

QUEENSLAND JOBS FUND

Industry Partnership Program - Guidelines

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How to use this document

These Guidelines are intended to assist organisations that are interested in applying for assistance under the Industry Partnership Program (Program). The Guidelines set out:

- the types of assistance available
- the eligibility criteria which must be met to apply for assistance
- · how we will consider and assess applications for assistance
- how we notify applicants of the outcome of applications for assistance

1. Introduction

Since 2021, the Queensland Jobs Fund has provided funding through the Industry Partnership Program, administered by the Department of State Development, Infrastructure, Local Government and Planning (the Department). The Program has enabled the Department to support industry development by facilitating private sector investment, supply chain development and the creation of jobs.

A further funding injection into the Program through the 2023-2024 State Budget allows the Department to continue this investment as an enabler to help meet the challenges of developing emerging industries (including low emission industries) and supporting the transformation of existing industries through key projects that align with the *Queensland new-industry development strategy* priority areas, as well as the *Queensland Biomedical 10-Year Roadmap and Action Plan*.

The <u>Queensland new-industry development strategy</u> sets out the Queensland Government's approach to proactively developing the industries that will be in demand in a decarbonising world. This responds to private sector expectations that government will facilitate and support the transition to industrial net zero and share risks as these emerging industries are developed.

2. Industry Partnership Program

The Program supports a new wave of sustainable economic growth by focusing attention on unlocking the opportunity presented by new global demand driven by decarbonisation and Queensland's competitive advantages in the following priority areas:

- critical minerals processing, manufacturing and product development,
- renewable energy manufacturing,
- battery industry development,
- green hydrogen,
- bioeconomy including biofuels and sustainable aviation fuel,
- circular economy including resource recovery and recycling,
- biomedical.

The objectives of the Program are to realise business, supply chain, economic and Queensland industry ecosystem impacts across the priority areas to enhance and grow industry, including employment, by expanding the existing industry footprint and developing emerging industries or locations of strategic importance.

Key factors determining the success of a project under the Program will be how well the project meets the Program's objectives reflected in the assessment criteria in Section 6.



3. Eligibility

3.1 Organisation eligibility

To be eligible for assistance, your organisation must:

- be a legal entity and hold an active Australian Business Number or Australian Registered Body Number
- · have the financial ability to deliver the project, including having a financial history of three years or more
- have a history of regulatory compliance, including development and environmental approvals, *Corporations Act 2001*, competition and consumer legislation and industrial relations legislation
- have no unsatisfied judgments or pending court actions or other proceedings against the organisation, its directors, senior officers or key personnel.

First Nations businesses are encouraged to apply.

Local governments, sole traders, family partnerships, not for profit organisations and Government Owned Corporations are not eligible to apply. Entities with less than 3 years of trading may only apply if there are project partners that can provide 3 years of financial statements and evidence that supports management, technical and financial capability to undertake the proposed project.

3.2 Project eligibility

To be eligible, a project must meet the following criteria:

- · be located in Queensland
- be aligned with the priority areas listed in Section 2
- be unlikely to proceed without assistance, or, if the project is a discrete stage in a multi-stage project, it can be demonstrated that future stages will be brought forward
- not have already commenced the project, for example construction or operation,
- has a viable plan to achieve sustainable commercial operations,
- · can identify industry ecosystem uplift from project development; and
- have access to feedstock.

Your proposed project must be investment ready which may include the following:

- a commitment from the board or other senior levels of appropriate management to proceed further with the project/s planning and implementation
- identification and evidence of an achievable pathway to finance the proposed project in the short term
- if successful with the application, commence the project within 12 months of the execution of a financial assistance agreement with the State (unless otherwise agreed)
- evidence of a future commercial level of market demand to support the project and can demonstrate advanced negotiations with customers such as purchase or offtake agreements as appropriate and
- having any native title and land ownership issues for the project site settled.

Projects that are seeking financial assistance to establish in Queensland over other jurisdictions will not be considered under the Program. Please refer to the <u>Invested in Queensland</u> program.

To maintain flexibility within the fund, a proposal may still be considered if it is outside the scope of these Guidelines but is deemed to be consistent with the intent of the Program and will enhance the Queensland Government's industry development objectives. This will be at the sole discretion of the Queensland Government.



4. Assistance available

The Program is open to applications until funds in the scheme are considered fully allocated.

Financial assistance may be provided of up to a maximum of 50 percent of the capital expenditure.

The Program financial assistance may take the form of a loan or cash reimbursement grant and may include fiscal incentives such as payroll tax reimbursement.

Financial assistance will only be considered for project capital expenditure deemed eligible by the Department (see section 4.1).

The Department will determine the most appropriate form of assistance on a case-by-case basis.

The State reserves the right to provide assistance in a different form or value and/or with alternative conditions to that requested.

The Department may consider funding options through other programs and initiatives.

4.1 Ineligible costs

Financial assistance will only be provided for project capital expenditure determined to be eligible by the State. The following will be ineligible:

- · contributions made 'in-kind'
- costs paid to related entities of the applicant
- any expenditure incurred prior to an agreement being entered into (unless otherwise agreed under a financial assistance agreement)
- project development costs such as early-stage feasibility studies, conceptual design, cost of conducting tenders, cost benefit analyses, economic impact studies, business case development and due diligence including legal fees and statutory fees and charges and any costs associated with obtaining regulatory and/or development approvals
- incentives (including success fees) and project specific bonus schemes (including all executive and director incentives)
- · travel and entertainment costs
- proof of concept funding
- any costs for items which have already, or will also receive funding from other local, state or federal government departments
- purchasing an existing business or a share of an existing business
- site acquisition costs such as the purchase or lease of land or existing buildings with plant and equipment
- all operating costs, including but not limited to any costs recovered or recoverable from any insurance policy held by the applicant or any other third party in connection with the project
- any cost, expense penalty, fine, fee, loss or damage paid or incurred by the applicant arising out of or in connection with any negligent act or omission, or any breach or infringement of any law
- any costs otherwise not approved by the State.



5. Application, assessment and agreement process

5.1 Application

In the first instance, please contact the Department via the the Program team at ipp@dsdilgp.qld.gov.au to discuss your proposed project. An application form may be issued to you by the Department after those discussions. In the event an application form is issued to you by the Department, you will then have 60 business days to complete and submit the application form.

The application form requires comprehensive information, including but not limited to:

- the last 3 years of financial statements including profit and loss, balance sheet and statement of cash flows including notes to the accounts. These should be either accountant prepared, audited and certified (preferred), or accountant prepared and signed.
- forecast projections of project employment, wages, capital and operational expenditure
- financial modelling and budgeting to demonstrate commercial viability
- a project plan and risk register which clearly demonstrates project feasibility and delivery
- all regulatory requirements including land tenure, planning and environmental issues have been identified and resolution strategies are in place to the satisfaction of the State
- suitable project management arrangements are in place for the construction and operations phases of the project
- evidence of the business structure including governance arrangements for the project
- identification of all sources of funding for the proposed project
- competitor analysis
- supply, supplier and value chain analysis
- information to demonstrate the sustainability of the Project in Queensland beyond the term of the financial assistance.

The application form must include a signed declaration from an authorised representative of the applicant.

At this stage the Department may also assign a Client Manager to you to provide assistance on questions you may have regarding the application process.

You will receive an acknowledgement of receipt of your application and a copy of the submitted application by email.

5.2 Assessment

Each application will be checked against the organisation and project eligibility criteria set out in Section 3 of these Guidelines. If the application does not satisfy these criteria, it will not be assessed further and you will be notified of the outcome.

During the application assessment stage, the Department will coordinate probity checks, due diligence, and risk assessment as well as an economic assessment. The Department may engage consultants or specialist advisors to assist with the assessment of applications against the eligibility and assessment criteria including for probity checks and technical assessments. The Department may also seek advice from other government agencies during the assessment process.

The Department may seek further information from you in relation to any matter arising from the assessment of your application.



The Department will prepare an investment case for consideration by a cross agency panel. The panel will consider the project against the assessment criteria and program objectives, making recommendations to the approving delegates. The amount, type of assistance sought and whether the project should be supported will be considered.

The panel may determine to recommend a different form or amount of assistance for a project or that assistance be provided on additional or alternative terms and conditions. The panel may also determine to recommend that no financial assistance be provided.

You will be notified in writing of the outcome of your application once the Department has completed the assessment process.

There is no guarantee of approval at any stage of the process.

5.3 Agreement

All successful applicants will be required to enter into a financial assistance agreement with the State, which sets out the terms and obligations upon which assistance will be provided including the payment of financial assistance in arrears on achievement of agreed performance requirements, including for a number of operational years of the project.

Performance requirement examples include:

- a minimum number of new direct FTE to be created within a specific timeframe, to be verified by the State
- a minimum capital and/or project expenditure amount within a specific timeframe, to be verified by the State
- specification of expenditure in the Queensland supply chain, to be verified by the State
- production targets related to your project, to be verified by the State
- where financial assistance greater than \$2.5 million is being granted, the Queensland Charter for Local Content will apply
- reporting requirements for key performance requirements and benefits as conditional payments of assistance.

For the majority of projects, performance security (usually in the form of a bank guarantee, general security interest and/or other registered security) will be required to secure achievement of performance requirements, and where relevant, repayment of assistance amounts. The provision of this security should be considered in the funding arrangements for your project.

The State is not obligated to provide any assistance unless and until a financial assistance agreement is signed by all parties.

The Department reserves the right to undertake an audit of the project to monitor progress and/or appoint an independent advisor to undertake an audit of projects.



Assessment criteria

The following criteria will be used to assess applications made under the Guidelines for the Program to ensure the Applicant and project continue to meet the Program objectives, public benefit and delivers value for money aligned to the *Queensland new-industry development strategy* and the *Queensland Biomedical 10-Year Roadmap and Action Plan*.

Criteria no. Assessment criteria

1 Business Impact:

The project's demonstrated ability to:

- create high value and highly skilled new employment, particularly for regional Queensland
- contribute to increased private sector investment, particularly for regional Queensland
- improve productivity
- move research & development (R&D) technology through to complex manufacturing
- · leverage other funding sources, for example Australian Government
- address decarbonisation and the business' commitment toward building their ESG (Environment, Social and Governance) credentials

2 Supply Chain Impact:

The project's demonstrated ability to:

- increase supply chain investment (expenditure in the supply chain)
- impact the supply chain through expanding, diversifying, deepening or disrupting. For example:
 - adding more businesses into an existing supply chain (feedstock, offtake, new markets)
 - creating additional or new supply chains from the investment
 - creating critical mass to enable further investment by others into the supply chain
 - creating new supply chain businesses through introduction of new technology
 - creating or strengthening partnerships and collaborations along the supply chain, including with First Nations businesses
 - creating capital efficiencies and improving speed to market



Criteria no. Assessment criteria

3 Ecosystem Impact:

The project's demonstrated:

- impact on the industry value chain. For example:
 - accelerating sector development
 - creating critical mass to attract the next stage development
 - introducing new capabilities that close gaps in the value chain
- alignment to Queensland Roadmaps and Action Plans for priority areas in the Queensland new-industry development strategy and the Biomedical industry
- · contribution to growth of industry knowledge and development of industry capability
- ability to enhance the development of the industry's workforce, encompassing upskilling and new skills and including for First Nations people
- ability to uplift regional industry and build inter-regional linkages
- ability to deliver transformational impact across multiple industries and/or regions
- contribution to sovereign capability through on-shoring or import replacement, particularly imports beyond the immediate sectors to diversify the economy

4 Project Feasibility:

The applicant or project partners demonstrated:

- experience and capability in delivering similar projects, or plan to engage external or internal expertise and capability prior to project commencement
- comprehensiveness of the project plan and schedule
- well considered risk identification and management plan
- timeliness of project delivery, including consideration of all required regulatory approvals
- financial capacity to deliver project and project financing plan, including proposed sources and approval status
- · commercial viability of the project



7. Glossary

Applicant	An eligible organisation submitting an application for funding under the Program.
Application	An application (or relevant part of an application) made to the State for funding from the Program and includes an application form and any other supporting or additional information in whatever form provided by the Applicant in connection with its enquiry or application to the Program.
Capital expenditure	The cost of acquiring certain fixed assets such as plant and equipment (unless otherwise negotiated) or construction of buildings or capital upgrades to an existing production facility.
Department	The Queensland Department of State Development, Infrastructure, Local Government and Planning.
Guidelines	These Industry Partnership Program Guidelines, as amended from time to time
Program	Industry Partnership Program
project	Includes the entire scope of works identified in the Application.
State	The State of Queensland

8. Communications

8.1 Media

All media enquiries or public announcements relating to the Program will be coordinated and managed by the Department's media team. Where possible, all media and communications about projects will be undertaken jointly with successful applicants. You will be required to:

- seek and obtain the Department's approval before making public statements, or contacting or responding to the media, regarding successful or unsuccessful applications through the Program
- provide the Department with at least 25 business days' notice of any proposed media event
- provide any proposed media or public statement to the Department for approval prior to its release as well as making any changes or amendments to the form, content or manner reasonably requested by the Department.

8.2 Confidentiality

The Department will maintain controls in relation to the management of confidential information provided by applicants and all internal documentation produced in relation to the administration of this Program.

Applicants must keep confidential any dealings with the Department about their application, including any financial assistance offered, but may make disclosures to advisors who are under an obligation of confidence or if required by law.



The State reserves the right to publicly disclose the names of applicants, general information about projects and the assistance provided and details about the anticipated economic outcomes and benefits to the State. The State may also disclose confidential information of, or provided by, the applicant:

- · if required to be disclosed by law
- to its advisors, consultants and contractors
- to any government agency.

Advice and support

If you have any concerns in relation to the application or assessment process, you may raise this concern by email to ipp@dsdilgp.qld.gov.au and this will be considered.

The Department welcomes feedback on the Program. Further information about providing feedback, compliments or complaints to the Department can be found at https://www.statedevelopment.qld.gov.au/about-us/contact-us/feedback-compliments-and-complaints

For enquiries or assistance about these Guidelines, please contact the Department of State Development, Infrastructure, Local Government and Planning:

Email: <u>ipp@dsdilgp.qld.gov.au</u> Phone: 13 QGOV (13 74 68)

10. Terms and Conditions

10.1 Reservation of rights

The State reserves the right to administer the Program and conduct the process for the assessment and approval of applications in connection with the Program in such manner as it thinks fit and to:

- a) change the structure, procedures, nature, scope or timing of, or alter the terms of participation in, the process or overall Program (including timeframes and submission and compliance of applications);
- b) consider or accept or refuse to consider or accept any application which:
 - i. is lodged other than in accordance with these Guidelines;
 - ii. is lodged after the relevant closing date for lodgement;
 - iii. does not contain the information required by these Guidelines; or
 - iv. is otherwise non-conforming in any respect;
- c) vary or amend the eligibility criteria or assessment criteria set out in these Guidelines;
- d) take into account any information from its own and other sources (including other Government agencies or advisors);
- e) accept or reject any application, having regard to these Guidelines, the eligibility criteria and the assessment criteria or any other item, matter or thing which the State considers relevant, including the limitations on the funds available for the Program;
- give preference by allocating weighting to any one or more eligibility criteria or assessment criteria over the other;
- g) seek clarifications or additional information from, or provide clarifications or additional information to, negotiate or deal with, or seek presentations or interviews from, any applicant, without doing or requiring the same from all or any of the other applicants;
- h) conduct due diligence investigations in respect of any applicant and subject applications to due diligence, technical, financial and economic appraisals;



- i) require an applicant to clarify or substantiate any claims, assumptions or commitment contained in an application or provide any additional information;
- j) terminate further participation of any applicant in the application process for the Program;
- k) terminate, suspend or reinstate the Program or any process in the Program;
- I) not proceed with the Program in the manner outlined in these Guidelines, or at all;
- m) allow the withdrawal or addition of any applicant after the closing date;
- n) conduct negotiations with any one or more applicants after applications have been lodged.

Where, under these Guidelines, it is stated that the State may exercise a right or discretion or perform any act or omit to perform any act, then unless stated otherwise the State may do so at its sole and absolute discretion and will not be required to act, or be restrained from acting, in any way or for any reason nor to take into account the interests of any third party (including the applicants).

If the State does exercise any of its rights under these Guidelines, the State may inform any or all applicants. The State will not, however, be under any obligation to do so.

10.2 Relationship

The State's obligations regarding the application process are limited to those expressly stated in these Guidelines.

Subject to Section 10.7, no contractual or legal relationship exists between the State and an applicant in connection with the Program, these Guidelines or the application process. An applicant, or its representatives:

- a) has no authority or power, and must not purport to have the authority or power to bind the State, or make representations on behalf of the State;
- b) must not hold itself out or engage in any conduct or make any representation which may suggest to any person that the applicant is for any purpose an employee, agent, partner or joint-venturer with the State; and
- c) must not represent to any person that the State is a party to the proposed project (other than as a potential funder subject to the application process and confidentiality obligations detailed in these Guidelines).

10.3 Participation at applicant's cost

Each applicant participates in the Program at its own cost and risk.

To the extent permitted by law, no applicant will have any claim of any kind whatsoever against the State (whether in contract, tort (including negligence), equity, under statute or otherwise) arising from or in connection with:

- any costs, expenses, losses or liabilities suffered or incurred by the applicant in preparing and submitting its application (including any amendments, requests for further information by the State, attendance at meetings or involvement in discussions) or otherwise in connection with the Program;
- b) the State at any time exercising or failing to exercise, in its absolute discretion, any rights it has under or in connection with the Program; or
- c) any of the matters or things relevant to its application or the Program in respect of which the applicant must satisfy itself, including under these Guidelines.

Without limiting the foregoing, if the State cancels or varies the Program at any time or does not select any applicant following its assessment of the applications, or does (or fails to do) any other thing referred to under these Guidelines, no applicant will have any claim against the State arising from or in connection with any costs, expenses, losses or liabilities incurred by the applicant in preparing and submitting its application or otherwise in connection with or in relation (whether directly or indirectly) to the Program.



10.4 Applicant to make own enquiries

These Guidelines have been prepared to give potential applicants background information in relation to the Program. These Guidelines do not, and do not purport to, contain all of the information that applicants may require in reaching decisions in relation to whether or not to submit an application. Applicants must form their own views as to what information is relevant to such decisions and obtain their own independent legal, financial, tax and other advice in relation to information in these Guidelines or otherwise made available to them during the application process.

The State accepts no responsibility whether arising from negligence or otherwise (except a liability that cannot lawfully be excluded) for any reliance placed upon the information supplied by it in connection with the Program or interpretations placed on the information by applicants.

10.5 Intellectual property

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful owner of those intellectual property rights. Any part of an application considered to contain any intellectual property rights should be clearly identified by the applicant.

The applicant grants to the State (and will ensure that relevant third parties grant) a non-exclusive, irrevocable, royalty free, perpetual, sub-licensable licence to exercise the intellectual property rights in the application for the purpose of assessing and making decisions about the application and in administering the Program.

10.6 Privacy

In this section, **Personal Information** has the meaning given to that term in the *Information Privacy Act 2009 (Qld)*.

Personal Information provided by applicants may, in the course of and for the purposes of assessment of the application, be disclosed to the State's associates (including other government agencies), advisors, consultants and contractors, and project stakeholders. Personal Information may also be disclosed where required for purposes associated with undertaking assessment of the application, including due diligence enquiries.

If any applicant collects or has access to any Personal Information in connection with its application or the Program, the applicant must comply, in relation to that Personal Information:

- a) (as if it were the Department) with the Information Privacy Principles in the Information Privacy Act 2009 (Qld);
 and
- b) with all reasonable directions of the State.

10.7 Acceptance

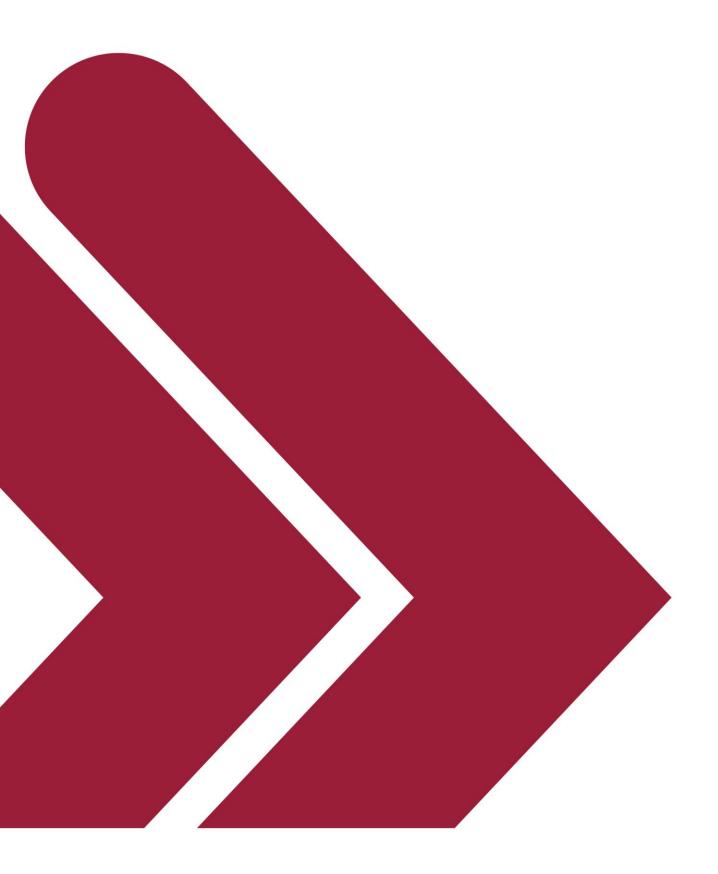
By submitting an application, each applicant:

- a) warrants to the State that the information contained in its application is accurate and complete as at the date on which it is submitted and is not by omission misleading, and may be relied on by the State in determining whether or not to provide assistance (including financial or fiscal assistance) to the applicant under the Program;
- b) undertakes to promptly advise the State if it becomes aware of any change in circumstances which causes the information contained in its application to become inaccurate or incomplete in a material respect;
- c) acknowledges that the State will rely on the above warranty and undertaking when evaluating the application;
- d) acknowledges that the State may elect to remove an applicant or elect not to further consider an application at any stage as a result of a material change to the information presented in an application;
- e) acknowledges that the State may suffer loss or damage if the applicant breaches the above warranty and undertaking; and



f)	is taken to have accepted these Guidelines, including the terms and conditions, and warrants for the benefit of the State that it will not breach these Guidelines or seek to bring any claim, of any kind whatsoever, against the State which is precluded by these Guidelines.		





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