



## Shanghai (China) - Israel program for Industrial R&D

### A bilateral framework providing financial support for collaborative industrial R&D ventures between Israeli & Chinese companies from Shanghai

#### 6<sup>th</sup> Call for Proposals for Joint Industrial R&D projects

The government of the Shanghai Municipality, The People's Republic of China, and the government of the State of Israel signed a bilateral agreement in 2011 to form the Shanghai–Israel program for Industrial R&D, with the primary aim of supporting joint industrial R&D projects aimed at the development of products or processes leading to commercialization in the global market.

Within the context of the bilateral framework, funding mechanisms have been created, through which industry may seek support for joint bilateral research and development (R&D) projects, involving at least one Shanghai and one Israeli company.

The bi-lateral framework is jointly implemented by the Science and Technology Commission of Shanghai Municipality (STCSM) in Shanghai and by the Israel Innovation Authority in Israel.

**This call is open to joint projects from all technology sectors** based on merit that include science and technology (S&T) development leading to commercial success, social good and benefits to both countries.

## 1. Common Requirements

The criteria to be followed in order to apply to the program call are:

- a) At least two science and technology companies from the respective countries should express a desire to cooperate in the research and development of a new product or a new process.
- b) The project may involve more than one company from each side; academic/research entities are eligible to join as sub-contractors only.
- c) The product should be highly innovative with significant commercial potential. The joint industrial R&D project should aim at development of products/processes leading to commercialization in the global market
- d) The project partners should agree in advance on the IP rights and on the commercialization strategy of the product or process.

**Note: For the submission phase, only a Letter of Intent (LOI), a preliminary agreement or draft MoU is required, however the final agreement has to be presented to the funding authorities.**

- e) The project should demonstrate the contribution of the participants from both countries
- f) The project must be balanced between participants and significant to both partners.

Any partner whose cooperative R&D project is consistent with the aforementioned criteria can apply to the current Call for Proposals in accordance with the national laws, rules, regulations and procedures in effect.

## 2. Eligibility

### In Shanghai

1. Eligible applicants will be R&D-performing Shanghai-registered companies operating in Shanghai.
2. The applying company should have a sales agreement or acquisitions, technical transformation or cooperative research with foreign partner/s. A photocopy of the agreement / deal should be provided
3. Previous year's sales volume of the applying company should not be lower than 30 million RMB in principle. The proportion of the self – financing and applied grants will be at least 2:1
4. Project results should be industrialized in China and show significant benefit/significant new economy effectiveness.
5. Project can achieve a number of intellectual property rights ( patent inventions)

## **In Israel**

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

### **3. Size of Investments and Matching Funds**

1. Funding support will be given to each partner by its own Implementing Organization (STCSM in Shanghai and Israel Innovation Authority in Israel) in accordance with the national laws, rules, regulations and procedures in effect.
2. The total support from the Government of the Shanghai Municipality is between 1M-2M RMB per project. The government gives the support to subsidize the R&D expenditure of the project and will decide the amount of support for each project, taking into consideration the total number of approved projects and the available funding for the program each year.
3. The total funding from the Government of Israel via the Israel Innovation Authority, under the Shanghai-Israel R&D program financial support, will not exceed 50% of the eligible and approved costs of the R&D, in accordance with the national laws and regulations.

### **4. Submission of the project proposals**

A two-stage application process will be followed; **first the bi-lateral application form**. Only those applications meeting all basic criteria of the Call for Proposals will be invited to submit full project proposals in the National Format. The Common bi-lateral cooperation form must be submitted to both of the Implementing Organizations simultaneously within the deadline of the particular call period. For approved applications, full project proposal in the program National Format should be submitted to the respective Implementing Organizations.

The present Call is launched on **June 15<sup>th</sup>, 2018** and invites **applications in Bilateral Application Form until August 15<sup>th</sup>, 2018**. The eligibility of each application will be analyzed by both the Shanghai Science and Technology Exchange center and Israel Innovation Authority.

Partners meeting all eligibility criteria will be invited to submit the National funding application based on national procedures and according to the national rules that apply to the STCSM and to the Israel Innovation Authority in Israel

Applications submitted after the deadline of call period can be considered eligible for the next call period. T

he complete joint project application (bi-lateral application form+ LOI/Draft MOU ) must be sent in softcopy simultaneously to the STCSM and Israel Innovation Authority in an appropriate official language (preferably in English) before deadline .

**Please note: The proposal (bi-lateral application form+ LOI /Draft MOU) must be signed by both Chinese and Israeli partners.**

#### **Deadline for evaluation by STCSM - ~Mid-September**

The companies which their projects that will be selected by STCSM, will be notified in order to move on to the 2<sup>nd</sup> phase application.

**The Israeli partner** is required to submit the National Application form in accordance with Israel Innovation Authority regulations, through an [online system](#) following these [guidelines](#).

A signed copy of the Bilateral Application Form + LOI/Draft MOU is required to be uploaded as well.

The application in the prescribed format should be submitted to Israel Innovation Authority as well at the coordinates provided at the end of the document.

**The Chinese partner** will be required to submit the National Application Form in accordance with STCSM regulations, through <http://www.stcsm.gov.cn> upon further notice by the Science and Technology Commission of Shanghai Municipality.

**Please visit the website to download the bilateral application form and the application guidelines:** <http://www.stcsm.gov.cn>

#### **5. Evaluation and selection of the projects**

The STCSM in Shanghai and Israel Innovation Authority 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 their National Laws and Regulations. The successful projects will be jointly selected by the two implementing organizations based on the project criteria and requirements specified in the application forms.

#### **6. Repayments**

##### **In Israel**

When a project results in sales of a product, service or process, the financial support must be repaid to the respective organizations/agencies from where funding has been availed as per their individual regulations.

##### **In Shanghai**

According to the existing rules and practices of the STCSM in supporting R&D activities of companies, currently the support for Shanghai-Israel projects is in the form of a grant.

## 7. Publication of the Results

The Israeli and Chinese partners whose projects have been selected will be informed of the result and the amount of funding for the successful projects by their respective implementing organization **possibly by January- February 2019.**

**8. Pre-Implementation Requirements** After the award of the project, project leaders on both sides would be advised by their respective Implementation Organizations to complete necessary administrative and legal instruments before the fund release.

### Timeline summary:

Item	Date/Deadline	Details
Launching	15.6.2018	Published on STCSM and IIA official websites
1st phase applications – bi-lateral application form	15.8.2018	Deadline for Submitting BAF and LOI in Israel & full application in Shanghai
Deadline of evaluation in Shanghai	~mid-September	According to those results, Israeli companies will be invited to submit Full Project Proposals
Full Project Proposal (FPP) Deadline in Israel	3.11.2018	
Evaluation period in Israel	November 2018- January 2019	
Joint Committee	January	Results will be sent to applicants by Israel Innovation Authority and STCSM ONLY after Joint Committee meeting's protocol will be signed
Notification to Companies	January -February 2019	

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