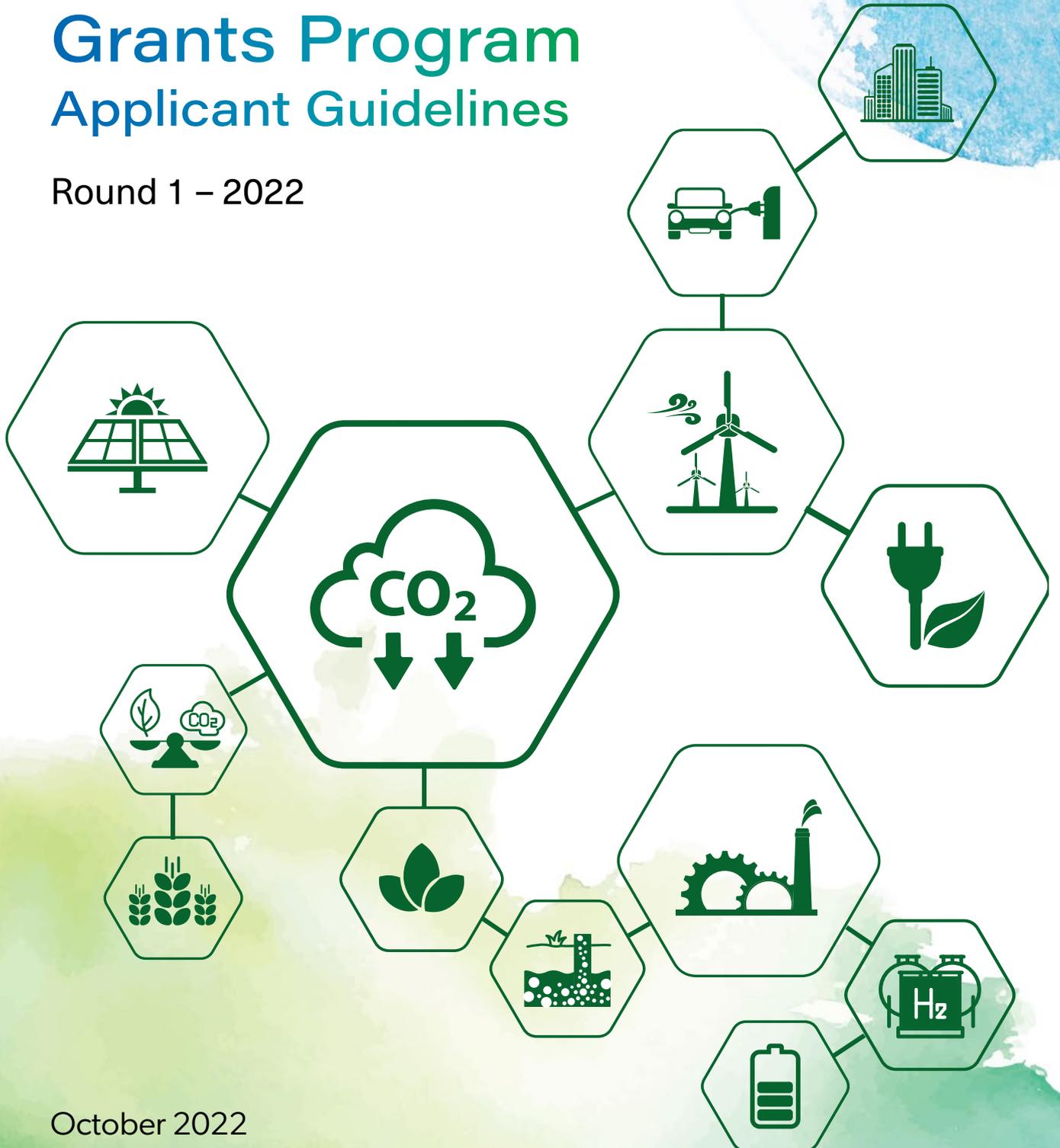




Carbon Innovation Grants Program Applicant Guidelines

Round 1 – 2022



Carbon Innovation Grants Program - Applicant Guidelines

Round 1 - 2022

October 2022

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This publication is [available online](#) or for those with special needs it can be made available in alternative formats such as audio, large print, or Braille.

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1 Overview

These guidelines outline the operational and administrative arrangements for the Carbon Innovation Grants Program (the program or CIGP). This document provides applicants with information about eligibility and merit criteria for the program, and the application and assessment process.

1.1 Purpose

The CIGP is part of the Government of Western Australia’s \$1.25 billion Climate Action Fund announced in 2021. The program was established with \$15 million in funding to be expended on carbon abatement projects commencing in the 2022–23 financial year and administered by the Department of Water and Environmental Regulation (the department). The purpose of the program is to build the capacity of heavy industry sectors to transition to net zero emissions by 2050, in line with government targets.

The program will run for three rounds. The first funding round opened on Thursday 13 October 2022 and closes at 2pm on 16 December 2022.

1.2 Funding objectives

The aim of the program is to support Western Australian heavy industries to transition to net zero emissions, in accordance with the WA Climate Policy.

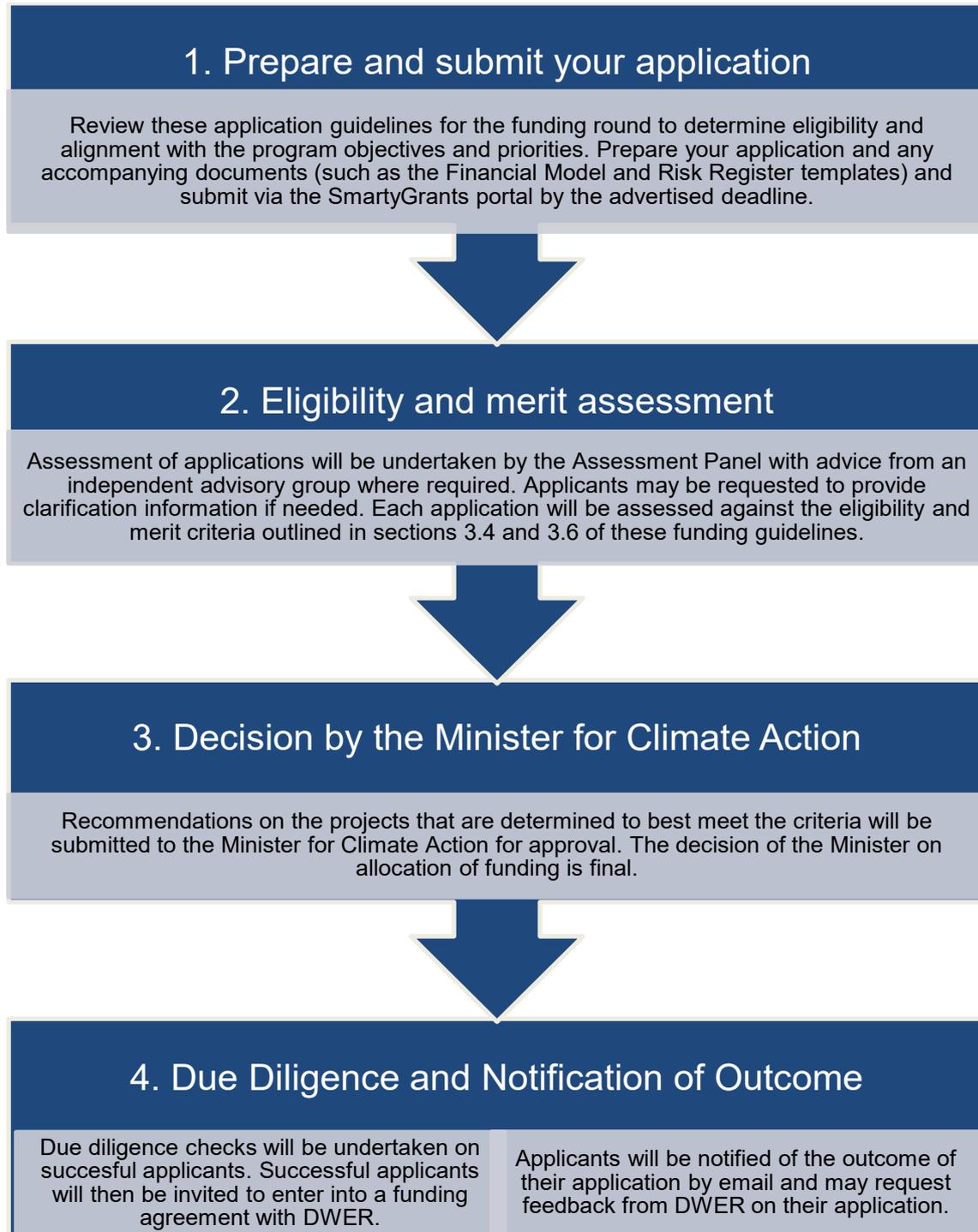
Specifically, the program has the following objectives:

- **Reduce** carbon emissions from heavy industry processes in WA.
- **Support** the development of innovative technologies for carbon abatement and sequestration.
- **Maximise** co-benefits for the environment and the WA economy.
- **Increase** the supply of carbon credits, to enable heavy industry to offset residual emissions (optional).

Note that projects do not need to involve the creation of carbon credit units to be eligible for funding. Applications for funding will be assessed against the program eligibility criteria and merit criteria outlined in this document.

2 How to apply for funding

Applications for this 2022 funding round are invited via a competitive application process as outlined below.



The Assessment Panel may seek further information regarding an applicant or application if required to adequately assess the project. At any time during the assessment process, the Assessment Panel may undertake due diligence activities considering the value, size, partners, and complexity of the application.

Applications must be signed by the Chief Executive Officer or an authorised officer of the applicant's entity.

Applicants should ensure that they allow enough time to submit applications, noting that large attachments may take time to upload into the SmartyGrants portal. Applications must be submitted through the SmartyGrants portal before the cut-off time. Applicants will be notified that their applications have been submitted by automated email. Late applications will not be accepted.

3 How your application will be assessed

3.1 Key dates

| Item | Key dates |
|--|-----------------------------------|
| Program opens for applications | Thursday 13 October 2022 |
| Application closing date | 2pm AWST, Friday 16 December 2022 |
| Applicants notified of outcome and successful projects announced | Anticipated May–June 2023 |

It is anticipated that a further two grant rounds will occur in 2023 and 2024.

3.2 Assessment procedure

Applications for funding will be evaluated by the Assessment Panel against the eligibility criteria and merit criteria.

The Assessment Panel may seek advice from government agencies and independent technical experts, as required, to assist in determining which applications best meet the criteria.

Recommendations on the projects that are determined to best meet the criteria will be submitted to the Minister for Climate Action for approval. The decision of the Minister on allocation of funds is final.

Applicants will be advised in writing of the outcome of their application at the conclusion of the assessment process. Applicants may request feedback from the department.

The Assessment Panel will be supported by an independent probity advisor, who will observe the assessment process and provide advice to ensure fairness and equity.

The department may seek confidential advice or review of applications from technical experts appointed to support the assessment process.

3.3 Funding streams

The program features two grant funding streams to reflect different stages of technology development that may require government support. These streams are:

- **Feasibility studies** - supporting technologies and methods to progress from concept to real-world trials.
- **Pilot projects and capital works** - supporting real-world testing of innovative technologies and methods from pilot stage through to full-scale deployment.

The application form requires applicants to select a funding stream.

3.4 Eligibility criteria

3.4.1 Applicant eligibility

The two funding streams have the same applicant eligibility criteria. To be eligible for funding, an applicant must meet the following criteria:

| Applicant eligibility criteria | Requirements (Feasibility and Pilot projects and capital works funding streams) |
|--|--|
| AE1. Business registration | The applicant must hold a current Australian Business Number (ABN) and be registered for GST. |
| AE2. Eligible entities | An Australian corporation, local government authority, not-for-profit organisation, incorporated association, university, Aboriginal and/or Torres Strait Islander corporation, company limited by guarantee, government trading entity (GTE) and a partnership or consortium of any of the eligible entities as listed above. |
| AE3. Fit and proper persons | Members of the applicant's management team must be fit and proper persons to engage in the applicant's authorised activities by reference to: <ul style="list-style-type: none"> • no disqualification by law from performing their role • no conflict of interest or any conflict that may create a material risk that they will fail to properly perform in their management role • their legal right to carry out and control the project under consideration. |
| AE4. Carbon credit projects ¹ | Applicants proposing to either assess the feasibility of, or to generate carbon credit units, must demonstrate that they have the ability to meet all applicant eligibility criteria relevant to the carbon crediting method. An example is the Fit and Proper Person posture set by the Clean Energy Regulator in the context of the issue of Australian Carbon Credit Units (ACCUs). |

¹ AE4 only applies to projects intending to assess the feasibility of, or to generate, carbon credit units.

3.4.2 Project eligibility

The two funding streams have different project eligibility criteria as outlined below:

| Project eligibility criteria | Feasibility study funding stream | Pilot project and capital works funding stream |
|--------------------------------------|--|---|
| PE1. Location | The study must apply to specific sites or locations within Western Australia. | The project must be located within Western Australia. |
| PE2. Prescribed funding limits | <p>Applications for funding must be within the prescribed funding limits (excluding GST):</p> <p>The minimum funding that will be made per application is \$50,000.</p> <p>The maximum funding level available for individual projects is \$500,000. Applications requesting more than this amount will be considered on merit and will not be excluded on this basis; however, government may offer less funding than the amount sought by an applicant and may attach conditions or requirements to any funding offer.</p> <p>The maximum proportion of eligible costs for the project that can be contributed by the program in a competitive round is 50%.</p> | <p>Applications for funding must be within the prescribed funding limits (excluding GST):</p> <p>The minimum funding that will be made per application is \$100,000.</p> <p>The maximum funding level available for individual projects is \$1,500,000. Applications requesting more than this amount will be considered on merit and will not be excluded on this basis; however, government may offer less funding than the amount sought by an applicant and may attach conditions or requirements to any funding offer.</p> <p>The maximum proportion of eligible costs for the project that can be contributed by the program in a competitive round is 25%.</p> |
| PE3. Alignment to program objectives | <p>The project must be additional to business-as-usual activities of the applicant.</p> <p>The project must progress technologies or methods along the pathway to commercial viability (typically TRL3 to TRL5).</p> | <p>The project must be additional to business-as-usual activities of the applicant.</p> <p>The project must progress technologies or methods along the pathway to commercial viability (typically pilot scale</p> |

| Project eligibility criteria | Feasibility study funding stream | Pilot project and capital works funding stream |
|--|---|---|
| | <p>The project activities must be currently permitted by law.</p> <p>An industrial business must be the lead or partner in the project, providing a cash or in-kind contribution.</p> | <p>TRL6 to TRL8 or full-scale TRL 9/CRL 2-3).</p> <p>The project activities must be currently permitted by law.</p> <p>An industrial business must be the lead or partner in the project, providing a cash or in-kind contribution.</p> |
| PE4. Delivery | <p>The project must be commenced within three months of the signing of a funding agreement and be completed within 24 months from project start.</p> | <p>The project must be commenced within six months of the signing of a funding agreement and be completed within 36 months from project start.</p> |
| PE5. Carbon credit projects ² | <p>Projects proposing to assess the feasibility of generating carbon credit units must demonstrate how they would meet project eligibility criteria of the relevant carbon crediting method. An example is the ACCU project eligibility criteria applied by the Clean Energy Regulator.</p> | <p>Projects proposing to generate carbon credit units must meet the eligibility criteria of the relevant carbon crediting method. An example is the ACCU project eligibility criteria applied by the Clean Energy Regulator.</p> |

² PE5 only applies to projects intending to assess the feasibility of, or generate, carbon credit units.

3.5 Ineligible entities and project types

For the avoidance of doubt, the following types of entities and projects are ineligible for funding.

Ineligible entities that cannot be the lead applicant include but are not limited to:

- a school
- a trust
- a government department
- a sole trader or individual
- an overseas organisation (i.e. an organisation that does not hold an Australian Business Number or Australian Company Number)
- an unincorporated association.

Ineligible project types include but are not limited to:

- existing projects that are already underway
- ceasing operation of a business to reduce emissions
- business as usual activities (i.e. normal operation of an existing business or venture)
- renewable energy generation that is not directly supplying heavy industry processes on the same site. These types of projects may be funded by the [Clean Energy Future Fund](#)
- broad or generic research that is not specific to a heavy industry facility or facilities (typically studies at technology readiness levels TRL 1–2)
- projects not involving specific sites/locations in WA
- projects without an industrial business partner providing a cash or eligible in-kind contribution to the project
- projects intended to generate carbon credits outside of WA and/or projects using crediting methods that are not eligible for use under the [Climate Active Carbon Neutral Standard](#).

3.6 Merit criteria

The merit of eligible applications will be assessed for overall value for money and the quality of information provided against the following weighted merit criteria. Value for money is a key underlying principle in the expenditure of public funds. This means gaining the best possible outcome, for every dollar spent, by assessing the overall costs and benefits to Western Australia.

The Assessment Panel will consider cost and non-cost factors (as identified below), to make a value judgment about the best outcome. Applications that do not meet the eligibility criteria will not be assessed further.

The merit criteria for the two funding streams are outlined in the table below, including the assessment weighting (%) for each criteria.

| Merit criteria | % | Feasibility study funding stream | Pilot project and capital works funding stream |
|-------------------------|-----|---|--|
| MT1. Reducing emissions | 30% | <p>The project will be assessed against the potential benefits from a full-scale project deployment, including demonstrated evidence of:</p> <ul style="list-style-type: none"> a) the direct and indirect greenhouse gas emission reductions likely to be achieved³ b) the scale of potential emissions reduction relative to baseline emissions from the heavy industry facility c) the permanence of the potential emissions reduction d) how the Carbon Mitigation Hierarchy and the transition to net zero emissions has been considered in project design e) the target cost (\$ per tonne) of carbon dioxide equivalent emissions reduction. | <p>Demonstrated evidence of:</p> <ul style="list-style-type: none"> a) the direct and indirect greenhouse gas emission reductions proposed b) the scale of proposed emissions reduction relative to baseline emissions from the heavy industry facility c) the permanence of the proposed emissions reduction d) how the project aligns with the Carbon Mitigation Hierarchy and the transition to net zero emissions e) the proposed cost (\$ per tonne) of carbon dioxide equivalent emissions reduction. |
| MT2. Business case | 20% | <p>A business case which identifies in sufficient detail the financial and technical viability of the project, and which should clearly indicate:</p> <ul style="list-style-type: none"> a) the amount of funding sought for the project, and the total project cost b) other expected sources of funding and evidence that | <p>A business case which identifies in sufficient detail the financial and technical viability of the project, and which should clearly indicate:</p> <ul style="list-style-type: none"> a) the amount of funding sought for the project, and the total project cost b) other expected sources of funding and evidence that |

³ Note on eligible emissions:

Projects will be assessed against the likely reductions in Scope 1 (direct) and Scope 2 (energy use) greenhouse gas emissions. Scope 3 (indirect) emissions can also be considered in the application, provided those emissions occur within Western Australia and there is clear evidence that the project would achieve a decrease in those emissions.

| Merit criteria | % | Feasibility study funding stream | Pilot project and capital works funding stream |
|-------------------------|-----|---|---|
| | | <p>funding has been, or has a reasonable chance of being, secured</p> <p>c) the proportion of total funds contributed by the applicant (excluding other grants)</p> <p>d) the demonstrated financial capacity of the applicant to fund its contribution to the costs of the project</p> <p>e) justification for the need for WA Government assistance by presenting the:</p> <ul style="list-style-type: none"> i. likelihood that the project would proceed without the funding requested ii. status of the project (whether the project has commenced) iii. difference the grant will make to the project in terms of scale and timing <p>f) the project’s technical feasibility and likelihood of success</p> <p>g) commitment to proceed to build the project if it is proven feasible, including an understanding of the likely cost and benefits of deploying the project at full scale.</p> | <p>funding has been, or has a reasonable chance of being secured</p> <p>c) the proportion of total funds contributed by the applicant (excluding other grants)</p> <p>d) the demonstrated financial capacity of the applicant to fund its contribution to the costs of the project</p> <p>e) justification for the need for WA Government assistance by presenting the:</p> <ul style="list-style-type: none"> i. costs and benefits of both the project and the ‘normal’ business as usual solution ii. likelihood that the project would proceed without the funding requested iii. status of the project (whether the project has commenced) iv. difference the grant will make to the project in terms of scale and timing <p>f) the project’s technical feasibility and likelihood of success</p> <p>g) the ongoing viability of the project once the period of WA Government funding comes to an end, including operational viability and/or the likelihood of moving to full-scale deployment.</p> |
| MT3. Ability to deliver | 15% | The level of evidence for MT3 will vary between the funding streams, with pilot projects and capital works requiring a more comprehensive approach, as appropriate for the higher project costs | |

| Merit criteria | % | Feasibility study funding stream | Pilot project and capital works funding stream |
|--|-----|--|--|
| | | <p>and risks associated with construction projects. Notwithstanding this, projects in both funding streams should supply demonstrated evidence of the applicant’s capacity and capability to implement the project and readiness to commence delivery, including:</p> <ul style="list-style-type: none"> a) technical and management capability and expertise of the applicant b) timeframe for project commencement and delivery c) roles of project partners and the status of any relevant agreements between project partners, including the level of involvement of one or more heavy industry facilities in the project d) governance structure for delivery of the project e) a comprehensive delivery plan for the project, including such things as budget and procurement, project milestones and performance criteria, resourcing and quality assurance f) a project risk management plan and completed risk register template g) a clear and detailed funding strategy demonstrating a path to achieving financial close and commencing project delivery upon execution of a funding agreement h) secured or can secure the required regulatory approvals and/or access permits to carry out the project i) plans for insurance to cover potential liability that may result from carrying out the project. | |
| MT4. Innovation and potential for wider adoption | 20% | <p>The level of evidence for MT4 will vary between the funding streams, with pilot projects and capital works requiring a more comprehensive approach, as appropriate for the higher project costs and risks associated with construction projects. Nevertheless, projects in both funding streams should supply demonstrated evidence of:</p> <ul style="list-style-type: none"> a) project innovation – such as a world, national, state or industry sector first, or not common practice (the degree of innovation and/or the extension of the project beyond ‘common practice’ in Western Australia for the relevant sector or subsector and not something that is a requirement under Commonwealth or state law) b) the likelihood that the project will result in similar projects being implemented by the applicant or by others, multiplying the emissions reduction potential c) the potential for cost reductions for future projects by demonstration of new technology, including the ability of future projects to be financially viable without grant funding | |

| Merit criteria | % | Feasibility study funding stream | Pilot project and capital works funding stream |
|------------------|-----|---|--|
| | | <ul style="list-style-type: none"> d) the scale of potential abatement if the technology was adopted throughout the industry sector in WA and more broadly e) the potential for further research or studies arising from the project f) an assessment of project competitiveness against alternatives, including similar technologies or methods in development g) demonstrated benefits to heavy industry and mitigating hard-to-abate emissions. | |
| MT5. Public good | 15% | <p>The level of evidence for MT5 will vary between the funding streams, with pilot projects and capital works requiring a more comprehensive approach, as appropriate for the higher project costs and risks associated with construction projects. Nevertheless, projects in both funding streams should demonstrate the project's contribution to:</p> <ul style="list-style-type: none"> a) knowledge sharing – the quality and extent of the knowledge sharing information about, and resulting from, the project that the applicant proposes to make publicly available to build capacity amongst others, support learning-by-doing and/or demonstrate the feasibility of new technologies or processes b) economic development – delivering economic benefits to the state (i.e. the number of jobs expected to be created by the project, benefits to Aboriginal and Torres Strait Islander employment and/or the extent to which the project represents a new industry or business practice in the state) c) environmental co-benefits of the project, such as reduced pollution, reduction in the use of raw materials, climate adaptation/resilience, or benefits to local or regional biodiversity d) the objectives of the WA Climate Policy. | |

3.7 Application forms and templates

Applications must be made using the [SmartyGrants portal](#). The online application form must be completed in full and submitted before the cut-off date and time to be eligible for funding. The application form includes several questions where the applicant can upload documents, images or other files in support of their application. There are also two Microsoft Excel templates that must be completed and uploaded with the application, these are the:

- Financial Model template
- Risk Register template.

Both templates can be downloaded from the [Carbon Innovation Grants Program](#) webpage.

Information included in the templates will be used to assess the grant merit criteria, as outlined in the table below.

| Merit category | Financial Model template | Risk Register template | Application form and attachments |
|---|--------------------------|------------------------|----------------------------------|
| Merit 1 Reducing emissions | ✓ | | ✓ |
| Merit 2 Business case | ✓ | | ✓ |
| Merit 3 Ability to deliver | ✓ | ✓ | ✓ |
| Merit 4 Innovation and potential for wider adoption | ✓ | | ✓ |
| Merit 5 Public good | | | ✓ |

4 Eligible costs and contributions

Applicants must declare whether the project will leverage any Australian Government or other State Government funding in the business case and application form.

Western Australian Government grant funding may comprise a maximum of:

- 50 percent of total project costs for feasibility studies
- 25 percent of total project costs for pilot projects and capital works.

Eligible costs will be agreed in the funding agreement. Generally, eligible costs may include costs directly associated with the delivery of the project, for example:

- capital costs of equipment used for carbon abatement or sequestration
- essential enabling equipment such as energy storage, feedstock storage, pumps, tanks, system control equipment, system power or energy conversion equipment, pipework, monitoring or communications equipment and structures used for housing power-system equipment
- essential non-equipment expenditure including design, professional services, transport, installation and commissioning, laboratory testing, field sampling, related to the attainment of a project objective or milestone
- project management costs and grant administration costs.

Activities and elements that may not be eligible costs relating to the program include:

- land acquisition
- venture capital expenditure to third parties
- purchase of carbon credits to achieve a net emissions reduction
- legal costs such as those associated with preparing grant applications, finalising, or managing compliance with a funding agreement
- statutory permit or licence costs
- costs associated with core business or business as usual activities
- ongoing administrative and operational costs including rent, electricity and salaries of existing staff working their usual hours and duties
- projects that seek retrospective funding for work already undertaken
- works already underway or completed at the time the funding was announced (including but not limited to contracts already in place to construct infrastructure or buy equipment or where construction has commenced)
- ongoing maintenance of projects to which organisations have committed as part of a previous grant
- costs of preparing applications, reports or associated supporting material.

An in-kind contribution is any non-monetary contribution of goods or services for the project by the applicant. Eligible in-kind contributions from the applicant can cover any of the listed types of eligible project costs. In-kind contributions must be described with sufficient detail to enable assessment of whether the valuation is reasonable, this is described further in the Financial Model template. The applicant's

contribution to total project costs must include a cash (monetary) contribution of at least 25 per cent of the total project costs.

The above lists of eligible and ineligible costs identify the most common examples and are not intended to be prescriptive or comprehensive. If there is any doubt about eligibility of costs, please contact carbongrants@dwer.wa.gov.au.

5 Award and payment of funding

5.1 Payment of funding

Funding to successful proponents will be by way of a grant, or grants, under a funding agreement.

Applicants are required to propose a milestone payment schedule with their application which, if the application is successful, will be finalised in the funding agreement process. The Financial Model template calculates the maximum funding per milestone and can form the basis of the payment schedule. Note that signing the funding agreement will not be considered a milestone that warrants a payment.

Funding will only be provided to successful applicants that agree to the terms of the funding agreement, including that:

- payment of approved funds will be made in arrears
- before a milestone payment will be made, the applicant must submit evidence that the milestone has been completed and that the milestone payment is not more than the approved percentage of the eligible expenditure incurred to complete the milestone
- funding will be apportioned to each eligible milestone, including the final milestone (project closure)
- the grant cannot be frontloaded and fully expended prior to project closure.

5.2 Funding offer and recognition

Following approval from the Minister for Climate Action to allocate funding to a project, and successful completion of a due diligence assessment, the department will send a formal funding offer to the applicant.

All funding offers will be conditional on the execution of a funding agreement with the department within six months and any other conditions precedent as contained in the funding agreement. Failure to execute a funding agreement within this period may result in withdrawal of the funding offer.

Any request from the applicant to extend the negotiating period must be made in writing.

The department may terminate contractual negotiations if a new issue arises regarding compliance with the General Conditions that was not raised within the application.

5.3 Funding agreements

Applicants offered funding are required to enter into a legally binding funding agreement with the department before any funding can be paid.

The funding agreement provides the legal framework for the obligations of each party and terms around milestone payments and will be provided to successful applicants.

Funds will not be provided until the funding agreement has been finalised, has legally commenced and any conditions precedent have been met, as a minimum this will include:

- evidence of confirmed funding arrangements for the balance of project costs
- evidence of ownership of, access to, or the beneficial use of, any intellectual property necessary to carry out the project or evidence of the ability to acquire use of this intellectual property by the applicant.

5.4 Disbursement of funds

A schedule detailing the anticipated milestone and payment structure, including milestone reporting, will form part of a successful applicant's funding agreement.

Payment will only be made based on actual eligible costs incurred to a maximum of the approved funding amount. If project costs are below the approved funding for the project, or if a project is not completed in the allotted period, only eligible costs incurred will be considered.

Recipients must provide evidence of project expenditure such as receipts. The department will assess milestone and financial reports to ensure that sufficient evidence of expenditure and completion of the milestone is provided and that reports have been certified by the authorised officer.

5.5 Variations to funding agreements

Requests to vary a funding agreement (for example, changes to project milestones or changes in scope) must be made in writing to the department.

Funding recipients shall advise the department through the submission of a formal written request for variation for approval as soon as the required changes are identified.

The department will seek approval from the Executive Group for substantive modifications and may consider the impacts the variation would have on the basis for which the project was initially offered funding.

All variations will be by written agreement of the parties.

The department may engage relevant expertise to assist with the assessment of requests to vary a funding agreement.

6 Monitoring and evaluation of projects

Monitoring and reporting requirements, including knowledge sharing, will be specified in the funding agreement and will be tailored to individual projects.

Projects are expected to progress at a rate consistent with the milestones for the project specified in the funding agreement. Funding recipients will be required to provide reports as specified in the funding agreement to demonstrate the performance of their project against the agreed performance milestones. Reports may include:

- regular progress reports
- milestone reports
- management of risks
- audited financial reports
- a final report.

The department may terminate a funding agreement or suspend further payments of funding if a project fails to meet agreed milestones or be completed within the agreed term of the funding agreement.

7 Reporting

Funding recipients must submit appropriate evidence to the department once milestones have been achieved and reported (for example, receipted tax invoices or other formal documentation that provides evidence of the activity and related expenditure).

The department will assess whether the relevant milestone has been met and adequately reported before authorising a milestone payment.

By the project end date specified in the funding agreement, the recipient must submit a project evaluation report and a financial report in the format prescribed in the program documentation.

Project closure will not be completed until the project evaluation report and the financial report have been approved by the department.

8 Other matters

8.1 Alignment with other State Government policies

Applicants are encouraged to consider in their applications how their projects will contribute to the objectives of State Government policies to deliver new jobs, enhance local content and regional development outcomes and provide economic opportunities for Aboriginal and Torres Strait Islander people in Western Australia.

8.2 Recognition requirements

In all publications, promotional and advertising materials, public announcements and activities in relation to a project, a successful recipient must acknowledge the financial support that it has received from the Government of Western Australia through the Carbon Innovation Grants Program (as listed in the funding agreement).

The Government of Western Australia reserves the right to publicise and report on the funding awarded to funding recipients. This may be done by including the funding recipient's name, amount of funding approved, and the title and a brief description of the project in media releases, general announcements and annual reports.

8.3 Personal information and disclosure of information in application

State Government agencies are subject to the *Freedom of Information Act 1992* (WA), which provides a general right of access to records held by State Government agencies and local governments.

Applications will be treated as commercial-in-confidence; however, applicants should be aware that their applications may potentially be subject to Freedom of Information and other government disclosure requirements.

Information pertaining to the receipt of State Government financial assistance will be tabled in the Western Australian Parliament. This information could include the name of the recipient, the amount of the assistance, the name of the project and a brief description thereof. This could result in requests for more details to be released publicly and any commercial-in-confidence information should be clearly marked as such to assist in any assessments of confidentiality.

Successful applicants should be aware that their entity or organisation's name, project name and amount of funding approved may appear on State Government websites.

8.4 Confidentiality

Information that is provided by an applicant as part of, or in connection with, an application for funding and that is identified by the applicant as being commercially

sensitive will be treated as commercial-in-confidence and will only be disclosed with the consent of the applicant or in accordance with section 8.3 above.

The department may disclose any information, including commercial-in-confidence information:

- to the Minister for Climate Action and their ministerial office
- to members of the Assessment Panel
- to independent technical experts where required
- to departmental staff, consultants, advisers and auditors
- as required by law.

These parties will be required to observe appropriate confidentiality in accordance with the State Government's general confidentiality requirements for its employees and contractors.

Applicants must keep funding offers confidential until:

- (i) the Minister announces the funding offer, or
- (ii) the Minister consents to release of the information.

8.5 Complaints

Any complaints received about the Carbon Innovation Grants Program will be registered with the department and reviewed. If the department cannot resolve the complaint within 30 business days of receiving it, the complaint will be escalated to the Executive Group.

Independent technical advice may be sought by the department or the Executive Group to assist in the resolution of complaints or disputes.

8.6 Conflicts of interest

Members of the Assessment Panel, secretariat and administrative staff for the program, and technical experts engaged to provide advice will also be required to disclose any conflicts of interest (actual, perceived or potential) they have in relation to applications and may be excluded from the assessment of an application because of their conflict of interest.

8.7 Tax information

Funding provided to recipients is regarded as payment for a supply. GST-registered grant recipients will therefore be liable for GST in connection with the grant.

The grant will be increased by the amount of GST payable. Recipients must provide a tax invoice for the GST inclusive value of the grant.

Funding provided by the program may be treated as taxable income for taxation purposes.

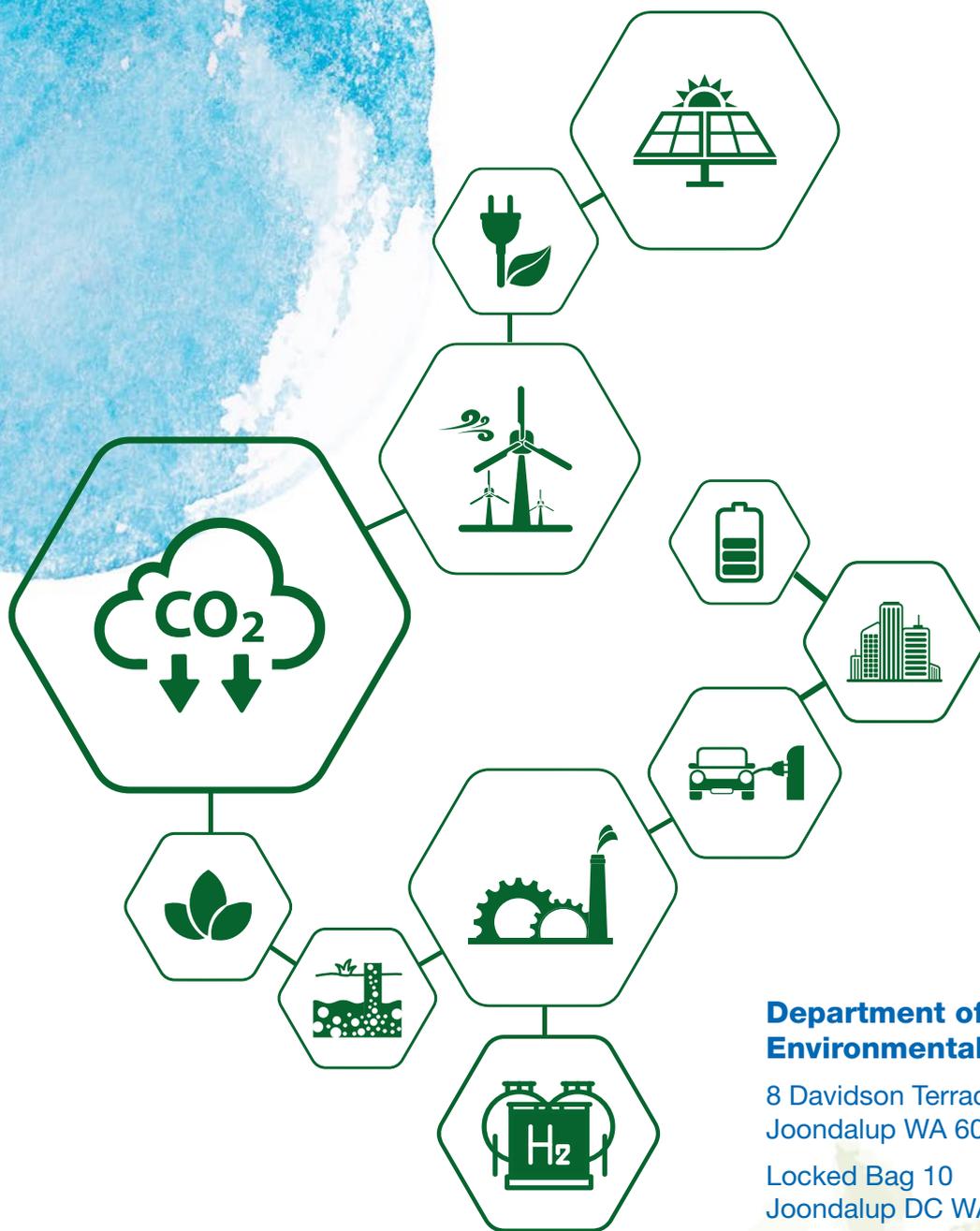
Glossary

| Term | Definition |
|---|---|
| Application | An application made to the Government of Western Australia for funding under the Program, which includes a project proposal, a completed application form and any other supporting or additional information provided by the applicant in relation to the application. |
| Applicant guidelines | This document setting out the guidance and information necessary for applicants to submit an application to the Program. |
| Assessment Panel | The Program’s Executive Group (see below) in its capacity of assessing applications to the Program and finalising a recommendations report, supported by non-voting administrative members and probity advisory members. |
| AWST | Australian Western Standard Time |
| Baseline | Means the annual Scope 1 and 2 greenhouse gas emissions of a facility, or facilities, prior to undertaking a carbon emissions reduction project. |
| Carbon emissions reduction project | <p>A project that deploys or applies a technology that achieves a net reduction in greenhouse gas emissions to the atmosphere through one or more of the following:</p> <ul style="list-style-type: none"> • Avoiding emissions (e.g., by changing an industrial process so that it no longer produces emissions) • Reducing emissions (e.g., by improving industrial process efficiency) • Capturing and permanently storing greenhouse gasses (e.g., by storing within an underground reservoir, solid form, or carbon farming methods). |
| Carbon mitigation hierarchy | Means the process of reducing carbon emissions through the most efficient means available, in order of priority: avoid > reduce > store > offset. |

| Term | Definition |
|--|---|
| Clean Energy Regulator | Means the Australian national regulator responsible for administering the Carbon Farming Initiative, the Emission Reduction Fund and the methods for developing Australian Carbon Credit Units. |
| Commercial Readiness Level (CRL) | Defined stages in the commercialisation of a technology from early research, through to real world testing, pilot and full scale deployment, as defined by the Australian Renewable Energy Agency (ARENA) . |
| DWER | Department of Water and Environmental Regulation |
| Eligible costs | Refer to Section 5 of these Applicant guidelines |
| Executive Group | Nominated representatives from DWER and other government agencies that oversee and approve key aspects of Program administration and provide advice and recommendations to the Minister for Climate Action. |
| full scale deployment | As it relates to the CIGP, means a carbon emission reduction project that is applied to an industrial facility or process to the maximum extent practicable. |
| Industrial business | An otherwise eligible entity which is involved in the production of goods from raw materials. |
| Heavy industry facility | <p>Heavy industry, as referenced in the Program Objectives and merit criteria, is a general term which can cover many types of businesses involved in mining or manufacturing of industrial products, for example: mineral extraction, mineral or metal refining, machinery manufacturing, fuel production or chemical/fertiliser manufacturing. Both stationary and mobile plant may be included in a heavy industry facility. The following classifications can also be used as a guide to identify heavy industries that are the focus of this grant:</p> <ul style="list-style-type: none"> • <i>Emissions Intensive Trade Exposed Industries</i> as defined by Schedule six of the Renewable Energy (Electricity) Regulations |

| Term | Definition |
|----------------------------------|--|
| | <p>2001 as amended and in force at the time of grant application.</p> <ul style="list-style-type: none"> “Hard to abate” industries including: Iron and steel, Aluminium, Chemicals (ammonia, fertilisers and explosives), LNG and ‘Other metals’ identified in the Australian Industry Energy Transitions Initiative Phase 1 Technical Report 2021, ClimateWorks Australia, Butler, C, Maxwell, R, Graham, P & Hayward, J. <p>Designated Large Facilities as defined by the <i>National Greenhouse and Energy Reporting Act 2007</i> as amended and in force at the time of grant application.</p> |
| Program | The Carbon Innovation Grants Program established in accordance with the <i>Financial Management Act 2006</i> . |
| Funding Agreement | The agreement for funding entered into between a successful Applicant and the Government of Western Australia. |
| Lead Applicant | The Applicant that signs the application form and will be the recipient of the grant funding if successful. |
| Permanence | The permanence of carbon abatement resulting from a project. This can include permanence of emissions reductions relative to a baseline or the permanence of a long-term carbon storage activity. CIGP expectations of permanence are aligned with definitions used by the Clean Energy Regulator . |
| Project | The carbon emissions reduction project that is the subject of the application to the Program. |
| Secondary Applicant | Applicants that are listed in the application as part of a consortium or partnership, who are not the lead applicant. |
| Technology Readiness Level (TRL) | Defined stages in the development of a technology from early research, through to real world testing and pilot and full scale deployment, as defined by the Australian Renewable Energy Agency (ARENA) . |

| Term | Definition |
|-------------|-------------------|
| WA | Western Australia |



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