



ENABLING TRANSFORMATIONAL
INNOVATION

Agribusiness Innovation Grant (AIG) Guidelines

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PURPOSE

These Guidelines are intended to help applicants wishing to apply for a grant under the AGMARDT Agribusiness Innovation Grants Programme.

OBJECTIVE OF THE PROGRAMME

The objective of this programme is to encourage and support industry sectors and businesses to develop and implement innovative solutions to assist with transformational change within agribusiness value chains, with focus on the agricultural, horticultural and forestry sectors.

AGMARDT Agribusiness Innovation Grants provide an opportunity for applicants to:

- Pursue 'on the edge' ideas that can transform a business or industry;
- Speed up innovation and respond quickly to opportunities that are driven by new ideas or insight arising from the marketplace;
- Facilitate linkages between innovative New Zealand researchers, producers, processors and marketers; and
- Gain a better understanding of world class best practices.

Under this programme AGMARDT provides seed funding for businesses, researchers and industry groups to develop and evaluate innovative ideas to a stage where they can attract other funding for further development through to commercialisation.

Grant Categories

Agribusiness Innovation Grants are categorised as follows:

Pre-trial/pre-research, or demonstration/investigation purposes

Seed funding grants for projects with total costs less than \$20,000 (incl. GST) are available to applicants without co-funding, for preliminary investigation or demonstration purposes. Examples include research aimed at seeking solutions to problems identified; proof of concept; validating claims of efficacy for an untested product and/or practice.

Research and technology development

For projects with a total cost exceeding \$20,000, AGMARDT has available grants of up to \$200,000 (incl. GST). These are available for businesses, researchers and industry groups to develop and evaluate innovative ideas to a stage where they can attract other funding for further development through commercialisation.

AGMARDT funds New Zealand based research providers to undertake new and innovative projects that will benefit the New Zealand agribusiness sector.

The applicant/group will provide a minimum cash or co-funded contribution of at least **40%** of the total project costs. This is an indication of commitment to the project. The Trustees reserve the right to allocate a smaller amount than originally requested by the applicant.

Co-funding from another source(s), must be clearly disclosed by the applicant during the application process, and/or during the life of the project.

PRINCIPLES

In reviewing applications, due consideration is given to the following:

1. AGMARDTs Strategic Objectives
Does the application align with AGMARDTs strategic objectives?
2. Eligibility of Applicant
The Applicants must:
 - be involved in agribusiness and/or be a research/technology provider and involved in the New Zealand agricultural, horticultural and forestry sectors;
 - build linkages and capability between innovative New Zealand researchers, producers, processors and marketers;
 - be committed to, where possible, retaining the value and benefits arising from the project within New Zealand.
3. Grants will only be made where an application is scientifically credible, and proposes the use of appropriate technologies or practices (appropriate means that it is expected that the new product or practice developed will be socially acceptable, environment sustainable and economically beneficial);
4. When required, advice on the technical feasibility of a proposal and its potential to benefit the target sector will be sought from an Advisory Panel made up of technical experts and recognised sector leaders;
5. Grants will not be made that would result in unnecessary duplication of capabilities in provider organisations or amongst researchers operating independently;
6. It is expected that intellectual property developed under a grant will be protected appropriately and that the primary benefits will be to New Zealand. A high probability that Intellectual properties will be retained for use in New Zealand including the option of seeking written assurance. AGMARDT reserves the right to seek refunds should intellectual properties be taken offshore;
7. AGMARDT will seek to facilitate linkages between successful applicants and funding organisations interested in funding the development of new products beyond proof-of-concept to the commercial phase.

Ineligible activities

Some activities are not funded by this programme. The following list is a guide to the types of project related activities or costs the programme does not cover. The Trustees have the right to exclude other costs if they believe appropriate. The programme does not cover costs relating to:

- 'business as usual' expenses, including:
 - overheads incurred in the course of normal business/industry;

- activities that are already happening in business/industry;
- capital expenditure, such as spending on machinery, equipment, stock, software, and so on;
- expenses the business/industry would incur anyway if you did not get funding under this programme;
- Costs that are not in cash, including:
 - contra, transfer, and internal invoices and payments; and
 - barter or in kind payments
- Work supplied by anyone with a personal or financial interest in the entity and/or group, such as any immediate family of the applicant or shareholders of the applicant company, unless otherwise agreed by the Trustees. Duplication of funding assistance, or potentially supported by other agencies (e.g. MAF SFF), unless expressly agreed to by the Trustees.
- Entertainment or personal costs that are not directly related to the project.
- Costs the business/industry incurred before or after the project has ended.
- Web based product/services are regarded as capital expenditure.
- Duplication of work proposed in the project (i.e. the same project has recently been completed by the applicant group or another party).

SELECTION PROCESS

Applications received via the online portal (<http://applications.agmardt.org.nz/>) will be considered by the AGMARDT Board of Trustees and advisors where appropriate. There are two application forms available:

AIG Request less than \$20,000

This application form is for projects with total costs of \$20,000 (Incl. GST) or less, inclusive of all contribution towards the project.

AIG Request more than \$20,000

This application form is for projects with total cost greater than \$20,000 (Incl. GST). This request does require a more formal governance structure are established differentiating between projects as shown below:

Projects under \$100,000

Applicant groups requesting funding under \$100,000 are required to demonstrate to AGMARDT that it has appropriate processes in place to critically assess outcomes and financial performance. This is explained in further detail under [Project Governance on page 12](#).

Projects over \$100,000

The Applicant Group is required to implement a formal structure to provide project oversight that is consistent with good governance. See page [Project Governance on page 12](#) for further details.

REPORTING REQUIREMENTS

Successful Applicants must comply with all the reporting requirements. The AGMARDT Board of Trustees view all reports provided by successful Applicants. Please ensure the reports are understandable to a layperson. A highly technical report is acceptable for specialist review but it must be accompanied by the AGMARDT Final Report found in the [Resources tab](#) on the website <http://applications.agmardt.org.nz/>.

Progress Report

Progress Reports are required to allow the Trustees to stay informed on the progress of the project and how it is tracking against the milestones set in the original application. It is mandatory that a progress report is submitted with each payment claim.

A progress report template has been created and can be found in the [Resources tab](#) on the website <http://applications.agmardt.org.nz/>.

A progress report should contain the following:

- Project Title, Group Name, Grant Number, Grant Amount, Reporting Period
- Summary of overall progress - this is looking at milestones and how these are tracking against the original application;
- Outline any variations to milestones and provide explanation for the change in focus or timing;
- Project summary - this is a concise executive summary of the project to date;
- Summary of progress of project, using bullet points, describe the main progress of the project;
- Analysis of costs for the project compared to budget.

Final Report

The purpose of the final report is to bring together the results of the project reported against the original objectives and KPIs of the project, it should demonstrate the benefits to NZ and provide information about the future of the project.

A Final Report template has been created and can be found in the [Resources tab](#) on the website <http://applications.agmardt.org.nz/>.

Please note that all final reports are made publicly available on the AGMARDT website. If your report contains commercially sensitive information please discuss with AGMARDT and supply a summary report which can be made publicly available.

The final report must:

- Include an executive summary;
- Link the objectives and goals of the project to outcomes achieved;
- Detail results achieved against the Milestones set out in the original application;
- Report against the Key Performance Measures (KPI's) as outlined in the grant application;
- Report on how the project enabled the applicant to:

- transform a business or industry;
 - speed up innovation and respond quickly to opportunities arising from the marketplace; and
 - facilitated linkages between innovative New Zealand researchers, producers, processors and marketers.
- Report on the “next steps” or “future aspirations” resulting from the success of this project, for the next 6 to 12 months and beyond?
 - Report on how the project enabled the Applicant to develop a deeper understanding of their market(s) and how they identified and exploited potential opportunities to integrate closer with their customer(s);
 - Identify all additional achievements and/or provide additional comment;
 - A summary of total income and expenditure of the project compared with the original budget; and

PAYMENTS

The Applicant Group must have its own bank account with duly authorised signatories appointed by the group. Payments are to be made in the name of the Applicant Group.

All payments must be applied solely and exclusively for the project AGMARDT has funded.

Each claim for payment must include:

- An IRD approved Tax Invoice
- AGMARDT [Claim Certificate](#) (this can be found in the [Resources tab](#) on the website <http://applications.agmardt.org.nz/>) to be signed by the Project Manager and Financial Officer to confirm the expenditure is in accordance with the approved budget;
- Analysis of costs for the project compared to budget if not included in the progress or final report;
- A progress or final report (see section on [Reporting](#) above for more details)

Timing of Progress Payments

All progress payments which have satisfactorily complied with the requirements of the grant are made 20th of the following month.

Timing of Final Payments

Final payments are withheld until they are approved by the Trustees at the next available Trustee meeting. This date will usually be communicated to you on receipt of the Final Report.

If the actual total costs for whole project comes to less than the maximum amount of the grant, the final claim must be adjusted as AGMARDT will only reimburse actual expenditure incurred.

The final claim must therefore be supported by a full analysis of all costs for the project, as compared to the original budget, and the successful Applicant must respond promptly to any

queries that AGMARDT might have when considering the Final Report and accompanying costs analysis.

On approval of the Final report and compliance with the requirements of the grant payment will be made 20th of the following month.

APPLICATION FORMS

AIG Request less than \$20,000

This application is only to be completed for projects with total cost of \$20,000 or less, inclusive of all contribution towards the project. AGMARDT will fund up to \$20,000 for this project.

Name of Group (Section 1.1)

Depending on the nature of the project, the Name of Group can be a separate entity, or a collaborative Group of relevant parties (e.g. farmer/growers, farm consultants, veterinarian service agencies, companies involved in agribusiness and/or research/technology providers).

The Trustees will consider the makeup and capability of the Group in being able to deliver on the objectives and project plan of the project. Where the applicant is an industry body, a sub-committee of active members must be established to oversee the project.

Short title of Project (Section 1.2)

This is the name of the project. Note this is the title that AGMARDT will use in all its correspondence to the applicant/group regarding this grant.

Recipient (Section 1.3)

Select from one of the options available.

Part of the Value Chain (Section 1.4)

Select from one of the options available.

Sector (Section 1.5)

Select from one of the options available.

Sub-Sector (Section 1.6)

Select from one of the options available.

Topic (Section 1.7)

Select from one of the options available.

Funding Required (Section 1.8)

Include cash contributions committed by parties involved in the project. Non-cash contributions must not be included. Total funding requested must not exceed \$20,000 (incl. GST).

Cost of Project (Section 1.9)

Include any payments to any members of the Group and/or payments to service providers/sub-contractors. The total cost of the project must not exceed \$20,000 (incl. GST).

Duly Authorised Person (Section 2.1)

One of the participating Group Members must act as the Duly Authorised Person of the Group. All correspondence relating to the project will be sent to this person.

Project Performance Measures (Section 4)

To effectively gauge the “success” of the proposed project, the Trustees require the applicant to provide three (minimum) to a maximum of five (recommended) key performance objectives or activities that can be measured against a targeted outcome (KPI).

These will relate directly to the project goals, as itemised in section 3.1 of the application form and will be reported on by the applicant in the Final Report only.

Examples of typical (but not exclusive) KPI's:

- Expected deliverables/outcomes by a due date
- Speed to market – timeframe for insight/idea to market
- Investment attracted at completion (\$ commercial funding)
- Brand recognition/exposure for AGMARDT

Some more generic measures may be:

- Number of projects/research that progress to commercialisation
- Number of new product in the market
- Number of applications that improve the value chain
- Uptake of technology and practices

The Trustees reserve the right to amend or add KPI's to provide a more effective measure if appropriate.

Project Budget (Section 5)

The proposed budget for the project must clearly detail all sources of funding and expenditure;

- All non-arm's length payments must be separately identified in the project budget;
- Non-cash items must not be included; and
- Costs incurred prior to, or loading up after project has ended, are not eligible and therefore must be excluded from the project budget.

Milestone Table (Section 6)

Describe the major stages or milestone of the project showing the planned completion date for each and the planned achievement criteria for verifying that the milestones have been reached.

The progress payments should be spread over the duration of the project in line with costs incurred. For administrative efficiency, we require progress claims & reporting to be submitted **quarterly** unless otherwise agreed with AGMARDT.

The amount of the final progress payment must be at least **25%** of the total grant.

[Referees \(Section 7\)](#)

AGMARDT requires two Industry and Character Referees. They must be independent of the Group, Trustees of AGMARDT, and the project. Industry and Character Referees must not be the same people.

[AIG Request more than \\$20,000](#)

[Name of Group \(Section 1.1\)](#)

Depending on the nature of the project, the Name of Group can be a separate entity, or a collaborative Group of relevant parties (e.g. farmer/growers, farm consultants, veterinarian service agencies, companies involved in agribusiness and/or research/technology providers).

The Trustees will consider the makeup and capability of the Group in being able to deliver on the objectives and project plan of the project. Where the applicant is an industry body, a sub-committee of active members must be established to oversee the project.

[Short title of Project \(Section 1.2\)](#)

This is the name of the project. Note this is the title that AGMARDT will use in all its correspondence to the applicant/group regarding this grant.

[Recipient \(Section 1.3\)](#)

Select from one of the options available.

[Part of the Value Chain \(Section 1.4\)](#)

Select from one of the options available.

[Sector \(Section 1.5\)](#)

Select from one of the options available.

[Sub-Sector \(Section 1.6\)](#)

Select from one of the options available.

[Topic \(Section 1.7\)](#)

Select from one of the options available.

[Funding Required \(Section 1.8\)](#)

Include cash contributions committed by parties involved in the project. Non-cash contributions must not be included.

Cost of Project (Section 1.9)

Include any payments to any members of the Group and/or payments to service providers/sub-contractors.

Duly Authorised Person (Section 2.1)

One of the participating Group Members must act as the Duly Authorised Person of the Group. All correspondence relating to the project will be sent to this person.

Project Governance (Section 2.10)

Should a Governance Board/Group be established for the project, AGMARDT would expect this Board/Group to meet at least three times per annum over the duration of the project. There would also be an expectation that the Final Report has been signed off by the Governance Board/Group before being presented to the AGMARDT Board of Trustees.

Projects over \$100,000

The Applicant Group is required to implement a formal structure to provide project oversight that is consistent with good governance for the project, including:

- Providing oversight of the management of the project;
- Assessing the outcomes against the Project Plan (section 3.4) and Milestones (section 6) to ensure that these have been satisfactorily completed;
- Monitoring and signing off the finances of the project against the agreed budget;
- Providing direction during the project if need be; and
- Considering the next stage of the project.

Projects under \$100,000

The Applicant Group needs to be able to demonstrate to AGMARDT that it has appropriate processes in place to critically assess:

- The project outcomes against the Project Plan (section 3.4) and Milestones (section 6); and
- The financial performance of the project against budget.

The applicant or group needs to be able to demonstrate that it has established and maintained good processes throughout the life of the project as it may be subject to independent audit by an auditor of AGMARDT's choosing.

Project Performance Measures (Section 4)

To effectively gauge the “success” of the proposed project, the Trustees require the applicant to provide three (minimum) to a maximum of five (recommended) key performance objectives or activities that can be measured against a targeted outcome (KPI).

These will relate directly to the project goals, as itemised in section 3.1 of the application form and will be reported on by the applicant in the Final Report only.

Examples of typical (but not exclusive) KPI's:

- Expected deliverables/outcomes by a due date
- Speed to market – timeframe for insight/idea to market
- Investment attracted at completion (\$ commercial funding)
- Brand recognition/exposure for AGMARDT

Some more generic measures may be:

- Number of projects/research that progress to commercialisation
- Number of new product in the market
- Number of applications that improve the value chain
- Uptake of technology and practices

The Trustees reserve the right to amend or add KPI's to provide a more effective measure if appropriate.

Project Budget (Section 5)

The proposed budget for the project must clearly detail all sources of funding and expenditure;

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- Non-cash items must not be included; and
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Milestone Table (Section 6)

Describe the major stages or milestone of the project showing the planned completion date for each and the planned achievement criteria for verifying that the milestones have been reached.

The progress payments should be spread over the duration of the project in line with costs incurred. For administrative efficiency, we require progress claims & reporting to be submitted **quarterly** unless otherwise agreed with AGMRDT.

The amount of the final progress payment must be at least **25%** of the total grant and will be made following approval by AGMARDT.

Existing Research (Sections 7)

To avoid duplication, AGMARDT requires applicants to review relevant research in relation to the project they are requesting funding for. The Applicant is required to list any research carried out in this specific area to date and what contact has been made to verify this information.

Referees (Sections 8)

Industry and Character Referees must be independent of the Applicant Group, Trustees of AGMARDT, and the project. Industry and Character Referees must not be the same people.

[Non-Cash Contributions \(Section 9.1\)](#)

Any activity that can reasonably be considered to be part of the business or businesses involved in the project should be considered to be a non-cash contribution. Non-Cash Contributions should not be quantified. Costs of Group meetings will not be covered by the grant.

[Other Government Type Funding \(Section 9.2\)](#)

Where there is any Government funding, whether applied for or already granted related to this project where AGMARDT funding is being sort, the Applicant/Group must disclose and clearly identify.

[Ethical and or Institutional Biosafety Committee Agreement \(Section 9.3\)](#)

Where any of the work requested to be funded by AGMARDT requires the approval of the Animal Ethics Committee, Institutional Biosafety Committee or any other statutory approvals, this must be disclosed and details provided in the application.

GENERAL

[Dissemination/Commercial Sensitivity](#)

As a not-for-profit charitable trust, AGMARDT usually makes the information arising from its grants publicly available, and reserves the right to do so in the instance of all projects in respect of which AIG grants are provided.

AGMARDT will publish the final report on its website. Should the project be identified as commercially sensitive, AGMARDT and the applicant will discuss and agree on the information to be made publicly available having regard to AGMARDT's policy obligations.

Successful Applicants must not make any public statement or issue any press release or other publicity relating to this Funding Agreement, without the prior written approval of AGMARDT as to the form and content of such statement.

[Declined Applications](#)

It is AGMARDT's policy not to provide reasons why applications are declined.

[Independent Audit](#)

For financial performance and management of the project, the Trustees reserve the right to ask for an independent audit by an auditor of AGMARDT's choosing. The Trustees may, through AGMARDT's advisors, or if required AGMARDT appointed specialists, undertake a review of the work in progress and eventual outcomes.

[Grant Withdrawals](#)

A grant may be withdrawn at the sole discretion of the Trustees where:

- Reports and payments account receipts have not been provided or have not been provided in a timely manner;
- No part of the funding has been uplifted within one year of the grant being approved;
- There has been no response to AGMARDT's correspondence on the project;

- No satisfactory progress has been made;
- The Applicant Group goes into liquidation or receivership or ceases to operate; or
- There has been unauthorised variation to the project or budget.

Confidentiality

Advisors' and referees' comments are confidential to AGMARDT.

Intellectual Property

AGMARDT does not normally take ownership and/or management of intellectual property. It does, however, reserve the right to take a financial interest in intellectual property should this be agreeable to both the applicant and AGMARDT.

Change of Key Personnel

Applicants must inform AGMARDT of any change in key personnel working on the project being funded.

Resubmission of Declined Applications

Where a project Request has been declined, the applicant may resubmit after 12 months providing the project has been modified/updated.

Late Applications

Project requests received after close-off dates will be held over for consideration. Applications may be considered throughout the year at the discretion of the General Manager.