Australian Government
Department of Industry, Science, Energy and Resources | **AusIndustry**

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Frequently Asked Questions

Manufacturing Modernisation Fund – Round 2

Question	Answer
What does the grant fund?	To be eligible, your project must involve investment in capital equipment, and can include associated skill-based training, to modernise and transform your manufacturing processes. Eligible activities may include: ▪ buying, constructing, installing or commissioning of manufacturing plant and equipment ▪ integrating production-related software[1] that is directly related to your capital investment ▪ relevant training and skills development to assist you to integrate the new technology into your business, including upskilling and accreditation in advanced processes ▪ process design and engineering directly related to your capital investment ▪ fit-out, alterations and/or extensions to buildings directly related to your capital investment. We will only provide funding against eligible expenditure you have incurred on agreed project activities as defined in your grant agreement. ▪ For guidance on eligible expenditure, see appendix A ▪ For guidance on ineligible expenditure, see appendix B of the Grant Opportunity Guidelines.

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[1] Note software development is not considered an eligible activity for funding under the program.

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Question	Answer
How does Round 2 differ from Round 1?	There are a number of key differences between Round 1 and Round 2 of this program. These include: • Round 2 offers a single funding stream with minimum grants of $100,000 on a three to one funding basis • To be eligible to apply, projects under Round 2 must align with one or more of the six National Manufacturing priorities. • The Guidelines for Round 2 of the program provide further clarification on the definition of manufacturing (refer to the Glossary – Item 14) for this program, which excludes upstream and downstream activities Before commencing an application under Round 2, applicants are recommended to read the Round 2 Grant Opportunity Guidelines carefully to determine if any of the changes to the program impact their eligibility to apply and/or the scope of their proposed project under Round 2.
What are the National Manufacturing Priorities?	The six National Manufacturing Priorities are: ▪ resources technology and critical minerals processing ▪ food and beverage ▪ medical products ▪ recycling and clean energy ▪ defence ▪ space. Refer section 2.1 of the Grant Opportunity Guidelines.
Does my project align with one of the National Manufacturing priority areas?	Applicants are required to identify which priority area/s their project aligns with and explain your reasons within your application. Your case for alignment with a National Manufacturing priority area is both an eligibility requirement and will be considered when assessing the merit of applications.
What matters of national security am I required to manage and/or disclose?	When submitting an application under the MMF you will be asked to acknowledge in the declaration that you can appropriately manage potential security risks associated with your project and your business more broadly. This includes protecting your business from cyber security threats and the secure handling of data. When applying for a grant you are also required to disclose any foreign ownership (including foreign government ownership), affiliations with foreign governments, organisations, institutions or companies, or membership of foreign government talent programs in respect to the business and/or any individuals participating in the project. Any material changes to these matters must be also be disclosed as an ongoing requirement.

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Question	Answer
What is a National Security Plan and why do I need one?	A National Security plan should include internal governance arrangements and information on matters including cyber, personnel and physical security for your business. It should set out the business' approach to protective security and mitigation strategies appropriate to the levels of threat, risks to its assets and acceptable risk tolerances. For more information on the government's Security Policy refer Australian Government's Protective Security Policy Framework and specifically on cyber security refer Essential Eight Maturity Model. When submitting an application under the MMF you must acknowledge in the declaration that you can appropriately manage potential security risks associated with your project and your business more broadly. We may ask you to provide a satisfactory risk assessment plan outlining your approach to this as a condition of funding.
How do I determine the headcount for my company?	Only manufacturing small and medium-sized Australian enterprises (SMEs) with up to 199 employees (headcount) are eligible to apply under MMF Round 2. To determine your headcount all full time and part time employees and casuals employed at the time you submit your application must be included. Contractors are not included in your headcount.
What is a pecuniary penalty and when do I have to disclose these?	A pecuniary penalty is a financial penalty. When submitting an application under the MMF you acknowledge in the declaration that 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. The obligation to disclose occurs at time of application and is continuing should circumstances change. Your disclosure of a pecuniary penalty should be made in your application at time of submission and any update/change of circumstances advised by email to MMF@industry.gov.au
Can a trust apply for a grant under the program?	No. Only incorporated trustees applying on behalf of a trust are eligible to apply for a grant under the MMF. If applying as a trustee on behalf of a trust, you must provide a copy of your executed trust deed to support your application. Please ensure you submit your application using the corporate structure reflected in your trust deed. If applying on behalf of a trust, you must use the ABN of the trust (not the trustee) to create your application. If you have any questions on how to apply on behalf of a trust please contact us via MMF@industry.gov.au

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How do I submit an application?	Before applying, you should read and understand the grant opportunity guidelines, and the sample grant agreement that are published on business.gov.au.
	You can only submit an application between the opening and closing dates for this grant opportunity.
	To apply, you must:
	• complete the online application form
	• provide all the information requested
	• address all eligibility and merit criteria
	• include all necessary attachments.
	A sample application form is also available on business.gov.au, to assist you in completing your application.
	Your application cannot be submitted using this form.
Can I submit a late application?	No. Late applications cannot be submitted.
Can I submit more than one application?	No. You can only submit one application for this grant opportunity.
What if I make an unintentional error in my application?	If you have submitted your application and the application period is still open, you will have to withdraw your application and submit a new application.
	Replacement applications will not be accepted once the closing date has past.
	If we find an error or information that is missing, we may ask for clarification or additional information from you that will not change the nature of your application. However, we can refuse to accept any additional information from you that would change your submission after the application closing time.
How do I withdraw my application?	If you have submitted your application in error or wish to make changes after you have submitted (but before the program has closed) the application creator can email the program area at MMF@industry.gov.au and request that the application be withdrawn.
My application is ineligible. Who can I talk to?	You will be notified in writing if your application is ineligible.
	Contact details of program staff will be included in your notification.
My application is unsuccessful. Who can I talk to?	You will be notified in writing if your application is unsuccessful.
	Contact details of program staff will be included in your notification.

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Question	Answer
When can I start my project?	You cannot commence your project before you receive notification that your application is eligible and complete.
	You may elect to commence your project from the date we notify you that your application is eligible and complete.
	However, you do so at your own risk (your application may not be successful) and we are not responsible for any expenditure you incur until a grant agreement is executed.
	Further a determination that your project is eligible or the making of an offer of funding under the program <u>does not</u> mean that all activities and/or items of expenditure in your project are eligible and can be funded under the program.

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