



The NSW-Israel Research and Development (R&D) and Technological Innovation Program provides funding to assist NSW and Israel entities to cooperate on joint R&D projects. These projects will advance market-driven, new and innovative products for the global market and with the potential to contribute to economic growth, skills development and job creation. The program implements the agreement on bilateral co-operation in R&D and technical innovation between the NSW Government and the State of Israel.

What the program offers

The New South Wales (NSW) Department of Industry will contribute up to 50% of total NSW project costs to a maximum of \$AUD250,000 as a grant. The remaining 50% of project costs must be covered by the NSW applicant or a third party.

The Israel Innovation Authority will provide up to 50% of total approved R&D expenses of the Israeli applicant's project costs (uncapped) as a conditional grant via its R&D Fund.

Priority areas

All industry fields are invited to apply, but NSW Department of Industry will contribute an additional 10% of NSW total R&D project costs to a maximum of \$AUD250,000 per project for the following priority areas:

- projects based in regional and rural areas of NSW¹
- businesses considered to be a startup² or high growth³
- projects in the priority sectors of cybersecurity, water management and agri-technology

What the grant can be used for

For NSW entities, 50% of the grant funding must be used for R&D expenses. The residual can be used towards growth-related expenses that support R&D, including employee expenses and skills development.

For Israeli entities, grant funding must be used towards eligible and approved R&D expenses.

Who can apply

Participants must:

- include at least one Australian commercial organisation
- include at least one Israeli commercial organisation
- be separate legal entities
- collaborate in R&D of a technologically innovative product for commercialisation in a global market.

NSW-based research institutions can apply if they have a NSW commercial entity partner. Israel-based research institutions can participate as subcontractors to an Israeli company applicant only.

How to search for a partner

A partner matching service is available if you do not have a partner for the purposes of this program. This will involve completing an application on the NSW Department of Industry's online portal (for NSW applicants) or the Israel Innovation Authority website (for Israeli applicants).

Basic due diligence checks will be made before information about potential matches is provided.

It is the responsibility of the applicant to engage the most suitable partner and undertake its own due diligence checks. It is also the responsibility of the applicant to agree on the terms of the joint project, including intellectual property arrangements.



Eligibility criteria

NSW businesses must:

- operate for profit and be solvent
- have an Australian Business Number registered in NSW (or undertake to be registered)
- be based in NSW
- not have sourced their contribution funding from any other NSW Government program
- not currently be involved in any litigation or impending litigation.

Israeli businesses must be for-profit companies that are registered and operate in Israel.

How do I apply?

NSW applicants must jointly submit a bilateral application form and attach a letter of intent via the NSW Department of Industry's website by the due date stated below.

Failure to submit correctly completed forms may result in the application being deemed ineligible and not being considered further.

Following review and approval, applicants must also submit full applications separately to the NSW Department of Industry and the Israel Innovation Authority by the due date.

The application process

The application process is a two-stage competitive application involving:

Eligibility assessment: bilateral application forms will be assessed by NSW and Israel against eligibility criteria set out in this fact sheet. Applicants will be informed if they meet eligibility requirements and can move to stage two.

Full assessment: separate application forms will be assessed by NSW and Israel against weighted assessment criteria. NSW applicants will be assessed against criteria set out in this fact sheet. Israel partners will be assessed against similar criteria set out on the Israel Innovation Authority's website.

Applicants will be informed of assessment results by late-2018.

Assessment criteria

NSW applicants will be assessed against criteria set out in Table 1 below

Table 1. Assessment criteria for NSW applicants.

Criteria	Points
Criterion 1: Technological aspect	Up to 20 points
Criterion 2: Business/economic aspect	Up to 20 points
Criterion 3: Company's capabilities	Up to 20 points
Criterion 4: Quality of cooperation	Up to 20 points
Criterion 5: Completion and clarity of application	Up to 20 points
Priority sectors (NSW applicants only)	Up to 15 points

Israel partners will be assessed against similar assessment criteria and weightings set out on the Israel Innovation Authority's website.

Assessment process

For both the eligibility and full assessment stages, a committee for each country will be formed to assess individual projects against the eligibility and assessment criteria.

Joint committees will also be formed for both stages and comprise of representatives from both countries. The joint committee will make recommendations on eligibility, review and score applicants based on assessment criteria, and share information on the level of funds to be granted from each side.

The joint committee will consider the applications collectively and accordingly there may be a change to the decisions of the original assessments and recommendations made by the NSW or Israel committee.

Successful applicants

Successful applicants will need to submit a final cooperation agreement/contract between the companies.

Successful NSW applicants must agree to enter into a grant agreement with the NSW Government and will need to submit regular progress reports.

Successful Israeli applicants must enter into a grant agreement with the Israel Innovation Authority.

Key dates

Indicative key dates are set out in Table 2 below.

Table 2. Key dates in the application process

Milestone	Indicative timing
Stage 1 applications open	19 March 2018
Stage 1 Applications close	7 June 2018
Stage 2 applications commence	14 July 2018
Stage 2 applications close	9 August 2018
Stage 2 assessment completed	November 2018
Announcement of successful applications	November 2018

Frequently Asked Questions

What if I am not able to provide the required 50% co-contribution to the project?

We encourage NSW applicants to source third-party contributions for the R&D project (including from the Australian Government).

If a NSW applicant is not able to provide the required contribution, the NSW Department of Industry may consider a lower co-contribution as part its overall value-for-money assessment. Applicants who are able to meet the 50% co-contribution requirement would be viewed more favorably.

Israeli applicants are required to ensure that the company, either through its own resources or through third-party contributions, is able to meet the required financial requirements of the project.

Would I still be eligible to apply if the solution I intend to develop is innovative but uses existing technology?

Yes. A proposed R&D project that uses existing technology for a new purpose would be eligible for this program.

Can NSW applicants apply for the R&D Program for a project that was deemed ineligible for another NSW Government program?

Yes. The eligibility criteria of the R&D Program may differ from those of other NSW Government programs, so a project that is ineligible for other programs may be eligible for the R&D Program.

Can applicants lodge an application for the R&D Program and other NSW Government programs at the same time?

You may make more than two applications. However, you are only eligible to receive funding from the NSW Department of Industry or from the Israel Innovation Authority for the project elements for which you have not already received funding.

When must the project commence and be completed?

Projects should commence within three months of execution of the grant agreement, and R&D activities within three years. The NSW Department of Industry may withdraw funding if projects are not commenced or completed within the specified timeframes.



¹Areas outside the metropolitan areas of Sydney, Wollongong and Newcastle. ²A company or venture under three years old with a scalable business model. ³A small to medium-sized enterprise with at least 20 per cent year-on-year growth in revenue or employees over three years and over \$1 million in revenue.

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More information

For more information contact the NSW Project Manager at nsw.israelgrant@industry.nsw.gov.au or the Israel Innovation Authority Project Manager at RacheliBo@innovationisrael.org.il

industry.nsw.gov.au/israelresearchprogram

