

Biofutures Commercialisation Program Guidelines 2016-17

About the Program

The Queensland Government's Advance Queensland initiative focuses on diversifying the economy by developing new industries that have global growth potential, and in turn create the knowledge-based jobs of the future.

The Advance Queensland Biofutures 10-year Roadmap and Action Plan articulates the government's specific vision for growing the state's Biofutures sector by 2026 – a one billion dollar sustainable and expert-orientated industrial biotechnology sector, attracting significant international investment and creating regional, high-value and knowledge-intensive jobs.

The Roadmap identifies challenges to this vision including limited funding access for companies at the pre-commercial stages. Future Action 1 of the Roadmap requires the development of a targeted translational grant program to increase the number of bioindustrial projects at demonstration scale for movement toward full commercial operation.

The Biofutures Commercialisation Program aims to attract national or international bioindustrial expertise to partner with Queensland researchers and/or businesses to scale-up and test new or improved bioindustrial technologies and processes at the pilot or demonstration scale in Queensland.

Eligible project criteria for the program refer to the technology readiness level (TRL) index which is a globally accepted benchmarking tool for tracking progress and supporting development of a specific technology through the early stages of the technology development chain. It describes development from blue sky research (TRL1) to actual system demonstration over the full range of expected conditions (TRL9).

A pilot scale project must target a project starting point of TRL 4-5 on this index and involve the development and thorough testing of a small prototype bioindustrial system or subsystem (including component validation). It will be expected to generate data models to inform and de-risk the design of larger scale systems (refer to Diagram 1).

A demonstration scale project must target a project starting point of TRL 6-7 on the index and involve system prototyping to validate a bioindustrial process for commercialisation, where the system/process works at or near industrial scale, and can be demonstrated/tested for financial viability in its intended market (refer to Diagram 1).

Funding

The Queensland Government has committed AU\$5 million for the Biofutures Commercialisation Program.

Grant funding will be fixed in Australian dollars and will not increase for costs increases including currency fluctuations.

Tier 1

Grants of up to AU\$250,000 (excluding GST) are available for pilot scale projects with a duration of up to two years.

Tier 2

Grants of up to AU\$1 million (excluding GST) are available for demonstration scale projects with a duration of up to two years.

Only applications of exceptional merit will be awarded the maximum grant of AU\$1 million.



Benefits

The objectives of the program are to support the government's vision for increasing the capability and scale of the Biofutures sector in Queensland by:

- increasing the range and scale of high-value products being developed in Queensland using bio-based feedstocks and bioindustrial conversion processes,
- driving economic and jobs growth based on these technologies
- closing gaps in technical capability and critical skills in bioprocess engineering and systems biology through new and existing relationships between Queensland researchers and industry
- establishing clustering of bioindustrial pilot and demonstration scale projects within Queensland
- attracting national and international bioindustrial companies to partner with Queensland researchers and businesses.

Eligibility criteria

To be considered eligible for this program your project must:

- have a direct benefit to the bioindustrial sector in Queensland and align with objectives of the Queensland Biofutures 10-Year Roadmap and Action Plan
- be led by a bioindustrial business (the 'applicant organisation')
- demonstrate that project expenditure and activity will be undertaken primarily in Queensland
- involve collaboration between the applicant organisation and a minimum of:
 - one Queensland-based research organisation; AND/OR
 - one Queensland-based business
- have a total cash contribution (from the applicant organisation and partner organisations) that is equal to, or greater than, the Biofutures Commercialisation Program funding sought
- have a minimum of 50 per cent of the required matching cash funding committed by the applicant organisation.

Note that if you are successful your project must commence within six months of being advised of funding approval and have duration of up to two years.

Using the Biofutures Commercialisation Program funds

Queensland Biofutures Commercialisation Program (BCP) funding may be used for the following eligible pre-commercial project costs and activities:

- plant, equipment, technology
- construction / refurbishment costs
- costs of materials consumed in testing a process or prototype, including costs incurred in validation, establishing efficacy, demonstration of capability, scale-up, and development of evidence of the stability or reproducibility of processes
- research, only as an activity required to deliver the project and directly support a pathway to commercialisation, i.e., Queensland focused feasibility study, market research, research to gain certification or implement codes or standards
- salary costs for project/research staff (including salary-related on-costs)
- travel within Queensland, necessary to undertake project activity (maximum value of \$5,000 per annum).

Items **not eligible** for funding include:

- travel (outside of Queensland)
- organisational overheads costs associated with the ongoing programs of work and/or core business of the applicant organisation or partner organisation(s).

Funds committed by the applicant organisation and partner organisations to satisfy the matching cash requirements can include:

- salaries (including salary-related on-costs) for the FTE project salary of staff working on the project for a minimum of 20 per cent of their total work time
- any other direct and actual project costs (non-salaries).

Queensland Government funding must be spent wholly or predominantly in Queensland, with no more than 10 per cent of the total BCP funding being expended in a partnering jurisdiction. Any funds spent in a partnering jurisdiction must directly support the Queensland research proponent (for example, to cover costs to access specialised research equipment not available in Queensland).

The proportion of funds spent in Queensland will be weighted positively in the assessment.

Only eligible expenditure incurred on or after the project commencement date can be claimed by successful applicants.

Payment of grants will be made based on agreed periodic project milestones. A final milestone payment will be made upon the provision of documentary evidence that all project requirements have been satisfied, including evidence that total project expenditure has been incurred and project contributions have been made by all relevant parties.

Assessment criteria

1. Well planned and novel translational project

You must demonstrate that the proposed project:

- scales-up, develops and prototypes new and improved bioindustrial technologies/processes/products
- is focused on the testing and prototyping of a bioindustrial system/processes at a pilot or demonstration scale
- has commercial potential
- has ownership of, access to, or the beneficial use of, any intellectual property (IP) necessary to carry out the project
- fits within the program targeted levels on the TRL index at the commencement and conclusion of the project
- has scientific merit
- has an achievable product/process development plan and objective, including access to feedstock and suitable facilities
- identifies relevant environmental impacts and how these will be managed/mitigated.

2. Quality of the collaboration

You must demonstrate that the proposed project will:

- involve meaningful collaboration between two or more organisations with complementary areas of expertise working together to contribute to the commercial readiness of the bioindustrial technology in Queensland
- secure participation by the partner organisation(s) including through contribution of cash and/or in-kind to the project
- close gaps in technical capability and critical skills in Queensland in bioprocess engineering and systems biology required by the sector
- be designed and implemented with full engagement of end users, be they in the private, public or the not-for-profit sector
- lead to greater collaboration between industry and researchers beyond the end of the project
- be able to demonstrate that a significant proportion (approximately 50%) of a research teams' time from a participating Queensland-based research organisation (if involved) will be spent physically located and working with the applicant organisation and partner organisations
- communicate the information and lessons learned from the project to the project consortium and be made publically available to advance the bioindustrial sector in Queensland.

The letters of support from partner organisations will also be considered under this assessment criteria.

3. Clear outcomes and relevance for Queensland

You must demonstrate how the proposed project will:

- develop bioindustrial products, technologies and processes that use renewable, sustainable biomass feedstock produced or available in Queensland
- focus on bioindustrial sector developments leading to a competitive advantage for Queensland-based businesses, research organisations, or other direct benefit to Queensland

- have a direct benefit to the bioindustrial sector in Queensland and the objectives of the [Queensland Biofutures 10-Year Roadmap and Action Plan](#)
- increase the range and scale of high-value products being developed in Queensland using bio-based feedstocks and bioindustrial conversion processes
- have a well-defined path to market for the new bioindustrial process or product (including potential off-take opportunities), delivering a commercial potential for Queensland within five years
- have the potential to attract (or retain) at least one industrial biotechnology company to (or within) Queensland
- deliver value for money through proposed economic, social, environmental and/or regional benefits to Queensland
- **FOR demonstration scale projects ONLY:**
 - have the potential to show a reasonable return on investment for the capital that will be invested in a full-scale system, including the operational costs of running such a system over a period of time
 - have the potential to start to bring a product to market in significant enough amounts that production, distribution and target market viability can be established, including finalisation of market testing
 - have the potential to establish a viable bioindustrial product development method that will endure the test of a true manufacturing operation.

4. Track record

You must demonstrate that the proposed project will be undertaken by organisations and individuals with:

- recognised leading expertise and significant experience in the industrial biotechnology sector
- the research, scientific and management skills and access to infrastructure and funding required, to successfully deliver the project
- capability to progress the project towards commercial readiness.

Submitting your application

The Queensland Biofutures Commercialisation Program has a two-stage competitive application process.

Stage 1 – Expression of Interest open round

Expressions of Interest should be completed and submitted electronically via the Queensland Government website.

The online Expression of Interest process will be hosted via a secure site and application documentation will remain strictly confidential.

Refer to the Advance Queensland website for closing details.

Stage 2 – Full Application invitation round

Following assessment of the Expressions of Interest, a number of applicants may be invited to submit a Full Application.

A Full Application will include:

- a completed online application form including details responses to each of the Assessment criteria
- a completed project funding table and cash expenditure table
- letter of support from each partner organisation that outlines (multiple letters should be combined into one PDF file):
 - its role in the project, its reason for participating in the project and the perceived benefits and anticipated outcomes for its business
 - its cash contributions
 - an undertaking to execute a collaborative agreement within three months of approval of application
- brief resume (maximum of two pages) for each key project participant.

The application period for full applications will be advised to shortlisted applicants at time of invitation.

Applicants should refer to the online contact list of Queensland-based R&D organisations and their bioindustrial R&D capabilities for partnering opportunities.

The Queensland Government may engage consultants or advisors to assist with the assessment of a proposal against the eligibility criteria including probity checks.

Application assessment

Both Expressions of Interest and Full Applications will be assessed in a competitive, merit-based process against the program's eligibility and assessment criteria by a panel comprised of members with relevant research and industry backgrounds.

The assessment process will take into account the government's bioindustrial objectives for Queensland outlined in the *Queensland Biofutures 10-Year Roadmap and Action Plan*.

To support better assessment and targeted investment in science and research, the '*R.E.D.S.*' Decision Rules were developed. These rules will be also be considered in evaluating, prioritising and making decisions around future investment.

Applicants may be contacted during the assessment process to clarify any information provided in the application and/or to request further information to enable a due diligence and probity assessment.

There is no implicit guarantee of approval at any stage in the process, and you will be notified in writing of the outcome of your application.

The assessment process will also take into account the government's priorities and the imperative to create jobs for the economy.

The Minister for Science and Innovation will approve recipients for this grant program.

Funding agreements

Successful applicants will be required to enter into a legally binding financial incentive agreement with the Queensland Government.

Ensure you have read and accept the terms and conditions of the financial incentive agreement, prior to submitting an application for funding, as they will not be negotiable at the time a funding offer is made.

Funding recipients will be required to enter into a collaborative agreement with each partner organisation that is materially contributing to the project. The collaborative agreement should prescribe the role and funding contributions of each partner organisation and outline intellectual property rights and management. More information on the requirement for a collaborative agreement can be found in the financial incentive agreement. The agreement will build in an annual gateway review against delivery of agreed milestones.

Promotion of supported projects

Funding recipients will be expected to actively promote their research, and to provide information and attend media/promotion events if requested.

The Queensland Government funding should be acknowledged by recipients in all relevant published material, media releases and public statements.

Privacy

The Queensland Government collects and collates information from the application form to evaluate applications for the program. Only authorised Queensland Government officers, approved grant assessors and the Advanced Queensland expert panel will have access to this information.

Applicants should note that broad details of successful proposals, agreed outcomes, progress and the level of funding awarded may be published by the Queensland Government. Some information may be used to promote funded projects in the future.

Your personal information will not be disclosed to any other third party without your consent, unless required by law or for the purposes of the Information Privacy Act 2009.

For audit purposes, the Queensland Government is required to retain applications and other support material.

The provisions of the Right to Information Act 2009 apply to documents in the possession of the Queensland Government.

Further information

Web: qld.gov.au/advanceqld

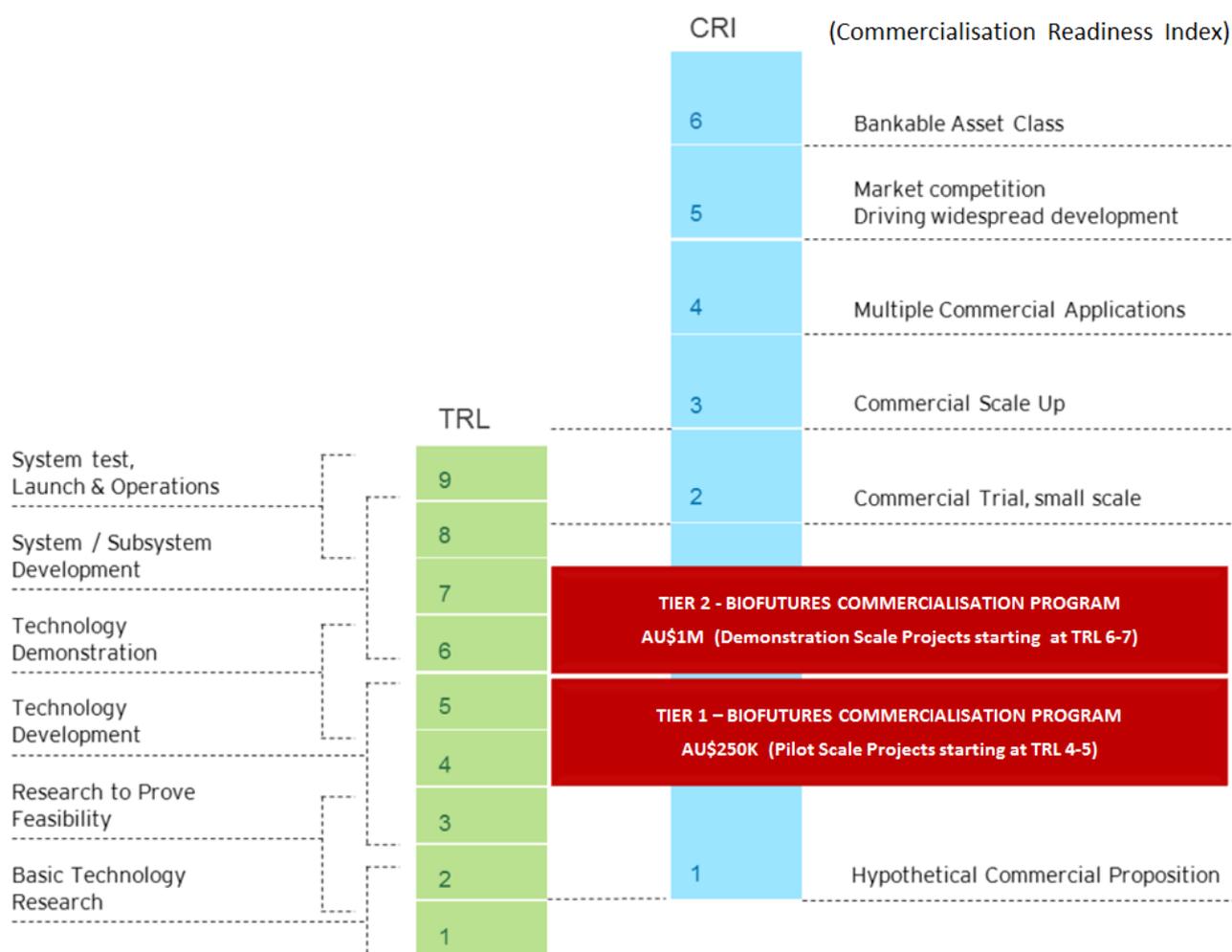
Email: advancequeensland@dsiti.qld.gov.au

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Diagram 1: Focus of the Biofutures Commercialisation Program on the TRL Index



Source: <http://arena.gov.au/files/2014/02/Commercial-Readiness-Index.pdf>