



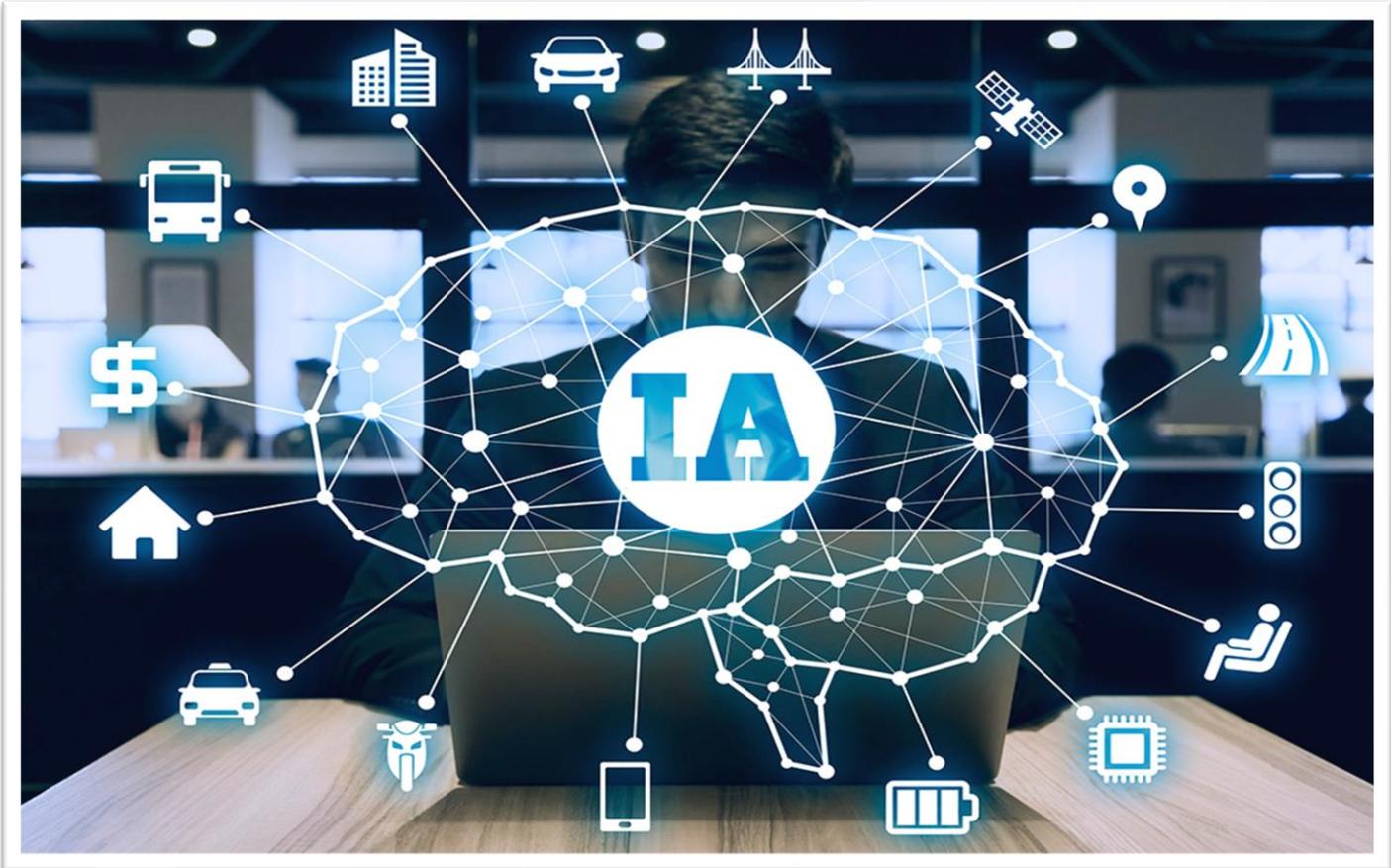
PARTENAR-IA

PROGRAMME DE FINANCEMENT EN IA

ACADÉMIQUE

PARTENAR-IA – Academic
AI FUNDING PROGRAM
FUNDING FOR COLLABORATIVE R&D PROJECTS IN ARTIFICIAL INTELLIGENCE

INFORMATION GUIDE



FINANCING PARTNER





BACKGROUND

Quebec enjoys a favourable position in the great industrial revolution of artificial intelligence (AI). But the strength of its ecosystem is no accident.

In Quebec, numerous innovation centres work in close collaboration with industry actors, research centres and universities specialized in AI. Together, they can bring their expertise into play to the benefit of all sectors of the economy. These organizations provide researchers and businesses with leading-edge know-how and with infrastructure that may be expensive and otherwise out of reach.

Innovative entrepreneurship is also a strong driver of the AI industrial base. Small and mid-size enterprises (SMEs) are a mainstay of economic and job-creation wealth in Quebec. Here, startups draw strength from their versatility and their spirit of innovation as they develop breakthrough technologies and dynamic new business models and bolster their capacity to trade internationally.

AI has the potential to deliver a very high impact and is often a moving force behind innovation that can help to meet global challenges and change lives. The development of these technologies is vital as we evolve and continue to build Quebec's economic and competitive clout.

The nine (9) Industrial Research Sectoral Groups (RSRI – Regroupement sectoriel de recherche industrielle) are therefore mandated to identify promising AI projects in their own areas of expertise (CQRDA, CQDM, CRIAQ, CRIBIQ, CRITM, InnovÉÉ, MEDTEQ+, PRIMA, PROMPT).

Accordingly, the RSRI, acting on the call for innovative projects in artificial intelligence initiated by Quebec's Ministère de l'Économie et de l'Innovation, will work via PARTENAR-IA | ACADEMIC, in tandem with research institutions, to support businesses throughout the various stages of their AI projects' launch and completion. They will do so in pursuit of the following objectives:

- Improve businesses' competitiveness through the adoption of AI;
- promote collaboration among businesses (of all sizes, including startups), as well as with the research and innovation communities to accelerate the integration of artificial intelligence technologies by businesses and by society as a whole;
- backstop promising projects aimed at widespread adoption of AI in one or several economic sectors;
- support the implementation of projects that will deliver significant and immediate economic impact;
- ensure the development and consolidation of efforts toward innovation in AI;
- help position Quebec as a leader in AI development.



RSRI MISSION

The RSRI's mission is to establish and sustain a collaborative innovation ecosystem favourable to the development of strategic sectors of the economy to the benefit of businesses, research centres and Quebec society as a whole. RSRI's, representing Quebec's lead actors, are in a strong position to support Quebec's economic fabric in the drive for growth. It is worth reiterating that the nine (9) RSRI's were designated by the Quebec government to act as intermediation and funding organizations for collaborative research and development (R&D).

TARGET CLIENTELE

While admissible grants cover some of the expenses incurred by Quebec research establishments, the goal of the programs is to encourage businesses of all sizes to take advantage of this incentive to develop and integrate AI. As such, research establishments will define and carry out their actions in the service of their industry partners and their goal to maintain or increase their competitiveness. For the purpose of this call for projects, an SME is defined as a for-profit enterprise employing 249 or fewer people. A Quebec business is defined as one that is legally constituted in Quebec and carries out research and development (R&D) activities or production operations in Quebec.

ELIGIBLE APPLICATIONS

Applications by Quebec research establishments must be submitted to an RSRI. The financial assistance is paid to the public research centre submitting the application. Universities, College Centres for the Transfer of Technologies (CCTTs) or public research centres and establishments within the Quebec health and social services network (RSSS) are eligible. They must allow the training of Highly Qualified Personnel (HQP).

FUNDING PROGRAM

Funding under this program is provided in the form of non-repayable grants and is aimed at integrating and developing new artificial intelligence (AI) technologies. It is intended for public research centres planning to carry out collaborative projects with at least one Quebec company, which may be either an SME or a startup.

The intended end-uses or functions of the product, process or service must offer clear advantages over existing solutions in the market and a company's area of activity so as to make that company competitive. In particular, they should contribute to:

- showcasing knowledge, know-how and new technologies and transferring them to companies and other organizations;
- highlighting the results and marketing potential of institutional research;
- expanding research collaboration and partnering among the different research centres and companies with a view to facilitating technological transfer;
- encouraging and reinforcing companies' technological innovation capabilities.



ELIGIBLE PROJECTS

To qualify, projects must be carried out by public research centres¹, in partnership with at least one Quebec company (SME or startup) and must emphasize collaborative research in artificial intelligence.

The public research centre must submit the project to a Quebec-based Industrial Research Sectoral Group (RSRI).

FINANCIAL ASSISTANCE FROM THE MEI

- A maximum grant of \$500,000 per project (including ICRs and management costs) for all the projects;
- Maximum financial assistance of 40% for allowable project expenses;
- Companies, cooperatives or NPOs must cover at least 40% of a project's allowable expenses. Up to half of these expenses may be covered in kind (supporting documents could be required).
This means there must be a minimum cash contribution of 20%;
- Municipalities, public organizations or various levels of government may intervene as OTHER contributors to complement the private partnerships, provided that their involvement does not combine assistance from two (2) distinct MEI envelopes for the same project (e.g. combining assistance from the Programme Innovation and assistance from the PSO);
- Total maximum government assistance: 80% of allowable project expenses.

¹ Ministère de l'économie et de l'Innovation (MEI): list of eligible public research centres
<https://www.economie.gouv.qc.ca/fr/bibliotheques/programmes/mesures-fiscales/reconnaissance-des-centres-de-recherche-publics-admissibles/liste-des-centres-de-recherche-publics-admissibles/>



ALLOWABLE EXPENSES

Under the present call, the following project expenses are allowable in the execution of a project:

- wages, salaries and employee benefits related to the project;
- travel and accommodation costs, in accordance with MEI ministry directives;
- required materials and supplies;
- equipment purchase or rental (up to a maximum 25% of allowable expenses)²;
- intellectual property user costs (legal support);
- fees;
- communications costs;
- costs relating to subcontracting agreements;
- costs relating to project management by a non-profit organization.

As a rule, products or services contributed by industry partners in the project are considered in-kind contributions. Please contact the program manager with any questions regarding allowable expenses for consumables or equipment.

Expenditures made or incurred prior to the date of application for financial assistance are not allowable.

Expenses deemed non-allowable include the following:

- Costs relating to the rental of office or laboratory space for business expansion (a subsidiary or an extra office);
- debt servicing, reimbursement of future loans, a capital loss, replacement of capital, an amount paid or an amount disbursed as capital;
- capital and depreciation costs;
- regular operating costs;
- recurring costs, such as annual subscription fees and software upgrade costs;
- costs relating to maintenance of intellectual property;
- transactions between related companies or partners;
- sales taxes
- expenditures for which assistance has already been received from the ministry (MEI).

In-kind contributions

In-kind contributions from partners are admissible if the value of these expenditures can reasonably be established and are substantiated by supporting documents (auditable).

- They correspond to expenses incurred specifically to carry out the project;
- They represent an item which would otherwise have cost the same or more;
- They do not exceed 50% of the businesses' contributions.

² If purchasing, the value for any piece of equipment may not exceed \$15,000, before taxes.



INDIRECT COSTS OF RESEARCH (ICRs)

Indirect costs of research (ICRs) are additional operating expenses incurred by academic institutions in carrying out projects but which cannot be wholly attributed to those projects.

For all funded projects, the payment to the university includes, in addition to the research grant, a contribution for the indirect costs of research, representing 27% of the grant from the RSRI and applicable to the following direct costs: wages and salaries, student grants, materials, consumables and supplies, purchase or rental of equipment and expenditures for travel and accommodation.

RSRI MANAGEMENT COSTS

For each funded project, the RSRI responsible for the project shall collect management fees of 5% of the research expenditures. Forty percent (40%) of this fee shall be borne by the MEI (the Ministry) and sixty percent (60%) by the industry partner or partners in proportion to their financial participation, as the case may be. **The management fee is calculated on the basis of the overall R&D budget.**

Project duration

The maximum duration of projects is 36 months from the date of signing of the research agreement.

CONDITIONS FOR PROJECT SUBMISSION

During analysis, each project will be assessed according to its relevance in terms of AI innovation, its quality and the degree to which its objectives are aligned with associated expertise (PRIs and industry). This analysis will also take into account the project's potential for economic development and marketing, as well as the criteria specific to each of the RSRI and to their respective scientific committees.



Find out about each RSRI's terms and conditions for project submission

<p>PRIMA Advanced Materials industry 505 De Maisonneuve Blvd. West, Suite 225 Montreal, Quebec H3A 3C2 Telephone : 514 284-0211, ext. 227 Email: michel.lefevre@prima.ca</p>	<p>CQRDA Aluminum industry 637 Talbot Blvd. Suite 102 Chicoutimi, Quebec G7H 6A4 Telephone : 418 545-5520 Email: info@cqrda.ca</p>	<p>PROMPT Information and Communications Technologies (ICT) and Digital industry 625 René-Lévesque Blvd. West, Suite 1510 Montreal, Quebec H3B 1R2 Telephone : 514 875-0032 Email: info@promptinnov.com</p>
<p>CRIAQ Aerospace industry 740 Notre-Dame St. Ouest Suite 1400 Montreal, Quebec H3C 3X6 Telephone : 514 313-7561, ext: 2410 Email: marion.stoffel@criaq.aero</p>	<p>CRIBIQ Industrial Bioprocesses industry 2875 Laurier Blvd. Le Delta 1 Building, Suite D1-1320 Quebec City, Quebec G1V 2M2 Telephone : 418 914-1608 Email: cribiq@cribiq.qc.ca</p>	<p>CQDM Biopharmaceutical industry 740 Notre-Dame St. Ouest Suite 1400 Montreal, Quebec H3C 3X6 Telephone : 514 766-6661 Email: info@cqdm.org</p>
<p>INNOV-ÉE Electrical Energy industry 3 Place Ville-Marie, Suite 400 Montreal, Quebec H3B 2E3 Telephone : 514 416-6777 Email: info@innov-ee.ca</p>	<p>MEDTEQ+ Health Technology industry 740 Notre-Dame St. Ouest Suite 1400 Montreal, Quebec H3C 3X6 Telephone : 514 398-0896 Email: projet@medteq.ca</p>	<p>CRITM Metal Transformation industry 2900 chemin Quatre-Bourgeois Suite 207 Quebec City, Quebec G1V 1Y4 Telephone : 418 914-1163 Email: info@critm.ca</p>



FUNDING STANDARDS

Number of industry partners (minimum)	1 (Quebec-based SME or startup)
Eligible academic partners	Universities, CCTT, PRI, Quebec health and social services network (RSSS)
RSRI contribution (non-repayable) in percentage of allowable project expenses	40 %
Minimum percent contribution of industry partners of allowable project expenses	40 %
Maximum allowable in-nature contribution of industry partners in percentage of allowable expenses	Maximum of 50% of industry partners' contributions
Total maximum public financing	<p>80 %: NSERC (Alliance, ARD, etc.), NRC-IRAP, other municipal, provincial or federal funding sources. All complementary funding must be included in the RSRI application (theme and budget).</p> <p>Once the complementary funding is tabled, the application for complementary funding must indicate that an application has been tabled with the RSRI and the complementary funding budget must include the funding from that RSRI.</p> <p>MEI aide is granted for new industry contributions (not already allocated as co-financing in other programs or projects).</p> <p>Complementary funding:</p> <ul style="list-style-type: none"> • May not be financial aid allocated from another MEI program, nor a contribution already matched by the MEI; • may not be previously committed funding for research activities distinct from those for which the RSRI funding is being sought; • may not be a contribution from the public research centre that is carrying out the project in a support capacity; • may include assistance from another government ministry or municipality or public body.
Maximum funding from the RSRI in \$ per project, including ICRs and MEI management costs	\$500,000

A company's contribution of funding it has received under a government grant shall not be regarded as an industry contribution.



PARTENAR-IA --- EXAMPLE OF A FINANCIAL ARRANGEMENT

Information to follow

Source: MEI (Ministère de l'Economie et de l'Innovation)

TIMETABLE

- Closing dates for applications to the RSRI:
 - o July 15, 2021
 - o October 15, 2021



Quebec's 9 Industrial Research Sectoral Groups (RSRI – Regroupement sectoriel de recherche industrielle)



FINANCING PARTNER:

