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FUNDED

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Grants and the Federal Budget 2023-24



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G'day Australian Grantseekers!

Welcome to Volume III: Issue I of FUNDED Australia 2023. At Grants Office, we're here to lend a hand to grant seekers worldwide, helping you find funding opportunities, develop awesome project ideas, and create top-notch applications to score those sweet grant dollars. In Australia, our team has been flat out supporting clients of all shapes and sizes – from small businesses to education providers and community groups.

We're stoked to present to you Volume III, Issue I of 'FUNDED Australia' – our biannual grants publication. The funding scene here in Australia has started to stabilise from a tumultuous 2021-22 (COVID, a change of leadership in the Federal Gov't). The Federal Budget is back to its regular cadence of the first Tuesday night in March. The Albanese Labor Government's latest budget was released on Tuesday, 9th March, right on time.

As expected, some mainstays in the Federal funding space have been scrapped, some new programs have popped up, and a few of the larger funding agencies have rejigged their priorities and resources accordingly.

So, this issue of FUNDED is all about the Federal Budget 2023 and what it means for grant availability across the nation. But because it's 'budget season' and we're Small Business specialists here at Grants Office, we'll also take a look at what grants there are in the Victorian State Budget for Small Businesses.

We'll sprinkle in some other grant goss here and there because (trust us) budgets can get a bit tedious.

In this issue, we'll be looking at:

- Open-competitive Federal grant awards since our last issue in December 2022
- Confirmed grant programs from the 2023-24 Federal Budget
- Changes in funding priorities at the Department of Industry, Science, Energy, and Resources (one of the biggest Federal funding bodies)
- The newly released 'Powering the Regions – Safeguard Transformation Grant' stream.
- Some top-notch tips and info for Small Businesses chasing grants.
- Grants and other funding priorities within the Victorian State Government budget

Our goal with FUNDED Australia is to keep you in the loop about funding opportunities that can launch your projects into the stratosphere. If there's a specific topic or grant program you reckon we should explore in our next edition, don't be a stranger – get in touch!

If you only read one grant-focused publication, we think FUNDED Australia should be it. Big shoutout to all our readers for your ongoing support.

Now go get funded!

Mitchell Gresham & Tom Bligh,
Editors

Competitive Federal Funding in Australia: December 2022 – July 2023

Tom Bligh

In each issue of 'FUNDED Australia', we drill down into all Federal Government grant funding awarded within the period since our last publication (Dec 22 – Jul 23) and examine funded programs and projects with a focus on innovation in technology.

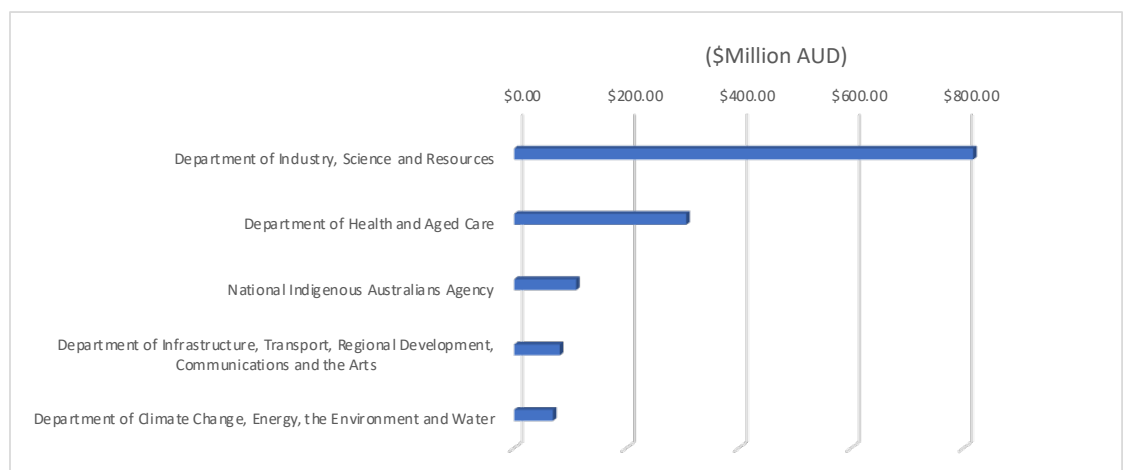
We are looking strictly at **open competitive** Federal grant awards. We make this distinction because competitive grant programs are our speciality here at Grants Office, and larger 'non-competitive' grants can conflate otherwise insightful data with overinflated values. An example of one such award would be from the Department of Employment and Workplace Relations who awarded \$303.5 million (to approximately 98,000 recipients) to fund vocational training and apprenticeship incentives for employers across NSW. Interesting, but not particularly useful or insightful for our grant-seeking audience.

With that established...

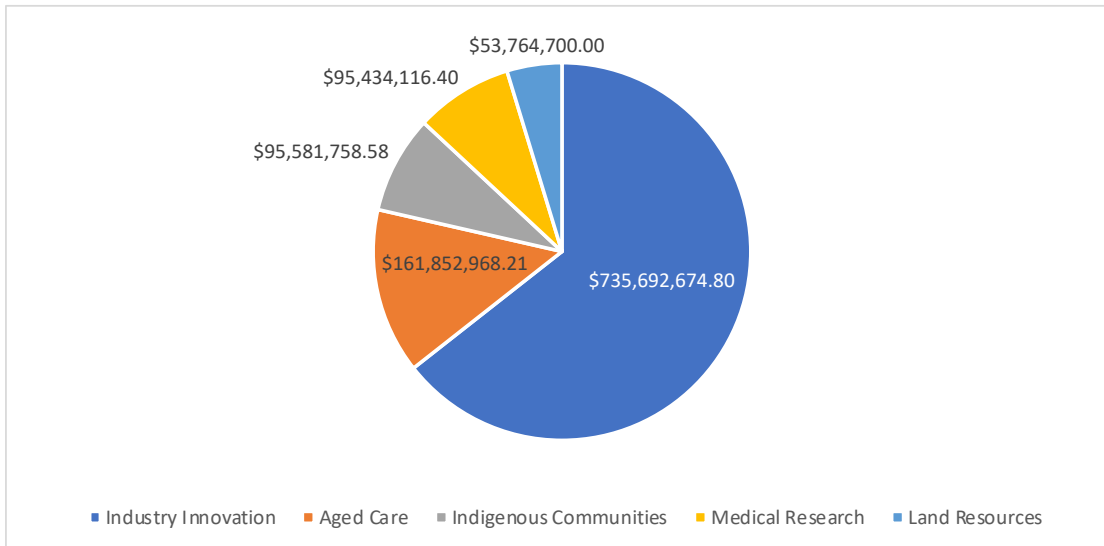
Quick Stats:

- In this period, approximately \$1.5 billion in open competitive grant funding was awarded
- This funding was distributed across 1,907 individual projects
- The average grant size was \$827,000

TOP 5 FEDERAL DEPARTMENT GRANT GIVERS DEC 22 – JUL 2023:



TOP 5 AWARD CATEGORIES (BY \$ VALUE OF AGGREGATE AWARDS)



TOP 5 LARGEST AWARD AMOUNTS

1. Precision Oncology Screening Platform enabling Clinical Trials (PrOSPeCT)

- **Grant Name:** Modern Manufacturing Initiative*
- **Award Amount:** \$67,300,200
- **Award Category:** Industry Innovation
- **Funder:** Department of Industry, Science and Resources

2. Construction of the Larrakia Cultural Centre

- **Grant Name:** Jobs, Land and the Economy
- **Award Amount:** \$56,750,249
- **Award Category:** Indigenous Communities
- **Funder:** National Indigenous Australians Agency

3. Australian Space Manufacturing Network (ASMN)

- **Grant Name:** Modern Manufacturing Initiative*
- **Award Amount:** \$56,606,601
- **Award Category:** Industry Innovation
- **Funder:** Department of Industry, Science and Resources

4. The Brandon BioCatalyst and ANDHealth BioMedTech Incubator

- **Grant Name:** Medical Research Future Fund
- **Award Amount:** \$55,000,000
- **Award Category:** Medical Research
- **Funder:** Department of Health and Aged Care

5. Creating an Australian Green Fuelled Vanadium Battery Industry

- **Grant Name:** Modern Manufacturing Initiative*
- **Award Amount:** \$53,900,000
- **Award Category:** Industry Innovation
- **Funder:** Department of Industry, Science and Resources

*NB The Modern Manufacturing Initiative has been discontinued and no further rounds of this fund are expected. The awards we observed in this period are representative of legacy projects that have received additional funds pursuant to the original funding agreement awarded within the active period of the grant.

FEDERAL FUNDING: TECHNOLOGY PROJECT HIGHLIGHTS

Let's take a closer look at some technology-focused projects that received significant federal funding over the last six months:

Precision Oncology Screening Platform enabling Clinical Trials (PrOSPeCT)

- **Funder:** Department of Industry, Science and Resources
- **Funding Program:** Modern Manufacturing Initiative (discontinued)
- **Recipient:** Lead applicant – Australian Genomic Cancer Medicine Centre
- **Funding Amount:** \$67,300,200
- **Project Period:** 2023 – 2026
- **Project Details:** Omico (Australian Genomic Cancer Medicine Centre) will establish and operate PrOSPeCT - a Precision Oncology Screening Platform enabling Clinical Trials. The project will provide access to genomic screening for more than 20,000 Australian advanced and incurable cancer patients and the creation and commercialisation of a real-world dataset of international significance from the resulting screening data.

There are several elements to this project that made it an ideal candidate for the Modern Manufacturing fund; most notably, the commercial viability of the end-product (in this case, the data set with international significance), a cornerstone of the funding priorities. The lead applicant (Omico) also engaged with an extensive public-private consortia consisting of Federal and State Government agencies, several Industry-peak bodies, more than fifteen small, medium and large businesses across hospital networks/healthcare providers, biotechnology and pharmaceutical companies, among others. There was also a requirement for significant cash co-contributions from the applicant, as grant funding would only fund up to 33% of project costs, with the applicant required to fund the remainder. All of these factors contribute to a very strong grant application. Evidence of financial commitment (cash) and clear support

from strong consortia help to convince the funder that the project (and their investment) will succeed.

Multi-Band SAR and Optics as a Novel Soil Carbon Measurement Technology

- **Funder:** Department of Climate Change, Energy, the Environment and Water
- **Funding Program:** Soil Carbon Measurement Innovation Challenge
- **Recipient:** Agriprove
- **Funding Amount:** \$10,164,000
- **Project Period:** 2023 – 2025
- **Project Details:** Omico (Australian Genomic Cancer Medicine Centre) will establish and operate PrOSPeCT - a Precision Oncology Screening Platform enabling Clinical Trials. The project will provide access to genomic screening for more than 20,000 Australian advanced and incurable cancer patients and the creation and commercialisation of a real-world dataset of international significance from the resulting screening data.

What a cool project! Launching satellites into orbit to remotely capture data that provides a cheaper method of measuring soil organic carbon at much higher resolutions. This project speaks for itself in terms of its suitability for the National Soil Carbon Innovation grants, but it is worth noting just how 'bang on' it aligns with the objectives of the funding, which included:

- Fast tracking development and commercial readiness of low-cost and accurate tech solutions to measure and estimate soil carbon
- Engage and collaborate with relevant stakeholders to ensure tech solutions can be utilised in a cost-effective way
- Leverage co-investment to develop the tech solution(s)

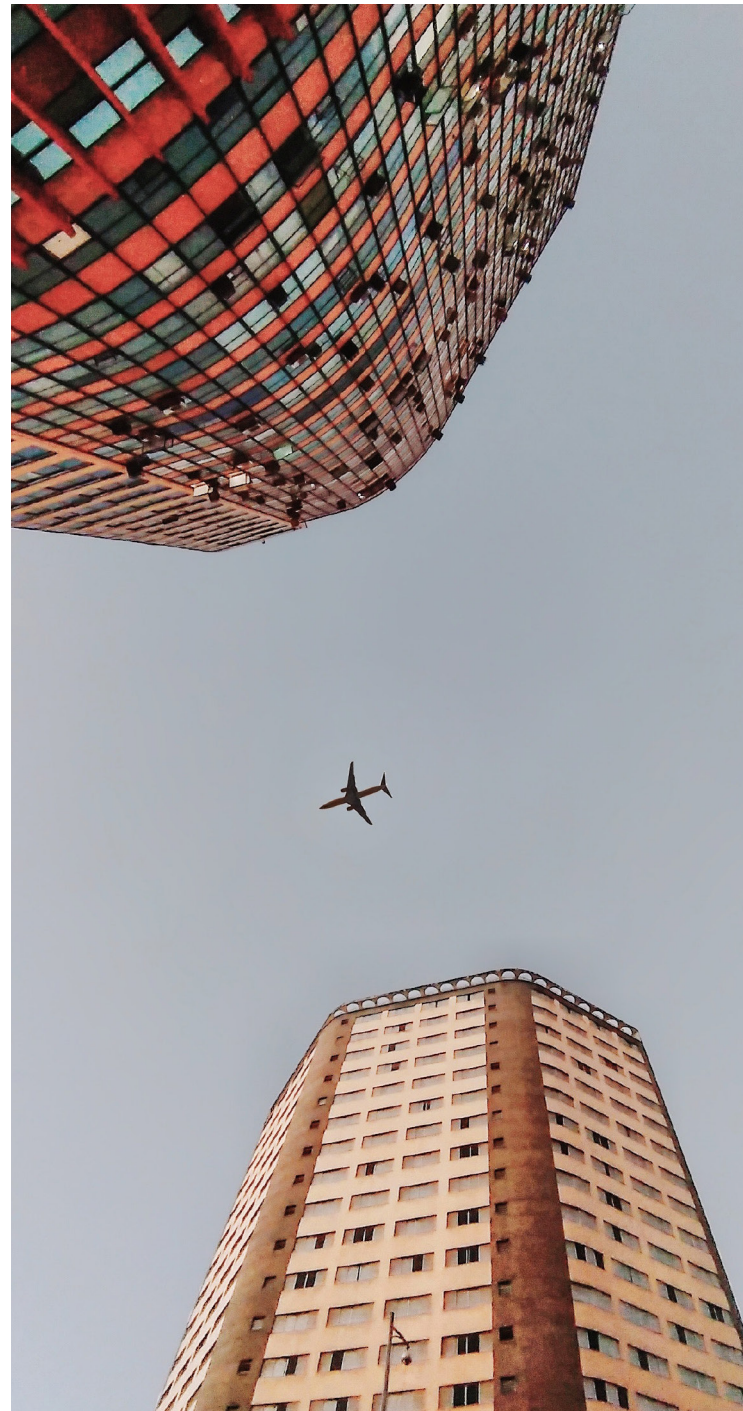
While we here at Grants Office aren't industry-experts when it comes to ag-tech, we can clearly see that this project is solidly in sync with the priorities of the funding. And with a requirement from applicants to provide at least 20% of project costs, the funder was confident that Agriprove is financially committed to the success of the project, given the significant award amount (~\$10 million AUD)

Emerging Aviation Technology Partnerships Program: Revolution Aerospace

- **Funder:** Department of Infrastructure, Transport, Regional Development, Communications and the Arts
- **Funding Program:** Emerging Aviation Technology Partnerships Program – Round 1
- **Recipient:** Revolution Aerospace
- **Funding Amount:** \$5,852,212
- **Project Details:** With a value of approximately \$5.3 million, this project aims to revolutionise regional aerial logistics and air taxi operations, particularly in regional and rural Australia. By leveraging their expertise in autonomous systems and unmanned aircraft systems, RevAero will use this funding to accelerate the development of critical technological enablers like Detect and Avoid (DAA) capabilities and Unified Traffic Management systems. Partnering with industry leaders like Thales Group, Volocopter, and Trusted Autonomous Systems, RevAero is poised to shape the future of emerging aviation technologies in Australia. The project will be carried out in multiple locations, including the Whitsunday Coast and Melbourne.

The project is an excellent fit for the Emerging Aviation Technologies Partnership (EATP) Program. EATP's primary objective is to support the adoption of emerging aviation technologies to address community needs, especially in regional Australia. RevAero's project aligns strongly with this goal as it aims to enable regional aerial logistics and air taxi operations through the development and deployment of Unified Traffic Management systems and Detect and Avoid capabilities.

By partnering with industry leaders and conducting research, RevAero's project not only advances emerging aviation technology through collaboration but also provide real-world experience to test regulatory frameworks. The project is a great example of innovation in avionics, solidifying Australia's position as a hub for new aviation operations and fostering growth in the local market, benefiting Australian technology developers and manufacturers alike.





2023-24 Australian Federal Budget Grant Highlights

Tom Bligh

The 2023-24 Albanese Labor Government's Federal Budget aims to improve the government's deficit and debt profile while addressing cost-of-living pressures, avoiding recession and continuing to carry the economy through the difficult 'post-covid' period. This overview provides a concise summary of the key initiatives outlined in the budget as well as confirmed grant programs.

As a brief overview, let's examine some of the key themes that emerged from the Federal Budget overall:

The budget allocates significant funding to ease cost of living pressures.

SUPPORT FOR FAMILIES AND INDIVIDUALS:

A \$1.5 billion electricity bill relief package will assist over 5 million households and 1 million small businesses, providing up to \$500 for eligible households and up to \$650 for small businesses.

- Single parents will benefit from a \$1.9 billion increase in financial support over five years
- JobSeeker payments, Austudy, and Youth Allowance will increase by \$40 per fortnight
- The Paid Parental Leave Scheme receives a \$0.5 billion boost benefiting around 180,000 families.
- The Child Care Subsidy, starting in July will reduce childcare costs for approximately 1.2 million families earning up to \$530,000 per annum
- Eligibility for a higher JobSeeker base rate will expand to individuals over 55 years old who have received the payment for more than nine consecutive months.



SUPPORT FOR SMALL BUSINESSES:

The budget outlines several initiatives to support small businesses. These include:

- \$310 million in tax deductions for energy-saving upgrades to certain depreciating assets, as well as the availability of a \$20,000 instant asset write-off.
- Additionally, small businesses and startups will benefit from the new \$392.4 million Industry Growth Program, aimed at facilitating commercialisation and operational growth
- \$101.6 million over five years for cyber security measures, ensuring the protection of small businesses from cyber attacks



HEALTH, AGED CARE, AND WELFARE:

Enhancing healthcare accessibility and affordability is another area of significant investment including:

- The bulk billing incentive for common consultations has tripled, amounting to an additional \$3.5 billion benefiting approximately 11.6 million Australians.
- The Pharmaceutical Benefits Scheme receives a \$2.2 billion boost over five years, enabling faster access to new

medicines.

- The National Disability Insurance Scheme (NDIS) will experience an average increase of 10.4%, with a growth target of no more than 8% by July 2026.
- A wage rise of 15%, worth \$11.3 billion for 250,000 aged care workers.



SUSTAINABILITY AND ENVIRONMENTAL MEASURES:

- A Net Zero Authority will coordinate Australia's transition to net zero emissions, supporting workers in coal-dominated regions and attracting investments in renewable energy industries.
- An additional \$4 billion, including \$2 billion for the Hydrogen Headstart program, will be invested in renewable energy.
- A \$1.3 billion Household Energy Upgrades Fund incentivizes energy-saving upgrades and provides low-interest loans for households.
- The government aims to invest \$40 billion in renewable energy, driving towards a renewable energy superpower status.



GRANTS OVERVIEW

Within the budget, we have identified a range of confirmed grant programs, representing exciting prospects for potential funding in the 2023-24 Financial Year. However, it is important to note that this list is not exhaustive, as significant investment areas continue to yield grants that are yet to be announced. Take, for instance, the \$15 billion National Reconstruction Fund, poised to generate future grant opportunities, but details are limited on how this funding will flow at this stage.

Childcare and Education:

- Early Learning Childcare Facilities Improvement Grant (\$0.4 million) - Funding to improve facilities at early learning centers and community organizations.
- Closing the Gap Outcomes and Evidence Fund (\$38.6 million) - Projects supporting Aboriginal and Torres Strait Islander communities, focusing on reducing child removal and family violence.
- Indigenous Boarding Providers Grants Program (\$21.6 million) - Grants for boarding providers to support Aboriginal and Torres Strait Islander students in rural and remote areas.

Community Infrastructure and Development:

- Thriving Suburbs Program (\$211.7 million) - Grants for community infrastructure in urban and suburban areas.
- Remote Airstrip Upgrade Program (\$13.5 million) - Enhancing safety and access at remote airstrips for improved air connectivity to remote communities.
- National Road Safety Action Grants Program (\$43.6 million) - Grants for community education, vulnerable road users, technology, and research to improve road safety.

Workforce Support:

- Disability Workforce COVID-19 Leave Grant (\$14.1 million) - Financial support for disability workers who contract COVID-19 without access to leave entitlements.
- Extension of the General Practice Incentive Fund (\$17.5 million) - Extension of the fund supporting general practice activities until June 2024.
- Supporting Women in the Workplace (\$5.0 million) - Grants to support women in historically male-dominated trade apprenticeships.

Technology and Innovation:

- Regional Connectivity Program - Broadband and Mobile Service Upgrade (\$10.0 million) - Upgrades for digital connectivity needs in Central Australia.

Businesses

- Social Enterprise Development Initiative (\$11.6 million) - Grants, education, and mentoring for social enterprises to participate in social impact investing.
- Support for Australian Interactive Games Businesses (\$12.0 million) - Support for growth and capitalizing on emerging opportunities in the interactive games industry.
- Industry Growth Program (\$392.4 million) - Support for SMEs and startups in commercializing ideas and operations.

Sports and Recreation:

- Local Sporting Champions Grants (\$8.3 million) - Support for young Australians to participate in sporting competitions.

Other Initiatives:

- News Media Assistance Program (\$1.6 million) - Support for public interest journalism and media diversity.
- Regional Arts Fund (\$8.5 million) - Increased funding for cultural development in regional and remote communities.

Federal Budget 2023-24: Department of Industry Science and Resources - Grants, Programs and Reprioritisation

The Department of Industry, Science and Resources (DISR) historically invests the largest amount of grant funding into innovative projects across Australia each year. DISR awarded close to \$800million of the \$1.5 billion in open-competitive grant funding awarded since December 2022, so it's crucial to understand their funding priorities outlined in the budget.

The 2023-24 Federal Budget funding distribution for the Department focusses on creating productive, sustainable, and high-value jobs for Australia. It revolves around targeted investments and a reshuffling of spending to drive industry growth, support innovation, and facilitate Australia's transition to net zero emissions. Let's examine the grants and funding initiatives that have been introduced to achieve these goals over the next financial year.

KEY FUNDING INITIATIVES

- **National Reconstruction Fund (NRF) Corporation:** \$61.4 million in funding will support the establishment and operation of the NRF Corporation. Once up and running, the NRF will manage the \$15 billion fund, which aims to diversify and transform Australian industries through investment in priority areas.
- **Industry Growth Program:** To assist small to medium enterprises (SMEs) and startups in commercialising their ideas and expanding their businesses, the government has set aside \$392.4 million for the Industry Growth Program, which is currently under consultation (have your say here)
- **National Centre for Asia Capability:** \$14.9 million for the 'National Centre for Asia Capability'. This centre aims to help Australian businesses engage with Asian markets.



- **Powering Australia Industry Growth Centre:** \$14.8 million to establish the 'Powering Australia Industry Growth Centre'. Its purpose is to support businesses in manufacturing, commercialising, and adopting new renewable energy technologies.
- **Critical Technologies and Artificial Intelligence:** The budget includes investments in critical technologies and artificial intelligence, such as:
 - The Critical Technologies Challenge Program (\$40.2 million) driving greater awareness and uptake of quantum technologies in Australia by creating stronger ties between quantum researchers, companies, industry, and other parts of society, and;
 - The Responsible AI Adopt Program (\$41.2 million) supporting the responsible deployment of AI in the national economy. This includes setting the National Artificial Intelligence Centre on a more sustainable footing to support the Responsible AI Network.
- **Resources Sector Support:** To accelerate the growth of Australia's critical minerals sector, the government has committed \$57.1 million to develop strategic and commercial partnerships that will build resilient supply chains. Additionally, the Critical Minerals Office will receive \$23.4 million to continue coordinating activities in this sector.
- **Future Gas Strategy:** \$6.7 million has been dedicated to developing a Future Gas Strategy, which aims to ensure a balance between security, affordability, and decarbonisation in the oil and gas sector.
- **Radioactive Waste Management:** The Australian Radioactive Waste Agency (ARWA) will receive \$437.1 million over six years to responsibly manage and dispose of radioactive waste



REALIGNED SPENDING:

In order To prioritise the government's key objectives, there has been a redistribution of spending, including:

- Reducing funding for the Global Science and Technology Diplomacy Fund
- Returning uncommitted funding from the Patent Box
- Closing and repurposing funding from the Entrepreneurs' Programme and Digital Careers Program
- Reshaping funding from technology, space, and industry programs, and
- Redirecting uncommitted funding from the Strategic Basins Plans program, Gas Well Trials, Resources and METS Market Access and Preparedness Program.

In 2023-24, DISR aims to drive industry growth, support innovation, and promote sustainability in Australia. Through grants and funding programs, the Department is focused on diversifying industries, assisting small businesses and startups, advancing technology, and responsibly managing resources by making strategic investments and reallocating funds.

The Department is known for its significant investments in innovative projects and allocates a substantial portion of all open-competitive grant funding in Australia. However, it is disappointing that we are yet to see more clarity around the NRF for two consecutive budget cycles. Funding initiatives such as the NRF and Industry Growth Program are promising for the grants landscape, but we've seen a lot of grant programs axed in this budget cycle. The realignment of spending raises questions about the prioritisation of certain programs, potentially leaving gaps in support for emerging industries or over-leveraging investment in the natural resources sector (mining, gas, etc.).

As we delve headlong into an uncertain future, particularly with the advent of powerful (and potentially scary/dangerous) technology such as AI and Quantum Technology, it is essential that industry and government alike are focussed on the long-term impacts if DISR's investment cadence, ensuring a balanced and strategic approach to funding distribution.

Grant Bites: Responding to Selection Criteria – Just Answer the Question

Tom Bligh

Well-crafted and detailed responses to selection criteria are critical to successful grants applications. These criteria play a pivotal role in determining an application's merit, with varying weights assigned to reflect their significance. It is important to distinguish selection criteria from brief project descriptions or administrative details, as they form the heart of the application, showcasing project alignment to funding priorities, organisational capacity to manage the project, and the impact the activity will have on the relevant communities.

Nervous? Don't be. You don't need to be an academic writer or have years of experience with grants to craft compelling, well-written responses. You just need to know your organisation and the project you're proposing super well.

This article explores the nuances of selection criteria, delving into the importance of weighting, crafting responses, justifying project necessity, and the power of thorough review and revision. By mastering these aspects, applicants can greatly enhance their chances of success in the competitive grant landscape.

UNDERSTANDING SELECTION CRITERIA (WHAT ARE WE TALKING ABOUT?)

Selection criteria are questions within a grant application that require detailed and well-crafted responses. Responses to These criteria play a crucial role in determining the merit of an application and are often weighted differently based on their importance to the funders. It is essential to recognise that selection criteria should not be mistaken for brief project descriptions or administrative details. They serve as the main course of your grant application, providing an opportunity to showcase your project's alignment with funding priorities, your organisational capacity, and the significance of your proposed activities.



READING BETWEEN THE LINES: UNDERSTANDING WEIGHTING

'Weighting' refers to the maximum possible score assigned to each response under a selection criterion. By examining the weight assigned to each criterion, applicants can discern the level of detail and importance expected by the funders. While heavier weight may be assigned to specific criteria, it is crucial to remember that all criteria contribute to the overall score and merit of the application. Applicants should aim to provide comprehensive responses across all criteria, taking advantage of opportunities to align their answers with the funders' own language and requirements.

CRAFTING RESPONSES TO SELECTION CRITERIA

When crafting responses, it is essential to stick to the question and frequently refer back to it throughout your writing. Avoid digressing into unrelated topics and focus on directly addressing the question at hand. Each paragraph should be checked against the question to ensure it provides a relevant response. Additionally, applicants should adopt an entrepreneurial mindset, treating their application as a business case. Demonstrating the value of the project, outlining its long-term outcomes, and addressing the funder's investment priorities can significantly strengthen the application.

IMPORTANCE OF "WHY" AND JUSTIFICATION

Clearly articulating the reasons behind your project and justifying its necessity are key components of effective selection criteria responses. This includes explaining why your project is important, how it aligns with the grant program objectives, and demonstrating your organisation's capacity to deliver successful outcomes. Conducting research on similar projects and highlighting lessons learned from previous initiatives can bolster your justification. Moreover, knowing when to evoke emotions in your responses can be impactful, but it should be balanced with maintaining a professional tone and adhering to word limits.

THE POWER OF REVIEW AND REVISION

One of the most crucial steps in responding to selection criteria is reviewing and revising your responses. Leaving them until the last minute can lead to oversights and mistakes. Allocating sufficient time to review your responses allows for improvements in clarity, conciseness, and coherence. Always strive to present a polished and professional document that effectively addresses each criterion and aligns with the funders' expectations.

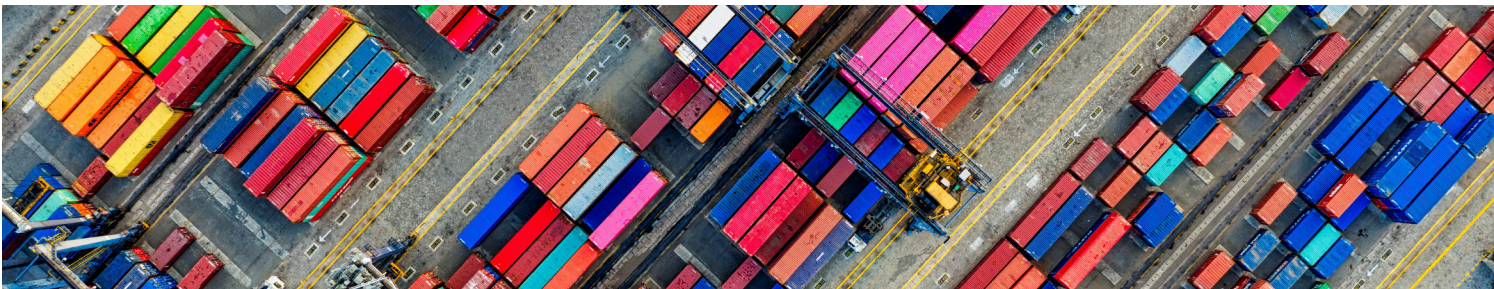
CONCLUSION

Effectively responding to selection criteria is vital for securing grants. By understanding the purpose of selection criteria, reading between the lines to gauge their importance, and employing strategies such as sticking to the question, crafting a compelling "why," and thorough reviewing, applicants can enhance their chances of success. If an entire grants application is a meal out at a fancy restaurant, think of selection criteria as the 'main course'; this is your opportunity to demonstrate your project's value and alignment with the funders' objectives and that you are the best-suited to deliver it!



Grant Highlight: Powering the Regions Fund – Safeguard Transformation Stream

Tom Bligh



The Powering the Regions Fund, introduced as part of the 2022 Powering Australia Plan, is a significant Federal Government initiative aimed at propelling Australia towards its renewable energy aspirations. Administered by the Department of Climate Change, Energy, the Environment and Water, the primary objectives of the Powering the Regions Fund are threefold: to support decarbonisation efforts within industries, bolster regional economies and workforces during the transition to net zero by 2050, and continue the purchase of Australian Carbon Credit Units (ACCUs) by the Commonwealth.

This fund comprises four distinct funding streams, each targeting specific sectors critical to achieving the country's net-zero ambitions. These streams are:

- **Safeguard Transformation stream (STS),**
- Industrial Transformation stream (ITS),
- Critical Inputs to Clean Energy Industries – Primary Steel Production Sector (CICEI - PSPS)
- Critical Inputs to Clean Energy Industries – Cement and Lime and Alumina and Aluminium Sectors (CICEI - CLAAS).

The \$600 million 'Safeguard Transformation Stream (STS)' opens **for applications on the 7th of August 2023 and closes on the 01st September**. Read on to understand more about the priorities under this stream and how to effectively prepare and submit a compelling, competitive application.

OVERVIEW:

The specific aims of the STS stream are to **support trade-exposed facilities covered by the Safeguard Mechanism*** in reducing their emissions, contributing to Australia's 2030 and 2050 emissions reduction targets. By doing so, the program aims to mitigate the risk of carbon leakage, which occurs when businesses relocate emissions-intensive production to countries with less stringent policies. Additionally, the grant opportunity seeks to provide skills development opportunities for the existing industrial workforce, focusing on new equipment or processes that help reduce scope one emissions.

*Trade exposed is defined as 'Industries that are constrained in their ability to pass through carbon costs due to actual or potential international competition.'

The Safeguard Mechanism is the Australian Government's policy for reducing emissions at Australia's largest industrial facilities.

FUNDING AMOUNT AND PROJECT PERIOD:

For the initial round of the STS, a total pool of \$300 million is available and funded projects can span a four-year period. The grant amount per project ranges from a minimum of \$500,000 to a maximum of \$50 million. Applicants can expect the grant to cover up to 50% of eligible expenditure and to be responsible for providing the financial contribution for the remaining 50%. Funding from other sources, including loans and grants from state, territory, and local governments, is acceptable for this purpose, but if your project receives funding from another Commonwealth government grant program, it cannot be funded under the Powering the Regions Fund.

WHO IS ELIGIBLE?

To be eligible for a grant, firstly, you must be the owner or operator of a trade-exposed safeguard mechanism facility, excluding new or expanded coal or gas production facilities. An Australian Business Number (ABN) is a requirement; eligible companies must be incorporated in Australia, limited by guarantee or an incorporated association.

Joint applications from consortia are acceptable, but they require a lead organisation that meets the eligibility criteria.

Applicants must also obtain board (or CEO or equivalent's) support for the project, providing evidence of a funding strategy, securing consent from the facility owner or representative to undertake the project, committing to provide a final project report, and submitting all mandatory attachments.

The Department will not waive these criteria under any circumstances. It's best to contact them directly if you are unsure about you or your project's eligibility for funding.

WHAT CAN THE MONEY BE USED FOR?

Projects must have at least \$1 million in eligible expenditure. Examples of eligible activities include on-site decarbonisation projects, such as

- energy efficiency upgrades
- fuel switching
- equipment upgrades for lower carbon fuel usage
- fugitive emissions reduction
- on-site carbon capture and storage

Off-site shared user infrastructure projects that reduce emissions at one or more trade-exposed Safeguard facilities, including hydrogen and bioenergy production and transport, off-grid electricity production and storage, and carbon capture and storage projects are also eligible.

Examples of ineligible expenditure include costs related to new or expanding fossil fuel projects, purchase of ACCUs or credits in other carbon crediting schemes, equipment or supplies already supported by other sources, costs incurred prior to submission application (retroactive projects), financing costs, capital expenditure for assets like office furniture and equipment, costs of software and hardware unrelated to the project, rental, renovation, and utility costs, non-project-related staff training, insurance costs and debt financing.

ICT and technology expenses are eligible, but they must be directly related to/in support of the project activities and not business-as-usual (BAU) activities. Additionally, the grant funding will not cover costs of ICT expenditure that require 'ongoing' maintenance or upkeep (e.g., funding for subscriptions/software licences).



THE ASSESSMENT CRITERIA

There are three assessment criteria that you must form compelling responses to as part of this application:

1. **Assessment criterion one** focuses on demonstrating how the project aligns with Australia's emissions reduction targets for 2030 and 2050. Applicants must outline their project's emissions abatement potential, corporate and/or facility emission reduction plans, and how the project supports or accelerates existing commitments.
2. **Assessment criterion two** assesses the capacity, capability, and resources available to deliver the project. This includes describing the resources, personnel, and infrastructure that will be utilized, as well as providing a comprehensive project plan that outlines project management, risk mitigation strategies, and regulatory compliance.
3. **Assessment criterion three** analyses the broader regional, social, economic, and environmental benefits of the project, focusing on workforce development, sectoral transformation, regional development, and value for money. Applicants should present evidence supporting these aspects.

This grant is a game-changing opportunity for high-emitting industries and businesses in need of capital injection to accelerate a transition to a renewable energy and lower emissions targets. \$600 million allocated to the Safeguard Transformation Stream alone represents substantial support for projects aimed at reducing emissions, supporting regional economies, and driving clean energy production.

TIPS FOR SUCCESS:

Firstly, bookmark this URL:

<https://business.gov.au/grants-and-programs/powering-the-regions-fund-safeguard-transformation-stream-round-1>

Make sure to check this page for updates regularly and subscribe to receive email updates from the Department, as guidelines can be updated and changed prior to the deadline date.

Next, read the guidelines and then re-read them. It is critical to thoroughly understand the program's objectives and criteria and to tailor your application to address them effectively. Clearly demonstrate how your project contributes to emissions reduction targets and presents value for money.

For tips on responding to selection criteria, check out our article

here, or visit www.grantsoffice.com.au/grantscasts to watch our April Grantscast, 'Responding to Selection Criteria: Just Answer the Question' on demand.

Ensure your project plan is robust, showcasing your capacity, capability, and resources to deliver on the proposed objectives. Highlight the broader benefits of your project, including workforce development, industry collaboration/consultation and regional transformation. These factors are often muted within grant submissions to programs of this magnitude, but they can be crucial to success.

Finally, adhere to the guidelines and eligibility requirements strictly, providing all necessary supporting documentation. Don't miss a required attachment, or your chances of success will suffer immensely.

We're keen to see which projects get funded under this opportunity here at Grants Office and can't wait to read about the successful applicants and projects. Embrace this opportunity to drive change, reduce emissions, and propel your industry and region towards a sustainable and prosperous future.

Applications open 07th August and close 01st September 2023, so get started now!



Grant-Seeking Guide for SMBs

Mitchell Gresham

Securing funding for your small or medium-sized business (SMB) can be a daunting task. There are countless grant and support programs available from every level of government – each with their own set of criteria, application processes, eligibility, and deadlines. Nestled within this treacherous landscape are Small and Medium Business (SMB) owners who lack the time, experience, and confidence required for coordinated grant development activities.

This quick guide is intended to provide an high-level guide to the funding landscape within Australia and how to best direct your resources to positively impact your funding potential. We will preface by saying that within Australia, grants primarily fund projects with clearly defined goals and that are aligned with some kind of public benefit (e.g., stimulating the economy, creating jobs, community development, etc.). So, if you are going after funding, step one is to make sure you know exactly what you want to do with it.

WHAT TO EXPECT AND WHERE TO LOOK

This is a common area where grant and funding knowledge falls short. Lots of small businesses don't know where to look for funding or are 'put-off' by the whole process. However, no need to fret, grant awards for SMBs come in an array of sizes. It's also important to note that funding/award size is usually loosely correlated with the complexity of an application, and the overall competitiveness of the grant (i.e., more money = more complexity). No matter what amount of capital your company may be looking for, it's important to understand the scale of awarded projects to select the appropriate funding resource:

Small scale funding

Smaller grants (such as those offered by local governments) for small businesses often have a much more straightforward application process and are simple in their approach. Local governments may also have a dedicated SMB Co-ordinator, so be sure to contact your local council's grants representative to find out more. Grant registries like www.business.gov.au are an excellent resource for businesses looking for funding; some even come with handy search filtering functions such as the ability to filter by location and funding type.

Larger scale funding

Larger grants are often provided by Federal and State Government entities like the Department of Industry, Science, and Resources, or the Victorian Government. These programs often come with more complex applications requiring more time and effort to complete. Most Australian state governments also have free grants registries with lists of grants applicable to that state/territory. Resources such as the Victorian Grant Program Portal, can be a good starting point for seeking grants. Check it out at: <https://www.vic.gov.au/grants>

SMALL SCALE FUNDING

Innovative and Productive Communities (\$2 - \$5k) - City of Stirling

The grant stream aims to attract and promote investment, support innovation and entrepreneurship, and activate local centres to increase economic activity.

Innovation and Ideas Grant (\$10k - \$50k) - City of Sydney

This program supports projects that foster innovation, showcase local expertise and test new ideas to address local and global issues across the city's sectors.

LARGE SCALE FUNDING

Regional Investment Activation Fund (\$1M - \$10M) - Department of Regional NSW

The \$110 million Regional Investment Activation Fund will co-invest with eligible entities on projects that will deliver, significant economic, social and/or environmental benefits for a priority industry or location.

Powering the Regions Fund - Safeguard Transformation Stream (\$500K - \$50M) - Department of Climate Change, Energy, the Environment and Water (DCCEEW)

This grant opportunity will provide up to \$50 million to trade exposed facilities to reduce their emissions and contribute to meeting Australia's emissions reduction targets.



WHAT TO DO NEXT

Now you know a bit about grants that are out there and how to look, but how do you go about reviewing valuable funding opportunities? As you review programs offered by these agencies, consider the following questions:

- Project scale – What is the intended scope of this program? Can you satisfy all project components?
- Collaboration requirements – are partnerships required for this project? If so, can you leverage any existing relationships?
- Total funding available – will the award size be enough to fulfill your project goals, or will you need to find additional funding sources to roll out the project in phases?
- Application burden – how many pages are required for the project description and narrative? Who will write it? Do you have enough time to effectively articulate this project to the funders?

Through this process and answering these questions, it's likely that you'll be able to narrow down your funding sources to a few appropriate programs. It's important to note that there is no template for creating a grant application. Each program will have a unique and different set of questions and attachments, if applicable. Speak directly to the specific needs of your business and the application at-hand. It's obvious to the reader if a description or a narrative was based off another program.

Almost all grant funding opportunities occur on a predictable annual cycle. This means a grant due in July 2023 will likely come around again at the same time in 2024. Reach out to the program co-ordinator to confirm if another round will be released. If so, use the months leading up to the new deadline to get a head start on your project. Start assembling partners and gathering common proposal elements so you're ready to roll once the 2024 timing is announced.

HOW TO PREPARE?

Once it's time to put the pen to paper and get started on your application, here's some important notes to consider:

1. Get to know the program.

Read the announcement and objectives to develop a clear understanding of what the funder requires.

2. Avoid unique acronyms or industry-specific language when writing your application

Your proposal may introduce grant reviewers to your industry for the first time. As a good rule-of-thumb, pretend you're explaining your project to an educated lay-person.

3. Design a specific budget and justification.

A budget will tell a story all on its own. Spend time explaining the need for each expense, and make sure that these expenses are tied to your project's goals. Be sure to check your math when it comes to budgets, as reviewers may lose confidence in your application and your company's ability to manage large sums of money.

4. Follow directions.

Adhere to the submission instructions requested by the funder. If the application requires additional attachments, or even specific font size and type, be sure to not forget these! Failure to follow simple submission instructions is an easy reason for reviewers to deny your application, without even looking at the narrative you spent so long preparing!

And last, but certainly not least, don't be deterred by grant applications and proposals. You don't need to be an academic writer to craft a compelling and detailed project description. If you know in detail, the program you want funded, and your business, that's all you'll need. Once you have found an appropriate grant and completed the application, be sure to review your writing for mistakes and conciseness. Hopefully you're able to take away a valuable tool or two to help boost your grant seeking to the next level, and we wish you all the best in your future funding endeavours!

Impact of Grants on Small-to-Medium Businesses (SMBs) in Australia

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Small businesses are the backbone of the Australian economy, playing a crucial role in driving economic growth, employment, and innovation. In this article, we will explore the statistical impact of small businesses on the Australian economy, delve into the significance of grants in supporting their growth, and analyse the effectiveness of grant programs in supporting small businesses. Limited statistical data is available regarding the effectiveness of grant programs; however, a recent analysis of the Entrepreneurs' Programme was published by the Department of Industry, Science, Energy and Resources following the program's termination. This program was a valuable support platform for small businesses looking to boost their business and notably was replaced with the Industry Growth Program, a \$392.4 million program, released in the latest Federal Budget.

Set to launch in late 2023, the \$392.4 million Industry Growth program will support Australian small businesses and startups in commercialising their ideas and expanding their businesses. It will provide advice and matched grant funding for projects in priority areas of the National Reconstruction Fund such as renewables, medical science, transport, agriculture, resources, and defence. The program will feature contracted advisers, industry expertise, a grant recommendation committee, an Executive Director, and a Centre of Expertise for enhanced commercialisation capabilities.



STATISTICS AROUND SMALL BUSINESSES IN AUSTRALIA

As of 30 June 2022, there were over 2.5 million actively trading businesses in Australia. With the Australian Bureau of Statistics defining small businesses as those with less than 20 employees, 97.5% of all Australian businesses were small businesses in June 2022.

Small businesses have a massive impact on both our domestic and international markets. To help put it into perspective, here are some quick stats on small businesses and their impact. Small businesses:

- Provide jobs for over 5 million Australians – that's two out of five private sector jobs
- Contribute over \$500 billion to Australian GDP – nearly one-third
- Employ 42% of all apprentices and trainees in-training

Statistically, a small business owner earns less than the average full-time wage, and 61% of small business owners work 39 hours or more per week. Important to also highlight is that 43% of micro and small businesses are non-profitable.

If small businesses are struggling in today's economy, with more than 2 out of 5 micro and small businesses not turning a profit, what support programs are out there and how do they help?

EXAMPLE: ENTREPRENEURS' PROGRAMME

As mentioned earlier, the objective of the Entrepreneurs' Programme was to connect small and medium businesses with the capabilities and networks that they need to grow, innovate and commercialise in Australian markets, and/or markets in other countries.

Since launching in 2014, the Entrepreneurs' Programme has provided access to expert advice and financial support through grants to help progress a business' goals. Some quick stats:

- Provided advice and grants to over 22,000 businesses over the five streams of the program;
- On average, for every \$1 of grant funding provided, a business raised \$3.75 of private capital, under the Accelerating Commercialisation branch of the program;
- An average increase of 3.5 new jobs and a \$1.47 million in turnover for businesses, per project under the Growth branch.

Overall, the Entrepreneurs' Programme cost \$484.2 million to implement since the 2014-25 budget and affected over 22,000 businesses. Reason for the cessation of the program was to implement the Industry Growth Program, much like the Entrepreneurs' Programme, which aims to target the priority areas of the \$15 billion National Reconstruction Fund. Objectives of the National Reconstruction Fund are to target the diversification, and transformation of Australia's Industrial sectors.

THE BURDEN OF GRANT APPLICATIONS ON SMALL BUSINESS APPLICANTS

Considering 61% of small business owners work more than 39 hours a week, effective time management is crucial for businesses. Knowing how to efficiently allocate your time to differing aspects of your business is important for successful growth. When it comes to seeking and applying for grants, this often seems troubling and time-consuming to those searching, so will often become a lower priority. Here we will investigate the reviewal of the application process for the Export Market Development Grant.

EXAMPLE: EXPORT MARKET DEVELOPMENT GRANT (EMDG)

Since 1974, EMDG has helped more than 51,000 unique small and medium size Australian businesses (SME)s promote and market their products and services to more than 180 countries worldwide. This was another program that was discontinued in the latest federal budget and was a critical support platform for businesses looking to promote and export their products to international markets.

However, the EMDG Program did have its drawbacks when it came to applications. The average application would take 13.3 hours to complete, with applicants stating that they had to carefully budget their time to complete a meaningful application. During Round 1 of the program, over 5,300 applications were submitted, with 75% of those lodged by agents on an applicant's behalf. In other words, this means that three out of four participants likely contracted the services of grant-writers or external consultants to assist in the preparation of their application. Some more statistics that applicants noted in an Operational Review, that the program moving forward should have:

- Reduced complexity (65%)
- A change from an audited reimbursement scheme to an upfront grant program. Useful in reducing workload for applicants (86%)
- Resources or training to putting together a plan to market (64%)

Small Businesses looking for grants should be aware that although grant applications can sometimes be complex and time-consuming, they are also a valuable source of support for those looking to boost their company. Grants can aid in all aspects of your business; from attracting and retaining skilled workers, all the way to helping with international exports of your products. So, if you see a grant that you may be eligible for, be sure to weigh up the cost-benefit ratio of submitting an application, you won't know if you don't try!

Small Business Grants in the 2023 Federal Budget

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With the Australian Federal Budget being released last month, small and medium businesses (SMBs) were hoping for more financial support to help with the cost-of-living crisis and increased competitiveness in this rapidly ever-changing market. We were optimistic to see new grant programs announced for Small Businesses, instead, multiple tax incentives and financial supports were set up in place. So, over the coming financial year, small businesses will have to be more resourceful, and expand their search when it comes to seeking out grants. The lack of new competitive grants for SMBs in the Federal Budget will create a more competitive pool of applicants looking for funding over the upcoming financial year.

One of the key announcements that SMBs should pay attention to is the new Industry Growth Program.

INDUSTRY GROWTH PROGRAM

The Industry Growth Program is a \$392.4 million fund that will be launched later in 2023. This program will act to provide advice and matched grant funding for SMBs and start-ups to commercialise their ideas and grow their business. The program

is still under consultation, but information regarding the funding mechanisms and funding amounts is available. Grants will be awarded to innovative SMBs that meet the program's eligibility and merit-based selection criteria. Grants will range from \$50,000 to \$5 million in matched funding (50-50), and the project period will be up to 24 months. Very early-stage commercialisation grants under the Industry Growth Program will range from \$50,000 to \$250,000. Whereas the remainder of the grants will range from \$100,000 to \$5 million (specific details around these larger grants are yet to be released).

The Industry Growth Program is intended to replace the Entrepreneurs' Programme, which was scrapped in this year's budget. One key difference is the Industry Growth Program's alignment with the priorities of the National Reconstruction Fund. This shift means that eligible projects must be aligned with the priority areas of the National Reconstruction Fund which include: Renewables and low emission technologies, medical science, transport, value-add in the agriculture, forestry and fisheries sectors, as well as value-add in resources, and defence capability.

SOCIAL ENTERPRISE DEVELOPMENT INITIATIVE

This initiative aims to provide grants, online education, and mentoring, to support 'for purpose' organisations such as social enterprises and charities. These supports will help organisations to build the capability to access capital, better participate in the social impact investing market and support improved social outcomes. This initiative falls under a newly announced Australian Government objective to address entrenched community disadvantage, by helping those affected and promoting social impact investment. Much like with the Industry Growth Program, details are yet to be finalised, but a major feature is the implementation of place-based partnerships within communities. These partnerships will see the collaboration of organisations working with community members to advocate and address the community's needs and aspirations for a more equitable future.

SMALL BUSINESS ENERGY INCENTIVE

Although not a grant, this is an exciting new initiative for small businesses looking to upgrade and electrify their assets. This incentive offers a 20% tax deduction for eligible assets, up to \$100,000 of total expenditure, with the maximum tax deduction being \$20,000 per business. This program will support up to 3.8 million Australian Small Businesses, helping them make investments to propel their energy transformation by lowering emissions and saving energy. Businesses with an annual turnover of less than \$50 million will be eligible for the incentive. Eligible assets are those that support electrification and more efficient use of energy, including, but not limited to:

- Electrifying heating and cooling systems
- Upgrading to efficient fridges and cooktops
- Installing batteries and heat pumps

Eligible businesses will have access to the tax deduction from 1 July 2023 until 30 June 2024.

Overall, it's positive for start-ups and SMBs. This Federal Budget includes various support programs and initiatives aimed at helping their businesses become more resilient in today's fast-paced economy. The cessation of valuable grant programs sparked disappointment amongst small businesses and grant



seekers. However, with less of a focus on grants, the government did announce new initiatives to support small businesses in today's economy. These programs will help to provide aid in all aspects of a business, including relief with energy transformation and lowering emissions, or even upskilling your workforce to become more cyber resilient in today's technological economy. Start-ups and SMBs should keep their eyes peeled for future announcements around upcoming programs, as these will be essential in creating a scalable and sustainable business, in today's fiercely competitive economy.



Victorian State Budget 2023-2024 – ‘Doing What Matters’, and what matters for small businesses

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The 2023-24 Victorian Government’s budget focuses on debt recovery and economic development. The main theme to emerge is the burden of debt, highlighted by a ten-year ‘Debt Levy’. This will primarily affect big businesses, with higher payroll tax bills aimed at decreasing debt. Although this may come as stark news to big business owners, small businesses need not worry. The budget introduces new grant and support programs to benefit Small Businesses, and to help grow the economy. Starting off with the Made in Victoria - Industry R&D Infrastructure Fund. This \$120 million fund was established to incentivise and leverage private industry investment in research

and development and complement existing incentive settings such as the Commonwealth’s R&D tax incentive. The fund will also help accelerate projects in new energy, health technology, food manufacturing, defence and aerospace, and advanced technology – key sectors identified in the Government’s Made in Victoria: 2030 Manufacturing Statement. The Industry R&D Infrastructure Fund recently opened for EOIs in Early July, closing in Mid-August.

Funding was also allocated to establish a ‘Manufacturing and Industry Sovereignty Fund’, to support the development, expansion and retention of strategic sovereign manufacturing capability within Victoria. This is good news for those businesses centered around manufacturing and R&D, as these programs will act to boost the Victorian economy and create world leaders in advanced manufacturing right here in our domestic markets.

Another big win for small businesses was the increase in the payroll tax-free threshold. This will make it easier for small businesses to succeed, with the threshold being lifted from \$700,000 up to \$900,000. According to the Victorian Government, this will result in 4,200 businesses being exempt from the tax. Another 22,000 businesses will pay a reduced amount of tax, saving up to \$9,700 every year. It’s further good news with the threshold being lifted again from 1 July 2025, increasing from \$900,000 up to \$1 million, meaning another 1,500 or so businesses will become exempt. This will boost the ability of small businesses to compete, as this tax-free threshold will be phased out for larger businesses over the coming years.

An incentive that the Victorian Government is boasting in the latest state budget, in a first for any state in Australia, is the abolishment of business insurance duty. This will be dissolved over a ten-year period, with the Victorian Government estimating eligible businesses are likely to save around \$3,200 on professional indemnity insurance, or \$2,400 on fire and other special risk insurance, cumulatively over the ten-year period. Other than small business owners, apprentices and new parents are also winners to arise out of the budget.

- For apprentices, the Government has announced a \$10 million allocation to deliver free car rego to trade apprentices, saving up to \$865 every year. A further \$1.5 million was funded to implement the 'Apprenticeships Taskforce'. This taskforce will act to advise the Victorian Government on recommendations for workplace safety, as well as identifying opportunities that apprentices and trainees can take part in, to ensure a successful start to their career.
- New parents and children's education are also a focal point of this budget, with multiple major programs being announced to provide relief and support to those who need it most, from neonatal care, all the way to kinder. A major \$1.6 billion was allocated to roll out the 'Three-Year-Old Kinder' program and to help increase capacity by building new kinder facilities. While a further \$1.4 billion was set aside for 'Free Kinder', to give Victorian parents the choice to return to work, and to provide savings of up to \$2,500 to families each year.
- Another \$1.3 billion was also announced to build around 100 new kindergartens, with the majority to be located nearby government schools. Additionally, \$86 million allocation was provided to support parents with their newborn babies, including greater access to free Maternal and Child Health services, as well as support for fathers' groups and multicultural communities.

On the other hand, those not so lucky to emerge from the budget unscathed included big businesses and property investors. Big businesses with national payrolls of more than \$10 million a year, will see the payment of an additional payroll tax. This tax altogether will raise an expected \$3.9 billion for the Victorian economy over 4 years. And much like big businesses, disappointment will arise from those with investments in property. Investors will expect to pay an average of \$1,300 more in land taxes, each year. This will further bring a predicted \$4.7 billion injection into the Victorian economy over the forward estimates.

With this latest budget, the Labor Government aims to tackle the debt recovery, and with it, emerge winners and losers. Small businesses, apprentices, and new parents were able to climb out on top, with new programs and incentives to provide additional support. Whereas big businesses, property investors, and the like weren't so lucky, being hit with increased taxes. This will spark disappointment amongst those affected but will evidently see a positive impact on the Victorian economy, with an expected budget surplus of \$1.2 billion by 2026-27.



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