

Sources of Government Support and Funding

The Government offers a range of support across the innovation pipeline. This document outlines the main sources of support available to you. Information is correct at the time of writing++.

Users of this document should use the hyperlinks provided to check for changes.

Stages of innovation.



discovery

Pure R&D / Applied R&D
Idea Generation & Screening
Concept Development



evaluation

Feasibility
Business Case
Pilots & Prototypes
Market & Consumer Insights
Consumer Testing / Feedback



execution

Scale Up
Branding and Marketing activities
Paths to Market
Commercialisation

++February 2024.

Regional Business Partnership Network

A Government supported gateway service that connects you to the right advice, people and resources.

regionalbusinesspartners.co.nz

[Click here](#) to see their resources page.

Be directed to other government sources of help, including:

- The government's dedicated website for businesses
- NZTE's 'The New Zealand Story' branding and assets library,
- Te Puni Kokiri (information, advice and relationship brokering for Māori)
- NZ Stats Business Toolkit
- Information on the government's Digital Boost programme
- Information on the Business Mentors programme.

about

Jointly managed by Callaghan Innovation and the Ministry for Business, Innovation and Employment.

There's a nationwide network of Regional Business Partnerships (across 14 regions).

- Be connected with local Growth Advisors
- Access training and development grants, and other support
- Access pathways to other types of government help

Business Capability Development Scheme

New Zealand Trade and Enterprise (NZTE) offer specific funding for business training and coaching through their Business Capability Development Scheme, with a subsidy of up to 50% of any required costs (up to a maximum of \$5,000 NZD). It's designed for businesses who have less than 50 full-time employees. Apply via your Regional Business Partner advisor.

Ministry for Primary Industries

Sustainable Food and Fibre Futures (SFF Futures)

The SFF Futures Fund supports innovative initiatives and transformational programmes that create more value, develop capacity and new practices, and deliver long-lasting economic, social, cultural and environmental benefits.

mpi.govt.nz/funding-rural-support/sustainable-food-fibre-futures/

about

Proposals may relate to new products, new practices, or new models/partnerships/systems. Proposals can include an Applied R&D component but must include a path to market / commercialisation. Pure R&D/science is not eligible.

The SFF Futures assessment criteria are:

- Sustainable benefits to New Zealand
- Innovation
- Beyond business as usual
- Fit with relevant strategies
- Adoption and extension/path to market
- Ability to deliver
- Governance
- Risk identification and mitigation
- Budget.

Funding cannot be used for capital expenditure purchases that subsidise commercial operations. However, it can be used for pilot capital expenditure purchases like enabling new product development or making a prototype.

funding overview

Funding type	MPI amount	Length
Small grant	Up to \$100,000	Up to 1 year
Grant	Up to \$2 million	Up to 3 years
Small partnership	\$2 million to \$5 million	3 to 5 years
Partnership	Over \$5 million	5 years or more

The assessment process for the larger Partnership grants can take a minimum of six months, and requires a detailed Business Case to be prepared.

The starting funding ratio is 40:60 (60% of project costs paid by the applicant).

AGMARDT

AGMARDT provides seed funding for businesses and other industry groups to develop and assess innovative ideas. AGMARDT also provides support for conferences, capability building, and fellowships. See website for details.

agmardt.org.nz/agribusiness-innovation-grants/

project should:

- Pursue 'on the edge' ideas that can transform a business or industry.
- Accelerate innovation and respond quickly to opportunities that are driven by new ideas or insight arising from the marketplace.
- Facilitate and promote collaborative industry innovation across the food & fibres sector.
- Gain a better understanding of world class best practices; and
- Develop and evaluate innovative ideas to a stage where they can attract other investment for further development through to commercialisation.

funding overview

There are two categories of Agribusiness Innovation Grants:

- Pre-trial/pre research or demonstration/ investigation purposes
- Seed funding up to \$30,000 (incl. GST) for preliminary investigation. No co-funding required.
- Research and technology development
- For projects with a total cost exceeding \$20,000. Co-funding of at least 40% required.

Normally there are four funding rounds per year.

NOTE: The fund is currently closed until July 2024 due to allocated budget being fully spent.

Callaghan Innovation

Callaghan supports access to expertise, services, facilities and funds in the fields of innovation (including a Māori Innovation Hub), technology and product development, research and development. Callaghan also provides Student Grants. See website for details.

callaghaninnovation.govt.nz/grants

New to R&D Grant

Provides funding and support to develop your R&D capability in the seven critical areas listed below.

- Understanding and using customer input
- Intellectual Property
- Regulatory and Compliance
- Lean R&D
- Project Management
- R&D Information Management
- Understanding the R&D Tax Incentive.

The maximum grant is \$400k, 50% of which can be spent on R&D and 50% on Capability Development.

The grant will pay a max of 20% of your total R&D activities. You will still cover 80% of costs.

You must have spent less than \$50k, in total, on R&D over the past 3 years.

You must not have received more than \$5k of govt assistance to R&D since 2019.

Arohia Innovation Trailblazer Grant

- Support activities (excluding R&D) involved in taking your innovation to market for the first time. E.g., Customer and market insights, proof of concept, purchase of reports, data and evidence of novelty, cost of professional services and advice
- Your innovation can be a product, process, service or business model, or a combination of these
- Two grants in one - as well as offering funding to help get an innovation to market, also supports you to apply for funding.

Seed Grant, up to \$250k @ funding ratio of 50:50. Apply any time.

12-month project duration.

Full Grant, up to \$4m @ funding ratio of 30:50 (30% from Callaghan). Minimum Callaghan grant is \$100k, meaning minimum applicant contribution is \$333k. Four funding rounds per year.

24-month project duration.

Continued >

Callaghan funded Accelerators & Incubators

Callaghan Innovation funds a selection of **start-up and founder accelerators and growth programmes**. Information can be found [here](#).

The Callaghan **Deep Tech Incubator programme** was created to fund and support innovators to develop awe-inspiring, out-there ideas from concept to reality. Deep Tech refers to advanced technologies that are based on significant and defensible scientific or engineering advances rather than incremental refinement or delivery of standardised technologies. To be eligible for this support, wool innovators will need to be operating at the extreme edge of wool innovation – and have a Deep Tech, novel and defensible IP proposal with significant scientific or technical advancement, and many years of commercialisation ahead of you. Nanotechnologies, advanced materials science and biotechnologies are included within the broad definition of Deep Tech.

The four Incubator companies delivering these services for Callaghan [can be found here](#).

Successful applicants get a minimum of \$1 million in funding — \$750,000 of which is a repayable grant — to help cover costs associated with commercialising their technology.

The Bioresource Processing Alliance (BPA)

The BPA works with the primary sector to get better value out of biological secondary / waste streams, by paying for science R&D costs incurred by industry project partners. Funding is paid directly to the science R&D provider.

bioresourceprocessing.co.nz/

about

The BPA co-fund R&D projects that use raw materials derived from forestry, marine, agricultural, horticultural, animal and microbiological streams. 100% of the funding (the BPA's funds plus co-funding from industry partners) goes to paying researchers' costs.

The BPA provides industry with access to scientists and engineers, who look for ways to add value to low value biological by-products. The fund covers consultancy, research and development, through to pilot plant trials and commercialisation.

Suitable projects include:

- Waste minimisation, resource utilisation and maximising recovery of waste
- Adding value to a raw material that otherwise is going to landfill or a low value use (e.g., pig food)
- Use of secondary / low-grade resource streams (e.g., 3rd grade fruit)
- An attempt to convert low value streams to high value streams by adopting new technologies, utilising high value processing techniques.

funding overview

The BPA has \$2.4m per annum to invest in R&D projects with BPA partners (AgResearch, Scion, Plant and Food Research, Callaghan Innovation), as well as universities.

The funding proposal must be submitted by one of the BPA Partners or a university.

Four funding rounds per year.

Projects can range anywhere from \$5,000 to around \$800,000 (although most projects tend to be under around \$150,000).

Industry partners are expected to contribute cash and in-kind co-funding of between 25% to 50% per project (the closer a project is to developing a finished product/process, the more co-funding is expected from industry partners).

Continued >

Bioresource Processing Alliance Virtual Pilot Plant Network

The BPA has a free virtual pilot plant network (VPPN) that lists a wide range of bioprocessing equipment in Crown Research Institutes, universities, research organisations and in industry.

bioresourceprocessing.co.nz/virtual-pilot-plant-network/

- Anyone can register equipment that they would like others to use for bioprocessing.
- People can view equipment, specifications, locations and contact details of the equipment owner.
- It is then up to the parties to come to an arrangement about costs associated with using the equipment.
- It is particularly useful for people wanting to trial product or process development at lab, pilot, pre-commercial or commercial scale prior to having to invest in the equipment themselves.
- Researchers across organisations also find it useful so as not to double-up on the purchase of equipment.
- The wool sector is underrepresented on the network currently and we are working to add more wool expertise and plant to the VPPN (it's free to register).
- As expertise and plant from other sectors can be applicable to wool related innovation, the VPNN is nevertheless a useful resource.

- Types of expertise signed up to the BPO Pilot Plant Network:
- Industry (all with biological processing needs)
- Scientists (in research organisations)
- Engineers (in research organisations)
- Equipment suppliers/manufacturers.

Types of plants available on the Pilot Plant Network (not exhaustive):

- Dryers
- Supercritical CO2 equipment
- Extraction equipment
- Carbon bed filters
- Pulping equipment
- Electrospinning
- Scrubbing technology
- Hydrothermal processing
- Coatings
- Plastics processing
- Foaming equipment
- Fermentation equipment
- Pulsed Electric Field plant
- Mills
- Dewatering equipment

New Zealand Trade and Enterprise (NZTE)

NZTE offers a wide range of services and support.

International Growth Fund

my.nzte.govt.nz/collection/accessing-the-international-growth-fund

about

You need to sign up as an NZTE member before you can access this information. This can be done on their website.

Applicants can access up to \$600k over 3 years. There are 3 types of IGF grants, each designed to support different growth projects. Each has different amounts of co-funding available and specific assessment requirements. There are no funding rounds. Annual budgets are limited and the fund can close ahead of the financial year end if funds become fully allocated.

grants

Springboard Grant – 1 per financial year allowed

- Up to \$5k for NZ focused projects. Up to \$10k for international projects
- Springboard projects are relatively small, short-term (of up to 6 months duration) and focus on addressing a specific need, capability gap or opportunity. Co-funding of up to \$5,000 is available for New Zealand-focused projects and up to \$10,000 for international projects.

Validation Grant – must have international revenue of less than \$500M

- Up to \$100k. These are medium-term (up to 12 months duration) and focus on researching, testing and/or validating a market or opportunity. Co-funding of up to \$100,000 per customer is available for these projects.

Expansion Grant – up to \$600K (if you received a Validation Grant, this amount is included in your \$600k maximum allowance)

- Expansion projects are longer-term (usually between 2-3 years in duration) and designed to help you accelerate, expand and grow in a market(s) that is of strategic importance. These projects must also leverage wider NZTE support in that market. Co-funding of up to \$600,000 per customer is available for these projects. Assume a 50:50 funding ratio.
- For Validation and Expansion Grants, applicants must have been an NZTE Focus customer for at least six months.

The IGF covers a wide range of activity to address gaps, overcome barriers, research and validate markets, and accelerate international expansion and growth. It covers:

- Recruitment and staff remuneration*
- Brand, marketing and public relations
- Market research and consumer testing
- Travel, trade shows and industry events*
- Advice from professional services providers and professional training
- Base rent for new office premises in market*

*Not eligible for Springboard projects.

Across all activity areas, costs must be:

- Directly related to the scope of your IGF project
- For work completed within the project period
- Incurred by the business (actual money spent)
- Legal in New Zealand and markets they relate to/where activity has happened in
- Compliant with New Zealand trade obligations
- An appropriate use of taxpayer money (e.g. no gifts, entertainment).

Strategic Investment Fund (SIF)

Provides grants for Feasibility Studies that allows applicants to gauge investment opportunities and attract investment. The fund is for NZ based companies who are **looking to raise capital offshore of \$10M or more.**

Feasibility Studies can include consenting, engineering, technical design, legal, tax and regulatory issues, and costed designs for CAPEX investments. Grants will cover 50% of Feasibility Study costs. Maximum NZTE grant of \$250K.

Applicants must be NZTE customers. Your Investment Manager will guide you through the process.

The NZ Story

nzstory.govt.nz/

Access research, guidance, and a toolkit to support your story telling about your New Zealand product.

The Product Accelerator

The Product Accelerator helps connect industry with research expertise, solving industry problems, building productivity and supporting the transformation of the economy through knowledge.

nzproductaccelerator.co.nz/ntr/

about

The Product Accelerator includes a Testing Register (database), which has a search function. Industry can search for testing capabilities by key word. This is an excellent resource, although listings specific to the wool industry are currently limited. (We're working to add new entries to their database.) People looking to innovate with wool may also find capabilities and facilities from other sectors relevant to their innovation challenges.

WiseWool and Bremworth have put projects through the Product Accelerator. All Product Accelerator projects are contracted through members' Commercialisation Offices.

The Product Accelerator Enterprise Engagement Model consists of four distinct stages:

| Our research partners



Engage - No charge to industry. The engagement stage with a company starts with a conversation about the company, its needs and its opportunities. Market and product strategies, as well as technology challenges and barriers come up, as we define the business and technology edge which would enable exceptional value to be generated.

Define - No charge to industry. A clear project scope is part of this Define stage, along with the resources from the company and from the network to enable success. This will result in a project contract if it has the support of the top management of the company.

Connect - No charge to industry. We connect with a wide range of people inside and outside our network, who help in the Define stage and also many become part of the project team if approved by the company.

Deliver - Costs charged for this stage. A Project Lead from NZ Product Accelerator is assigned, and a project team approved by the client company gets to work. Projects range from 2 weeks to 2 years in duration.