



**Australian Government**

**Department of Industry, Science and Resources**

**Department of Climate Change, Energy,  
the Environment and Water**

## Grant Opportunity Guidelines

# Carbon Capture Technologies Program

<b>Opening date EOI – Stage 1:</b>	19 September 2023
<b>Opening date Application – Stage 2:</b>	23 February 2024
<b>Closing date and time EOI – Stage 1:</b>	5PM AEDT on 31 October 2023
<b>Closing date and time Application – Stage 2:</b>	5PM AEST on 9 April 2024 Please take account of time zone differences when submitting your application.
<b>Commonwealth policy entity:</b>	Department of Climate Change, Energy, the Environment and Water (DCCEEW)
<b>Administering entity:</b>	Department of Industry, Science and Resources (DISR)
<b>Enquiries:</b>	If you have any questions, contact us on 13 28 46
<b>Date guidelines released:</b>	19 September 2023
<b>Type of grant opportunity:</b>	Stage 1 EOI: Open-competitive Stage 2 Application: Closed-competitive

# Contents

<b>1. Carbon Capture Technologies Program processes</b>	<b>4</b>
1.1. Introduction	6
<b>2. About the grant program</b>	<b>7</b>
<b>3. Grant amount and grant period</b>	<b>8</b>
3.1. Grants available	8
3.2. Project period	8
<b>4. Eligibility criteria</b>	<b>8</b>
4.1. Who is eligible?	8
4.2. Additional eligibility requirements	9
4.3. Who is not eligible?	9
<b>5. What the grant money can be used for</b>	<b>9</b>
5.1. Eligible activities	9
5.2. Eligible expenditure	10
<b>6. Application process and assessment criteria</b>	<b>11</b>
6.1. Expression of Interest – Stage 1	11
6.2. Application – Stage 2	11
6.3. Assessment criterion 1	11
6.4. Assessment criterion 2	12
6.5. Assessment criterion 3	12
<b>7. How to apply</b>	<b>12</b>
7.1. Attachments and supporting documentation	13
7.1.1. EOI – Stage 1	13
7.1.2. Application – Stage 2	13
7.2. Joint applications	13
7.3. Timing of grant opportunity	14
<b>8. The grant selection process</b>	<b>14</b>
8.1. EOI - Stage 1	14
8.2. Application – Stage 2	15
8.3. Who will approve grants?	15
<b>9. Notification of application outcomes</b>	<b>16</b>
<b>10. Successful applications – Stage 2</b>	<b>16</b>
10.1. Grant agreement	16
10.2. Project specific legislation, policies and industry standards	16
10.3. How we pay the grant	16
10.4. Tax obligations	17
<b>11. Announcement of grants</b>	<b>17</b>
<b>12. How we monitor your grant activity</b>	<b>17</b>
12.1. Keeping us informed	17
12.2. Reporting	18

12.2.1. Progress reports.....	18
12.2.2. End of project report .....	18
12.2.3. Ad-hoc reports.....	18
12.3. Independent audits .....	19
12.4. Compliance visits .....	19
12.5. Grant agreement variations .....	19
12.6. Evaluation .....	19
12.7. Grant acknowledgement.....	19
<b>13. Probity.....</b>	<b>20</b>
13.1. Conflicts of interest .....	20
13.2. How we use your information .....	20
13.2.1. How we handle your confidential information .....	21
13.2.2. When we may disclose confidential information .....	21
13.2.3. How we use your personal information.....	21
13.2.4. Freedom of information.....	22
13.3. Enquiries and feedback .....	22
<b>14. Glossary.....</b>	<b>23</b>
<b>Appendix A. Eligible expenditure.....</b>	<b>26</b>
A.1 How we verify eligible expenditure .....	26
A.2 Labour expenditure .....	26
A.3 Labour on-costs and administrative overhead.....	27
A.4 Contract expenditure.....	27
A.5 Travel and overseas expenditure .....	28
A.6 Other eligible expenditure .....	28
<b>Appendix B. Ineligible expenditure.....</b>	<b>30</b>

# 1. Carbon Capture Technologies Program processes

## **The Carbon Capture Technologies Program is designed to achieve Australian Government objectives**

This grant opportunity is part of the above grant program which contributes to the Department of Climate Change, Energy, the Environment and Water (DCCEEW) Outcome 1: *‘Provide international and national leadership and coordination to: support the transition of Australia’s economy to net-zero emissions by 2050; transition energy to net zero while maintaining security, reliability and affordability; support actions to promote adaptation and strengthen resilience of Australia’s economy, society and environment; and re-establish Australia as a global leader in responding to climate change’*. The DCCEEW works with stakeholders to plan and design the grant program according to the [Commonwealth Grants Rules and Guidelines](#).



## **The grant opportunity opens**

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



## Stage 1

### **You complete and submit an EOI**

You complete an EOI, addressing all eligibility and assessment criteria in order for your EOI to be considered.



### **We assess all EOIs**

We review EOIs against eligibility criteria and notify you if you are not eligible.  
The Committee assesses eligible EOIs against the assessment criteria and compares it to other eligible EOIs.



### **Stage 1 decisions are made**

The decision maker decides which EOIs will be invited to submit an application.



### **We notify you of the outcome**

We advise you of the outcome of your EOI. If shortlisted, we invite you to apply for Stage 2 and provide feedback on any additional evidence required in Stage 2.



## Stage 2

### **You complete and submit an application**

If invited to apply, you submit a grant application addressing all eligibility and assessment criteria in order for your application to be considered.



### **We assess all applications**

We review your application against eligibility criteria and notify you if you are not eligible.  
The Committee assesses eligible applications against the assessment criteria and compares it to other eligible applications.



**Stage 2 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. You will notify us early if there are risks to project activities and/or timeframes so we can work closely with you to ensure project success.



**Evaluation of the Carbon Capture Technologies Program**

DCCEEW will evaluate the specific grant activity and the program as a whole based on information you provide to us and that we collect from various sources.

## 1.1. Introduction

These guidelines contain information for the Carbon Capture Technologies Program (the program). The Australian Government has committed \$65 million over 8 years from 2023-24 to 2030-31 to support the advancement of the CO<sub>2</sub> capture and CO<sub>2</sub> utilisation technologies that will be critical to achieving domestic and global emissions abatement objectives.

This document sets out:

- the purpose of the grant opportunity
- the eligibility and assessment criteria
- how we consider and assess 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) on behalf of the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

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

You should read this document carefully before you complete an EOI and application.

## 2. About the grant program

The Australian Government is committed to ambitious climate action and has enshrined into law an emission reduction target of 43 per cent below 2005 levels by 2030, and net zero emissions by 2050. The Government is supporting the net zero transformation by reducing emissions and investing in the opportunities presented by a low-carbon economy. The Government recognises it will take a wide range of technologies and tools to achieve this goal.

One such technological approach is carbon capture utilisation and storage (CCUS). CCUS refers to a suite of technological abatement solutions that capture carbon dioxide (CO<sub>2</sub>) from industrial processes or directly from the air, either for use in production of new products or for permanent storage in underground geological formations.

Most credible international climate models, including those of the International Energy Agency (IEA) and the International Panel on Climate Change (IPCC), suggest a significant amount of global CCUS capability is required to achieve net zero targets by 2050. These models set out a broad and flexible role for CCUS that incorporates emissions abatement from a range of industrial sources and through carbon dioxide removal. To date CCUS facilities around the world have primarily been deployed in conjunction with petroleum development activities. While these applications remain important to achieving net zero emissions by 2050, they are also the most technologically mature. This means that the technologies used to inject CO<sub>2</sub> underground are well established. However, there is a need to accelerate the development of novel CO<sub>2</sub> capture techniques that would enable a broader range of CCUS industrial applications (be that through absorption, adsorption, membranes, metal-organic frameworks or other novel technologies), expanding decarbonisation pathways.

CO<sub>2</sub> utilisation technologies offer opportunities to abate emissions while creating commercially valuable products. They offer opportunities for Australian businesses to secure new markets and job opportunities across carbon-neutral carbonates, building materials, chemicals and synthetic fuels. Despite the significant potential for these products, the associated technologies typically remain in infancy.

The program seeks to support the advancement of the CO<sub>2</sub> capture and CO<sub>2</sub> utilisation technologies that will be critical to achieving domestic and global emissions abatement objectives. The program will drive further research, development and demonstration (RD&D) of novel or emerging CO<sub>2</sub> capture and CO<sub>2</sub> utilisation technologies to broaden CCUS applications to address wider industrial emissions, including hard-to-abate sectors, and to develop low-carbon products. The program will run over 8 years from 2023-24 to 2030-31.

The objectives of the program are to:

- accelerate the development of emerging priority CO<sub>2</sub> capture technologies, including Direct Air Capture (DAC), Bio-Energy with Carbon Capture and Storage (BECCS) and/or CO<sub>2</sub> utilisation technologies
- support RD&D to advance technological and commercial readiness of CCUS in hard-to-abate industries such as cement, chemicals and steel
- demonstrate verifiable permanence of CO<sub>2</sub> sequestered via a range of utilisation applications
- support global CCUS capability development.

The intended outcomes of the program are to:

- broaden the pathways for Australia to abate CO<sub>2</sub> emissions and meet domestic and international climate commitments

- demonstrate the technological capability of novel or emerging technologies in the CCUS chain through pilot and demonstration scale projects in Australian conditions
- improve the abatement potential of CCUS technologies
- bring down the cost of CCUS deployment at scale
- demonstrate the business models for tying a broader set of industrial or Carbon Dioxide Removal (CDR) projects into geological sequestration or CO<sub>2</sub> utilisation opportunities.

The grant opportunity will be assessed through a two-stage competitive selection process to test the business cases of proposals that seek funding under the program. You will first submit an Expressions of Interest (EOI) at Stage 1 and if shortlisted, you will be invited to submit an application at Stage 2. For further details see section 6.

### 3. Grant amount and grant period

For this grant opportunity \$65 million is available over 8 years from 2023-24 to 2030-31.

#### 3.1. Grants available

The grant amount will be up to 75 per cent of eligible project expenditure (grant percentage).

- The minimum grant amount is \$1 million.
- The maximum grant amount is \$15 million.

You are responsible for the remaining eligible and ineligible project costs.

Project partner contributions, including those of state/territory governments can be included as part of your contribution.

We cannot fund your project if it receives funding from another Commonwealth grant. You can apply for a grant for your project under more than one Commonwealth grant, but if your application is successful, you must choose either the Carbon Capture Technologies Program grant or the other Commonwealth grant.

#### 3.2. Project period

You must complete your project by 30 March 2031.

### 4. Eligibility criteria

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

#### 4.1. Who is eligible?

To be eligible you must:

- have an Australian Business Number (ABN)
- be registered for the Goods and Services Tax (GST)

and be one of the following entities:

- an entity incorporated in Australia
- 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



- an Australian state/territory government agency or body
- a corporate Commonwealth entity.

Joint applications are acceptable, provided you have a lead organisation who is the main driver of the project and is eligible to apply. For further information on joint applications, refer to section 7.2.

## 4.2. Additional eligibility requirements

We can only accept an EOI or applications:

- where you declare that your project:
  - is not seeking to achieve carbon sequestration via nature-based solutions, such as agro-forestry, blue carbon, soil carbon sequestration or ocean alkalisation
  - is not seeking to sequester and use carbon dioxide for the purposes of enhanced petroleum recovery
  - is not seeking support for activities associated with the use and sequestration of carbon dioxide due to fossil fuel production or energy generation.
- for Stage 2:
  - where you are invited to apply
  - where you provide an accountant declaration as evidence of how you will provide your share of project costs. An accountant declaration template is available on [business.gov.au](https://business.gov.au) and [GrantConnect](#). If you do not use this template, you must include equivalent information and the declaration in your own document.
  - where you show commitment to providing a final project report for publication on the outcomes of your project, to increase knowledge sharing across industry and sectors

We cannot waive the eligibility criteria under any circumstances.

## 4.3. Who is not eligible?

You are not eligible to apply if you are:

- an organisation, or your project partner/s 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'
- an employer of 100 or more employees that has [not complied](#) with the *Workplace Gender Equality Act (2012)*.
- an individual
- a partnership
- a Regional Development Australia Committee
- an unincorporated association
- any organisation not included in section 4.1
- a trust (however, an incorporated trustee may apply on behalf of a trust).

# 5. What the grant money can be used for

## 5.1. Eligible activities

To be eligible your project must:

- be aimed at researching, developing or demonstrating CO<sub>2</sub> capture and CO<sub>2</sub> utilisation technologies
- be aimed at reducing Australia's emissions
- not solely be a feasibility or engineering study
- be located in Australia
- have at least \$1.33 million in eligible expenditure.

Eligible activities may include:

- design, construction, testing or research and development of CO<sub>2</sub> capture or CO<sub>2</sub> utilisation equipment and software, including prototype, pilot or demonstration facilities
- transformation of CO<sub>2</sub> to create new or alternative products
- process or system design and engineering, including feasibility and engineering design studies
- testing and optimisation of components, sub-system or prototypes
- integration of prototype, pilot or demonstration facilities in real applications, live-operational environments (field-testing), or co-location or business to business partnership with other CCUS facilities.

We may also approve other activities.

You may elect to commence 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.

## 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, refer to Appendix A.
- For guidance on ineligible expenditure, refer to 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 you provided in your application. You may need to provide evidence such as quotes for major costs.

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

To be eligible, expenditure must:

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

You must incur the project expenditure between the project start and end date (project period) for it to be eligible unless stated otherwise by the Program Delegate.

## 6. Application process and 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 Stage 1 and Stage 2 forms 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 forms will display character limits for each response.

### 6.1. Expression of Interest – Stage 1

Your EOI must address the assessment criteria at section 6.3 and 6.4 and provide evidence to support your application as set out in section 7.1. Your EOI will be assessed based on the weighting given to each assessment criterion.

If your EOI is shortlisted, you will be invited to submit an application (Stage 2) and, based on the information you submitted at Stage 1, the Committee will provide feedback for your EOI and evidence required for Stage 2.

### 6.2. Application – Stage 2

If invited to submit an application, you must address all the assessment criteria at section 6.3, 6.4 and 6.5. Your application will be assessed based on the weighting given to each assessment criterion. We will only consider funding applications that score at least 50 per cent against each assessment criterion, as these represent best value for money..

The evidence required for Stage 2 should be more comprehensive than that provided in your EOI.

You should also clearly address evidence requirements raised in the feedback provided following your EOI submission. You may also make cross-references to other attachments such as the project plan, budget or risk management plan to strengthen your application.

Stage 2 gives you the opportunity to refine your EOI application and provide stronger detail and evidence.

### 6.3. Assessment criterion 1

#### **Alignment with program objectives (50 points)**

You must describe the activity and provide information that demonstrates this by identifying:

- a. how your project will contribute to the research, development or demonstration of CCUS approaches capable of addressing emissions from hard-to-abate industrial sources or drawing CO<sub>2</sub> from the air
- b. the novelty of your technology and its scalability by 2050
- c. how your project will increase Australia's knowledge and capabilities in CCUS
- d. the extent to which the proposed technology can drive deployment of CCUS across a range of industrial applications
- e. the amount of permanent abatement that results from your project, both in absolute terms and as a proportion of overall carbon emissions from the CO<sub>2</sub> source. For capture projects, this may include any offtake arrangements with utilisation or storage project partners.

## 6.4. Assessment criterion 2

### **Capacity, capability and resources to deliver the project (30 points)**

You must demonstrate this by identifying:

- a. your track record in managing similar projects and access to personnel with the right skills and experience, including management and technical staff
- b. the involvement of any domestic or international project partners, including their track record and the capability they will add to your project
- c. how your partnerships will work together to achieve your project outcomes
- d. how you will ensure safe operations, apply industry best practices, ensure regulatory compliance and public assurance
- e. your plan to manage the project, address governance, scope, implementation plan, timeframes, budget risks and contingencies
- f. your access, or future plans to access, any infrastructure, capital equipment, technology, intellectual property and required regulatory or other approvals
- g. your ability to extend or expand the project beyond the grant funding, if needed.

## 6.5. Assessment criterion 3

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

You must demonstrate this by identifying:

- a. how the grant will impact your project scope
- b. the likelihood your project would proceed without the grant
- c. any additional Australian investment the grant will leverage, including any co-investment from your entity, other levels of government or project partners
- d. any international investment the grant will leverage, including any co-investment from international governments or international project partners.

## 7. How to apply

Before applying you should read and understand these guidelines, the sample EOI form, the sample application form and the sample grant agreement published on [business.gov.au](https://business.gov.au) and [GrantConnect](https://grantconnect.gov.au). You 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](#). You can only submit an application during a funding round.

To apply, you must:

- complete the online EOI (Stage 1) form. If shortlisted, then complete the online application – (Stage 2) form on [business.gov.au](https://business.gov.au)
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments and supporting documentation as outlined in section 7.1.

You can view and print a copy of your submitted EOI and application on the portal for your own records.

You are responsible for making sure your EOI, application and attachments are complete and accurate. Giving false or misleading information is a serious offence under the *Criminal Code Act 1995* (Cth). If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

After submitting your EOI or 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 EOI or 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.

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

## 7.1. Attachments and supporting documentation

### 7.1.1. EOI – Stage 1

You must provide the following documents with your EOI:

- project plan (including risk management plan)
- project budget

You must attach supporting documentation to the EOIf orm 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.

### 7.1.2. Application – Stage 2

You must provide the following documents with your application:

- an accountant declaration (an accountant declaration template is available on [business.gov.au](https://business.gov.au) and [GrantConnect](#)).
- a detailed letter of support from each project partner
- a project plan (including risk management plan)
- project budget
- any further detailed evidence that supports the assessment criteria responses (where applicable)
- additional evidence requested in your feedback from the EOI (Stage 1) assessment
- 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.

## 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 EOI and application forms, and enter into the grant agreement with the Commonwealth. The

application should identify all members of the proposed group and include a letter of support from each of the project partners. Each letter of support should 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 project partners prior to execution of the grant agreement.

### 7.3. Timing of grant opportunity

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

If you are successful we expect you will be able to commence your project around June 2024.

Table 1: EOI – Stage 1 expected timing

Activity	Timeframe
Assessment of EOIs	4 weeks
Committee assessment	4 weeks
Outcomes of EOI process	4 weeks

Table 2: Application – Stage 2 expected timing

Activity	Timeframe
Assessment of applications	6 weeks
Committee assessment	4 weeks
Approval and announcement of successful applicants	4 weeks
Negotiations of grant agreements	4 weeks
Notification to unsuccessful applicants	2 weeks
Earliest start date of project	June 2024
End date of grant commitment	30 June 2031

## 8. The grant selection process

### 8.1. EOI - Stage 1

We will review your EOI against eligibility criteria. Only eligible EOIs will proceed to the assessment stage. If eligible, we will refer your EOI to an independent committee of experts (the Committee). The Committee will comprise of technical, policy and industry experts and will provide advice for

selecting meritorious applicants under the program. Members of the Committee will be selected to assess applications based on their expertise and experience. The Committee will be required to perform their duties in accordance with the CGRGs.

The Committee may seek additional information about you or your EOI. They may do this from within the Commonwealth, state/territory governments 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.

The Committee reviews your EOI against the assessment criteria outlined at section 6.3 and 6.4 and compares it to other eligible EOIs before recommending which EOIs should be shortlisted and invited to submit an application (Stage 2). The decision maker then makes decisions on which EOIs will be invited to submit an application (Stage 2). The decision maker's decision is final. For both Stage 1 and Stage 2, a Senior Executive in DCCEEW with policy responsibility for the program will be the decision maker.

If your EOI is shortlisted, you will be invited to submit an application (Stage 2). We will provide feedback on any additional information or evidence required for this application. The evidence required at Stage 2 should be more robust than what you provided in your EOI. You may wish to refine your project information following the feedback provided, to strengthen your application.

## 8.2. Application – Stage 2

The Committee will assess your application against the assessment criteria outlined at section 6.3, 6.4 and 6.5. The Committee may also seek additional advice from technical or commercial experts.

The Committee will 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.

When assessing whether the application represents value with relevant money, we will consider the following:

- overall objectives of the grant opportunity
- evidence provided to demonstrate how your project contributes to meeting those objectives
- relative value of the grant sought.

If applications are scored the same, the Committee will consider value for money and alignment to the program objectives, when recommending applications for funding. The Committee will seek a variety of technologies and locations.

## 8.3. Who will approve grants?

The decision maker decides which grants to approve taking into account the recommendations of the Committee and the availability of grant funds.

The decision maker'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 decision maker 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 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 applications – Stage 2

### 10.1. Grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. We will use a standard grant agreement. The grant agreement has general terms and conditions that cannot be changed. A sample [grant agreement](#) is available on [business.gov.au](https://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. We will not be responsible for any expenditure you incur prior to the grant agreement 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 decision maker. We will identify these in the offer of grant funding.

If you enter an agreement under the program you cannot receive other grants for the same activities from other Commonwealth grant programs.

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

You will have 30 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the decision maker.

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

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

In particular, you will be required to comply with:

- State/territory legislation in relation to working with children
- State/territory legislation in relation to land use and environmental management
- Commonwealth, state or territory legislation in relation to CCUS activities.

### 10.3. 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)
- financial contribution provided by you or your project partners.

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.

#### 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>1</sup>.

Grants are assessable income for taxation purposes, unless exempted by taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the [Australian Taxation Office](#). We do not provide advice on tax.

## 11. Announcement of grants

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

- name of your organisation
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- ABN
- 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

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<sup>1</sup> See Australian Taxation Office ruling GSTR 2012/2 available at [ato.gov.au](#)

- 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 project partners 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. Progress reports

Progress reports must:

- include details 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.

### 12.2.2. End of project report

When you complete the project, you must submit an end of project report.

End of project reports must:

- include the agreed evidence as specified in the grant agreement
- identify the total eligible expenditure incurred for the project
- include a declaration that the grant money was spent in accordance with the grant agreement and to report on any underspends of the grant money
- be submitted by the report due date
- include a final project report for publication on the outcomes of the project.

### 12.2.3. 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

You will be required to provide an independent audit report at the end of your project. 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://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.

### 12.5. 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
- 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. You can submit a variation request via our online portal.

If a delay in the project causes milestone achievement and payment dates to move to a different financial year, you will need a variation to the grant agreement. We can only move funds between financial years if there is enough program funding in the relevant year to allow for the revised payment schedule. If we cannot move the funds, you may lose some grant funding.

You should not assume that a variation request will be successful. We will consider your request based on factors such as:

- how it affects the project outcome
- consistency with the program policy objective, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments
- availability of program funds.

### 12.6. Evaluation

DCCEEW will evaluate the grant opportunity to measure how well the outcomes and objectives have been achieved. We may use information from your application and project reports for this purpose. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in achieving its outcomes.

We may contact you up to two years after you finish your project for more information to assist with this evaluation.

### 12.7. Grant acknowledgement

If you make a public statement about a project funded under the program, including in a brochure or publication, you must acknowledge the grant by using the following:

‘This project received grant funding from the Australian Government.’

If you erect signage in relation to the project, the signage must contain an acknowledgement of the grant.

## 13. Probity

We will make sure 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 the 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 the Committee
- 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 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>2</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>3</sup> on the department’s website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

### 13.2. How we use your information

Unless the information you provide to us is:

- confidential information as per 13.2.1, or
- personal information as per 13.2.3,

we may share the information with other government agencies for a relevant Commonwealth purpose such as:

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<sup>2</sup> <https://www.legislation.gov.au/Details/C2019C00057>

<sup>3</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)

- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of grants.

### 13.2.1. How we handle your confidential information

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else
- you provide the information with an understanding that it will stay confidential.

### 13.2.2. When we may disclose confidential information

We may disclose confidential information:

- to the Committee and our Commonwealth employees and contractors, to help us manage the program effectively
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Assistant Minister, and their staff
- to a House or a Committee of the Australian Parliament.

We may also disclose confidential information if:

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

### 13.2.3. How we use your personal information

We must treat your personal information according to the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Cth). This includes letting you know:

- what personal information we collect
- why we collect your personal information
- to whom we give your personal information.

We may give the personal information we collect from you to our employees and contractors, the Committee, and other Commonwealth employees and contractors, so we can:

- manage the program
- research, assess, monitor and analyse our programs and activities.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the department's websites.

You may read our [Privacy Policy](#)<sup>4</sup> on the department's website for more information on:

- what is personal information
- how we collect, use, disclose and store your personal information
- how you can access and correct your personal information.

#### 13.2.4. Freedom of information

All documents in the possession of the Australian Government, including those about the program, are subject to the *Freedom of Information Act 1982* (Cth) (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

#### 13.3. Enquiries and feedback

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

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

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

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

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

General Manager  
Business Grants Hub  
Department of Industry, Science and Resources  
GPO Box 2013  
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman](#)<sup>5</sup> with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

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<sup>4</sup> <https://www.industry.gov.au/data-and-publications/privacy-policy>

<sup>5</sup> <http://www.ombudsman.gov.au/>

## 14. Glossary

Term	Definition
Administering entity	The entity that is not responsible for the policy however is responsible for the administration of part or all of the grant administration processes.
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.
Assessment criteria	The specified principles or standards, against which applications will be judged. These criteria are also used to assess the merits of proposals and, in the case of a competitive grant opportunity, to determine application ranking.
Bioenergy with carbon capture and storage (BECCS)	Carbon capture and storage technology applied to a bioenergy facility.
Carbon capture, utilisation and storage (CCUS)	CCUS refers to a suite of technological abatement solutions that capture carbon dioxide (CO <sub>2</sub> ) from industrial processes or directly from the air, either for use in production of new products or for long-lived storage in underground geological formations.
Carbon dioxide removal (CDR)	Anthropogenic activities removing CO <sub>2</sub> from the atmosphere and durably storing it in geological reservoirs, or in products. It excludes natural CO <sub>2</sub> uptake not directly caused by human activities.
Committee	The body established to consider and assess eligible applications and make recommendations to the Program Delegate for funding under the program.
Department	The Department of Industry, Science and Resources.
Decision maker	The person who makes a decision to award a grant. This is a Senior Executive in DCCEEW.
Direct air carbon capture and storage (DACCS)	Process by which CO <sub>2</sub> is captured directly from the ambient air, with subsequent geological storage.
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.1.
Eligible application	An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.
Eligibility criteria	The mandatory criteria, which must be met to qualify for a grant. Assessment criteria may apply in addition to eligibility criteria.

Term	Definition
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.
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.
Incur	A cost incurred is a cost for which a business has become liable, even if it has not yet received an invoice from a supplier as documentation of the cost.
Minister	The Commonwealth Minister for Climate Change and Energy
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	A manager within the department with responsibility for administering the program.
Program funding or Program funds	The funding made available by the Commonwealth for the program.
Project	A project described in an application for grant funding under the program.



Term	Definition
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) and corporate Commonwealth entities, and state and territory business enterprises which undertake publicly funded research.

## Appendix A. 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) 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
- be incurred by you to undertake required project audit activities (where applicable)
- meet the eligible expenditure within these guidelines.

### A.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.

### 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 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.

### 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
- term of the contract.

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, 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 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 expenditure for the project may include:

- building modifications where you own the modified asset and the modification is required to undertake the project, for example installing a clean room. Modifications to leased buildings may be eligible. You must use the leased building for activities related to your manufacturing process
- staff training that directly supports the achievement of project outcomes
- financial auditing of project expenditure, the cost of an independent audit of project expenditure (where we request one) up to a maximum of 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 expenditure. Note that we make payments based on actual costs incurred.

Other specific expenditures may be eligible as determined by the Program Delegate.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.

## Appendix B. 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://www.business.gov.au) 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 an approved 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 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
- depreciation of plant and equipment beyond the life of the project
- maintenance costs
- costs of purchasing, leasing, depreciation of, or development of land
- infrastructure development costs, including development of road, rail, port or fuel delivery networks beyond the manufacturing site
- site preparation activities which are not directly related to, or for, the main purpose of transitioning to higher value and/or niche manufacturing
- opportunity costs relating to any production losses due to allocating resources to the agreed grant project
- costs of manufacturing production inputs
- 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 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 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.