# International Partnerships in Critical Minerals Program

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| --- | --- |
| Opening date: | 14 February 2024 |
| Closing date and time: | Not applicable |
| Commonwealth policy entity: | Department of Industry, Science and Resources |
| Administering entity: | Department of Industry, Science and Resources (DISR) |
| Enquiries: | If you have any questions, contact us on 13 28 46. |
| Date guidelines released: | 14 February 2024 |
| Type of grant opportunity: | Open non-competitive |

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## International Partnerships in Critical Minerals Program

**The International Partnerships in Critical Minerals Program is designed to achieve Australian Government objectives**

This grant program contributes to the Department of Industry, Science and Resources’ Outcome 1**:** Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources. The Department of Industry, Science and Resources (DISR/the Department) works with stakeholders to plan and design the grant program according to the [*Commonwealth Grants Rules and Guidelines (CGRGs)*.](https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines)

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**The grant opportunity opens**

We publish the grant guidelines on [business.gov.au](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals) and [GrantConnect](http://www.grants.gov.au/).



**You complete and submit a grant application**

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



**We assess all grant applications**

We assess applications against eligibility criteria and notify you if you are not eligible. The Committee assesses eligible applications against the assessment criteria including an overall consideration of value for money.



**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.

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**If applicable, submit your Australian Industry Participation (AIP) Plan for approval**

You prepare and submit your AIP Plan for approval to the AIP team at commonwealthaip@industry.gov.au or you can contact the team to discuss this on

+61 2 6213 6404.



**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 will be proportional to the risks involved.

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**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.

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**Evaluation of the International Partnerships in Critical Minerals Program**

We evaluate your specific grant activity and the International Partnerships in Critical Minerals Program as a whole. We base this on information you provide to us and that we collect from various sources.

### Introduction

These guidelines contain information for the International Partnerships in Critical Minerals grants.

This document sets out:

* the purpose of the grant program/grant opportunity
* 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.

This grant opportunity and process will be administered by the Department of Industry, Science and Resources (the department/DISR).

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.

## About the grant program

The International Partnerships in Critical Minerals Program (the program) will run for four years from 2023‑24 to 2026-27.

The program contributes to the implementation of the Australian Government’s Critical Minerals Strategy (the Strategy). The Strategy outlines the government’s policy framework for Australia’s critical minerals sector and the Government’s vision that by 2030 Australia:

* has grown the geostrategic and economic benefits of its critical minerals sector
* is a globally significant producer of raw and processed critical minerals
* supports diverse, resilient and sustainable supply chains.

The Strategy outlines the following four objectives:

* create diverse, resilient and sustainable supply chains through strong and secure international partnerships
* build sovereign capability in critical minerals processing
* use our critical minerals to help become a renewable energy superpower
* extract more value onshore from our resources, creating jobs and economic opportunity, including for regional and First Nations communities.

This program is to support early to mid-stage critical minerals projects that contribute to building end-to-end supply chains with Australia’s international partners in the critical minerals sector. The Strategy outlines Australia’s bilateral and multi-lateral approach to partnerships in the sector. Activities to be funded include pilot plants, feasibility studies, capacity expansions, scoping work for infrastructure upgrades and research and development (R&D) collaboration.

The objectives of the program are to:

* support early to mid-stage critical minerals projects of mutual interest to our international partners
* further the strategic objective of respective bilateral agreements with our priority partners
* support the implementation of the Strategy.

The intended outcomes of the program are to:

* establish or advance mutually beneficial international partnerships in the critical minerals sector
* establish end to end, diversified supply chains with priority partner countries
* improve Australia's global position in critical minerals processing.

We administer the program according to the [*Commonwealth Grants Rules and Guidelines* (CGRGs)](https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines).[[1]](#footnote-2)

## Grant amount and grant period

### Grants available

The Australian Government has announced a total of $40 million over four years for the program.

* The minimum grant amount is $2 million
	+ including your co-contribution, the minimum eligible project expenditure must be $4 million
* The maximum grant amount is $20 million.

The grant opportunity will be open for applications for up to 2 years. Applications will be assessed against the selection criteria on an ongoing basis with meritorious applications being recommended for funding. The assessment process is detailed at section 9.1.

You are required to contribute towards the project. The grant amount will be up to 50 per cent of eligible expenditure.

Contributions to your project can be made up of cash or eligible in-kind contributions. Further details are available at sections 3.1.1 and 3.1.2 below.

You are responsible for any additional eligible or ineligible project costs.

We cannot fund your project if it receives funding from another Commonwealth government grant for the same activities. 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 International Partnerships in Critical Minerals Program grant or the other Commonwealth grant.

#### Cash contributions

Cash contributions can come from the applicant, State, Territory and local government grants and/or project partners. Cash contributions to your project cannot include funding from other Commonwealth grants.

#### In-kind contributions

You can have a maximum of 10 per cent contribution to your project as in-kind expenditure. In-kind contributions can come from the lead applicant or project partners (not including State, Territory and local governments).

In-kind contributions are the non-cash contributions to the project. For in-kind contributions to count towards your total eligible project expenditure, they must directly relate to eligible activities.

We do not prescribe a specific formula to determine the value of these contributions. You need to determine the value of these contributions. They must be realistic, justifiable and valued proportionally to their use on the project.

The contribution of paid employee time to a project is not considered an in-kind contribution. It should instead be included as a cash contribution and eligible expenditure as outlined in

Appendix A.

### Project period

The minimum project period is 12 months.

The maximum project period is 33 months.

You must complete your project by 31 March 2027.

Following the project period, an evaluation period of two years will commence.

## Eligibility criteria

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

### Who is eligible to apply for a grant?

To be eligible you must:

* have an Australian Business Number (ABN)
* have an Australian Company Number (ACN)
* be non-income-tax-exempt
* be registered for the Goods and Services Tax (GST)

and be one of the following entities:

* an entity incorporated in Australia and a trading corporation, where your trading activities:
* form a sufficiently significant proportion of the corporation’s overall activities as to merit it being described as a trading corporation, or
* are a substantial and not merely peripheral activity of the corporation
* an incorporated trustee on behalf of a trust where your trading activities
* form a sufficiently significant proportion of the corporation’s overall activities as to merit it being described as a trading corporation, or
* are a substantial and not merely peripheral activity of the corporation.

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 8.1.

### Additional eligibility requirements

We can only accept applications:

* for projects producing or planning to produce critical mineral(s) as listed in Australia’s Critical Minerals List[[2]](#footnote-3) on the department’s website, which are in the early to mid-stages of development including those activities undertaken post-exploration and before final investment decision
* where your project activities are substantially undertaken in Australia
* where you provide evidencefrom 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 can provide evidence of support from your international project partners
* where you provide evidence of your capability to provide your share of project costs (such as a funding plan that details where and how you will source funding, balance sheets, evidence of past successful capital raising, evidence of engaging credible commercial advisors)
* where you provide all mandatory attachments.

We cannot waive the eligibility criteria under any circumstances.

### Who is not eligible to apply for a grant?

You are not eligible to apply if:

* your project has already received grant support from the Commonwealth Government for the same project activities
* you are an organisation, or your project partner is an organisation, included on the [National Redress Scheme’s website](http://www.nationalredress.gov.au) on the list of ‘Institutions that have not joined or signified their intent to join the Scheme’
* you are an employer of 100 or more employees that has [not complied](https://www.wgea.gov.au/what-we-do/compliance-reporting/non-compliant-list) with the *Workplace Gender Equality Act (2012)*
* an individual
* a partnership
* a trust (however, an incorporated trustee may apply on behalf of a trust)
* an unincorporated association
* a Commonwealth, State, Territory or local government body (including government business enterprises)
* a corporate or non-corporate Commonwealth entity.

## What the grant money can be used for

### Eligible grant activities

To be eligible your activities must:

* relate directly to the project
* occur between the post-exploration and final investment decision stages of your project
* accelerate development and/or processing of your critical minerals resource
* support diverse, resilient and sustainable critical minerals supply chains, in particular with our international partners in the critical minerals sector
* have at least $4 million in eligible expenditure.

Eligible activities may include:

* pilot and demonstration plants, capacity expansions, and R&D activities
* development or commercialisation of technology and intellectual property (IP) that benefits the sector
* integrating critical mineral processing technologies
* development of downstream processing capability.

We may also approve other activities. Any additional activities must be in line with the objectives and outcomes in section 2.

### Eligible expenditure

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

* For guidance on eligible expenditure, refer to appendix A.
* For guidance on ineligible expenditure, refer to appendix B.

We may update the guidelines 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 General 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 incurred by you within the project period, ie. between the project start and end date as defined in your grant agreement
* be a direct cost of the project or be incurred for project audit activities (where applicable)
* meet the eligible expenditure guidelines.

You may elect to start your project from the date we notify you that your application is successful. We are not responsible for any expenditure you incur until a grant agreement is executed. The Commonwealth will not be liable, and should not be held out as being liable, for any activities undertaken before the grant agreement is executed.

## The assessment criteria

You must address all assessment criteria in your application. The Committee 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 at least 50 per cent against each assessment criterion*.*

When constructing your overall response you may also wish to refer to the [*Critical Minerals Strategy 2023-2030*](https://www.industry.gov.au/publications/critical-minerals-strategy-2023-2030) and its vision and objectives.

### Assessment criterion 1

The benefit of your project to Australia’s international partnerships in the critical minerals sector (40 points)

You should demonstrate this by describing how the:

1. project aligns with the program objectives
2. project will support diverse, resilient, and sustainable supply chains of mutual interest to Australia and our international partners in the critical minerals sector
3. project will support growth in the Australian critical minerals sector
4. involvement of your international partner will support growth in Australia’s critical minerals industry.

### Assessment criterion 2

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

You should demonstrate this through describing:

1. your track record and experience in managing similar projects and your plan specific to this project to utilise and manage personnel with the right skills and experience, including strong governance, management and technical expertise
2. the expertise and capacity of the project management team to deliver the project, including the level of full-time resources allocated to key responsibilities
3. how the capability, capacity and resources of your international partner will contribute to the delivery of the project.

You must attach a project plan and related documentation to your application as described in section 7.1.

### Assessment criterion 3

Impact of grant funding on your project and broader benefits (20 points)

You should demonstrate this by describing:

1. how the grant will extend and enhance the strategic outcomes of your project and your capability to strengthen international partnerships
2. how the project will create broader social and economic benefits (e.g. job creation and economic opportunity, including for regional communities).
3. your strategy to support workplace gender equality and your strategy for First Nations engagement. This should document specific numerical targets, indicators, progress and actions to be undertaken during the grant activities.

## How to apply

Before applying you should read and understand these guidelines, the sample [application form](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals#key-documents) and the sample [grant agreement](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals#key-documents) 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.

You will need to set up an account to access our online [portal](https://portal.business.gov.au/).

To apply, you must:

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

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*](http://www8.austlii.edu.au/cgi-bin/viewdoc/au/legis/cth/consol_act/cca1995115/sch1.html). 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 evidence that supports your eligibility/merit. The acceptance of any additional information provided after the submission of your application is at the discretion of the Program Delegate. Additional information should not materially change your application at the time it was submitted and therefore may be refused if deemed to be purely supplementary.

You can view and print a copy of your submitted application on the portal for your own records. You should keep a copy of your application and any supporting documents.

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

### Attachments to the application

You must provide the following documents with your application:

* a project plan that includes the scope of the project and timeline of activities and milestones. Your project plan should include a list of all key management and technical staff, including their relevant experience and track record, and details of any contractors that you have or intend to engage as a part of the project. It should also include:
* a risk management plan, and any supporting documentation, describing how you propose to monitor, manage and report identified risks. The risk management plan should give specific consideration to risks associated with cyber security attacks and national security as outlined in section 14.6 of the grant opportunity guidelines. You should detail how you intend to address risks relating to foreign interference and unwanted transfer of technology, data or other knowledge, including your intended process to conduct due diligence on potential consortia partners
* a project budget, split over financial years (template provided on [business.gov.au](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals#key-documents) and [GrantConnect](https://www.finance.gov.au/government/commonwealth-grants/tools-and-templates)). Your budget should include a breakdown of the costs that sit under each head of expenditure and detail how these costs have been determined (e.g. quotes, etc.). Your budget should account for both cash and in-kind contributions and identify sources of funding (grantee contribution, consortia partner contribution, Commonwealth funding, etc.)
* your plan to access any infrastructure, capital equipment, finance, technology, intellectual property required to deliver the project
* your plan to achieve regulatory approvals, including, but not limited to, planning, development and environmental approvals, including details of all completed due diligence.
* evidence of financial viability including your strategy and any supporting evidence that demonstrates your ability to co-fund the project e.g. financial statements, loan agreements, cash flow documents
* gender equality and First Nations recruitment, procurement and engagement plans (you may wish to refer to the [Workplace Gender Equality Agency](https://www.wgea.gov.au/) and the [National Indigenous Australians Agency](https://www.niaa.gov.au/) for support)
* evidence of support from the board, CEO or equivalent (template provided on [business](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals#key-documents).gov.au and [GrantConnect](https://www.finance.gov.au/government/commonwealth-grants/tools-and-templates)) that the project is supported, and that you can complete the project and meet the costs of the project not covered by grant funding
* documentation from the project's international partner that they support the project
* a register of shareholders with over 5 per cent ownership in the company
* 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.

## Project partners

Grant projects must include an international partner. We recognise that some applicants may also want to join together with other Australian entities as a group to deliver the project. The lead project partner must meet eligibility requirements as set out in section 4.

### Joint (consortia) applications

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 must identify all other members of the proposed group and provide evidence of your relationship with each partner, including:

* 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.

The partner agreement must outline how ownership of intellectual property will be managed amongst project partners.

#### Eligible International Priority Project Partners

International partners may include foreign governments, state-owned enterprises, private sector and other commercial entities within any of the Australian Government’s international priority partners in the critical minerals sector.

You must also have a formal arrangement in place and provide supporting documentation as noted above in 8.1.

### Timing of grant opportunity processes

You can submit an application at any time while the grant opportunity remains open. The first assessment round will occur in April 2024 and your application must be submitted by 13 March 2024 to be considered in that round. Further assessments will occur in line with the timeline below.

If you are successful we expect you will be able to commence your project within three months of receiving the offer of grant funding.

Table 1: Expected timing for this grant opportunity

| Activity | Timeframe |
| --- | --- |
| Assessment of applications | Assessment Committee meets every 4 months.Assessment process timeframe is 4 to 6 weeks  |
| Approval and announcement of successful applicants  | 4 to 6 weeks from recommendations |
| Negotiations and award of grant agreements | 4 to 6 weeks  |
| Notification to unsuccessful applicants | 2 weeks from recommendations |
| End date of grant commitment  | 31 March 2027 |

### Questions during the application process

If you have any questions during the application period, [contact us](https://www.business.gov.au/contact-us) at business.gov.au or by calling 13 28 46.

## The grant selection process

### Assessment of grant applications

We first review your application against the eligibility criteria. If eligible, your application will be assessed against the assessment criteria (section 6). Only eligible applications will proceed to the assessment stage.

We consider your application on its merits, based on:

* how well it meets the criteria
* whether it provides value with relevant money.[[3]](#footnote-4)

When assessing the extent to which the application represents value with relevant money, we will have regard to the:

* overall objectives of the grant opportunity
* evidence provided to demonstrate how your project contributes to meeting those objectives
* relative value of the grant sought
* extent to which the geographic location of your international partner matches identified priorities.

We also consider any financial, legal/regulatory, governance, national interest, national security or other issue or risk that we identify regarding you, project partners, related body corporates, related entities and associated entities (as defined in the [Corporations Act 2001](https://www.legislation.gov.au/Details/C2019C00216)) and related personnel.

If we identify risks which would affect our assessment, we may ask you to comment on these, subject to security considerations. If we identify risks that cannot be adequately mitigated, we may exclude your application from further consideration.

We may seek additional information about you, project partners, related bodies corporate, related entities and associated entities (as defined in the Corporations Act) and related personnel from third party sources, including other Commonwealth agencies, for due diligence purposes. We may do so even if you do not nominate the sources as referees. We may also consider information that is discovered through the normal course of business.

Due diligence checks may occur at eligibility, merit or decision-making stages. We use this information to verify the information you provide in the application and to identify issues and risks. See Section 13.2 for information on how we use the information you provide to us.

### Who will assess applications?

We refer your eligible application to the Critical Minerals Assessment Committee (the committee) which is comprised of independent technical experts and/or advisors. The committee will perform their duties in accordance with the CGRGs.

The committee will meet regularly to assess and recommend applications in batches until the pool of funding is exhausted or the program closing date, whichever occurs sooner (see schedule on [GrantConnect](http://www.grants.gov.au/) for details). The first assessment round will occur in April 2024 and your application must be submitted by 13 March 2024 to be considered in that round. If your application is deemed unsuccessful in an assessment period, you are able to re-apply, as set out in section 10.

The committee will assess your eligible application against the assessment criteria before recommending which projects to fund to the Decision Maker.

The committee may seek additional information about you or your application. They may do this from within the Commonwealth, even if you do not nominate the sources as referees. The committee may also consider information about you or your application that is available as a result of the due diligence process or through the normal course of business.

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.

### Who will approve grants?

The Minister decides which grants to approve taking into account the advice of the committee and the availability of grant funds.

The Minister’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 Minister will not approve funding if there are insufficient program funds available across relevant financial years for the program.

The Program Delegate may approve other administrative matters including the acceptance of any additional information provided after an application has been submitted.

## 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 your application was deemed ineligible or unsuccessful, you may choose to re-apply as explained in section 10.1.

### Feedback on your application

If your application is ineligible or unsuccessful, we will give you an opportunity to discuss the outcome with us. You may ask for feedback within one month of being advised of the outcome.

A new application for the same (or similar) project can be submitted for a new assessment. This can be done any time prior to the grant opportunity closing for applications. You should include details of new or additional information to address the weaknesses that prevented your previous application from being successful. If a new application is substantially the same as a previous ineligible or unsuccessful application, we may refuse to consider it for assessment.

## Successful grant applications

### The grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed. A sample grant agreement is available on business.gov.au and GrantConnect.

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 program activities until you are notified of a successful outcome. 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 Minister. We will identify these in the offer of grant funding.

If you enter an agreement under the International Partnerships in Critical Minerals 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.

### Standard grant agreement

We will use a standard 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 Minister.

### 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
* labour/employment practices and planning.

#### Australian Industry Participation (AIP)

If your approved grant is equal to or over $20 million, you may need to develop an Australian Industry Participation plan (AIP plan) in accordance with the AIP policy. The AIP policy area will consider whether you need to complete an AIP plan based on the nature of your project and opportunities for Australian suppliers to provide goods and services.

If it is determined that you require an AIP plan:

* The department must approve your AIP plan prior to entering into a grant agreement.
* We will publish an executive summary of your approved AIP plan at [www.industry.gov.au/aip](http://www.industry.gov.au/aip) once we execute the grant agreement.
* You must submit Implementation Reports showing how you are implementing the AIP plan.

More information on AIP plan requirements can be found at [www.industry.gov.au/aip](http://www.industry.gov.au/aip).

### How we pay the grant

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.

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

We set aside a retention amount of the total grant funding for the final payment. We will pay this when you submit a satisfactory end of project report demonstrating you have completed outstanding obligations for the project. We may need to adjust your progress payments to align with available program funds across financial years and/or to ensure we retain a minimum five per cent of grant funding for the final payment.

### Grant Payments and GST

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.[[4]](#footnote-5)

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](https://www.ato.gov.au/). We do not provide tax advice.

## Announcement of grants

If successful, your grant will be listed on the GrantConnect website 21 calendar days after the date of effect.

We will publish non-sensitive details of successful projects on GrantConnect. We are required to do this by the [*Commonwealth Grants Rules and Guidelines*](https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines), Section 5.3. 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.

## How we monitor your grant activity

### 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.

You must also inform us of any material changes in the circumstances of project participants including but not limited to:

* changes to organisation ownership or governance structure
* changes in financial and in-kind support contributions
* affiliations with foreign governments, including foreign militaries, intelligence organisations, police forces andgovernment-owned or sponsored organisations (see section 13.3).

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.

### Reporting

You must submit reports in line with the [grant agreement](file://prod.protected.ind/User/user03/LLau2/insert%20link%20here). 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 and outcomes
* 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.

#### 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.

You must discuss any project or milestone reporting delays with us as soon as you become aware of them.

#### 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.

#### 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.

### Audited financial acquittal report

You will be required to provide an independently audited financial acquittal report. The audit report requires you to prepare a statement of grant income and expenditure that will verify that you spent the grant in accordance with the grant agreement. The report template is available on business.gov.au and GrantConnect.

### 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 year 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 written 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.

### 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 will provide you with reasonable notice of any compliance visit.

### Record keeping

We may also inspect the records you are required to keep under the grant agreement.

### 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 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.

### 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.’

## 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.

### Enquiries and feedback

For further information or clarification, you can contact us on 13 28 46 or by [web chat](https://www.business.gov.au/contact-us) or through our [online enquiry form](http://www.business.gov.au/contact-us/Pages/default.aspx) on business.gov.au.

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

Our [Customer Service Charter](https://www.business.gov.au/about/customer-service-charter) is available at [business.gov.au](http://www.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

Internal Programs Branch
Business Grants Hub and Integrity Division

Department of Industry, Science and Resources

GPO Box 2013
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman](http://www.ombudsman.gov.au/)[[5]](#footnote-6) with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

### Conflicts of interest

Any conflicts of interest could affect the performance of the grant opportunity. There may be a [conflict of interest](http://www.apsc.gov.au/publications-and-media/current-publications/aps-values-and-code-of-conduct-in-practice/conflict-of-interest), or perceived conflict of interest, if any individual or entity[[6]](#footnote-7) involved in assessing, funding, administering or undertaking the project 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
* relationship with, or interest in, a party which could prevent the activity from being carried out fairly and independently or otherwise compromise the integrity of the activity or its participants
* relationship with, or interest in, a party from which they could receive personal gain because the party 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))](http://www8.austlii.edu.au/cgi-bin/viewdoc/au/legis/cth/consol_act/psa1999152/s13.html) of the [*Public Service Act 1999*](https://www.legislation.gov.au/Series/C2004A00538). Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our [conflict of interest policy](https://www.industry.gov.au/publications/conflict-interest-policy)[[7]](#footnote-8) on thedepartment’s website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

### Privacy

Unless the information you provide to us is:

* confidential information as per 13.4, or
* personal information as per below

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.

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, so we can:

* manage the program
* research, assess, monitor and analyse our programs and activities
* identify and manage any financial, legal/regulatory, governance, national interest, or national security risks.

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](https://www.industry.gov.au/data-and-publications/privacy-policy)[[8]](#footnote-9) 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.

### Confidential information

Other than information available in the public domain, you agree not to disclose to any person, other than us, any confidential information relating to the grant application and/or agreement, without our prior written approval. The obligation will not be breached where you are required by law, Parliament or a stock exchange to disclose the relevant information or where the relevant information is publicly available (other than through breach of a confidentiality or non-disclosure obligation).

We may at any time, require you to arrange for you; or your employees, agents or subcontractors to give a written undertaking relating to nondisclosure of our confidential information in a form we consider acceptable.

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.

We may disclose confidential information to:

* the committee and our Commonwealth employees, contractors and service providers, 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
* other Commonwealth agencies for risk management purposes.

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.

### 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.

### National 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, intellectual property protection, espionage and foreign interference and unwanted transfer of technology, data or other knowledge.

You must inform the department if you identify any material risks relating to national security. To assist with managing security risks, you are strongly encouraged to review the department’s [*Guide to undertaking international collaboratio*n](https://www.industry.gov.au/strategies-for-the-future/increasing-international-collaboration/a-guide-to-undertaking-international-collaboration).*[[9]](#footnote-10)*

You and any entities participating in the project must disclose all foreign ownership (including foreign government ownership), affiliations with foreign governments, organisations, institutions or companies, or membership of foreign government talent programs. You must report any material changes in the nature of the activity or key personnel involved, including affiliations/links with foreign governments or companies.

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

#### Export Controls

Australia’s export control regime limits the overseas transfer of goods and technologies listed on the [Defence and Strategic Goods List](https://www.legislation.gov.au/Details/F2021L01198) (DSGL). The regime may apply to the export of products, and to any situation involving the overseas transfer, sharing, publication or brokering of controlled goods, technology, software or related knowledge.

It is your responsibility to consider whether the export control regime applies to your activity. If you are unsure whether your activity may require an export license, you should complete the [DSGL Activity Questionnaire](https://dsgl.defence.gov.au/Pages/Questionnaire.aspx) and/or contact [Defence Export Controls (DEC)](https://www.defence.gov.au/business-industry/export/controls).

#### Foreign Affiliations

Eligible activities under this grant involve partners or personnel with foreign affiliations. You must inform us of any relationships between project participants and foreign parties that could influence or benefit from the proposed activity. Such relationships may include foreign ownership or sponsorship, connections to foreign governments, militaries, political parties, or other organisations, and membership of foreign talent programs. You must also inform us of the establishment of any such relationships throughout the life of the grant.

#### Foreign Government Affiliations

Eligible activities under this grant involve partners or personnel with connections to foreign governments. You must inform us if you, your project partners or any project personnel are receiving funding or benefits from, or otherwise affiliated with, a foreign government, including:

* A foreign state or local government
* A foreign military, intelligence organisation or police force
* An organisation owned or sponsored by a foreign government (such as a state-owned corporation or state-sponsored university)
* A foreign government talent program.

You must also inform us of the establishment of any such relationships throughout the life of the grant.

#### Intellectual property rights

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 as well as strategies for protecting Australia’s interests. Where IP is likely to be generated by the project, successful applicants are required to provide protocols for its management including arrangements in place between partners on management and ownership of IP. The agreements should be in accordance with laws and regulations in Australia and provide for:

* adequate and effective protection and equitable distribution of any benefits from IP rights created in or resulting directly from cooperative activities (foreground IP rights)
* ownership of foreground IP rights to be allocated on the basis of respective contribution and equitable interests
* terms and conditions for the commercialisation and other forms of dissemination of the foreground IP rights
* adequate and effective protection of IP rights provided by the organisations, enterprises and institutions prior to or in the course of such cooperative activities, for example, the licensing or utilisation of such IP rights on equitable terms (background IP rights).

Australian participants should approach IP negotiations in line with the principles outlined on [business.gov.au](https://www.business.gov.au/registrations/intellectual-property) and may wish to refer to IP Australia’s resources on [commercialisation and collaboration](https://www.ipaustralia.gov.au/manage-my-ip/how-to-commercialise-my-ip/commercialisation-and-collaboration).

### 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.

## Glossary

| **Term** | **Definition** |
| --- | --- |
| administering entity | When an entity that is not responsible for the policy, 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. |
| [*Commonwealth Grants Rules and Guidelines (CGRGs)*](https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-and-guidelines) | Establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration. Under this overarching framework, non-corporate Commonwealth entities undertake grants administration based on the mandatory requirements and key principles of grants administration.  |
| completion date | The expected date that the grant activity must be completed and the grant spent by.  |
| critical mineral | Critical minerals as per [Australia’s Critical Minerals List](https://www.industry.gov.au/publications/australias-critical-minerals-list) on the department’s website. |
| date of effect | Can be the date on which a grant agreement is signed or a specified starting date. Where there is no grant agreement, entities must publish information on individual grants as soon as practicable.  |
| Department  | The Department of Industry, Science and Resources (DISR). |
| 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 for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines. |
| eligibility criteria | Refer to the mandatory criteria which must be met to qualify for a grant. Assessment criteria may apply in addition to eligibility criteria. |
| 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. |
| General Manager | Position title for Senior Executive Service level staff within the department. |
| grant  | For the purposes of the CGRGs, a ‘grant’ is an arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth:* 1. under which relevant money[[10]](#footnote-11) or other [Consolidated Revenue Fund](https://www.finance.gov.au/about-us/glossary/pgpa/term-other-crf-money) (CRF) money[[11]](#footnote-12) is to be paid to a grantee other than the Commonwealth, and
	2. which is intended to help address one or more of the Australian Government’s policy outcomes while assisting the grantee achieve its objectives.
 |
| grant activity/activities | Refers to the project/tasks/services that the grantee is required to undertake. |
| grant agreement | A legally binding contract that sets out the relationship between the Commonwealth and a grantee for the grant funding and specifies the details of the grant. |
| grant funding or grant funds | The funding made available by the Commonwealth to grantees under the program. |
| grant opportunity | Refers to the specific grant round or process where a Commonwealth grant is made available to potential grantees. Grant opportunities may be open or targeted and will reflect the relevant grant selection process. |
| grant program | A ‘program’ carries its natural meaning and is intended to cover a potentially wide range of related activities aimed at achieving government policy outcomes. A grant program is a group of one or more grant opportunities under a single Portfolio Budget Statement Program. |
| [GrantConnect](http://www.grants.gov.au/) | 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 individual/organisation which has been selected to receive a grant. |
| 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. |
| Minister | The Commonwealth Minister for Resources.  |
| non-income-tax-exempt | Not exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997* (Cth) or under Division 1AB of Part III of the *Income Tax Assessment Act 1936* (Cth). |
| personal information | Has the same meaning as in the *Privacy Act 1988* (Cth) which is:Information or an opinion about an identified individual, or an individual who is reasonably identifiable:whether the information or opinion is true or not, andwhether the information or opinion is recorded in a material form or not. |
| Program Delegate | A General 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. |
| selection criteria | Comprises of eligibility criteria and assessment criteria. |
| value with money | Value with money in this document refers to ‘value with relevant money’ which is a judgement based on the grant proposal representing an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations.When administering a grant opportunity, an official should consider the relevant financial and non-financial costs and benefits of each proposal including, but not limited to:* the quality of the project proposal and activities
* fitness for purpose of the proposal in contributing to government objectives
* that the absence of a grant is likely to prevent the grantee and government’s outcomes being achieved, and
* the potential grantee’s relevant experience and performance history.
 |

1. Eligible expenditure

This section provides guidance on the eligibility of expenditure. We may update this guidance from time to time; check you are referring to the most current version from the [business.gov.au](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals) website 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 or be incurred by you to undertake required project audit activities (where applicable)
* meet the eligible expenditure guidelines.
	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.

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.

* 1. 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, but not administrative, 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 do not consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure, even if they are doing project management tasks.

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 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.

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.

* 1. 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 purchase or provision of computing equipment directly required or related to the delivery of the project.

You should calculate eligible salary costs using the formula below:

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.
	1. 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.

* 1. Plant and equipment expenditure

Plant is usually an input to the project or the tools or infrastructure used to undertake the project. Plant is likely to have a value or use outside of the project and you can build or obtain it with minimal technical risk or new learning.

We consider costs of acquiring, or construction of, plant and 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 incurred before the date you were advised that your application is successful, as eligible expenditure. We are not responsible for any expenditure you incur until a grant agreement is executed. Commissioning and installation costs of plant and equipment incurred before the start date is not eligible expenditure even if these costs are paid after the project start date.

You may purchase, lease (finance lease or operating lease under certain conditions) or build plant and equipment. In claiming the purchase price of capital items, you must take out any costs related to financing, including interest. You can claim related freight and installation costs on capital expenditure.

Eligible costs for plant and equipment will normally need to be on your balance sheet.

We will only consider costs for plant and equipment not on your balance sheet under certain circumstances. We will only consider project costs with an operating lease to be eligible if:

* you integrate the plant or equipment into your manufacturing process, and
* you cannot transfer the plant or equipment and the lease period is at least 4 years.

Where you need to pay in instalments to purchase capital items (for example deposits, payment on installation, or payment on commissioning), you can claim the grant amount for the items progressively across multiple progress reports up to the end of the project period. Alternatively, you can choose to claim the full amount in a single report, when you pay for the capital item.

For leased items, you will need to show an executed copy of the lease identifying the capital cost of the item and the lease period. We can pay you the full grant entitlement when you:

* have received the capital item
* have entered into a formal lease agreement, and
* make the initial payment.

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

* 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).

If you claim expenditure for the construction of plant and equipment, we limit this to

* the costs of materials
* direct construction labour salary costs
* contractor costs
* freight and establishment 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.

Grant payments for capital items may affect your tax obligations. We recommend that you seek independent professional advice on tax related matters.

* 1. Pre-existing plant

Only depreciation of pre-existing plant is eligible expenditure. Depreciation is the decline in asset value of an item of plant allowed through the Commissioner of Taxation’s effective life schedules. The depreciation must be proportional to the time you use it on the project. In extraordinary situations, for instance, where the plant is subject to heavy usage, and where this is in accordance with Commissioner of Taxation’s rules, you may apply a higher rate of depreciation.

You can only claim depreciation of the plant for the time you use it on the project. However, you can claim all eligible depreciation charges in full for each item of purchased plant as you deploy it.

Running costs for purchased or pre-existing plant are eligible expenditure but must be readily verifiable and may include items such as rent, light and power, repairs and maintenance.

* 1. 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.

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.

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.

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

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.

* 1. 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 project.
* 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 1 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.

1. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time; check you are referring to the most current version from the [business.gov.au](https://business.gov.au/grants-and-programs/international-partnerships-in-critical-minerals) website 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 the project start-date
* financing costs, including interest
* capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, computers, printers or photocopiers
* 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 not specifically related to the project
* costs incurred defending IP rights
* 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
* routine operating expenses not accounted as labour on-costs – including communications, accommodation, overheads and consumables, e.g. paper, printer cartridges, office supplies
* ongoing upgrades, updates and maintenance of existing ICT systems and computing facilities: including websites, customer relationship management systems, databases, the cost of ongoing subscription based software and IT support memberships, and warranties for purchases that are not directly related to the project
* recurring or ongoing operational expenditure (including annual maintenance, rent, water and rates, 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.

1. <https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines> [↑](#footnote-ref-2)
2. <https://www.industry.gov.au/publications/australias-critical-minerals-list-and-strategic-materials-list> [↑](#footnote-ref-3)
3. See glossary for an explanation of ‘value with money’. [↑](#footnote-ref-4)
4. See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au [↑](#footnote-ref-5)
5. [↑](#footnote-ref-6)
6. Including: any of our staff able to influence the project, any member of a committee or advisor, you, your project partners, and any personnel involved in the project. [↑](#footnote-ref-7)
7. <https://www.industry.gov.au/publications/conflict-interest-policy> [↑](#footnote-ref-8)
8. <https://www.industry.gov.au/data-and-publications/privacy-policy> [↑](#footnote-ref-9)
9. <https://www.industry.gov.au/strategies-for-the-future/increasing-international-collaboration/a-guide-to-undertaking-international-collaboration> [↑](#footnote-ref-10)
10. Relevant money is defined in the PGPA Act. See section 8, Dictionary. [↑](#footnote-ref-11)
11. Other CRF money is defined in the PGPA Act. See section 105, Rules in relation to other CRF money. [↑](#footnote-ref-12)