

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Supplementary Budget Estimates Hearing 2012-13
17 October 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Clean Technology Programs

REFERENCE: Written Question – Senator Bushby

QUESTION No.: SI-105

For each of the (a) Clean Technology Investment Program, (b) Clean Technology Innovation Program and (c) Clean Technology Food and Foundries Program:

1. How many applications have been received to date, and how many remain unassessed?
2. Up to and including 22 October 2012:
 - i. For those claims for which the assessment and approval/rejection processes had been fully finalised by that date, what was the average number of days between lodgement of applications and the formal notification of (a) approval or (b) rejection?
 - ii. For those claims that remained unfinalised at that date, what was the average number of days for which those claims had been on hand in the Department? What was the longest number of days for which any of those unassessed applications had been held by the Department?
3. What forms of recourse (of any) have been offered to those applicants who were affected by the nearly two-month freeze on assessments from early September?
4. What sort of information was uploaded to the Department's various websites, and/or communicated through public notices or advertisements, to provide official advice of the freeze – including to warn potential applicants that funding decisions were on hold?
5. From the applications that have been approved so far, what is the average anticipated reduction in CO₂ emissions across those projects?
6. Across those applications that were approved prior to 31 July 2012, has the funding ratios for any of them been retrospectively altered in accordance with the changes suddenly announced by Minister Combet on that day?
7. What is the Department's understanding of, and what feedback is it receiving and seeking about, how long it is typically taking for applicants (and how much it is typically costing them) to compile their applications for grants under these programs?
8. Where the funding is devoted to the acquisition of new equipment, is there any specific requirement, or incentive, in these programs for the purchase of local content?
9. What type of assessments (if any) are undertaken in relation to additionality? Is it a condition of grant approval that these have to be activities that would not have been undertaken, in a business-as-usual style, without the grant?
10. Is it correct that Department of Industry staff from across Australia who are working on the delivery of the various clean technology programs travelled to Sydney on at least one occasion for briefings and/or training? If so, how many officers travelled to Sydney and when; over how many days were these sessions held; who conducted the sessions; and what was the total financial cost?

11. Did all of the non-Sydney based staff travel there and back on airline flights?
12. In addition to these sessions in Sydney, have any other forms of briefings and/or training been conducted for staff working on these programs? If so, what and when; over how many days were these sessions held; who conducted the sessions; and what was the total financial cost?
13. What are the circumstances (if any) under which the grant agreements through these programs can be renegotiated? What happens, for instance, in the event that project proponents say to the Department and/or the Government that the nature or scope of the project needs to be changed? Or that additional financing is required?
14. Has any applicant for funding under these programs so far been asked to withdraw and/or redraft their application – and, if so, how many and why? And what are the rights of review and appeal for those whose applications are unsuccessful?
15. Under the Clean Technology Investment Program, 30% of the assessment for smaller grants is based on subjective merit assessments and around 40% of the assessment for larger grants is based on subjective merit assessments. How do these percentages compare with the level of objectively and subjectively-based merit criteria typically used for other programs delivered by AusIndustry?
16. Can the Department confirm there has been no occasion when any Government MP or any member of ALP staff has been involved in any form of discussion with the relevant officials ahead of – and in relation to – a decision involving any of the applications for assistance under these programs?

ANSWER

1. As at 31 October 2012:
 - Clean Technology Investment Program: 159 applications received; 63 unassessed.
 - Clean Technology Innovation Program: 12 applications received; 5 unassessed.
 - Clean Technology Food and Foundries Investment Program: 160 applications received; 59 unassessed.
2.
 - i. Up to and including 22 October 2012:
 - Clean Technology Investment Program: (a) 45.6 days (b) 40.3 days.
 - Clean Technology Innovation Program: No applications fully finalised.
 - Clean Technology Food and Foundries Investment Program: (a) 48.5 days (b) 34.6 days.
 - ii. Up to and including 22 October 2012:
 - Clean Technology Investment Program: Average 69.1 days on hand; longest 210 days.
 - Clean Technology Innovation Program: Average 31 days on hand; longest 59 days.
 - Clean Technology Food and Foundries Investment Program: Average 59.7 days on hand; longest 164 days.
3. No forms of recourse were offered.
4. Information on the pause was not published by the Department.
5. Average anticipated abatement as at 31 October 2012:
 - Clean Technology Investment Program: 22.4 kilotonnes of carbon dioxide equivalent (CO₂-e).
 - Clean Technology Innovation Program: No applications have been approved.

- Clean Technology Food and Foundries Investment Program: 34.4 kilotonnes of carbon dioxide equivalent (CO₂-e).
6. No.
7. The application process does not require applicants to provide this information.
- 8.
- Clean Technology Investment Program and Clean Technology Food and Foundries Investment Program: Where the applicant successfully applies for grant funding of \$20 million or more, the applicant must comply with the Commonwealth's requirements in relation to Australian Industry Participation Plans prior to entering into a funding Agreement with the Commonwealth. More information on Australian Industry Participation is published at www.innovation.gov.au/industry/australianindustry/participation. Customers applying for grants of \$1.5 million or greater must address Merit Criterion 4. There are a number of indicators that can be used to demonstrated merit against this criterion, including opportunities for Australian suppliers to provide goods and services for the project.
 - Clean Technology Innovation Program: No.
9. None. No.
10. Yes.
- Clean Technology Investment Program and Clean Technology Food and Foundries Investment Program: Seventy officers travelled to Sydney for a Pre-Launch Delivery Network Briefing on 19 January 2012 (one day). The session was conducted by AusIndustry at a cost of \$35,214 (GST inclusive). Nine officers travelled to Sydney for Customer Service Manager Induction on 29 February 2012 (one day). The session was conducted by AusIndustry as at cost of \$5,316 (GST inclusive). Seventeen officers travelled to Sydney for Customer Service Manager Induction on 10 May 2012 (one day). The session was conducted by AusIndustry at a cost of \$12,076 (GST inclusive). Ninety-six officers travelled to Sydney for a Program Briefing on 5-6 June 2012 (two days). The session was conducted by AusIndustry at a cost of \$77,517 (GST inclusive).
 - Clean Technology Innovation Program: There were two briefings for the AusIndustry Hotline centre in Sydney. Four officers undertook a single day trip on 4 July 2012 at a cost of \$1,129 (GST inclusive). Two officers undertook a single day trip on 24 August 2012 at a cost of \$493 (GST inclusive).
11. No. Some staff travelled by private car or bus.
12. Yes. Details are as follows.

Training Program	Dates	Training Provider	Cost (\$) (GST inclusive)
Program Delivery Staff Induction	3 sessions over 3 day: <ul style="list-style-type: none"> • 9 February 2012 • 21 February 2012 • 25 June 2012 	In house departmental program	54,737

Training Program	Dates	Training Provider	Cost (\$) (GST inclusive)
Strategic Grant Management System	8 sessions over 13 days: <ul style="list-style-type: none"> • 30 April 2012 • 3-4 May 2012 • 20-21 September 2012 • 25-26 September 2012 • 16-17 October 2012 • 18 October 2012 • 22 October 2012 • 23-24 October 2012 	In house departmental program	13,970
Debt Management	3 sessions over 3 days: <ul style="list-style-type: none"> • 30 April 2012 • 7 May 2012 • 21 June 2012 	In house departmental program	2,219
Fundamentals of Writing	4 sessions over 4 days: <ul style="list-style-type: none"> • 11 May 2012 • 15 May 2012 • 29 May 2012 • 13 June 2012 	Acorn Training and Consulting	15,384
Negotiating and Managing Contracts	4 sessions over 8 days: <ul style="list-style-type: none"> • 12-13 July 2012 • 24-25 May 2012 • 27-28 August 2012 • 29-30 October 2012 	Shane Carol & Associates	25,164
Program Delivery Staff Training	1 session over 1 day: <ul style="list-style-type: none"> • 11 September 2012 	In house departmental program	19,041

13.

- Clean Technology Investment Program and Clean Technology Food and Foundries Investment Program: Where unexpected circumstances, such as delay in delivery of equipment, have affected project progress, applicants can request a variation to the Funding Agreement, including changes to project milestones or an extension of the project duration up to a maximum of two years and six months. Applicants may not apply for additional grant funding except where the applicant lodged an application before 30 July 2012, and subsequently became eligible for the 1:1 grant ratio for carbon liable businesses. This information is publically available in Section 6 of the *Customer Guidelines* at <http://www.ausindustry.gov.au/programs/CleanTechnology/CleanTechnologyInvestment/Documents/CT-InvestmentCustomerGuidelines.pdf>
- Clean Technology Innovation Program: Grant recipients can apply for a formal variation to their funding agreement. Formal variations are required for matters such as, but not limited to, extending the project period, an extension of funds, changes to the commercialisation strategy during the project period, increased overseas expenditure, or change of control of project intellectual property. This information is publically available in Section 6 of the *Clean Technology Innovation Program Guide to Managing Your Grant* at <http://www.ausindustry.gov.au/programs/CleanTechnology/CleanTechnologyInnovation/Pages/CTINP-Guidelines.aspx>

14.

- Clean Technology Investment Program and Clean Technology Food and Foundries Investment Program: As part of the assessment process, applicants may receive feedback from Customer Service Managers on the likely competitiveness of their applications. An applicant may elect to withdraw their application and resubmit for the same or different project. Sixteen customers have withdrawn their applications to the Clean Technology Investment Program. Of these, 10 have reapplied. Eleven customers have withdrawn their applications to the Clean Technology Food and Foundries Investment Program. Of these, eight have reapplied. In regard to rights of review and appeal, the Program Delegate's decision is final in all matters regarding the approval of an application and the grant amount to be awarded. There is no review of decisions. This information is publically available in Section 5 of the *Customer Guidelines* at <http://www.ausindustry.gov.au/programs/CleanTechnology/CleanTechnologyInvestment/Documents/CT-InvestmentCustomerGuidelines.pdf>
- Clean Technology Innovation Program: As part of the assessment process, applicants may receive feedback from Customer Service Managers on the likely competitiveness of their applications. An applicant may elect to withdraw their application and resubmit for the same or different project. No customers have withdrawn their applications. In regard to rights of review and appeal, the Program Delegate's decision is final in all matters, regarding the approval of an application and the grant amount to be awarded. There is no review of decisions. This information is publically available in Section 6.2 of the *Clean Technology Innovation Program Customer Information Guide* at <http://www.ausindustry.gov.au/programs/CleanTechnology/CleanTechnologyInnovation/Pages/CTINP-Guidelines.aspx>. Where an application is not successful, the company may submit a new and substantially different application for the same or similar project that takes into account feedback received on the unsuccessful application. This information is publically available in Section 6.4 of the *Clean Technology Innovation Program Customer Information Guide* at <http://www.ausindustry.gov.au/programs/CleanTechnology/CleanTechnologyInnovation/Pages/CTINP-Guidelines.aspx>

15. A program's policy objectives dictate the merit criteria to be applied. The criteria may be objective, subjective or a combination of both. There is no typical or standard set of objective/subjective merit criteria for granting programs. The merit criteria for the Clean Technology program were arrived at after careful consideration of the desired program outcomes and extensive consultation with industry.

16. The Department can confirm that all due processes were followed.