

Application Guidelines for Okinawa Advanced Medical Technology Infrastructure Development Promotion Project (summary version)

With the support of the Cabinet Office, Okinawa Prefecture will implement the “Okinawa Advanced Medical Technology Infrastructure Development Promotion Project” (hereinafter the “Project”), which provides a wide range of support from research and development (hereinafter “R&D”) to real-world implementation through the identification and translational support in promising seeds in advanced medical technologies, with a view to creating high value-added industries in the future.

As part of the Project, we are inviting applications for the “Okinawa Advanced Medical Technology Infrastructure Development Promotion Project Subsidy” as outlined below.

The application guidelines are prepared in Japanese and translated into English as a summary version. The Japanese version is the original and the English version is for reference only. If there is a conflict between these two language versions, the Japanese version will take precedence. This English version is an excerpt intended to provide an overview of the subsidy, so please be sure to check the Japanese version for details on application requirements before applying.

1. Objectives of the Project

- Under the New Basic Plan for Okinawa 21st Century Vision, Okinawa Prefecture has positioned the “creation of an innovation ecosystem centered on its universities” and the “promotion of practical applications in the advanced medical fields” as key initiatives for the “creation of science and technology innovation and promotion of sustainable industries for the next generation.”
- In order to accelerate and promote the formation of an advanced medical technology infrastructure in Okinawa Prefecture and to link the research results generated at Okinawa’s universities and other institutions to commercialization one after another, it is necessary to strengthen the identification of research and technology seeds, as well as translational functions, including the validation of research plans and the assessment of safety and efficacy, taking into the consideration the needs of downstream companies with knowledge of commercialization, such as major pharmaceutical companies and medical device manufacturers.
- For this reason, this Project is intended to support, through a subsidy, the processes from R&D to real-world implementation of advanced medical technologies toward the commercialization by identifying and facilitating the translation of the promising seeds, and to provide an opportunity to create a new industrial sector that will serve as a core of regional development.
- In addition, with academia in the prefecture serving as the core, the Project aims to create value and mechanisms that attract people, goods, money, and information from Japan and

abroad, and to build an internationally competitive innovation ecosystem over the medium to long term.

- * The term **“Advanced Medical Technology”** in this Project refers to advanced research and technology aimed at innovations in diagnosis, treatment, and prevention that go beyond conventional medical care, as well as research and development of pharmaceuticals and medical devices intended to improve conventional medical care.

2. Projects eligible for application

- Okinawa Prefecture will subsidize R&D projects that are expected to contribute to the promotion of science and technology and industry in the Prefecture for the following four stages: Stage 1 Basic Research; Stage 2 Applied Research/Non-clinical; Stage 3-1 Development Research (Clinical); and Stage 3-2: Development Research (Implementation).
- Projects that do not involve R&D are not eligible for applications. In addition, essential parts of the R&D content may not be outsourced or subcontracted.
- In the application, applicants must describe a concrete path from R&D to commercialization, including activities for the year of application, and clearly state the objectives for each year of the three-year R&D period, as well as what will be clarified and to what extent.
- After being selected as a candidate, the applicant is required to refine the R&D plan based on the advice given by a contractor commissioned by the Economy, Trade and Industry Department of the Okinawa General Bureau of the Cabinet Office for the “FY2026 Okinawa Advanced Medical Technology Infrastructure Development Promotion Project (Project to Promote Practical Application and Commercialization of Research Seeds)” and by the Evaluation Committee/Advisory Board established by the contractor (hereinafter the “Supporting Organizations”). Please apply after agreeing to the above.
- Applicants should choose one of these stages to apply for. (*The same proposal may not be submitted to multiple stages.)

[Summary of each stage]

(1) Stage 1 Basic Research

The stage of discovering and fostering technological seeds with a view to real-world implementation; promoting the creation of technological seeds for future medical and industrial applications through the understanding of disease and ecological mechanisms as well as the discovery of new materials and technologies.

(Maximum subsidy amount: 25,000,000 yen; number of projects to be selected: approximately 5)

(2) Stage 2 Applied Research/Non-clinical

The stage in which findings from basic research are developed into practical forms for medical applications; conducting research necessary for development and commercialization, including cell tests, animal tests, safety evaluations, and establishment of test methods.

(Maximum subsidy amount: 50,000,000 yen; number of projects to be selected: approximately 2)

(3) Stage 3-1 Development Research (Clinical)

The stage in which safety, efficacy, and practicality are confirmed through verification and assessment in the medical field, such as human clinical research and clinical trials

(Maximum subsidy amount: 100,000,000 yen; number of projects to be selected: approximately 0-2)

(4) Stage 3-2: Development Research (Implementation)

The stage in which products, systems, and services are developed for practical use in medical and industrial settings; acquisition and evaluation of data necessary for real-world implementation, including prototype and system improvements, and development of manufacturing and quality assurance systems. (*Limited to products, systems, and services that contribute to medical diagnosis, treatment, and prevention.)

(Maximum subsidy amount: 100,000,000 yen; number of projects to be selected: approximately 0-2)

- * **Across Stage 3-1 and Stage 3-2 combined, approximately two top-ranked applications will be selected.**

The application for this Project must be made by

- **a single research institution located in Okinawa Prefecture** or
- **a consortium that includes such research institution** (in the case of joint research by multiple institutions),

which is capable of implementing the matters described in “2.Projects eligible for application” and must meet the following conditions.

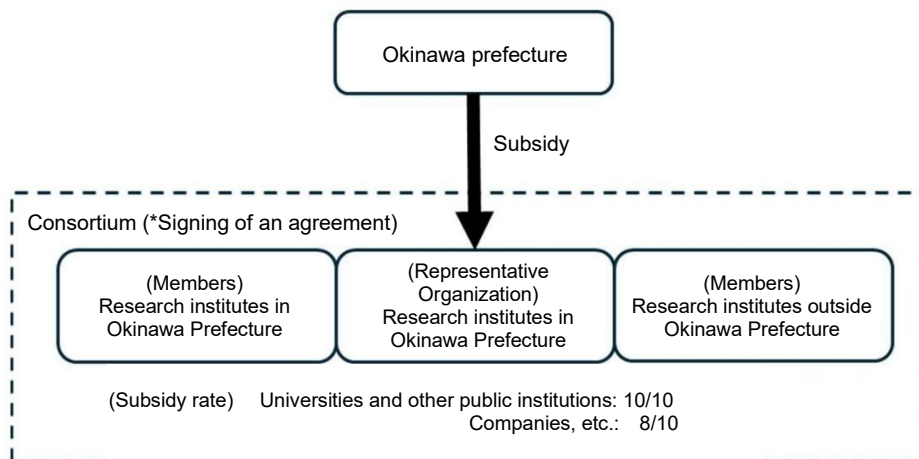
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| <p>* <u>Research institutions in Okinawa Prefecture</u> refer to universities and technical colleges in Okinawa Prefecture, as well as corporations, general incorporated foundations, general incorporated associations, and public interest corporations that have head offices, branches, or research facilities in Okinawa Prefecture (or that are expected to have any of them by the first-year Continuation Review Committee meeting).</p> |
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- (1) The research content must be oriented toward commercialization and real-life implementation in the future, taking into consideration potential collaboration with other organizations and business needs.
- (2) The main R&D for this Project must be conducted in Okinawa Prefecture, and even after the Project is completed, R&D and business development must be expected to continue in Okinawa Prefecture.
- (3) The applicant must have a track record of R&D on the technology in question or related technologies, and must have the organization, personnel, etc. necessary to achieve R&D goals and to carry out the research plan.
- (4) The applicant must have the necessary management infrastructure to smoothly carry out operations in question, and must also have sufficient management capacity for funds and research facilities.
- (5) The applicant must have an administrative management system to properly carry out the measures required by the Prefecture to promote the Project.
- (6) The applicant must have a plan to commercialize the R&D results and a sufficient capacity to carry out the plan, and in the case of a consortium, the responsibilities and roles of each party must be clarified.
- (7) The review of the research structure and methods, including matching with other research institutions, as well as the restructuring of the business model must be actively considered, based on advice from the Supporting Organizations, the Evaluation Committee/Advisory Board, etc.
- (8) **Project Leader** (a person who has sufficient expertise and technical capabilities in the research field related to the research theme, and who is centrally involved in the creation or establishment of the research seeds that will form the core of the research theme, and who will take the lead in promoting the industrialization of the research theme) must be appointed. The role of the Project Leader is to oversee the formulation of the research plan, progress management, and compilation of results for the relevant research theme, and to assume ultimate responsibility for the execution of the research.
- (9) The consortium may include research institutions outside the Prefecture (universities, national research institutes, companies, etc.) as its members since certain research activities may require special R&D capabilities, expertise, use of cutting-edge facilities, or technical guidance; however, the main R&D for this Project must be conducted in the Prefecture.
- (10) In the case of a proposal by a consortium, an agreement must be signed among the members. In addition, a **Representative Organization** must be established. The Representative Organization means an organization responsible for administrative procedures such as submission of a subsidy application to Okinawa Prefecture on behalf of the consortium, as well as the receipt and distribution of research funds. It does not need to be the organization to which the Project Leader belongs. In addition, if necessary, it can obtain accounting-

related administrative support or other support from the Supporting Organization.

- (11) During the implementation period of the Project and for five years after its completion, the applicant must respond to surveys, etc. conducted by the national government, the Okinawa government, and the Supporting Organizations.
- (12) The applicant must understand and agree with all the purposes described in this application guidelines.

[The image of a consortium in the Project (example)]



[Scope of the subsidy]

- (1) Subsidy rate: Universities and other public institutions: 10/10 (fixed amount); companies, etc.: up to 8/10
- (2) Subsidy period: From the date of grant decision to February 26, 2027

Under this Project, the subsidy is available for a maximum of three years. However, for each year after the 1st year, Okinawa Prefecture will decide annually whether to continue providing the subsidy, based on the evaluation and opinions of the Review Committee, the management situation, the results and performance reports, and other overall conditions.

The continuation of the subsidy is subject to the approval of the national and Okinawa Prefecture budgets for the following year, and the subsidy amount may vary depending on the budget situation and the review results.

3. Expenses Covered by the Subsidy

The following are the expense items that are eligible for subsidy.

(1) Equipment and consumable costs

[1] Equipment and fixtures

1) Machinery and equipment, and fixtures

Expenses required for the purchase and production of machinery and equipment (including related accessories) and software necessary for the execution of the Project, as well as equipment necessary for R&D or the establishment of the R&D environment

2) Civil engineering and construction

Expenses required for electrical work, etc. incidental to the production and installation of machinery and equipment, and fixtures

3) Maintenance, modification, and repair

Expenses required for maintenance (maintenance of functions, etc.), modification (mainly to increase the value or durability of the subject item), and repair (mainly to restore functional deterioration caused by normal use during Project implementation to its original condition) of machinery and equipment, and fixtures

4) Outsourcing

Expenses related to subcontracting the processing of machinery and equipment, and fixtures and the development of systems necessary for the Project

[2] Consumables

Expenses related to the purchase of materials necessary for R&D and for the establishment of the R&D environment, raw materials required for the fabrication of parts and the preparation of samples, materials and parts necessary for the fabrication and operation of machinery and equipment and for the establishment of the R&D environment (excluding those applicable to 1) Machinery and equipment, and fixtures of [1]), and consumables subject to significant wear and tear in R&D activities and experiments

(2) Personnel expenses and honorarium

[1] Personnel expenses

1) Researchers

Personnel expenses for researchers and others directly engaged in the Project

*The expenses for sole proprietors and corporate officers may be charged only when they are directly engaged in the research.

2) Administrative staff

Personnel expenses for administrative staff and other personnel directly engaged in the Project; please note that personnel expenses for sole proprietors and corporate

officers (officers under the Companies Act (directors, auditors, accounting advisors, etc.)) cannot be charged as administrative staff expenses.

3) Hiring of assistants

Expenses related to the employment of persons directly engaged in the Project in a supportive capacity, other than those whose costs are charged as researcher expenses and administrative staff expenses

[2] Honorarium

Expenses related to honoraria for committee members and honoraria to be paid when technical guidance (including prevention of technology leakage) is particularly needed from advisors or other knowledgeable persons outside a consortium

(3) Travel expenses

Travel, accommodation, and transportation expenses for researchers, administrative staff, and committee members, etc. and those to be paid to advisors or other knowledgeable persons outside a consortium when technical guidance (including prevention of technology leakage) from them is particularly needed; however, these expenses must be calculated in accordance with the travel expenses regulations of each organization (including overseas travel expenses).

(4) Other expenses

➤ If work is commissioned, please charge it as “(5) Commissioned service expenses”.

[1] Outsourcing

Expenses required to pay subcontractors for the reprocessing, design, analysis, testing, investigation (simple investigations), or inspection of raw materials, etc. (including cases where the applicant performs such work using equipment of subcontractors)

[2] Transportation

Expenses required for the payment of transportation, including the cost of moving prototypes, processed products, and similar items within a consortium, the cost of shipping items from the consortium to subcontractors, and transportation fees required when exhibiting at trade shows or similar events

[3] Technology acquisition

Expenses to be paid to rights holders when the introduction of intellectual property rights or similar rights is required

[4] Others (miscellaneous expenses)

1) Printing and binding (report preparation costs)

Expenses required for printing, binding, and electronic file preparation of research reports and other documents *Limited to those incurred during the subsidy grant period.

2) Cloud service usage

Expenses required for the use of cloud services and web platforms necessary for the execution of the Project

- 3) Interpretation and translation
Expenses to be paid for interpretation and translation services (including interpretation services during overseas business trips)
- 4) Intellectual property rights-related
Expenses such as fees for patent attorney services and translation services required to obtain patent rights or other intellectual property rights that are closely related to the R&D in the Project and necessary for the commercialization of the R&D results
- 5) Marketing research (including expenses for overseas exhibitions)
Expenses required for research on trends in competing technologies and on user needs, as well as those required for hiring researchers;
expenses to be paid to organizers in relation to hosting or exhibiting at exhibitions to present project results, such as fees for venue rental and decoration;
expenses required for participation in academic conferences to understand trends in competing technologies, etc. or to present project results, etc.; and
expenses for the preparation of posters, etc., the use of advertising media, and payments for hiring external personnel, required for the dissemination of project results.
- 6) Rental and leasing
Expenses for the rental or lease of machinery and equipment, fixtures, and software, including subscription fees
- (5) Commissioned service expenses
Expenses to be paid to commission surveys, etc. (including joint or commissioned research) necessary for project execution
- (6) Indirect costs
Universities and similar entities may claim indirect costs.
These costs are intended to cover expenses necessary for administration and management for the project implementation and may be charged up to 30% of the total direct costs (“equipment and consumable costs,” “personnel expenses and honorarium,” “travel expenses,” and “other expenses”).

*Universities and similar entities refer to [1] universities, [2] technical colleges, and [3] inter-university research institutes.

4. Outline of Application Procedure

(1) Application period

From April 1, 2026 to April 24, 2026, 5:00 PM

(2) Number of projects to be selected

Stage 1 Basic Research	➔ Approx. 5 cases
Stage 2 Applied Research/Non-clinical	➔ Approx. 3 cases
Stage 3-1 Development Research (Clinical)	➔ Approx. 0 to 2 cases
Stage 3-2: Development Research (Implementation)	➔ Approx. 0 to 2 cases

(3) Where to apply (contact information, etc.)

[Stage 1 and Stage 2]

Department in charge: Innovation Creation Team, Science and Technology Promotion Division, Department of Planning, Okinawa Prefecture

Address: (7th floor) 1-2-2 Izumizaki, Naha City, Okinawa 900-8570, Japan

[Stages 3-1 and Stage 3-2]

Department: Bio Industry Group, Manufacturing Promotion Division, Department of Commerce, Industry and Labor, Okinawa Prefecture

Address: (8th floor) 1-2-2 Izumizaki, Naha City, Okinawa 900-8570, Japan

*Applications may be submitted by mail or in person.

*Please note that, in principle, no submissions or replacements will be accepted after the deadline.

*Our service hours are from 9:00 AM to 5:00 PM on weekdays.

5. Selection of prospective subsidy recipients

(1) Method of examination

The Evaluation Committee (not open to the public) consisting of outside experts, established and operated by the Supporting Organizations commissioned by the Okinawa General Bureau, the Cabinet Office, will evaluate applicants based on their applications and presentations. The Evaluation Committee meeting will be held on-site only. Online participation is not available. (If the representative is unable to attend, a proxy may attend.)

If there are a large number of applications, the evaluation process may consist of a first screening (document review) and a second screening (presentation review).

(2) Evaluation criteria

Applications will be evaluated comprehensively based on the following criteria.

- [1] Responsiveness to corporate and social needs and potential for practical application and commercialization
- [2] Clarity of R&D objectives as well as specificity and feasibility of the research plan utilizing the research seeds
- [3] Novelty and advantage, including the potential to create new know-how and intellectual property
- [4] Track records in the relevant fields necessary to conduct joint research, and implementation capacity and collaboration structure for commercialization
- [5] Contribution of research results to industrial development and solutions to social issues in Okinawa Prefecture

(3) Schedule

April 1, 2026	Start of application period
April 17, 5:00 PM	Deadline for questions
April 24, 5:00 PM	Deadline for application submission
As needed	Preliminary hearing by the Supporting Organizations in preparation for the Evaluation Committee meeting
Around the end of May (tentative)	Evaluation Committee meeting
Around the end of May	Notification of selection results
Around June-July	Refinement of the research plan, preparation and submission of the subsidy application
Around June-July (tentative)	Determination of subsidy recipients and the start of the project (tentative)

*The determination of subsidy recipients and the start of the project may be delayed depending on the status of application submission and screening.