Partnership Fund for an Innovative, Healthy Québec

CALL FOR PROPOSALS

UN QUÉBEC POUR TOUS

Québec

In case of contradition between the French version and the English version, the French version is the reference.

Published by the ministère des Finances et de l'Économie

www.economie.gouv.qc.ca
fpqis@economie.gouv.qc.ca

Legal deposit – April 2013
Bibliothèque et Archives nationales du Québec
Library and Archives Canada

ISBN : 978-2-550-67644-7 (printed version)
ISBN : 978-2-550-67645-4 (pdf)

Partnership Fund for an Innovative, Healthy Québec

Call for proposals

Context

The Québec government is seeking proposals for large-scale research projects with application in human health. Under this call for proposals, all applied research activities must lead to benefits for patients and the public, in particular by seeking the enhanced performance of the healthcare system. They must maximize economic benefits for Québec and public research centres.

1. Priority sectors

While this call for proposals is open to all applied disciplines in human health, the following disciplines will be prioritized:

- applied research projects in disciplines for which Québec displays specific strengths, in particular the neurosciences, infectiology, oncology, genomics, and cardiometabolic diseases;
- applied research projects focusing on themes such as personalized healthcare and ageing, without being confined to them. Such research projects must foster integrative approaches or the resolution of strategic challenges in the realm of health and social services where Québec displays acknowledged strengths.

2. Objectives

This measure seeks to support the creation of partnerships between the private sector and public research centres in order to conduct applied research projects in the biopharmaceutical sector, including medical devices. The measure targets these major objectives:

- the development of critical mass in research and strengthening of areas of excellence in disciplines that are of strategic importance to Québec;
- more extensive R&D activities in Québec's biopharmaceutical sector;
- an increase in the number of research partnerships and the establishment of effective communications channels between public research centres and the private sector, especially for the commercialization of research;

- contribute to training of highly qualified personnel;
- the development of new concepts, products, processes, practices or services for the benefit of public health, the performance of the health and social services system and the Québec economy.

In their application, applicants must demonstrate how their proposal is highly likely to produce concrete deliverables at the conclusion of the funding period, useful from a clinical standpoint and applicable in practice, within the shortest possible time. The Québec government hopes to receive, in particular, proposals that demonstrate that significant social or economic benefits (or both) will be achieved in the short term once the four-year project ends.

To achieve the objectives of this call for proposals, the applicants must take into account all evaluation criteria established with respect to the competition, i.e. the quality of the research, the scientific excellence of the principal investigator and his team, the track record of the industrial partner and the partnership, the translational potential of the project, the socioeconomic benefits for Québec, its management plan, co-funding strategies and estimated budgets over a maximum period of four years. Only proposals that achieve a high level of excellence will be eligible to receive funding from the Québec government.

3. Parameters of the competition

The Québec government will invest up to a maximum of $125 million over a maximum period of five years. Two calls for proposals are planned. The first call for proposals makes provision for a maximum commitment of $62.5 million. Any funds unspent at the conclusion of the examination of the proposals under the first call for proposals will be carried over to the second call for proposals. A third call for proposals may be envisioned if the available budget allowance has not been allocated at the conclusion of the first two calls for proposals.

Large scale projects will be emphasized. A large scale project is defined as a project worth at least $8 million. Depending on the examination results and the available funding, a portion of the government allocation equivalent to up to 20% ($25 million) may be devoted to smaller projects worth at least $2 million, based on the financing package approved by decision-making bodies.

The required co-funding of the project from private or foreign sources should represent at least 50% of its total budget. The nature of the co-funding can take two forms, i.e. a financial contribution to cover the project's allowable expenses, which are incurred by Québec public research establishments, or contributions in kind for auditable, justified contributions that are directly linked to the execution of the project. The total project funding can include up to 15% in-kind contributions from large corporations and, under exceptional circumstances and subject to the submission of supporting documents, up to 30% from SMEs.

Each research project selected will receive funding for a maximum period of four years. All of the agreements necessary to launch the projects must be concluded within three months of the effective date of the Notification of Award. The government reserves the right to withdraw funding for any approved project that is not compliant with this obligation.

Government funding will be provided quarterly according to the approved budgets, subject to the co-funding being carried out according to the same time frame and the project proceeding as planned.

An applicant whose research project was refused in first call for proposals may resubmit an improved project during a subsequent call.

4. Eligibility criteria

1. The applied research project must be in the field of human health and be related to the biopharmaceutical sector, including medical devices, and stem from a partnership between the private sector and at least one public research centre located in Québec. The proposals may be multidisciplinary or interdisciplinary and involve researchers from various disciplines, e.g. health sciences, social sciences, science, and engineering.
2. The private sector is defined as comprising biopharmaceutical and medical device companies and biotechnology or medical devices SMEs. The contributions of not-for-profit organizations (NPOs) funded in part by the Québec government are not considered eligible cofunders, However such organizations may participate the project if they so desire.
3. The eligible public research centres are hospital research centres, university-affiliated health and social services establishments, and the university research centres and affiliated faculties. Federal and provincial government laboratories cannot receive funds from the Québec government under this measure although they may participate in the research project as collaborators.
4. Applications must be signed by the vice-president for research, of a Québec university and must be submitted by the research office of the affiliated organization. The applicants must comply with the templates provided by the Québec government and must include a detailed description of:
   - the proposed research project, including the deliverables, anticipated deadlines, the principal investigator, the project manager, and the team;
   - a detailed budget, over a maximum period of four years, which indicates all sources of co-funding and a breakdown of expenses by sub-project and type of expenditure;
   - a Gantt chart showing all components of the project, deadlines, budgets, milestones and the participants who will carry out the various activities of the project;

- the experience of the principal investigator and the team in the management of large-scale projects;
- the experience of the industrial partners in R&D and the expertise and infrastructure necessary for the project at their disposal;
- the benefits of this partnership for the academic and industrial partners;
- the socioeconomic benefits: all applications must describe, with supporting documents, the deliverables that will be produced at the conclusion of the project and which will generate socioeconomic benefits for Québec;
- the composition, with respect to expertise, of a Research Oversight Committees to be recruited and a commercialization committee to manage the intellectual property generated by the project. The role of each committee must be described with regards to the project management framework.

More specifically, the application must include:

- a proposal for the transfer, dissemination, use or commercialization, as the case may be, of the anticipated outcomes of the proposed research;
- a transparent commercialization process that includes the management of intellectual property, technology transfers and the sharing of revenues. Accordingly, the application must describe the general conditions that cover the sharing of future benefits according to the respective parties' contributions and define a clear policy concerning the dissemination of data and intellectual property between the partners;
- a plan that shows how the research findings will contribute to the creation of jobs and Québec's economic growth. Both parties (university and industry) must clearly describe their expectations by means of measurable indicators at the conclusion of the research project;
- the application must demonstrate the project's impact on structuring research in public research centres (development of expertise, training highly trained personnel, the production and development of intellectual property belonging to the research centre, and so on);
- if appropriate, the proposal must provide a detailed description of the mechanisms to facilitate the integration of technology in the health and social services system (integration plan);
- if appropriate, the proposal must demonstrate the value of the project for the health and social services system;
- if appropriate , the proposal must demonstrate the value of the project for society and the environment.

5. The application must include at least an executive summary of the application in French. The technical details of the project may be submitted in English for the benefit of examiners outside Québec.

5. Funding

5.1. Eligible expenditures

Eligible expenses are defined as expenses incurred solely in Québec public research centres that directly support the objectives of the research projects and approved by the Québec government. Such expenses must be incurred in Québec, except for consumables essential to the execution of projects that are not available in Québec.

Eligible expenses will be recognized from the date of submission of an application. It should be noted that the applicant is entirely responsible for incurring expenses before receiving the Notification of Award.

The eligible expenses may include:

- salaries and fringe benefits of researchers, research professionals, research assistants, students (post-doctoral, PhD, MSc), trainees, technicians, project managers and support staff essential to the research project. It should be noted that the salaries of university researchers who are currently paid by their respective federal and provincial funding agencies are not deemed to be eligible expenses;
- the actual cost of release time from teaching and clinical duties, if supported by a letter from the host institution;
- cost of laboratory supplies and consumables necessary to carry out the research;
- cost of analysis conducted on university research platforms located in Québec;
- cost of research equipment that is essential to the execution of the research project, with a maximum unit value of $10 000 before taxes;
- expenses related to the protection of intellectual property directly linked to the research project;
- cost of leasing of equipment for no longer than the duration of the project, including expenses necessary for the installation, removal and return of such equipment except, in the latter cases, if the expenses are related to a leasehold improvement or permanent infrastructure;
- travel expenses essential to the execution of the project;
- expenses related to the evaluation of ethical and socioeconomic aspects of the research;

- expenses related to the utilization right of a licence that are requested by a company or an organization not affiliated with the project, for the duration of the project;

- expenses related to public communications and information initiatives concerning the project;

- indirect costs of research charged by the universities and the public healthcare system establishments, which will include the management and administration fees of the projects incurred in the eligible public research centres. The total indirect costs of research charged to a project will be established according to the standards in force;

- cost of monitoring and evaluating projects, in particular the interim review, will be equally shared between the government grant and private contributions. Each one's share will be equivalent to 2.5% of the contribution expected of the government.

- other expenses necessary to project-related activities, subject to prior written approval from the Minister or a designated organization.

5.2. Ineligible expenses

Examples of ineligible expenses include the following :

- expenses incurred outside Québec, except for those related to purchases of consumables that are essential to the execution of the projects and that are unavailable in Québec;

- expenses incurred within the companies. However, a portion of such expenses may be considered as in kind co-funding if certain conditions are met (research conducted in Québec). Details on eligible co-funding are presented in Section 6.2;

- principal investigator and co-applicants salaries (or bonus) ;

- cost of building, renovating or leasing laboratories or auxiliary facilities and expenses related to the use of existing infrastructure;

- cost of equipment and material transport;

- expenses related to commercialization beyond the proof of concept stage such as the development of the product, formulation, packaging, tests, commercialization and consultants, and testing and certification expenses;

- external advisors fees, with the exception of the Research Oversight Committees members;

- subcontracting expenses, unless such expenses have been assigned to a Québec public research centre;

- cost of auditing the research activities of eligible public research centres;
- monthly cost of leasing or installing communication lines (telephone or other);
- monthly cost of using the research centre's internet network or home internet service; the leasing or purchase of cellphones or personal digital assistants (BlackBerry, iPhone, and so on), including the cost of service plans and the cost of long distance or local calls for personal reasons;
- cost of occupational training or skills upgrading, such as the cost of computer or language courses;
- cost of preparing educational material;
- entertainment expenses and the purchase of gifts, including, among other things, the cost of regular interactions with colleagues in the research centre and meetings with staff;
- expenses related to bonuses and staff recognition;
- education costs, such as those related to the preparation of a thesis, tuition fees and course fees;
- insurance premiums for buildings and instrumentation;
- monthly parking expenses for vehicles, unless field work expressly requires it;
- cost of moving a laboratory;
- expenses related to alcoholic beverages;
- discounts granted by suppliers;
- the value of existing intellectual property transferred to a project;
- any expenses that the evaluation committee deems to be unnecessary.

6. Co-funding

Funding partners other than the Québec government must provide at least 50% of the total amount of the project budget. A detailed co-funding plan must be submitted with the application and 75% of the matching funds must have been secured at the time of signing the funding agreements, upon submission of the supporting documents.

6.1. Eligible sources of co-funding

To be eligible for this competition, the co-funding proposals must have been made after January 1, 2013. Biopharmaceutical sector companies, including medical device manufacturers, must provide at least 35% of the co-funding, and the remaining 15% may come from:

- institutional funds;
- trust funds;
- charitable or philanthropic foundations;
- the research funds of a foreign State ;
- venture capital funds or other investment funds.

The following are ineligible for consideration as co-funding:

- the salaries of researchers who hold university positions;
- grants from provincial or federal government departments, including their funding agencies, e.g. the Canadian Institutes of Health Research (CIHR), the Natural Sciences and Engineering Research Council of Canada (NSERC), the CRSNG), the Canada Foundation for Innovation (CFI), the Fonds de recherche du Québec (health, nature and technology, and society and culture);
- grants from agencies funded by the Québec government, in particular the CRIQ, Génome Québec, NanoQuébec, and the Québec Consortium for Drug Discovery (CQDM);
- the value of existing intellectual property transferred to a project;
- discounts offered by suppliers on consumables or equipment.

A company may be a partner in more than one project but it must be able to ensure the funding of all submitted projects proposals. To this end, the enterprises must submit their most recent audited financial statements.

6.2. Types of eligible co-funding

Co-funding in cash will be preferred when the projects are evaluated. These contributions must be used to support the eligible project expenses.

The partners in kind co-funding are also eligible if:

- it is essential to the execution of the project chosen;
- it corresponds to R&D activities carried out in Québec;
- the value may be reasonably established and supported by the relevant documents;
- the expense is an element that must otherwise be paid;
- it does not exceed 15% of the total project budget in the case of a large croporation or, under exceptional circumstances and upon justification, 30% for a SME.

A detailed co-funding plan must be submitted with the application and 75% of the matching funds must have been secured at the time of signing of the funding agreements. A properly developed, achievable plan to ensure the other 25% of the co-funding must also be submitted. When the agreements are signed, the principal investigator must provide any documentation concerning the firm or proposed co-funding.

All in-kind contributions must be auditable, by external experts.

7. APPLICATION PROCESS AND EVALUATION

7.1 Timetable of the competition

Step	**Deadline for the first call**	**Deadline for the second call**
Launch of the Call for proposals and release of Guidelines and Evaluation Criteria	**April 22, 2013**	**April 22, 2013**
On line posting of the application forms	**April 26, 2013**	**April 26, 2013**
Due date for registration letters	**Prior to May 17, 2013**	**Prior to November 1, 2013**
Deadline for full application to MESRST	**June 7, 2013**	**January 17, 2014**
Evaluation by independent peer review and face-to-face meeting with the committee*	**To be confirmed**	**To be confirmed**
Notification of Decision	**Fall 2013**	**Spring 2014**

* The teams will have 15 minutes to present to the committee new development since the application submission..

7.2 Registration letter

The registration letter is intended to guide the selection of the independent reviewers who will lead the scientific assessment of the projects. The registration letter will not be evaluated and has no impact on project selection. It must include the composition of the research team, a summary of the research project, an estimate of the total budget and a list of potential reviewers (outside Québec). The registration letter in mandatory. The registration letter must be written in French and must be submitted electronically before May 17, 2013 at 5 p.m.

7.3 Full application

Applications for funding must be submitted using the form available on the Québec government website on April 26, 2013 and comply with the eligibility and evaluation criteria described in Appendix A. The applications must include at least an executive summary in French. Technical details of the project may be submitted in English for the benefit of reviewers outside Québec.

Full applications must be submitted electronically before June 17, 2013 at 5 p.m. to: fpqis@economie.gouv.qc.ca or by mail postmarked no later than that date to:

À l'attention de Madame Corinne Aubry
Ministère des Finances et de l'Économie
380, rue Saint-Antoine Ouest, 4e étage
Montréal (Québec) H2Y 3X7

Please submit questions concerning this call for proposals to: fpqis@economie.gouv.qc.ca

7.4. Evaluation process

An independent expert panel will evaluate each project. Incomplete applications or applications that do not abide by all of the criteria mentioned earlier will not be evaluated and the principal investigator will be notified of this decision shortly after the submission of the application.

An initial peer review panel of scientific experts will evaluate the quality of the research, the principal investigator and the team. A second panel with different experts will assess the budgets relevance and conformity, the management plan, the co-funding plan feasibility and the potential socioeconomic benefits and the impact on Québec's health and social services system.

The teams will be invited for a face-to-face meeting with the members of the committee, to present new elements in their project that did not appear in their submitted application.

An interministerial committee will approve the panels’ recommendations. The Cabinet will approve the selected projects. The decision will be final and without appeal.

8. Monitoring of funded projects

The Québec government will mandate an third party agency to ensure accountability and the disbursement of the grant upon reimbursement of the quarterly expenses. The funded project teams must, therefore, provide the necessary information to ensure such accountability. The first quarterly instalment to the project will be provided once the agreement is signed and subsequent payments will be based on the budgeted expenses for the coming quarter adjusted by the variance between the expenses reported and the advances granted.

All of the projects will undergo an interim review with a peer committee including members of the initial peer review panel. They will evaluate all aspects of the project and may make the following recommendations:

- continue the project as planned;
- continue the project with scientific, management and/or financial modifications as deem necessary by the committee;
- terminate financial support to the project.

APPENDIX

EVALUATION CRITERIA

Quality of the research

- excellence and innovative nature of the research project;
- coherence of the research plan with recent scientific advances;
- appropriateness of the methodology;
- ability of all partners to carry out the research (expertise, infrastructure, financial capacity, regulatory questions, timelines);
- realism of the proposed objectives, deliverables and schedule;
- quality of the scientific environment in which the project will be carried out;
- correspondence with the strategic sectors targeted;
- integrative, multidisciplinary nature of the project or a clear demonstration of the challenge for society to be resolved;
- project integration into outstanding Canadian or international initiatives.

Expertise of the principal investigator and his team

Excellence of the principal investigator and the co-applicants:

- publications;
- awards;
- visibility;
- overview of achievements, funding and training;
- ability to direct large-scale projects and multidisciplinary teams;
- the ability to raise funds;
- the experience in the realm of technology of the applicant(s);
- the complementarity of the research team.

Expertise of the industrial partner and advantages of the partnership

- demonstration of the R&D capacity of the industrial partner;
- History of successful collaborations with academia;
- quality of the co-funding plan: amounts, procedures, milestones and risks;
- contributions in expertise or infrastructure;
- structuring effects for the public partner: development of expertise, training of highly qualified personnel, production and development of intellectual property belonging to the research centre, and so on;
- added value generated for each of the partners;
- sharing of such added value: intellectual property, patents, revenue streams (competitiveness in relation to best practices);
- risk-sharing;
- a formal commitment by the universities and health establishments involved.

Translational potential of the project

- definition of the deliverables that are marketable or usable in the clinical sector at the conclusion of the project;
- quality of the deliverables production plan;
- potential for the deliverables adoption by the target sectors based on the definition of end users, the plan to transfer the research findings to the target sector and potential users and the commitment of potential end users in the deliverables implementation strategy and the team's expertise;
- definition of the strategy selected to address regulatory constraints related to the products to be developed;
- high probability that the deliverables will be available or applied within three years of the project's conclusion;
- quality and relevance of the collaboration with the private partner.

Socioeconomic benefits and impact on the public health and Québec's health and social services system

- quality of the plan to transfer, disseminate, use or commercialize the anticipated deliverables;
- advantage for Québec in the benefit sharing stemming from the research: intellectual property, patents, revenue streams (competitiveness in relation to best practices);
- structuring nature of the research proposed and a sustainable enhancement of Québec's research capacity;
- demonstration that the research project's findings are contributing to creation, training and maintenance of highly qualified jobs and also to Québec economic growth;
- development of mutually beneficial, long-term partnerships between the university and the company;
- demonstration of impact on society and the environment;
- demonstration of the project value with respect to the public health and Québec's health and social services system;
- training of highly qualified personnel;
- contribution to the enhancement of Québec's international leadership and its ability to attract investments, companies or foreign experts.

Budget

- expenses submitted are aligned with proposed research activities;
- a plausible, reasonable justification is presented for all project's activities;
- quarterly proposed expenditures are aligned with the overall project, as is the use of the human resources involved in the project;
- quality of cofunding (mainly in cash to cover the project's eligible expenses and is supported by the financial health of the partners involved in the cofunding);
- level of co-funding is adequate;
- co-funding plan is feasible;
- proposed co-funding is matched to the project's objectives.

- co-funding is supported by contextual and budgetary justifications and its value can be attributed according to auditable parameters (the expenses are eligible for tax credits for eligible expenses).

Management plan

The coherence of the management plan from the standpoint of the scope and complexity of the project and the efficacy of the administrative and organizational management structure that takes into account :

- assignment of responsibilities between partners;
- mechanisms used by the project managers to communicate with the organization responsible for monitoring the projects;
- management abilities of the proposed team;
- plan to recruit essential personnel;
- role of key personnel and management committees;
- frequency and objective of the coordination meetings;
- quality of the plans for decision making on research direction ;
- role and involvement of the private partner in the execution of the project.

Québec

UN QUÉBEC POUR TOUS