Australian Government
National Health and Medical Research Council

Development Grants scheme-specific funding rules

Contents

The following sections provide additional information about the National Health and Medical Research Council (NHMRC) Development Grants scheme including scheme-specific objectives, critical dates, assessment criteria, eligibility rules and funding details and must be read in conjunction with the following supporting documents:

- *NHMRC Funding Rules 2018*
- *Guide to NHMRC Peer Review 2018*
- *Development Grants scheme-specific peer review guidelines*
- *NHMRC Advice and Instructions to Applicants 2018*
- *Development Grants scheme-specific advice and instructions to applicants*
- *NHMRC Funding Agreement*.

It is recommended that you read the *NHMRC Funding Rules 2018* before reading these scheme-specific rules.

1. About the scheme

1.1 Description

The Development Grants scheme provides financial support to individual researchers and/or research teams to undertake health and medical research within Australia at the proof-of-concept stage that specifically drives towards a commercial outcome within a foreseeable timeframe.

Research that aims to improve the health and healthcare outcomes which targets an unmet or poorly met healthcare need for Australians is highly valued. Partnerships with industry/commercial partner/s for the proposed research are not essential at the application stage. However, applicants must provide comprehensive evidence of their strategies to commercialise their product and bring it to market.

Early stage research or knowledge creation research will not be funded through the Development Grants scheme. Applicants are advised to consider directing such research proposals to the Project Grant scheme.

1.2 Objectives

The specific objectives of the scheme are to:

- Increase, facilitate and expedite the translation of health and medical research outcomes through to commercialisation, within a foreseeable timeframe.
- Support proof-of-concept research with a feasible commercialisation pathway and a high likelihood of producing protected Intellectual Property (IP).
- Provide a potential mechanism through which research outcomes can be progressed to a stage that makes them competitive to receive industry investment through other government schemes or from the private sector.
- Encourage collaboration between health research, the private sector and industry (domestic and international).

1.3 Who should apply?

Proof-of-concept research supported by this scheme should be underpinned by fundamental research and experimental data. The application must be supported by a detailed and feasible Commercialisation Business Case that takes into account the regulatory pathway, protectable IP, commercial barriers and potential pathways to market.

Development Grants are distinct from Project Grants and other NHMRC schemes. Whereas a Project Grant and other NHMRC schemes, including those focused on research translation, may ultimately generate new knowledge that results in protectable IP with the potential to be commercialised at a future point in time, a Development Grant specifically drives towards a commercial outcome within a foreseeable timeframe.

2. Key changes

Applicants should note the following changes to the *Development Grants scheme-specific funding rules*:

- Changes to section 5.3 Commercialisation Business Case

3. Critical dates

15 November 2017	Applications open in RGMS
24 January 2018	Minimum data due in RGMS
7 February 2018	Applications close in RGMS
February – Mid March 2018	Applications assessed by expert peer reviewers
Early April 2018	Not for Further Consideration (NFFC) process
May 2018	Grant Review Panel (GRP) meeting
July/August 2018*	Notification of outcomes

*Dates are indicative.

Completed applications must be submitted to the NHMRC in RGMS by 5.00pm AEDT on the specified closing date. Late applications will not be accepted. Application outcomes are announced after Ministerial approvals are confirmed. Refer to sections 11.4 and 11.6 of the *NHMRC Funding Rules 2018* for further details.

3.1 Minimum data

Minimum data must be entered in Research Grants Management System (RGMS) by 5:00pm AEDT on 24 January 2018 to allow the NHMRC to commence sourcing suitable assessors. Applications that fail to satisfy this requirement will not be accepted. Applicants must complete the recommended fields as outlined below with correct information. Using placeholder text such as “text”, “synopsis” or “xx” etc. will not be acceptable as minimum data.

Minimum data for the Development Grants scheme consists of the following:

- General – Application Information: complete fields for Administering Institution, Application Title, Aboriginal/Torres Strait Islander Research (yes/no) and Plain English Summary
- A-RC Research Classification: all sections.

Failure to meet minimum data requirements will result in the application not proceeding (see section 10.1 of the *NHMRC Funding Rules 2018*). The above information will be used to identify review panels and assessors. Applicants are advised that any changes made to the above fields after 24 January 2018 may impact the review of the application.

Research Administration Officers (RAOs) are not required to certify applications for the purpose of minimum data; applications should only be certified once complete and ready for submission (see section 10.4 of the *NHMRC Funding Rules 2018* and section 6 of the *NHMRC Advice and Instructions to Applicants 2018*).

4. Assessment criteria

Applications will be assessed and ranked against the assessment criteria listed below:

- Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%
- Record of Commercial Achievements (relative to opportunity) 20%
- Commercial Potential 40%

Applications are assessed relative to opportunity, taking into consideration any career disruptions (see section 6.2 of the *NHMRC Funding Rules 2018*).

All peer review adheres to NHMRC's Principles of Peer Review in the *Guide to NHMRC Peer Review 2018* and the *Development Grants scheme-specific peer review guidelines*. Therefore, applicants can expect that any matter relevant to the assessment criteria and budget may be considered in the review of their application. Issues not relevant to the assessment criteria will not be considered during the assessment process.

Applicants are expected to address the three assessment criteria in their application and should closely consider the Category Descriptors (see Attachment A - NHMRC 2018 Development Grants Category Descriptors). The Category Descriptors will be used by assessors to score each application against the scientific and commercial criteria. This ensures a consistent framework by which applications are scored between and within panels. Additional guidance on the assessment criteria is provided in the *Development Grants scheme-specific advice and instructions to applicants*.

4.1 Record of Commercial Achievements criterion

Assessors will consider applicants' relevant expertise, research industry skills, experience, and achievements relative to opportunity. Further guidance is provided at section 6 of the *NHMRC Funding Rules 2018*.

4.2 Additional criteria for Aboriginal and Torres Strait Islander health applications

All applications that are accepted to relate to the improvement of Aboriginal and Torres Strait Islander health must also address the Indigenous Research Excellence Criteria (see section 6.3 of the NHMRC Funding Rules 2018).

These applications will be assessed by an Aboriginal and Torres Strait Islander health expert. In assessing the application against the Indigenous Research Excellence Criteria, the Indigenous expert will use their discretion, experience and expertise to reflect the relative strength of the application in terms of how well it addresses the criteria.

Any applications that applied to be considered as an Indigenous health application but that do not meet the Indigenous Research Excellence Criteria will be assessed as a standard Development Grants application.

Further information on how these criteria are assessed is provided in the *Development Grants scheme-specific peer review guidelines*.

5. Eligibility

Development Grants have eligibility criteria additional to those identified in section 7 of the *NHMRC Funding Rules 2018*. Applications that do not meet the eligibility criteria will be excluded from consideration (see section 10.7 of the *NHMRC Funding Rules 2018*).

NHMRC staff will not make eligibility rulings prior to an application being submitted. It is up to the applicant, in consultation with their RAO, to judge whether they are eligible to apply.

It is the responsibility of all Chief Investigators (CIs) applying to ensure that they meet all eligibility criteria at the time of submission and for the duration of the assessment and award period. RGMS has functionality available to assist applicants in determining their eligibility; however, this remains indicative only and does not replace the CI's responsibility to confirm their eligibility.

5.1 Multiple application/grant limit

There is no limit to the number of Development Grants a CI can apply for or hold.

5.2 Exclusion criteria

NHMRC may not assess or fund applications that meet any of the exclusion criteria outlined below:

- has a focus on the early stage or knowledge creation stages of research (e.g., research that is fundable through the NHMRC Project Grant scheme).
- contains a significant clinical trial component/s (these are relevant to the Project Grant scheme which has a Grant Review Panel specifically for clinical trials).
- are, in the view of the NHMRC, the same or similar to any application submitted to any NHMRC funding scheme in the same funding year (excluding any re-submissions to Development Grants) or research grant currently being funded or completed.
- are beyond the proof-of-concept stage, and therefore are more appropriate to receive support in the form of a grant from other government agencies, or support from the private sector to successfully achieve a commercial outcome.

Applications that meet any of the exclusion criteria may be ruled ineligible and excluded from consideration (see section 10.7 of the *NHMRC Funding Rules 2018*).

5.3 Commercialisation Business Case

Applicants must provide a business case for the commercialisation of their proposed research that addresses the following headings:

- Commercialisation work plan
- Market analysis
- Intellectual Property (IP) management

There is no requirement for IP to be owned by the Administering Institution, but the proposal should demonstrate that the IP arrangements are consistent with the scheme objectives (see section 1.2 Objectives) and assessment criteria (see section 4. Assessment criteria).

For further guidance on the business case, refer to section 3.2 of the *Development Grants scheme-specific advice and instructions to applicants*.

6. Funding

6.1 Level and duration of funding

Development Grants provide funding for projects between one and three years in length. Applicants are required to fully and clearly justify their requested budget to demonstrate value for money.

For a more detailed explanation regarding Personnel Salary Packages (PSP) requests, the appropriate use of NHMRC funds and how to prepare the budget in the application, refer to section 3.4 of the *Development Grants scheme-specific advice and instructions to applicants*.

For details on Development Grants applications awarded in previous funding rounds, see the Outcomes of funding rounds page on the NHMRC website.

6.2 Use of funds

6.2.1 Funding to support overseas research activities

Applicants may request funding to support specific research activities to be undertaken overseas. In doing so, the applicants must clearly demonstrate that the research activity is critical to the successful completion of the research aims and that the equipment/resources required for the research activity are not available in Australia.

Applicants may request funding for salary support for the specific research activities to be undertaken overseas. However, when requesting salary support for overseas activities, the personnel in relation to the request may not be named as a CI.

6.2.2 Funding for clinical trials

Applications with a significant clinical trial component, as determined by NHMRC, are ineligible to apply for Development Grant funding, and will be withdrawn from consideration (see section 10.7 of the *NHMRC Funding Rules 2018*). Applicants are advised to consider applying to the Project Grant scheme, which has dedicated clinical trial Grant Review Panels to assess clinical trial applications.

7. Grant administration

Applicants must note the applicable general requirements set out in the NHMRC Funding Agreement, section 12 of the *NHMRC Funding Rules 2018* and the NHMRC website under Administering Grants.

The reporting requirements are as described in section 12.7 of the *NHMRC Funding Rules 2018*.

8. Attachments

Attachment A - NHMRC 2018 Development Grants Category Descriptors

Attachment A - NHMRC 2018 Development Grants Category Descriptors

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
7 Outstanding by International Standards	The research plan: • is well-defined, highly coherent and strongly developed • will successfully achieve proof-of-concept • is a near flawless design • is without question highly feasible and thus almost certain to be successfully completed • is consistent with the objectives of the Development Grants scheme. The scientific research team: • has, overall, an outstanding record of research achievements in the field of the proposed research • brings together all of the expertise needed for success.	Relative to opportunity, the research team: • has proven successful national and international involvement • in commercialisation of research including for example, granted patents, industry consultation, licensing of IP • has had direct involvement in industry placements and/or involvement with establishing spin off companies • has a record of commercial achievements which is outstanding by international standards • is highly likely to achieve a very significant commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is extremely large • provides a clear description of a highly feasible commercial/development pathway should the product, process or technology prove successful • will be conducted in an environment with excellent institutional commercial advice and development support structures such as a commercialisation office or equivalent, which will increase the likelihood of arriving at a commercial outcome within a foreseeable timeframe • clearly outlines how the proposed research meets the scheme objectives. The product, process or technology: • is unique or provides an internationally competitive edge • is linked to a very strong IP position. Funding the project: • would significantly increase the probability of successful commercialisation, usually by adding substantial value to the concept and/or supporting a critical proof of concept and/or creation of a commercialisable prototype that will enrich the Australian life sciences industry sector and bring economic benefit to Australia.

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
6 Excellent	The research plan: • is clearly defined, coherent and well developed • is very well designed • is feasible and highly likely to be successfully completed • will successfully achieve proof-of-concept • is consistent with the objectives of the Development Grants scheme. The scientific research team: • the leader has an excellent record of research achievements, as do, on average, the other team members in the field of the proposed research • brings together all of the expertise needed for success.	Relative to opportunity, the research team: • has significant experience in national and international commercialisation of research including approved patents, industry consultation, licensing of IP, and has had direct involvement with industry • has a record of commercial achievements which is of a high international standard • is very likely to achieve a significant commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is very large • provides a clear description of a feasible commercial/development pathway should the product, process or technology prove to be successful • will be conducted in an environment with strong institutional commercial advice and development support structures, including an institutional commercialisation office or equivalent which will support the likelihood of arriving at a commercial outcome within a foreseeable timeframe • clearly outlines how the proposed research meets all the scheme objectives. The product, process or technology: • is internationally competitive and likely to be attractive to a commercial partner • could be linked to a strong IP position. Funding the project: • would increase the probability of successful commercialisation, usually by adding substantial value to the concept and/or supporting a critical proof of concept and/or creation of a commercialisable prototype that will bring economic benefit to Australia.

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
5 Very Good	The research plan: • is generally clear in its scientific plan and is logical • raises only a few minor concerns with respect to the study design • will likely be successfully completed and achieve proof-of-concept • is consistent with the objectives of the Development Grants scheme. The scientific research team: • members on average, have good record of research achievements in the field of the proposed research • possesses most of the expertise needed for success.	Relative to opportunity, the research team: • has been involved in national commercialisation of research including approved patents, industry consultation, licensing of intellectual property, and has had involvement in industry • has a record of commercial achievements which is of a high or growing national standard • has the ability to promote a strong commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is large • provides an outline of a feasible commercial development pathway should the product, process or technology prove to be successful • will be conducted in an environment with good access to institutional commercial development advice and support structures which will mostly likely support the likelihood of arriving at a commercial outcome within a foreseeable timeframe • adequately outlines how the proposed research meets the scheme objectives. The product, process or technology: • has significant commercial potential nationally and potentially, internationally • could be linked to a strong or strongly developing IP position. Funding the project: • would most likely bring economic benefit to Australia.

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
4 Good	The research plan: • is good in terms of its objectives • contains several areas of weakness in the experimental design and feasibility • raises several concerns about successful completion • may successfully achieve proof-of-concept • is consistent with the objectives of the Development Grants scheme. The scientific research team: • members on average, have good record of research achievements in the field of the proposed research • possesses much of the expertise needed for success.	Relative to opportunity, the research team: • has a solid record of national research commercialisation achievement including approved patents, industry consultation and licensing of IP • has a record of commercial achievements which is of a good national standard • has some potential to promote a viable commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is moderate. • provides an outline of a commercialisation pathway which could be better developed and raised only a few minor concerns. • will be conducted in an environment with access to commercial development advice and support structures, which could support the likelihood of arriving at a commercial outcome within a foreseeable timeframe • outlines how the proposed research meets the scheme objectives. The product, process or technology: • has some commercial potential nationally, but is very limited at an international level • could be linked to a developing IP position. Funding the project: • may bring economic benefit to Australia.

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
3 Marginal	The research plan: • is clearly described, but may not be successful • contains several study design problems or flaws that will limit the successful completion of the study • will not significantly advance current knowledge in the field • is not likely to achieve proof-of-concept • may not be consistent with the objectives of the Development Grants scheme. The scientific research team: • has no expertise in most areas required for project success.	Relative to opportunity, the research team: • has limited record of research commercialisation achievements including approved patents, industry consultation, licensing of IP • does not have any significant record of commercial achievements • has a limited ability to promote a viable commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is limited • provides a description of a pathway to commercialisation that raises several concerns • will be conducted in an environment with limited access to institutional commercial development advice and support structures, which is unlikely to support the likelihood of arriving at a commercial outcome within a foreseeable timeframe • may not meet the scheme objectives. The product, process or technology: • has limited commercial potential • could be linked to a weak IP position. Funding the project: • will not bring economic benefit to Australia.

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
2 Unsatisfactory	The research plan: • has poorly described or underdeveloped objectives • contains multiple major study design problems or flaws that will limit or prohibit the successful completion of the study • is not likely to advance current knowledge in the field • will not likely achieve proof-of-concept • may not be consistent with the objectives of the Development Grants scheme. The scientific research team: • has no expertise in most areas required for project success.	Relative to opportunity, the research team: • has little record of research commercialisation achievements including approved patents, industry consultation, licensing of IP • does not have any significant record of commercial achievements • has a very little potential to promote a viable commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is small • does not contain a clear description of a pathway to commercialisation • will not be conducted in an environment supportive of commercial development • may not meet the scheme objectives. The product, process or technology: • has no commercial potential • could be linked to a very weak IP position. Funding the project: • will not bring economic benefit to Australia.

	Scientific Assessors only	Commercialisation Assessors only	
Category	Scientific Merit of the Proposal (Fitness for purpose of the science and quality of the scientific research team) 40%	Record of Commercial Achievements (relative to opportunity) 20%	Commercial Potential 40%
1 Poor	The research plan: • has poorly described or under developed objectives • contains multiple major study design problems or flaws that will limit or prohibit the successful completion of the study • will not advance current knowledge in the field • will not achieve proof of concept • may not be consistent with the objectives of the Development Grants scheme. The scientific research team: • has no expertise in most areas required for project success.	Relative to opportunity, the research team: • has no record of research commercialisation achievements including approved patents, industry consultation, licensing of IP • does not have any significant record of commercial achievements • has no ability to promote a viable commercial outcome.	The commercial proposal: • is linked to a human health issue where the size and/or impact for the potential market is too small for probable commercial viability • does not contain a clear description of a pathway to commercialisation • will not be conducted in an environment supportive of commercial development • does not meet the scheme objectives. The product, process or technology: • has no commercial potential • has a non-viable IP position. Funding the project: • would not increase the interest of commercial partners • will not bring economic benefit to Australia.