

# Innovation Partnership Grants

## Guidelines for Applicants – Round 1

March 2019

Aus4Innovation is financially supported by:



In partnership with



Ministry of Science and  
Technology, Vietnam

# Aus4Innovation

## Innovation Partnership Grants

### Guidelines for Applicants



## 1 Background

**Innovation is a clearly articulated priority for the Governments of Australia and Vietnam** as a means to accelerate inclusive economic growth in Vietnam. Innovation is a priority of each government alone, as well as a key pillar of the bilateral relationship between the two governments. This priority is reflected in the Australia Vietnam Innovation Partnership, which builds on the trusted partnership between the two countries with a shared aspiration to become leading innovation nations together.

Under this overarching innovation umbrella, a flagship partnership program between Vietnam and Australia – Aus4Innovation – has been developed to strengthen the Vietnamese innovation system and prepare for Vietnam’s economic and digital future.

**Aus4Innovation** is a four year, AUD 10 million program running from 2018 to 2022. It has four key inter-related work streams, including

- Foresighting the Digital Future for Vietnam,
- Science Commercialisation Partnerships,
- Innovation Partnership Grants, and
- Innovation Policy Exchange.

The program is guided by an appointed Steering Committee and implemented by the Commonwealth Scientific and Industrial Research Organization (CSIRO).

## 2 Grant objectives

**The Innovation Partnership Grants** are a critical feature of the program. The purpose of the grants program is to provide targeted funds to scale already tested activities that address emerging challenges or opportunities in any sector of Vietnam’s innovation system.

Tested activities are defined as technologies or activities with:

- an existing proof of concept,
- an articulated market segment or path to impact, and
- an existing relationship between an Australian and a Vietnamese entity.

The Grants are competitive and will be delivered in two rounds. Expressions of interest for round one can be submitted until COB 19 April 2019. Applications will be reviewed and ranked on aspects of partnership, innovation, relevance, readiness and social impact. The final decision on grant funding is at the discretion of the Aus4Innovation Steering Committee, and members include:

- A senior representative from Ministry of Science and Technology
- A senior representative from the Australian Embassy, Hanoi
- A senior representative from the CSIRO
- Head of the Aus4Innovation Program Office; and
- A representative from Vietnam Private Sector.

## Grant round one

The first round of grants will focus on developing partnerships between organisations in Australia and Vietnam. Project topics are not constrained, but those aligned with the outcomes of other Aus4Innovation work streams will be favourably considered. Topics identified to date by the draft report of Work Stream 1 – *Foresighting the Digital Future for Vietnam* are described below. These possible topics include (but are not limited to):

- Adoption of digital technology into small enterprise
- Solutions for reducing gender and rural-based digital divides
- High value goods: quality, individualisation, equality, humanity and provenance
- Increasing labour productivity, including technology-based skills for men and women fit for Industry 4.0
- Agriculture 4.0: productivity, export market access, and food provenance
- Manufacturing 4.0: data, cyber-physical-biological systems, AI, and additive manufacturing
- Smarter, healthier and safer cities
- Cyber security and privacy in the 4th Industrial Revolution

## Eligibility

- Applications will be accepted from an existing partnership that includes at least one Vietnamese and one Australian organisation.
- The Vietnam-Australia partnership may include additional partners.
- Preferred eligible Australian organisations include universities, research institutes, public sector agencies or civil society organisations. Australian for-profit companies may not be lead partners in Round 1. Eligible Vietnamese organisations include any private, public sector, or civil society organisation operating in Vietnam.
- An indication of the nature and duration of the partnership is requested. Organisations that form a partnership for the purpose of applying for grants under this mechanism are considered not eligible.
- Organisations submitting an application must have no reason preventing them from operating in Vietnam.
- To avoid conflict of interest, CSIRO, the managing agency for this program, and its employees are ineligible to apply.
- Activities that have already received funding from other sources will also be considered ineligible when applying for this grant as a duplicate funding source.
- Partnerships with women in lead and senior research and/or scientific roles encouraged to apply.

## Funding window

Aus4Innovation will run two rounds of funding, with the first round open for applications between 11 March and 19 April 2019.

Individual grants will be between AUD 100,000 and AUD 1 million and the total amount of funding in two rounds is AUD 3 million.

Grant will be awarded through the lead Australian partner in the existing partnership, who will be held accountable for the management of the funded activities to ensure effectiveness, value for money, and compliance.

It is expected that activities will be completed within 12 months from the time of the signing the Grant. In exceptional circumstances, Grants may be extended beyond this time duration, subject to the final decision by the Steering Committee, such as where the grant has not yet fully spent due to unexpected circumstances but promising results are imminent.

Any undisbursed funds will be returned to Aus4Innovation at the end of the activity.

A schedule for transferral of funds will be negotiated with each successful partnership. It is likely that tranches will be paid on commencement, on acceptance of a mid-term progress report and on conclusion, including acquittal of expenditure to date.

## Use of grant funds

Funding for the grants comes from the Official Development Assistance (ODA) resource of the Australian Government's Department of Foreign Affairs and Trade (DFAT). ODA funds are administered "with the promotion of the economic development and welfare of developing countries as its main objective". Potential applicants are encouraged to learn more about ODA funds' objective and eligibility [here](#).

For Aus4Innovation, this means that grant activities must have an anticipated and measurable social or development impact. Articulation of the pathway to realising scale and sustainability of that impact is recommended in the EOI.

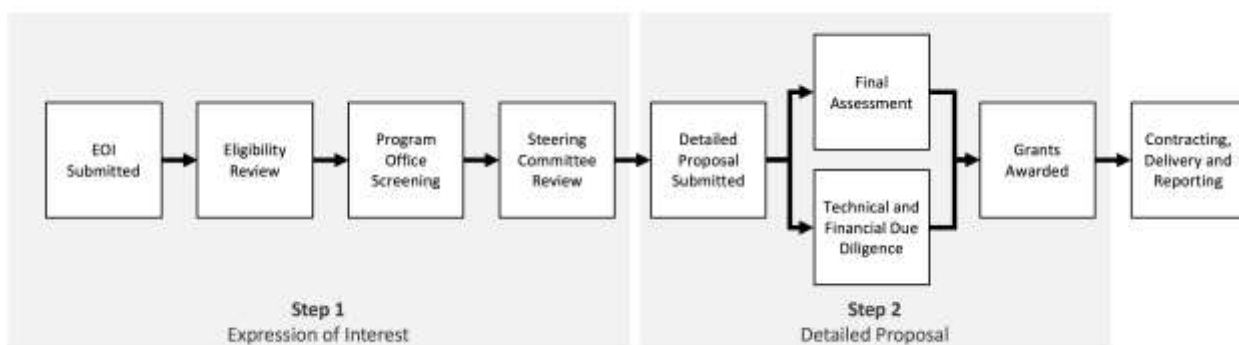
Training, student costs and scholarships for individuals will not be considered for grants. It is not intended to exclude curricula developing, or sector skills development, rather to distinguish this from individual training programs.

Conferences, events and workshops with the sole objective of ideation or knowledge sharing will not be considered.

Partners must pay any tax liability arising from the proposed activity. Taxes cannot be paid for with Aus4Innovation grant funding and must not be counted toward in-kind contributions of the partners.

## Application process

There will be a two-step process for submission of applications.



- Step 1: An expression of interest is submitted by the partners, outlining the proposed activities and alignment with assessment criteria. EOIs will be assessed by the Aus4Innovation Program Office (research, technology, and development experts) and its Steering Committee.
- Step 2: Shortlisted applicants will be invited to develop a detailed proposal for further consideration.

A comprehensive application process can be found in Annex 1.

## Application Platform

Submission and assessment of applications will be through the Aus4Innovation SmartyGrants portal <https://csiro.smartygrants.com.au>.

The application process, including these Guidelines, the application form, proposals (if the applications are shortlisted), and all other communications will be in English.

## Grant process timeline

The planned timeline for applications, selection and implementation follows. Please note that some dates may be subject to change.

<b>Applications for EOI open</b>	<b>11 March to 19 April</b>
<b>Shortlisting</b>	19 to 29 April
<b>Request for detailed proposal from approved shortlist</b>	6 May
<b>Detailed proposals due</b>	31 May
<b>Interviews (as required for due diligence)</b>	June to July

<b>Final selection</b>	July 2019
<b>Grant agreement signed (subject to agreement and any negotiation)</b>	From July 2019
<b>Implementation</b>	July 2019 to July 2020

## Request for Clarification

During the application process, should applicants have any questions or need further clarification to help them complete the EOI form, they can email [aus4innovation@csiro.au](mailto:aus4innovation@csiro.au), noting that phone calls are not encouraged. The Aus4Innovation Program Office is responsible to respond to such enquiries via emails within five (5) working days.

## Confidentiality

Applicants should be cognisant of their own need to retain security over actual or potential intellectual property rights.

Submitted application data will be kept in strict confidence by DFAT, CSIRO, and Aus4Innovation reviewers. Personnel are bound by confidentiality, or non-disclosure arrangements. Applications, however, will be reviewed at the Steering Committee, giving third party members and their personnel the opportunity to access data. Aus4Innovation, DFAT and CSIRO cannot take responsibility for the loss of any information outside their direct control. Applicants are reminded to consider the above, prior to disclosing potentially sensitive information, and to seek their own professional legal advice.

## 3 Grant Assessment Principles

Assessment of applications will use partnerships, (ii) innovation, (iii) readiness, (iv) relevance to Vietnam, and (v) social impact as guiding principles.

### 3.1 Partnerships

The intent of the grants program is to support established partnerships to advance or scale an existing innovative idea. The grants program is not intended to test activities, but rather to invest in the scaling of more mature ideas and partnerships.

As discussed in the eligibility section, the partnership will comprise (at least) a Vietnamese and an Australian entity. The partnership must predate the application, but it may previously have been created around a different activity to the one funded by the grant. Partnerships with women in lead or senior research/scientific roles are encouraged to apply.

Grants will not fund the creation of new partnerships between the two countries. New partners may be brought in to the activity to support the lead partners through funding, skills or expertise. Applicants will articulate their commitment to the partnership for the grant activity and beyond.

### 3.2 Innovation

By general definition, innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations (OECD, 2005).

In the specific context of this work stream of the program, innovation embraces new, innovative ideas with their derived activities and /or processes to help Vietnam enhance its innovation capacity and better prepare to take on opportunities, and respond to emerging technological, human capital and social challenges of the Industry 4.0.

A list of potential areas of intervention is discussed earlier in the Grant Round One.

### 3.3 Readiness

As discussed, the purpose of the grants program is to provide targeted funds to scale already tested activities to address emerging challenges or opportunities in any sector of Vietnam's innovation system.

To be eligible for grants, proposed activities will have an existing proof of concept and articulated market engagement, or path to impact. Applicants are asked to rank their readiness against an assessment framework on a scale of 1-9, where 1 is the lowest level, and 9 the highest.

Aus4Innovation Partnership Grants are intended to support programs that address emerging challenges in the Vietnamese innovation system, whether or not they are technological solutions. For this reason, two equivalent readiness frameworks will be considered:

Societal Readiness Level (SRL) <sup>1</sup>		Technology Readiness Level (TRL) <sup>2</sup>	
SRL is a way of assessing the level of societal adoption of a particular social project, product, process, intervention, or other innovation as it becomes integrated into society.		TRL is a measurement system used to assess the maturity level of a particular technology. Each technology project is evaluated against a common set of parameters	
<b>SRL 1</b>	Problem identified and baseline societal readiness evaluated	<b>TRL 1</b>	Basic principles observed and reported
<b>SRL 2</b>	Proposed solutions, potential impact, and expected societal adoption pathway evaluated, with relevant stakeholders identified	<b>TRL 2</b>	Technology concept and application formulated
<b>SRL 3</b>	Problem validated through initial testing of proposed solution with relevant stakeholders	<b>TRL 3</b>	Analytical and experimental validation to establish proof of concept

<sup>1</sup> Adapted from Innovation Fund Denmark ([https://innovationsfonden.dk/sites/default/files/2018-08/societal\\_readiness\\_levels\\_-\\_srl.pdf](https://innovationsfonden.dk/sites/default/files/2018-08/societal_readiness_levels_-_srl.pdf))

<sup>2</sup> Adapted from NASA TRL Framework ([https://www.nasa.gov/directorates/heo/scan/engineering/technology/txt\\_accordion1.html](https://www.nasa.gov/directorates/heo/scan/engineering/technology/txt_accordion1.html))

<b>SRL 4</b>	Pilot test in relevant environment to substantiate proposed impact and societal readiness	<b>TRL 4</b>	Component, or subsystem validation in a laboratory environment
<b>SRL 5</b>	Proposed scalable solution validated by relevant stakeholders	<b>TRL 5</b>	Component, or subsystem validation in a relevant or simulated environment
<b>SRL 6</b>	Scalable solution demonstrated in relevant environment and in cooperation with relevant stakeholders to gain initial feedback on potential impact	<b>TRL 6</b>	System integration and prototype demonstration in a relevant or simulated environment
<b>SRL 7</b>	Refinement of project and/or solution and, if needed, retesting in relevant environment with relevant stakeholders	<b>TRL 7</b>	Field demonstration of prototype system in operational conditions
<b>SRL 8</b>	Proposed solution as well as a plan for societal adaptation complete and qualified	<b>TRL 8</b>	Production version fully qualified through test and demonstration
<b>SRL 9</b>	Actual project solution, sustainably implemented in relevant environment	<b>TRL 9</b>	Actual production technology proven through mission operation

Applicants are further asked to rank their proposed activity against an Investment Readiness Level (IRL) framework:

### Investment Readiness Level (IRL)<sup>3</sup>

IRL was developed as a tool to assess the maturity of new start-up businesses in the context of early stage fundraising. In a generalized sense, the IRL framework is a way of assessing the progress of an impact model, be that progress toward creating a profitable business plan, or creating social impact through a development activity.

<b>IRL 1</b>	Problem hypothesis that needs validation	<b>IRL 6</b>	Validated funding model and IP strategy
<b>IRL 2</b>	Detailed mapping of stakeholders	<b>IRL 7</b>	Deploy and validate at scale
<b>IRL 3</b>	Validated problem/solution fit	<b>IRL 8</b>	Validated mass adoption model
<b>IRL 4</b>	Low fidelity prototype test	<b>IRL 9</b>	Validated implementation plan
<b>IRL 5</b>	Validated application fit with stakeholders		

Applications for activities that have already achieved SRL/TRL and IRL 3 or above will be considered, and those closer to scale, adoption and impact will be highly ranked in terms of readiness.

<sup>3</sup> Discussion and background on IRL (<https://blogs.berkeley.edu/2014/07/01/how-investors-make-better-decisions-the-investment-readiness-level/>)



### 3.4 Relevance to Vietnam

Applicants should demonstrate how their proposed innovative ideas, activities can contribute to the enhancement of the innovation capacity of Vietnam, be it of local enterprises, research institutes, or universities etc.

Applicants also need to demonstrate to what extent their proposal addresses issues of development priorities of Vietnam. Examples could be introducing new technologies to help Vietnam embrace the emerging economic and social development opportunities from the Industry 4.0, or to help a certain sector moving up on the value chain, to accelerate the upskilling or productivity of a key sectoral workforce, or to help a procedure become more effective thanks to the application of a new modality.

Last but not least, applicants need to prove how their ideas, activities, processes bring benefit to the end beneficiaries, including improvement of incomes, better access to goods and services, more opportunities for decent employment etc.

### 3.5 Social impact

Applications need to convincingly demonstrate that the activity contributes to or furthers progress on DFAT's social policy priorities (listed below). Descriptions must specify the (sub)population, which stands to benefit from the innovation, and/or the expected contribution to Vietnam's social development. Alignment with DFAT's ODA eligibility criteria is essential. Cross-cutting social priorities include (but are not limited to):

- Gender equality and women's empowerment and Gender Equality Strategy 2016-2020, Australian Embassy, Vietnam
- Disability inclusive development
- Assisting indigenous people
- Adaptation and mitigation of climate challenges
- Sustainable Development Goals

### 3.6 Other policy requirements

The Australian Government operates under strict international policies for risk management. Applicants must be aware of and comply with the following policies:

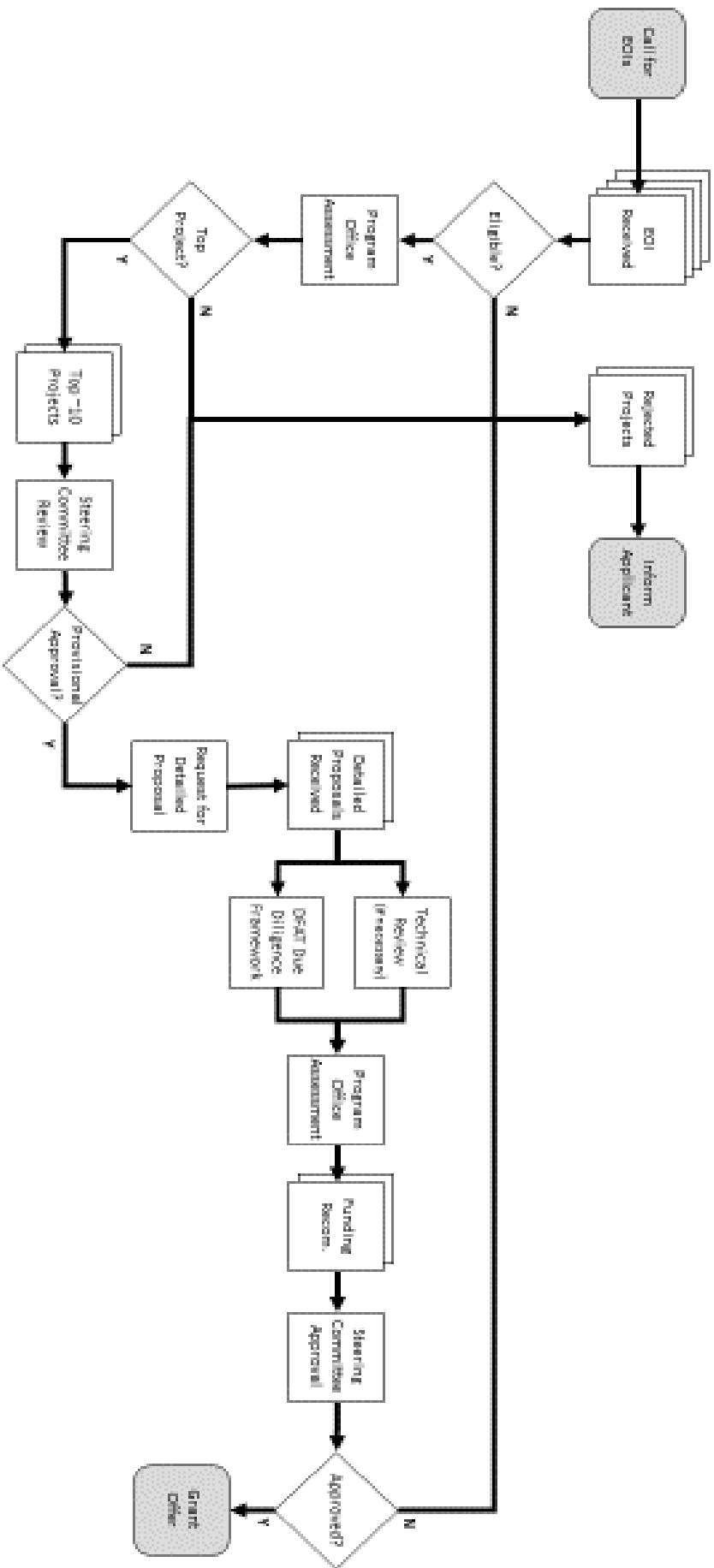
- Environmental and social safeguards
- Child protection policy
- Fraud control and anti-corruption
- Risk management for aid investments
- Ethical human research
- Animal welfare

## 3.7 Additional resources

### **Selected reference material includes:**

- [Ministry of Science and Technology](#)
- [Australia's Aid Program](#)
- [Australia's Foreign Policy White Paper](#)
- [Aus4Innovation Program](#)
- [Australia's development cooperation in Vietnam](#)
- [Aid Investment Plan 2015-2020](#)
- [Australian Government's innovationXchange](#)
- [CSIRO Australia](#)
- [Vietnam's Digital Future \(Data61\)](#)

## Annex 1: Aus4Innovation Competitive Grants Mechanism | Application Review Process



## CONTACT US

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