

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
Supplementary Budget Estimates 2005-2006, 2 November 2005

QUESTION No.SBI-50

Senator Webber asked:

I am assuming that any projects approved under the fund will have to pass any environmental checks of State or Commonwealth jurisdiction. If that is the case will the grant be paid after all such checks are completed?

ANSWER

All projects approved for funding will require any environmental checks to be completed prior to entering into a funding agreement with the Commonwealth. A customer's obligation to comply with any new regulatory requirements that may come into effect during the life of the project will be dealt with on a case by case basis.

QUESTION No.SBI-51

Senator Webber asked:

Is the fund essentially about cherry picking projects that may or may not be successful? It is a lot of Commonwealth funding for projects that may or may not work. What are the safeguards for taxpayers in a fund that is about choosing one over the other based on what may or may not be commercialised in a period of the next twenty or so years?

ANSWER

The LETDF is a competitive, merit-based program and applications will be assessed against the published eligibility and merit criteria. This will involve technical and financial assessment undertaken by suitably qualified and experienced assessors. Applications determined to be eligible will be merit assessed by an Expert Panel comprising people with considerable senior level expertise in areas such as the operation of Australian energy markets, low emission technologies, intellectual property, financial markets, risk management, project management, governance requirements and international developments.

An aim is to demonstrate a portfolio of technologies. This will result in a range of technologies applied to a variety of situations thereby spreading risk that some may not prove technically and/or commercially viable.

In addition, the private to public funding ratio of two to one encourages investment decisions based on market-driven criteria and realistic assessments of commercial viability.

QUESTION No.SBI-52

Senator Webber asked:

How much interest has been expressed in the LETDF since the documentation was made available on the website?

ANSWER

As at 30 November 2005, AusIndustry had received 48 registrations of interest and 26 inquiries since the launch of round one on 11 October 2005.