



## Frequently Asked Questions

### Incubator Support Initiative

#### 1. What are the key changes / updates to the program?

The Incubator Support Initiative has been expanded to provide funding to incubators supporting first-generation migrants and refugees that are interested in establishing a start-up enterprise with potential to commercialise in overseas markets. New and existing incubators that are not specifically focussed on first generation migrants and refugees can still apply.

Key changes include:

- you must submit an Expression of Interest (EOI) to apply for a **New and Existing Incubators** grant opportunity
- the maximum grant amount you can apply for under the **New and Existing Incubators** component has been reduced to \$250,000
- you can only have one funded project at any one time. If you have an existing project it must be completed, including submitting a satisfactory final report, before you can apply for another grant.

#### 2. Is my project suitable for the Incubator Support Initiative?

The initiative's intended outcomes are to:

- support Australian start-ups, including first-generation migrant and refugee founders, to access their international business potential and increase their capability to operate in international markets
- provide Australian start-ups with access to relevant information, training, networks, mentoring and other support
- further develop Australia's innovation ecosystem, including regional areas
- increase the number of start-ups operating in international markets
- create opportunities for Australian start-ups to develop sustainable international businesses through access to open public data.

If your project objectives align with the intended outcomes of the initiative, then it is likely your project will be suitable to apply.

#### 3. What is a start-up?

Under the Incubator Support initiative we define a start-up as an innovative, adaptive, early-stage and scalable company, with global potential.

A number of activities and business types are excluded from the definition, including:

- commencement of a new division within a company structure, including setting up a new entity within a consolidated group
- establishment of an Australian office by an established multinational enterprise
- small and medium enterprises (SMEs), which we define as businesses with a proven history and a credit history which can be used to access finance.

#### 4. How detailed does my New and Existing Incubator project plan and budget need to be?

- your **project plan** must thoroughly detail the services that will be delivered to start-ups, key milestones, associated activities and expenditure, and how they will be achieved.
- your **project budget** must outline the cost of each project activity and how it will be funded, any in-kind contributions required to undertake the project and how you calculated these costs.

#### 5. What is eligible expenditure?

For **New and Existing Incubator projects**, eligible expenditure includes:

- salaries and on-costs for Australian personnel directly employed or contracted to deliver project activities
- costs of developing and delivering workshops, conferences, networking events and courses (including travel costs for key participants)

- purchase of computing equipment and software directly related to the project.

For **Expert in Residence projects**, eligible expenditure includes:

- costs directly related to the incoming secondments of national or international experts for a project
- costs directly related to an outgoing expert, including the replacement of their salary for the period of the project
- costs associated with the delivery of expert services (ie. materials used in the delivery of EIR workshops)
- Travel costs for the expert.

Non-eligible expenditure includes items such as:

- marketing and promotional expenditure

Eligible activities must be focused on increasing incubator service capability and networks to benefit Australian start-ups.

EIRs seconded into an incubator must be sourced from outside the incubator organisation. Current employees, contractors, and other individuals related to the organisation, such as Board members and shareholders, that may or may not be paid employees are considered to be from within the organisation. A small amount of labour expenditure for staff working directly on the EIR project is allowable, where it is reasonable in relation to the project activities and total project budget.

Further information on eligible and ineligible expenditure and in-kind contributions can be found in Appendix B and C of the Incubator Support Grant Opportunity Guidelines for New and Existing and Expert in Residence.

## 6. Why do I need to provide an independent accountant declaration for grants over \$50,000?

In order to assure the success of your project, we require certainty that you are able to provide your share of the total project cost not met by the grant.

## 7. How are first-generation migrant and refugee founders identified as eligible?

First-generation migrants are immigrants who were born overseas and have migrated to Australia. Projects that support migrant and refugee founders and start-ups to expand and realise their potential in international markets will be considered favourably. An additional 10 assessment criteria points will be made available to incubators with a focus on first-generation migrant and refugee founders and

incubators who partner with organisations supporting migrants and refugees.

## 8. How is 'regional' eligibility determined?

The Incubator Support definition of 'regional' is based on the following Australian Bureau of Statistics' Australian Statistical Geography Classifications (ABS ASGC):

- Inner Regional, Outer Regional, Remote and Very Remote.

The application form uses a [mapping tool](#) to help you determine if your application is considered to be 'regional' and if you are eligible to access the higher grant percentage. When checking your location select the ASGS Remoteness Areas 2016 and find your address.

## 9. My registered business address is in a metropolitan area. Can I still access the regional funding ratio?

Yes, but to be eligible for the regional funding ratio you will need to demonstrate that at least 80 per cent of your eligible project activities will take place at a regional address.

## 10. How can the regional incubator facilitators help me?

Regional Incubator Facilitators are experts engaged by the Australian Government to boost the growth of incubators across regional Australia. They assist all regional applicants by:

- providing advice, mentoring and specialist expertise
- helping applicants to develop their professional networks and national and international connections
- encouraging joint applications and boosting knowledge sharing between regional and metropolitan incubators.

They also provide expert feedback on all EOI applications.

Details of the regional incubator facilitators are available on the [business.gov.au](http://business.gov.au) website.

## 11. Can I get feedback on my Expression of Interest (EOI) application under the New and Existing Incubator component?

Yes, this service is open to all eligible New and Existing Incubator applicants, and we strongly encourage you to address the feedback in your application, regardless of the project or incubator location.

EOI applications can be submitted via the online portal.

## 12. If my application is successful, what are my reporting obligations?

Reporting obligations are dependent on the grant you have been awarded.

All incubator support grant agreements require the submission of a final report within 60 days of project completion date.

All grants worth \$50,000 or more, and all projects that are 6 months or more in length, require the submission of a progress report at the completion of each milestone. Milestones will be determined in your project timeline and outlined specifically in your Grant Agreement.

Expert in Residence grants less than \$50,000, and are less than 6 months in length, do not require milestone reports.

## 13. What is the payment structure?

- For Expert in Residence projects that have been awarded a grant less than \$50,000, and are less than six months in duration, the entire grant is paid upon execution (when the Grant Agreement is signed by both parties).
- For all other grants, an initial payment is made on execution of the grant agreement, and subsequent payments are made thereafter. These payments can be made up to six months in advance of eligible project expenditure and subject to satisfactory project progress.

A minimum of 10 per cent of the total grant funding is retained and paid upon submission of a satisfactory final report that demonstrates completion of all project obligations.

- The maximum grant amount stated in your Grant Agreement cannot be increased under any circumstances.

## 14. Can I change my project after the Grant Agreement has been executed?

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 12 or 24 month period as outlined in section 8 of the grant opportunity guidelines
- changing project activities.

Note the Initiative does not allow 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. You will need to complete a variation request form.

Do not assume that such variation requests will be successful. The program delegate will consider these requests taking into account the context of issues including impacts on the project outcome, changes to the timing of grant payments and availability of funds.

## 15. Need more information?

For more information, visit [business.gov.au](https://business.gov.au) or call 13 28 46. More in depth face-to-face assistance is also available from AusIndustry's national network.