

SIL RAC Proposal Assessment Guide - March 2015

| PAG | Technical stretch | | Ability to Deliver | | Investment and Returns | | Pathway to Market / Commercialisation | |
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| Does the project fit with SIL business? | Is R&D is set in a "state-of-the-art" context? What is the "gap"? Is the project feasible? How hard is it? Is the project an advance for the applicants or the industry sector? | | Sound project planning with clear objectives? Methodology clearly described? Project costs reasonable for work plan? Can Research Provider deliver the plan? Is Research Provider collaboration required? | | Project costs show a reasonable cost/benefit? Quantified returns to applicant or industry? Is capability being developed? Are there any environmental/sustainability benefits? | | Evidence of market demand for R&D outcome? Likely to be commercialised successfully? Market quantified - domestic and export? Sector-wide approach, collaborative companies or single company? | |
| 1 FAIL OR RESUBMIT | Lacking evidence of a knowledge gap | Little or no research in the proposal (e.g. may be design/ build). Business as usual. Insufficient justification for the project. Difficult to determine technical feasibility. | Missing key capabilities | Little detail in planning for the project, including the scientific approach. Scientific capability to deliver not present or unclear. No clear link between project tasks and relevant research resources. | Poor or marginal investment | Budget detail poor; costs unclear and/or significant internal input (i.e. not "cash"); inadequate cost benefit analysis; unsubstantiated market analysis. | Limited resources. Commercial risk. | Limited or no evidence that the R&D will lead to any successful market outcomes. Route to market and/or capability to commercialise lacking. |
| 2 ACCEPTABLE WITH CONDITIONS | Knowledge gap not clearly detailed | Project appears justified and R&D is solid but lack of detail in one or two areas makes a final judgement on the overall case difficult. Predominantly developmental. | Evident capability with room to improve | Reasonable project plan and budget but lacking in sufficient detail to fully determine the reasonableness of the costings and/or level of cash costs. May be unclear who is undertaking which key tasks, making it hard to assess ability to deliver. | Potential evident | Some evidence of reasonable cost/benefit, but possibly unsubstantiated. Poor economic analysis. Market research superficial or otherwise inadequate. | Potentially sound outcome | Market demand appears to be shown both locally and/or export, but needs further justification. Route to market and capability to commercialise unclear - may need third party input to maximise chance of successful outcomes. |
| 3 ACCEPTABLE PROPOSAL | Clear step-up advance for New Zealand | Project is justified by information presented. Is likely to be applied research or technically challenging development that is feasible. Clearly identifies a scientific or technical need. | Fit-for-purpose in NZ context | Appropriate research capability and resources engaged. Solid project plan and budget making it clear what research is being undertaken, who is responsible for what tasks, what they cost, and what is being delivered. | Sound investment | Sound market analysis identifies expected market outcomes and includes a basic risk analysis. Returns from the project are stated and appear reasonable. | Solid economic and export outcomes | Market demand is demonstrated - may be mainly domestic or a mix of domestic/export. Commercialisation strategy well planned. May involve a collaborative approach to commercialisation and marketing. |
| 4 SOLID PROPOSAL | Significant best practice international | Project is well justified. Is basic or applied science research or a technically challenging development that is clearly feasible. May feature significant research provider collaboration. | Best-of-breed in NZ context | Sound project plan and budget making it clear what research is being undertaken with clear responsibilities, costs, milestones and outcomes. Plan includes stop/go milestones and sound risk analysis. | Excellent investment | Thorough market analysis with solid risk analysis gives a well quantified market outcome. Returns from project are identified, substantiated with sensitivity analysis; and are potentially significant. | Very good economic and export outcomes | Shows clear market demand, primarily export. Commercialisation strategy clear and reasonable. Involves a collaborative approach to the investment, commercialisation and marketing phases. |
| 5 EXCELLENT PROPOSAL | Excellent research, globally significant | Project includes high stretch basic research generating new knowledge and involves a wide spectrum of relevant NZ capability <u>OR</u> project may lead to a new science or technology platform. | World class capability | Excellent project plan with the means of capturing emerging research opportunities and the creation of a science platform for future innovations. | Exceptional investment | Excellent potential returns, even if some are speculative. Analysis of potential arising from any new science or technology platform. Possible international industry application and returns. | Exceptional economic and export outcomes | Commercialisation plan represents a significant new export opportunity and involves a collaborative "NZ Inc" approach to maximise benefit to the industry as well as the individual sponsors involved. |
| Also consider and advise fit with SIL's Research Investment Strategy | | | | | | | | Version date: 04/03/2015 |