



## Grant Opportunity Guidelines

# Business Research and Innovation Initiative (BRII): Regulatory Technology Round – Feasibility Study Grants

<b>Opening date:</b>	15 April 2021
<b>Closing date and time:</b>	5:00 PM Australian Eastern Standard Time on 17 June 2021 Please take account of time zone differences when submitting your application.
<b>Commonwealth policy entity:</b>	Department of Industry, Science, Energy and Resources
<b>Administering entity:</b>	Department of Industry, Science, Energy and Resources
<b>Enquiries:</b>	If you have any questions, contact us on 13 28 46.
<b>Date guidelines released:</b>	15 April 2021
<b>Type of grant opportunity:</b>	Open competitive

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# 1. Business Research and Innovation Initiative Feasibility Study grant process

## **The Business Research and Innovation Initiative (the program) is designed to achieve Australian Government objectives**

This grant opportunity is part of the above Grant Program, which contributes to Department of Industry, Science, Energy and Resources (the department/we) Outcome 1. We work with stakeholders to plan and design the grant program according to the [Commonwealth Grants Rules and Guidelines](#) (CGRGs).



## **The grant opportunity opens**

We publish the grant guidelines on [business.gov.au](https://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. The Challenge Agencies and the Entrepreneurs' Programme Committee then 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 program**

We evaluate the specific grant activity and the program 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 Business Research and Innovation Initiative (the program) was announced as part of the National Innovation and Science Agenda, with funding commencing 1 July 2016. The program received additional funding in the 2020–21 Budget under the Regulatory Technology (RegTech) Commercialisation Initiative.

The program provides small to medium sized enterprises (SMEs) with grant funding to develop innovative solutions for government policy and service delivery challenges.

The objective of the program is to drive innovation within SMEs and government by encouraging the development of innovative solutions by SMEs to public policy and service delivery challenges.

The intended outcomes of the program are:

- stimulate the innovative capacity of SMEs and Australian Government agencies
- improve business capability to access national and international markets
- develop SMEs' confidence and awareness when working with government as a possible customer
- encourage Australian Government agencies to participate in sourcing innovative solutions.

The Department of Industry, Science, Energy and Resources (the department/we) is responsible for administering the program. We administer the program according to the CGRGs<sup>1</sup>.

### 2.1. About the BRII RegTech Round Feasibility Study grant opportunity

The BRII RegTech Round has three stages:

<b>STAGE 1 CHALLENGE SELECTION</b>	The Secretary of the department writes to relevant agency secretaries seeking nomination of challenges. Agencies provide us with applications, which are assessed and shortlisted by the independent statutory body Industry Innovation and Science Australia (IISA), through their Entrepreneurs' Programme Committee (EPC). The Minister approves shortlisted challenges.  Challenges for this round focus on: <ul style="list-style-type: none"><li>• decreasing regulatory burden: reducing unnecessary regulatory compliance for businesses and/or individuals by making it easier for them to comply with regulation</li><li>• streamlining or enhancing regulatory processes: decreasing administration costs and/or increasing efficiencies for agencies and regulators.</li></ul> These challenges align with the Government's deregulation agenda and the Prime Ministers' objective for Australia to be a leading digital economy by 2030.
<b>STAGE 2</b>	We open the grant opportunity to applications. Eligible applicants apply to undertake a feasibility study responding to one (or more) of the challenges. The maximum grant for each feasibility study is \$100,000, with a maximum period of three months.

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

<p>STAGE 1 CHALLENGE SELECTION</p>	<p>The Secretary of the department writes to relevant agency secretaries seeking nomination of challenges. Agencies provide us with applications, which are assessed and shortlisted by the independent statutory body Industry Innovation and Science Australia (IISA), through their Entrepreneurs' Programme Committee (EPC). The Minister approves shortlisted challenges.</p> <p>Challenges for this round focus on:</p> <ul style="list-style-type: none"> <li>• decreasing regulatory burden: reducing unnecessary regulatory compliance for businesses and/or individuals by making it easier for them to comply with regulation</li> <li>• streamlining or enhancing regulatory processes: decreasing administration costs and/or increasing efficiencies for agencies and regulators.</li> </ul> <p>These challenges align with the Government's deregulation agenda and the Prime Ministers' objective for Australia to be a leading digital economy by 2030.</p>
<p>FEASIBILITY STUDY GRANTS</p>	<p>The purpose of Feasibility grants is to test the technical and commercial viability of your proposed solutions.</p>
<p>STAGE 3 PROOF OF CONCEPT GRANTS</p>	<p>Only applicants that complete a successful feasibility study under the feasibility study grants will be invited to submit an application for Proof of Concept funding. The maximum Proof of Concept grant is \$1 million, with a maximum project period of 15 months. The purpose of Proof of Concept grants are to support you to build on your feasibility study and produce working prototypes or demonstrations.</p> <p>You may have the opportunity, to conduct a three-month trial of your concept or solution with the participating challenge agency and/or relevant entity following completion of your project. You and the challenge agency will review the solution and provide an assessment and roadmap for the trial (including feasibility, barriers, benefits and ongoing cost of integrating the solution).</p>

These guidelines contain information for the BR11 RegTech Round Feasibility Study Grants.

This document sets out:

- the eligibility and assessment criteria
- how we consider and assess grant applications
- how we notify you and enter into grant agreements with you
- how we monitor and evaluate your performance
- responsibilities and expectations in relation to the opportunity.

We have defined key terms used in these guidelines in the Glossary at section 15.

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

### 3. Challenges

The four challenges for the RegTech Round Feasibility Study Grants are:

- Using technology to identify and assess potential poor disclosure by listed companies  
Challenge agency: Australian Securities and Investment Commission (ASIC)
- Using technology for remote and automated monitoring of export livestock health and welfare  
Challenge agency: Department of Agriculture, Water and the Environment (DAWE)
- Using technology for a streamlined path to marine autonomous systems assurance  
Challenge agency: Australian Institute of Marine Science (AIMS)
- Using technology for real-time and accurate asbestos testing  
Challenge agency: Asbestos Safety and Eradication Agency (ASEA)

For more detailed information on each of the challenges go to [business.gov.au](https://business.gov.au)

## 4. Grant amount and grant period

The Australian Government has announced a total of \$10 million over 2021–22 to 2022–23 for the program. There is an estimated \$2 million available for this grant opportunity.

### 4.1. Grants available

The grant amount will be up to 100 per cent of eligible project expenditure (grant percentage).

- the minimum grant amount is \$50,000
- the maximum grant amount is \$100,000.

You can submit a separate application for each challenge for which you wish to apply. You can only receive grant funding for one challenge in this round.

We cannot fund your project if it receives funding from another Commonwealth government grant. 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 BR11 Regulatory Technology Feasibility Study grant or the other Commonwealth grant.

### 4.2. Project period

The maximum project period for the Feasibility Study Round is three months.

We expect you will complete your project by 30 October 2021.

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

### 4.3. Who is eligible?

To be eligible you must:

- have an Australian Business Number (ABN)

and be one of the following entities:

- an entity, incorporated in Australia
- an individual or partnership, provided you agree to form a company incorporated in Australia to enter into a grant agreement.

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 8.2.

#### 4.4. Additional eligibility requirements

We can only accept applications where

- you have a combined annual turnover of less than \$20 million for each of the three financial years prior to the lodgement of the application (unless you are controlled by a Publicly Funded Research Organisation, including university spinoffs with at least 40 per cent university ownership, in which case you must have annual turnover in isolation of less than \$20 million for each of the three financial years prior to lodgement of the application)
- you provide all mandatory attachments (see section 8.1).

We cannot waive the eligibility criteria under any circumstances.

#### 4.5. Who is not eligible?

You are not eligible to apply if you are:

- an organisation not included in 5.1
- a Commonwealth, state or local government agency or body (including government business enterprises)
- an organisation, or your project partner is an organisation, included on the National Redress Scheme's website on the list of 'Institutions that have not joined or signified their intent to join the Scheme' ([www.nationalredress.gov.au](http://www.nationalredress.gov.au)).

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

### 5.1. Eligible activities

To be eligible your project must test the feasibility of your solution to one of the challenges (see section 3).

Eligible activities must directly relate to your project and can include:

- determining the technical viability of your proposed solution
- determining the novelty of your proposed solution compared to existing offerings
- determining the commercial potential of your proposed solution in domestic and/or international markets
- determining any security issues relating to your proposed solution.

We may also approve other activities.

### 5.2. Eligible expenditure

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

- For guidance on eligible expenditure, see Appendix A.
- For guidance on ineligible expenditure, see Appendix B.

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

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



Not all expenditure on your project may be eligible for grant funding. The Program Delegate, who is an AusIndustry manager within the department with responsibility for the program, makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

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

You must incur the project expenditure between the project start and end date for it to be eligible unless stated otherwise.

You 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 size limits for answers.

We will only consider funding applications that score at least 50 per cent against each assessment criterion, as these represent best value for money.

### 6.1. Assessment criterion 1

#### **Extent that your proposed solution meets the challenge (30 points).**

You should demonstrate this by identifying:

- a. how your proposed solution will meet the challenge
- b. the uniqueness of your proposed solution relative to what is already in the market.

### 6.2. Assessment criterion 2

#### **Market opportunity of your proposed solution (30 points).**

You should demonstrate this by identifying:

- a. the clear commercial potential to create a marketable product, process or service for customers beyond the government agency leading the BR11 challenge, including a plan to deliver the solution and the route to local and/or global markets. A market analysis should be included.

Note: a more detailed commercialisation plan will be requested if you progress to the second funding stage (proof of concept grant).

### 6.3. Assessment criterion 3

#### **Capacity, capability and resources to deliver the project (40 points)**

You should demonstrate this by identifying:

- a. your track record managing similar projects and access to personnel with the right skills and experience, including commercialisation

- b. your access, or future access, to any infrastructure, capital equipment, technology and intellectual property
- c. a sound project plan to manage and monitor the project, including a risk analysis
- d. your project budget.

You must attach a project plan, budget and risk analysis (including national and cyber security risk) to your application.

## 7. How to apply

Before applying you should read and understand these guidelines, the sample [application form](#) and the sample [grant agreement](#) published on [business.gov.au](#) and [GrantConnect](#).

To apply, you must:

- complete the online [application form](#) via [business.gov.au](#)
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You should retain a copy of your application for your own records.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the *Criminal Code 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.

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

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

### 7.1. Attachments to the application

You must provide the following documents with your application:

- project plan including budget
- financial turnover declaration (template provided on [business.gov.au](#)<sup>2</sup> and GrantConnect)

and, where applicable:

- project partner letter/s of support (see section 8.2).

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

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<sup>2</sup> <https://www.business.gov.au/assistance/business-research-and-innovation-initiative#key-documents>

## 7.2. Joint applications

We recognise that some organisations may want to join together as a group to deliver a project. In these circumstances, you must appoint a lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth. The application should identify all other members of the proposed group and include a letter of support from each of the project partners (template provided on [business.gov.au](https://www.business.gov.au)<sup>3</sup> and [GrantConnect](#)).

Each letter of support should include:

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

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

## 7.3. Timing of grant opportunity

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

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of applications	5 weeks
Approval of outcomes of selection process	5 weeks
Negotiations and award of grant agreements	4 weeks
Notification to unsuccessful applicants	2 weeks
Earliest start date of project	July 2021
End date of grant commitment	30 October 2021

## 8. The grant selection process

We first assess your application against the eligibility criteria. Only eligible applications will proceed to the assessment stage. The assessment has two stages, with each application assessed and ranked within the relevant challenge.

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 with relevant money.

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<sup>3</sup> <https://www.business.gov.au/assistance/business-research-and-innovation-initiative#key-documents>

When assessing whether the application represents value with 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.

### 8.1. Assessment by challenge agencies

The relevant challenge agency or agencies assess and rank applications within their challenge against the assessment criteria before deciding which applications they would support.

### 8.2. Assessment by Industry Innovation and Science Australia

We then refer supported applications within each challenge to IISA. EPC, a subcommittee of IISA, will assess your application against the assessment criteria, compare it to other eligible applications within each challenge and consider the challenge agencies' assessments of the applications, before recommending to the Program Delegate which projects to fund.

To be recommended as suitable for funding, your application must score highly against each merit criterion.

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.

### 8.3. Who will approve grants?

The Program Delegate decides which grants to approve taking into account the recommendations of the EPC and the availability of grant funds.

The Program Delegate'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 Program Delegate will not approve funding if there is 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 for each stage 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. We will use a Commonwealth simple agreement. The grant agreement has general terms and conditions that cannot be changed. A [sample grant agreement](#) is available on [business.gov.au](http://business.gov.au) and [GrantConnect](#).

We must execute a grant agreement with you before we can make any payments. Execute means both you and the Commonwealth have signed the agreement. You must not start any project activities 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.

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

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

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

You must comply with all relevant laws and regulations 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

To be eligible, you must declare in your application that you comply with these requirements. You will need to declare you can meet these requirements in your grant agreement with the Commonwealth.

## 10.3. How we pay the grant

We will pay 100 per cent of the grant on execution of the grant agreement. You will be required to report how you spent the grant funds at the completion of the project.

The grant agreement will state the:

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

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

## 10.4. Tax obligations

If you are registered for the Goods and Services Tax (GST), where applicable we will add GST to your grant payment and provide you with a recipient created tax invoice. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities<sup>4</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.

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<sup>4</sup> See Australian Taxation Office ruling GSTR 2012/2 available at [ato.gov.au](http://ato.gov.au)

## 11. Announcement of grants

We will publish non-sensitive details of successful projects on [GrantConnect](#). We are required to do this by the CGRGs unless otherwise prohibited by law. We may also publish this information on [business.gov.au](#). This information may include:

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

## 12. How we monitor your 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.

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

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

### 12.2. Reporting

You must submit reports in line with the grant agreement. We will provide 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.

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. 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
- be submitted by the report due date
- be in the format provided in the grant agreement.

You must develop a feasibility study report using the template provided (on [business.gov.au](https://www.business.gov.au)<sup>5</sup> and [GrantConnect](#).) and submit it with your final report.

### 12.2.2. Ad-hoc reports

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

## 12.3. Independent audits

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a statement of grant income and expenditure. The report template is available on [business.gov.au](https://www.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. We will provide you with reasonable notice of any compliance visit.

### 12.4.1. Challenge management group

There will be a challenge management group for each challenge. This challenge management group is responsible for supporting the efficient and effective management of the challenge projects.

Each challenge management group will comprise:

- an officer/s from AusIndustry with a working knowledge of the program
- an officer/s from the challenge agency who has a high level of technical understanding of the challenge problem
- a representative/s from each grantee for the challenge.

The challenge management group will provide:

- a transparent process to answer your questions regarding the challenge and to ensure that you have equal access to information from the challenge agency relevant to your project and within the limits of appropriate commercial confidentiality
- advice and support to you or the challenge agency as required to assist the successful completion of each project and the challenge as a whole
- advice to the Program Delegate in relation to any requests for variations to projects.

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<sup>5</sup> <https://www.business.gov.au/assistance/business-research-and-innovation-initiative#key-documents>

The challenge management group will report to the Program Delegate.

We may ask you to present your findings to the challenge management group or challenge agency towards the end of your project. This will assist in ensuring there is an in-depth understanding of your findings and proposed solution.

### 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 time period allowed in program guidelines
- 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 grant agreement end date. We can provide you with a variation request template.

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 program as a whole to determine the extent to which the funded activity is contributing to the program objectives and outcomes. 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 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.’

## 13. Probity

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



## 13.1. Conflicts of interest

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

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

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

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

Conflicts of interest for Australian Government staff are handled as set out in the [Australian Public Service Code of Conduct \(Section 13\(7\)\)](#)<sup>6</sup> of the *Public Service Act 1999* (Cth). Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our [conflict of interest policy](#)<sup>7</sup> on our 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

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<sup>6</sup> <https://www.legislation.gov.au/Details/C2019C00057>

<sup>7</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)

- 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
- the Auditor-General, Ombudsman or Privacy Commissioner
- the responsible Minister or Assistant Minister
- a House or a Committee of the Australian Parliament.

We may also disclose confidential information if:

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

### 13.2.3. How we use your personal information

We must treat your personal information according to the Australian Privacy Principles 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, 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 our websites.

You may read our [Privacy Policy](#)<sup>8</sup> on our 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

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<sup>8</sup> <https://www.industry.gov.au/data-and-publications/privacy-policy>

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. Enquiries and feedback

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

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

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

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

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

Head of Division  
AusIndustry  
Department of Industry, Science, Energy and Resources  
GPO Box 2013  
CANBERRA ACT 2601

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

## 14. Glossary

Term	Definition
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.
AusIndustry	The division of the same name within the department.
Challenge agency	The participating Australian Government agency or agencies who nominated the challenge.
Challenge management group	A working group made up of representatives from the department, challenge agency and the grantee. The group is responsible for supporting the efficient and effective management of the challenge projects.
Department	The Department of Industry, Science, Energy and Resources.
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.

Term	Definition
Eligible application	An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.2.
Eligible expenditure guidance	The guidance that is provided at Appendix A.
Entrepreneurs' Programme Committee (EPC)	A subcommittee of Industry Innovation and Science Australia.
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.
Industry Innovation and Science Australia (IISA)	The statutory board established by the <i>Industry Research and Development Act 1986</i> (Cth) and named in that Act as Innovation and Science Australia.
Minister	The Commonwealth Minister for Industry, Science and Technology.
Non-income-tax-exempt	Not exempt from income tax under Division 50 of the <i>Income Tax Assessment Act 1997</i> (Cth) or under Division 1AB of Part III of the <i>Income Tax Assessment Act 1936</i> (Cth).
Personal information	<p>Has the same meaning as in the <i>Privacy Act 1988</i> (Cth) which is:</p> <p>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	An AusIndustry manager within the department with responsibility for the program.

Term	Definition
Program funding or Program funds	The funding made available by the Commonwealth for the program.
Project	A project described in an application for grant funding under the program.
Publicly funded research organisation (PFRO)	All higher education providers listed at Table A and Table B of the <i>Higher Education Support Act 2003</i> (Cth).
Regulatory Technology (RegTech)	Regulatory technology, or RegTech, uses digital and emerging technologies, like artificial intelligence or blockchain, to enhance and streamline regulatory compliance processes. It makes it simpler for businesses and individuals to comply with regulation.

## Appendix A. Eligible expenditure

This appendix provides guidance on the eligibility of expenditure. We may update this guidance from time to time, so you should make sure you have the current version from [business.gov.au](https://www.business.gov.au) before preparing your application.

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

To be eligible, expenditure must:

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

### A.1 How we verify eligible expenditure

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

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

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

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

### A.2 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 administrative and project management activities eligible labour expenditure. However, we limit these costs to 10 per cent of the total amount of eligible labour expenditure claimed.

We only consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure, where they are involved in working on / completing eligible project activities.

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 Taxation Office (ATO). We consider salary-sacrificed superannuation contributions as part of an employee's salary package if the amount is more than what the Superannuation Guarantee requires.

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

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.

### A.3 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.

### A.4 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.

## A.5 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 cases where the overseas travel is material to the conduct of the project in Australia.

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, you will require evidence showing what an economy air fare costs at the time of travel.

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

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

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

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

## A.6 Other eligible expenditure

Other eligible expenditures for the project may include:

- financial auditing of project expenditure.

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 B. Ineligible expenditure

This appendix provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time, so you should make sure you have the current version from [business.gov.au](https://www.business.gov.au) before preparing your application.

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 execution of the grant agreement
- any in-kind contributions
- financing costs, including interest
- capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, computers, printers or photocopiers and the construction, renovation or extension of facilities such as buildings and laboratories
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- costs such as rental, renovations and utilities
- non-project-related staff training and development costs
- insurance costs (the participants must effect and maintain adequate insurance or similar coverage for any liability arising as a result of its participation in funded activities)
- debt financing
- costs related to obtaining resources used on the project, including interest on loans, job advertising and recruiting, and contract negotiations
- maintenance costs
- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees, and bank charges
- costs related to preparing the grant application, preparing any project reports (except costs of independent audit reports we require) and preparing any project variation requests
- travel or overseas costs that exceed 10 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.