



Grant Opportunity Guidelines

Small and Medium Enterprises (SME) Export Hubs - Round Two grant opportunity

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Administering entity	Department of Industry, Innovation and Science
Enquiries:	If you have any questions, contact us on 13 28 46.
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1. Small and Medium Enterprises (SME) Export Hubs Round 2 processes

The SME Export Hubs grant opportunity is designed to achieve Australian Government objectives

This grant opportunity contributes to the Department of Industry, Innovation and Science's Outcome 1. The department has worked with stakeholders to plan and design the grant opportunity according to the *Commonwealth Grants Rules and Guidelines*.



The grant opportunity opens

We publish the grant guidelines on business.gov.au and GrantConnect.



Stage one - Expression of interest (EOI)

You complete and submit an EOI



We assess all EOIs

We assess the EOIs against eligibility criteria and Stage 1 assessment/merit criterion. All eligible EOIs are provided to relevant Growth Centres for consideration and advice to the department. An advisory committee considers the advice of the relevant Growth Centre/s and recommends to the program delegate which EOIs should be invited to submit a Stage 2 grant application. The program delegate then makes a decision. If your EOI is successful, you will be invited to submit a stage 2 grant application.



We notify you of the outcome

We advise you of the outcome of your EOI.

Stage two - Grant application

You are invited to complete and submit a grant application

The application is to be developed with advice from Growth Centres that are providing support for the application.



We assess all grant applications

We assess applications against the merit criteria including an overall consideration of value with relevant money and compare it to other applications.



We make grant recommendations

We provide advice to the decision maker on the merits of each application.



Grant decisions are made

The Minister decides which applications are successful.



We notify you of the outcome

We advise you of the outcome of your application. We may not notify unsuccessful applicants until grant agreements have been executed with successful applicants.



We enter into a grant agreement

We will enter into a grant agreement with successful applicants. The type of grant agreement is based on the nature of the grant and proportional to the risks involved.



Delivery of grant

You undertake the grant activity as set out in your grant agreement. We manage the grant by working with you, monitoring your progress and making payments.



Evaluation of the grant opportunity

We evaluate the specific grant activity and grant opportunity as a whole. We base this on information you provide to us and that we collect from various sources.

2. About the grant program

The Small and Medium Enterprises (SME) Export Hubs Initiative (the program) was announced as part of the Australian Government's 2018-19 Budget. It supports the development of local, regional and Indigenous brands through business collaborations in the identified areas of competitive strength.

The objectives of the program are to:

- support the establishment and/or operation of SME export hubs (export hubs) in the six Growth Centre sectors:
 - Advanced Manufacturing
 - Cyber Security
 - Food and Agribusiness
 - Medical Technologies and Pharmaceuticals
 - Mining Equipment, Technology and Services
 - Oil, Gas and Energy Resources.
- support SME development through facilitation of export opportunities and working with the Growth Centres.

The intended outcomes of the program are:

- greater cooperation and collaboration between participating SMEs and others to deliver commercial outcomes
- growth of participating SMEs through activities such as developing collective brands and leveraging infrastructure to support the participation of their region in global supply chains
- building on competitive strengths and improved local capability to increase exports, encourage growth and create jobs.

These guidelines contain information about the Round 2 grant opportunity under the program that will run over three years from 2019-20 to 2021-22.

The grant opportunity will be delivered through a two-stage competitive selection process. Refer to section 7 and 7 on how to apply.

We administer the program according to the [Commonwealth Grants Rules and Guidelines \(CGRGs\)](#)¹.

This document sets out:

- the eligibility and merit criteria
- how we consider and assess grant applications
- how we notify applicants and enter into grant agreements with grantees
- how we monitor and evaluate grantees' performance
- responsibilities and expectations in relation to the opportunity.

The Department of Industry, Innovation and Science (the department/we) is responsible for administering this grant opportunity.

We have defined key terms used in these guidelines in appendix A.

You should read this document carefully before you fill out an application.

¹ <https://www.finance.gov.au/sites/default/files/commonwealth-grants-rules-and-guidelines.pdf>

3. Grant amount and grant period

The Australian Government has announced a total of \$20 million over four years for the program from 2018-19 including \$18.8 million for grants. A total of \$5.7 million was awarded under Round 1. For this grant opportunity, up to \$11.9 million will be available over three years from 2019-20 to 2021-22.

3.1. Grants available

You can apply for grant funding for a newly established export hub or an existing (mature) export hub.

The grant amount will be up to 50 per cent of eligible project costs (grant percentage).

- The minimum grant amount is \$150,000
- The maximum grant amount is \$1.5 million.

The remaining 50 per cent of eligible project costs we consider your contribution. Your contribution must be cash, and not in-kind.

You can fund your contribution from any source other than the Commonwealth including state, territory and local government and cash contributions from industry partners.

Note: If you received SME Export Hubs funding under the previous round of the program you may apply for funding under this round for new or different eligible project activities. However, you cannot apply for the same project activities that were funded under the previous round.

3.2. Project period

The maximum project period is two years and five months.

You must complete your project by 30 June 2022.

4. Eligibility criteria

We cannot consider your application if you do not satisfy all eligibility criteria.

4.1. Who is eligible?

To be eligible you must:

- have an Australian Business Number (ABN)
- be one of the following entities:
 - an incorporated not for profit organisation such as:
 - an incorporated association
 - a company limited by guarantee
 - a non-distributing co-operative
 - an Indigenous not for profit corporation
 - a not for profit incorporated trustee on behalf of a trust
 - an Australian local government agency or body
 - an Australian state/territory government agency or body
 - a [Regional Development Australia \(RDA\)](#) committee.

If you are applying as a not for profit organisation, you must demonstrate your not for profit status through one of the following:

- current Australian Charities and Not for profits Commission's (ACNC) registration

- state or territory incorporated association status
- constitutional documents and/or Articles of Association that demonstrate the not for profit character of your organisation.

Joint applications are acceptable, provided you have a lead applicant who is the main driver of the project and is eligible to apply. For further information on joint applications, refer to section 7.2.

4.2. Additional eligibility requirements

We can only accept applications:

- where you can provide evidence from your board (or chief executive officer or equivalent if there is no board) that the project is supported, and that you can complete the project and meet the costs of the project not covered by grant funding.
- where you can provide evidence of how you will provide your share of project costs. You must use the Accountant Declaration form available on business.gov.au and [GrantConnect²](#).

We cannot waive the eligibility criteria under any circumstances.

4.3. Who is not eligible?

You are not eligible to apply if you are:

- an incorporated for-profit organisation
- an unincorporated association
- an individual
- a partnership
- a publicly funded research organisation (PFRO) including universities as defined in appendix A
- a research organisation
- a trust (however, a not for profit incorporated trustee may apply on behalf of a trust)
- a Commonwealth government agency or body (including government business enterprises), unless listed in section 4.1.

5. What you can use the grant for

5.1. Eligible activities

To be eligible your project must:

- include eligible activities and eligible expenditure
- have at least \$300,000 in eligible expenditure
- support the establishment and/or operation of a new or existing export hub
- support participating SMEs to improve their capability to increase exports, and create jobs
- develop and implement an export strategy, focused on current or future global opportunities, building on identified competitive strengths and innovation potential of participating SMEs

² <https://www.grants.gov.au/>

- include activities associated with establishment and operation of an export hub that assists participating SMEs improve their capabilities, increase exports and create jobs, such as:
 - developing and delivering workshops, training, seminars and other events for participating SMEs in the areas of business management, workforce skills development, collaboration, innovation and export market development
 - identifying emerging needs of export markets to inform and facilitate commercially focussed industry-research collaboration to address those needs
 - providing market intelligence about export opportunities and facilitation of opportunities for participating SMEs to access global supply chains.
- support capability development activities for export hub managers to help them build further skills to manage their export hubs and improve project outcomes.

We may also approve other activities.

5.2. Eligible expenditure

You can only spend grant funds on eligible expenditure you have incurred on an agreed project as defined in your grant agreement.

- For guidance on eligible expenditure, see appendix B.
- For guidance on ineligible expenditure, see appendix C.

We may update the guidance on eligible and ineligible expenditure from time to time. If your application is successful, the version in place when you submitted your application applies to your project.

If your application is successful, we may ask you to verify project costs that you provided in your application. You may need to provide evidence such as quotes for major costs.

Not all expenditure on your project may be eligible for grant funding. The program delegate (who is an AusIndustry Senior Responsible Officer with responsibility for the program) makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be a direct cost of the project
- be incurred by you for required project audit activities.

You must incur the project expenditure between the project start and end date for it to be eligible unless stated otherwise. You may start your project from the date of your letter of offer. We are not responsible for any expenditure you incur until a grant agreement is executed.

6. The assessment criteria

6.1. Expression of Interest (stage 1)

You must address the following merit criterion in your EOI for an SME Export Hub grant. Your response to this merit criterion will be forwarded to the relevant Growth Centre/s for consideration and advice will be given to the department.

6.1.1. Merit criterion 1

How your project aligns with the objectives and outcomes of the grant opportunity

You should demonstrate this by identifying:

- a. whether you are seeking to establish a new export hub or expand operations of an existing (mature) export hub. Briefly outline how you propose to carry out the project
- b. the location and reach of your proposed export hub, and how the export hub will ensure new participants can engage. Provide an estimated number of SMEs that will be able to access the services your export hub will provide in your region
- c. how your proposed export hub addresses one or more of the [Growth Centres'](#) strategic priorities. This can include promoting cyber resilience within the hub and participating SMEs
- d. the services to be delivered by your proposed export hub and how these services will contribute to improving SMEs capabilities to generate new export activities and commercial outcomes
- e. the knowledge, capability and capacity gaps that have been barriers to export for SMEs and how the hub will address these identified gaps
- f. the risks associated with your export hub and how you expect to mitigate these
- g. whether your proposed export hub project would go ahead without the SME Export Hub grant
- h. if you are an Indigenous organisation
- i. if your project will be located in a regional or remote area.

6.2. Grant application (stage 2)

We use assessment criteria, known as merit criteria, to assess your application. You must address all merit criteria in your application. We will assess your application based on the weighting given to each merit criterion.

The application form asks questions that relate to the merit criteria below. The amount of detail and supporting evidence you provide in your application should be relative to the project size, complexity and grant amount requested. You should provide evidence to support your answers. The application form displays size limits for answers.

To account for the challenges faced in outer regional and remote areas, we will apply a loading to your total assessment score. Projects located in the very remote areas will receive the highest loading (6 points) and projects located in major cities will receive the lowest loading (0 points). We will determine the remoteness of your project based on the [Australian Statistical Geography Standard \(ASGS\) remoteness structure](#).

To encourage participation from Indigenous organisations, we will also apply a loading to your total assessment score (4 points) if you are an Indigenous organisation. Indigenous organisation status will be determined by providing your Indigenous Corporation Number (ICN) or a statutory declaration stating that the organisation is at least 51 per cent owned or controlled by Indigenous persons.

We will only award funding to applications that score highly against all merit criteria as these represent best value for money.

6.2.1. Merit criterion 1

How your project aligns with the program objectives, in particular how it will benefit SMEs through building export capability (40 points)

You should demonstrate this by identifying:

- a. how your project aligns with the program objectives and outcomes outlined in section 2

- b. how your project will generate new export activities and sustainable commercial outcomes for participating SMEs that would not have occurred otherwise
- c. your engagement plan that includes your plan to:
 - leverage existing commercial strengths in your area
 - engage and provide services to targeted SMEs in one or more of the Growth Centre sectors
 - identify new export opportunities for participating SMEs
 - build and maintain relationships in one or more of the Growth Centres and related Growth Centre sectors
 - leverage and participate in the networks of the Growth Centres (including through sharing learnings and insights with your industry)
 - seek alignment with other government initiatives including (but not limited to) Cooperative Research Centres, the Growth Centre Project Funds, the Entrepreneurs' Programme, Austrade and/or TradeStart and promote (and potentially facilitate) opportunities for SME's to access these other initiatives and services to supplement their export capabilities
 - address the shared interests of the participant firms; and improve the interactions between industry, researchers and educators to deliver commercial outcomes
 - align with relevant regional economic development strategies.

6.2.2. Merit criterion 2

Capacity, capability and resources to deliver the export hub (30 points)

You should demonstrate this by identifying:

- a. your capacity and capability for managing the project including access to personnel with the right skills and experience. If you are establishing a new export hub, provide track record and experience of key personnel, including management and technical staff, delivering comparable projects
- b. your access to facilities, capital equipment, technology, intellectual property, administrative systems, including record keeping practices, reporting and required regulatory or other approvals
- c. a sound project plan to manage and monitor the project and risks, including scope, implementation methodology, timeframes, cyber security, and budget.

6.2.3. Merit criterion 3

Impact of grant funding on the project (30 points)

You should demonstrate this by identifying:

- a. whether your project will go ahead without the grant. Explain how the grant will impact your project in terms of scale, timing and reach
- b. your justification for the funding amount requested with respect to the scale of the project, grant period and intended outcomes
- c. the total estimated cash investment the grant will leverage.

7. How to apply

Before applying you should read and understand these guidelines and the sample grant agreement published on business.gov.au and GrantConnect.

To apply, you must:

- complete the online [expression of interest form](#) and if successful the [program application form](#) on business.gov.au
- provide all the information requested
- address all eligibility and merit criteria
- include all necessary attachments

You will receive confirmation when you submit your application. You should retain a copy of your application for your own records.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the *Criminal Code 1995* (Cth). If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

If we find an error or information that is missing, we may ask for clarification or additional information from you that will not change the nature of your application. However, we can refuse to accept any additional information from you that would change your submission after the application closing time.

If you need further guidance around the application process, or if you are unable to submit an application online, [contact us](#) at business.gov.au or by calling 13 28 46.

7.1. Attachments to the application

Provide the following documents with your application:

- project plan including an SME engagement plan
- project budget
- accountant declaration (template provided on [business.gov.au](#) and [GrantConnect](#))
- evidence of support from the board, CEO or equivalent
- evidence to support your source of funding (letter from contributor/s confirming funding amount)
- letter of support from project partners (where applicable)
- trust deed (where applicable)
- evidence of Indigenous business status (If you don't have an ICN, you may provide a statutory declaration stating that the organisation is at least 51 per cent owned or controlled by Indigenous persons) (where applicable).

You must attach supporting documentation to the application form in line with the instructions provided within the form. You should only attach requested documents. We will not consider information in attachments that we do not request.

7.2. Joint applications

We recognise that some organisations may want to join together as a group to deliver a project. In these circumstances, you must appoint a lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth. The application should identify all other members of the proposed group and include a letter of support from each of the project partners. Each letter of support should include:

- details of the project partner

- an overview of how the project partner will work with the lead organisation and any other project partners in the group to successfully complete the project
- an outline of the relevant experience and/or expertise the project partner will bring to the group
- the roles/responsibilities the project partner will undertake, and the resources it will contribute (if any)
- details of a nominated management level contact officer.

You must have a formal arrangement in place with all parties prior to execution of the grant agreement.

7.3. Timing of grant opportunity

You can only submit an application between the published opening and closing dates. We cannot accept late applications.

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of EOI (Stage 1)	4 weeks
Outcomes of EOI process	2 weeks
Assessment of grant applications (Stage 2)	6 weeks
Approval of outcomes of selection process	4 weeks
Notification to applicants	2 weeks
Negotiations and award of grant agreements	up to 4 weeks
Earliest start date of project	The date you are notified your application has been successful
End date of grant commitment	30/06/2022

8. The grant selection process

We first assess stage one EOIs against the eligibility criteria. We provide all eligible applications to the relevant Growth Centres for consideration. The Growth Centres will provide advice to the department on the alignment of the EOI with the strategic priorities of the relevant Growth Centres.

An advisory committee will then assess your EOI against the stage 1 merit criterion taking into consideration the advice of the Growth Centres. The committee may also seek additional advice from independent technical experts.

The advisory committee recommends to the program delegate, which EOIs should be invited to submit a stage 2 grant application. The program delegate then makes a decision. If your EOI is successful, you will be invited to submit a stage 2 grant application.

The advisory committee will assess your stage 2 grant application against the stage 2 merit criteria and compare it to other invited stage 2 applications. We will group applications in categories according to the type of export hub (e.g. newly established or existing/mature) to ensure similar projects are compared against each other. The committee may also seek additional advice from independent technical experts.

The committee will make recommendations to the Minister about which applications should be approved for funding. To recommend an application for funding, it must score highly against each

merit criterion. While we assess all applications against the same merit criteria, we will score applications relative to the project size, complexity and grant amount requested. The evidence provided to support an application should be proportional to the size and complexity of the project.

If the selection process identifies unintentional errors in your application, we may contact you to correct or clarify the errors, but you cannot make any material alteration or addition.

8.1. Who will approve grants?

The Minister decides which grants to approve taking into account the recommendations of the committee and the availability of grant funds.

The Minister's decision is final in all matters, including:

- the grant approval
- the grant funding to be awarded
- any conditions attached to the offer of funding.

We cannot review decisions about the merits of your application.

The Minister will not approve funding if there is insufficient program funds available across relevant financial years for the program.

9. Notification of application outcomes

If you are successful, you will receive a written offer, including any specific conditions attached to the grant. If you are unsuccessful, we will notify you in writing and give you an opportunity to discuss the outcome with us.

10. Successful grant applications

10.1. Grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed. A sample grant agreement is available on business.gov.au and GrantConnect.

We must execute a grant agreement with you before we can make any payments. Execute means both you and the Commonwealth have signed the agreement. We are not responsible for any expenditure you incur until a grant agreement is executed.

The approval of your grant may have specific conditions determined by the assessment process or other considerations made by the Minister. We will identify these in the offer of funding.

If you enter an agreement under the SME Export Hubs, you cannot receive other grants for this project from other Commonwealth granting programs.

The Commonwealth may recover grant funds if there is a breach of the grant agreement.

10.2. Simple grant agreement

We will use a simple grant agreement.

You will have 30 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information

you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the Minister.

10.3. How we pay the grant

The grant agreement will state the:

- maximum grant amount we will pay
- proportion of eligible expenditure covered by the grant (grant percentage)
- any financial contribution provided by you or a third party.

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you must meet them yourself.

We will make payments according to an agreed schedule set out in the grant agreement. Payments are subject to satisfactory progress on the project.

10.4. Tax obligations

If you are registered for the Goods and Services Tax (GST), where applicable we will add GST to your grant payment and provide you with a recipient created tax invoice. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities³.

Grants are assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the [Australian Taxation Office](#). We do not provide advice on tax.

11. Announcement of grants

We will publish non-sensitive details of successful projects on GrantConnect. We are required to do this by the *Commonwealth Grants Rules and Guidelines* unless otherwise prohibited by law. We may also publish this information on business.gov.au. This information may include:

- name of your organisation
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- Australian Business Number
- business location
- your organisation's industry sector.

12. How we monitor your project

12.1. Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

³ See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

You must also inform us of any changes to your:

- name
- addresses
- nominated contact details
- bank account details.

If you become aware of a breach of terms and conditions under the grant agreement you must contact us immediately.

You must notify us of events relating to your project and provide an opportunity for the Minister or their representative to attend.

12.2. Reporting

You must submit reports in line with the grant agreement. We will provide sample templates for these reports as appendices in the grant agreement. We will remind you of your reporting obligations before a report is due. We will expect you to report on:

- progress against agreed project milestones
- project expenditure, including expenditure of grant funds
- contributions of participants directly related to the project.

The amount of detail you provide in your reports should be relative to the project size, complexity and grant amount.

We will monitor the progress of your project by assessing reports you submit and may conduct site visits to confirm details of your reports if necessary. Occasionally we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

12.2.1. Progress reports

Progress reports must:

- outline progress against the export strategy
- include details of activities including location
- include details of participating SMEs (name and ABNs/ICNs)
- include case studies and surveys of participants to demonstrate impact
- include evidence of increased SME exports, or progress towards increased SME exports
- include details of your progress towards completion of agreed project milestones
- show the total eligible expenditure incurred to date
- include evidence of expenditure
- be submitted by the report due date (you can submit reports ahead of time if you have completed relevant project activities).

We will only make grant payments when we receive satisfactory progress reports.

You must discuss any project or milestone reporting delays with us as soon as you become aware of them.

12.2.2. End of project report

When you complete the project, you must submit an end of project report.

End of project reports must:

- include the agreed evidence as specified in the grant agreement
- identify the total eligible expenditure incurred for the project
- include a declaration that the grant money was spent in accordance with the grant agreement and to report on any underspends of the grant money
- be submitted by the report due date
- be in the format provided in the grant agreement.

12.2.3. Ad-hoc report

We may ask you for ad-hoc reports on your project. This may be to provide an update on progress, or any significant delays or difficulties in completing the project.

12.3. Independent audits

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a statement of grant income and expenditure. The report template is attached to the sample grant agreement.

12.4. Compliance visits

We may visit you during the project period, or at the completion of your project to review your compliance with the grant agreement. We may also inspect the records you are required to keep under the grant agreement. We will provide you with reasonable notice of any compliance visit.

12.5. Grant agreement variations

We recognise that unexpected events may affect project progress. In these circumstances, you can request a variation to your grant agreement, including:

- changing project milestones
- extending the timeframe for completing the project but within the maximum two year five month period (i.e. by 30 June 2022).
- changing project activities.

Note the program does not allow for:

- an increase of grant funds.

If you want to propose changes to the grant agreement, you must put them in writing before the grant agreement end date.

If a delay in the project causes milestone achievement and payment dates to move to a different financial year, you will need a variation to the grant agreement. We can only move funds between financial years if there is enough program funding in the relevant year to allow for the revised payment schedule. If we cannot move the funds, you may lose some grant funding.

You should not assume that a variation request will be successful. We will consider your request based on factors such as:

- how it affects the project outcome
- consistency with the program policy objective, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments
- availability of program funds.

12.6. Evaluation

We will evaluate the grant program to measure how well the outcomes and objectives have been achieved. We may use information from your application and project reports for this purpose. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in achieving its outcomes.

We may contact you up to two years after you finish your project for more information to assist with this evaluation.

12.7. Grant acknowledgement

If you make a public statement about a project funded under the program, including in a brochure or publication, you must acknowledge the grant by using the following:

‘This project received grant funding from the Australian Government.’

If you erect signage in relation to the project, the signage must contain an acknowledgement of the grant.

13. Probity

We will make sure that the grant opportunity process is fair, according to the published guidelines, incorporates appropriate safeguards against fraud, unlawful activities and other inappropriate conduct and is consistent with the CGRGs.

13.1. Conflicts of interest

Any conflicts of interest could affect the performance of the grant opportunity or program. There may be a conflict of interest, or perceived conflict of interest, if our staff, any member of a committee or advisor and/or you or any of your personnel:

- has a professional, commercial or personal relationship with a party who is able to influence the application selection process, such as an Australian Government officer or member of an external panel
- has a relationship with or interest in, an organisation, which is likely to interfere with or restrict the applicants from carrying out the proposed activities fairly and independently or
- has a relationship with, or interest in, an organisation from which they will receive personal gain because the organisation receives a grant under the grant program/ grant opportunity.

As part of your application, we will ask you to declare any perceived or existing conflicts of interests or confirm that, to the best of your knowledge, there is no conflict of interest.

If you later identify an actual, apparent, or perceived conflict of interest, you must inform us in writing immediately.

Conflicts of interest for Australian Government staff are handled as set out in the Australian [Public Service Code of Conduct \(Section 13\(7\)\)](#)⁴ of the [Public Service Act 1999 \(Cth\)](#)⁵. Committee members and other officials including the decision maker must also declare any conflicts of interest.

⁴ https://www.legislation.gov.au/Details/C2017C00270/Html/Text#_Toc491767030

⁵ <https://www.legislation.gov.au/Details/C2017C00270>

We publish our conflict of interest policy on the department's [website](#)⁶.

13.2. How we use your information

Unless the information you provide to us is:

- confidential information as per 13.2.1, or
- personal information as per 13.2.3,

we may share the information with other government agencies for a relevant Commonwealth purpose such as:

- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of grants.

13.2.1. How we handle your confidential information

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else
- you provide the information with an understanding that it will stay confidential.

13.2.2. When we may disclose confidential information

We may disclose confidential information:

- to the committee and our Commonwealth employees and contractors, to help us manage the program effectively
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Assistant Minister
- to a House or a Committee of the Australian Parliament.

We may also disclose confidential information if

- we are required or authorised by law to disclose it
- you agree to the information being disclosed, or
- someone other than us has made the confidential information public.

13.2.3. How we use your personal information

We must treat your personal information according to the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Cth). This includes letting you know:

- what personal information we collect
- why we collect your personal information

⁶ <https://www.industry.gov.au/sites/g/files/net3906/f/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf>

- to whom we give your personal information.

We may give the personal information we collect from you to our employees and contractors, the committee, and other Commonwealth employees and contractors, so we can:

- manage the program
- research, assess, monitor and analyse our programs and activities.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the department's websites.

You may read our [Privacy Policy](#)⁷ on the department's website for more information on:

- what is personal information
- how we collect, use, disclose and store your personal information
- how you can access and correct your personal information.

13.2.4. Freedom of information

All documents in the possession of the Australian Government, including those about the program, are subject to the *Freedom of Information Act 1982* (Cth) (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

14. Enquiries and feedback

For further information or clarification, you can contact us on 13 28 46 or by web chat or through our online enquiry form on business.gov.au.

We may publish answers to your questions on our website as Frequently Asked Questions.

Our [Customer Service Charter](#) is available at business.gov.au. We use customer satisfaction surveys to improve our business operations and service.

If you have a complaint, call us on 13 28 46. We will refer your complaint to the appropriate manager.

If you are not satisfied with the way we handle your complaint, you can contact:

Head of Division

AusIndustry – Support for Business

Department of Industry, Innovation and Science

⁷ <https://www.industry.gov.au/data-and-publications/privacy-policy>

GPO Box 2013
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman](#)⁸ with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

⁸ <http://www.ombudsman.gov.au/>

Appendix A. Definitions of key terms

Term	Definition
Application form	The document issued by the program delegate that applicants use to apply for funding under the program.
Advisory committee	An independent body comprising of departmental employees and external experts established to consider and assess eligible applications and make recommendations to the Minister for funding under the program.
AusIndustry	The division of the same name within the department.
Department	The Department of Industry, Innovation and Science.
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.1.
Eligible application	An application or proposal for grant funding under the program that the program delegate has determined is eligible for assessment in accordance with these guidelines.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 0.
Eligible expenditure guidance	The guidance that is provided at Appendix B.
Existing (mature) export hub	A mature export hub is a hub that has been operating for more than one year. A mature export hub has existing activities and services, and governance structure. Mature export hubs are expected to have at least 10 active participants accessing hub activities and services.
Grant agreement	A legally binding contract between the Commonwealth and a grantee for the grant funding
Grant funding or grant funds	The funding made available by the Commonwealth to grantees under the program.
GrantConnect	The Australian Government's whole-of-government grants information system, which centralises the publication and reporting of Commonwealth grants in accordance with the CGRGs
Grantee	The recipient of grant funding under a grant agreement.
Growth Centre	See <i>Industry Growth Centres Initiative</i> .
Guidelines	Guidelines that the Minister gives to the department to provide the framework for the administration of the program, as in force from time to time.

Term	Definition
Industry Growth Centres Initiative	<p>The Industry Growth Centres Initiative is an industry-led approach driving innovation, productivity and competitiveness by focusing on areas of competitive strength and strategic priority. Six Growth Centres have been established in priority growth sectors:</p> <ul style="list-style-type: none"> ▪ Advanced Manufacturing ▪ Cyber Security ▪ Food and Agribusiness ▪ Medical Technologies and Pharmaceuticals ▪ Mining Equipment, Technology and Services ▪ Oil, Gas and Energy Resources.
Minister	The Commonwealth Minister for Industry, Science and Technology.
Newly established export hub	A newly established export hub is a hub that is in the development phase, or not fully established, and wishes to fast track their formation.
Non-income-tax-exempt	Not exempt from income tax under Division 50 of the <i>Income Tax Assessment Act 1997</i> (Cth) or under Division 1AB of Part III of the <i>Income Tax Assessment Act 1936</i> (Cth).
Personal information	<p>Has the same meaning as in the <i>Privacy Act 1988</i> (Cth) which is:</p> <p style="padding-left: 40px;">Information or an opinion about an identified individual, or an individual who is reasonably identifiable:</p> <ol style="list-style-type: none"> a. whether the information or opinion is true or not; and b. whether the information or opinion is recorded in a material form or not.
Program delegate	An AusIndustry Senior Responsible Officer within the department with responsibility for the program.
Priority growth sectors / Growth Centre sectors	See <i>Industry Growth Centres Initiative</i> .
Program funding or Program funds	The funding made available by the Commonwealth for the program.
Project	A project described in an application for grant funding under the program.
Publicly funded research organisation (PFRO)	All higher education providers listed at Table A and Table B of the <i>Higher Education Support Act 2003</i> (Cth) [and corporate Commonwealth entities, and State and Territory business enterprises which undertake publicly funded research.

Term	Definition
Small and medium enterprise (SME)	Small and medium enterprises are Australian businesses employing fewer than 200 people.

Appendix B. Eligible expenditure

This section provides guidance on the eligibility of expenditure.

The program delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by you within the project period
- be a direct cost of the project
- be incurred by you to undertake required project audit activities
- meet the eligible expenditure guidelines.

How we verify eligible expenditure

If your application is successful, we will ask you to verify the project budget that you provided in your application when we negotiate your grant agreement. You may need to provide evidence such as quotes for major costs.

The grant agreement will include details of the evidence you may need to provide when you achieve certain milestones in your project. This may include evidence related to eligible expenditure.

If requested, you will need to provide the agreed evidence along with your progress reports.

You must keep payment records of all eligible expenditure, and be able to explain how the costs relate to the agreed project activities. At any time, we may ask you to provide records of the expenditure you have paid. If you do not provide these records when requested, the expense may not qualify as eligible expenditure.

At the end of the project, you may be required to provide an independent financial audit of all eligible expenditure from the project.

Labour expenditure

Eligible labour expenditure for the grant covers the direct labour costs of employees you directly employ on the core elements of the project. We consider a person an employee when you pay them a regular salary or wage, out of which you make regular tax instalment deductions.

We consider costs for technical, but not administrative, project management activities eligible labour expenditure. However, we limit these costs to 10 per cent of the total amount of eligible labour expenditure claimed.

We do not consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure, even if they are doing project management tasks. The salary costs of the relevant SME Export Hub Manager counts as eligible expenditure for the purposes of this grant opportunity.

Eligible salary expenditure includes an employee's total remuneration package as stated on their Pay As You Go (PAYG) Annual Payment Summary submitted to the ATO. We consider salary-sacrificed superannuation contributions as part of an employee's salary package if the amount is more than what the Superannuation Guarantee requires.

The maximum salary for an employee, director or shareholder, including packaged components that you can claim through the grant is \$175,000 per financial year.

For periods of the project that do not make a full financial year, you must reduce the maximum salary amount you claim proportionally.

You can only claim eligible salary costs when an employee is working directly on agreed project activities during the agreed project period.

Labour on-costs and administrative overhead

You may increase eligible salary costs by an additional 30% allowance to cover on-costs such as employer paid superannuation, payroll tax, workers compensation insurance, and overheads such as office rent and the provision of computers.

You should calculate eligible salary costs using the formula below:

$$\text{Eligible salary costs} = \text{Annual salary package} \times \frac{\text{Weeks spent on project}}{52 \text{ weeks}} \times \text{percentage of time spent on project}$$

You cannot calculate labour costs by estimating the employee's worth. If you have not exchanged money (either by cash or bank transactions) we will not consider the cost eligible.

Evidence you will need to provide can include:

- details of all personnel working on the project, including name, title, function, time spent on the project and salary
- ATO payment summaries, pay slips and employment contracts.

Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

- another organisation
- an individual who is not an employee, but engaged under a separate contract.

All contractors must have a written contract prior to starting any project work—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work they perform
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense. The costs must also be reasonable and appropriate for the activities performed.

We will require evidence of contractor expenditure that may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase orders
- supply agreements

- invoices and payment documents.

You must ensure all project contractors keep a record of the costs of their work on the project. We may require you to provide a contractor's records of their costs of doing project work. If you cannot provide these records, the relevant contract expense may not qualify as eligible expenditure.

Travel and overseas expenditure

Eligible travel and overseas expenditure may include

- domestic travel limited to the reasonable cost of accommodation and transportation required to conduct agreed project and collaboration activities in Australia
- international travel for hub facilitators limited to the reasonable cost of accommodation and transportation to conduct agreed project activities overseas and to accompany participating export hub SMEs overseas. Travel for participating SMEs will not be considered as eligible expenditure. All international travel expenses must be approved by the program delegate prior to travel.

Eligible air transportation is limited to the economy class fare for each sector travelled; where non-economy class air transport is used only the equivalent of an economy fare for that sector is eligible expenditure. Where non-economy class air transport is used, the grantee will require evidence showing what an economy air fare costs at the time of travel.

We will consider value for money when determining whether the cost of overseas expenditure is eligible. This may depend on

- the proportion of total grant funding that you will spend on overseas expenditure
- the proportion of the service providers total fee that will be spent on overseas expenditure
- how the overseas expenditure is likely to aid the project in meeting the program objectives

Overseas travel must be at an economy rate and you must demonstrate you cannot access the service, or an equivalent service in Australia.

Eligible overseas activities expenditure is generally limited to 10 per cent of total eligible expenditure.

Other eligible expenditure

Other eligible expenditures for the project may include:

- staff training that directly supports the achievement of project outcomes including capability development for export hub managers up to a maximum of 10 per cent of total eligible project expenditure
- licensing fees to deliver third party services and tools to improve firms competitiveness and export capability
- financial auditing of project expenditure
- contingency costs up to a maximum of 10% of the eligible project costs. Note that we make payments based on actual costs incurred.
- cost of research activities directly related to the following eligible activities:
 - identifying emerging needs of export markets to inform and facilitate commercially focussed industry-research collaboration to address those needs
 - providing market intelligence about export opportunities and facilitation of opportunities for participating SMEs to access global supply chains.

Other specific expenditures may be eligible as determined by the program delegate.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.

Appendix C. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure.

The program delegate may impose limitations or exclude expenditure, or further include some ineligible expenditure listed in these guidelines in a grant agreement or otherwise by notice to you.

Examples of ineligible expenditure include:

- cost of research activities, unless they are directly related to the following eligible activities:
 - identifying emerging needs of export markets to inform and facilitate commercially focussed industry-research collaboration to address those needs
 - providing market intelligence about export opportunities and facilitation of opportunities for participating SMEs to access global supply chains.
- activities, equipment or supplies that are already being supported through other sources
- costs incurred prior to us notifying you that the application is eligible and complete
- any in-kind contributions
- financing costs, including interest
- capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, computers, printers or photocopiers and the construction, renovation or extension of facilities such as buildings and laboratories
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- costs such as rental, renovations and utilities
- non-project-related staff training and development costs
- insurance costs (the participants must effect and maintain adequate insurance or similar coverage for any liability arising as a result of its participation in funded activities)
- debt financing
- costs related to obtaining resources used on the project, including interest on loans, job advertising and recruiting, and contract negotiations
- depreciation of plant and equipment beyond the life of the project
- maintenance costs
- costs of purchasing, leasing, depreciation of, or development of land
- infrastructure development costs, including development of road, rail, port or fuel delivery networks beyond the manufacturing site
- site preparation activities which are not directly related to, or for, the main purpose of transitioning to higher value and/or niche manufacturing
- opportunity costs relating to any production losses due to allocating resources to the agreed grant project
- costs of manufacturing production inputs
- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and bank charges
- costs related to preparing the grant application, preparing any project reports (except costs of independent audit reports we require) and preparing any project variation requests

- travel or overseas costs that exceed 10% of total project costs except where otherwise approved by the program delegate.

This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.