



MINISTRY OF SCIENCE, TECHNOLOGY AND INNOVATION, MALAYSIA

FLAGSHIP PROGRAMME GUIDELINES FOR APPLICANTS

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FLAGSHIP PROGRAMME

1. DEFINITION

The Flagship Programme is a special grant scheme programme provided by MOSTI to fund research in areas identified to have an impact on the development of STI and aligned with the New Economic Model (NEM).

The Flagship Programme is a top-down approach and the National Science and Research Council (NSRC) sets the research priority areas and particular niches that need to be implemented for the sustainability of current Government initiatives.

2. OBJECTIVE

Flagship Programme is for the development and generation of new technologies, processes, innovative products or value add existing technologies/products that have the potential to accelerate the identified research priority areas/ or for commercialisation and/or for societal well-being.

3. RESEARCH PRIORITY AREAS

- **BIODIVERSITY** (*sustainable utilisation and conservation*)
- **CYBERSECURITY** (*Information security and autonomous system*)
- **ENERGY SECURITY** (*Harnessing alternative resources and improving the efficient use of energy especially in the areas of renewable energy*)
- **ENVIRONMENT AND CLIMATE CHANGE** (*Ecosystem management, protection and improvement to mitigate flood, drought & air pollution; biosurveillance for environmental protection; Eco-tourism.*)
- **FOOD SECURITY** (*Improvement of food crops, livestock & animal feedstock; Exploitation of biodiversity for food/feed; Post harvest physiology & technology Production System and Precision Agriculture; Improvement of biosecurity, biosurveillance and Sanitary & Phyto-sanitary (SPS) measures for animal and plant genetic resources.*)
- **MEDICAL AND HEALTHCARE** (*Diagnostic, prevention and treatment to enable the ability to mitigate the burden of lifestyle diseases; new and emerging diseases; Cancer; biosurveillance in medical and healthcare.*)

- **PLANTATION CROPS AND COMMODITIES** (*increasing the productivity and utilization, focusing on Oil Palm, Timber, Rubber, Cocoa, Kenaf, Tobacco & Pepper*)
- **TRANSPORT AND URBANISATION** (*Enabling the use of alternative energy sources and energy efficiency vehicles for environmental friendly transport; Design and engineering in vehicle, infrastructure, systems and facilities; Efficient urban waste management (Reuse, recycle & reduce)*)
- **WATER SECURITY** (*Sustainable sources and processing, treatment & distribution of water*)

4. ELIGIBILITY CRITERIA

- Projects must be multi-disciplinary, covering the fields of science & technology and social science.
- Projects must involve a minimum of three institutions, including academic, research and industry. Memorandum of Agreement between collaborating Institutions must accompany the application, clearly stating the respective scope of work, IP agreement and ownership and ownership of all equipment purchased during the tenure of the project.
- The grant is open to researchers from IHLs (public and private) and RIs (government and private) and Small and Medium Enterprises.
- All categories of companies must have a minimum of 51% equity held by Malaysians.
- Applicant or collaborator under the small and medium company category must have minimum paid up capital in cash of RM10,000.00. However, start-up companies are exempted from this stipulation but must provide justification and supporting documents on the ability to sustain itself.
- None of the company directors or project team members have been convicted of any fraudulent activities or the company been declared bankrupt, under liquidation or placed under receivership.
- The Flagship Programme follows a competitive bidding process.
- Project proposals eligible for consideration must fall under the research priority areas identified above.

- Only Malaysian citizens can apply and lead Flagship Programme grant scheme but can have international organizations or expatriates working in any of the organizations mentioned above as part of their project team.
- The project team should consist of members who are qualified and competent on the technical aspects of the whole project. Each team member must provide a CV clearly stating their previous research and highlight the tremendous success.
- Applicants are allowed to lead only one Flagship Programme at any one time.
- Research projects under the Flagship Programme grants must be conducted in Malaysia.
- The Flagship Programme will not fund research already funded from other sources. MOSTI reserves the right to determine if a proposed research project duplicates research already being funded.

5. QUANTUM OF FUNDING AND DURATION

- The quantum and duration of funding approved under the Flagship Programme will be based on merit of every application, not exceeding 36 months with a total maximum allocation of RM4 Million.
- Additional 6 months will be permitted for application involving technology/IP acquisition.

6. SCOPE OF FUNDING

Funding provided may be used for:

- *Pilot plant/ prototype – equipment and supporting infrastructure which is directly related to the pilot plant; Funding for specialised equipment and accessories is up to a maximum of 40% of the total project expenses.*
- Acquisition of technology (foreign or local). Applicants must provide details of the technology including agreement (if available at the time of application);
- Pre-clinical testing/clinical testing/field trials/stress test/user acceptance test;
- IP preparation and registration/copyright in Malaysia only (excluding maintenance);
- Regulatory and standards compliance;
- Accessories needed include items that are necessary to upgrade the capability of existing equipment directly related to the project;

- The costs, minor modifications and repairs of existing equipment used during the duration of project period;
- Raw materials/consumables directly related to the project can be included; and
- Market testing and evaluation.

The funding can be utilized for the following categories:

Wages and Allowances for Temporary and Contract Personnel (For Institution of Higher Learning and Research Institute only)

- Includes wages and allowances for temporary and contract personnel who are directly engaged in the project. Up to **two (2) temporary or contract personnel** will be funded for each project.
- The maximum wages/allowances for temporary or contract personnel are up to **RM 2,500 per month/per head inclusive of deductions for SOCSO/EPF.**

Travel and Transportation (For Institution of Higher Learning and Research Institute only)

Includes travel and transportation expenses for domestic and overseas trip directly related to the project. Overseas trips must meet the following criteria:

- Only oral presentation at conferences or seminars on the findings of the project;
- When domestic facilities and expertise are inadequate to conduct a portion of the research. However, the venue must be suitable in terms of facilities, expertise and technology transfer;
- The **project leader or collaborator or team member** is only allowed to go **once** for the duration of the project; Travel is limited economy class using the shortest direct routes be either MAS or Air Asia except under extenuating circumstances;
- The project leader or collaborator needs to send an application for approval to MOSTI before attending the conference together with a copy of the abstract/paper that is going to be presented.
- The allocation for travelling overseas must be budgeted for in the research proposal and must get prior approval from MOSTI.

- Travel and transportation allocation for overseas trips will be funded up to a **maximum of 15% of the total expenses of the project or RM15,000.00 whichever is less.**

Rentals

- Only rental for special equipment not available in the institutions involved in the project and any other items directly related to the project can be included.

Special Services (Cannot exceed 20% of total project cost)

Funding will be approved for only services directly related to the project such as:

- consultancy – agreement/letter of intent must be submitted together with the project proposal;
- payment for enumerators;
- sample testing and analysis;
- data processing;
- paper publications related to the project;
- Registration fees for conference; and
- Engagement of foreign expert(s) will be considered on a case-by-case basis.

The funding cannot be used for:

- Capital purchases (equipment, facilities, etc). However, if specialised equipment is required for the success of the project, justification for its purchase must be given. Project leader will need to provide information on availability of such equipment and why it cannot be used or shared;
- Purchase of capital assets such as building, vehicles and furniture;
- Purchase of personal computer, laptop, printer, scanners;
- Utilities;
- Purchase of books, stationeries and subscription to journals etc.
- Salary or allowances of any personnel (except as stated for IHLs and GRIs);

7. EVALUATION OF FLAGSHIP PROGRAMME

- Applications will be evaluated by the Flagship Programme Evaluation Committee according to the priority areas;
- The Committee is headed by a Chair and consists of several members of the Committee who are considered experts in their field respectively;
- Evaluation by the Committee is based on the terms, conditions and criteria stated above and other guidelines established; and
- Session with the applicant's presentation will be held and the results of evaluation Flagship programme will announced in the next 50 working days after all responses and information is received from the applicant(s).

8. PROJECT MONITORING

- Projects awarded under the Flagship Programme will be monitored and evaluated every 6 months by a competent Project Monitoring Team appointed by MOSTI every 6 months. If the project shows non-compliance of agreement and non-adherence to timelines, MOSTI reserves the right to suspend or withdraw the support;
- **Project Progress Report (PR) and audited financial report** must be submitted before 31 January and 31 July each year. These reports will be used to monitor the progress of the project as well as determine the timing of the fund disbursements. This will take into account milestones achieved as well as 50% expenditure of the amount already disbursed; and
- **End of Project Report (EPR) and audited financial report** should be submitted within three (3) months after project completion. All publications must acknowledge MOSTI's contribution as a fund provider. The End of Project Report requires the following information:
 - Direct outputs of the project;
 - Extent of achievement of the original project objectives;
 - Technology transfer and commercialization approach;
 - Benefits of the project, particularly project outputs and organizational outcomes;
 - Assessment of the project team, research approach, project schedule and project costs; and
 - Sectoral /national impacts of the project.
 - Technical Report of the project

Note: MOSTI reserves the right to call for periodic information on progress or to invite for seminar presentation and exhibition or to conduct site visits even after the project has been completed.

9. RULES OF APPLICATION

Application conditions for Flagship programme are:

- Submit a concept paper according to the following:
 - Title
 - Research Priority Area (aligned to the National Priority Areas identified by NSRC)
 - Project Objectives
 - Brief Methodology
 - Project Deliverables
 - Project Duration
 - Total Project Cost
 - Project Leader
 - Collaborators
- Complete application using the Flagship Programme Application Form attached;
- All applications for Flagship programme must be reviewed and approved by the CEO of the applicant's organization. Each subproject application must be submitted through their respective organizations;
- Memorandum of Agreement signed by the Heads of the collaborating Institutions outlining all items as specified in para 4 above;
- Head of organizations should declare that the proposed research has not been funded or submitted for funding to any other source. Failure to do so would cause the application to be rejected;
- Application forms will be evaluated by a panel of evaluators appointed by MOSTI;

10. ETHICAL CLEARANCE AND COMPLIANCE TO OTHER RELATED REGULATIONS

If a project involves conducting tests on human beings or animals, then the Project Leader must obtain and furnish a copy of ethical clearance, or clearance by the appropriate/ relevant Institutional Biosafety Committee and also a submission of notification or submission of application for approval to the National Biosafety Board, and other related approvals of regulations by the relevant authorities when necessary.

11. RESPONSIBILITIES OF PROJECT LEADER

- Successful implementation of these projects is the responsibility of project leaders. Project leaders should ensure that the projects are carried out effectively to meet specified objectives and success within the period specified in the required time frame and funds allocated;
- It is the project leader's responsibility to ensure that the correct and updated information related to the milestone achievement and expenditure are reported;

- Failure to submit the Progress Report and audited financial report is a serious omission that will result in the withholding of further fund disbursement or possible termination of project. The report can also be used to apply for changes in timeline for milestone achievement and project schedule;

12. PROJECT EXTENSION

- Under certain circumstances, MOSTI may allow for extension of project duration without additional funding;
- Requests for project extensions must be made in writing via the institutional coordinator to the Flagship Programme Secretariat for approval at least **three (3) months before** the project completion date;
- Applications received after the project completion date, will not be considered. The maximum extension given is up to **6 months including the submission of the End of Project Report**;

13. NOTIFICATION OF RESULTS

The results of applications will be notified within **7 working days** after the convening of the Fund Approval Committee Meeting.

14. ACCEPTANCE OF OFFER

Applicants must accept or decline the offer through within **14 days after notification**.

15. FLAGSHIP PROGRAMME AGREEMENT

The Heads of institutions are required to sign the Flagship Programme Agreement within **30 working days** upon acceptance of the approved projects, failing which MOSTI has the right to revoke the approval.

16. OWNERSHIP AND USE OF R&D EQUIPMENT

All R&D equipment purchased (with special request) under the grant must be recorded and tagged with the project number for monitoring and verification purposes and it belongs to the Institution. All R&D equipment purchased under the project must be maintained by the institution on conclusion of project. However, such equipment is not for the sole use of the institution, and must be made available to other research organizations as and when the need arises.

17. INTELLECTUAL PROPERTY RIGHTS

- Ownership and management of IPR, royalties and any other form of fees received by the institution resulting from technology transfer, licensing of technology or any other form of commercialization, shall be governed in accordance with the terms and conditions outlined in the Flagship Programme Agreement;

- Researchers shall disclose to the Government (MOSTI) in writing, of the existence of the Project Intellectual Property not later than 60 days from the Project Completion Date;
- **Incentive for Project Intellectual Property**
The applicant may apply for the following incentives:
 - i. Incentive for disclosure of the Project Intellectual Property: RM500.00;
 - ii. Incentive for filing of patent of the Project Intellectual Property: RM5, 000.00; and
 - iii. Incentive for granting of patent Project Intellectual Property: RM10,000.00.

Payment of this incentive shall be on a one off basis.

The organisation shall pay:

- The incentive for disclosure of the Project Intellectual Property upon disclosure of the Project Intellectual Property;
- The incentive for filing of patent of the Project Intellectual Property upon receipt of the proof of patent filing of the Project Intellectual Property; and
- The incentive for granting of patent Project Intellectual Property upon receipt of the proof of patent granted of the Project Intellectual Property.

18. PUBLICATIONS

- Researchers are to publish the results of their projects in local and renowned international publications **only after** all measures have been taken to protect IPR generated from these projects. The contribution of MOSTI as the fund provider must be acknowledged at all times in all forms of publications.

19. TERMINATION

MOSTI reserves the right to withdraw the grant in the event of the following:
Any false information provided by the recipient.

- Changes in scope of the research without the prior written consent of MOSTI;
- Change of Principal Researcher of the project without the prior written consent of MOSTI;
- Any false information provided by the recipient;
- Changes in scope of the research without the prior written consent of MOSTI;
- Any misuse of grants;

- Achievement / progress are not as specified in the Agreement of Flagship Programme;
- Any breach of the agreement;
- MOSTI reserves the right, at any time, to review, suspend or withdraw approval of any grant or payment if such measures are deemed necessary; and
- MOSTI reserves the right to make a claim against the recipient for any losses incurred as a result of any default by the recipient as specified in the agreement.

20. EXPENDITURE STATEMENTS AND UNEXPENDED GRANT

MOSTI reserves the right to require the organisation to complete and submit a statement of expenditure at any time during the course of a grant, or to provide supplementary information in support of an interim or final expenditure statement.

The Institution shall return the unexpended grant to MOSTI **within three (3) months after the completion of the project.**