

Defence Industry Tender Support Program 2025

Program Guidelines



Contents

1. Aim	1
2. Background	1
3. Definitions	1
4. Eligibility criteria	2
5. Eligible expenditure	3
6. Ineligible expenditure	3
7. Assessment	4
8. Application process	4
8.1 What does a successful application look like?	5
9. Appealing a decision	5
10. Acquittal	6
10.1 What is an acquittal?	6
10.2 How to acquit for a grant	6
10.3 The acquittal form	6
10.4 Failure to complete an acquittal.....	6
11. Taxation and financial implications	6
12. Grant payments	7
13. Confidentiality	7
14. Administration and contact details	8
14.1 Important note.....	8
15. Publicity of grant assistance	8
16. Right to information	8
17. Personal information protection	8
18. Disclosure	9
19. Disclaimer	9

1. Aim

The Defence Industry Tender Support Program (the program) supports Tasmanian-based advanced manufacturers, and Tasmanian-based advanced technology enterprises to seek specialist bid and tender writing consultants to support the preparation of defence tenders.

2. Background

The program has been established to support the Tasmanian Government's *Tasmanian Defence Industry Strategy 2029*.

Funding of \$100,000 is available 2025 and \$100,000 in 2026.

The program provides up to 50 per cent contribution to Tasmanian-based advanced manufacturers and Tasmanian-based advanced technology enterprises who wish to utilise a consultancy, or external services, to assist with developing a submission to an Approach to Market notice for a defence procurement.

Two tiers of grant assistance are available:

- Tier 1: Procurement value of \$3,000,000 to \$ 10,000,000 – maximum grant \$15,000.
- Tier 2: Procurement value over \$ 10,000,000 – maximum grant \$30,000.

Major strategic projects may be eligible for additional grant assistance on demonstration of industry and state benefit.

Collaborative projects will be considered on a case-by-case basis. Collaborative projects will need a lead proponent such as an industry body or business.

3. Definitions

Advanced manufacturers - manufacturing businesses that utilise continuous improvement, enhanced skills, new technologies, and design and systems integration in order to drive innovation and growth throughout the value chain. Advanced manufacturers ensure that customers receive the best quality, cost and delivery in products and services. Advanced manufacturers aim to deliver high value, niche and customised premium products and services.

Advanced manufacturing is less about what the manufacturer makes, but more about how it is made – through advanced knowledge, advanced processes, and advanced business models.

Advanced technology enterprises – businesses that use new tools, systems, processes or methodologies that represent the latest advancements in science, engineering and technology. Advanced technologies are at the forefront of innovation and are characterised by novelty, high complexity, and transformative impact.

Advanced Manufacturing and Defence Industries Unit (AMD) – the administrative unit within the Department of State Growth responsible for providing Tasmanian Government services, support and advice to the advanced manufacturing and Defence Industry sector.

Approach to Market - any notice inviting potential suppliers to participate in a procurement which may include a request for tender, request for quote, request for expression of interest, request for information or request for proposal.

Associated business - relevant industry group supporting Tasmanian advanced manufacturing enterprises in the defence or other specialist industry.

Defence procurement - a procurement required by:

- the Australian Department of Defence (including the Australian Defence Force) or defence industry contractors (including Primes) engaged by the Department of Defence
- international defence forces or defence industry contractors that have been engaged by international defence forces.

Grant Agreement - an agreement entered into, regarding the provision of a grant, between an approved applicant and the Crown in Right of Tasmania.

Procurement - the process of acquiring goods and services.

Project - the specific activity which is the subject of a funding application under the program.

Project costs - costs incurred by an applicant directly attributable to the project but excludes ongoing running costs associated with the project.

Program - the Defence Industry Tender Support Program.

Program Review - a review of the outcomes of the approved and acquitted project, conducted by the Program Manager with the applicant.

Submission – any formally submitted response from a potential supplier to an Approach to Market. Submissions may include tenders, responses to expressions of interest or responses to request for quote.

4. Eligibility criteria

To be eligible for financial assistance from the program the applicant:

- must be able to demonstrate that they are a Tasmanian-based advanced manufacturing enterprise, Tasmanian-based advanced technology enterprise, or relevant industry group representative supporting Tasmanian advanced manufacturing enterprises or Tasmanian-based advanced technology enterprise in the defence industry
- must have an Australian Business Number and be registered for GST
- cannot receive in excess of \$30,000 per financial year under this Program, unless a strategic project demonstrates to be of industry and state benefit
- must have annual sales turnover greater than \$500,000 (indicatively) and less than \$55,000,000

- must not be a consultant or intermediary; and
- must not be subject to any legal disability, including bankruptcy or liquidation.

If you are unsure about your ability to meet all aspects of the eligibility criteria, please contact the Advanced Manufacturing and Defence Industries Unit via Business Tasmania on 1800 440 026.

You may be asked to supply documentation to support your eligibility claims as part of the application process, or as part of an audit process to confirm your claims were true and correct.

5. Eligible expenditure

The program provides a reimbursement of up to 50 per cent of approved project costs up to a maximum of \$15,000 for Tier 1 projects and a maximum of \$30,000 for Tier 2 projects. Eligible project expenditure cannot be retrospective. Examples of eligible expenditure include the following:

- Engagement of consultant services to assist with developing a submission to an Approach to Market notice for a defence procurement.
- Engagement of consultant services for third party testing or products or services to confirm they meet Approach to Market notice documentation and specifications.
- Engagement of consultant services for third party review of submissions to an Approach to Market notice to ensure the submission is compliant and fit for purpose.
- Tier 2 only: Dedicated internal procurement project management wages and salaries – up to 25 per cent of grant value if appropriately demonstrated within the application and acquittal.

6. Ineligible expenditure

Examples of expenditure that is ineligible under the Program include the following:

- Certifications such as ISO09001, HACCP.
- Industry specific compliance requirements (for example International Traffic in Arms Regulations) and Defence Industry Security Program (DISP).
- General operational business expenses including office expenses, maintenance costs, accounting, legal, compliance and government fees.
- Skills training for understanding the Commonwealth Government's procurement framework and services and Defence operations.

7. Assessment

Assessment is based on the quality of information provided by the applicant at the time of submission against the assessment criteria. Applicants are encouraged to ensure that all information is included in their application at the time of submission.

All applications are subject to a merit process, based on the following criteria:

- The applicant is an advanced manufacturer or has the potential to become an advanced manufacturer with the proposed project. Alternatively, that the applicant is an advanced technology enterprise or has the potential to become an advanced technology enterprise with the proposed project.
- If the procurement is successful, the applicant must:
 - Demonstrate the capability and capacity to deliver on and complete the project.
 - Demonstrate how it will drive business growth and/or generate employment outcomes.
 - Demonstrate any other potential projected outcomes.
 - Demonstrate whether the enterprise has already supplied to the defence or whether the procurement proposed presents an opportunity for the enterprise to become a new entrant to defence.

Enhanced weighting may be provided to new Tasmanian-based advanced manufacturing enterprises, or new Tasmanian-based advanced technology enterprises seeking to enter into the defence industry.

In addition, applicants will be required to agree to participate in program reviews conducted by the Program Manager.

The AMDI unit will assess and advise the submission outcome within a two-week period of the application being submitted.

8. Application process

For an application to be approved, it must be submitted and assessed before the project commences.

1. Potential applicants should review the guidelines to determine their project eligibility before applying. Team members from AMDI are available to brief potential applicants about the program on request.
2. Applications must be submitted via the SmartyGrants grant management platform.
3. Applicants will be advised of the outcome of their application by AMDI.
4. A Grant Agreement will be prepared for execution by the successful enterprise.

The Department of State Growth uses an online grants management system called SmartyGrants. This system is easy to use and accessible via mobile phones, tablets, laptops and personal computers.

The online platform allows you to apply for a grant at any time while the program is open. It also allows us to send you notifications throughout the grant application and funding process.

If you do not have internet access, please contact us to discuss alternate options.

8.1 What does a successful application look like?

A successful application:

- meets all aspects of the eligibility criteria
- shows that the project to be undertaken with the grant funding aligns to the purpose of the grant program
- has clear well-structured answers to all the assessment criteria questions
- contains, where requested, quality documented evidence to support your claims against the eligibility and/or assessment criteria.

9. Appealing a decision

The Department of State Growth may reconsider a decision if the applicant can demonstrate a proven conflict of interest, error in process or discrimination.

If applicants have reason to believe that the proper process was not followed in assessment of an application, a request for review may be submitted.

Grounds for appeal are:

1. The persons making the decision had a direct or indirect financial interest in the outcome of the application.
2. The preparation of the application was affected adversely by incorrect advice provided by a staff member of the Department of State Growth.
3. The persons making the recommendations discriminated against the applicant on irrelevant grounds, such as cultural, religious or linguistic background; race; gender; marital status; sexual orientation; or disability.

All requests must be in writing and should be addressed to the Deputy Secretary, Economic Development, PO Box 536, Hobart 7001, or by email to ask@business.tas.gov.au.

Your request must be received within 28 days from the date of the Department of State Growth notifying you of the decision about your application. For further information about the process, contact Sharron Yaxley, Sharron.Yaxley@stategrowth.tas.gov.au.

10. Acquittal

10.1 What is an acquittal?

An acquittal is a statement that is required to be made by the successful grant recipient, confirming that the grant funding provided was used as it was intended and as per the statements made on the application form and funding agreement.

10.2 How to acquit for a grant

Successful applicants will be required to provide some information about the activities and purchases made along with providing evidence such as any invoices, receipts, statements, reports, etc. as evidence to support the acquittal. You will be provided with a SmartyGrants link to an acquittal form. The form will clearly define what is required of you to complete the acquittal process.

A tax invoice will be requested when the acquittal form and supporting documentation is approved. It is important to note that the final grant payment will be a maximum of 50% of eligible expenditure for the approved project. If actual eligible expenditure is less than per the approved application, the lesser amount will be paid.

10.3 The acquittal form

In addition to ensuring the funding provided was used as intended the questions on the acquittal form help us determine how successful the grant funding program was.

This success is determined by understanding what the project was able to achieve and, how well we were able to deliver the program to our clients. This helps us improve our client service and determine the best place to invest grant funding in the future.

10.4 Failure to complete an acquittal.

The Department has a requirement and responsibility to ensure that the public funding we administer is allocated fairly and spent responsibly. So, we must review the outcomes of grant funding to ensure it aligns to the intended original approved purpose.

Failure to lodge a valid acquittal by the due date will result in the grant funding payment being forfeited.

11. Taxation and financial implications

Grants under the program attract Goods and Services Tax (GST). Grant payments to successful applicants, who are registered for GST, are increased to compensate for the amount of GST payable. A valid tax invoice must be supplied, by the successful applicant, to the Department where GST applies to the grant funding.

The receipt of funding from this program may be treated as income by the ATO. While grants are typically treated as assessable income for taxation purposes, how they are treated will depend on the recipient's particular circumstances.

It is strongly recommended that potential applicants seek independent advice about the possible tax implications for receiving the grant under the program from a tax advisor, financial advisor and/or the Australian Taxation Office (ATO), prior to submitting an application.

If you are an individual (not a business) or you do not have an Australian Business Number (ABN) you may be required to complete a 'Statement by a supplier not quoting an ABN'. Refer to the ATO website for more information: Information on invoices can be found on our Business Tasmania website:

https://www.business.tas.gov.au/manage_a_business/invoices

12. Grant payments

Applicants will be asked for bank account details so that we can process successful grant payments. This bank account must be in the same name of the person or business who applied for the grant. You may be asked to provide a copy of your bank statement or a letter from you bank to confirm your bank account details.

For any successful applicants who provides incorrect bank account details, this may result in funds being paid to an incorrect account and then these funds will need to be returned to us before we attempt another grant payment. This process may result in significant delays to any funding being received. Additionally, we cannot guarantee that funds paid to an incorrect bank account will be returned to us.

For applicants who are successful in being awarded a grant and

1. their situation changes
2. they do not complete the activities or tasks required under the funding agreement
3. they do not use any or all of the funding provided, or
4. the information provided to us is found to be false or misleading

the applicant will be required to return the funds to the department.

13. Confidentiality

The Tasmanian Government may use and disclose the information provided by applicants for the purposes of discharging its respective functions under the Program Guidelines and otherwise for the purposes of the program and related uses.

The Department may also:

1. Use information received in applications for any other departmental business.

2. Use information received in applications and during the performance of the project for reporting.

14. Administration and contact details

The program will be administered by the Department of State Growth on behalf of the Crown in the Right of Tasmania. Contact with the Department for any of the following reasons can be directed to:

ask@business.tas.gov.au or 1800 440 026.

- Further information or advice on the program.
- Assistance in making an application.
- Further feedback on the decision of the application.
- Request a review of the decision.

14.1 Important note

All applicants must take care to provide true and accurate information. Any information that is found to be false or misleading may result in action being taken and grant funds, if already provided, will be required to be repaid to the Department.

15. Publicity of grant assistance

The Department of State Growth disburses public funds and is therefore accountable for the distribution of those funds. As part of the accountability process, the Department may (in consultation with the grantee) publicise the level of financial assistance, the identity of the recipient, the purpose of the financial assistance, and any other details considered by the Department to be appropriate.

16. Right to information

Information provided to the Department of State Growth may be subject to disclosure in accordance with the *Right to Information Act 2009*.

17. Personal information protection

Personal information will be managed in accordance with the *Personal Information Protection Act 2004*. This information may be accessed by the individual to whom it related, on request to the Department of State Growth. A fee for this service may be charged.

18. Disclosure

The following applies to all successful applicants:

- Despite any confidentiality or intellectual property right subsisting in the grant funding agreement or deed, a party may publish all or any part of the grant funding agreement or deed without reference to another party.
- Nothing in this item 15. Disclosure, derogates from a party's obligations under the Personal Information Protection Act 2004 (Tas) or the Privacy Act 1988 (Cwlth).

19. Disclaimer

Although care has been taken in the preparation of this document, no warranty, express or implied, is given by the Crown in Right of Tasmania, as to the accuracy or completeness of the information it contains.

The Crown in Right of Tasmania accepts no responsibility for any loss or damage that may arise from anything contained in or omitted from or that may arise from the use of this document, and any person relying on this document and the information it contains does so at their own risk absolutely.

The Crown in Right of Tasmania does not accept liability or responsibility for any loss incurred by an applicant that are in any way related to the program.



Department of State Growth

Salamanca Building, Parliament Square
4 Salamanca Place, Hobart TAS 7000

Phone: 1800 440 026

Email: ask@business.tas.gov.au

Web: www.business.tas.gov.au

Version 1 Published 13 January 2025