**SMART Expertise – Creating a demand driven RD&I environment**

**Call for SMART Expertise**

**Collaborative Projects**

SMART Expertise offers financial support to innovative collaboration projects that require a range of expertise to solve industry problems.

The aim of the call is to support collaborative projects, between industry and Welsh research organisations, which address strategic industrial technical challenge/s with a clear focus on commercialisation and exploitation of new products, processes or services and growth in capacity and capability in key areas of Smart Specialisation.

There are no restrictions on size or location of industrial partners, however, the project must demonstration it is an effective collaboration and will deliver positive Welsh economic impacts.

Funding will support 100% of the research organisations eligible project costs which shall equate to a maximum of 50% of the total eligible project costs. The industrial partners shall provide the remaining balance of the total eligible projects costs. The funding will be awarded to the research organisation.

Duration of projects: Project activity must end no later than 31 December 2022

Contract research and provision of research services are not eligible.

**Notes for Guidance**

All applications must be submitted via the SMART Expertise email mailbox - smartexpertise@gov.wales

You will need to show that public sector funding is required for your project to happen. If you start the project before any formal approval is given the project will be deemed ineligible.

This funding is discretionary and you are advised to engage with your dedicated Research Development Manager to ensure that your potential project idea aligns with SMART Expertise.

Your Development Managers are:

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| --- | --- | --- |
| South East Wales: | Richard Morgan | Richard.Morgan4@gov.wales |
| South West Wales: | Terry Stubbs | Terry.Stubbs@gov.wales  |
| North and Mid Wales: | Samantha Williams | Samantha.Williams@gov.wales  |

**Aims of SMART Expertise**

* To address strategic industrial technical challenges with a clear focus on commercialisation and exploitation.
* To increase commercialisation of research organisations research in partnership with industry.
* To secure competitively won follow-on funding.
* Growth of RD&I expertise and capacity in research organisations and industry.
* To encourage innovative collaborative partnerships between industry and research organisations.

SMART Expertise support aims to add value to the RD&I process by increasing the successful translation of research into new and improved products, processes and services by utilising knowledge and technology from research organisations to create an industry demand driven RD&I environment and collaborative R&D projects.

SMART Expertise will work closely with the Welsh Government SMART suite of operations to ensure that all industrial partners involved in projects are aware of the continued support to further develop and exploit any identified commercial opportunities.

It is anticipated that the collaborative projects will create the building blocks for innovation clusters, build capacity for RD&I areas of Smart Specialisation and enable the knowledge exchange of new technologies, processes, know how and materials.

This will enable businesses to identify opportunities for R&D projects and develop new scientific and technical knowledge resulting in development and commercialisation of innovative products, processes and services. It is also expected that businesses will exploit the results of the R&D through further avenues of support.

Funding projects involving partnerships between research organisations and businesses, reduces financial and technical risk and encourages knowledge exchange, supply chain development and parallel working on complex challenges.

The funding will also assist in building capability and capacity within groups working in relevant technology areas to establish a proven track record in securing competitively won funding and private sector investment in RD&I

**What is a Collaborative Project?**

Collaborative R&D encourages businesses and researchers to work together on innovative projects in strategically important areas of science, engineering and technology. It is from this that successful new products, processes and services can emerge, contributing to business and economic growth.

A Collaborative project is considered to be an ‘effective collaboration’ where independent parties pursue a common objective based on the division of labour. The partners will jointly define its scope, participate in its design, contribute to its implementation and share its financial, technological, scientific and other risks, as well as its results. The terms and conditions of a collaboration project, including costs, sharing of risks and results, dissemination of results, access to and rules for allocation of Intellectual Property must be concluded prior to the start of the project.

**Who can apply?**

The application, jointly developed by all parties, must be submitted by a Wales based research organisation and have at least two industrial partners with clearly identifiable industry needs.

To be eligible for consideration for funding, all applications must clearly evidence and demonstrate:

* The lead partner is a research organisation based in Wales.
* The project is industry driven with a minimum of 2 appropriate industrial partners that can clearly demonstrate the capacity and resource to exploit the outcomes of the project.
* The project is carried out through an ‘effective collaboration’ utilising expertise from a range of stakeholders’ clearly demonstrating shared risk and benefit; pursuing a common objective based on the division of labour.
* The activities necessitate planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new or significant improved products, processes or services.
* Evidence of effective project management.
* A defined commercialisation plan or evidence to demonstrate the intention to commercialise.

**What are the conditions of funding and what can it be used for?**

**Conditions**

The funding for these projects is part-funded by the European Regional Development Fund through the Welsh Government and shall comply with all relevant EU regulations.

Funding will support 100% of the research organisations eligible project costs which shall equate to a maximum of 50% of the total eligible project costs. The industrial partners shall provide the remaining balance of the total eligible projects costs. The funding will be awarded to the research organisation.

All activities shall be solely for the purpose of the project, shall be conducted at the minimum cost to achieve the intended results, shall not duplicate or displace existing support packages and shall comply with State Aid and European Regulations, including Structural Funds Procurement Regulations.

**The funding can be used for**

**Level 1** up to 18 months in duration, will be utilised to prove the partnership (if new) and project concept while level 2, (which can be applied for as follow on funding to a successful level 1) will continue the development of the established partnership and project.

**Level 2** can be applied for in the call and can be up to 3 years in duration and will be a programme of work on a common industrial need or theme.

**Level 1**

This means analysis and evaluation of a project’s potential, aimed at supporting the process of decision making. This is achieved by uncovering its strengths, weaknesses, opportunities and threats as well as identifying resources needed and the prospects for success. Feasibility studies will help participants make decisions on future collaboration with current partners and other industrial or research organisations, before conducting a subsequent larger project.

**Level 2**

This means planned research or critical investigation to gain new knowledge and skills. This should be for the purpose of product development, processes or services that lead to an improvement in existing products, processes or services. It can include the creation of component parts to complex systems and may include prototypes in a laboratory or environment with simulated interfaces to existing systems, particularly for generic technology validation.

Both levels are expected to attract follow-on and possibly spin off partner R&D projects through KTP, Innovation Vouchers & SMARTCymru (for Welsh based enterprises), as well as Innovate UK and Horizon 2020 funding for the partnership.

**Eligible costs**

Eligible costs for projects include direct costs relating to:

* Personnel costs: project manager, researchers, technicians and other supporting staff essential to the project delivery.
* The procurement of purchasing capital equipment for the project, for the period used for the project.
* Cost of contractual research, knowledge and patents bought or licensed from outside sources at arm’s length conditions, as well as costs of consultancy and equivalent services used exclusively for the project. Contractual research and consultancy will be capped at 30% of the total project costs.
* Other operating expenses, including costs of materials, supplies and similar products incurred directly as a result of the project.

Costs that will not be funded:

* Retrospective funding
* Infrastructure or building costs

**The Application process**

You are advised to contact your dedicated Development Manager, who will discuss your project idea and scope out the requirements and eligibility.

Approved projects will receive a conditional offer of funding valid for 3 months. This will be subject to finalising and authorising a Collaborative Agreement.

The agreement can also be submitted with the application, if ready.

Should there be no formal Collaborative Agreement in place and received by us by the end of the 3 month period, the offer of funding will be withdrawn.

**How will the application be appraised?**

The application will be appraised against the following criteria:

* Assessment of the eligibility and suitability of grant recipients and partners to implement a SMART Expertise project.
* Strategic Alignment - ensuringalignment of participant’s interests.
* Suitability of Investment – ensuring collaborators are motivated to deliver, including their individual opportunities, challenges and rewards.
* Project Viability - ensuring commitment to the full responsibilities of participation and to the successful completion of the joint activities involved including management, resources and plans.
* Value for money - to evaluate the value for money of our investment including the economy and efficiency of the project

**Application Guidelines**

The full application guidelines are available to view on the Expertise Wales website <https://businesswales.gov.wales/expertisewales/> and from your Development Manager.