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The Project for Integrated Rural Development of Nepal through Strengthening  
Research and Development Capacity of Kathmandu University

## Pilot Program Implementation Plan

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## **1. Background**

One of Nepalese Government's major strategic goals in the science and technology field is to promote future economic growth through the new and advanced technologies development. Recently, Nepalese government and Korean government agreed to cooperate to achieve this strategic goal and signed an agreement on building a research and development infrastructure for integrated rural development. In accordance with this agreement, KOICA(Korea International Cooperation Agency) on the behalf of Korean Government has launched a project, "Integrated Rural Development of Nepal through Strengthening Research and Development Capacity of Kathmandu University(IRDP)." KOICA will provide USD 10 million worth of human and financial supports for the following activities; i) the establishment of master plan for Nepal Technology Innovation Center, ii) the construction of Nepal Technology Innovation Center, iii) providing tools and equipment for technology development, iv) training personnel for technology development management, v) technology development supporting grant program. Kathmandu University is the exclusive local partner of IRDP project and all activities of IRDP project will be carried out in collaboration with Kathmandu University.

## **2. Objectives of Pilot Program**

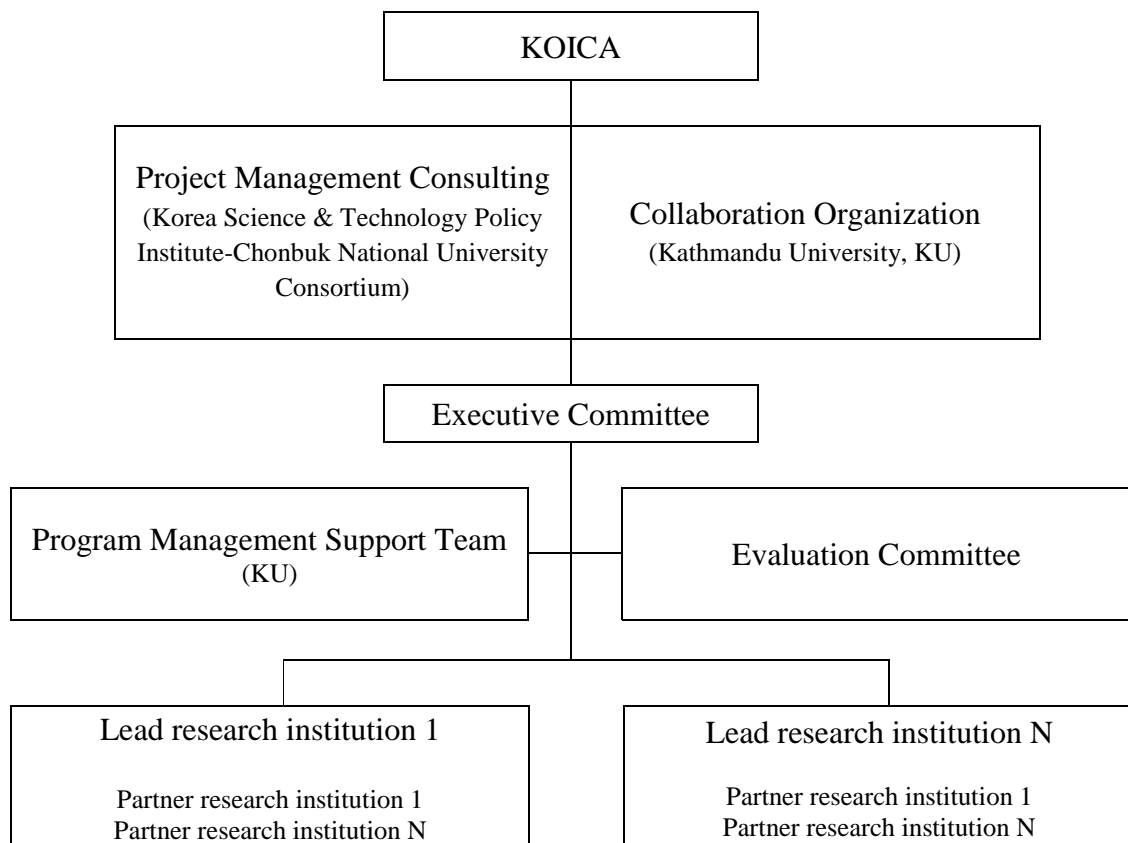
The objectives of this program as a part of the IRDP project are to:

- Support technologies development to solve economic and social problems of rural areas in Nepal
- Develop a business model or commercialize for propagation of innovative technologies
- Test if an operation plan of technology development support programs is valid and feasible
- Generate information that is crucial for future technological innovations for rural development

### 3. Total Supporting Grant and Period of Pilot Program

Category	Details
Total Supporting Grant	200,000 USD
Supporting Period	2018. 10 ~ 2019. 10 (within 13months)
Maximum Grant	40,000 USD per project
Maximum Number of Supported Project	10
Selection Method	Open Competition

### 4. Pilot Program Implementation System



## **5. The Application Areas**

- Agriculture and rural development sector
- New & renewable energy sector
- Health sector related to rural livelihood
- Other sectors contributing to integrated rural development

## **6. Eligibility for Application**

- The following institutions which are established under Nepal's applicable law and have excellent capabilities for technological development can apply for research support grant.
  - University
  - Research Institute
  - Industry
  - NGO
  - Technology Start-up company
- Application is not qualified if;
  - Participating institutions or principal investigator (PI) of a project are restricted from participation of the research grant program by Nepalese or overseas institution.
  - Participating institution or PI of the project received research grant on same or similar subject
- Application can't be qualified if;
  - The proposed project does not match any application area.
  - The proposed project is found to be the same or similar compared to the projects that have been already developed or supported.
  - Participating institution(s) or PI of a project previously failed to carry out obligation such as submission of reports, payment of royalties/the balance/clawback, and so on for another different technology development project.
  - The participation rate of the researcher included in a project is less than 10%, and the number of projects implemented at the same time is more than 4, for the PI, including sub-project PI, the number of projects implemented at the same time is more than 5.

## 7. Eligible Types of Project

- When the project is classified into three categories, eligible types of project must correspond to one type per each category.

Project type	Classification		
	Subject	Development Target	Topic
Project type	single	New product/process Innovation	Designated
		Product/process Improvement	
	Inter-linked	Technology commercialization/propagation	Open

### \* Classification by subject

- Single project: the project that consists of one subject, which is carried out by a research institution or a consortium of multiple research institutions
- Inter-linked project: the project that consists of inter-linked multiple subjects, for example, inter-linked project from technology development to commercialization, which is carried out by a consortium of multiple research institutions

### \* Classification by development target

- New product/process innovation project: the project that create new product/ process by developing creative and unique technology
- Product/process improvement project: the project that improves the performance and quality of existing products, or improve processes to reduce time and cost of production
- Technology commercialization/propagation project: the project that commercializes or propagates existing technologies or innovative product/process for developing rural communities

### \* Classification by topic type

- Designated topic project: the project that technology to be developed is assigned in advance
- Open topic project: the project that technology to be developed is freely proposed by a research team

## 8. Project Budget

- The project budget of a project consists of the grant supported by KOICA and matching fund by participating institution(s) carried out the project.
- The matching fund by participating institution(s) must be counted in kind or in kind and in cash.
- The matching fund by the profit institution(s) participated in a project, must be provided in cash.
- The ratio of the grant supported by KOICA and the ratio of cash burden in matching fund by participating institution(s) depend on the type and tasks of research institution carried out a project.
- Among the project budget of a project, the proportion of the grant supported by KOICA is as follows :

<b>Types of participating institution</b>	<b>Proportions of grant supported by KOICA</b>
<b>University</b>	Not more than 90 % of project budget
<b>Research institute</b>	Not more than 90 % of project budget
<b>Industry</b>	Not more than 80 % of project budget
<b>NGO</b>	Not more than 80 % of project budget
<b>Technology Start-up company</b>	Not more than 90 % of project budget

- Among the matching fund, the proportion of cash burden by a participating institution is as follows;

<b>Types of participating institution</b>	<b>Proportions of cash burden by participating institution</b>
<b>University</b>	Cash burden if necessary
<b>Research institute</b>	Cash burden if necessary
<b>Industry</b>	Not less than 40.0 % of the matching fund
<b>NGO</b>	Not less than 40.0 % of the matching fund
<b>Technology Start-up company</b>	Not less than 20.0 % of the matching fund

## **9. Calculation of Project Expenses**

- The grant supported by KOICA shall be calculated within only the labor cost and material purchase. However, in the case that the lead research institution requests to calculate other items in KOICA's grant, it shall be approved by Executive Committee of this program.
- The labor cost of regular participants in participating institution(s) shall be calculated as the matching fund in kind. However, in case of a start-up company, the labor cost of regular employee(s) can be calculated in cash.
- The labor cost on the participation rate of students, postdoctoral course researchers, researchers, and guest researchers employed to perform a project can be calculated in cash. The researcher(s) has been employed within 6 months prior to the project notice date and will be employed until the end of the task.
- If the labor cost for new researchers is decreased from the original plan after starting a project, the difference shall be returned. If researchers can't be hired as suggested in the original plan, the difference shall be returned.
- A participating institution can calculate overhead cost within 5% of the grant supported by KOICA.
- The project which purchasing and distributing large quantities of goods from project budget can be excluded from selection.
- Attachment "Guideline for Pilot Program Budgeting and Accounting" shall be complied in calculating project expenses.

## **10. Evaluation of Project Proposals (including bonus and negative points)**

- The evaluation for selecting projects to be supported consists of only one stage; evaluation of project proposal.
- The evaluation committee is organized through executive committee' discussion and consensus and three experts from Korea and Nepal are appointed as evaluators for each area.
- The representatives of a lead research institution must submit the required documents including the project proposal within the deadline.
- The total score of project proposal evaluation is calculated by combining the scores from the evaluation of the documents (70%) and presentation (30%).



- Those projects with project proposal scoring 70 points or more are subject to funding. Yet in cases where the total budget of each area exceeds its maximum amount, those with the highest scores are prioritized for funding; although project proposals score 70 points or more, it may not be able to get funded.
- The evaluation criteria of project proposal are as follows;

<b>Criteria (Score)</b>	<b>Details</b>
Goals and significance (10)	- Goals and details of technology development (5) : challenging level of goals, relevance of contents - Significance of technology development (5): feasibility, relevance to the areas, development needs, marketability
Characteristics of technology (20)	- Innovativeness (10): technological innovativeness - Differentiation (10): technological differentiation
Development strategies (25)	- Technology development system (10): appropriateness of the development system - Risk control measures (5): feasibility of risk control measures - Budgeting(10): validity of budgeting for the technology development project
Development capacity (20)	- Capacities of the project team including the PI (20): researchers, research & development infrastructure, etc.
Possibility of Commercialization/Propagation and economic Feasibility (20)	- Willingness of commercialization/propagation (5): utilization of investment strategies, etc. - Relevance of commercialization/propagation plan(10): implementation strategies for commercialization, etc. - Economic feasibility(5): profitability, job creation, etc.
Expected outcomes (5)	- Additional impacts(5): technological, economic, social impacts

- Bonus points in evaluating project proposal are provided when:
  - PI has obtained a patent on or commercialized the results of their technology development projects in past 3 years.
  - A female PI or female researchers accounting for 20% of the total take part in the project and maintain throughout the project (2 points)
  - Any professor(s) or researcher(s) of Kathmandu University takes part in the project which is not hosted by Kathmandu University (2 points)
  - The consortium includes any Korean university, research institution, industry, etc., or any professor or researcher of them takes part in the project. (2 points)
  - The consortium includes any overseas (non-Korean) universities, research institutions,

industries, etc., or any professors or researchers of them take part in the project. (1 point)

- PI or participating institution(s) has collected royalties in past 3 years, based on the royalty agreement with any other organizations (industries) by that he/she is not employed. (1 point)
- PI or participating institution(s) has provided technology transfer, at least once in past 3 years, with any other organizations (industries) through which he/she has not implemented the same project. (1 point)

※ The evaluation committee combines all the bonus points according to the above criteria though the total score must not exceed 5 points.

- Negative points in evaluating project proposal are provided when:

- PI or participating institution(s) has previously implemented a technology development project funded by Nepalese or other countries' institution but the project was suspended due to negligence or considered as negligence in the results of project evaluation. (3 points)
- PI or participating institution(s) has previously abandoned the agreement on technology development project funded by Nepalese or other countries' institution without justifications, after being selected as or during the course of project implementation. (3 points)
- PI or participating institution(s) has committed research misconduct. (3 points)

※ The evaluation committee combines all the negative points according to the above criteria though the total deduction must not exceed 5 points.

## 11. Application Processes

- The period of application and place of submission are as follows;

Category	The period and method
Call for application	Posting on the website of Kathmandu University and a daily news paper August 5 to August 28, 2018
Application form and relevant templates	Available at the website of Kathmandu University (for download) August 5 to August 28, 2018
Submission of project proposal and required documents	Drop off hard copy at IRDP project office at KU or Send electronic copy via email at <a href="mailto:irdp@ku.edu.np">irdp@ku.edu.np</a> August 18 to August 28, 2018 Everyday 10:00 am ~ 16:00 pm.

- In case of integrated project type, the proposal will be registered by the PI of a lead research institution.

- If any misconduct found in submitted documents such as data fabrication, falsification, plagiarism, etc., projects that have committed such acts will be penalized like forfeiting the selection, terminating the agreement, and so on according to the relevant regulations.

## 12. Document List for Application

- The documents to be submitted are as follows;

Document type	No. of copies	Notes
Application for technology development project support	1	Prescribed form, hard copy or electronic
Project proposal	1	Prescribed form, hard copy or electronic
Budget sheet	1	Prescribed form, hard copy or electronic
Participating Institution's Certificates of eligibility for application (for example, main incorporation establishment permit or organization registration certificate, etc.)	1 for each participating institution	Hard copy or scan to PDF
Letter of intent for the participation by representative of partner research institution(s)	1 for each representative	Hard copy or scan to PDF
Project participation agreement	1 for each participant	Prescribed form, Hard copy or electronic
Project participant's employment certificate	1 for each participant	Hard copy or scan to PDF
Project participant's profile	1 for each participant	Prescribed form, hard copy or electronic
Certificates of bonus or negative points	optional	Hard copy or scan to PDF

\* Collaborating institutions refer to the lead research institution and the participating research institution(s) which take part in a project.

\*\* Project participants refer to participating researchers who take part in a project.

### 13. Procedures for Pilot Program Implementation

Procedure	Major activities	Subject	Date
↓ Posting announcement calling for project proposals	← - Announce application for technology development projects grant support - Post on KU website and daily newspaper	KOICA, PMC, KU	08/03~08/28
↓ Holding an interaction workshop on pilot projects	← - Explain pilot program implementation plan for Nepalese researchers - Q/A session on application	KU-IRDP Team	08/13
↓ Receiving project proposals	← - Receive main project proposal and other documents	KU-IRDP Team	08/18~08/28
↓ Organizing evaluation committee	← - Select evaluation committee members by each sector - CBNU professors, KU professors and Nepalese experts	Executive Committee	08/28~08/30
↓ Evaluating project proposals and submitted documents	← - Check eligibilities, evaluation score preferences, and evaluation score deductions	KU-IRDP Team	08/31~09/03
↓ Evaluating presentations of project proposals	← - Present main project proposal by each PI - 20mins presentation and 30mins questions and answers	Evaluation Committee	09/04~09/05
↓ Selecting projects	← - Review the evaluation results - Confirm projects to be supported	Executive Committee	09/06~09/09
↓ Obtaining Approval from KOICA	← - Review and approve the result of pilot projects selection	KOICA	09/10~09/17

↓				
↓	Notifying final selection result to lead research institutions	- Notifying final selection result to lead research institutions - Giving guide on the procedures and documentation for project contract	PMC	09/18
↓	Making project contracts and depositing KOICA grant	- Check all documents for project execution agreement - Make agreement between the head of lead research institution, PMC and KOICA - Deposit KOICA's grant by PMC	PMC	09/20~09/30

## 14. Collection of Royalty

- After the project ends, royalties can be collected from profit organization(s) whose result is evaluated as "Innovative performance ", "Normal performance ", or "Sincere performance ".
- Royalties will be collected only for the grant supported by KOICA.
- A profit organization(s) shall pay basic royalty and ordinary royalty to the project management support team in KU if the organization(s) utilizes the technology development result.
- The ordinary royalty is calculated by multiplying sales obtained from the utilization of technological development result by the ratio of ordinary royalty in following table.

Profit Organization	Basic royalty	Ordinary royalty
<b>Industry</b>	4% of grant supported by KOICA	4% of Sales
<b>Research institute/NGO</b>	2% of grant supported by KOICA	2% of Sales
<b>Technology Start-up company</b>	1% of grant supported by KOICA	1% of Sales

- The royalty collection period is for three years since the time when the revenue occurs or for five years after the project ends, whichever comes first.
- Non-profit organizations can collect royalties in accordance with their own royalties collection and management regulation.

## 15. Other Notifications

- If any project that has been submitted or that is in the course of implementation after the signing of the agreement is found to have been already developed or supported, the issue of duplication of projects can be raised
  - from the date of the project competition announcement to the end of interim evaluation period
  - to PMC or Project Management and Support Team
  - by submitting the official letter (relevant ground materials attached) in the name of the representative of the organization or the person that is raising the issue
- The maximum KOICA's grant for each project must not exceed US40, 000\$.
- Though bonus points given in the evaluation process regarding the participation of female researchers, if the respective organization fails to maintain the conditions for obtaining bonus points such as the number and proportion of female researchers, the labor cost that cover female researchers are subject to disapproval.
- During project implementation, funding can be subject to changes resulted from KOICA's policies and budgeting, or executive committee's judgment, or evaluation committee's evaluation results, etc.
- Tangible outputs, such as equipment, research facilities, trial products, etc. that are created during project implementation are owned by the lead research institution. Yet, in cases where a participating institution achieves a tangible output for the purpose of ownership in line with its project proposal, the output is owned by the respective institution.
- Intangible outputs, such as intellectual property rights, copyrights of papers, research notes, etc. that are created during the project implementation are solely owned by the institution that develops any of them. Yet, in cases where multiple organizations are involved in joint development of an intangible output, the output is subject to joint ownership of those involved institutions; whether an intangible output is solely or jointly owned depends on the involved institutions' contributions to the development of the output, based on the details of their project plan (implementation methods, contribution level, research area of each implementing organization, composition of the budget, etc.)
- In cases where a foreign institution participates, any intellectual property rights as a result of project implementation should be provide Nepalese implementing organization for royalty-free license.
- The project proposal should use the templates provided.
- Budget allocation, adjustment, management, execution and settlement should be in compliance with attached "Guidelines on Pilot Project Budgeting and Accounting."

- Project agreement and on-site inspections, interim and final evaluations of a project and etc. should comply with “Guidelines on Pilot Project Implementation and Management.”
- Those cases that are not mentioned in this plan, attached guidelines or other relevant materials as well as different views should follow the decisions made by Executive Committee and the final decisions will be made by KOICA.

## **16. Contacts**

- For further information and templates, please refer to the website of Kathmandu University; [www.ku.edu.np](http://www.ku.edu.np)
- For further information and enquiries about this program, please email;
  - Project Management and Support Team at [irdp@ku.edu.np](mailto:irdp@ku.edu.np)
  - Contact Person in PMC at [swkim@jbnu.ac.kr](mailto:swkim@jbnu.ac.kr)