

**Program Guidelines for**  
***“Bioindustrial Research and Innovation***  
***Program***  
***2012-2013”***

## **1.0 Purpose, Objectives and Process**

### **1.1 Purpose**

The Alberta bioindustrial sector is a small but growing portion of our bioeconomy. Experts predict this burgeoning sector holds as much promise for Alberta as the oil sands did 60 years ago. Bioindustrial products may include: specialty chemicals, plastics, composites for building materials and automotives, green textiles, biodiesel, bioethanol, bioenergy and much more. Alberta's current production of bioindustrial products uses feedstock from agricultural and forest biomass and municipal solid wastes. Both Canada and Alberta have successfully implemented renewable fuel mandates of five per cent for gasoline and two per cent for diesel as a result of investments in infrastructure development programs; however, Canada and Alberta need to do more to seize the full opportunities of the bioindustrial sector.

Alberta Innovates Bio Solutions (AI Bio) supports the growth and diversification of Alberta's agriculture, forest, and life sciences sectors, and contributes to the economic, environmental, and social well-being of Albertans.

AI Bio will invest up to \$1.5 million in total to support bioindustrial research and innovation activities.

### **1.2 Objectives**

This program is designed to invest in research projects that will introduce new innovative, competitive products or processes.

This program is designed to provide significant economic benefit for Alberta industry and to strengthen and diversify Alberta's bioindustrial economy. AI Bio, through this program and other initiatives, is committed to stimulating growth of forest, agriculture, and related sectors. There is an opportunity to use renewable biobased fibre feedstocks in integrated systems to produce a variety of products and diversify forest and agriculture product streams. Successful projects will address research questions related to Alberta's rich renewable resources. Successful projects will support Alberta's agriculture and forest sectors to build capacity in the development of new bioindustrial products and processes.

Grants may be provided for a minimum of \$100,000 per project for up to three years for eligible expenses as identified in Section 2.3. Projects will commence in 2013 and be completed by April 1, 2016.

**Areas of interest include:**

- Green building materials, components and technologies.
- Biomaterials based on cellulose, lignin and hemi-cellulose.
- Biocomposites – based on natural agriculture or forest fibres and including combinations with non-natural materials or built-up systems.

Eligible projects will include the following activities:

- Applied research into bioindustrial product and technology development.
- Pre-commercial research activities to support the development of new advanced materials.

Investments will be made in projects that focus on research questions relevant to Alberta agriculture and forest companies and that have potential to provide a competitive advantage to Alberta.

**Guiding Principles:**

- **Aligned:** Letters of Intent (LOIs) should be aligned with and bring value to Alberta and align with the AI Bio Business Plan 2012-15 which is available at <http://bio.albertainnovates.ca/stratthemes/> .
- **Rigor and Excellence:** LOIs will be subject to rigorous evaluation.
- **Collaboration:** LOIs should identify opportunities for collaboration amongst government, academic and private sector organizations to ensure effective use of resources and to maximize use of highly qualified personnel and infrastructure.
- **Leveraging:** LOIs should identify opportunities to maximize project financing through leveraging.
- **Due Diligence:** AI Bio will only invest in high quality full proposals that are supported by a business case.
- **Multi Sector Participation:** AI Bio encourages cross sector participation in the development of new innovations. LOIs involving agriculture, forestry and oil and gas sector participation are encouraged.

### 1.3 Process and Deadlines

Letters of intent (LOI) are invited from researchers, industrial associations, operating companies, and other organizations wishing to participate in the

program. Forms can be found online at the AI Bio website at [www.bio.albertainnovates.ca/funding/bri2012/](http://www.bio.albertainnovates.ca/funding/bri2012/). Each LOI must be submitted through the on-line system by **August 31, 2012, 2:00 p.m., MDT**.

LOIs will be reviewed and assessed by the AI Bio Selection Committee (which may include external reviewers) for alignment with the program purpose and objectives and the evaluation criteria identified in Section 2.8. Notification of decisions will be provided to all applicants by **September 28, 2012**.

Applicants who submitted successful LOIs will be invited to submit a full proposal which will be due **November 30, 2012 at 2:00 p.m. MDT**. Full proposals will also be submitted through the on-line system. The full proposal will undergo an evaluation using pre-established measurement criteria.

## 2.0 Guidelines for Project Submission

LOIs are invited from researchers, industrial associations, operating companies, and other organizations wishing to participate in the program.

The following steps and deadlines are planned:

- **August 31, 2012:** Deadline for LOI submission in accordance with the guidelines in Section 2.1.
- **September 1 – September 27, 2012:** Review of LOIs submitted and identification of projects for which full proposals will be requested.
- **September 28, 2012:** Request for submission of full proposals.
- **November 30, 2012:** Deadline for submission of full proposals.
- **December 1, 2012 – January 30, 2013:** Due diligence process.
- **February 15, 2013:** Successful grant recipients will be notified.

### 2.1 Guidelines for Submission of Letter of Intent (LOI)

- **Format:** LOI submissions are to be made through the on-line forms. AI Bio will maintain the confidentiality of the material submitted. All materials must be received by AI Bio by **August 31, 2012 at 2:00 p.m. MDT**.
- **Form:** The LOI form can be accessed through the AI Bio website at: [www.bio.albertainnovates.ca/funding/bri2012/](http://www.bio.albertainnovates.ca/funding/bri2012/).

- Read the, “Instructions to Applicants,” for information on using the on-line application system.
- **Do not exceed** the number of characters requested in each section. LOI’s exceeding the character count will be arbitrarily **truncated** or **rejected**.

## 2.2 Eligibility

- Projects must focus on issues relevant to bioindustrial development in Alberta and provide a competitive advantage for Alberta companies. For the purposes of this program, food and pharma research activities are not included.
- Projects must utilize Alberta’s biomass feedstock that can be profitably produced in the province.
- Projects must focus on applied research.
- Projects must demonstrate support from Alberta industry associations, operating companies, research organizations and other organizations.
- Projects must identify a project team with demonstrated competence, experience and with the organizational capacity to successfully complete the project.

## 2.3 Eligible Expenses

| Category                        | Eligible Expenses   |
|---------------------------------|---|
| <b>Personnel – Project team</b> | <ul style="list-style-type: none"> <li>• Time for specific activities on the project, prorated at usual annual salary rates</li> <li>• Time for specific activities on the project for project team members may be acceptable as co-sponsorship contribution</li> </ul> |
| <b>Personnel – consultants</b>  | <ul style="list-style-type: none"> <li>• Outside consultants justified as essential to the project</li> </ul>   |
| <b>Travel</b>                   | <ul style="list-style-type: none"> <li>• Travel to project sites</li> <li>• Travel to present to or discuss project with stakeholders</li> <li>• Travel for information dissemination purposes</li> </ul>   |
| <b>Capital Assets/Equipment</b> | <ul style="list-style-type: none"> <li>• Equipment directly required for the project, as specified in the program description documents</li> </ul>  |

|                                   |  |
|-----------------------------------|--|
| <b>Supplies</b>                   | <ul style="list-style-type: none"> <li>• Cost of supplies directly required for the project</li> </ul>   |
| <b>Overhead/Incremental costs</b> | <ul style="list-style-type: none"> <li>• Overhead costs are not eligible but incremental costs required to deliver the project are eligible</li> </ul> |

## 2.4 Funding Sources

The applicant must contribute a portion of the project costs (i.e. in-kind, direct etc.). If contributions are in-kind, a description and an evaluation detailing the in-kind support must be provided and approved by AI Bio.

AI Bio will require written confirmation of partner contributions in support of full proposals. Upon completion of the project, the applicant is required to provide confirmation of receipt of partner contributions, including details of the contribution (e.g. copy of cheque or deposit slip).

## 2.5 Progress Reports and Financial Reporting

If successful in obtaining funding, AI Bio will require the applicant to submit a progress and financial report every 6 to 12 months as per the schedule contained in the agreement. A final report and final financial report will be required within three months of completion of the project.

## 2.6 Intellectual Property Principles

Intellectual property owned by the applicant must be managed by the applicant. Applicants must ensure that they have the right to intellectual property sufficient to implement the project. Ownership of intellectual property arising from projects will be vested with the project proponent.

## 2.7 Confidentiality

AI Bio is committed to keeping application details confidential. As a provincial corporation, AI Bio is subject to the protection and disclosure provisions of the Freedom of Information and Protection of Privacy (FOIP) Act. External experts who act as reviewers must sign a confidentiality agreement.

Personal information is collected pursuant to Section 33(c) of the Freedom of Information and Protection of Privacy Act as it relates to and is necessary for the Bioindustrial Research and Innovation Program. Should you have any questions about the collection of this information, you may contact Ms. Joan Unger, AI Bio at 780-422-5737.

## 2.8 Letters of Intent Evaluation Criteria

Each LOI will be evaluated using the following mandatory administrative criteria and if it does not meet all the criteria, no further rating will be conducted.

| Mandatory Administrative Criteria   | Yes | No |
|---|-----|----|
| LOI is received on-time   |     |    |
| LOI is complete as per the on-line LOI form   |     |    |
| LOI is submitted by an eligible applicant   |     |    |
| The project fits within the program objectives as outlined in the Program Guidelines document |     |    |
| The project utilizes Alberta's biomass feedstock that can be profitably produced in Alberta.  |     |    |

Each LOI meeting all of the mandatory criteria will then be evaluated using the following score card:

| No. | Desired Criteria            | Max Score  |
|-----|-----------------------------|------------|
| 1   | Project Overview            | 20         |
| 2   | Objectives and Deliverables | 20         |
| 3   | Benefits                    | 20         |
| 4   | Budget                      | 20         |
| 5   | Project Team                | 20         |
|     | Total Score                 | <b>100</b> |

LOIs receiving a minimum score of 60 may be invited to submit a full application to AI Bio. If no acceptable LOIs are received, the initiative will be re-evaluated.

### ***For more information please contact:***

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