

Innovation PEI Discovery and Development Fund



Introduction

The Innovation PEI Discovery and Development Fund will provide funding to support the discovery and development phases of the project development cycle. Applications will be evaluated by a peer review committee based on the project's level of innovation, commercialization potential, connection to one of the four sectors identified in the Island Prosperity Strategy, level of collaboration with local, national, or international partners, and qualifications of the proponent and identified partners.

Eligible Proponents

Proponents must:

- be from the private sector, public sector, industry associations, or academia (provincial government departments, agencies, or crown corporations are not eligible to be primary applicants);
- reside or be incorporated in Prince Edward Island; and
- demonstrate capacity to meet project outcomes as evidenced through appropriate experience, education and training, or partnerships.

Eligible Projects

Proposed projects must:

- involve an eligible activity;
- demonstrate a high level of innovation;
- fit clearly within the bio-science (including primary sectors), IT, aerospace, or renewable energy sectors;
- include a project plan that identifies expected outcomes, deliverables, partners, timelines, budget, and funding sources;
- have commercialization potential; and
- disclose and address any potential ethical considerations including use of intellectual or material property protected by copyright or patents and ethical concerns regarding use of human subjects, potential impact on the environment, etc.

Eligible Activities

Eligible activities may include (but are not limited to):

- product or process development and refinement,
- IP development and protection,
- market testing different product concepts and unique selling points,
- intermediate business planning ,
- identifying targeted marketing channels.

Project Assessment

Proposed projects for the Innovation PEI Discovery and Development Fund will be evaluated against a clear set of program criteria using information contained in the proponent's application package. Each proposal will be evaluated by a peer review committee.

Level of Assistance

Approved projects will be eligible for up to \$100,000 in grant funding for operating expenses directly tied to the approved project. Eligible operating expenses include salaries, direct material, sub-contracting services, equipment costs of up to \$25,000, in-kind expenses, and indirect costs of up to 20% of direct costs. Ineligible operating costs include insurance, phone lines, internet charges, goodwill, property tax, and other taxes. (These lists are not exhaustive.) Total project funding will not exceed 75% of total project costs.

Funding will be provided in two payments. One-half of the approved funding will be provided upon signed confirmation of the terms and conditions of the agreement. The second half of the approved funding will be paid upon expiry of the agreement on the condition that appropriate documentation is provided.

Performance Monitoring

For each approved project, a letter of offer stating the terms and conditions of approval will be forwarded to the applicant. When accepted by the applicant, the letter of offer shall constitute a contract between government and the applicant(s).

Should the project fail to comply with the terms and conditions of the contract or be discontinued, government may at its sole discretion:

- declare the applicant to be in non-performance (default) of the contract;
- request the applicant to repay in full the incentive received; and
- take necessary legal action to collect the incentive amount in full with interest.

For More Information

Letters of Intent for the Innovation PEI Discovery and Development Fund program will be accepted up to February 6, 2009 at 5 p.m.

Interested applicants can apply online at www.islandprosperity.ca

For general questions or inquiries about the program please contact the PEI Business Development Officer located in your region or:

Prince Edward Island Business Development

Toll-free: 1-800-563-3734

Tel: (902) 368-6300

Fax: (902) 368-6301

Email: business@gov.pe.ca