



# ***Industry Canada – Opportunities for Collaboration***

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## **Presentation Outline:**

- **Industry Canada - Mandate**
- **Strategic Aerospace and Defence Initiative (SADI)**
- **Industrial and Regional Benefits (IRB's)**
- **Defence Development Sharing Agreement (DDSA)**



## *Industry Canada – Mandate*

- Industry Canada's mandate is to help make Canadian industry more productive and competitive in the global economy, thus improving the economic and social well-being of Canadians.
- The many and varied activities Industry Canada carries out to deliver on its mandate are organized around three interdependent and mutually reinforcing strategic outcomes, each linked to a separate key strategy.
- *Advancing the marketplace, Fostering the knowledge-based economy, and*
- *Supporting business:*
  - Industry Canada encourages business innovation and productivity because businesses generate jobs and wealth creation. Promoting economic development in communities encourages the development of skills, ideas and opportunities across the country.



## ***Strategic Aerospace and Defence Initiative (SADI)***

- The Strategic Aerospace and Defence Initiative (SADI) has three main objectives:
  - to encourage strategic research and development (R&D) that will result in innovation and excellence in new products and services;
  - to enhance the competitiveness of Canadian A&D companies;
  - to foster collaboration between research institutes, universities, colleges and the private sector.
- A US company could be treated as a subcontractor under a SADI agreement with a Canadian company. However, the approval authorities are very sensitive about funding subcontractors outside of Canada, and the justification for why it had to be a foreign supplier would have to be provided in the funding proposal.
- There are no other mechanisms under ITO to provide funding to foreign companies. Our mandate is to fund Canadian legal entities performing R&D in Canada.
- For further information on SADI: [http://ito.ic.gc.ca/eic/site/ito-oti.nsf/eng/h\\_00023.html](http://ito.ic.gc.ca/eic/site/ito-oti.nsf/eng/h_00023.html)



## ***Industrial and Regional Benefits (IRB's) Policy***

- The IRB Policy obligates Prime Contractors who have successfully won defence contracts to place economic activities in Canada.
- Transactions that satisfy the obligation are between the Prime Contractor and the Canadian firm, and therefore, the decision to pursue a specific transaction is left to the Prime Contractor.
- The IRB Directorate evaluates whether the transaction fits within their criteria for an IRB transaction in order to approve the value of credit placed against the obligation.
- **Incentive for the Creation of Public-Private Consortia:**
- For the purposes of the IRB policy, a Consortium is a public-private partnership established with the intent of researching and developing new technologies that will be exploitable by Canadian industry. Partnerships will generally be an association of the Contractor with an IRB obligation, Canadian industry, and a Canadian post-secondary or not-for-profit research institution.
- For further details on new IRB policies:

<http://www.ic.gc.ca/eic/site/042.nsf/eng/00029.html>



# Defence Development Sharing Agreement(DDSA)

- **DDSA projects are:**

- Designed to satisfy specific DoD R&D requirements
- Performed by Canadian prime contractors (may use U.S. Industrial S&T resources as subcontractors)
- Staffed by the DoD agency as Design Authority and program manager
- Covered by Project Agreements jointly funded and signed by DoD and Industry Canada (IC)
- Covered by DoD contracts signed by Canadian Commercial Corporation (CCC) on behalf of prime contractor
- Covered by IC-SADI Contribution Agreement

- The Company and proposed project must also satisfy Industry Canada's Strategic Aerospace and Defence Initiative (SADI) eligibility criteria (main source of funding for DDSA projects)

- IC Industrial Technology Office is the contact point for DDSA projects - **Website: [www.ito.ca](http://www.ito.ca)**