiiton Centre, Hong Kong

**ISRAEL**

Ms. Nofar Hamrany

Israel – Hong-Kong Collaboration Manager

International Collaboration Division

[Israel Innovation Authority](https://innovationisrael.org.il/)

Tel: +972 35118117

Email: Nofar.Hamrany@innovationisrael.org.il

Malha Technology Park, Jerusalem, Israel