

Aus**Industry**

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Clean Technology Investment Program



The Clean Technology Investment Program is a central element of the Australian Government's Clean Energy Future plan announced in July 2011. The Clean Energy Future plan provides transitional assistance for businesses and industry through the \$8.6 billion Jobs and Competitiveness Program, the \$1.2 billion Clean Technology Program, the \$300 million Steel Transformation Plan and the \$1.3 billion Coal Sector Jobs Package.

What is the Clean Technology Investment Program?

The Clean Technology Investment Program (the Program) is an \$800 million competitive, merit-based grants program. It will support Australian manufacturers to maintain competitiveness in a carbon-constrained economy, through investments in energy-efficient capital equipment and low-pollution technologies, processes and products. This program will provide grant funding over a seven-year period from 2011–12 to 2017–18.

The Program is delivered by AusIndustry, a division of the Department of Industry, Innovation, Science, Research and Tertiary Education. AusIndustry is supported in delivering this program by Innovation Australia, an independent statutory body.

What grants are available for manufacturers?

There are four levels of grant amounts.

GRANT AMOUNT	ANNUAL TURNOVER OF APPLICANT	APPLICANT TO GRANT FUNDING RATIO
\$25,000 - < \$500,000	< \$100 million	Up to 1:1
\$25,000 - < \$500,000	≥ \$100 million	Up to 2:1
\$500,000 – < \$10 million	N/A	
≥ \$10 million	N/A	3:1*

^{*} unless otherwise recommended by the Cabinet of the Australian Government

What are the eligibility criteria?

To be eligible to apply for funding under the Program, an applicant must:

 Be a non-tax exempt corporation that is incorporated in Australia under a law of the Commonwealth or of a State or Territory and is undertaking manufacturing activities in Australia (eg an incorporated business or cooperative).

- 2. Have met one or more of the prescribed energy or emissions thresholds in the 12-month period before submitting an application:
 - i. used at least 300 megawatt hours of electricity; or
 - ii. used at least 5 terajoules of natural gas; or
 - iii. used a mix of fuels and/or electricity that results in the emissions of at least 0.27 kilotonnes of carbon dioxide equivalent.
 - Or be directly liable under the carbon pricings mechanisms.
- **3.** Be able to fund the costs of the project that will not be covered by the grant.
- **4.** Have complied with their obligations under the *Equal Opportunity for Women in the Workplace Act* 1999.

Applications that do not meet the eligibility criteria will not be assessed against the merit criteria.

What projects and activities are eligible?

- The maximum project duration is two years from the project commencement date.
- Projects can include activities at multiple sites within Australia.
- Eligible activities are capital investment and associated activities that generate carbon and energy savings:
 - replacement of existing manufacturing plant, equipment and processes;
 - modifications to existing manufacturing plant, equipment and processes;
 - changes to energy sources for the existing or replacement manufacturing plant or processes; and
 - replacing or modifying existing manufacturing facilities to enable production of new low emissions products.

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Eligible Expenditure

Eligible expenditure can fall into three categories representing different phases of the project life-cycle:

- 1. Pre-project costs (12 months prior to the date an application is submitted) relating to:
 - identifying the proposed energy efficiency or emissions reduction project; and
 - estimating the energy or carbon savings the project will deliver.
- 2. Project costs relating to:
 - undertaking eligible activities within the project funding period.
- **3.** Post-project costs relating to your end of project reporting obligations (up to 15 months after project completion date):
 - undertaking financial audit of project expenditure;
 and
 - measuring and verifying the energy or carbon savings delivered by the completed project.

What are the merit criteria?

Grants less than \$1.5 million will be assessed against merit criteria 1 to 3 and grants of \$1.5 million or more will be assessed against merit criteria 1 to 4 as outlined below:

- 1. The extent of the reduction in carbon emissions intensity, including through improvements in energy efficiency arising from the proposed project.
- **2.** The capacity and capability of the applicant to undertake the project.
- **3.** The extent to which the project maintains and improves the competitiveness of the applicant's businesss.
- 4. The contribution of the proposed project to a competitive, low carbon, Australian manufacturing industry and the benefits to the broader Australian economy.

Is funding available for collaborative projects?

- A collaborative project is a project undertaken by a lead applicant and one or more project partners, where the benefits of the project (financial or otherwise) are shared amongst the collaborative partners.
- A collaborative project must provide a demonstrated improvement in energy efficiency or carbon emissions intensity for the lead applicant.
- A project partner must either meet the criteria of an eligible applicant, or must be a part of the lead applicant's manufacturing supply chain.

What do I need to prepare for the application process?

- Evidence of eligibility showing your ability to meet at least one of the electricity, fuel or emissions thresholds and your ability to fund your share of the project.
- A project plan and budget.
- Complete the AusIndustry Carbon and Energy Savings
 Calculator to identify the carbon and energy savings
 to be generated by the project.
- A business case for undertaking the project to show how it will benefit your business.
- A plan to verify the carbon and energy savings to be achieved through the project.

How do I apply?

The Program is now open for applications. To apply, you must fill in the application form and Carbon and Energy Savings Calculator available at ausindustry.gov.au. Applicants will need to complete and submit this online.



Australian Government

Department of Industry Innovation, Science, Research and Tertiary Education

About AusIndustry

AusIndustry is a specialist program delivery division within the Department of Industry, Innovation, Science, Research and Tertiary Education · innovation.gov.au.

AusIndustry is supported in delivering this program by Innovation Australia, an independent statutory body.

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