



MRC
Global Funding for
Rubber Innovation

Global Funding for Rubber Innovation

Application Guidelines



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Last updated: October 2023

CHAPTER 1: INTRODUCTION TO MRC GLOBAL FUNDING FOR RUBBER INNOVATION

1.1 DEFINITION OF GLOBAL FUNDING FOR RUBBER INNOVATION

The MRC Global Funding for Rubber Innovation is a grant provided by the Malaysian Rubber Council (MRC) to seed innovative inter-disciplinary non-fundamental research with the potential to promote investments in high-value products and technologies within rubber and rubber products industry.

1.2 OBJECTIVE OF GLOBAL FUNDING FOR RUBBER INNOVATION

The main objective of the MRC Global Funding for Rubber Innovation is to encourage the generation of ideas, innovations and inventions for rubber products and technologies with good commercial viability to attract investment by the Malaysian rubber industry.

The specific objectives are as follows.

- a. To support the Malaysian rubber industry in introducing new or enhanced rubber products to domestic and international markets; and
- b. To develop new or enhanced technologies and processes for adoption by the Malaysian rubber industry, which cover upstream, midstream and downstream sectors.

1.3 RESEARCH PRIORITY AREAS

- a. Broad-spectrum of the rubber industry covering whole supply chain from upstream to downstream sectors. Research must involve rubber at any point of processing, not necessarily the making of rubber products.
- b. Research projects to be funded must fall within Technology Readiness Level 3 or TRL3 (proof-of-concept) to TRL7 (detailed design and assembly level build) that can provide solutions to issues and challenges faced in the entire rubber industry value chain.
- c. Research findings from the project to be carried out are expected to be ready for commercialization. The project is required to include proof of concepts (to ensure potential real-life application of the ideas) and prototype development (to physically demonstrate how the ideas work) activities in the proposal.

1.4 ELIGIBILITY CRITERIA

- a. The application is open to all local and overseas researchers from public and private research institutions, universities, other institutes of higher learning and companies based in Malaysia and overseas.
- b. Researchers must have the knowledge and competency to complete the project successfully.
- c. Application can be submitted individually or in a group. Upon approval, an agreement will be signed between MRC and the Organization that the project leader is attached.

- d. Researchers can **lead** only one (1) project at any time. The researchers/project leaders must submit a Final Project Report before submitting a new application.

1.5 SELECTION CRITERIA OF THE PROJECT

A Global Funding for Rubber Innovation Committee appointed by MRC will assess all project proposals based on the following criteria:

- a. Alignment with strategic goals of the Global Funding for Rubber Innovation;
- b. Commercialization impact and industry benefit;
- c. Novelty/uniqueness of the innovation (e.g. patentability, creating value or addressing unmet needs, introducing new method, concept or technologies);
- d. Project technicality and viability (e.g. maturity level, effectiveness and degree of difficulty);
- e. Sustainable approach;
- f. Feasibility study results (e.g. risk management, scalability, cost efficiency, etc.); and
- g. Researchers' capability and capacity (including personnel and environment).

1.6 SCOPE OF FUNDING

- a. The quantum of grant approved is according to the project proposal. A maximum full grant of RM400,000 for researchers based in Malaysia or USD150,000 for researchers based outside of Malaysia.
- b. The funding can be utilised for the following categories of research expenditure.
 - i. Salary and Allowance;
 - ii. Travel and Transportation;
 - iii. Rentals;
 - iv. Research Materials and Supplies;
 - v. Minor Modifications and Repairs;
 - vi. Special Services such as consultation and sample testing and analysis; and
 - vii. Prototype Development.

Note:

- Maximum allocation of up to 15% from the total project cost for the "Salary and Allowance" budget category to allow a significant portion of the approved budget to be channelled to the project work conduct and processes.
 - The "Salary and Allowance" budget category shall only cover the monthly salary of the postgraduate student(s) or contract personnel(s) undertaking the project. Project leaders under the employment of the Organization are ineligible to receive the remuneration for executing the project.
- c. A separate financial reward will be awarded to researchers whose completed project sees commercial uptake. The quantum will be based on the advantages of the project to the industry.
 - d. The costs of IP filing and registration are outside the scope of the grant approved.

1.7 LOCATION OF PROJECT

The research project can be carried out in Malaysia and overseas. The Global Funding for Rubber Innovation Committee may conduct an on-site audit upon milestone achievement and disbursement.

1.8 PROJECT DURATION

- a. The project duration shall be two (2) years from the commencement date.
- b. Researchers are required to provide the following information throughout the project duration.
 - i. To submit quarterly reports accompanied by deliverable milestones, i.e. project progress report and financial report, to the Secretariat for review by the Committee.
 - ii. To present interim and final research findings to the Committee. Presentation of interim is a mid-term review of project duration.
 - iii. To submit a complete project report to the Secretariat for review by the Committee.

1.9 PROJECT CONFIDENTIALITY

- a. All documentation involving the Global Funding for Rubber Innovation is considered as “Confidential Information” and shall remain confidential at all times upon project proposal submission.
- b. Project leaders and the research team shall maintain the confidentiality of projects and not disseminate any project information to third parties.
- c. Project leader, Organization and Collaborator (if any) shall sign a declaration form upon project proposal submission and agreement upon project application approval.

1.10 RESPONSIBILITY OF THE PROJECT LEADER

The successful implementation of the project is the responsibility of the project leader. Project leaders shall ensure that the projects are carried out effectively and with full integrity to meet the specified objectives and milestones of the projects within the approved timeframe and grant.

1.11 RESPONSIBILITY OF ORGANIZATION

The Organization shall be responsible for their project leader’s research conduct to ensure that the research is undertaken according to the highest standards of research integrity. It shall assume responsibility for the research until its completion. The Organization shall also be responsible for the salary payment of their employees involved in the research project.

1.12 THIRD-PARTY COLLABORATIONS

There is no requirement for industrial collaboration for projects funded under the Global Funding for Rubber Innovation. Nevertheless, project leaders are allowed to work with collaborator(s), if any. However, the collaborator is not entitled to receive (directly or indirectly) any part of the grant. The collaborator representative must attend the interim project presentation with the project leader.

1.13 ENGAGEMENT OF CONSULTANT UNDER SPECIAL SERVICES

If a project requires specific expertise beyond the capability of the project leader and research team, a consultant may be engaged, and the proposal to appoint the consultant shall be included in the project

proposal. The consultant shall provide expert advice and/or services related to the project without being heavily involved in the design or execution of the project. The consultant must be an independent individual and not from the same Organization as the applicant. Depending on their qualifications and expertise, they can be from consulting firms or academic institutions. A commitment by the consultant to participate in the project may take in the form of a formal letter. If payment is considered, anticipated fees shall be included in the project proposal under the Special Services category.

Note: Consultant shall include experts on rubber material and processing, rubber industry, financial, social compliance, legal, sustainability, commercialization, sample testing and analysis, etc.

1.14 VIREMENT IN PROJECT COSTING

Request for any virement within project costing from the approved proposal must be made three (3) months before the end of the project term. MRC reserves the right to reject any additional expenses incurred without prior approval.

Note:

- No grant may be vired between categories without prior MRC approval.
- No virement should be made where it would result in over expenditure.

1.15 PROJECT EXTENSION

- a. Requests for project extensions must be made in writing by the project leaders for approval at least **three (3) months before** the project completion date. The requests for extensions must be accompanied by appropriate supporting evidence.
- b. Applications for project extension received after the project completion date will not be considered.
- c. The maximum duration of the extension is **six (6) months, including the submission of the Final Project Report.**

Note: Request for project extension **beyond six (6) months** shall be reviewed by the Committee for approval or termination.

1.16 NOTIFICATION OF RESULTS

The results of applications will be notified to applicants within **20 working days** after convening the quarterly Committee meeting.

1.17 ACCEPTANCE OF OFFER

Applicants must either accept or decline the awarded funding offered by Global Funding for Rubber Innovation within **14 working days after receiving the Notification or Letter of Award.**

1.18 GLOBAL FUNDING FOR RUBBER INNOVATION AGREEMENT

The project leaders are required to sign the Global Funding for Rubber Innovation Agreement within **thirty (30) working days** upon acceptance of the approved projects, failing which the MRC has the right to revoke the approval.

1.19 INTELLECTUAL PROPERTY RIGHTS

- a. Project leader is required to generate IP (e.g. patent, copyright and industrial design) from the funded project. The cost of IP registration and maintenance will be borne by the MRC and outside of the approved project cost.
- b. IP generated from research projects shall be owned by MRC, which will make it available for open access to the eligible industry members of Malaysia rubber industry. This is to ensure that the projects carried out will benefit the industry.
- c. MRC will work on the commercialization of viable projects via business development and marketing efforts.

1.20 PUBLICATIONS

Upon project completion and IP filing, researchers must obtain approval from MRC to publish the results of their projects in local and international publications.

Note:

- The contribution of MRC as the fund provider must be acknowledged at all times in all forms of publications.
- Researchers must submit one (1) copy of all research papers/journals within one (1) month to MRC upon publication.
- Project leader may present the research findings in any seminar, conference or workshop as requested by MRC. The MRC will bear the cost of attending the requested event upon project completion.
- Project leader is not allowed to publish any data or information from the funded project before its completion to ensure a successful IP filing.

1.21 QUARTERLY FINANCIAL REPORT

Each project leader must submit to MRC a Quarterly Financial Report together with the progress report and findings of all approved projects in a digital file (Excel format) as in **Appendix I: Table 1**.

Note: All reports are private and confidential. The Committee may conduct an audit check on the amount spent by the researchers, as reported in the Quarterly Financial Report.

1.22 CHANGE OF PROJECT LEADER

Under circumstances that the project leader/team member intends to resign, retire or move to another Organization, he/she must inform MRC and recommend a suitable replacement within the same Organization for approval. The new project leader/team member must have the necessary expertise and experience to lead the project.

1.23 TRANSFER OF GRANTS BETWEEN ORGANIZATIONS

Under circumstances that the project leader wishes to transfer and bring his/her project to another Organization, it is allowed on condition that both parties agree to it by signing a written agreement. The receiving Organization must be eligible to be the Global Funding for Rubber Innovation recipient. The project must be carried out in line with the original scope approved.

If either party does not agree to the agreement, MRC will terminate the project, and any unspent funding shall be returned to MRC.

Note:

All research findings, either completed or incomplete, shall belong to MRC, as stipulated in the Global Funding for Rubber Innovation Agreement.

1.24 TERMINATION

There may be a need to terminate the approved funding at any point before its completion based on the following:

- i. Any false reporting by the project leader;
- ii. Any misuse of the grant provided;
- iii. Non-performance in terms of progress, such as incompleteness of milestones;
- iv. Variation of the scope of the project without getting prior approval from MRC;
- v. No suitable project leader as a replacement for the original recipient institution/Organization in cases as in 1.18 and 1.19; or
- vi. Any breach of the signed agreement.

Note: Unspent funds shall be returned to MRC.

1.25 COMPLETION

Upon receiving Final Project Report, the Committee shall review and assess the overall progress and deliverables of the projects from the Final Project Presentation by the project leader. The Committee shall decide on the completion status of the presented project.

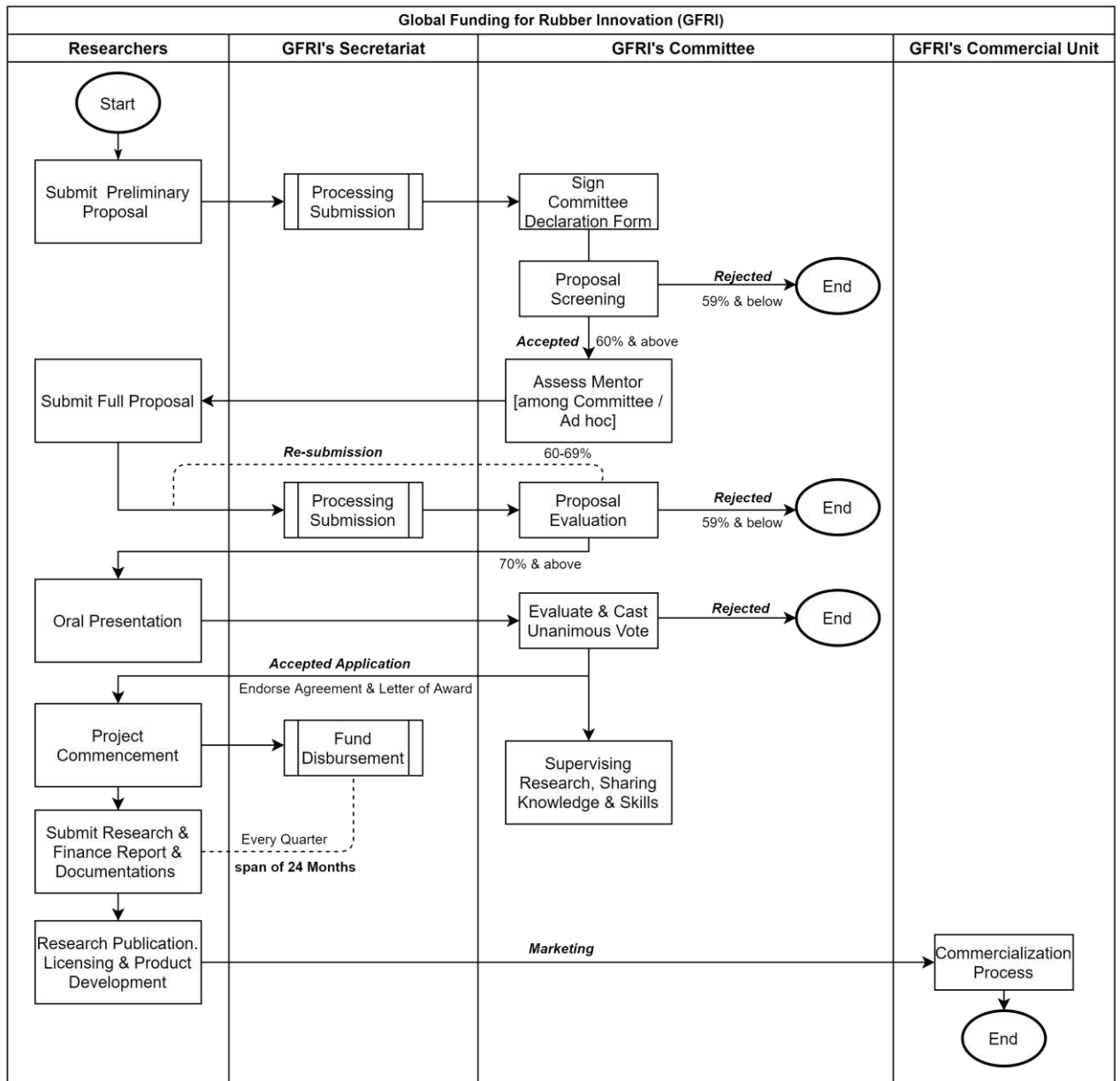
If the project is completed without spending the total amount of the approved grant, the grant shall be closed out, and the project leader shall repay all unspent sums to the MRC. MRC shall not be obliged to make any further payments in respect of the projects.

CHAPTER 2: PROPOSAL APPLICATION AND SUBMISSION

2.1 GLOBAL FUNDING FOR RUBBER INNOVATION PROCESS FLOW

Project applications need to undergo three (3) stages of evaluation, i.e. preliminary proposal, full proposal and oral presentation. The project approval process is shown in Figure 1.

Figure 1: The Project Approval Process



2.2 PROPOSAL APPLICATION AND SUBMISSION

Applicants are only required to submit a “Preliminary Proposal” prior to submitting a “Full Proposal” via the MRC GFRI online system (www.myrubbercouncil.com/gfri/gfriapplication/).

An applicant first needs to register in order to receive a login name and password, and thus get access to the proposal application for preparing, uploading and submitting a proposal.

All research proposals can be submitted throughout the year.

Contact Details of GFRI Secretariat:

MRC GLOBAL FUNDING FOR RUBBER INNOVATION SECRETARIAT
CORPORATE PLANNING & RESEARCH DIVISION
MALAYSIAN RUBBER COUNCIL
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EMAIL: gfri@myrubbercouncil.com

CHAPTER 3: PROJECT EVALUATION

The project evaluation consists of three (3) stages; screening, financial and technical assessment, and proposal presentation before it is approved by the Global Funding for Rubber Innovation Committee.

The Global Funding for Rubber Innovation Committee comprises a Chairman and Committee members who are industry experts appointed by the MRC. However, Ad hoc experts, including international peer reviewers, can be invited to assist in the evaluation as and when necessary.

3.1 SCREENING STAGE

- The Secretariat will screen all preliminary proposals submitted to MRC before submitting to the Committee to ensure that the project proposals conform to the Global Funding for Rubber Innovation requirements.
- The Committee will study the project applications based on the merits of product innovativeness, commercial potential, industry impact, research methodology used, and research capabilities.
- A project proposal will be evaluated based on the following weighted criteria.

No.	Criteria	Weightage
1	Industrial Impact	30%
2	Research Quality	25%
3	Uniqueness/Innovation	25%
4	Feasibility Study Results	20%
Total		100%

*Rating will be given to each criteria based on a scale of 1 to 5:
(1 – very poor; 2 – poor; 3 – average; 4 – good; 5 – excellent)*

The grades for approval of the project are as below.

60% and above : Project is eligible to proceed with the full proposal application
59% and below : Proposal is rejected

3.2 TECHNICAL AND FINANCIAL EVALUATION STAGE

- A full project proposal submitted to MRC will be evaluated in detail, technically and financially, by the Committee.
- The Committee will assess various technical aspects of the research proposal. It will also ensure that the project leader and project team are technically competent, the project costs are fair, and the available research equipment and infrastructure are optimised.
- A project proposal will be evaluated based on the following weighted criteria.

No.	Criteria	Weightage
1	Benefits to the Industry	30%
2	Marketability	25%
3	Technical	15%
4	Patentability	10%

5	Financial/Cost-benefit	5%
6	Capability of Researchers	5%
7	Duration of Project	5%
8	Literature Search	5%
Total		100%

*Rating will be given to each criteria based on a scale of 1 to 5:
(1 – very poor; 2 – poor; 3 – average; 4 – good; 5 – excellent)*

The grades for approval of the project are as below.

- 70% and above : Proposal is shortlisted for oral presentation. Committee decides on the approval based on the oral presentation.
- 60% to 69% : Researchers may be allowed to revise and resubmit their proposal based on the Committee’s comments.
- 59% and below : Proposal is rejected.

Note: Shortlisted projects will be invited for presentation to the Committee as part of the proposal evaluation process.

3.3 PRESENTATION OF PROPOSAL STAGE

The Committee will make a final decision in approving a proposal upon reviewing the project during the presentation by the project leader to the Committee. In the realm of decision-making, a minimum of 80% of the Committee members, excluding abstain votes, is required to provide their approval for the ultimate acceptance of the improved proposal and further justification by the project leader. Any decision made by the Committee is final.

Note: The Committee may request to resubmit improved proposals if deemed appropriate or relevant.

CHAPTER 4: ALLOCATION AND DISBURSEMENT OF FUND

4.1 QUANTUM OF FUNDING

The quantum of each project depends on the proposal received. The grant size for each project shall not be more than RM400,000 for researchers based in Malaysia or USD150,000 for researchers based outside of Malaysia.

Note: A separate financial reward to researchers whose completed project sees commercial uptake. The quantum will be based on the advantages of the project to the industry.

4.2 FUND UTILIZATION PROCEDURE

The project leaders shall abide by the following MRC Fund Utilization Procedure in conducting research projects funded under the Global Funding for Rubber Innovation programme. Secretariat shall cross-check the retail market price for the requested/purchased research supplies, materials and equipment for the approved projects.

- a. Every proposed purchase of materials, equipment, machines or procurement of services must be accompanied with justifications and relevant quotations.
- b. Purchase orders/quotes submitted during application must be based on current retail market prices.
- c. Any increase from the approved price is only allowed with strong justifications.
- d. Purchase of materials, equipment, machines or services worth more than RM5,000 or USD2,000 must be accompanied with three (3) quotations and solid evidence.
- e. All payments must be made in lump-sum, and the "split payment" method is prohibited.
- f. All financial transactions must be made in an orderly manner and accompanied with expense documentation, including quotations, invoices, purchase orders (PO), delivery orders (DO), receipts, etc., and to be submitted together with quarterly reports.
- g. Fund recipient/project leader/researcher must not have any business interest with collaborators and suppliers of research materials, equipment, and consultation services for the approved projects.
- h. Researchers are not allowed to use the awarded fund to make purchases that are not directly related to the research project. Non-eligible purchases are as follows:
 - Purchase of personal IT equipment and communication (e.g., personal desktop/laptop, computer software not relevant to the approved projects, projector, printer and toner, digital camera, mobile phone etc.);
 - Participation fees to attend national/international workshops, conferences and trainings;
 - International travel expenses. For meetings related to the approved projects, the project leader must submit meeting notes and evidence of said meeting together with quarterly reports;

- Membership fee for any professional body;
- Honorarium and travel expenses paid to the appointed consultants; and
- Publication fees.

4.3 DISBURSEMENT OF FUNDING

The fund will be disbursed quarterly, and the amount to be disbursed to the Organizations is according to the project proposal and the progress of the project and upon approval by the Committee.

The first disbursement will be made to the Organizations within one month from the date of the Global Funding for Rubber Innovation Agreement between MRC and the Organizations. The initial payment should strictly be used to cover activities in order to achieve the first quarter progress.

Details of the disbursement terms are as follows.

- 1st Disbursement

The initial fund will be disbursed with a total amount of Y1Q1 and Y1Q2 budgets according to the approved project proposal as attached in the Global Funding for Rubber Innovation Agreement.

- 2nd Disbursement

The research progress from the Y1Q1 quarterly report will be determinant for the disbursement of Y1Q3 research activities. The fund will be transferred into the Organization or Institution's account at least one (1) month before the Y1Q3 term starts.

- 3rd Disbursement and So Forth

The research progress from the Y1Q2 quarterly report will be determinant for the disbursement of Y1Q4 research activities. The fund will be transferred into the Organization or Institution's account at least one (1) month before the Y1Q4 term starts.

The fund disbursement for the following research terms will continue and forth in the same manner until the end of the project term.

4.4 INSTITUTIONAL FINANCIAL PROCEDURE

Researchers must abide by all financial rules and regulations of the institutions, especially those pertaining to procurement, disbursement and the appointment of research staff.

CHAPTER 5: PROJECT COMMENCEMENT AND REQUIREMENTS

5.1 PROJECT IMPLEMENTATION AND MONITORING

- All projects must be conducted in accordance with the terms and conditions outlined in the Global Funding for Rubber Innovation Agreement and the project application as approved by the Committee.
- The Committee will closely monitor all projects, and the project leaders are required to submit project reports to the Global Funding for Rubber Innovation Secretariat for review by the Committee.
- **Progress Report** must be submitted within two (2) weeks after the end of every quarter of each year. These reports will be used to assess the progress of the project. This will take into account the milestones achieved and the amount of fund already disbursed. The project leader is responsible for reporting the correct and updated information related to the milestone achievement and expenditure. Any inaccuracy in reporting, delays in the project and failure to submit the progress report by the project leaders are serious omissions that will result in the withholding of further fund disbursement or possible termination of the project. Project leader must attend the interim presentation to present their latest project progress to the Committee.
- **Final Project Report** should be submitted within one (1) month after the project completion date. Project leader and the collaborator representative (if any) must attend the final presentation upon submitting the final report. All publications must acknowledge MRC's contribution as a fund provider. The Final Project Report requires the following information:
 - i. Direct outputs of the project;
 - ii. Extent of achievement of the original project objectives;
 - iii. Technology transfer and commercialization approach;
 - iv. Benefits of the project, particularly project outputs and endorsement by the industry;
 - v. Technical report of the project; and
 - vi. Financial report of the project.

MRC reserves the right to call for periodic information on progress or to conduct site visits even after the project has been completed.

5.2 COMMERCIALIZATION

Prior to commercialization, the project must acquire a patent or license. Invention disclosure is an important aspect of commercialization. Patents have a lifetime of 20 years, enabling its owner to prevent others from making, using, selling or importing the technology or product claimed in the patent. Patents can be powerful business tools as they can reinforce a competitive advantage for commercialization.

Note: All approved projects shall undergo the commercialization process, which will be under the management of the Commercialization & Investment Unit of MRC.

Table 1: Quarterly Finance Report

No	Expenses Categories and Items	Total Amount Approved by GFRI's Fund (RM)	Total Amount Received by Project Leader (RM)	Balance from Last Quarter (RM) *if any	Details of Expenditure	Amount (RM)	Total Actual Expenditure (RM)	Balance (RM)
1	Salary and Allowance							
2	Travel and Transportation							
3	Rentals							
4	Research Materials and Supplies							
5	Minor Modification and Repairs							
6	Special Services							
7	Prototype Development							
		Total				Total		



Global Funding for Rubber Innovation's Secretariat

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