

AUSTRALIAN GOVERNMENT GRANTS AND ASSISTANCE

CENTRE FOR DEFENCE INDUSTRY CAPABILITY



Paper 014-051



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1. Introduction

The Centre for Defence Industry Capability's (the CDIC) activities will span Defence's three key areas of focus and include:

- Providing advisory and facilitation services to defence sector small to medium enterprises (SMEs) to improve business management, skills development, innovation and access to export initiatives and international and domestic supply chains;
- Providing grants to defence sector SMEs to implement recommendations from advisory and facilitation services;
- strategic advice to government and key sector stakeholders on the development of a sustainable defence industry in line with Australia's defence priorities;
- identifying strategic industry capability gaps and solutions and funding Industrial Capability Projects to address them through procurement processes.

2. Overview

To achieve its mandate with the Australian defence sector, the CDIC operates across Defence's three key areas of focus:

Focus Area 1: Industry Development

Industry development activities delivered through the CDIC are not directly targeted at individual businesses. This element focuses on providing strategic support for the sector as a whole or sub-sectors.

The CDIC will provide support and funding through procurement processes for defence sector wide initiatives that develop defence industry skills and solve defence industry issues.

An important element of this focus area is the development of an Industrial Capability Plan that will be endorsed by the Board and released by the government. The Industrial Capability Plan will set the ongoing priority activities of the CDIC to target support of the Australian industrial capability to meet Defence requirements.

Focus Area 2: Facilitating Innovation

The CDIC's Innovation Portal connects defence industry, academia and research organisations with Defence innovation supply opportunities. Specialist business and innovation advisers will work with defence businesses and organisations to tap into new funding opportunities for developing innovative defence capability solutions.

Through the CDIC's Innovation Portal, business advisers will help businesses understand defence capability needs and support their ability to contribute to Defence's innovation requirements.

Services will include:

- providing information about Defence innovation requirements;
- guiding industry applications into the Defence Innovation Hub and Next Generation Technology Fund (NGTF);
- advice regarding commercialisation and intellectual property management;
- facilitating two-way connections between industry and national research organisations;
- connecting businesses with other initiatives under the National Innovation and Science Agenda.

Defence will publish its innovation capability requirements on the Innovation Portal (hosted on business.gov.au). The Innovation Portal is also where industry will be able to lodge their innovation proposals. The Innovation Portal will forward proposals to Defence for innovation funding consideration. Proposals will be assessed against Defence's innovation investment priorities and assessment criteria that will be published on the Innovation Portal (business.gov.au). Note that the innovation assessment criteria are different to the criteria used to determine eligibility for CDIC advisory and facilitation services.

From innovation proposals received through the Innovation Portal, CDIC Business advisers may identify SMEs that could benefit from the advisory and facilitation services offered by the CDIC. SMEs will need to apply separately for these services and meet the CDIC advisory and facilitation services eligibility requirements.

Focus Area 3: Defence Business Competitiveness and Exports

This focus area provides support and grant funding to assist defence sector SMEs improve their productivity and global competitiveness in areas identified as Defence industrial priorities. Eligible SMEs will be provided with defence-specific business advice and the possibility of accessing a range of defence business and skills development courses and export initiatives.

3. Outcomes

The CDIC's intended outcomes are to:

- improve the Defence sector SMEs' business capability, productivity and global competitiveness, aligning with defence capability priorities;
- ensure that industry and Defence are well connected in order to tailor business capabilities with defence industrial priorities;
- contribute to a strong, sustainable, and internationally competitive defence sector that meets defence capability requirements.

4. Australian Defence Sector

The defence 'sector' includes all businesses that provide products or services or are developing products or services that have a specific application for the Department of Defence.

5. Activities

The CDIC will deliver activities across the three Focus Areas. Advice from the CDIC Advisory Board will inform the priority of activities. In addition to the core activities outlined below, the CDIC will support the implementation of other defence industry policy initiatives.

5.1 Activity 1: Advisory and Facilitation Services

The CDIC will provide advisory and facilitation services to assist eligible defence SMEs to improve capabilities, extend networks and take advantage of development opportunities within the defence sector. There is a single set of eligibility criteria, which covers all the advisory and facilitation services.

Through the advisory and facilitation services an applicant will gain a better understanding of the defence market, learn how to engage with Defence and position their business to participate in global supply chains. By accessing advisory and facilitation services the applicant's business can improve its skills and business practices, become more competitive, and take advantage of growth and collaboration opportunities.

The CDIC will deliver advisory and facilitation services through a network of experienced business advisers and facilitators located around Australia. CDIC business advisers and facilitators have extensive defence and private sector experience across a range of areas including business management, skills development, innovation collaboration, export activities and supply chain facilitation.

Through the CDIC's advisory and facilitation services the applicant's business will receive tailored assistance depending on:

- the capability improvements the business requires;
- the maturity of the business; and
- the applicant's knowledge of the defence sector.

It is expected that over time and as the business grows the applicant could access multiple services.

The applicant's level of engagement with the CDIC's advisory and facilitations services will vary depending on the individual business requirements and may include:

- accessing defence sector information through business.gov.au and the contact centre on 13 28 46;
- participating in and attending information sessions and workshops;
- receiving referrals from CDIC staff and business advisers to other government programs and assistance;
- connecting with CDIC staff and experienced business advisers and facilitators for guidance and mentoring;
- working one on one with a business adviser to undertake a detailed analysis of the business to identify, recommend and prioritise business improvement and skills development opportunities;
- working with a business adviser to undertake defence specific training needs analysis;
- working with a business facilitator to help the applicant access domestic and global supply chain and export opportunities. This may include accessing the Global Supply Chain and Team Defence Australia initiatives operated by the CDIC, participating in trade shows to showcase the applicant's products and services and finding opportunities to connect and network with the Department of Defence and large defence suppliers known as 'primes';
- working with a business facilitator to help the applicant understand the defence sector's supply requirements and to present their innovative ideas to Defence;
- working with a business advisor to explore collaboration opportunities and processes;
- training to refine the applicant's business value proposition in order to maximise opportunities for growth.

The applicant will need to demonstrate a capacity and commitment for the full engagement to receive detailed advisory and facilitation assistance.

As part of an advisory or facilitation service the applicant's business adviser may recommend specific business improvement or skills development opportunities in a report. To assist with the implementation of the recommendations the applicant may apply for a Capability Improvement Grant. The recommendations will reflect Defence's priorities which may change over time.

Who can apply for advisory and facilitation services?

Advisory and facilitation services are targeted at defence sector SMEs. SMEs are typically defined as organisations with less than 200 employees. However, the Program Delegate has authority to determine access to these services on a case by case basis taking account of the objectives of the program.

To be eligible for any of the advisory and facilitation services activities the applicant must:

- have products or services or are developing products or services that have a specific defence application;
- require defence specific support which could not be provided through other government assistance. CDIC staff will assess the applicant's suitability for advisory and facilitation services and where appropriate may refer the applicant to other government programs and services;
- have an Australian Business Number (ABN).

Eligible applicants must be one of the following:

- a company incorporated in Australia;
- an incorporated trustee on behalf of a trust;
- a Cooperative Research Centre (CRCs);
- a Defence Future Capability Technology Centre (DFCTC).

Businesses are not eligible to apply if they are:

- an income tax exempt corporation (with the exception of CRCs and DFCTCs);
- an individual, partnership or trust (however, an incorporated trustee may apply on behalf of a trust);
- a Commonwealth, state or local government agency or body (including government business enterprises).

Joint applications are acceptable, provided the applicant has a lead applicant who is the main driver of the project and is eligible as per the list above.

How to apply for an advisory and facilitation service

There are two ways eligible defence businesses can access the CDIC's advisory and facilitation services.

Firstly, the applicant can access initial information and guidance through business.gov.au and the contact centre on 13 28 46. This initial contact may lead to a discussion with an expert CDIC business adviser to provide further information about the CDIC and what activities may be suitable for the applicant's business.

Secondly, businesses with a specific capability improvement need can apply directly for the relevant advisory or facilitation service online at business.gov.au.

The applicant may apply for advisory and facilitation services at any time during the life of the CDIC and may apply multiple times to access various services.

In the application form, the applicant will need to nominate which advisory or facilitation service will best meet their needs.

An authorised representative of a business must complete the application. The following are considered authorised representatives:

- Chief Executive Officer
- Chief Financial Officer
- Director
- Chair of the Board
- President
- Authorised Manager.

How the application will be assessed

The Program Delegate will decide if the application is eligible. If the application is eligible the Program Delegate will approve the applicant for a service, subject to available funding.

The applicant will be contacted by email with a response within five working days of the application being submitted.

If it is determined that the applicant does not require Defence's specific support, the applicant will be referred to other appropriate programs and services. If appropriate, the applicant will be assisted with applications to the Entrepreneurs Programme (EP).

If the application is successful

If the Program Delegate approves the application, the CDIC will assign a business adviser or facilitator who will work with the applicant to complete the advisory or facilitation service and to produce a report with recommendations.

After initial discussions with a business adviser or facilitator they may recommend that the applicant access an alternative service offered by the CDIC or other government programs that better meet the applicant's immediate needs.

If the application is unsuccessful

If the Program Delegate does not approve the application the applicant will receive notification outlining why the application was not successful. If the applicant is able to address the reasons the application was unsuccessful they can re-apply, and the application may be reconsidered.

5.2 Activity 2: Capability Improvement Grants

Applicants may be able to apply for a Capability Improvement Grant to help with the cost of engaging consultants or experts to implement the recommendations provided in the advisory or facilitation service report. This may also include undertaking any recommended eligible defence specific skills training.

A Capability Improvement Grant reimburses the applicant, for up to half of the cost of engaging a consultant or expert, and undertaking training recommended in the advisory or facilitation service report.

Funding

The minimum grant amount is \$5,000 (excluding GST).

The maximum grant amount is \$250,000 (excluding GST).

The minimum and maximum grant amounts relate to the project as a whole which may comprise a number of recommendations.

Grants for skills development improvements are likely to be higher than those for business management improvements. It is anticipated that where grants are for the implementation of business management improvements they will generally be up to \$30,000. Where grants are for the implementation of skills development improvements they may be up to \$250,000.

There is no limit on the number of grants a business can receive over the life of the CDIC. However, funding is capped at \$250,000 per grantee in a three year period.

The intention of the grant is to support the specific business improvement or skills development recommendations made by the business adviser or facilitator in their report. It doesn't support fixes for problems that are part of the ordinary every day operations of a business.

The applicant must complete the funded projects within twelve months. For professional skills development and academic qualifications that extend beyond twelve months the applicant will need to re-apply for a Capability Improvement Grant at the end of each twelve month period. Funding for the full qualification is not guaranteed and the Program Delegate will assess each application for funding independently.

Details of grants will be published within fourteen days of the Grant Agreement being executed.

Who can apply for a Capability Improvement Grant?

As part of an advisory or facilitation service the business adviser may make specific business improvement or skills development recommendations in their report. If this is the case the applicant will be invited to apply for a Capability Improvement Grant to help with the cost of engaging consultants or experts to implement the recommendations.

An applicant may apply for a Capability Improvement Grant if they meet the following conditions:

- The applicant applies within twelve months of receiving a CDIC advisory or facilitation service recommendation; or
- Within twelve months of completing a Defence Industry Innovation Centre (DIIC) advisory or facilitation service and meet the eligibility requirements for the CDIC; or
- The applicant is applying for funding to continue a longer qualification such as a university degree which has previously commenced through a Capability Improvement Grant and takes more than twelve months to complete; and
- The applicant is implementing recommendations identified in a report provided by a business adviser or facilitator; and
- The applicant is able to fund their share of the cost of engaging a consultant or expert not met by the grant.

How to apply for a Capability Improvement Grant

The applicant will be sent an email asking if they would like to be considered for a Capability Improvement Grant to implement the recommendations outlined in the advisory or facilitation service report. The email will contain a link to an application form. In the application form the applicant will need to indicate which of the capability improvement recommendations they would like to implement and apply for grant funding. The applicant can select more than one recommendation if applicable.

The applicant will need to attach a quote from their preferred providers to implement part, or all, of the recommendations in the report. If the applicant is using multiple providers to address different recommendations, the applicant will need to submit a quote from each provider. The quote must address:

- the report recommendations that are to be implemented;
- the services the consultant will provide, including a break-up of key activities;
- delivery timeframes;
- costs, detailed in a payment schedule (including hourly or daily rates);
- the estimated number of consulting hours or days for each of the key activities;
- the key people who will undertake the project work.

In the application form the applicant will need to certify that the business is able to fund its share of projects costs.

What capability improvements are eligible?

In the report, business advisers or facilitators will recommend a range of improvements. The improvements that are eligible for a grant may fall under one of the areas outlined in the following table.

Regardless of the business area, improvements must be related, directly or indirectly, to enhancing the capacity of the SME to meet Defence's need for a product or service.

Capability improvement grants are only available where the business adviser or facilitator has confirmed a direct link between the improvements to be funded and Defence industrial priorities.

Business Capability Improvements

Business area	Example improvements
Strategic Business Issues	<ul style="list-style-type: none"> Formulating and implementing business goals, models and strategies Supply chain integration and management Developing formal business plans and review of business model Developing business development strategies and sales plans Developing key performance indicators Developing strategic partnerships and collaborations Developing product/service commercialisation plans Strategic advice on structuring and raising equity and investment.
Human Resources Issues	<ul style="list-style-type: none"> Cultural changes / change management HR strategies and systems Employee training and development Workforce planning.
Internal Systems	<ul style="list-style-type: none"> Preparation for quality assurance and compliance Occupational Health & Safety Risk management Developing documents and processes in internationally recognised standards, training staff in meeting these standards Scoping, consulting and training to implement a software system, social media/digital strategies, incorporation of ecommerce functionality, and website strategies.
Production/Operational	<ul style="list-style-type: none"> Structure and factory lay-out Advice on investment in new equipment Value stream mapping (process flow) Inventory management Process improvements (Lean auditing, reducing down time, error reduction) Lean principles and practices Research and development planning, but not research and development Scoping, consulting, (possibly developing) and

Business area	Example improvements
	training to implement business specific project management software systems
Marketing, Branding and Communication	<ul style="list-style-type: none"> • Communication strategies, marketing plans, distribution channel management • Strategic market research • Sales team performance and management, customer relationships and retention, and creating a capability to respond to tenders • Customer support systems including systems to record and action customer feedback.
Financial Management System	<ul style="list-style-type: none"> • Scoping, tailoring and training of management accounting systems, including accounting systems (financial reporting/dashboards, forecasting and cash-flow management, debtor controls and credit management systems) • Financial modelling in terms of developing the model for use by the business, including scoping, tailoring and training • Advice on planning, directing, monitoring, organising and controlling financial resources.
Exploring New markets and Market Intelligence	<ul style="list-style-type: none"> • Identification of new markets, sector analysis and market development • Industry research and market appraisal (e.g. identifying contacts, language barriers) • Competition strategy (i.e. price or quality basis) • Market research to assist Australian companies develop their international trading/exporting strategies • Identification of potential offshore and onshore partners or customers • Support with arranging for companies to visit overseas markets e.g. establish itinerary • Export strategy, including compliance with foreign laws and regulations.
Environmental Sustainability	<ul style="list-style-type: none"> • Tailored advice and strategies to support • Improving sustainability and reducing environmental footprint • Carbon pollution reduction • Waste stream identification, management and reduction • Water and energy efficiency tailored advice and strategies • Environmental management systems • Regulatory issues • Sustainability auditing (including waste, energy, water and environmental footprint).
Product and Service Development	<ul style="list-style-type: none"> • Strategic Intellectual Property (IP) plans including IP protection methodology and advice and general IP advice regarding differentiation of product design • Diversification and product/service innovation and development, including testing for market

Business area	Example improvements
	acceptability /product assessment and improvement for non-compliance purposes <ul style="list-style-type: none"> • Research and development planning.
Mentoring/Coaching	<ul style="list-style-type: none"> • Engagement of an independent and skilled business coach or mentor to build management capability tailored to the needs of the business.
Skills and Training	<ul style="list-style-type: none"> • Nationally recognised training, including full qualifications and skill sets • Training that is identifiable, transferrable by a learner and builds the capability of a learner • High quality, innovative or tailored training that may not yet be part of a training package or accredited course. This can include different combinations of training modules to form new skill sets and training tailored to meet specific business needs and • Training required to navigate export barriers and/or access foreign markets.

What business improvements are not eligible?

The following improvements are ordinary every day operations of a business, and are not eligible for the grant:

- fees for services provided by related parties such as companies with common shareholdings or directorship with the business, individuals, employees or immediate family related to the business;
- salaries for staff or the costs associated with recruitment activities;
- in-house running expenses such as standard accounting fees and office expenses;
- purchase of plant and equipment or the costs of relocating machinery;
- design and printing of sales promotion materials and advertising, including newsletters, brochures and other promotional material;
- the cost of trade shows or costs associated with visiting overseas markets and trade events;
- the costs of ISO certification or any work in registering domestic or international patents and fees or charges associated with registering intellectual property;
- general legal advice or costs associated with estate planning or legal advice associated with this;
- creation of Shareholders' Agreements;
- purchasing off-the-shelf software or costs of generic software associated with the administrative functions of the business carried out in the normal course of business (e.g. finance, administration, sales, payroll, human resource management, stock control, project costing etc.);
- training or workshops in basic information technology skills;
- the development of websites or basic website upgrades;
- research and development.

What skills and training activities are not eligible?

The types of training that are not eligible include:

- training that allows a business to comply with regulatory requirements relating to normal day-to-day business operations;
- training considered part of what a well-managed business should provide to its workforce, through normal day to day operations. This includes on the job training and supervision;
- training available to a business through the state and territory vocational education and training (VET) systems that are subsidised for employees;

- training delivered by a business, consortium members or related parties. Related parties include organisations with common shareholdings or directorship and individuals, employees or immediate family related to the business;
- consultancy and related activities that do not build capability of a learner to the satisfaction of the Program Delegate.

If it is determined that the applicant does not require defence specific support they will be referred to other appropriate programs and services.

How an application will be assessed

The Program Delegate will consider applications for grant funding through a non-competitive open process with regard to the following:

- key defence industrial priorities ;
- the CDIC objectives;
- value for money ;
- available CDIC funds.

The application will be assessed on a continual basis with regard to the above criteria and not relative to the merits of other applications.

Value for money considerations include:

- the applicant's contribution to the project costs
- expected project benefits
- appropriate market value for the proposed services.

When assessing value for money the Program Delegate will consider the applicant's need for support, taking advice from the relevant business adviser or facilitator.

Successful applications will have direct links to defence industrial priorities. The defence industrial priorities may be amended from time to time in consultation with the Board and the Department of Defence.

The application may not be accepted, or the applicant may be asked to provide more information, if:

- the proposal is not in line with the recommendations made in the business adviser or facilitators report
- there are concerns about the quality of the proposed consultant or project
- a conflict of interest exists
- the improvements are ineligible
- the proposal does not represent value for money.

The applicant will be contacted by email with a response within fifteen working days of submitting a complete application.

Final decision

The Program Delegate will make the final decision on which projects to fund.

If the application is successful, the applicant will receive a written offer.

If the application is unsuccessful, the CDIC will notify the applicant in writing and give the applicant an opportunity to discuss the outcome. The applicant can submit a new application for the same project (or a similar project) but it should include new or more information to address the weaknesses identified in the previous application. The application may be refused to be admitted for consideration a new application that is substantially the same as a previous ineligible or unsuccessful application.

The Program Delegate's decision is final in all matters, including:

- the approval of applications for funding
- the size of funding to be awarded
- the terms and conditions of funding.

Grant Agreement

Grant Agreements will vary depending on the project duration.

Short projects

For short projects with an expected duration up to six months, an approval letter along with the completed application form will form the Grant Agreement. If the applicant is in this category they will receive one payment at the end of the project on completion of a satisfactory final project report including evidence of attainment of qualifications/training outcomes where applicable. A sample approval letter is available on business.gov.au.

The applicant must not commence, or pay for the project, in part or full, (including paying for or attending courses) until they receive an approval letter.

Once the applicant has received an approval letter they will have a maximum of six months to complete the project.

Longer or more complex projects

For longer or more complex projects with an expected duration of up to twelve months, the applicant must enter into a more detailed Grant Agreement with the Department of Industry, Innovation and Science, acting on behalf of the Commonwealth. If the applicant is in this category they may receive two grant payments and will be required to report at a minimum of six monthly intervals. Progress payments will be made on receipt of a satisfactory milestone report. The final payment will be paid at the end of the project on receipt of a satisfactory final project report including evidence of attainment of qualifications/training outcomes where applicable.

The applicant will have twenty-one days from the date of offer to sign and return the Grant Agreement. The applicant will receive a fully executed copy of the Grant Agreement for their records. The CDIC may withdraw the offer if the Grant Agreement is not executed within thirty days.

The applicant must not commence, or pay for the project, in part or full (including paying for or attending courses), until a Grant Agreement is signed by both parties.

Once the applicant has received a copy of the executed Grant Agreement, they must agree on a start date for each project with the consultant(s).

Once the Grant Agreement is executed, the applicant will have a maximum of twelve months to complete the project.

How the grant will be paid

The Grant Agreement will state the:

- maximum grant amount to be paid
- grant ratio which is the proportion of eligible expenditure covered by the grant
- the payment and reporting schedule.

The maximum grant amount will not be exceeded under any circumstances. If the applicant incurs extra eligible expenditure, they must meet it themselves.

For short projects up to six months in duration, one grant payment will be made at the end of the project on submission of a satisfactory final project report. There will be no other reporting requirements for these projects.

For longer projects up to twelve months, payment will be made as outlined in the Grant Agreement in arrears on achievement of milestones.
Grant payments will only reimburse consultant costs that directly relate to the implementation of recommendations.

Grant payments will be based on:

- eligible expenditure incurred that is directly related to the project
- agreed funding ratio for the project
- provision of agreed evidence (e.g. satisfactory progress reports, final report, evidence of consultant costs).

Project variations

Unexpected events may affect project progress and in these circumstances, the applicant can request a project variation, including:

- changing project consultants and service providers
- changing project milestones
- extending the timeframe for completing the project subject to available funding.

If the applicant wants to request changes to a project, they must put them in writing before the project completion date. Changes will not be considered after the project completion date.

Tax obligations

Grants are subject to the Goods and Services Tax (GST). Grant payments will be increased to pay for GST, if the applicant is registered.

Grants are assessable income for taxation purposes, unless exempted by a taxation law. It is recommended that the applicant seek independent professional advice on taxation obligations or seek assistance from the Australian Taxation Office.

On payment of grant funds the applicant will be provided with a recipient created tax invoice (RCTI).

How the project is monitored

The progress of your project will be monitored by assessing reports that the applicant submits.

The applicant must submit progress and final reports, in line with the Grant Agreement. The amount of detail provided in the reports should be commensurate with the project size, complexity and grant amount.

Progress and final reports must:

- include the agreed evidence
- identify the total eligible expenditure incurred in achieving the milestone
- be submitted within four weeks of completing the project or a milestone (reports can be submitted ahead of time if the milestone has been completed).

Grant recipients are required to cooperate with any evaluation or audit of the CDIC undertaken by the Commonwealth, officers of the Parliament and authorised independent third parties, including by providing information requested by the Commonwealth, officers of the Parliament and a relevant third party for the purposes of the evaluation or audit.

5.3 Activity 3: Strategic Advice to Government

The CDIC Advisory Board will provide recommendations to the Program Delegate with regard to the strategy and activities of the CDIC. The Board will also provide strategic advice to government on the development of sustainable defence industrial capability in line with Australia's defence priorities. The Board and Program Delegate will brief the Minister for Defence Industry as appropriate.

Fundamental to setting the strategy and activities of the CDIC is the development of a Defence Industrial Capability Plan that identifies the sovereign industrial capabilities that are required to be maintained and supported in Australia.

The Defence Industrial Capability Plan will be developed by the CDIC, endorsed by the Board and approved by government. The Industrial Capability Plan will be reviewed on an annual basis to ensure the priorities for the CDIC's activities remain current.

The CDIC will also conduct a skills gap analysis within the defence industry sector to help ensure Australia has the skills needed to meet the requirements of existing and future capabilities. The outcomes of this analysis will also be advised to government and influence the priorities of activities undertaken by the CDIC.

Through the course of all the CDIC's activities it will identify opportunities for improvement and make recommendations on:

- more efficient processes for engaging with industry
- better coordination with State and Territory governments

5.4 Activity 4: Industry Capability Projects

Through recommendations from the CDIC, the Board will prioritise and endorse Industry Capability Projects. The Industry Capability Projects will target industry wide issues such as a critical and widely found skills shortage in a particular trade. These issues will be outlined in the Defence Industrial Capability Plan or project proposals developed by industry in collaboration with CDIC staff and Defence. Industry Capability Projects will be directed at improving the ability of the Australian defence sector to produce products and services that have a specific defence application or to contribute to defence capabilities.

The CDIC will be providing Defence capability managers with information, advice, facilitation, and networking services to support the implementation of the 'Industry as a Fundamental Input to Capability' policy, and strengthening of the Australian Industry Capability program.

The CDIC may also establish Industry Capability Projects to assist with these policy initiatives.

Defence has transitioned the operation of two export initiatives to the CDIC: Team Defence Australia and the Global Supply Chain. These two initiatives target the enduring export challenge for Australian defence industry and may vary over time depending on the priorities identified for Industry Capability Projects.

The CDIC will procure the necessary goods and services to undertake Industry Capability Projects as required and approved by the Program Delegate. The Program Delegate, on advice from the Board, will determine the amount of CDIC funds spent on Industry Capability Projects in each year with consideration given to current Defence industrial priorities, the CDIC objectives and available funds.

Industry may be required to contribute to the costs and effort of managing and/or undertaking Industry Capability Projects. The Program Delegate, on advice from the Board, will determine the type and amount of industry contribution for each project.

6. Professional Advice

The applicant's professional accountant/financial adviser can assist the applicant in completing an application.

AN IMPORTANT MESSAGE

The forms and commentaries contained in this paper are provided as a guide only and should not form the sole basis for any advice in relation to the particular situation of any person without first obtaining proper professional advice.

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