

Advanced Manufacturing  
Quality Assurance Program

# Program Guidelines





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# 1. Aim

The Advanced Manufacturing Quality Assurance Program is to support Tasmanian-based advanced manufacturing enterprises attain identified quality assurance accreditations that will assist the enterprise in retaining existing customers or securing new customers and new markets.

# 2. Background

The Tasmanian Government's Advanced Manufacturing Action Plan 2024 was released in November 2020 and included the establishment of an Advanced Manufacturing Quality Assurance Program (the program).

Funding of \$150 000 is available this current financial year, \$150 000 in 2022-23 and \$150 000 in 2023-24.

The program provides up to a 50 per cent contribution to Tasmanian-based advanced manufacturers who wish to attain quality assurance accreditation, subject to the applicant contributing at least 50 per cent of the project costs in cash (not in kind).

Maximum grant assistance is \$20 000 for a project with a minimum value of \$40 000.

Collaborative projects will be considered on a case-by-case basis. Collaborative projects will need a lead proponent such as an industry body or nominated lead business. These projects may be eligible for a greater percentage of grant funding on demonstration of industry benefit.

# 3. Definitions

*Advanced manufacturing enterprises* are those manufacturing businesses that utilise continuous improvement, enhanced skills, new technologies, and design and systems integration to drive innovation and growth throughout the value chain. Advanced manufacturers ensure that customers receive the best quality, cost and delivery in products and services. Advanced manufacturers aim to deliver high value, niche and customised premium products and services.

Advanced manufacturing is less about what the manufacturer makes, but more about how it is made – through advanced knowledge, advanced processes and advanced business models.

*Advanced Manufacturing Unit* is the administrative unit within the Department of State Growth responsible for providing Tasmanian Government services, support and advice to the advanced manufacturing sector.

*Grant Agreement* is an agreement entered into, regarding the provision of a grant, between an approved applicant and the Crown in Right of Tasmania.

*Project* means a project which is the subject of a funding application under the program.

*Project costs* include costs incurred by an applicant directly attributable to the project, but excludes ongoing running costs associated with the project.

*Program* means this Advanced Manufacturing Quality Assurance Program.

*Program Review* means a review of the outcomes of the approved and acquitted project, conducted by the Program Manager with the applicant.

## 4. Eligibility Criteria

To be eligible for financial assistance from the program the applicant:

- must be able to demonstrate that they are a Tasmanian-based advanced manufacturing enterprise or relevant industry group supporting Tasmanian advanced manufacturing enterprises
- must have an Australian Business Number and be registered for GST
- cannot receive more than \$20 000 per financial year under this program
- cannot be eligible for funding from any other grant source for quality assurance programs
- must have annual sales turnover greater than \$300 000 (indicatively) and less than \$20 million
- must not be a consultant or intermediary, and
- must not be subject to any legal disability, including bankruptcy or liquidation.

You may be asked to supply documentation to support your eligibility claims as part of the application process, or as part of an audit process to confirm your claims were true and correct.

If you are unsure about your ability to meet all aspects of the eligibility criteria please contact the Advanced Manufacturing Unit via Business Tasmania on 1800 440 026.

## 5. Eligible Expenditure

The program provides a reimbursement of up to 50 per cent of approved project costs up to a maximum of \$20 000. Eligible project expenditure cannot be retrospective. Examples of eligible expenditure include:

- Market or industry specific accreditation
- ISO9001 – Quality Management System
- HACCP – Hazard Analysis Critical Control Point
- ISO22000 – Food Safety Management
- ISO3834 – Fusion Welding of Metallic Materials
- ISO27001 – Information Security
- ISO13485 – Medical Devices
- ISO14001 – Environmental Management Systems
- Defence Industry Security Program (DISP)
- International Traffic in Arms Regulations.

## 6. Ineligible Expenditure

- Capital expenditure
- Training expenses – accredited or unaccredited
- Salaries and wages
- Product prototype research and development
- General operational business expenses including office expenses, maintenance costs, accounting, legal, compliance and government fees
- Costs associated with patents and intellectual property.

## 7. Assessment

Assessment is based on the quality of information provided by the applicant at the time of submission against the assessment criteria. Applicants are encouraged to ensure that all information is included in their application at the time of submission.

All applications are subject to a merit process based on the following criteria:

- Demonstration that the applicant is a Tasmanian-based advanced manufacturer or has the potential to become a Tasmanian-based advanced manufacturer with the proposed project.
- Demonstration of why the proposed project is required.
- Demonstration that the proposed project will either:
  - secure new customers, or
  - secure new markets.
- Demonstration of projected outcomes.
- Demonstration of project planning and project costs.

In addition, applicants will be required to agree to participate in a program review conducted by the Department of State Growth.

The Advanced Manufacturing Unit will assess and advise the submission outcome within a two week period.

## 8. Application process

For an application to be approved the application must be submitted and assessed before the project commences. Steps in the process are as follows:

1. An enterprise is briefed on the program by a team member from the Advanced Manufacturing Unit within the Department of State Growth. The enterprise should review the guidelines to ascertain eligibility.
2. The application is submitted via the SmartyGrants grant management platform.

3. The enterprise will be advised of the outcome by a team member from the Advanced Manufacturing Unit.
4. A Grant Agreement will be prepared for execution by the successful enterprise.

The Department of State Growth uses an online grants management system called SmartyGrants. This system is easy to use and accessible via mobile phones, tablets, laptops and personal computers.

The online platform allows you to apply for a grant at any time while the program is open. It also allows us to send you notifications throughout the grant application and funding process.

If you do not have internet access please contact us to discuss alternate options.

## 8.1 What does a successful application look like?

A successful application:

- meets all aspects of the eligibility criteria
- shows that the project to be undertaken with the grant funding aligns to the purpose of the grant program
- has clear well-structured answers to all the assessment criteria questions, and
- contains, where requested, quality documented evidence to support your claims against the eligibility and/or assessment criteria.

## 9. Appealing a decision

The Department of State Growth may reconsider a decision if the applicant can demonstrate a proven conflict of interest, error in process or discrimination.

If applicants have reason to believe that the proper process was not followed in assessment of an application, a request for review may be submitted.

Grounds for appeal are:

1. The persons making the decision had a direct or indirect financial interest in the outcome of the application.
2. The preparation of the application was affected adversely by incorrect advice provided by a staff member of the Department of State Growth.
3. The persons making the recommendations discriminated against the applicant on irrelevant grounds, such as cultural, religious or linguistic background; race; gender; marital status; sexual orientation; or disability.

All requests must be in writing and should be addressed to the General Manager, Business and Trade Tasmania, PO Box 672, Burnie 7320.

Your request must be received within 28 days from the date of the Department of State Growth notifying you of the decision about your application.

# 10. Acquittal

## 10.1 What is an acquittal?

An acquittal is a statement that is required to be made by the successful grant recipient, confirming that the grant funding provided was used as it was intended and as per the statements made on the application form and funding agreement.

## 10.2 How to acquit for a grant

Successful applicants will be required to provide some information about the activities and purchases made along with providing evidence such as any invoices, receipts, statements, reports, etc. as evidence to support the acquittal. You will be provided with a Smarty Grants link to an acquittal form. The form will clearly define what is required of you to complete the acquittal process.

A tax invoice will be requested when the acquittal form and supporting documentation is approved. It is important to note that the final grant payment will be a maximum of 50 per cent of eligible expenditure for the approved project. If actual eligible expenditure is less than per the approved application, the lesser amount will be paid.

## 10.3 The acquittal form

In addition to ensuring the funding provided was used as intended the questions on the acquittal form help us determine how successful the grant funding program was.

This success is determined by understanding what the project was able to achieve and, how well we were able to deliver the program to our clients. This helps us improve our client service and determine the best place to invest grant funding in the future.

## 10.4 Failure to complete an acquittal

The Department has a requirement and responsibility to ensure that the public funding we administer is allocated fairly and spent responsibly. So, we must review the outcomes of grant funding to ensure it aligns to the intended original approved purpose.

Failure to lodge a valid acquittal by the due date will result in the grant funding being forfeited.

# 11. Taxation and financial implications

Grants under the program attract Goods and Services Tax (GST). Grant payments to successful applicants, who are registered for GST, are increased to compensate for the amount of GST payable. A valid tax invoice must be supplied, by the successful applicant, to the Department where GST applies to the grant funding.

The receipt of funding from this program may be treated as income by the ATO. While grants are typically treated as assessable income for taxation purposes, how they are treated will depend on the recipient's particular circumstances.

It is strongly recommended that potential applicants seek independent advice about the possible tax implications for receiving the grant under the program from a tax advisor, financial advisor and/or the Australian Taxation Office (ATO), prior to submitting an application.

If you are an individual (not a business) or you do not have an Australian Business Number (ABN) you may be required to complete a 'Statement by a supplier not quoting an ABN'. Refer to the ATO website for more information:

<https://www.ato.gov.au/forms/statement-by-a-supplier-not-quoting-an-abn/>

Information on invoices can be found on our Business Tasmania website:

[https://www.business.tas.gov.au/manage\\_a\\_business/invoices](https://www.business.tas.gov.au/manage_a_business/invoices)

## 12. Grant payments

Applicants will be asked for bank account details so that we can process successful grant payments. This bank account must be in the same name of the person or business who applied for the grant. You may be asked to provide a copy of your bank statement or a letter from you bank to confirm your bank account details.

For any successful applicants who provides incorrect bank account details, this may result in funds being paid to an incorrect account and then these funds will need to be returned to us before we attempt another grant payment. This process may result in significant delays to any funding being received. Additionally, we cannot guarantee that funds paid to an incorrect bank account will be returned to us.

For applicants who are successful in being awarded a grant and

1. their situation changes,
2. they do not complete the activities or tasks required under the funding agreement,
3. they do not use any or all of the funding provided, or
4. the information provided to us is found to be false or misleading,

the applicant will be required to return the funds to the department.

## 13. Confidentiality

The Tasmanian Government may use and disclose the information provided by applicants for the purposes of discharging its respective functions under the Program Guidelines and otherwise for the purposes of the program and related uses.

The department may also:

1. Use information received in applications for any other departmental business.
2. Use information received in applications and during the performance of the project for reporting.

## 14. Administration and contact details

The Program will be administered by the Department of State Growth on behalf of the Crown in the Right of Tasmania. Contact with the Department for any of the following reasons can be directed to: [ask@business.tas.gov.au](mailto:ask@business.tas.gov.au) or 1800 440 026.

- Further information or advice on the program
- Assistance in making an application
- Further feedback on the decision of the application
- Request a review of the decision

### 14.1 Important note

All applicants must take care to provide true and accurate information. Any information that is found to be false or misleading may result in action being taken and grant funds, if already provided, will be required to be repaid to the Department.

## 15. Publicity of grant assistance

The Department of State Growth disburses public funds and is therefore accountable for the distribution of those funds. As part of the accountability process, the Department may be required to publicise the level of financial assistance, the identity of the recipient, the purpose of the financial assistance, and any other details considered by the Department to be appropriate.

## 16. Right to information

Information provided to the Department of State Growth may be subject to disclosure in accordance with the *Right to Information Act 2009*.

## 17. Personal information protection

Personal information will be managed in accordance with the *Personal Information Protection Act 2004*. This information may be accessed by the individual to whom it related, on request to the Department of State Growth. A fee for this service may be charged.

## 18. Disclosure

The following applies to all successful applicants:

- Despite any confidentiality or intellectual property right subsisting in the grant funding agreement or deed, a party may publish all or any part of the grant funding agreement or deed without reference to another party.



## Department of State Growth

Salamanca Building, Parliament Square  
4 Salamanca Place Hobart TAS 7000

Phone: 1800 440 026

Email: [ask@business.tas.gov.au](mailto:ask@business.tas.gov.au)

Web: [www.business.tas.gov.au](http://www.business.tas.gov.au)

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