



Defence Industry Insights Webinar Series – Grant Applications 2020: Top 10 Questions

This document contains the top 10 questions and answers from the first webinar of the Defence Industry Insights Webinar Series on Grant Applications.

What kind of help is available to small businesses in this sector?

The Centre for Defence Industry Capability offers a range of services to small to medium sized businesses looking to enter and progress through the Defence sector. Our purpose is to strengthen the capability of Australian businesses to meet Defence capability requirements. We provide information and advice regarding Defence procurement practices, including access points into the marketplace for a variety of products and services. We also deliver business improvement services for SMEs looking at expanding their footprint in the Defence sector.

Which grant is right for my business?

The CDIC offers a suite of grants to help SMEs develop their capability, global competitiveness and sustainability in the Australian defence industry.

While the [full list is on our website](#), the most relevant grants for SMEs include the:

- ✓ **Capability Improvement Grants** – enable you to implement improvements to your business on a management or an operational basis, informed by recommendations from your CDIC Defence Business Adviser.

- ✓ **Sovereign Industrial Capability Priorities Grants** – support projects that build capabilities in areas identified as critical to Defence and must be developed or supported by Australian industry.
- ✓ **Defence Global Competitiveness Grants** – help you overcome barriers to accessing identified export opportunities.
- ✓ **Skilling Australia’s Defence Industry Grants** – support your business to access skilling and training to build skills capacity to enhance your capability to meet current or future Defence needs.



Please explain what is meant by the term a 'competitive grants' program?

A competitive grant program is a selection process for reviewing proposals based on the evaluation of a reviewer or team of reviewers.

The award of funding is based on the merits of the application and recipients are not pre-determined.

Is the Advisory Service Report required before any grant application can be submitted?

An Advisory Service Report is only required for access to the Capability Improvement Grant. This grant provides assistance to SMEs for business improvement activities identified as part of business advisory services provided by CDIC Defence Business Advisers.

Core action items are agreed to by both the business and the CDIC Defence Business Adviser and are a key part of the Advisory Service Report.

Once the Advisory Service Report is approved, a business can only apply for a Capability Improvement Grant based on the recommendations contained in the report.

Applicants can apply for a Capability Improvement Grant of up to \$240,000. The grant covers up to 80% of the cost of engaging a consultant or expert to implement business improvements.

There is no limit on the number of grants a business can receive, however, funding is capped at \$240,000 per grantee in a three year period.

What happens if I cannot complete all recommendation actions in my Advisory Service Report before the end of the Capability Improvement Grant period? Can I apply again for uncompleted action items?

You can apply for up to three recommendations on the one application form. If you wish, you can submit more than one application at a time. Each grant has a maximum duration of 12 months.

You have six months to apply for a Capability Improvement Grant which is calculated from the date the Advisory Service Report was delivered.

If you are successful in obtaining a grant within the six month timeframe, you can apply for further supplementary grants up to 12 months from the date you received the Advisory Service Report.

If you would like to apply for a Capability Improvement Grant to undertake recommendations in the Advisory Service Report, and it has been more than 12 months since the report was delivered, then you will need to reapply for a new Business Advisory and Facilitation service.

How likely is a start-up company to succeed in a Sovereign Industrial Capability Priorities Grant, considering they have no track record?

As long as the business meets the eligibility criteria, then being a start-up does not preclude the business from applying.

Under Merit Criteria 2, your capacity, capability and resources to deliver the project would be where a start-up would have to demonstrate their track record.

However, if the business could demonstrate the experience and capability of the staff working on the project then this, rather than how long the business has existed, would be the crucial factor.

Are the Sovereign Industrial Capability Priorities likely to change in the short term? For example, to align with an update to the Defence White Paper and IIP later this year?

It is unlikely there will be any changes to the current Sovereign Industrial Capability Priorities.

The initial Sovereign Industrial Capability Priorities are the result of a rigorous assessment framework that looked at the strategic, capability, and resources dimensions of industrial sovereignty – and made judgements based on Defence needs.

The Government's priority is to provide the Australian Defence Force with cost-effective, cutting-edge capability, while maximising Australian industry involvement.

In this context, the initial Sovereign Industrial Capability Priorities will focus on areas that are:

- ✓ operationally critical to the Defence mission
- ✓ priorities within the Integrated Investment Program over the next three to five years; or
- ✓ those in need of more dedicated monitoring, management, and support due to their industrial complexity, Government priority, or requirements across multiple capability programs.

For Defence Global Competitiveness Grants – is funding only for capital equipment and commissioning costs for 'improving capability' or can it be costs in fulfilling an order?

Yes, the objective of the grant is to build stronger, more sustainable and globally competitive Australian Defence industry.

This will be achieved by supporting Australian SMEs to build export capability. The costs of manufacturing production inputs not relating to commissioning new equipment are specifically listed as ineligible expenditure in the [grant guidelines](#).

If my application is unsuccessful – can I apply again?

Yes. If you have submitted an unsuccessful grant application, you will receive an email outlining the reasons that you were unsuccessful and you will be provided with an opportunity to discuss the outcome with the CDIC.

As for all unsuccessful applicants, we trust that the feedback provided will enable you to submit a stronger application in the future, should you choose to do so.

Is there someone you can go to for questions and advice while you develop a grant application and where do you lodge it?

The CDIC Advisory Services team is available to provide you with guidance on the types of grants applicable to your business, depending on your requirements, and alignment with the grant guidelines. You can contact the CDIC on 13 28 46 or email CDIC@industry.gov.au

You can apply for the grant programs online through the secure portal for business.gov.au. The secure online portal allows you to apply for, and manage, a grant or service in a secure online environment.

You can access the portal through the CDIC website, upon deciding to apply for a grant or service. Simply create an account to commence your application.



Further information

For further information on CDIC services please call 13 28 46 or email CDIC@industry.gov.au