



Grant Opportunity Guidelines

Moon to Mars initiative: Demonstrator Mission Grants

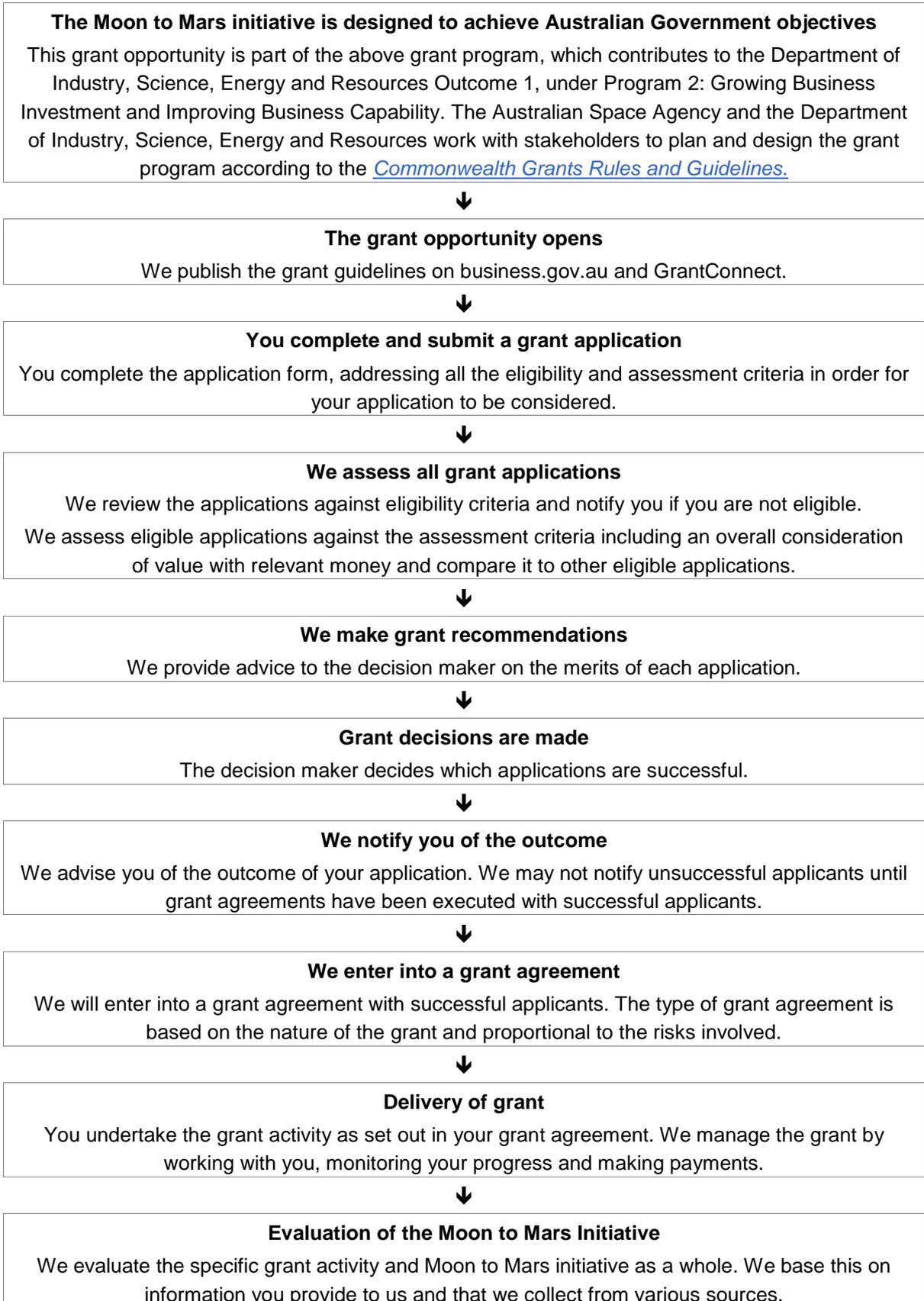
Opening date:	14 March 2022
Closing date and time:	17:00 Australian Eastern Standard Time on 1 July 2022 Please take account of time zone differences when submitting your application.
Commonwealth policy entity:	Australian Space Agency
Administering entity:	Department of Industry, Science, Energy and Resources
Enquiries:	If you have any questions, contact us on 13 28 46.
Date guidelines released:	30 November 2021
Type of grant opportunity:	Open competitive

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1. Moon to Mars initiative Demonstrator Mission Grants processes



2. About the Moon to Mars initiative

The \$150 million Australian Moon to Mars initiative (the initiative) supports Australian businesses and researchers to join NASA's inspirational endeavour to go forward to the Moon and then go on to Mars. Investment focuses in Australia over a five-year period, commencing in 2020-21.

The initiative forms an important element of the [Advancing Space: Australian Civil Space Strategy 2019-2028](#), primarily addressing the National and International pillars to open doors for Australian businesses and researchers to access international space supply chains, create jobs in Australia and support the growth of industries across the economy through the development and application of space technologies. Through this, Australian organisations will join with NASA and other international partners to bring Australian capabilities to space, the Moon, Mars and beyond.

The objectives of the program are:

- support Australia's ambitions to join NASA's endeavour to go forward to the Moon and then go on to Mars
- accelerate the growth of the Australian space industry
- build Australian space capability and capacity
- lift Australian involvement in national and international supply chains
- inspire the Australian public.

The intended outcomes of the program are:

- Australian involvement in international space programs and missions that support Moon to Mars activities
- increased growth of Australian space businesses
- an increase in Australia's space capability
- increased exports
- increased access to national and international supply chains
- strengthened relationships between international agencies and the Australian Space Agency
- increased employment in STEM related and highly skilled fields
- increased community engagement in space activities.

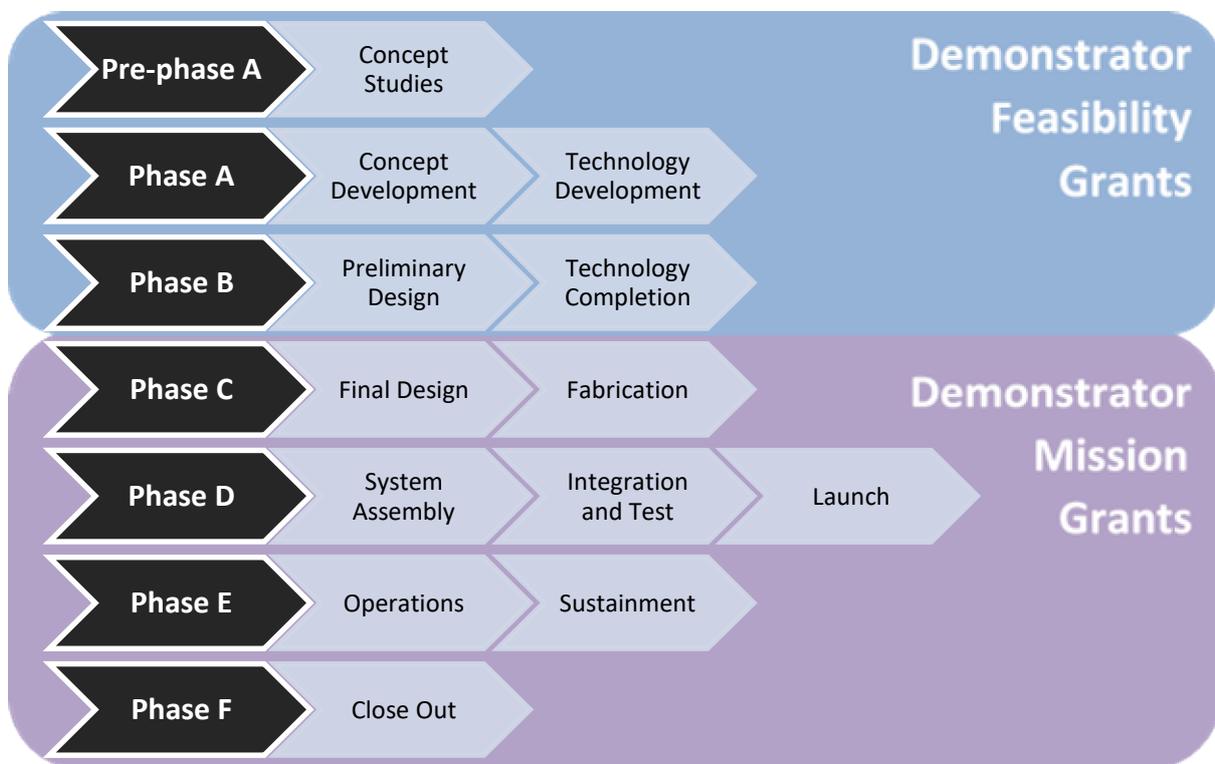
The initiative has three elements:

- **Supply Chain program:** supporting Australian industry to deliver products and services into domestic and international space supply chains through two components:
 - Supply Chain Capability Improvement Grants
 - Supply Chain Facilitation.
- **Demonstrator program:** supporting Demonstrator projects that showcase Australia's strengths to the world through two components:
 - Demonstrator Feasibility Grants
 - Demonstrator Mission Grants.
- **Trailblazer program:** a major project supporting NASA's activities to return to the Moon and on to Mars.

The Demonstrator program supports the development of space projects through two separate grant opportunities aligned with phases of space mission development (Figure 1):

- **Demonstrator Feasibility Grants (applications closed)**
 - grants of between \$50,000 and \$200,000 for feasibility activities
 - feasibility activities may include concept studies and development, technical development, preliminary design, technological completion and business case development aligned with pre-phase A and phases A and B of mission development (Figure 1).
- **Demonstrator Mission Grants (this grant opportunity)**
 - grants of up to \$10 million for development activities (noting we expect a majority of successful grants to be up to \$4 million)
 - development activities may include final design, fabrication, system assembly, integration, qualification, launch and operation aligned with phases C to F of mission development (Figure 1).

Figure 1: Phases of mission development



2.1. About Demonstrator Mission Grants

These guidelines contain information for Demonstrator Mission Grants. The Demonstrator Mission grant opportunity provides funding to Australian industry and research institutions focusing on Phases C to F (Figure 1) mission development activities for current and existing space projects.

The Demonstrator Mission Grants are a stand-alone, open competitive selection process. There is no requirement for you to have applied for or received a Demonstrator Feasibility Grant to be eligible to apply.

The objectives of the Demonstrator Mission Grants opportunity are to:

- demonstrate Australian small and medium-sized enterprise (SME) capacity and capability to develop space projects from final design, fabrication, testing through to assembly, integration, launch, space operability, space support and/or access to space with a clear potential to support Moon to Mars

- demonstrate the value, including commercial value, of space projects to the local space industry and marketplace
- develop Australian capability and experience in mission launch and space operation activities
- demonstrate a clear potential to deliver the Agency's Exploration services¹ (Foundation Services, Communications Services, Astronaut Health Services)
- demonstrate a clear potential to support Moon to Mars activities.

The intended outcomes of the grant opportunity are to:

- increase the number of Australian businesses and research institutions developing, demonstrating and implementing space projects with a clear potential to support Moon to Mars activities
- increase the capability and capacity within the Australian space industry, to drive space project development for qualification, space operability and/or space support
- increase the number of Australian-based space projects that are ready for investment and/or demonstrate a clear pathway to qualification, space operability, space support and/or access to space
- increase collaboration between Australian space organisations
- increase investment in the Australian space industry
- increase the number of international space industry contracts held by Australian industry
- increase the potential of the Australian space industry to support Moon to Mars activities
- increase the number of Australian businesses and research institutions with space heritage.

This document sets out:

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

The Department of Industry, Science, Energy and Resources (we/the department) is responsible for administering this Demonstrator Mission Grants opportunity on behalf of the Australian Space Agency.

We administer the program according to the [Commonwealth Grants Rules and Guidelines](#) (CGRGs)².

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

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

¹ As outlined in the Trailblazer consultation paper (Australian Space Agency, 2021, <https://consult.industry.gov.au/space/moon-to-mars-trailblazer-program/>, accessed 22 July 21).

² <https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines>

3. Grant amount and grant period

The Australian Government announced \$150 million from 2019-20 over five years for the Moon to Mars initiative. An estimated \$41.5 million is available for Demonstrator Mission Grants.

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 \$750,000.
- The maximum grant amount is \$10 million.

You are responsible for the remaining eligible project expenditure plus any ineligible expenditure.

We expect that most project grants will be between \$2 million and \$4 million. For all grant amounts, we expect extensive planning, documentation and evidence of industry support of your project. The amount of detail you provide in your application should reflect the project size, complexity and grant amount.

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

You can fund your contribution from any other source, including International funding, or other Australian State, Territory and/or local government grants.

3.2. Project period

Your project must be completed by 31 March 2025.

4. Eligibility criteria

The Demonstrator Mission Grants are a stand-alone, open competitive selection process. There is no requirement for you to have applied for or received a Demonstrator Feasibility Grant to be eligible to apply. However, we expect that you will have completed pre-phase A, phase A, and phase B activities (see Figure 1) for your space project prior to application.

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)
- be one of the following entities:-
 - an entity incorporated in Australia and a trading corporation, where your trading activities
 - form a sufficiently significant proportion of the corporation's overall activities as to merit it being described as a trading corporation; or
 - are a substantial and not merely peripheral activity of the corporation.
 - a Publicly Funded Research Organisation (PFRO) as defined in section 14: Glossary.

For a PFRO application to be eligible, your application must be a joint application including at least one eligible Australian trading corporation.

For further information on joint applications, refer to section 7.2.

4.2. Additional eligibility requirements

We can only accept applications where you:

- provide evidence that you or your project partner intend to have, or support, an asset operating or tested in space by March 2025, examples of evidence include:
 - a schedule indicating launch date, and/or
 - letters from partners confirming that your project will support their operational spacecraft and/or
 - a letter from the project manager/CEO confirming that you aim to launch the project to space before 31 March 2025
- provide all mandatory attachments (see section 7.1)
- provide a proposal according to the proposal template (link) that includes, at a minimum:
 - strategic proposal
 - technical proposal
 - implementation proposal
 - management and financial proposal
- certify that you have established a quality assurance panel to oversee the development of your project.
- provide an assessment report from your quality assurance panel that covers your preliminary design review (PDR) outcomes. This report should include:
 - personnel and experience of panel members
 - panel recommendations
 - response from the project team and action plan
- agree to use a recognised space industry standard as a basis for project management and systems engineering for compliance purposes.
- where you can provide evidence from your board (or chief executive officer or equivalent if there is no board) that the project is supported, that you can complete the project and meet the costs of the project not covered by Demonstrator Mission Grants funding, and confirms you are a trading corporation where applicable.

We cannot waive the eligibility criteria under any circumstances.

4.3. Who is not eligible?

You are not eligible to apply if you or your project partner are:

- listed on the National Redress Scheme's website as an institution that has not joined or signified its intent to join the Scheme (www.nationalredress.gov.au)
- named by the Workplace Gender Equality Agency as an organisation that has not complied with the Workplace Gender Equality Act 2012
- an individual
- a partnership
- a trust (however, an incorporated trustee may apply on behalf of a trust)
- a Commonwealth, State, Territory or local government body (including government business enterprises)

- a non-corporate Commonwealth entity.

If you are not eligible to apply, you may still be a part of a joint application provided you have a lead organisation who is the main driver of the project and is eligible to apply. For example, Australian government organisations may be included as project partners, but are not eligible to receive funding from this grant opportunity.

5. What the grant money can be used for

5.1. Eligible activities

To be eligible your Demonstrator Mission project must:

- include mission development activities (see Figure 1: phases C to E)
- aim to have an asset that is operational in space or shall support an asset that is operational in space by April 2025
- have a clear potential to support Moon to Mars activities
- align with priorities in the *Advancing Space: Australian Civil Space Strategy 2019-2028*
- have at least \$1 million in eligible expenditure.

Eligible activities may include:

- remediation activities to ensure quality requirements are met moving into phase C
- final design
- project fabrication and assembly
- system assembly, compatibility and integration testing
- launch, operations and sustainment
- earth return and close out
- risk assessments, including national security risk
- licensing and regulatory activities.

We may also approve other activities that contribute towards achieving the program outcomes.

You must:

- identify and manage project risks throughout your project.
- manage your project in accordance with relevant Industry standards (see section 10.2)

Ineligible activities include:

- pre-phase A and phase A activities (see Figure 1)
- documenting or collating existing testing, qualification, analysis or research
- STEM, scientific or research projects without a clear commercialisation pathway
- product development that does not directly support space activities, and/or cannot clearly demonstrate a pathway to qualification, space operability, space support, and a potential to support Moon to Mars activities.

5.2. Eligible expenditure

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

To be eligible, expenditure must be a direct cost of your mission project.

Eligible expenditure includes:

- assembly, integration or test costs
- reasonable launch costs
- 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.
- up to 30% labour on-costs to cover employer paid superannuation, payroll tax, workers compensation insurance, and overheads such as office rent and the provision of computers for staff directly working on the project
- project management costs
- staff training that directly supports the achievement of project outcomes
- software and consumable material costs directly related to the project, such as digital system engineering tools or analysis tools
- contract expenditure being the cost of any agreed project activities that you contract to others
- domestic and/or international travel limited to the reasonable cost of accommodation and transportation required to conduct agreed project activities (cannot exceed 10% of the total project costs)
- other eligible expenditure as approved by the Program Delegate.

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

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

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

You must not commence your project until you execute a grant agreement with the Commonwealth.

5.3. What you cannot use the grant for

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:

- business as usual expenses, or maintenance costs
- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and bank charges, not directly related to the project
- non project-related costs, or costs associated with ineligible activities
- 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 not directly related to the project

- Pre-phase A and Phase A activities.

This list is not exhaustive and applies only to the expenditure of Demonstrator Mission Grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

6. The assessment criteria

You must address all assessment criteria in your application. We will assess your application based on the weighting given to each criterion. The application form asks questions that relate to the assessment criteria below. The amount of detail and supporting evidence you provide in your application should be relative to the project size, complexity and grant amount requested. You should provide evidence to support your answers. The application form displays size limits for answers.

We will only consider funding applications that score at least 50 per cent against each assessment criterion, as these represent best value for money. As part of your application, you must also provide all specified attachments (section 7.1)

You must attach a Project Proposal using the template provided (please see Appendix B for guidance).

Notwithstanding your overall score against the assessment criteria, unless you provide a strong project proposal you will not be successful for this grant opportunity.

6.1. Assessment criterion 1

The strategic aim of your space project and benefit to the Australian space industry of your mission and your organisational strategy, including how these align with the program. (40 points)

You should demonstrate this through describing:

- a. how your space project aligns with the strategic business case of your organisation/ consortium
- b. how your organisation/ consortium's aims and your space project align with the Agency's Exploration Priority Services and/or the Agency's technical roadmaps
- c. the capability being developed and how it will integrate into future Australian space missions
- d. how your project will benefit your organisation/consortium and the Australian space industry including the amount of additional investment leveraged through your project.

6.2. Assessment criterion 2

The quality of the technical solution for your mission and the quality assurance of this solution (25 points).

You should demonstrate this through describing:

- a. the quality of your technical solution for your space project, including your project scope and concept of operations
- b. the engineering justification and the process you followed in selecting the technical solution as part of your feasibility activities (see Figure 1)
- c. the governance and quality assurance process that you have in place to review your technical solution as it is progressed through the phases of mission development.

6.3. Assessment criterion 3

Your capacity, capability and resources to progress through the mission development lifecycle and ultimately deliver your space project (25 points).

You should demonstrate this through describing:

- a. the capability of your project team, including your combined track record and your access to personnel with relevant skills and experience, including project management, technical staff and any independent committees
- b. your access to any required finance, facilities, technology and intellectual property
- c. the effectiveness of your management processes including change, risk (including safety, technical, technical security/cyber, and national security), schedule, quality assurance, consortium and budget management.
- d. the quality of your proposal to implement your space project (see Appendix A for guidance on the expectations for a space project).

6.4. Assessment criterion 4

The impact of grant funding (10 points)

You should demonstrate this by describing:

- a. the positive impact the Demonstrator Mission Grant funding will have on the scale or timing of the project
- b. the value of the Demonstrator Mission Grant funding to your organisation and its potential growth
- c. the national value of your space project and mission, including how your project will contribute to the wider Australian space ecosystem (see Appendix A section A.6) and economy and how it will generate any direct/indirect employment growth.

We expect that a successful application will demonstrate a high level of investment into the Australian industry and value to the Australian space sector (see Appendix A section A.7).

7. How to apply

Before applying, you should read and understand these guidelines, the [Advancing Space: Australian Civil Space Strategy 2019-2028](#) and the sample [grant agreement](#) published on business.gov.au and [GrantConnect](#).

You can only submit an application between the opening and closing dates.

To apply, you must:

- complete the online [application form](#) via business.gov.au
- provide all the information requested

- address all eligibility and assessment criteria
- include all necessary attachments.

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

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

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

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

7.1. Attachments to the application

You must provide the following documents with your application:

- completed proposal using the proposal template provided ([link](#))
- evidence that you or your project partner intend to have, or support, an asset operating or tested in space by April 2025
- certify that you have established a quality assurance panel to oversee the development of your project
- provide an assessment report from your quality assurance panel that covers your preliminary design review (PDR) outcomes
- evidence of the nomination of a recognised space industry standard as a basis for project management and systems engineering for compliance purposes (for instance, a letter signed by your technical manager specifying the nominated standard)
- project plan
- project budget
- evidence of your funding strategy, e.g. financial statements, loan agreements, cash flow documents
- evidence of support from the board, CEO or equivalent (template provided on business.gov.au and [GrantConnect](#)). Where the CEO or equivalent submits the application, we will accept this as evidence of support
- 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. We will not consider information in attachments that we do not request.

There is a 2 MB limit per attachment and 20 MB limit on all attachments.

7.2. Joint applications

To be eligible, your application must include at least one eligible trading corporation (section 4.1). As part of your application, you must appoint a lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth. The

application should identify all other members of the proposed group and include a letter of support from each of the project partners. Each letter of support should include:

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

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

7.3. Timing of grant opportunity

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

You may commence your project from the date we execute a grant agreement with you. We are not responsible for any expenditure you incur until a grant agreement is executed.

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of applications	8 weeks
Approval of outcomes of selection process	4 weeks
Notification to unsuccessful applicants	2 weeks
Negotiations and award of grant agreements	4 weeks (concurrent)
Earliest start date of Moon to Mars Demonstrator Mission Grant	date of execution of grant agreement
End date of grant commitment	March 2025

8. The grant selection process

We (the Department) first review your application against the eligibility criteria. If eligible, we will then assess it against the assessment criteria. Only eligible applications will proceed to the assessment stage.

We consider your application on its merits, based on:

- how well it meets the criteria
- how it compares to other applications
- whether it provides value with relevant money.

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

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

- the strategic and financial value leveraged by your project
- the diversity of the capabilities to be developed by the supported projects.

We will establish a committee that has government and industry and/or space sector experience, including members from the Australian Space Agency. The committee may also have external experts and may seek additional advice from independent technical experts and across government. Committee members are subject to probity requirements as outlined in section 13. It is expected that all non-commonwealth employees will perform their duties in accordance with the CGRGs.

If the selection process identifies unintentional errors in your application, we may contact you to correct or clarify the errors, but you cannot make any material alteration or addition.

8.1. Who will approve grants?

The Head or Deputy Head of the Australian Space Agency decides which grants to approve taking into account the application assessment and the availability of Demonstrator Mission Grant funds.

The Head or Deputy Head'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 Head or Deputy Head 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 through the Portal where you submitted your application. 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.

9.1. Further grant opportunities

We expect the Moon to Mars Trailblazer Grant Opportunity will open for applications in late 2021.

We will deliver the Trailblazer Grant Opportunity through a stand-alone open competitive selection process. There will be no requirement for you to have received a Demonstrator Mission Grant to be eligible to apply.

We will publish the opening and closing dates and any other relevant information on business.gov.au and [GrantConnect](#).

10. Successful grant applications

10.1. Grant agreement

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

We will use a Commonwealth standard grant agreement. We must execute a grant agreement with you before we can make any payments. Execute means both you and the Commonwealth have

signed the agreement. We are not responsible for any expenditure you incur until a grant agreement is executed. You must not start any Moon to Mars Demonstrator Mission Grant activities until a grant agreement is executed.

The approval of your grant may have specific conditions determined by the assessment process or other considerations made by the Head or Deputy Head of the Australian Space Agency. We will identify these in the offer of grant funding.

If you enter into an agreement under the Moon to Mars Demonstrator Mission Grants, 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 the 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 Head or Deputy Head of the Australian Space Agency.

10.2. Moon to Mars initiative: Demonstrator Mission specific legislation, policies and industry standards

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

In particular, you may be required to comply with:

- State/Territory legislation in relation to working with children
- *Space (Launches and Returns) Act 2018* and associated rules including:
 - *Space (Launches and Returns) (General) Rules 2019*
 - *Space (Launches and Returns) (Insurance) Rules 2019*
 - *Space (Launches and Returns) (High Power Rocket) Rules 2019*
- Export control legislation including the *Defence Trade Controls Act 2012* and *Customs Act 1901*
- *Radiocommunications Act 1992*
- Relevant work health and safety laws, including the *Work Health and Safety Act 2011 (Cth)*
- [The Artemis Accords](#)
- any relevant export control requirements.

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)
- any financial contribution provided by you or a third party.

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

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

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 entities³.

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

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
- Australian Business Number
- business location
- your organisation's industry sector.

12. How we monitor your grant activity

12.1. Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

You must also inform us of any changes to your:

- name
- addresses
- nominated contact details
- bank account details.

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

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

³ See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

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 (see Appendix A.2 for more information)
- project expenditure, including expenditure of grant funds
- contributions of participants directly related to the project
- any unexpected risks or issues, your treatments, and outcomes.

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
- 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 report on any underspends of the grant money
- be submitted by the report due date.

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

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

12.4. Compliance visits

We may visit you during the project period, 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 but within the maximum time period allowed in the grant opportunity guidelines
- changing project activities
- increasing grant funds.

The program does not allow for:

- an increase of grant funds.

If you want to propose changes to the grant agreement, you must put them in writing before the project grant agreement end date. We can provide you with a variation request template.

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

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

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

12.6. Evaluation

We will evaluate the 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 through the Australian Space Agency.'

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

13. Probity

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

13.1. Conflicts of interest

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

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

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

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

Conflicts of interest for Australian Government staff are handled as set out in the Australian [Public Service Code of Conduct \(Section 13\(7\)\)⁴](#) 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 policy⁵](#) on the department's website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

13.2. National security

Collaboration with foreign entities must be transparent, undertaken with full knowledge and consent, and in a manner, that avoids harm to Australia's national interests. It is your responsibility to consider the national security implications of the proposed project, and identify and manage any risks, including risks relating to the unwanted transfer of sensitive knowledge technology.

You should ensure that you are informed about who you are collaborating with by undertaking appropriate due diligence, proportionate to the risk and subject to available information, of your global partners and their personnel participating in the project. This should take into account any potential security, ethical, legal and reputational risks, and where necessary, you should be prepared to demonstrate how you would manage and mitigate any identified risks.

⁴ <https://www.legislation.gov.au/Details/C2019C00057>

⁵ https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf?acsf_files_redirect

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

If you have acknowledged in the declaration that, you can appropriately manage national security risks, we may ask you to provide a satisfactory risk assessment plan outlining your approach as a condition of funding.

13.2.1. 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.

In addition to Section 12.1 you must also inform us of any material changes to:

- partners involved in the project (i.e. partners joining or withdrawing)
- foreign affiliations of any project partners or key personnel (as outlined in Section 7.2)
- any foreign funding contributing to the project.

13.3. How we use your information

Unless the information you provide to us is:

- confidential information as per 13.3.1, or
- personal information as per 13.3.3,

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

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

13.3.1. 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.

13.3.2. 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
- to the Prime Minister
- 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.

13.3.3. 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](#)⁶ 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.

13.3.4. 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.

⁶ <https://www.industry.gov.au/data-and-publications/privacy-policy>

13.4. Enquiries and feedback

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

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

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

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

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

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

You can also contact the [Commonwealth Ombudsman](#)⁷ with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

14. Glossary

Term	Definition
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.
AusIndustry	The division of the same name within the department. AusIndustry is responsible for the delivery of the program.
Australian Space Agency	A separately branded entity located within the department. The Australian Space Agency was established to coordinate civil space matters across government and support the growth and transformation of Australia's space industry

⁷ <http://www.ombudsman.gov.au/>

Term	Definition
Australian space industry	<p>The Australian space industry comprises the Australian participants (organisations) of the Australian space sector.</p> <p>The Australian space sector is the set of space-related activities along the space value chain. Included in the space sector are all actors (private, public and academic) participating in production, operation, supply and enablement activities that form the space value chain. Space value chain segments include manufacturing and core inputs (consisting of ground and space segment manufacturing and services), space operations, space applications, and enablers (such as regulation and essential service delivery, infrastructure and capabilities, research, development and engineering, and specialised support services).</p> <p>See the Definition of the Australian Space Sector (Australian Space Agency, 2020).</p>
Concept of Operations	A description of how the system will be operated as part of the mission including timeline and operational scenarios.
Department	The Department of Industry, Science, Energy and Resources.
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.1.
Eligible application	An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.2.
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.
GrantConnect	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.

Term	Definition
Implementation Proposal	The implementation proposal, as part of the provided proposal template, will encompass an applicant's plan to implement the project and progress through the mission development lifecycle (see Figure 1).
Management and Financial Proposal	The management and financial proposal, as part of the provided proposal template, will encompass an applicant's management processes and access to necessary resources to deliver the project.
Minister	The Commonwealth Minister for Science and Technology.
Mission	End-to-end system including space, ground and launch segment (when applicable) to achieve a defined mission goal. The space project may be a part of or the complete mission. (Note: Missions are in scope even if the space segment is already working in space)
Mission development phases	Development steps in the maturation of a space project and/or mission
Mission ready	Operable, tested, qualified and prepared for implementation or deployment as part of a mission.
Moon to Mars activities	Activities that could support NASA's Moon to Mars endeavours.
Moon to Mars initiative	The Australian Government program that supports Australian businesses and researchers to join NASA's Moon to Mars endeavours.
NASA's Moon to Mars endeavours	<p>A NASA-led program of space exploration with commercial and international partners to return to the Moon as a step towards sending astronauts to Mars.</p> <p>The Australian Government's Moon to Mars initiative is a separate but related undertaking.</p>
National Civil Space Priorities	<p>The seven National Civil Space Priorities stated in the <i>Advancing Space: Australian Civil Space Strategy 2019-2028</i>:</p> <ul style="list-style-type: none"> ▪ position, navigation and timing ▪ earth observation ▪ communications technologies and services ▪ space situation awareness and debris monitoring ▪ leapfrog R&D ▪ robotics and automation on Earth and in space ▪ access to space.

Term	Definition
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"> a. whether the information or opinion is true or not; and b. whether the information or opinion is recorded in a material form or not.
Program Delegate	An AusIndustry manager within the department with responsibility for 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.
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)
Qualification	A formal proof that the design meets all the requirements of the specification and the parameters agreed.
Small and medium sized enterprise (SME)	A business with less than 200 employees.
Space Project	The Space Project is the entire proposed project from Pre Phase A to F (refer to Figure 1). The Space Project may be an entire mission or a subset of it.
Strategic Proposal	The strategic proposal, as part of the provided proposal template, will encompass the applicant's business plan as well as how the project fits into this and how these align with the Agency's strategy.
Technical Proposal	The technical proposal, as part of the provided proposal template, will encompass the applicant's technical solution for the project.

Appendix A. Program considerations

A.1 Spacecraft development standards

You should follow an international space industry standard of your choice. Justification of any tailoring of the standard chosen should be provided in the proposal.

A.2 Milestones and reviews

The program should organise and conduct the following milestone reviews (or similar based on the selected industry standard). Milestones can be combined where relevant and appropriate. An example of how these milestone reviews may be laid out is shown in the table below.

Phase	Milestone
Phase C	<ul style="list-style-type: none">• Critical Design Review (CDR)
Phase D,E,F	<ul style="list-style-type: none">• Acceptance Review (AR)• Qualification Review (QR)• Flight Readiness Review (FRR)• Operational Readiness Review (ORR)• Mission Closeout Review (MCR)

Remediation activities could include a delta-PDR to address PDR deficiencies from Phase B.

It is the responsibility of the grantee to organise and execute the project phasing milestone reviews.

Key milestones need to be measurable. For instance, a target capacity to be reached, a report outlining a test successfully conducted, or successful operation of a sub-system to do a task. Each milestone should include:

- agreed deliverables
- success criteria
- how this criteria will be assessed (review panel, compliance matrix with signed off test report etc.).

Utilisation of digital system engineering tools for the development of your mission and milestone reviews is recommended. This may include such approaches as concurrent design facilities and/or data driven system software engineering tools.

A.3 Document delivery list of each review

The grantee should provide, as part of their proposal, a document delivery list that is consistent with their selected space industry standard.

A.4 Review panel and quality assurance

It is the responsibility of the grantee to ensure the quality of the project. One of these quality assurance measures is to find, organise and fund a review panel for the project. Panel size, experience and composition should be proportionate to the project size and complexity. The Agency requests that a minimum of two positions for any major review be reserved for the Agency in an observer capacity. It is at the Agency's discretion to fill or not to fill these positions.

A.5 Risk assessment and mitigation

You will be responsible for the identification and mitigation of risk in the project. It is expected that technical, schedule and financial budget margins/contingency be clearly articulated. This should include for component, subsystem and system, tasks and project. Internationally recognised space program standards should be followed where possible. Deviations from the standards should be justified. For financial contingency, roughly 20% is expected but ultimately this should be determined by the applicant based on the specifics of the project.

A.6 Ecosystem development

The Australian Space Agency was established to support the growth and transformation of Australia's space industry. To achieve these goals, the Agency expects that successful applicants will carry out ecosystem development activities as part of their space project. These may include, but are not limited to:

- conference presentations on your project
- lessons learnt presentations
- internships
- STEM events to help support and encourage students into the space sector
- mentor space start-ups
- regular social media updates.

A.7 Investment in Australian capability

The Agency acknowledges that it may not be possible for all aspects of your space project to be carried out in Australia. The Agency expects the large majority of funding (for example, 80% excluding launch costs) to be spent in Australia subject to the strength of the case to build Australian capability and capacity. The proposal should articulate the geographic allocation of work to allow assessment of this percentage.

Additionally, the majority of skills and capabilities to perform space missions are expected to continue to contribute to the Australian space industry after the completion of the project. As an indication, the skills that are critical to the development of space projects that the project should seek to develop and continue to support in Australia include:

- systems engineering
- program management
- design
- key component manufacturing
- critical technology development
- cyber security
- software development
- assembly, integration and testing.

Support from international organisations to develop the skills and capabilities stated above is acceptable, especially if there is a clear benefit to Australia, for example workforce upskilling or knowledge transfer. However, if any of the activities listed above are planned to be performed outside of Australia, the Agency expects strong justification to be given as part of your proposal.

Appendix B. Proposal Template

As part of your application, you must attach a proposal. There is an attached template for this proposal that acts as a guideline for what to include. The template includes headings that align with the assessment criteria given in section 6. Under each heading there is an explanation of the content that may be included. Should you feel that a certain heading is not relevant to your project please keep the heading and provide an explanation as to why it is not needed.

The key components of the proposal are:

B.1 Strategic Proposal

The purpose of this section is to allow you to demonstrate how this project aligns with the Agency's strategy and the Moon to Mars Initiative. Additionally, it is expected that you will outline how this project furthers your company's space aims and how this project will benefit the space ecosystem in Australia. This section should include your:

- Business Plan
- Project Rationale
- Alignment to the Agency's Exploration Services
- Ecosystem development activities

B.2 Technical Proposal

The purpose of the technical proposal is to allow you to present the technical work performed through your feasibility activities (pre-phase A, phase A and phase B). As part of this, the Agency expects that you will present your technical solution for the space mission, the justification of this solution and the quality assurance. This section should include your:

- Mission baseline and concept of operations
- Critical and driving requirements
- System specification and system engineering plan
- System design definition and justification
- Technology development plan

B.3 Implementation Proposal

The purpose of the implementation proposal is to allow you to demonstrate your plan to implement the space project. This will include allocations of work, schedules and assessment of risk. This section should include your:

- Risk assessment
- Work breakdown structure
- Work package descriptions
- Schedules

B.4 Management and financial proposal

The purpose of this section is to allow you to outline your management processes and team structure for the project, including project partners and respective responsibilities. Additionally, it is expected that a detailed budget be outlined as part of this section. This section should include your:

- Management plan
- Project team and consortium

- Cost estimates and milestones

Appendix C. Eligible expenditure

This section provides guidance on the eligibility of expenditure. We may update this guidance from time to time, so you should make sure you have the current version from the [business.gov.au](https://www.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
- meet the eligible expenditure guidelines.

C.1 How we verify eligible expenditure

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

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

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

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

At the end of the project, you will be required to provide an independent financial audit of all eligible expenditure from the project.

C.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.

C.3 Labour on-costs and administrative overhead

You may increase eligible salary costs by an additional 30% 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.

C.4 Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

- another organisation
- an individual who is not an employee, but engaged under a separate contract.

All contractors must have a written contract prior to starting any project work—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work they perform
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense. The costs must also be reasonable and appropriate for the activities performed.

We will require evidence of contractor expenditure that may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase orders
- supply agreements
- invoices and payment documents.

You must ensure all project contractors keep a record of the costs of their work on the project. We may require you to provide a contractor's records of their costs of doing project work. If you cannot provide these records, the relevant contract expense may not qualify as eligible expenditure.

C.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 air fare costs at the time of travel.

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

- the proportion of total grant funding that you will spend on overseas expenditure
- the proportion of the service 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.

C.6 Other eligible expenditure

Other eligible expenditures for the project may include:

- building modifications where you own the modified asset and the modification is required to undertake the project, for example installing a clean room. Modifications to leased buildings may be eligible. You must use the leased building for activities related to your manufacturing process.
- staff training that directly supports the achievement of project outcomes
- financial auditing of 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
- launch costs
- contingency costs up to a maximum of 20% of the eligible project costs. Note that we make payments based on actual costs incurred.

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

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

Appendix D. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time, so you should make sure you have the current version from the 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 us notifying you that the application is eligible and complete
- any in-kind contributions
- financing costs, including interest
- capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, computers, printers or photocopiers and the construction, renovation or extension of facilities such as buildings and laboratories
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- costs such as rental, renovations and utilities
- non-project-related staff training and development costs
- insurance costs other than one-off insurance costs related to launch of payloads (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 grant application, preparing any project reports (except costs of independent audit reports we require) and preparing any project variation requests
- travel or overseas costs that exceed 10% of total project costs except where otherwise approved by the Program Delegate.

This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.