



# Future Drought Fund Drought Resilience Innovation Expression of Interest and Grants Program Grant Opportunity Guidelines

<b>Expression of Interest (EOI) Opening date:</b>	Thursday 29 July 2021
<b>EOI Closing date and time:</b>	9:00 pm AEST on Wednesday 8 September 2021
<b>Targeted competitive grants opening date:</b>	Thursday 11 November 2021
<b>Targeted competitive grants closing date and time:</b>	9:00 pm AEDT on Wednesday 1 December 2021
<b>Commonwealth policy entity:</b>	Department of Agriculture, Water and the Environment
<b>Administering entity:</b>	Community Grants Hub
<b>Enquiries:</b>	<p>If you have any questions, contact: Community Grants Hub Phone: 1800 020 283 (option 1) Email: <a href="mailto:support@communitygrants.gov.au">support@communitygrants.gov.au</a></p> <p>Questions should be sent no later than 5:00 pm AEST/AEDT on</p> <p>For EOI: Thursday 2 September 2021</p> <p>For Targeted Grant Round: Wednesday 24 November 2021</p>
<b>Date guidelines released:</b>	Thursday 29 July 2021
<b>Type of grant opportunity:</b>	Open competitive (EOI) Targeted competitive (Grant)

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# 1. Future Drought Fund: Drought Resilience Innovation Expression of Interest and Grants process

**The Future Drought Fund's Drought Resilience Innovation Grants are designed to achieve Australian Government objectives to build long-term drought resilience and preparedness**

These grant opportunities are part of the above grant program which contributes to the Department of Agriculture, Water and the Environment's Outcome 3<sup>1</sup>. The department works with stakeholders to plan and design the grant program according to the

[Commonwealth Grants Rules and Guidelines \(CGRGs\)](#)

[Public Governance, Performance and Accountability Act 2013](#)

[Future Drought Fund Act 2019](#) (the FDF Act)

[Future Drought Fund \(Drought Resilience Funding Plan 2020 to 2024\) Determination 2020](#)



## **The grant opportunity opens**

We publish the grant guidelines on the [GrantConnect](#) and [Community Grants Hub](#) websites



## **Drought Resilience Innovation – Expression of Interest (EOI)**



## **You complete and submit an EOI application**

You complete the application form and address all the eligibility and assessment criteria



## **We assess all EOI applications**

The Community Grants Hub will assess the applications against the eligibility criteria and notify you if you are not eligible. All eligible applications will be assessed and ranked accordingly.

Subject matter experts engaged by the Department of Agriculture, Water and the Environment will undertake a preliminary assessment of applications to inform the deliberations of the Selection Advisory Panel.

Following recommendations from the Selection Advisory Panel, the delegate<sup>2</sup> will invite suitable applicants to participate in the targeted competitive grant process. If you are not invited to submit a grant application for the targeted process, you will be considered for an Ideas Grant.



## **We make Ideas Grant recommendations**

The Selection Advisory Panel provides advice to the Minister for Agriculture and Northern Australia on the merits of each application for an Ideas Grant. The Minister must seek and consider advice from the Regional Investment Corporation Board about applications recommended for approval.



## **Ideas Grant decisions are made**

The Minister decides which applications for an Ideas grant are successful.



<sup>1</sup> Outcome 3: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

<sup>2</sup> First Assistant Secretary, Drought and Farm Resilience Division in the Department of Agriculture, Water and the Environment.

## Drought Resilience Innovation - targeted competitive grants round

### For Proof-of-Concept Grants and Innovation Grants

If invited, you complete and submit a grant application on the application form

#### We assess all complete applications

Subject matter experts engaged by the Department of Agriculture, Water and the Environment will undertake a preliminary assessment of applications and provide an initial ranking of applications to inform the deliberations of the Selection Advisory Panel.

The Selection Advisory Panel will assess the applications against the assessment criteria including an overall consideration of value with relevant money.

#### We make grant recommendations

The Selection Advisory Panel provides advice to the Minister for Agriculture and Northern Australia on the merits of each application. The Minister must seek and consider advice from the Regional Investment Corporation Board about applications recommended for approval.

#### Grant decisions are made

The Minister will decide which applications are successful

### FOR ALL GRANT TYPES

#### We notify you of the outcome

We advise you of the outcome of your application. We may not notify unsuccessful applicants until grant agreements have been executed with successful applicants.

#### We enter into a grant agreement with you

If you are successful, we enter into a grant agreement with you. The type of grant agreement is based on the nature or complexity of the grant and is proportional to the risks involved.

#### Delivery of grant

You undertake the grant activity as set out in your grant agreement.  
We manage the grant by working with you, monitoring your progress and making payments.

#### Evaluation of the grant opportunity

We will work with you to evaluate your specific grant activity and the Drought Resilience Innovation Grants Program as a whole. We base this on information you provide to us, and that we collect from various sources.

## 1.1 Introduction

These guidelines contain information for the Drought Resilience Innovation Grants Program.

**You must read these guidelines before filling out an application.**

This grant opportunity will be run through a 2-part process.

### **Step 1: Expression of Interest (EOI)**

You can express interest in an Ideas Grant, Proof-of-Concept Grant or an Innovation Grant. You may submit more than one application. Separate projects need a separate application form.

If your proposal is assessed as suitable in the EOI process for an Ideas Grant, you will be offered this grant based on your EOI. If you receive an Ideas Grant, you will not be able to receive a Proof-of-Concept Grant or an Innovation Grant for the same project as part of this grant opportunity.

- An Ideas Grant provides funding of \$50,000 (GST inclusive) over one year to further develop your proposal.

If your proposal is assessed as suitable in the EOI process for a Proof-of-Concept Grant or an Innovation Grant, you will be invited to apply for these through a targeted competitive grant round.

Note that you may express interest in a particular form of grant (for example, an Innovation Grant) but be invited to apply for, or offered, a different form of grant (for example, an Ideas Grant or Proof-of-Concept Grant) as an outcome of the EOI process.

### **Step 2: Targeted competitive round**

There are 2 categories of grants in the targeted competitive grant round including:

- a smaller one-year Proof-of-Concept Grant up to \$120,000 (GST inclusive)
- a larger multi-year Innovation Grant of \$300,000 to \$1.1 million (GST inclusive) per year, over 3 years.

You must be invited to apply for a Proof-of-Concept Grant or an Innovation Grant through a targeted competitive grant round. The invitation will occur on the basis of the EOI process.

This document sets out:

- the purpose of the grant program and grant opportunity
- the eligibility and assessment criteria for the EOI and the targeted competitive grant process
- how EOI and the targeted competitive grant applications are considered and selected
- how grantees are notified and receive grant payments
- how grantees will be monitored and evaluated
- responsibilities and expectations in relation to the opportunity.

This grant opportunity and process will be administered by the Community Grants Hub on behalf of the Department of Agriculture, Water and the Environment (the department).

## 2. About the grant program

The Drought Resilience Innovation Grant Program (the program) was announced as part of the Future Drought Fund Research and Adoption Program.

## 2.1 The Future Drought Fund

The Future Drought Fund (the Fund) is a long-term investment fund that provides a sustainable source of funding to help Australian farmers and agricultural-dependent communities and businesses become more prepared for and resilient to the impacts of drought. Established under the FDF Act, the Fund is part of the Australian Government's Drought Response Resilience and Preparedness Plan.

From July 2020, \$100 million is available each year from the Fund to invest in drought resilience programs.

*Drought resilience is the ability to adapt, reorganise or transform in response to changing temperatures and increasing variability and scarcity of rainfall, for improved economic, environmental and social wellbeing<sup>3</sup>.*

The programs will support farm businesses to be better informed, more productive, profitable, and adaptable, and to adopt more resilient land and natural resource management practices. The programs will also build capacity in agricultural-dependent communities and businesses to be less vulnerable to the socio-economic impacts of drought. The Fund supports a range of initiatives including research and adoption of new and existing knowledge and technology; improved farm business planning and decision making; improved environmental and natural resource management; and a range of community resilience initiatives.

### **Drought Resilience Funding Plan**

The Drought Resilience Funding Plan 2020 to 2024 (the Funding Plan) sets out a framework for all expenditure from the Fund. The Funding Plan has 3 inter-connected strategic priorities<sup>4</sup> including:

- economic resilience for an innovative and profitable agricultural sector
- environmental resilience for sustainable and improved functioning of farming landscapes
- social resilience for resourceful and adaptable communities.

### **Monitoring, Evaluation and Learning Framework**

The Fund's Monitoring, Evaluation and Learning Framework outlines the rationale, scope and approach for monitoring and evaluating the activities carried out under the Funding Plan. The document outlines the intended outcomes of the Fund, and this program. Long-term program outcomes are described below.

#### Economic resilience long-term outcomes

- More farmers adopt transformative strategies and technologies to reduce financial exposure to drought
- More farmers adopt risk management practices to improve their sustainability and resilience

#### Environmental resilience long-term outcomes

- More primary producers preserve natural capital while also improving productivity and profitability

#### Social resilience long-term outcomes

- Communities implementing transformative activities that improve their resilience to drought

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<sup>3</sup> Drought Resilience Funding Plan 2020 to 2024.

<sup>4</sup> Funding Objectives and Investment Priorities for the grants offered through these guidelines are outlined in section 6. Future Drought Fund Drought Resilience Innovation Grants Program Guidelines

In addition, this program also has intermediate and long-term outcomes focused on new products, services and processes being made available or brought to market that support drought resilience. These outcomes cover the economic, environmental and the social domains of drought resilience.

Additional information on the Fund's programs and Monitoring, Evaluation and Learning Framework can be found on the [Department of Agriculture, Water and the Environment website](#).

## 2.2 About the Ideas Grants, Proof-of-Concept Grants and Innovation Grants (this opportunity)

These grants will support innovative projects that equip farmers and agricultural-dependent communities and businesses with the tools and capacity to adapt, reorganise, transition and/or transform in preparation for drought conditions such as changing temperature, increasing variability and scarcity of rainfall, and changed seasonality of rainfall. The total funding available for this grant round is \$37.6 million (GST inclusive) to support innovation projects that address the Funding Objectives and Investment Priorities outlined in these guidelines. Projects must also deliver public good benefits as their primary outcome.

**Innovation** refers to a new or improved product, service or process (or combination thereof) that differs significantly from the end users' previous products, services or processes and that has been implemented or made available to potential users (product or service) or brought into use.

**Public good benefits** are the benefits of the project that are not captured by a particular business, individual or other entity. Public good benefits can include contribution to economic and productivity growth, improvements to the environment that are valued by the community and government, and increased social connection and resilience in regional communities. Projects can involve private benefits, but private benefits should be more than offset by public benefits and/or co-contributions from non-government sources.<sup>5</sup>

The grants are available for projects that focus on development, extension, adoption and some commercialisation<sup>6</sup> activities. Fundamental research (also referred to as 'basic' or 'pure' research) will not be funded. Applied research done in the context of development, extension, adoption and commercialisation activities is permissible.

The grant process will be run in 2 stages: an initial EOI, followed by a targeted competitive round for shortlisted EOI applications.

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<sup>5</sup> The Explanatory Memorandum of the Future Drought Fund Act gives examples of Public Good as follows:

- The public good may be enhanced by reducing soil erosion and sediment run-off from the property. This would conserve soils, increase soil moisture and mitigate the effects of flooding, which in turn would increase drought resilience and enhance farm productivity. It would also contribute to the public good by arresting and reversing land degradation, improving animal welfare and improving biodiversity outcomes.
- Effective communication of research findings to the farming sector will accelerate the adoption of new knowledge and technologies that build drought resilience through more efficient and effective farming practices and more sustainable management of natural resources.

Determining private and public benefits (and appropriate cost sharing) involves consideration of what types of activity is proposed, what broader outcomes will be achieved, and for whom. In-kind contributions of labour, for example, may offset a private benefit potentially obtained, particularly where there is a clear plan to share the information with the wider farming community. More information can be found in the Questions and Answers.

<sup>6</sup> Commercialisation refers the process of turning an idea into a commercial product, process or service (to generate a financial return/profit).

The 3 grant types collectively aim to create a pipeline of mature and innovative projects:

- with the potential to deliver broad-scale change either regionally or nationally
- that can be supported through to the next stage of development by initiatives such as the Australian Government's Entrepreneurs' Programme and Accelerating Commercialisation<sup>7</sup> grants, other future programs or can be supported through to commercialisation privately
- that ultimately help Australian farmers and agricultural-dependent communities and businesses to adopt innovative approaches and technology to improve drought resilience.

### **Expression of Interest**

To apply for the Drought Resilience Innovation Grants Program, you must submit an EOI on the application form available on GrantConnect. Your application must meet the following criteria.

- You must be eligible as described in section 4.1 of this document.
- You must address the assessment criteria in section 7 of this document.

After the stated closing time, all applications will be assessed against the eligibility and assessment criteria.

Those EOI applications that the Selection Advisory Panel finds suitable for an Ideas Grant will be recommended to the Minister for final decision. The Selection Advisory Panel will recommend to the delegate<sup>8</sup> the applicants that are assessed as suitable to be invited to apply through a targeted competitive round for a Proof-of-Concept Grant or an Innovation Grant.

Further detail about the grant selection process is provided in section 9.

#### **2.2.1 Ideas Grants**

The Ideas Grants are designed to assist applicants who have submitted a proposal that has merit (in its strengths in addressing Criterion 1 (refer to section 7.1)) but requires further development before larger investments are considered. Successful applicants will be offered \$50,000 (GST inclusive). This funding is intended to support grantees to undertake further co-design and idea development, for example, engaging experts to support project development, or provide commercialisation advice. Ideas Grants are also contemplated as a 'safe fail' pathway that supports testing and further development of ideas that are merit-worthy but carry high uncertainty and/or risks of failure.

Following advice from the Selection Advisory Panel, and after consultation with the Regional Investment Corporation<sup>9</sup>, the Minister may offer an Ideas Grant to an applicant that had nominated for such a grant in the EOI. The Minister may also offer an Ideas Grant to an applicant who has submitted an EOI for either an Innovation Grant or a Proof-of-Concept Grant. The assessment criteria (and the weight applied for each criteria) for Ideas Grants is provided in section 7.

If an applicant receives an Ideas Grant, they will not be able to receive a Proof-of-Concept Grant or an Innovation Grant for the same project as part of this grant opportunity.

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<sup>7</sup> The [Accelerating Commercialisation](#) service is part of the Entrepreneurs' Programme.

<sup>8</sup> First Assistant Secretary, Drought and Farm Resilience Division in the Department of Agriculture, Water and the Environment.

<sup>9</sup> The Regional Investment Corporation (RIC) Board must provide advice to the Minister about whether an arrangement under the Future Drought Fund Act should be made. The RIC Board will be consulted about the applications recommended for approval and must comply with the Drought Resilience Funding Plan.

Successful applicants who are offered an Ideas Grant will be invited to meet with relevant Drought Resilience Adoption and Innovation Hubs (Hubs). The Hubs will provide initial advice on next steps. This might involve direct support from the Hubs to further develop the idea, or the Hubs referring you to other sources of advice and support. Consultation with the Hubs is required before any funding for an Ideas Grant is payable.

This grant is designed to support innovation and create a pipeline of new projects which could be funded from a range of sources after further development. No further Fund or Commonwealth funding has yet been committed to fund future projects. Funding available in this grant opportunity is limited to \$50,000 (GST inclusive).

*The Fund's Research and Adoption Program includes [Drought Resilience Adoption and Innovation Hubs](#) (Hubs). 8 regionally focused Hubs have been announced and cover the regions of Southern NSW, Southern QLD/Northern NSW, South-West WA, Victoria, Top End NT/WA, Tropical North Queensland, South Australia and Tasmania, that take in major climatic and agricultural zones across Australia.*

*The Hubs will focus on collaborative drought resilience research, development, extension, adoption and commercialisation. They will bring together the knowledge, experience and expertise of farmers, researchers, local entrepreneurs, Indigenous groups, natural resource management practitioners, and industry and community groups. The Hubs will aim to ensure agricultural research is useful and accessible, increasing opportunities to commercialise innovation.*

### **2.2.2 Proof-of-Concept Grants**

The Proof-of-Concept Grants will provide up to \$120,000 (GST inclusive) for one year only to support feasibility and/or viability testing for innovative ideas intended to deliver products, new processes and services that help to build drought resilience for farmers and agricultural-dependent communities and businesses.

The objective of the Proof-of-Concept Grants is to assist de-risking projects before more investment is made by resolving technical and other issues that are hampering the development of an innovative product, service or process that would deliver drought resilience.

The grants are contemplated as a 'safe fail' pathway that supports testing of ideas that are merit worthy but carry high uncertainty or risks of failure. The funding may be used to develop a prototype, test protocols, run a short demonstration to test feasibility or explore a market opportunity of a product, process or service. Proof-of-Concept Grants may be helpful for not-for-profit organisations developing new products or services and addressing unmet social and environmental needs.

Further investments may come from applicants applying for other grants (for example, Accelerating Commercialisation Grants<sup>10</sup>) or the private sector.

### **2.2.3 Innovation Grants**

The Innovation Grants will provide between \$300,000 to \$1.1 million (GST inclusive) per year for a maximum of 3 years to support projects that contribute to improved drought resilience and are focused on development, extension, adoption and activities to prepare for commercialisation.

These grants support new ideas being developed, tested and shared across farms, industries, communities and regions. The purpose of the grant is to have innovative ideas implemented by

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<sup>10</sup> For more information see [Accelerating Commercialisation](#) on the Business website.  
Future Drought Fund Drought Resilience Innovation Grants Program Guidelines

farmers and agricultural-dependent communities and businesses to improve drought resilience and deliver broad-scale change either regionally or nationally.

Innovative concepts may come from a variety of sources, including from but not limited to:

- farmers that have been trialling new techniques and/or technologies on their farms
- good practice developed from one region that may be adapted to another region (for example, new farming or community practices and transition strategies developed in one region that may be transferable to other regions)
- knowledge and research that has not been synthesised, communicated, extended or applied at scale.

The grant supports large projects and provides an opportunity to draw research and knowledge through to end users in ways that are tailored for farmers and agricultural-dependent communities and businesses to implement new practices and technologies that focus on drought resilience.

The grant also supports preparations for commercialisation (for example, to explore a market opportunity) where those activities arise from, or are integrated with the proposed development, extension and adoption activities. The grant may, in a similar way, also be helpful for not-for-profit organisations developing new products or services and addressing unmet social and environmental needs. Fundamental research (also known as 'basic' or 'pure' research) will not be funded. Applied research done in the context of development, extension and adoption is permissible.

Where relevant, you must have the ownership, access or beneficial use of any intellectual property you need to undertake the project.

### 3. Grant amount and grant period

#### 3.1 Grants available

The total funding available for this grant round is \$37.6 million (GST inclusive) and will be provided over 3 financial years as follows:

	2021–22	2022–23	2023–24	Total
Available funding	\$26.6 million*	\$5.5 million*	\$5.5 million*	\$37.6 million*

*\*All figures GST inclusive*

For each grant type, the following indicative caps have been set for total investment, including:

- \$1 million (GST inclusive) for Ideas Grants
- \$2.4 million (GST inclusive) for Proof- of-Concept Grants
- \$34.2 million (GST inclusive) for Innovation Grants.

We reserve the right to adjust total funding amounts allocated to each grant type and across the available years depending on the demand and quality of applications. We also reserve the right to change the overall amount of funding available in this funding round.

## Funding per grant type

Funding for each of the 3 grant types is described below.

- **Ideas Grants** will provide \$50,000 (GST inclusive) for one year.
- **Proof-of-Concept Grants** will provide funding of up to \$120,000 (GST inclusive) for one year.
- **Innovation Grants** will provide funding of between \$300,000 to \$1.1 million (GST inclusive) per year for a maximum of 3 years.

### 3.2 Grant period

For the Proof-of-Concept Grants and the Ideas Grants, all grant activity must be completed within 12 months, and the final report must be submitted by 30 June 2023.

For the Innovation Grants, all grant activity must be completed by 30 June 2024 with a final report submitted by September 2024.

## 4. Eligibility criteria

You must provide the information we need to assess your eligibility in your application. If you do not meet all the eligibility criteria, your application will not undergo merit assessment.

### 4.1 Who is eligible to apply for a grant?

Applications are sought from eligible entities or consortia with a lead that is an eligible entity.

To be eligible to apply for a grant, the lead applicant must be based in Australia and capable of entering into a legally binding and enforceable agreement with the Commonwealth.

Eligible entity types are outlined below:

- Persons<sup>11</sup>
- Sole Traders
- Partnership<sup>12</sup>
- Companies<sup>13</sup> (noting that some companies are excluded in section 4.2)
- Cooperatives
- Incorporated Associations
- Indigenous Corporations, registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (Cth)
- a registered higher education provider for the purposes of the *Tertiary Education Quality and Standards Agency Act 2011* (Cth), that is registered in a provider category that permits the use of the word 'university'
- Local Governments<sup>14</sup>

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<sup>11</sup> A person is a natural person, an individual, a human being.

<sup>12</sup> Partnership – the individual partners will enter into the agreement with the agency. A Partnership Agreement or a list of all individual partners of the Partnership may be requested.

<sup>13</sup> A company is a company incorporated under the Corporations Act (Cth).

<sup>14</sup> Local Government Entity is an entity established under state or territory local government legislation, for the purposes of governing local areas within state or territory. In the states, they are generally referred to as local councils. Includes New South Wales local governments created as body politics.

- Non-corporate State or Territory Statutory Authority
- Corporate State or Territory Entity
- Statutory Entity
- Trustee on behalf of a Trust<sup>15</sup>.

#### **Requirements for applications from consortia**

Consortia are encouraged to apply. Each consortium must nominate a lead applicant who is solely accountable to the Commonwealth for the delivery of grant activities. The lead applicant must be an eligible entity as per the list above. Eligible organisations can form a consortium with ineligible organisations. All consortia members must comply with the [National Redress legislation](#).

#### **4.2 Who is not eligible to apply for a grant?**

The following organisations/individuals are not eligible to apply as the lead organisation for the grant:

- A Corporate Commonwealth Entity (not referred to as being eligible above)
- A non-corporate Commonwealth Statutory Authority
- Rural Research and Development Corporations<sup>16</sup>
- A non-corporate Commonwealth Entity
- A Commonwealth Company
- A non-corporate State or Territory Entity
- An Unincorporated Association
- An International Entity.

You are not eligible to apply for this grant opportunity if your organisation is listed as one of the institutions on the National Redress Scheme website that have not joined the scheme or signified their intent to join the scheme.

If your entity details match any of those listed institutions that have not joined or signified their intent to join the scheme, your application will be ineligible and will not progress to assessment.

The list of institutions can be found on the [National Redress Scheme website](#).

As stated above, ineligible organisations can be a member of a consortium with an eligible lead organisation making an application.

#### **Unincorporated Associations**

Non-legal entities such as an Unincorporated Association may be able to receive funding where a legal parent organisation, or a legal entity connected to the Unincorporated Association can enter into a legally binding agreement on its behalf. Alternatively, a person representing the Unincorporated Association can enter into the agreement and assume the legal liability.

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<sup>15</sup> Trusts are not legal entities in their own right – to be eligible, only the Trustee for the Trust can apply by providing the signed Trust Deed and any subsequent variations with the application form. Trustees must be an eligible entity type as stated in section 4.1. Both the Trust's and Trustee's details will be collected in the application form.

<sup>16</sup> Australia's Rural Research and Development Corporations allow Australian government and primary producers to co-invest in research and development (R&D). There are currently 15 RDCs: 5 Commonwealth statutory bodies and 10 industry-owned companies. All RDCs manage R&D services.

## 5. What the grant money can be used for

### 5.1 Eligible expenditure

You can only spend the grant on eligible expenditure items that directly support the project and for expenditure incurred between the start date and end date of the grant agreement.

Eligible expenditure items are:

- personnel
- expert services of a third party if the services are directly related to and essential for the project
- travel and accommodation costs essential to the project within Australia. Total travel and accommodation expenditure (including meals and incidental costs) is generally limited to 10% of total eligible expenditure
- expenditure on development essential to the project, including technical and logistical support within Australia
- equipment (and its maintenance) and consumables essential for the project
- production of computer programs, aids and tools that can be used by farmers and the agricultural-dependent community
- production of teaching materials that are accessible to a broad range of users<sup>17</sup>
- access to national and international research and infrastructure facilities including specialist archives, collections and databases
- access to technical workshop services linked to and justified explicitly against the project (for example, machine tools and qualified technicians)
- publication and dissemination of existing research outputs and outreach activity costs
- specialised computer equipment and software essential to the project
- web hosting and web development specific to the project
- workshops, focus groups and conferences that are essential for the conduct of the project (including reasonable hospitality costs such as morning or afternoon tea and lunch),
- applied research carried out in the context of development, extension, adoption and commercialisation activities (as relevant)
- activities that may be characterised as preparing for commercialisation, such as:
  - developing prototypes, novel products, processes and services to solve problems and address opportunities
  - exploring a market opportunity
  - understanding intellectual property issues to inform future strategy development
  - early mapping of potential commercialisation pathways, business models et cetera
  - identifying funding and advice options (including from the private sector) to progress your project beyond the period of this grant.

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<sup>17</sup> Accessibility may be demonstrated in several ways, including through publishing on the web and application of accessibility guidelines such as the Web Content Accessibility Guidelines (WCAG 2.0).

For the Innovation Grants (only), you will be required to develop a Monitoring, Evaluation and Learning (MEL) plan for the project and submit this to the department within the timeframe specified in the grant agreement (within 3 months of acceptance of your Activity Work Plan). You will undertake MEL activities, and contract an independent evaluation of the project before its completion.

To allow flexibility, we have not specified limits on many of the eligible expenditure items above. However, not all expenditure on your project may be eligible for grant funding. The department will make the final decision on what is eligible expenditure.

## 5.2 What the grant money cannot be used for

You cannot use the grant for:

- fundamental research (also called 'pure' or 'basic' research)
- activities that may be characterised as demonstrating a commercial opportunity, such as:
  - proving commercial viability of a novel product, process or service to a customer, investor or strategic partner
  - developing a business model and intellectual property strategy
  - attracting investors/capital (for example, developing an information memorandum)
  - developing commercial capability (including engaging a senior management team)
  - production design
- activities that may be characterised as realising a commercial outcome, such as:
  - activities related to making the first sales of a novel product, process or service
  - scaling production and/or marketing activities to make first or further sales of the novel product, process or service
  - commercialising the next version or iteration of an existing product, process or service where updates and changes are minor and therefore does not qualify as a novel product, process or service
- activities that have commenced before execution of the grant agreement
- the covering of retrospective costs
- costs incurred in the preparation of a grant application or related documentation
- business-as-usual activities for the participants or beneficiaries of the project
- subsidy of general ongoing administration of an organisation such as electricity, phone and rent
- hospitality (for example, restaurant dinner with alcohol). You can include business catering as part of the grant (for example, sandwiches and drinks at an all-day field trip)
- purchase of land
- major construction, capital expenditure and general infrastructure costs, or earthworks (for example, to prepare for new shelterbelts, rehabilitate dams which may include fencing) valued at more than 25% of the grant amount sought
- administration costs valued at more than 10% of the grant amount sought
- purchase of vehicles
- overseas travel
- basic facilities that would normally be funded by a lead applicant (including standard work accommodation, standard refurbishment costs, basic computer facilities)

- costs not directly related to the project, including but not limited to professional membership fees, professional development courses, and maintenance, equipment for live music or drama performances, equipment for gallery/museum exhibits, visas, relocation costs, entertainment costs, purchase of alcohol, insurance, mobile phones (purchase or call charges) and other indirect costs
- fees for patent applications
- fees for international students or the Higher Education Contribution Scheme (HECS) and Higher Education Loan Program (HELP) liabilities for students.

Grant funds must not be used to pay for staff or other resources committed as in-kind contributions under the grant agreement (**Appendix A** refers to in-kind contributions).

#### **Activities cannot be funded more than once**

You cannot use the grant for project activities or costs that have been, are being, or will be funded by other Commonwealth programs or state, territory or local government bodies.

If any of your proposed activities are included in an application for funding that is under consideration through another program at the time of submission, you must declare this and identify the program/s in question.

## 6. Funding objectives and investment priorities

Consistent with the Future Drought Fund's Funding Plan, all applications must address one or more of the following funding objectives, including:

- to grow the self-reliance and performance (productivity, profitability and sustainability) of the agricultural sector
- to improve the natural capital of agricultural and for better environmental outcomes
- to strengthen the wellbeing and social resilience of rural, regional and remote agricultural-dependent communities.

Specific investment priorities have been developed which are linked to one or more of the funding objectives. All applications must address at least one of the investment priorities, listed from 1a through to 4e in Table 1 below.

The funding objectives and investment priorities listed below are relevant for the Ideas Grants, Proof-of-Concept Grants and Innovation Grants.

Section 9 of the guidelines outlines that the Selection Advisory Panel's role in assessing applications' claims against the funding objectives and investment priorities.

**Table 1: Investment priorities**

<p><b>Objective 1: Grow the self-reliance and performance (productivity and profitability) of the agricultural sector</b></p> <p><i>1a) Climate-smart agriculture</i></p> <p>New and improved tools, technologies, methods, knowledge, measurement, data and modelling, to be used to help farmers improve the climate resilience of production.</p> <p><i>1b) Drought resilience strategies and practices</i></p> <p>New and improved tools, technologies, methods, knowledge, measurement, data and modelling, to support the agricultural sector's (including supply chains) scenario planning and regional drought resilience strategy development.</p>
<p><b>Objective 2: Improve the natural capital of agricultural landscapes for better environmental outcomes</b></p> <p><i>2a) Resilient agricultural landscapes</i></p> <p>New and improved tools, technologies and practices to support improved management and drought resilience of agricultural landscapes.</p>
<p><b>Objective 3: Strengthen the wellbeing and social capital of rural, regional and remote agricultural-dependent communities</b></p> <p><i>3a) Community wellbeing</i></p> <p>New and improved knowledge, methods, tools and technologies to support:</p> <ul style="list-style-type: none"><li>▪ agricultural-dependent communities develop community-led regional drought resilience strategies</li><li>▪ individuals' wellbeing and decision making when the affected by stress linked to drought.</li></ul>

#### **4) Cross cutting: linking the economic, environmental and social objectives**

##### *4a) Understanding interconnections*

New and improved tools, technologies, methods, knowledge, measurement, data and modelling to inform our understanding about the interconnections between the economic, environmental and social domains of drought resilience.

##### *4b) Knowledge and research synthesis*

Knowledge and research combined, synthesised and made available to assist end users to optimise farming, landscape and environmental systems' drought resilience.

##### *4c) Improved monitoring and evaluation*

Improved methods and evidence (for example, cost-benefit analysis and data) to be used to demonstrate the impact and increase the uptake of practices that build economic, environmental and social drought resilience.

##### *4d) Financial instruments*

New and improved tools, technologies, methods, knowledge, measurement, data, modelling and business models to support financial markets – such as insurance schemes, natural capital accounting and ecological economics, public-private partnerships, venture capital – to develop and improve the productivity and environmental and social resilience during drought.

##### *4e) Blue Sky opportunities*

Innovations that are consistent with 2 or more of the objectives of the Future Drought Fund Funding Plan.

## **7. The assessment criteria**

### **7.1 Stage one – Expression of Interest – for all grant types**

You must address all assessment criteria in the EOI application. We will assess your application based on each criterion. Please note that criteria for all the grant types are the same for the EOI, but the weightings vary for each grant type as listed below.

The application form includes character limits per criterion – up to 3,500 characters (approximately 525 words). The application form will not accept characters beyond this limit. Please note, spaces are also included in the character limit.

#### **Criterion 1: Contribution to the Funding Objectives, Investment Priorities and Public Good**

Describe how your proposal will:

- align with the stated Funding Objectives and the Investment Priorities in section 6, Table 1
- deliver public good benefits to farmers and/or agricultural-dependent communities and businesses.

Proposals must explain the nature of the proposed project activity and expected benefits.

When addressing the criterion, strong applicants will outline:

- what new outputs (information, services, processes and/or products) will result from the project or idea and how they build on existing knowledge to create innovation
- the likely costs associated with using the new outputs and how will their utilisation create benefits
- the extent to which the project will contribute to an important gap in knowledge or innovation, or significant problem in Australia, to support improved drought resilience by farmers and agricultural-dependent communities and businesses
- the public benefits the proposal will deliver; what private benefits will be created from the project, and why it is appropriate for public funds to support that outcome; whether private benefits will be wholly or partially offset by co-funding for the project from non-government sources
- the total level of investment the proposal will leverage and the nature of any expected co-investment
- [for commercialisation activities] why you are unable to access sufficient funding for the entire project, including from your directors and shareholders, loans or equity investment.

### **Criterion 2: Likelihood of success, capacity to deliver and commitment to the project**

Describe how you will deliver the project activities against your proposed project objectives.

You must also describe the activity you have undertaken to date to develop your project as well as the project co-contribution (cash and in-kind) that you may obtain, and the sources and nature of that co-contribution.

If you need help to develop your idea, describe what sort of assistance you require.

You must describe your project risks, and your capacity to manage those risks.<sup>18</sup>

When addressing the criterion, strong applicants will outline:

- the likelihood of success for the project and the risks to be managed
- your execution plan, including outlining your next steps if your project is successful
- skills, qualifications and experience of the identified lead applicants and partners to manage and complete projects of comparable outcomes, scope and budget. This should include information about the management team's skills and capability
- access to facilities, equipment, technology and other resources
- [for commercialisation projects and developing products and services to meet unmet social and environmental needs] information about the target market, the value proposition, your competitors and market research.

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<sup>18</sup> This program will support novel proposals to deliver drought resilience outcomes. Innovation proposals inherently involve some risk. We will accept different risk profiles for each of the grants – specifically the Ideas and Proof-of-Concept Grants are contemplated as a 'safe fail' pathway that supports testing of ideas that are merit worthy but carry high uncertainty or risks of failure.

The Selection Advisory Panel will take your capacity to manage risks into account when considering which grant to recommend. For example, if a proposed Innovation Grant proposal has merit, but the applicant's ability to manage the risk and deliver the project is uncertain, the panel may recommend that the applicant receive an Ideas Grant to further develop the proposal and reduce project risk to an acceptable level.

## Criteria weighting for each grant

You must nominate the type of grant that you wish to be considered for. For each grant type offered in the EOI, the same criteria must be addressed, however, the weightings for each are different. The following weightings will apply.

**Table 2: EOI criteria weighting for grants**

		Ideas Grant	Proof-of-Concept Grant	Innovation Grant
Criterion 1	Contribution to the objectives, investment priorities and public good	90%	75%	50%
Criterion 2	Capacity to deliver and commitment to the project	10%	25%	50%

## 7.2 Stage 2 – Targeted competitive grant round – by invitation only

If your EOI application is assessed as suitable, you may be invited to submit an application under Stage 2. You must address the following assessment criteria in your grant application. This will involve a more detailed elaboration of the proposal provided in your EOI, and some additional information, particularly on project quality and rigour. We will assess your application based on the weighting given to each criterion as specified.

The application form includes character limits – up to 6,000 characters (approximately 900 words) per criterion. The application form will not accept characters beyond this limit. Please note, spaces are included in the character limit.

The criteria for the Proof-of-Concept Grants and the Innovation Grants are outlined below for each grant. Please note that the criteria and the weights are different for the Innovation Grants and the Proof-of-Concept Grants in the targeted competitive process.

### 7.2.1 Proof-of-Concept Grants

#### **Criterion 1: Contribution to the Objectives, Investment Priorities and Public Good (70%)**

Describe how your proposal will:

- align with the stated Funding Objectives and the Investment Priorities in section 6, Table 1
- deliver public good benefits to farmers and/or agricultural-dependent communities and businesses.

Proposals must explain the nature of the proposed project activity and expected benefits. Project proposals will be assessed for their potential innovativeness, impact, opportunity and scalability.

When addressing the criterion, strong applicants will outline:

- what new outputs (information, services, processes and/or products) will result from the project and how they build on existing knowledge to create innovation
- who the end users of the new outputs/products will be; how the outputs will be delivered to these end users; and how end users will be encouraged to implement the innovations or ideas
- evidence that end-users have or will be engaged in the design and delivery of the project

- what the likely costs associated with using the new outputs are and how their utilisation will create benefits
- the extent to which the project will contribute to an important gap in knowledge or innovation, or significant problem in Australia, to support improved drought resilience by farmers and agricultural-dependent communities and businesses
- the public benefits the proposal will deliver; what private benefits will be created from the project, and why it is appropriate for public funds to support that outcome; whether private benefits will be wholly or partially offset by co-funding for the project from non-government sources
- your proposed project objectives, and project activities planned over the grant period
  - for example, what activity you propose to undertake to explore and support testing of the feasibility and/or viability of the project for commercialisation or delivering products and services to the community (for example, targeted demonstration, prototype development and/or testing)
- the total investment that the project will leverage (the level and nature of any co-investment)
- [for commercialisation activities] why you are unable to access sufficient funding for the entire project, including from your directors and shareholders, loans or equity investment.

Applicants will have provided some of this information on this criterion in their EOI. Applicants may take the opportunity to expand their responses if they wish.

**Criterion 2: Likelihood of success, capacity to deliver and commitment to the project (30%)**

Describe how you will deliver the project activities against the proposed project objectives.

You must also describe the activity they have undertaken to date to develop your project as well as the project co-contribution (cash and in-kind) that you may obtain, and the sources and nature of that co-contribution.

If you need help to develop your idea, describe what sort of assistance you require.

The Proof-of-Concept Grants are contemplated as a ‘safe fail’ pathway that supports testing of ideas that are merit worthy but carry high uncertainty or risks of failure. You must describe your project risks, and your capacity to manage those risks.

When addressing the criterion, strong applicants will outline:

- the skills, qualifications and experience of the identified lead applicants and partners to manage and complete projects of comparable outcomes, scope and budget. This should include information about the management team’s skills and capability
- your access to facilities, equipment, technology and other resources needed for the project
- your execution plan, including outlining your next steps if your Proof-of-Concept is successful
- the communications strategy you intend to use to disseminate the outcomes of your project
- [if relevant] your intellectual property strategy including any protection mechanisms that may be employed (for example, patent or trademark), and how the strategy aligns with the market opportunity
- [if relevant – for example, for commercialisation elements of the project] you need to demonstrate that you have the ownership, access or beneficial use of any intellectual property you need to undertake the project

- [for commercialisation projects and developing products and services to meet unmet social and environmental needs] information about the target market, the value proposition, your competitors and market research.

## 7.2.2 Innovation Grants

### **Criterion 1: Contribution to the Objectives, Investment Priorities and Public Good (35%)**

Describe how your proposal will:

- align with the stated funding objectives and the investment priorities in section 6, Table 1
- deliver public good benefits to farmers and/or agricultural-dependent communities and businesses.

Proposals must explain the nature of the proposed project activity and expected benefits.

When addressing the criterion, strong applicants will outline:

- what new outputs (information, services, processes and/or products) will result from the project and how they build on existing knowledge to create innovation
- who the end users of the new outputs/products will be and how the outputs will be delivered to these end users
- evidence that end-users have or will be engaged in the design and delivery of the project
- what the likely costs associated with using the new outputs are and how their utilisation will create benefits
- if the proposed project will synthesise existing knowledge and research to support adaptation and transformation for improved drought resilience by farmers and agricultural-dependent communities
- the extent to which the project will contribute to an important gap in knowledge or innovation, or significant problem in Australia, to support improved drought resilience by farmers and agricultural-dependent communities and businesses
- the public benefits the proposal will deliver; what private benefits will be created from the project, and why it is appropriate for public funds to support that outcome; whether private benefits will be wholly or partially offset by co-funding for the project from non-government sources
- the total investment that the project will leverage (the level and nature of any co-investment)
- [for commercialisation activities] why you are unable to access sufficient funding for the entire project, including from your directors and shareholders, loans or equity investment.

Applicants will have provided some of this information on this criterion in their EOI. Applicants may take the opportunity to expand their responses if they wish.

### **Criterion 2: Project quality and rigour (35%)**

Describe your project objectives, milestones and deliverables over the grant period.

When addressing the criterion, strong applicants will outline:

- a clear plan for delivery of the new product or output
- whether you have undertaken collaboration, and/or the project aligns with and leverages existing domestic and international capability and initiatives
- how the project design and implementation plan are integrated (including the appropriateness of the objective, method, data, and planned development, extension, and adoption activities)

- [if relevant] what activity you propose to undertake to explore and support feasibility and/or viability testing of the product, service or process for commercialisation; or delivery of products and services to the community or to deliver environmental outcomes (for example, demonstration, prototype development and/or testing)
- [if relevant] your intellectual property strategy including any protection mechanisms that may be employed (for example, patent or trademark), and how the strategy aligns with the market opportunity
- [if relevant – for example, for commercialisation elements of the project] you need to demonstrate that you have the ownership, access or beneficial use of any intellectual property you need to undertake the project.

### **Criterion 3: Likelihood of success, capacity to deliver and commitment to deliver the project (30%)**

Describe how you will deliver the project activities against the proposed project objectives.

When addressing the criterion, strong applicants will outline:

- the likelihood of success for the project and the risks to be managed
- your execution plan, including outlining your next steps if your project is successful
- the skills, qualifications and experience of the identified lead applicant and partners. This should include information about the management team's skills and capability
- your demonstrated experience to manage and complete projects of comparable outcomes, scope and budget
- your capability to implement, monitor and report on the proposed project
- your access to facilities, equipment, technology, and other resources
- the communications strategy you intend to use to disseminate the outcomes of your project
- your knowledge-brokering abilities through engagement with end users and other stakeholders (referencing previous research, adoption and extension delivered in that way, and the outcomes achieved)
- [for commercialisation projects and developing products and services to meet unmet social and environmental need] information about the target market, the value proposition, your competitors and market research.

Describe the activity you (or your consortium) have undertaken to date.

Provide an overview of any project co-contribution (cash and in-kind) and the sources of that co-contribution. Note that if successful, you may be asked to provide evidence of this.

Co-contribution or matching funds are strongly encouraged. This information will be used to assess the level of commitment of the lead and partner organisations to the proposed project.

You will need to provide documentary evidence of your ability to fund your share of project costs when providing your Activity Work Plan during the grant stage.

## **8. How to apply**

### **8.1 Application process**

Before applying, you must read and understand these guidelines and the Questions and Answers document. These documents are found on the GrantConnect website.

Any changes to grant documentation and addenda<sup>19</sup> will be published on GrantConnect. By registering on this website, you will be automatically notified on any changes. GrantConnect is the authoritative source for grants information.

You may submit more than one application for an Ideas Grant, a Proof-of-Concept Grant or an Innovation Grant. A separate application form must be submitted for each proposed project. If more than one application is submitted for the same project proposal, the latest accepted application form will progress. Projects from the same applicants that are essentially the same can only be funded once.

To submit an EOI application and a targeted competitive grant application, you must:

- complete the online application form on the [GrantConnect](#) website
- provide all the information requested
- address all the eligibility and assessment criteria
- certify that the application is compliant with all relevant laws and regulations
- submit your application before the closing date and time.

You are responsible for ensuring that your application is complete and accurate. Giving false or misleading information will exclude your application from further consideration and is a serious offence under the *Criminal Code Act 1995* (Cth). We will investigate any false or misleading information and may exclude your application from further consideration.

We reserve the right at any point in the process to request additional information from you, however we are not obliged to do so.

You cannot amend your application after you have submitted it. If we find an error or missing information, 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.

It is recommended that you keep a copy of your application and any supporting documents.

You will receive an automated notification acknowledging the receipt of your application.

### **Requirements for applications from consortia**

We recognise that some organisations may want to join as a group to deliver a project.

In those circumstances, you must appoint a 'lead applicant'. Only the lead organisation can submit the application form and enter into a grant agreement with the Commonwealth. The application must clearly identify all other members of the proposed group.

## **8.2 Attachments**

You must attach supporting documentation according to the instructions provided within the application form. You should only attach requested documents. We will not consider information in attachments that we do not request.

**Please note:** There is a 2 MB limit for each attachment.

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<sup>19</sup> Addenda can include changes to existing grant opportunity documentation and/or publishing additional documents. Changes include but are not limited to corrections to currently published documents, changes to close times for applications and system outage notices.

The application form includes help information. If you have any technical difficulties, please contact the Community Grants Hub on 1800 020 283 (option 1) or email [support@communitygrants.gov.au](mailto:support@communitygrants.gov.au).

### 8.3 Timing of grant opportunity

You must submit an application between the published opening and closing dates.

#### Late applications

Late applications will not be accepted.

**Table 3: Expected timing for this grant opportunity**

Activity	Timeframe
EOI opportunity opens	29 July 2021
EOI opportunity closes	8 September 2021
Assessment of EOI responses	Up to 6 weeks
Invitation to submit targeted competitive grant application	21 October 2021
Targeted competitive grant opportunity opens	11 November 2021
Targeted competitive grant opportunity closes	1 December 2021
Assessment of applications	Up to 4 weeks
Approval of outcomes of selection process for Ideas Grants, Innovation Grants and Proof-of-Concept Grants	Up to 8 weeks
Notification to unsuccessful applicants	2 weeks (after approval of the outcome of the selection process)
Earliest start date of grant activity	14 January 2022
End date of grant activity	30 June 2024

### 8.4 Questions during the application process

If you have any questions during the application period, contact the Community Grants Hub on 1800 020 283 (option 1) or email [support@communitygrants.gov.au](mailto:support@communitygrants.gov.au).

The Community Grants Hub will respond to emailed questions within 5 working days. Answers to questions will be posted on the GrantConnect website.

The question period for EOI will close at 5:00 pm AEST on Thursday 2 September 2021 and the question period for the targeted competitive grant opportunity will close at 5:00 pm AEDT on Wednesday 24 November 2021. Following this time, only questions about using and/or submitting the application form will be answered.

## 9. The grant selection process

### 9.1 How will the EOI and targeted competitive grants round be assessed?

Applications will be assessed based on the eligibility and assessment criteria as set out in these Grant Opportunity Guidelines.

We will assess all applications for eligibility and compliance against the requirements of the application process. All eligible EOI and targeted competitive grant round applications will be considered.

## 9.2 Who will assess EOI and targeted competitive grant applications?

The Community Grants Hub will review your application against the eligibility criteria. Only eligible applications will be assessed.

Subject matter experts engaged by the department will undertake a preliminary assessment of applications against the selection criteria and apply the criteria weightings set out in these guidelines. The preliminary assessment will provide an initial ranking of applications to inform the deliberations of the Selection Advisory Panel.

The Selection Advisory Panel established by the department may include a combination of department employees, experts from the sector and other Commonwealth officers with relevant specialist expertise. Any expert/advisor, who is not a Commonwealth official, will be required to perform their duties in accordance with the CGRGs.

The department will provide secretariat support to the Selection Advisory Committee.

Following advice from the Selection Advisory Panel, the delegate<sup>20</sup> will invite suitable applicants to participate in the targeted competitive round for a Proof-of-Concept Grant or an Innovation Grant.

For decisions about grants, the Selection Advisory Panel will assess whether applications represent value with money and will make recommendations to the Minister for Agriculture and Northern Australia by considering:

- the initial preliminary score against the assessment criteria and criteria weightings
- the overall drought resilience Funding Objective/s to be achieved in providing the grant
- whether the proposed project is in scope in terms of addressing the investment priorities set out in section 6, Table 1
- the relative value of the grant sought
- the risks, financial, fraud and other, that the applicant or project poses for the department
- the risks that the applicant or project poses for the Commonwealth.

The Selection Advisory Panel may seek additional information from the applicant to assist in making its final recommendations.

The Selection Advisory Panel will take into account risk when considering which grant to recommend. For example, if an Innovation Grant proposal has merit, but the applicant's ability to manage the risk and deliver the project is uncertain, the panel may recommend that the applicant receive an Ideas Grant to further develop the proposal and reduce project risk to an acceptable level.

The Regional Investment Corporation (RIC) Board must also provide advice to the Minister about whether an arrangement under the Future Drought Fund Act should be made. The RIC Board will be consulted about the eligible applications that are recommended for approval. The Board must comply with the Drought Resilience Funding Plan. The RIC Board will be required to perform its duties in accordance with the CGRGs and has in place mechanisms to manage conflicts of interest.

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<sup>20</sup> First Assistant Secretary, Drought and Farm Resilience Division in the Department of Agriculture, Water and the Environment.

### 9.3 Who will approve grants?

The Minister for Agriculture and Northern Australia decides which grants to approve considering the recommendations of the Selection Advisory Panel, the advice of the RIC Board and the availability of grant funds for the purposes of the grant program.

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

- the approval of the grants
- the grant funding amounts to be awarded
- the terms and conditions of the grants

There is no provision in the Future Drought Fund Act for review by the Administrative Appeals Tribunal decisions to approve or not approve a grant.

## 10. Notification of application outcomes

We will email you about the outcome of your application. If you are successful, you will be advised of any specific conditions attached to the grant.

### 10.1 Feedback on your application

Feedback summaries will be published on the Community Grants Hub website with general information about the grant selection process for both the EOI process and the targeted grant round and will contain a summary of the main strengths and weaknesses of the applications in this grant round and areas for improvement.

The Selection Advisory Panel may provide a range of feedback to successful Ideas Grant applicants.

### 10.2 The grant agreement

If you are successful for a grant, you must enter into a legally binding grant agreement with the Commonwealth.

For Ideas Grants – the agreement will be the *Commonwealth Simple Grant Agreement*.

For Proof-of-Concept Grants and Innovation Grants – the agreement will be the *Commonwealth Standard Grant Agreement*.

If you are the lead organisation in a consortium, you will be required to provide the department with signed statements from all consortium members.

Each agreement has general terms and conditions that cannot be changed. The grant agreement may have specific conditions applied as determined during the assessment process or because of other considerations made by the Minister. These will be clearly identified in the agreement prior to signing.

We will execute (that is, sign) a grant agreement with you. You will have 30 days from the date of a written offer to execute the grant agreement with the Commonwealth. During this time, the department 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 grant application.

As part of your first payment milestone, you will be asked to complete an Activity Work Plan

Payments will not be made prior to the first milestone – that is, until the department has accepted your Activity Work Plan. The department may seek advice from any expert source when considering whether to accept an Activity Work Plan.

The Australian Government is not responsible for any of your expenditure prior to this. If you choose to start your grant activities before the first milestone payment, you do so at your own risk.

The Commonwealth may recover grant funds if there is a breach of the agreement.

### 10.3 Specific arrangements for Ideas Grants

We will send you a letter of offer with:

- general feedback on your proposal
- an invitation to meet with relevant Drought Resilience Adoption and Innovation Hubs to help further develop your idea. They will facilitate connections and/or provide guidance
- a template simple grant agreement.

We will execute (that is, sign) a grant agreement with you.

You will then prepare and submit, within 8 weeks:

- an Activity Work Plan explaining how you will improve the original project proposal, including the main objective of the project, why it is important, project deliverables for a successful outcome, timelines, budget and a monitoring and evaluation plan. You will need to outline the expertise and professional services you will pay for with your grant funding.

The first milestone is for the department to accept your Activity Work Plan. Once that document is accepted by us, we will pay the first milestone payment consistent with the grant agreement and within 30 days. The second and final milestone for the Ideas Grant will be met on acceptance of a final project report.

### 10.4 Specific legislation, policies and industry standards

You are required to be compliant with the Future Drought Fund Act and all relevant laws, regulations and policies.

Expenditure from the Fund needs to be consistent with the [Funding Plan](#). The Funding Plan serves as a framework for all expenditure from the Fund, and therefore the program. You may be requested to demonstrate compliance with the following legislation and policies:

- Future Drought Fund Act: successful grantee/s will be engaged to deliver the project in accordance with terms and conditions outlined in a grant agreement agreed to by the Minister, or his/her delegate under section 21 of the Future Drought Fund Act
- Future Drought Fund (Drought Resilience Funding Plan 2020 to 2024) Determination 2020
- *Privacy Act 1988*.

### 10.5 Multicultural access and equity

The Australian Government's *Multicultural Access and Equity Policy* applies to all government departments and agencies. The policy ensures that government policies, programs and services – including those provided by contractors and service delivery partners – are accessible to, and deliver equitable outcomes for, people from culturally and linguistically diverse (CALD) backgrounds.

If applicable, Innovation Grant applicants should consider how they will ensure their services will be accessible to people from CALD backgrounds. For example, service delivery partners may require cultural competency skills. In addition, services, projects, activities or events may require the use of professional translating or interpreting services to communicate with clients who have limited English proficiency. Based on an assessment of the client target group, costs for translating and interpreting services should be factored into grant applications (to assist with identifying these costs, see the Translating and Interpreting Services costing tool in the grant opportunity documents).

## 10.6 How we pay the grant

The grant agreement will state:

- the maximum grant amount to be paid
- the proportion of eligible expenditure covered by the grant (grant percentage)
- any financial contributions you must make
- any in-kind contributions you will make
- any financial contribution provided by a third party
- grant milestone payments.

Any additional expenditure incurred by you above the approved amount specified in the grant agreement, or as otherwise varied by us, is your responsibility. The Commonwealth will not reimburse for such costs under any circumstances.

You are responsible for all financial and taxation implications associated with receiving funds.

## 10.7 Payment details

Payment details will be made as set out in the grant agreement. Payments are subject to satisfactory progress on grant activities.

We will pay the first grant payment within 30 days of the department accepting the first milestone. The offer may lapse if we do not accept the first milestone within 3 months of signing the grant agreement.

## 10.8 Grant payments and GST

Payments will be GST inclusive unless the recipients are GST exempt. If you are registered for the Goods and Services Tax (GST), where applicable, we will issue you with a [Recipient Created Tax Invoice](#).

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 your taxation circumstances.

# 11. Announcement of grants

If successful, your grant will be listed on:

- the department's website as soon as practicable as required by section 27A of the Future Drought Fund Act
- the GrantConnect website within or no later than 21 calendar days of execution of the agreement as required by section 5.3 of the CGRGs.

## 12. How we monitor your grant activity

### 12.1 Keeping us informed

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

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

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 grant and provide an opportunity for the Minister or their representative to attend.

### 12.2 Reporting

You must have systems in place to meet your data and information collection and reporting obligations outlined in the grant agreement. You must submit reports in line with the grant agreement, including progress and final reports in line with the timeframes in the grant agreement. We will provide sample templates for these reports with the grant agreement.

We will expect you to report on:

- project activities described in your application
- progress against agreed project milestones and outcomes
- evidence of change (positive or negative) against the intended outcomes
- cash and in-kind contributions of participants directly related to the project
- eligible expenditure of grant funds.

The amount of detail you provide in your reports should be relative to the size, complexity and grant/contract amount.

We will monitor progress by assessing reports you submit. Occasionally, we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

#### **Activity Work Plan**

You must submit a completed Activity Work Plan on the template provided with your grant agreement. An Activity Work Plan will be used to outline the specific grant requirements. The Activity Work Plan documents planned deliverables, milestones and outputs and indicators of performance for the funded project. The Activity Work Plan also documents risk management and community engagement relevant to the funded project.

Successful applicants' progress and outcomes against the Activity Work Plan will be monitored throughout the grant through regular reports.

## **Progress reports**

Progress reports must be submitted by the report due date (you can submit reports ahead of time if you have completed relevant activities), and on the template supplied.

A final report only will be required for Ideas Grants and the Proof-of-Concept Grants at the completion of the project.

The Innovation Grantee will provide progress reports every 6 months.

You must inform the Community Grant Hub of any reporting delays with us as soon as you become aware of them.

## **Final report**

You must submit a final report and a financial declaration by the due date and on the template provided in the grant agreement.

### **12.3 Financial Statement acquittal**

You must provide a financial declaration to acquit the project. The financial declaration must include details of how the grant funding was spent against the budget and if the project involved cash or in-kind co-contributions, details on how this was spent/used must be included.

### **12.4 Grant agreement variations**

We recognise that unexpected events may affect your progress and the progress of any grants/contracts that you administer. In these circumstances, you can request a variation to your grant agreement. You can request a variation by contacting your Funding Arrangement Manager in the Department of Agriculture, Water and the Environment.

You should not assume that a variation request will be successful. We will consider your request based on provisions in the grant agreement and the likely impact on achieving outcomes.

### **12.5 Compliance visits**

We may visit you during or at the completion of your grant activity to review your compliance with the grant agreement. We will provide you with reasonable notice of any compliance visit.

### **12.6 Record keeping**

We may also inspect the records you are required to keep under the grant agreement.

We may contact you up to 2 years after you finish your grant for more information.

### **12.7 Evaluation**

Monitoring and evaluation for the program will be undertaken to see how well the outcomes and objectives have been achieved. We may use information from your application and reports for evaluation purposes. We may also interview you and the project participants or ask you for more information to help us understand the impact of the grants and how effective the program was in achieving its outcomes.

Relevant evaluation activities take place at 3 levels, including:

- your project, which is primarily your responsibility
- the Innovation Grants program, to be evaluated by the department
- the Future Drought Fund, to be evaluated by the department and the Productivity Commission.

The grant agreement will set out the information, data and reporting requirements to evaluate how effective your project was in achieving its outcomes. It will also address requirements to contribute towards evaluation of the grants program, and the Fund.

We will evaluate each grant, guided by the Future Drought Fund's comprehensive MEL framework. The MEL framework identifies the anticipated intermediate and long-term outcomes from implementation of the Future Drought Fund.

You will evaluate your project in accordance with requirements established in the grant agreement. Requirements differ for each grant type.

- For Ideas Grants, you will provide an assessment of the outcomes of the grant in your final report, and if successful, your next steps. The department will evaluate this reporting and may request or undertake additional evaluation activities.
- For Proof-of-Concept Grants, you will provide an assessment of the outcomes of the grant in your final report, and if successful, your next steps. The department will evaluate this reporting and may request or undertake additional evaluation activities.
- For Innovation Grants, you will develop a MEL plan for the project (using a template that we will provide you). You will need to submit this to the department within the timeframe specified in the grant agreement (within 3 months of acceptance of the Activity Work Plan and first milestone payment). You will undertake MEL activities, and contract an independent evaluation of the project before its completion. The evaluation will indicate if your project was successful, and if so, an outline of your next steps. The department will assess information provided through MEL reporting, and will oversee the independent evaluation.

## 12.8 Acknowledgement

The Fund's program logo should be used on all materials related to grants under the program. Whenever the logo is used, the publication must also acknowledge the Commonwealth as follows:

'Future Drought Fund – an Australian Government initiative'

If you make a public statement about a grant activity funded under the program, we require you to acknowledge the grant by using the following:

'This Future Drought Fund [grant activity or project/services] received grant funding from the Australian Government.'

## 13. Probity

The Australian Government 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.

These guidelines may be changed by the department. When this happens, the revised guidelines are published on GrantConnect and the Community Grants Hub websites.

### 13.1 Enquiries and feedback

#### **Complaints about this grant opportunity**

The Department of Agriculture, Water and the Environment Complaints Procedures apply to complaints about this grant opportunity. All complaints about this grant opportunity, including grant decisions, must be made in writing.

Any questions you have about grant decisions for this grant opportunity should be sent to [support@communitygrants.gov.au](mailto:support@communitygrants.gov.au).

### **Complaints about the selection process**

Applicants can contact the complaints service with complaints about the Community Grants Hub's service/s or the selection process.

Details of what makes an eligible complaint can be provided by asking the Community Grants Hub. Applicants can use the [online complaints form](#) on the Department of Social Services website or contact the Department of Social Services Complaints line.

Phone: 1800 634 035

Email: [complaints@dss.gov.au](mailto:complaints@dss.gov.au)

Mail: Complaints  
GPO Box 9820  
Canberra ACT 2601

### **Complaints to the Ombudsman**

If you do not agree with the way the Community Grants Hub or the department has handled your complaint, you may complain to the Commonwealth Ombudsman. The Ombudsman will not usually investigate a complaint unless the matter has first been raised directly with the Community Grants Hub or the Department of Agriculture, Water and the Environment.

The Commonwealth Ombudsman can be contacted on:

Phone (Toll free): 1300 362 072  
Email: [ombudsman@ombudsman.gov.au](mailto:ombudsman@ombudsman.gov.au)  
Website: [www.ombudsman.gov.au](http://www.ombudsman.gov.au)

## **13.2 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 departmental staff, any member of a committee, RIC Board, 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
- 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
- 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.

You will be asked to declare, as part of your application, any perceived or existing conflicts of interest or that, to the best of your knowledge, there is no conflict of interest.

If you later think there is an actual, apparent, or perceived conflict of interest, you must inform the department and the Community Grants Hub in writing immediately.

Conflicts of interest for Australian Government staff will be handled as set out in the [Australian Public Service Code of Conduct \(section 13\(7\)\)](#) of the [Public Service Act 1999](#). Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our conflict of interest policy on the [Community Grants Hub](#) website.

### 13.3 Privacy

We treat your personal information according to the [Privacy Act 1988](#) (Privacy Act) and the [Australian Privacy Principles](#). This includes letting you know:

- what personal information we collect
- why we collect your personal information
- who we give your personal information to.

Your personal information can only be disclosed to someone else for the primary purpose for which it was collected unless an exemption applies.

The Australian Government may also use and disclose information about grant applicants and grant recipients under this grant opportunity in any other Australian Government business or function. This includes disclosing grant information on GrantConnect as required for reporting purposes and giving information to the Australian Taxation Office for compliance purposes.

We may share the information you give us with other Commonwealth entities for purposes including government administration, research or service delivery, according to Australian laws.

As part of your application, you declare your ability to comply with the Privacy Act and the Australian Privacy Principles and impose the same privacy obligations on officers, employees, agents and subcontractors that you engage to assist with the activity, in respect of personal information you collect, use, store, or disclose in connection with the activity. Accordingly, you must not do anything, which if done by the department would breach an Australian Privacy Principle as defined in the Privacy Act.

### 13.4 Confidential information

Other than information available in the public domain, you agree not to disclose to any person, other than us, any confidential information relating to the grant application and/or agreement, without our prior written approval. The obligation will not be breached where you are required by law, Parliament or a stock exchange to disclose the relevant information or where the relevant information is publicly available (other than through breach of a confidentiality or non-disclosure obligation).

We may at any time, require you to arrange for you; or your employees, agents or subcontractors to give a written undertaking relating to nondisclosure of our confidential information in a form we consider acceptable.

We will keep any information in connection with the grant agreement confidential to the extent that it meets all the 3 conditions below.

1. You clearly identify the information as confidential and explain why we should treat it as confidential.
2. The information is commercially sensitive.
3. Revealing the information would cause unreasonable harm to you or someone else.

We will not be in breach of any confidentiality agreement if the information is disclosed to:

- the Selection Advisory Panel, the RIC Board and other Commonwealth employees, subject matter experts providing assessment advice, and contractors to help us manage the program effectively
- employees and contractors of the Australian Government so we can research, assess, monitor and analyse our programs and activities
- employees and contractors of other Commonwealth agencies for any purposes, including government administration, research or service delivery
- other Commonwealth, state, territory or local government agencies in program reports and consultations
- the Auditor-General, Ombudsman or Privacy Commissioner
- the responsible Minister or Parliamentary Secretary
- a House or a Committee of the Australian Parliament.

The grant agreement may also include any specific requirements about special categories of information collected, created or held under the grant agreement.

### 13.5 Freedom of information

All documents in the possession of the Australian Government, including those about this grant opportunity, are subject to the [Freedom of Information Act 1982](#) (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.

All Freedom of Information requests must be referred to the Freedom of Information Coordinator in writing.

By mail:           Freedom of Information Team  
                      Government and Executive Services Branch  
                      Department of Social Services  
                      GPO Box 9820  
                      Canberra ACT 2601

By email:         [foi@dss.gov.au](mailto:foi@dss.gov.au)

## 14. Glossary

Term	Definition
accountable authority	see subsection 12(2) of the <a href="#">Public Governance, Performance and Accountability Act 2013</a> (PGPA Act).
administering entity	when an entity that is not responsible for the policy, is responsible for the administration of part or all of the grant administration processes.
agricultural dependent communities	refers to rural, regional and remote communities vulnerable to the impacts of drought.
applied research	applied research creates practical solutions for specific problems while fundamental research is an approach to research that seeks to expand knowledge in a field of study.  Applied research includes exploring the application of theories and/or knowledge to form solutions to particular problems and opportunities.
assessment criteria	the specified principles or standards, against which applications will be judged. These criteria are also used to assess the merits of proposals and, in the case of a competitive grant opportunity, to determine application rankings.
co-sponsoring entity	when 2 or more entities are responsible for the policy and the appropriation for outcomes associated with it.
commencement date	the expected start date for the grant activity.
commercialisation	the process of turning an idea into commercial products, processes or services.
Commonwealth entity	a department of state, or a parliamentary department, or a listed entity or a body corporate established by a law of the Commonwealth. See subsections 10(1) and (2) of the PGPA Act.
Commonwealth Grants Rules and Guidelines (CGRGs)	establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration. Under this overarching framework, non-corporate Commonwealth entities undertake grants administration based on the mandatory requirements and key principles of grants administration.
completion date	the expected date that the grant activity must be completed, and the grant spent by.

Term	Definition
date of effect	can be the date on which a grant agreement is signed or a specified starting date. Where there is no grant agreement, entities must publish information on individual grants as soon as practicable.
drought resilience	the ability to adapt, reorganise or transform in response to changing temperatures and increasing variability and scarcity of rainfall, for improved economic, environmental and social wellbeing.
eligibility criteria	refer to the mandatory criteria which must be met to qualify for a grant. Assessment criteria may apply in addition to eligibility criteria.
fundamental research (also called 'pure research' or 'basic research')	scientific research with the aim of improving scientific theories for better understanding and prediction of natural or other phenomena.
Funding Arrangement Manager	the officer responsible for the ongoing management of the grantee and their compliance with the grant agreement.
grant	for the purposes of the CGRGs, a 'grant' is an arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth: <ul style="list-style-type: none"> <li>a. under which relevant money<sup>21</sup> or other <a href="#">Consolidated Revenue Fund</a> (CRF) money<sup>22</sup> is to be paid to a grantee other than the Commonwealth</li> <li>b. which is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives.</li> </ul>
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 individual/organisation which has been selected to receive a grant.
grant activity/activities	refers to the project/tasks/services that the grantee is required to undertake.
grant agreement	sets out the relationship between the parties to the agreement and specifies the details of the grant.

<sup>21</sup> Relevant money is defined in the PGPA Act. See section 8, Dictionary.

<sup>22</sup> Other CRF money is defined in the PGPA Act. See section 105, Rules in relation to other CRF money.

Term	Definition
grant opportunity	refers to the specific grant round or process where a Commonwealth grant is made available to potential grantees. Grant opportunities may be open or targeted and will reflect the relevant grant selection process.
grant program	a 'program' carries its natural meaning and is intended to cover a potentially wide range of related activities aimed at achieving government policy outcomes. A grant program is a group of one or more grant opportunities under a single [entity] Portfolio Budget Statement program.
knowledge brokers/brokering	help decision makers define the questions they need answered by science, then help to translate the science into practice.
multidisciplinary	involves combining or involving several academic disciplines or professional specialisations.
Portfolio Budget Statement (PBS) program	described within the entity's <a href="#">Portfolio Budget Statement</a> , PBS programs each link to a single outcome and provide transparency for funding decisions. These high-level PBS programs often comprise a number of lower level, more publicly recognised programs, some of which will be grant programs. A PBS program may have more than one grant program associated with it, and each of these may have one or more grant opportunities
public good benefits	<p>the benefits of the project that are not captured by a particular business, individual or other entity. Public good benefits can include contribution to economic and productivity growth, improvements to the environment that are valued by the community and government, and increased social connection and resilience in regional communities.</p> <p>This does not exclude projects that deliver private benefits, but private benefits are expected to be more than offset by public benefits and/or co-contributions from non-government sources for the purposes of this grant opportunity.</p>
Selection Advisory Panel	provides strategic oversight, advice and recommendations to the decision maker on assessed applications from the program specific, service provider composition and service location perspectives.
selection process	the method used to select potential grantees. This process will involve comparative assessment of applications and the assessment of applications against the eligibility criteria and/or the assessment criteria.

Term	Definition
value with money	<p>refers to ‘value with relevant money’ which is a judgement based on the grant proposal representing an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations.</p> <p>When administering a grant opportunity, an official should consider the relevant financial and non-financial costs and benefits of each proposal including, but not limited to the:</p> <ul style="list-style-type: none"> <li>▪ quality of the project proposal and activities</li> <li>▪ fit for purpose of the proposal in contributing to government objectives</li> <li>▪ absence of a grant is likely to prevent the grantee and government’s outcomes being achieved</li> <li>▪ potential grantee’s relevant experience and performance history.</li> </ul>

## Appendix A: In-kind contributions

In-kind contributions are the non-cash contributions. These can include labour contributions and facilities, equipment and services provided by project partners to the project. For in-kind contributions to count towards your total eligible grant project value, they must directly relate to eligible activities.

In-kind contributions may include:

- salaries and on-costs for Australian personnel directly employed for the project activities. Australian Government funds awarded (or contracted) to providers employed by partners, or to the partners themselves, for specific projects cannot be claimed as eligible expenditure. Labour calculations must reflect peoples' salary packages, and the proportion of paid time spent on the project
- facilities, equipment and services provided by a partner to the project from its own resources. We do not prescribe a specific formula to determine the value of these contributions. You need to determine the value of these contributions. They must be realistic, justifiable and valued proportionally to their use on the project. For example, you should calculate the in-kind contribution of a capital item by the running costs and the depreciation of the item.

Examples of in-kind contributions include:

- if a resource has an annual depreciation value of \$100,000 and the project was using 10% of the resource's capacity, then the resource could be valued at \$10,000 per year
- if the fee for usage was \$500 per use and the project was receiving 100 usages per year at no cost, the value of the resource could be valued at \$50,000 per year
- if your project receives office space as an in-kind contribution from a partner, you should value the contribution at the amount it would otherwise cost to rent equivalent office space.