

RESEARCH INVESTMENT FRAMEWORK

PURPOSE

The Blue Economy Cooperative Research Centre (CRC) conducts research, education and training through projects aligned to its Strategic Plan consistent with the Participants Agreement and the Commonwealth Grant Agreement.

This Framework describes the criteria for evaluating research project proposals, and the approval process for investment decisions.

SCOPE

This Framework applies to Blue Economy CRC-funded research projects above \$20,000.

REFERENCES

This Framework should be read in conjunction with the Blue Economy CRC's Strategic Plan, Research Synthesis Report and Roadmaps, Participants Agreement, Intellectual Property Framework, CRC Data Management Framework, and the Privacy Policy.

PRINCIPLES

- Research projects are driven by the needs of our industry participants and the end-users that they engage with.
- Research projects are demand-driven not resource/supply driven.
- Research projects involve collaborations between industry and/or Government and research providers and will ideally be multidisciplinary.
- Research Projects must directly or indirectly contribute to meeting the BECRC's Milestones and company Objectives.
- Project Participants are expected to contribute resources (in kind and/or cash) to each project that the BE CRC provides a cash contribution (co-investment).
- In investing in Projects, the BECRC will consider:
 - The needs of our Participants;
 - Maximising the use of in-kind contributions from our Participants;
 - Generating additional income;
 - Assembling the best teams from our Participants;
 - Best use of our infrastructure;
 - Covering off gaps not yet met in our Milestones.
- Third Party Participation in projects is encouraged when that participation brings additional expertise and/or resources that are not otherwise readily available in the Blue Economy CRC.

RESEARCH INVESTMENT CRITERIA

Research project proposals consistent with the Principles are assessed against the following criteria:

Strategically Aligned

- Meets well-articulated industry end-user needs; and
- Will produce outcomes and impacts that align with the Blue Economy CRC's Strategic Plan and Research Priorities and Participant Agreement Milestones; and,

- Contributes to income generation for the Blue Economy CRC and Participants.

High Impact

- Make a substantive contribution toward achieving impacts described in the BE CRC Strategic Plan; and

Utilised by Industry

- Have strong key Industry participant support and/or end-user champion;
- Identified Intellectual Property (IP), regulatory impact and/or commercialisation potential;
- Have a clear pathway for the adoption of the research outputs; and
- Identification of utilisation agent(s) and high-level utilisation plans that consider the likelihood of successful commercialisation.

World Class Research

- Has a high probability of producing innovative, world class scientific outcomes that maximise the impact of the research when adopted for use;
- That brings together cross disciplinary (and cross program) teams of industry and research Participants from across the BE CRC;
- Demonstrate meaningful cross-program relationships;
- Provide opportunity for both early career researcher (ECR) and higher degree by research (HDR) training; and
- Does not duplicate existing research and is complementary to other funded research programs.

Strong Project Management

- Have a well-developed project methodology, risk assessment and communication plan; and
- Have a budget that represents value for money, leveraged with additional cash and in-kind investment by project partners.
- Make a substantive contribution toward achieving outputs consistent with Milestones in Schedule 4 of the Participants Agreement.
- Where appropriate, have a well-developed commercialisation pathway.

Full Compliance

- Meet any application guidelines;
- Meet BE CRC's expectations for inclusion, diversity and equity across the project;
- Meet all integrity, ethics and work health and safety (WH&S) requirements;
- Adhere to the BE CRC Data Management and Security Policy and Procedures; and
- Obtain prior project party approvals and secure access to required research facilities; and

RESEARCH PROJECT DEVELOPMENT

BE CRC Research projects can be developed in response to:

- Identified needs of the Blue Economy CRC. Generally, these projects will be commissioned by the BE CRC in response to an identified industry need, or research gap identified in the Roadmaps.
- Identified needs of Industry Participants. Industry Participants may identify a knowledge gap and the BE CRC may determine to assign a project team to develop a detailed project proposal.

BE CRC research projects are either Scoping Projects or General Projects. The BE CRC can accept EOI submissions at any time via the *Connect* portal, for both Scoping Study and General Projects.

Scoping Projects

These are small-scale projects that will help the BE CRC understand existing technologies / solutions / knowledge and trends, and the major challenges and opportunities that the BE CRC's research program may address.

These projects are short-term and will generally be no longer than 6 months' duration. Cash funding from the BE CRC for these projects will not generally exceed \$50,000 (though the overall project value may exceed this, due to in-kind contributions from Project Participants).

General Projects

These are projects that involve new research. They will have a clear alignment to the BE CRC's Strategic Plan and Research priorities and should formally include at least two BE CRC Participants with at least one being an industry participant.

General Projects can be of any length; however, projects will not be funded for more than 4 years. If the project is going to require longer-term funding, it should be designed in phases of less than 4 years. These projects do not have a maximum funding amount.

RESEARCH PROJECT APPROVALS

Roles and Responsibilities

Blue Economy CRC Board

The Blue Economy CRC Board sets the overall research priorities, principles and research investment criteria and determines funding available and approves research expenditure, based on the:

- Recommendations of the CEO;
- Advice of the SAC;
- Overall Strategy of the CRC;
- The risk profile including legal, financial and external factors; and
- Future positioning of the CRC.

The Board approves the research program and projects subject to the advice of the CEO and SAC that the Projects satisfy the Research Investment Criteria and the Blue Economy CRC's research priorities.

Scientific Advisory Committee

The Scientific Advisory Committee provides advice to the Board on Project proposals provided to it, considering the Research Investment Criteria and priorities, and particularly:

- The industry-relevance of the project;
- Scientific merit of the project;
- The pipeline of projects including spread of projects across Research Programs;
- The balance of short-term versus medium and long-term objectives across the CRC;
- Value for money, including leverage of Blue Economy funds; and
- IP and commercialisation potential and number and diversity of end users.

The SAC may also provide advice and assistance to the management team on EOIs, Project proposals and Project performance, as required.

The SAC will be advised of all EOIs received and their status.

CEO

The CEO determines which Project proposals are to progress to full proposals based on the advice of the Research Executive and after considering the available budget, Research Investment criteria and research priorities. The CEO may also seek the advice of the SAC in making this decision. The CEO makes recommendations for approval to the Board on research expenditure. The CEO undertakes Rapid Research Projects assessments and approvals.

Research Executive

The Research Executive works with, and brings together, stakeholders to guide potential research projects through the project development pipeline. This includes guidance on the development of initial concepts, planning of expressions of interest (EOI) and planning of full project proposals, development and execution of governing documentation and project management to successful delivery of outcomes. The Research Executive provides advice on EOIs and full proposals to the CEO, including on the strategic alignment of proposals, assessment against the criteria for eligibility and contribution towards the meeting of our Commonwealth Milestones.

The Research Executive's comments on EOIs and Full Proposals are provided to the SAC for their information.

Application Process

There is a gated process for both Scoping Study Projects and General Projects that includes (i) an Expression of Interest (EOI), and for those that are supported, (ii) a full proposal submission.

The application process is as follows:

Step 1: Project Ideas Initiation

In response to research priorities, or industry identified needs, BE CRC Participant/s discuss project concept with the Research Director and/or relevant Program Leader/s. BE CRC will provide advice regarding proceeding forward. If proceeding forward, the Project Participants will be required to identify the Project Leader, who will be responsible for managing the application process on behalf of the project team.

Step 2: Expression of Interest (EOI)

Following Step 1, the Project Leader prepares the EOI via the BE CRC *Connect* portal.

The EOI is reviewed by the Research Executive, and feedback is provided to the Project Leader and a recommendation to the CEO and a copy of the advice on all EOIs is provided to the SAC. Applicants who have an EOI approved will receive a notification to move to Step 3 and submit their full proposal.

Step 3: Full Proposal Preparation

Applicants with approved EOIs complete a Project Proposal via the *Connect* portal. All proposed Project Participants must contribute to and review Proposals in which they are involved. The Full Proposal must address the Investment Criteria including a description of proposed commercial impact, and any commercialisation opportunities. Advice on the development of applications should be sought from the relevant Program Leader(s).

Step 4: Full Proposal Submission

Following submission of the Project Proposal on *Connect*, the BE CRC will seek sign off from the Project Participants (via the approved delegate) confirming acceptance of the final version of the submission.

Project Participant Authorised Representative will sign off the full project plan, the budget, all proposed in-kind contributions, risks associated with the activity, intellectual property plan and utilisation plan. This authorisation will facilitate the completion and execution of a Project Agreement, should the Proposal be successful.

Step 5: Proposal Assessment

The process for the assessment of proposals is as follows:

1. Project Proposals are considered by Research Executive against the Research Investment Criteria and Research priorities and an assessment of the proposals is provided to the CEO.
2. The CEO provides Projects to the SAC, including the advice of the Research Executive and noting the available budget.
3. SAC considers Project Proposals along with the Research Executive's advice (1) and provides advice and a recommendation to the Board (5) on the Project proposal.
4. The CEO provides a recommendation to the Board on research expenditure.
5. Board determines Research expenditure.
6. Project Leaders will be notified of the outcome of project proposals following Research investment decisions.

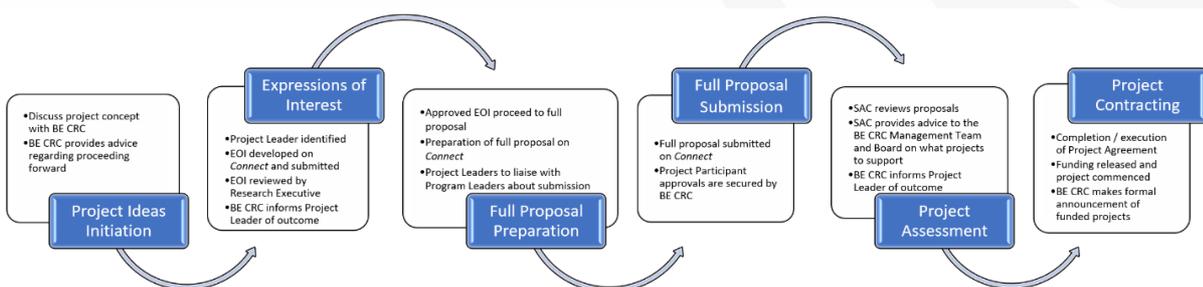
Step 6: Project Contracting

The BE CRC will prepare the Project Agreement for execution. All Project Participants (via the approved delegate) are required to sign the Project Agreement. Upon execution of the Project Agreement funding will be released and the project can commence.

An initial payment (if required under the Project Agreement) can be made in advance, subsequent payments will be made in arrears upon the satisfactory completion of project milestones, research progress and reporting obligations.

Announcements regarding the outcome should not be made prior to discussion with the BE CRC and prior to the execution of the Project Agreement.

Process Flowchart



Rapid Research Project Approvals

The CEO may approve research project proposals requiring a rapid start, provided that:

- The investment required is ≤\$100K;
- A fast start is essential to support an exceptional project idea (e.g. proof of concept of innovative technology, or iterative research and development where the outcome is more difficult to define, but has the potential to lead to significant outcomes);
- The project duration does not exceed 18 months;
- The project is ready for immediate start;
- The project has an industry end-user letter of support; and
- The CEO formally reports all approvals to the next scheduled Board Meeting.

In reaching a decision, the CEO may consult with the SAC, or individual SAC members, if the CEO deems this necessary.

Project Performance and Review

Projects are required to report quarterly on expenditure and performance against Project Agreement milestones. This is aggregated with other projects to assist with Blue Economy CRC reporting to the Australian Government.

In addition, Project Agreements may stipulate project gates where a formal review of the project is performed. The purpose is to provide project status information, resolve problems, review risk, review cost and schedule performance.

The SAC may assist in undertaking project reviews and commenting on outcomes and recommendations.

Confidential and Commercial-in-Confidence Approvals

For research project proposals that carry specific confidentiality requirements that preclude the normal assessment process, the CEO may consult with the SAC Committee Chair to determine whether the project should go directly to the Board for consideration.

Unspent Project funds

At the completion of the Project, Participants Agreement requires that when a Project Agreement expires or is terminated any unspent Project funds are to be returned to the BE CRC. In some circumstances when there are small amounts of unspent funds that can be used to further specific objectives relevant to the Project, the CEO has the delegation to allow the Project to be extended so that unspent funds can be used by the Project Participant to further the objectives of the initial project. The outcomes of this will be reported to the BE CRC as the funds are acquitted.

DOCUMENT CONTROL

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