

Innovation

PARTNERSHIP GRANTS

Guidelines for applicants Round 3



Innovation Partnership Grants

GUIDELINES FOR APPLICANTS – ROUND 3

MARCH 2021

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 innovation-led nations.

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 (A4I) is a four year, AUD 11 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.

With these activities, the program aims to achieve:

- An enhanced partnership between Vietnam and Australia – This could be articulated in many different aspects: from Government to Government through the high-level Innovation Partnership, to institutions – businesses – individuals collaboration for knowledge exchange, innovative ideas commercialization, and business development.
- Practical development outcomes through the realization and deployment of innovative ideas, including services, products, or business models to help accelerate socio-economic development and growth in both countries.
- Potentials for future development, be it policy recommendations for a more enabling environment to spur innovation, or research on trends and directions for the economy travel to maximise the impacts of emerging technologies, and coping with new challenges.

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

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 the final decision on grant funding is at the discretion of the A4I Steering Committee. 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
- Director of the Aus4Innovation Program Office; and
- A representative from Vietnam Private Sector.

The Grants have been delivered in two rounds, and more information can be found [here](#).

In response to the unprecedented challenges of the on-going COVID-19 pandemic across the world, the A4I Steering Committee decided to open the third round of grant, with details as below.

Grant round three

The Aus4Innovation Program, during 2018 – 2019 has facilitated the collaboration between the Ministry of Science and Technology and Data61, under CSIRO to produce the [Vietnam’s Future Digital Economy Report \(VFDE\)](#), which clearly set out the rationale and necessity for digital transformation in Vietnam. One of the seven megatrends that was identified in the report – **Emerging digital technologies** - AI, blockchain, the Internet of Things, and platforms and cloud-based services – will have the potential to transform Vietnam into Asia’s next high-performing economy and bring up the living standards of Vietnamese citizens in the coming decades.

Moving into 2020, the year has been testing with the wide spread of COVID-19 pandemic, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the transmission of the virus. In this context, going digital has obviously become central to most, if not all efforts to minimize the disruption caused by the pandemic, and adapt to the new normal.

In Vietnam, digitalization had been on-going even long before COVID-19, but the pandemic has accelerated the transformation at a much higher speed and scale. In June this year the Prime Minister of Vietnam has approved the [National Digital Transformation Program](#) with an expectation to transform Vietnam into a digital country, where government management, business operation, and people’s life are enabled with a secured digital environment.

In this connection, the Aus4Innovation program opens the third (3rd) round of Innovation Partnership Grant, among other efforts on digital transformation to seek initiatives that have the **potential to enhance the digital transformation in the economy and deliver inclusive social impacts**. These initiatives should be able to develop innovative products, services, or business models and solutions that build on emerging digital technologies to help improve efficiency, agility, and productivity in a specific sector or across the economy. While there is no restriction in the sectors that applicants might want to focus their ideas in, some suggestions include:

- Smart manufacturing
- Smart agriculture
- Digital health
- Smart education
- Smart cities
- Finance and Banking
- Natural Resources and Environment
- E-government

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.
- Eligible organisations may include any private, public sector, universities, research institutes, or civil society organisation operating in Australia and 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 must be deliverable remotely.
- Activities that have already received funding from other sources will also be considered ineligible when applying for this grant as a duplicate funding source.
- Women-led organizations, initiatives that could bring benefits to women and girls, either directly or in-directly, are encouraged to apply.
- Initiatives that could bring benefits to mountainous or remote areas, either directly or in-directly, are encouraged to apply.

Funding window

The third (3rd) round of funding under the Aus4Innovation Competitive Grant scheme will open for applications between Monday 15 Mar – 11:59 PM Sunday 4 April 2021(AEST).

Individual grants will be between AUD 100,000 and AUD 1 million and the total amount of funding in Round 3 is approximately AUD 1.5 million.

Grants 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, and prior to the 30th June, 2022 from the time of the signing the Grant Agreement. 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.

International travel is not anticipated during the delivery of the grant initiative, and this should be reflected in budget plan accordingly.

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.

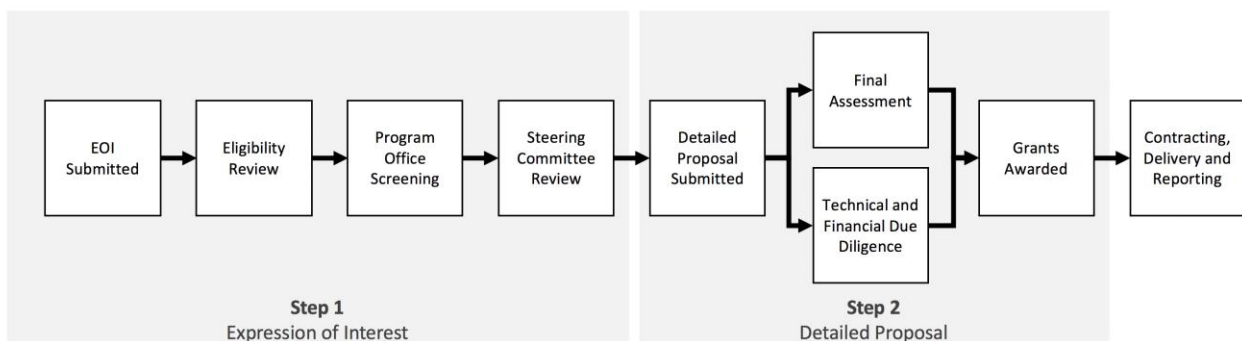
In circumstances where Australian lead partner is a private business, [DFAT’s strategy to engage private sector in development work](#) will be the guiding document. Private businesses are also encouraged to refer to:

- OECD’s relevant papers on strategic private sector engagement, such as the “[Towards strategic private sector engagement](#)”; or
- [UNDP’s SDG Impact Practice Standards for Private Equity Fund](#)

for reference to articulate how its initiative can deliver societal development outcomes and contribute to growth.

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.
 - During the detailed proposal process, additional support will be available from the Program Office to shape proposals that meet program objectives, maximise National sustainable development impact, and comply with the principles of ODA expenditure
 - In particular, applicants from private business will be required to engage with DFAT and the Program Office

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>.

English will be used as the main language throughout the application process. However, it is expected that the Expression of Interest (EOI) and the Detailed Proposals (if shortlisted) will be in dual languages, i.e. both English and Vietnamese.

Grant process timeline

The planned timeline for applications, selection and implementation follows.

Applications for EOI open	15 Mar – 04 Apr ¹
Shortlisting	05 – 25 Apr
Request for detailed proposal from approved shortlist	27 Apr – 13 May
Detailed proposals due Grant Agreement template reviewed by potential grantees ²	13 May
Technical clarification, Due diligence, grant agreement negotiation	By 6 Jun
Final selection announcement grant agreement signed	Mid Jun
Implementation	Jun 21– May 22

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, 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.

¹ Only this timeline is fixed, all the followings are indicative, depending on the actual number of applications received. The A4I office is responsible for providing updated information /timeline to applicants

² Once applicants are invited to submit their detailed proposal, CSIRO will also be sending them the Grant Agreement template for reviewing in advance all the terms and conditions to save time, in case the applicants are finally selected.

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 by independent appraisers, 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 (i) partnerships, (ii) innovation, (iii) readiness, (iv) relevance to and potential impacts on Vietnam digital transformation process, (v) social impacts, and COVID-19 adaptability as guiding principles.

3.1 Partnership

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 into 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

Digital transformation covers the integration of digital technologies such as artificial intelligence, machine learning, big data, internet of things, digital platforms, blockchain and others by businesses, government and community to create values and impacts on growth.

In the context of this grant, Innovation refers to digital transformation initiatives that adopt emerging digital technologies to help (i) promote hyper-connectedness through digitally supported and cross-linked processes, (ii) enhance “sharing” opportunities, (iii) build up new, more effective business models, (iv) improve productivity and efficiency, and (v) boost more inclusive, sustainable growth and enhancing well-being in Vietnam.

3.3 Readiness

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.

Applicants are asked to demonstrate clearly and succinctly how to scale their ideas. To be eligible for grants, proposed activities will have an **existing proof of concept** and articulated market/system engagement, or **path to impact**, and demonstrate a realistic vision for **long-term sustainability**.

More specifically, applications will be judged against:

- **Feasibility/ Deliverability**, i.e. skills and capacity to deliver the project by the project teams, reasonable timeline, associated risks to /during the implementation of the project
- **Economic viability**, i.e. the net benefit the initiative can bring to Vietnam and possible to Australia, such as improving economic growth, productivity, efficiency, safety etc.

- **Affordability:** i.e. the appropriateness of the program budget and long-term funding implications

3.4 Relevance to Vietnam digital transformation

The Vietnam National Digital Transformation Program approved by the Prime Minister in June 2020 should be considered as the guiding document for applicants to justify how their ideas are relevant to Vietnam's long-term plan and vision towards digital transformation.

In addition, applicants should consider how the initiative can fit into Vietnam's current digital infrastructure and capacity – among other factors - to ensure that scaling plan is possible and impactful.

3.5 Socio-economic impact

Applicants need to prove how their ideas, activities, processes can deliver positive impacts – both economic and social – to the people and society in concrete way, such as improving productivity, efficiency, employment opportunities and incomes, better access to goods and services etc. to contribute to growth.

Any potential adverse impacts, if there is, i.e. possible disruption in the low skilled labours, cyber risks, privacy issues etc. should also be specified.

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 COVID-19 adaptability

Given the on-going challenges that COVID-19 has imposed globally, applicants need to ensure that the implementation of the innovation idea, if it is selected and funded, will be adaptive to the COVID-19 context, negative impacts will be minimised, and that the 12 month implementation plan will be maintained.

Specific solutions to respond to this request will need to be demonstrated in the application. It is expected that no international travel is anticipated in Round 3. Applicants should demonstrate an implementation plan with partners collaborating remotely.

3.7 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](#)

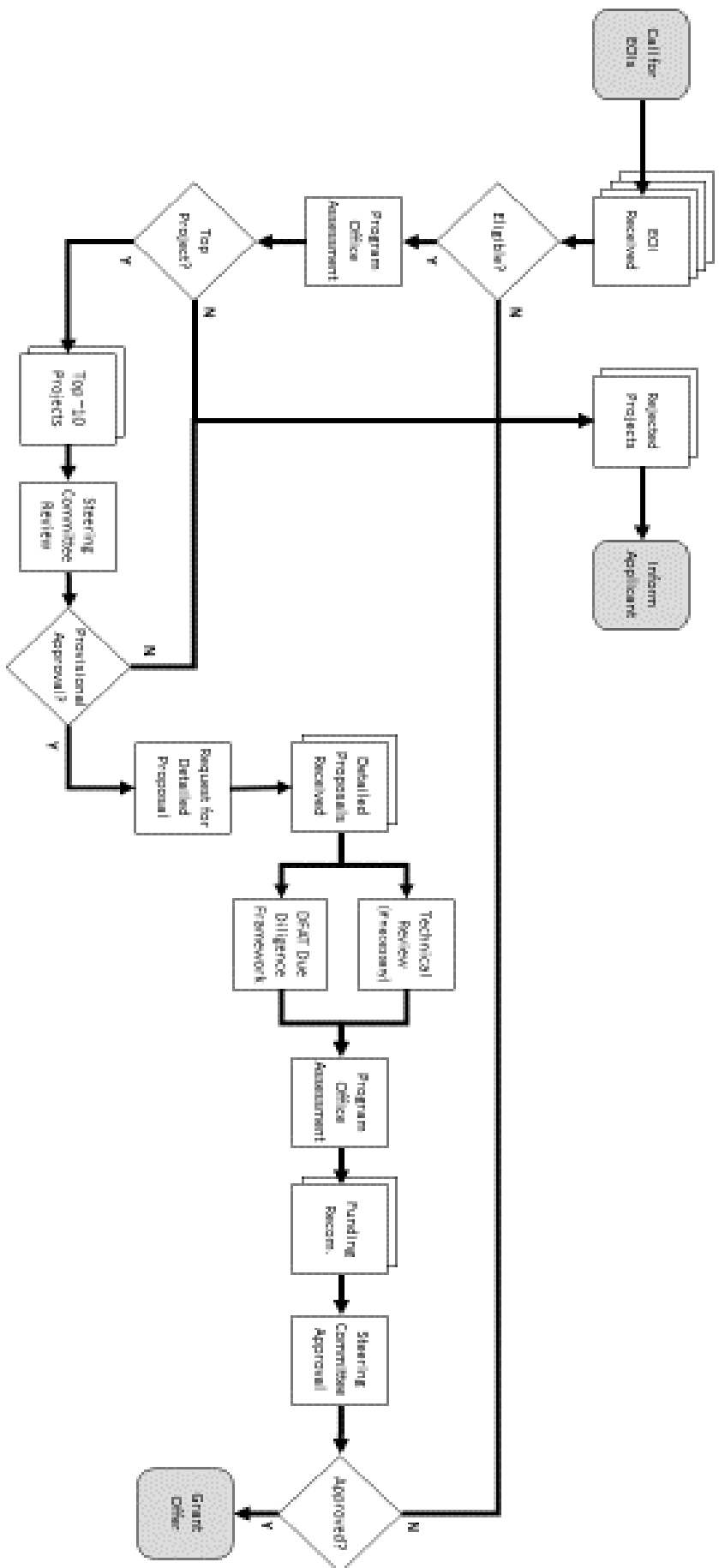
- Risk management for aid investments
- Ethical human research
- Animal welfare

3.8 Additional resources

Additional reference material includes:

- Ministry of Science and Technology
- Australia's Aid Program
- Australia's development program to Vietnam
- Australia's Foreign Policy White Paper
- Aus4Innovation Program
- CSIRO Australia

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





For further information

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