



Australian Government  
Department of Industry,  
Science and Resources



Australian  
Space Agency

## Grant Opportunity Guidelines

# International Space Investment India Projects

<b>Opening date:</b>	14 March 2023
<b>Closing date and time:</b>	5:00PM AEST on 13 June 2023
<b>Commonwealth policy entity:</b>	Department of Industry, Science and Resources (DISR)
<b>Administering entity:</b>	Department of Industry, Science and Resources (DISR)
<b>Enquiries:</b>	If you have any questions, contact us on 13 28 46.
<b>Date guidelines released:</b>	14 March 2023
<b>Type of grant opportunity:</b>	Open competitive

# Contents

<b>1. International Space Investment India Projects processes</b>	<b>4</b>
<b>2. About the grant program</b>	<b>5</b>
2.1. About the International Space Investment India Projects Grant Opportunity	5
<b>3. Grant amount and grant period</b>	<b>6</b>
3.1. Grants available	6
3.2. Project period	7
<b>4. Eligibility criteria</b>	<b>7</b>
4.1. Who is eligible?	7
4.2. Additional eligibility requirements	7
4.3. Who is not eligible?	8
<b>5. What the grant money can be used for</b>	<b>8</b>
5.1. Eligible activities	8
5.2. Eligible expenditure	8
<b>6. The assessment criteria</b>	<b>9</b>
6.1. Assessment criterion 1	9
6.2. Assessment criterion 2	9
6.3. Assessment criterion 3	10
6.4. Assessment criterion 4	10
<b>7. How to apply</b>	<b>10</b>
7.1. Attachments to the application	11
7.2. Joint applications	11
7.3. Timing of grant opportunity	12
<b>8. The grant selection process</b>	<b>12</b>
8.1. Who will approve grants?	13
<b>9. Notification of application outcomes</b>	<b>13</b>
<b>10. Successful grant applications</b>	<b>13</b>
10.1. Grant agreement	13
10.2. Intellectual Property	14
10.3. Project specific legislation, policies and industry standards	14
10.4. How we pay the grant	14
10.5. Tax obligations	15
<b>11. Announcement of grants</b>	<b>15</b>
<b>12. How we monitor your grant activity</b>	<b>15</b>
12.1. Keeping us informed	15
12.2. Reporting	16
12.2.1. Progress reports	16
12.2.2. End of project report	16
12.2.3. Ad-hoc reports	17

12.3.	Independent audits .....	17
12.4.	Compliance visits .....	17
12.5.	Grant agreement variations .....	17
12.6.	Evaluation .....	18
12.7.	Grant acknowledgement.....	18
<b>13.</b>	<b>Probity.....</b>	<b>18</b>
13.1.	Conflicts of interest .....	18
13.2.	How we use your information .....	19
13.2.1.	How we handle your confidential information .....	19
13.2.2.	When we may disclose confidential information .....	19
13.2.3.	How we use your personal information.....	20
13.2.4.	Freedom of information .....	20
13.3.	Security .....	20
13.3.1.	Know Your Partner.....	20
13.3.2.	Export Controls .....	21
13.3.3.	Foreign Affiliations .....	21
13.4.	Disclosure of Commonwealth, State or Territory financial penalties .....	21
<b>14.</b>	<b>Glossary.....</b>	<b>22</b>
<b>Appendix A.</b>	<b>ISI India Projects – Mutual Priority Areas .....</b>	<b>25</b>
<b>Appendix B.</b>	<b>Eligible expenditure.....</b>	<b>26</b>
B.1	How we verify eligible expenditure .....	26
B.2	Equipment expenditure .....	26
B.3	Construction related to installation of new equipment .....	27
B.4	ICT hardware and software .....	27
B.5	Labour expenditure .....	27
B.6	Labour on-costs and administrative overhead.....	28
B.7	Contract expenditure.....	28
B.8	Travel and overseas expenditure .....	29
B.9	Other eligible expenditure .....	29
<b>Appendix C.</b>	<b>Ineligible expenditure.....</b>	<b>31</b>

# 1. International Space Investment India Projects processes

**The International Space Investment Initiative is designed to achieve Australian Government objectives**

This grant opportunity contributes to the Department of Industry, Science and Resources' Outcome 1, Program 2: Growing Business Investment and Improving Business Capability. The Australian Space Agency and the Department of Industry, Science and Resources works with stakeholders to plan and design the grant program according to the [Commonwealth Grants Rules and Guidelines](#).



**The grant opportunity opens**

We publish the grant guidelines on [business.gov.au](#) and GrantConnect.



**You complete and submit a grant application**

You complete the application form, addressing all the eligibility and assessment criteria in order for your application to be considered.



**We assess all grant applications**

We review the applications against eligibility criteria and notify you if you are not eligible. We assess eligible applications against the assessment criteria including an overall consideration of value with relevant money and compare it to other eligible applications.



**We make grant recommendations**

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



**Grant decisions are made**

The decision maker 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 International Space Investment Initiative**

We will evaluate the specific 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 International Space Investment Initiative (ISI) was announced as part of the *Australian Technology and Science Growth Plan – growing the Australian space industry* initiative in 2018. The program forms an important element of the [Advancing Space: Australian Civil Space Strategy 2019-2028](#), primarily addressing the National and International pillars to build international partnerships for industry, and create opportunities for Australian businesses and researchers to access international space supply chains, create jobs in Australia and support the growth of industries.

An expansion to the program, the India Projects stream was announced in 2022 to provide support via grants for Australian industry to conduct joint space projects and build valuable commercial links with the Indian Space Research Organisation (ISRO) and the broader Indian space sector. India is a significant space partner and contributor to our region of the world, and offers growth opportunities for Australian businesses. ISI India Projects broadly aligns with the [India Economic Strategy to 2035](#), especially regarding the India-Australia Comprehensive Strategic Partnership and the Comprehensive Economic Cooperation Agreement – focusing on strengthening our bilateral relationships and activities with mutual understanding of common interests and shared values, in support of both countries' prosperity. ISI India Projects grants will be administered over four financial years from 2022-23 to 2025-26 and projects will generate employment and business opportunities for Australians, with a minimum of 80 per cent of the investment to be in Australia for the benefit of Australian space industry organisations.

### 2.1. About the International Space Investment India Projects Grant Opportunity

These guidelines contain information about the International Space Investment India Projects (ISI India Projects) grant opportunity.

The objectives of the ISI India Projects stream are:

- unlock international space opportunities for the Australian space sector to work on joint space projects with India
- expand the capability and capacity of the Australian space sector, and support job creation
- demonstrate the Australian space sector's ability to successfully deliver space-related products and services internationally
- support projects which contribute to building a vision and a diverse, inclusive Australian space ecosystem that inspires businesses, the Australian community and the next generation of space workforce, researchers and entrepreneurs
- increased investment in the space sector, targeting the Mutual Priority Areas, as described in Appendix A.

The intended outcomes of the ISI India Projects stream are:

- an increase in Australia's reputation in the global space sector
- an increase in collaborations with India and build stronger regional relationships
- an increase in the number and size of Australian businesses qualifying for access to opportunities with the international space industry
- an increase in the number of Australian businesses winning contracts and successfully delivering products and services to the Indian space industry and/or ISRO programs via supply chain opportunities and joint projects

- an increase in investment and engagement from the Indian Space industry and their supply chains in Australia
- an increase in the number of jobs in the Australian space sector
- an increase in the number of Australian businesses and projects delivering activities with and/or to the Indian space industry that support the Mutual Priority Areas.

There will be other grant opportunities as part of the ISI India Projects stream and we will publish the opening and closing dates and any other relevant information on [business.gov.au](https://business.gov.au) and GrantConnect.

We encourage Indigenous businesses to apply for grant opportunities available as part of the ISI India Projects stream.

You will be required to provide a project plan and budget with your application. A mandatory template is available on [business.gov.au](https://business.gov.au).

We administer the program according to the [Commonwealth Grants Rules and Guidelines](#) (CGRGs)<sup>1</sup>.

This document sets out:

- the eligibility and assessment 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 DISR (the department) is responsible for administering this grant opportunity on behalf of the Australian Space Agency.

We have defined key terms used in these guidelines in the glossary at section 14.

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

### **3. Grant amount and grant period**

The Australian Government has announced a total of \$20.69 million will be administered across four financial years (2022-2026) for the ISI India Projects stream. An estimated \$18 million will be available for this grant opportunity.

#### **3.1. Grants available**

The grant amount will be up to 100 percent of eligible project costs (the grant percentage). There is no co-contribution requirement.

- The minimum grant amount is \$1 million
- The maximum grant amount is \$10 million

You are responsible for any project expenditure not covered by the grant. This funding can come from any source, for example: Australian or Indian industry partners, the Indian federal government, Australian or Indian State, Territory, and local government grants. Contributions can be cash or in-kind.

---

<sup>1</sup> <https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines>

We cannot fund your project if it receives funding from another Commonwealth government grant for the same activities funded by this program. You can apply for a grant for your project under more than one Commonwealth program, but if your application is successful, you must choose either the ISI - India Projects stream or the other Commonwealth grant if they are for funding the same eligible project expenditure.

Only projects of exceptional merit will be awarded the maximum grant amount.

Your project may require relevant approvals by the Australian Space Agency under the *Space (Launches and Returns) Act 2018* (e.g. an overseas payload permit to launch a space object overseas). Assessment for relevant approvals under this Act will be conducted independently of your grant application. Being successful for funding under this program does not mean that you will be automatically granted payload approvals for your activity.

### 3.2. Project period

The maximum project period is two and a half years. Project activities are expected to begin in October 2023 and be completed by 31 March 2026.

## 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 registered for the Goods and Services Tax (GST)

and be one of the following entities:

- an entity, incorporated in Australia
- a publicly funded research organisation (PFRO) as defined in section 14.

Joint applications are acceptable, provided you have a lead organisation 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 have at least \$1 million in eligible expenditure
- where you can provide evidence of support from your Indian partner organisation/s and that your project has links to India's space industry and/or supply chains. This could be in the form of a letter of support or a memorandum of understanding (MOU)
- where you can provide evidence that a minimum of 80 per cent of the investment will be made in Australia, for the benefit of the Australian space organisations.

We cannot waive the eligibility criteria under any circumstances.

### 4.3. Who is not eligible?

You are not eligible to apply if you are:

- listed on the National Redress Scheme's website as an institution that has not joined or signified its intent to join the Scheme (<https://www.nationalredress.gov.au/node/966/>)
- named by the Workplace Gender Equality Agency as an organisation that has not complied with the [Workplace Gender Equality Act 2012](#)
- an individual
- a partnership
- a trust (however, an incorporated trustee may apply on behalf of a trust)
- a Commonwealth, State, Territory or local government body (including government business enterprises)
- a corporate or non-corporate Commonwealth entity.

## 5. What the grant money can be used for

### 5.1. Eligible activities

Eligible activities may include:

- research and development directly supporting eligible activities with a pathway to commercialisation
- product and service development
- commercialising existing products and services
- process design and engineering
- buying, constructing, installing or commissioning of equipment or software
- training and skills development that directly supports the achievement of project outcomes
- collaboration and partnership development.

We may also approve other activities.

### 5.2. Eligible expenditure

- For guidance on eligible expenditure, refer to Appendix B.
- For guidance on ineligible expenditure, refer to 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 a manager within the department with responsibility for administering 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 or your partners 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 must not commence your project until you execute a grant agreement with the Commonwealth.

## 6. The assessment criteria

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

The application form asks questions that relate to the assessment 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 character limits for each response.

We will only award funding to applications that score highly against all assessment criteria (with no less than a score of 50 per cent in any criterion), as these represent best value for money.

### 6.1. Assessment criterion 1

#### **The benefit of your project to the Australian space industry (30 points)**

You should demonstrate this by describing:

- a. how your project will build the capability and capacity of the Australian space industry by developing space heritage and increasing Technology Readiness Levels (TRL) from TRL4 onwards for missions, payloads and space-based technologies or technologies which support space-based assets
- b. how a minimum of 80 per cent of the investment will be made in Australia for the benefit of Australian space industries
- c. how your project will support jobs creation in the Australian space industry
- d. how your project will contribute to building a vision and a diverse, inclusive Australian space ecosystem that inspires businesses, the Australian community and the next generation of space workforce, researchers and entrepreneurs. For example: how will your project support and utilise Indigenous talent and capabilities, and how will your project support gender diversity, through consortium or contracting arrangements that grow local experience and reputation, ongoing employment in space and adjacent sector organisations or supply chains.

### 6.2. Assessment criterion 2

#### **Your project's ability to grow and strengthen collaboration with the Indian space sector (30 points)**

You should demonstrate this by describing:

- a. how your project will unlock international opportunities for the Australian space sector, including growing collaborations and delivering products and services to ISRO, the Indian Space industry and their supply chains in Australia
- b. which Mutual Priority Area/s your project can be categorised under and how it will advance capability in this area for the Australian and Indian space sectors. For Mutual Priority Areas (MPA), refer to Appendix A. If your project does not fall within any MPA, please demonstrate how it is aligned with, or will contribute to advancing capability within, one of those areas.

When constructing your overall response you may also wish to refer to the [Advancing Space: Australian Civil Space Strategy 2019-2028](#) and its associated roadmaps.

### 6.3. Assessment criterion 3

#### **Your capacity, capability and resources to deliver the project (20 points)**

You should demonstrate this by describing:

- a. you and your project partners track record managing similar projects, and access to personnel with the right skills and experience, including project management and technical staff
- b. your access to any infrastructure, capital equipment, technology and intellectual property,
- c. how you will ensure that the project will continue to deliver outcomes beyond the grant funding period
- d. your strategy to manage the project, this should include (but is not limited to):
  - scope, implementation methodology and timeframes
  - how you plan to mitigate delivery risks (including national security risks)
  - how you plan to secure required regulatory or other approvals.

### 6.4. Assessment criterion 4

#### **The impact of grant funding on your project (20 points)**

You should demonstrate this by describing:

- a. the total investment the grant will leverage, including direct contributions to the project and co-contributions, if any, to the project from sources including but not limited to project leads, partners, state and territory governments, investors and venture capital (VC)
- b. your plans for unlocking future investments and opportunities in the space sector due to the project activities and technological development resulting from this grant.

## 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. Applicants should read all eligibility and assessment criteria closely and attach detailed evidence that supports the assessment criteria.

To apply, you must:

- complete and submit your application through the online portal
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You can view and print a copy of your submitted application on the portal 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 Act 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.

After submitting your application, we can contact you for clarification if we find an error or any missing information, including regarding evidence that supports your eligibility/merit. Additional

information should not materially change your application at the time it was submitted and may be refused if deemed to be purely supplementary.

If you need further guidance around the application process, or if you have any issues with the portal, [contact us](#) at [business.gov.au](http://business.gov.au) or by calling 13 28 46.

### 7.1. Attachments to the application

You must provide the following documents with your application to support your responses to the assessment criteria:

- a project plan (template provided on [business.gov.au](#))
- a project budget (template provided on [business.gov.au](#))
- evidence of support from your board, CEO or equivalent (template provided on [business.gov.au](#) and GrantConnect). Where your CEO or equivalent submits your application, we will accept this as evidence of support.
- evidence of support from your Indian partner organisation/s (e.g. letter of support or MOU)
- project partner letters of support (see Section 7.2. Template provided on [business.gov.au](#))
- trust deed (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. The total of all attachments cannot exceed 20MB. We will not consider information in attachments that we do not request. Application guidance for ISI India Projects will be made available at [business.gov.au](#).

### 7.2. Joint applications

We recognise and encourage that some organisations may join together as a group to deliver a project. We encourage applicants to form consortia that strengthen and broaden their capabilities to effectively deliver a project. We prefer and encourage consortia to include a mixture of industrial and academic partners.

If submitting a joint application, you must appoint an Australian lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth.

Your application should identify all members of the proposed group and include a letter of support from each of the project partners. Each letter of support should be signed by executive level personnel and 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)
- evidence that the project partner is an Indigenous business or organisation (if applicable)
- details of a nominated management level contact officer.

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

If successful, you are required to formally enter into a partners' agreement and have certain obligations. The partners' agreement must cover all matters as required by the grant agreement. You will have 60 days from the execution or commencement of the grant agreement, whichever is

the later, to execute a partner’s agreement with all partners and provide this to the Commonwealth. Under certain circumstances, we may extend this period. Should the partner agreement not be finalised within the 60 day period, or within an approved extension period, the Commonwealth may terminate the grant agreement.

A template partner agreement will be available at [business.gov.au](https://business.gov.au) or on request, which you may customise for your requirements. Its use is not mandatory.

It is highly recommended the partner agreement outline how ownership of intellectual property will be managed amongst project partners.

### 7.3. Timing of grant opportunity

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

If you are successful we expect you will be able to commence your project around October 2023.

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of applications	4 weeks
Approval of outcomes of selection process	10 weeks
Negotiations and award of grant agreements	1-4 weeks
Notification to unsuccessful applicants	2 weeks
Earliest start date of project	October 2023 or upon execution of a grant agreement
End date of project	31 March 2026

## 8. The grant selection process

We first review your application against the eligibility criteria. If eligible, we will then assess it against the assessment criteria. Only eligible applications will proceed to the assessment stage.

We consider your application on its merits, based on:

- how well it meets the criteria
- how it compares to other applications
- whether it provides value for relevant money.

When assessing whether the application represents value for relevant money, we will have regard to:

- the overall objectives of the grant opportunity
- the evidence provided to demonstrate how your project contributes to meeting those objectives
- the relative value of the grant sought
- any national interest, financial, legal/regulatory, governance or other issue or risk that we identify during any due diligence process that we conduct in respect of the applicant. This includes its directors, officers, senior managers, key personnel, its related bodies corporate (as defined in the *Corporations Act*) or its application that could bring the Australian

Government into disrepute if it were to fund the applicant. Such issues and risks include where we consider that funding the application under this grant opportunity is likely to directly conflict with Australian Government policy or affect Australia's national security.

Where possible<sup>2</sup>, we will provide you with an opportunity to comment on any material risks identified during this due diligence process, prior to our determining the extent (if any) to which those issues or risks affect our assessment of the application and, if so, whether they are sufficient to warrant the exclusion of your application from the assessment process.

We will establish a committee that includes space sector and industry experts to assess applications. The committee may also seek additional advice from independent technical experts.

The committee will assess your application against the assessment criteria and compare it to other eligible applications before recommending which projects to fund.

If two or more eligible applications are scored the same, or where the number of suitable applications is greater than the available funding, the committee will consider each applications alignment to the program objectives, the geographical location or distribution of projects, and each project's commitment to a vision and diverse, inclusive Australian space ecosystem in recommending applications for funding.

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 Head of the Australian Space Agency decides which grants to approve taking into account the recommendations of the committee and the availability of grant funds.

The Head of the Australian Space Agency's decision is final in all matters, including:

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

We cannot review decisions about the merits of your application.

The Head of the Australian Space Agency will not approve funding if there are insufficient program funds available across relevant financial years for the program.

## 9. Notification of application outcomes

We will advise you of the outcome of your application in writing. If you are successful, we advise you of any specific conditions attached to the grant.

If you are unsuccessful, we will 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. Sample [grant agreements](#) are available on [business.gov.au](https://business.gov.au) and GrantConnect.

---

<sup>2</sup> Subject to national security considerations.

We will use a Commonwealth standard grant agreement. We will manage the grant agreement through the online portal. This includes issuing and executing the grant agreement. Execute means both you and the Commonwealth have accepted the agreement. You must not start any ISI India Projects stream grant activities until a grant agreement is executed. We are not responsible for any expenditure you incur and cannot make any payments 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 Program Delegate. We will identify these in the offer of grant funding.

The Commonwealth may recover grant funds if there is a breach of the 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 Head of the Australian Space Agency.

## 10.2. Intellectual Property

Applicants must provide details of intellectual property (IP) arrangements in their applications. This includes both the use of IP in the project and the proposed ownership rights to IP generated by the project. You and your project partners must negotiate arrangements and procedures for using and handling all IP in a manner which maximises the benefits to Australia and the partners. These arrangements may include the allocation of IP rights, or of the income from IP, between you and your partners. You or your partners may wish to consult the IP Toolkit for Collaboration, which is available at [business.gov.au](https://business.gov.au).

## 10.3. Project specific legislation, policies and industry standards

You must comply with all relevant laws, regulations and Australian Government sanctions in undertaking your project. You must also comply with the specific legislation/policies/industry standards that follow. It is a condition of the grant funding that you meet these requirements. We will include these requirements in your grant agreement.

In particular, you will be required to comply with:

- State/Territory legislation in relation to working with children
- relevant approvals by the Australian Space Agency under the *Space (Launches and Returns) Act 2018*.
- any relevant export control requirements.

The Australian Space Agency is responsible for administering the *Space (Launches and Returns Act) 2018* (the Act) and associated rules. The process of assessing payload approvals under the Act is undertaken independently of this grant program. Being successful for funding under this program does not mean that you will be automatically granted payload approvals for your activity.

## 10.4. How we pay the grant

The grant agreement will state:

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

- any in-kind co-contribution provided by you or a third party.

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

## 10.5. 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 entities<sup>3</sup>.

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
- project locations.

The project may also be published by the Australian Space Agency through its social media channels, or on [space.gov.au](#).

## 12. How we monitor your grant activity

### 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.

You must also inform us of any changes to your:

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

---

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

You must also inform us of any material changes in the circumstances of project partners and personnel including:

- significant changes to company ownership or structure
- significant variations in the level of financial and in-kind support provided
- affiliations which may pose a conflict of interest.

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.

We encourage you to discuss updates and matters with us, but you must also notify us in writing.

## 12.2. Reporting

You must submit reports in line with the grant agreement. We will provide the requirements 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
- periodic updates in each milestone on benefits realised including but not limited to jobs created, research positions created, publications generated, research outcomes etc.

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:

- include details and evidence of your progress towards completion of agreed project activities
- 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 as assessed by the department. We will come back to you if we need more information.

You must notify us in writing of 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.

### 12.2.3. Ad-hoc reports

We may ask you for ad-hoc reports on your project. These may be to provide an update on progress, or if there are any significant delays or difficulties in completing the project. We also encourage grantees to send through mission milestone review invites or technical milestone reports for instance during Critical Design Reviews, Launch Readiness reviews or equivalent when appropriate.

### 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 available on [business.gov.au](http://business.gov.au) and GrantConnect.

### 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. For large or complex projects, we may visit you after you finish your project. 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 grant period
- changing project activities.

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 project end date. You can submit a variation request via our online portal.

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 opportunity 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 and 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\(7\)\)<sup>4</sup>](#) of the [Public Service Act 1999](#) (Cth). Committee members and other officials including the decision maker must also declare any conflicts of interest.

---

<sup>4</sup> <https://www.legislation.gov.au/Details/C2019C00057>

We publish our [conflict of interest policy](#)<sup>5</sup> on the department's website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

## 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 employees and contractors of other Australian Government entities in order to manage the program, or for consultation, research, monitoring or analysis purposes
- 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.

---

<sup>5</sup> [https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf?acsf\\_files\\_redirect](https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf?acsf_files_redirect)

### 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
- 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 of other Australian Government entities, 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](#)<sup>6</sup> 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.

## 13.3. Security

Eligible activities under this grant may have national security implications. It is your responsibility to consider any such implications of the proposed project and identify and manage any risks, particularly relating to export controls, foreign interference and technology transfer.

### 13.3.1. Know Your Partner

You should ensure that you know who you are collaborating with by undertaking appropriate due diligence, proportionate to the risk and subject to available information, on all partners and personnel participating in the project. This should take into account any potential intellectual

---

<sup>6</sup> <https://www.industry.gov.au/data-and-publications/privacy-policy>

property, security, ethical, legal and reputational risks, and, where necessary, you should be prepared to demonstrate how you will manage and mitigate any identified risks.

### 13.3.2. Export Controls

As this program involves research collaboration with foreign entities, some provisions of Australia's export controls regime may apply to your project for instance Defence Export Control. It is your responsibility to consider the implications, if any, of the relevant legislation on the proposed project before submitting your application, and to comply with any applicable requirements if it is successful. Further information is available on the Department of Defence website.

### 13.3.3. Foreign Affiliations

Eligible activities under this grant may involve foreign affiliations<sup>7</sup> which must be disclosed under the conflict of interest policy outlined at Section 13.1. Specifically, you must inform us of any relationship between a project participant and any party which is able to influence, interfere with or benefit from the proposed activity. You must also inform us of any material changes to the foreign affiliations of project participants, as outlined at Section 12.1.

## 13.4. Disclosure of Commonwealth, State or Territory financial penalties

You must disclose whether any of your board members, management or persons of authority have been subject to any pecuniary penalty, whether civil, criminal or administrative, imposed by a Commonwealth, State, or Territory court or a Commonwealth, State, or Territory entity. If this is the case, you must provide advice to the department regarding the matter for consideration. 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:

General Manager  
Program Portfolio Delivery Branch  
Department of Industry, Science and Resources  
GPO Box 2013  
CANBERRA ACT 2601

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

---

<sup>7</sup> Including but not limited to, foreign ownership (including foreign government ownership), affiliations with foreign governments, political parties, organisations, institutions or companies, or membership of foreign government talent programs.

<sup>8</sup> <http://www.ombudsman.gov.au/>

## 14. Glossary

Term	Definition
Administering entity	The entity that is not responsible for the policy however is responsible for the administration of part or all of the grant administration processes.
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.
Assessment criteria	The specified principles or standards, against which applications will be judged. These criteria are also used to assess the merits of proposals and, in the case of a competitive grant opportunity, to determine application ranking.
AusIndustry	The division of the same name within the department.
Australian Space Agency (Agency)	A separately branded entity located within the department. The Australian Space Agency was established to coordinate civil space matters across government and support the growth and transformation of Australia's space industry.
Australian space industry organisations	<p>Australian organisations that are</p> <ul style="list-style-type: none"> <li>• Australian space industry firms, and/or</li> <li>• engaged in space-related innovation, R&amp;D, or research (basic or applied).</li> </ul> <p>Australian organisations deliver space-related products and services as a core capability of the organisation, including organisations with activities in space manufacturing and associated supply chain, satellite operations, as well as consumer services delivered by space capabilities, and specialist space services (e.g. space law).</p>
Australian space sector	<p>The Australian space sector is the set of space-related activities along the space value chain. Included in the space sector are all actors (private, public and academic) participating in production, operation, supply and enablement activities that form the space value chain.</p> <p>Space value chain segments include manufacturing and core inputs (consisting of ground and space segment manufacturing and services), space operations, space applications, and enablers (such as regulation and essential service delivery, infrastructure and capabilities, research, development and engineering, and specialised support services).</p> <p>See the <a href="#">Definition of the Australian Space Sector (Australian Space Agency, 2020)</a>.</p>
Department/we/DISR	The Department of Industry, Science and Resources.

Term	Definition
Decision maker	The person who makes a decision to award a grant.
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.
Eligibility criteria	The mandatory criteria, which must be met to qualify for a grant.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.2.
Eligible expenditure guidance	The guidance that is provided at Appendix B.
Executive level personnel	Examples may include Chief Executive Officer (CEO), Chief Technology Officer (CTO), Chief Financial Officer (CFO), Director, or Managing Director.
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.
<a href="#">GrantConnect</a>	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.
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.
Indigenous business	An Indigenous business is any business that is 50 percent or more Indigenous owned. <a href="#">Supply Nation</a> provides a free, non-exhaustive list of registered Indigenous businesses.
Indigenous organisation	Indigenous organisations may be legally incorporated under Australian legislation or may also be a more informal group of people who unite to get specific things done together – such as an assembly, alliance, or volunteer organisation.
Indigenous talent	Indigenous businesses, organisations or individuals.
Minister	The Commonwealth Minister for Industry and Science

Term	Definition
National Civil Space Priorities	<p>The seven National Civil Space Priorities stated in the <a href="#">Australian Civil Space Strategy 2019-2028</a>:</p> <ul style="list-style-type: none"> <li>• position, navigation and timing</li> <li>• earth observation from space</li> <li>• communications technologies and services</li> <li>• space situational awareness and debris mitigation</li> <li>• leapfrog R&amp;D (including areas such as applied space medicine and life sciences)</li> <li>• robotics and automation on Earth and in space</li> <li>• access to space.</li> </ul>
Personal information	<p>Has the same meaning as in the <a href="#">Privacy Act 1988</a> (Cth) which is:</p> <p>Information or an opinion about an identified individual, or an individual who is reasonably identifiable:</p> <ol style="list-style-type: none"> <li>a. whether the information or opinion is true or not; and</li> <li>b. whether the information or opinion is recorded in a material form or not.</li> </ol>
Program Delegate	A manager within the department with responsibility for administering the program.
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 <a href="#">Higher Education Support Act 2003</a> (Cth) and corporate Commonwealth entities, and State and Territory business enterprises which undertake publicly funded research.
Technology Readiness Levels (TRL)	A method for assessing technology maturity. The TRL scale runs from 1-9 (with 9 being the highest level) and provides a universal measure for discussion across the space sector. See the <a href="#">NASA TRL Level definitions</a> .



## Appendix A. ISI India Projects – Mutual Priority Areas

This section provides guidance on the Mutual Priority Areas this ISI India Projects stream grant opportunity will focus on advancing. These areas have been identified by the Agency in close consultation with the Australian stakeholders and working with ISRO and Indian stakeholder community.

The Mutual Priority Areas are:

- Applied space medicine and life sciences – including microgravity experiments and payloads
- Space Situational Awareness and debris mitigation
- Position, Navigation and Timing
- Earth Observation
- Advanced manufacturing for space
- Artificial intelligence for space based applications
- Cyber security projects for space missions
- Science and exploration services
- Facilitating space projects in industry resilience, workforce and skills development

If your project does not fall within one of the areas listed above, please demonstrate how it is aligned with, or will advance capability within, one of these areas.

## 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 within the project period
- be a direct cost of the project
- meet the eligible expenditure guidelines.

### B.1 How we verify eligible expenditure

If your application is successful, we may 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.

To be eligible, grant expenditure must constitute a proper<sup>9</sup> use of public resources and be aligned with project activities. 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 will be required to provide an independent financial audit of all eligible expenditure from the project. We may also request an independent financial audit for other projects, on a case-by-case basis.

### B.2 Equipment expenditure

We consider costs of purchase, freight and installation of equipment, as well as any related commissioning costs as eligible expenditure. You must list commissioning costs as a separate item within the project budget in the application form, and on reports of expenditure during project milestones.

We cannot consider any expenditure paid before the project start date as eligible expenditure. For commissioning and installation costs to be eligible, equipment costs must be paid after your project start date.

You can claim related freight and installation costs on capital expenditure.

Where you need to pay in instalments to purchase capital items (for example deposits, payment on installation, or payment on commissioning), you should claim the grant amount for the items progressively across multiple progress reports up to the end of the project period.

You may show expenditure on and equipment by providing evidence of:

---

<sup>9</sup> When used in relation to the use or management of public resources 'proper' means efficient, effective, economical and ethical.

- purchase price
- payments (e.g. tax invoices and receipts from suppliers confirming payment)
- commitment to pay for the capital item (e.g. supplier contract, purchase order or executed lease agreement)
- receipt of capital items (e.g. supplier or freight documents)
- associated costs such as freight and installation (e.g. supplier documents)
- the capital item on your premises (e.g. date stamped photographic evidence).

### B.3 Construction related to installation of new equipment

Construction costs necessary to accommodate new equipment in an existing facility may be eligible. The construction must directly relate to modifications that are required to undertake the project.

If you claim expenditure for related construction to accommodate new equipment, we limit this to:

- the costs of materials
- direct construction labour salary costs
- contractor costs.

Evidence for construction expenditure may include purchase orders, invoices, payment documentation, photographic evidence (date stamped) of the capital item in your premises and details of labour costs.

### B.4 ICT hardware and software

Costs involved in the purchase, upgrade or hire of software (including user licences) are eligible where they are directly related to the project. Purchase of ICT hardware is eligible where it is directly related to the project.

### B.5 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 and project management activities eligible labour expenditure, provided there are direct, demonstrated and monitored links to project objectives and outcomes. Labour expenditure for leadership or administrative tasks is not eligible. We only consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure where they are directly completing eligible project activities, including technical and project management tasks. However, we limit these costs to 10 per cent of the total amount of eligible labour expenditure claimed.

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 Australian Tax Office. 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.

## B.6 Labour on-costs and administrative overhead

You may increase eligible salary costs by an additional 30 per cent 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.

## B.7 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.

## B.8 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
- overseas travel limited to the reasonable cost of accommodation and transportation required in agreed cases where the overseas travel is material to the conduct of the project in Australia.

Accommodation refers to room cost only. Associated costs such as entertainment and other incidentals are not eligible travel expenditure and cannot be claimed as part of the cost of accommodation.

Transport may include the cost of local transport and/or car hire.

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 airfare costs at the time of travel, so the Department can determine the eligible portion of the expenditure as equal to the economy fare.

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 limited to 10 per cent of total eligible expenditure unless you have prior approval by the Program Delegate.

If specific travel costs are not identified in the application, this 'other expenditure' is not eligible during the project period unless the Program Delegate subsequently approves a request from the grantee.

## B.9 Other eligible expenditure

Other eligible expenditures for the project may include:

- building modifications where you own the modified asset and the modification is required to undertake the project, for example installing a clean room. Modifications to leased buildings may be eligible. You must use the leased building for activities related to your manufacturing process.
- staff training that directly supports the achievement of project outcomes
- financial auditing of project expenditure, the cost of an independent audit of project expenditure (where we request one) up to a maximum of one per cent of total eligible project expenditure
- costs you incur in order to obtain planning, environmental or other regulatory approvals during the project period. However, associated fees paid to the Commonwealth, state, territory and local governments are not eligible

- contingency costs up to a maximum of 10 per cent of the eligible project costs. Note that we make payments based on actual costs incurred.

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:

- research not directly supporting eligible activities
- activities, equipment or supplies that are already being supported through other sources
- costs incurred prior to executing a grant agreement
- 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 not directly related to the project
- 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
- 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
- overseas travel costs that exceed 10 per cent 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.