

Department of Jobs, Tourism, Science and Innovation



GOVERNMENT OF WESTERN AUSTRALIA

X-TEND WA

Innovation Ecosystem Support

Guidelines: Round 7 – August 2024

NOTE: THIS ROUND IS ONLY FOR PROGRAMS THAT: 1. EDUCATE AND ACTIVATE CURRENT AND POTENTIAL

- INVESTORS,
- 2. BOOST CORPORATE INNOVATION, AND/OR
- 3. ARE <u>SPECIFICALLY</u> AIMED AT BOOSTING REGIONAL AND/OR INDIGENOUS INNOVATORS AND/OR FEMALE FOUNDERS AND TEAMS.

Contents

1.	Introduction	2
2.	Western Australia's Innovation Strategy (Strategy)	2
3.	Overview and objective: X-TEND WA Program	3
4.	Eligibility criteria	4
5.	Evaluation criteria	5
6.	Scope of activities	6
7.	Co-investment	7
8.	Follow on funding	7
9.	How the application process works	7
	9.1. Stage 1: Develop and submit your application	8
	9.2. Stage 2: Eligibility checks	8
	9.3. Stage 3: Evaluation	9
	9.4. Stage 4: Notification of Outcome	9
10	.How the funding works	11
11	.Other terms and conditions	11
	11.1. Reporting	11
	11.2. Freedom of Information Act 1992	12
	11.3. Tax Information for Applicants	12
	11.4. No Harrassment (NEW CLAUSE)	12

1. Introduction

The Western Australian Government has reinvested another \$25.8 million in the New Industries Fund (NIF) over four years (2021-25) that will continue to support and accelerate new and emerging businesses to diversify the Western Australian economy and create new WA jobs and industries.

An additional \$9.1 million was provided to the NIF for 2023-2025 and supports the State's Innovation Strategy and associated Innovation Action Plan.

Building jobs and new industries requires an industry-led approach to innovation and business competitiveness. The NIF was initially established in 2017 to support a self-sustaining innovation environment that encourages collaboration and private sector investment. This is helping grow State and regionally significant competitive advantages, and helping to create the required levels of skills for the jobs of the future.

The NIF is run by the Western Australian Department of Jobs, Tourism, Science and Innovation (JTSI). The NIF provides funding for a number of initiatives to foster an innovative and diversified Western Australian that is competitive, sustainable and attractive to investors, industry and entrepreneurs.

This document is written for organisations who wish to apply for the X-TEND WA Program (X-TEND WA), Round 7. If you have any questions about the NIF or the program please contact the innovation staff at <u>innovation@jtsi.wa.gov.au</u>. Please note, these Guidelines may change from time to time.

2. Western Australia's Innovation Strategy (Strategy)

The Strategy's goal is to inspire a new generation of innovators to solve our challenges and encourage the economy to move in exciting, new directions. The mission is to elevate Western Australian innovation onto the global radar and propel the local ecosystem into a new phase of growth. The strategy sets itself the following 10-year goals to realise this vision. Western Australia will become a:

- World leader in research and inventiveness;
- Location of choice for product and technology development, translation and testing;
- Home to globally-focussed organisations that scale, creating new jobs;
- Adopter of new technologies and a tech transfer haven;
- Place where innovation is inclusive and purposeful, rewarded and respected.

To achieve these five (5) goals, the Government is taking action in seven (7) priority areas:

- **Skills, people and culture**: The Western Australian Government will invest in building additional talent across the State and attracting talent globally.
- **Research and tech transfer**: The Western Australian Government will set out a bold new science and research agenda, fit for the decade ahead, and seek to maximise technology transfer opportunities across the State's growing economy.
- **Networks, precincts and shared facilities**: The Western Australian Government will accelerate efforts to enable innovation hubs, precincts and shared facilities to strengthen the innovation ecosystem across the State.
- Access to capital: The Western Australian Government will encourage the growth of an active local venture capital market for WA innovators and investigate other ways to ensure there is access to sufficient capital.
- **Procurement and supply chains**: The Western Australian Government is making procurement easier for WA startups and small businesses to provide access to major industry and Government contracts, and will work with partners to open market access to global supply chains.
- **Diversity and inclusion**: The Western Australian Government will grow and foster the diversity and inclusiveness of the Western Australian economy, providing opportunities for greater participation in new and innovative economic activity by underrepresented groups.
- **Promotion and adoption**: The Western Australian Government will elevate efforts to promote and celebrate the outstanding scientific, technological and innovative capability of WA internationally and at home, supporting the adoption of new technologies and innovations across businesses and communities.

For more information on the WA Innovation Strategy, please visit the website.

3. Overview and objective: X-TEND WA Program

Ensuring the NIF supports those industries where there is potential for job growth is critical to the future of Western Australia. WA is fortunate to have talented people and many competitive advantages. The State Government is leveraging and building on these competitive advantages and focusing on growing industries that enrich lives, create jobs and diversify the economy.

In order to create new jobs and industries there is a recognised need for services to expand the capability of entrepreneurs and support their innovation journey.

X-TEND WA is a competitive co-investment grants program that invests in organisations that deliver initiatives which assist and support the WA Innovation Ecosystem.



For this next Round (7) of X-TEND with the cut-off date of **30 August 2024**, we are seeking applications from:

- 1. Organisations that run programs that educate, grow and encourage **investor education**, leading to an increase in investment in innovative projects in Western Australia;
- 2. Organisations that run programs that educate, grow and encourage **corporate innovation**, including opening up connections between corporates and startups, unlocking procurement pathways and corporate venture capital;
- 3. Support for other programs that help grow the innovation ecosystem such as: entrepreneurs in residence, co-working spaces, recurring events, incubators or innovation hubs that are <u>specifically aimed at</u> developing regional, and/or indigenous and/or female founders and teams in Western Australia.

Please note:

- X-TEND WA Program funding is not suitable for 'business as usual' programs. There has to be a strong theme of 'innovation', with the purpose of growing WA's innovation-driven enterprises, startups and scale ups.
- A 'regional program' is not a regional program just because it is being offered online; applications need to demonstrate how they are going to reach and develop regional innovators.
- It is encouraged that where proposing a program for regional WA, consideration be given to engagement/partnering with a local service partner, in the regions.
- Funding for the X-TEND WA Program is subject to available funds. All funding decisions are final and at JTSI's absolute discretion.
- Funding may be available up to, but will not exceed, AU\$150,000 (+GST) per entity.
- A valid application does not automatically entitle an applicant to funding under X-TEND WA.

4. Eligibility criteria

In order to be considered eligible for X-TEND WA, applicants must also meet the following criteria:

- Have an Australian Business Number (ABN) and/or Australian Company Number (ACN);
- Have the business/organisation's (including not-for-profits) registered business address in the State of Western Australia; or



- Be an Australian business/organisation not located in the State of Western Australia, that agrees to register a business address in the State of Western Australia;
- Be made by a valid legal entity that can enter into a funding agreement with the Western Australian Government;
- Be a solvent Western Australian based non-government organisation (business or not-for-profit);
- Put forward a program proposal that aligns with one or two of the streams within the Scope of Activities, as indicated at Item 6 below;
- Clearly explain how the proposal will contribute to job creation and economic diversification in Western Australian; and
- Include a project plan that includes a timeline, deliverables, a clear and reasonable budget, resources, risks, IP management, stakeholder engagement and how impact/success will be measured.

Employees and Officers of JTSI, and their immediate families, are not eligible to apply.

Previous X-TEND WA Program WA recipients may apply for the same initiative but must demonstrate a strong market need.

5. Evaluation criteria

Eligible applications are required to address the following Evaluation Criteria via the X-TEND WA <u>online grant platform</u>. The applications will be scored against the Evaluation Criteria to determine the extent to which the application meets the investment requirements of Government and whether they offer value for money as an investment and against other applications.

The New Industries Fund will invest up to, but not exceeding, \$150,000 (+GST) per successful application for this Round (7). Applications seeking funding in excess of \$150,000 will not be considered.

The six, equally weighted Evaluation Criteria used to assess application are as follows:

- 1. The extent to which the program provides a comprehensive solution to a market need within the Western Australian innovation community.
- 2. Uniqueness applications will need to demonstrate how the program or initiative is unique in the innovation space. Uniqueness may be supported by verification of ownership of the program.
- 3. Contribution to two or more of the seven (7) priority action areas in the WA Innovation Strategy (Skills, people and culture; Research and tech transfer; Networks, precincts



and shared facilities; Access to capital; Procurement and supply chains; Diversity and inclusion; and, Promotion and adoption).

- 4. Return on investment to the State, including job creation and economic diversification.
- 5. Capability and capacity of proponent to deliver the program, including track record.
- 6. Feasibility of the proposed program or initiative, including risk, affordability and a project plan which includes how the program or initiative will be promoted to attract the maximum number of people within the target audience, and how you will measure success.

6. Scope of activities

JTSI is seeking applications which deliver initiatives that assist, support and grow the WA Innovation Ecosystem. This may take the form of educational forums, mentoring, ideation, incubator, accelerator, scale up and investor ready programs, co-working spaces, recurring events and innovation hubs. Initiatives will be delivered over 12 months, or less. JTSI will accept applications from entities, with a proven track record of success that can deliver activities in one or two of the following streams:

- 1 **Investor education** programs which educate and activate current and potential investors, through providing best practice tools to make more successful investment decisions for investing in local innovation ventures. By doing so this will encourage the availability of more private capital for emerging industries, improving overall outcomes for Western Australian enterprises.
- 2 Corporate education programs which promote innovation within corporates (medium to large businesses), that engage, educate and activate them by providing best practice tools to engage with local innovative ventures and the innovation ecosystem more generally. These programs may include opening up connections between corporates and startups, unlocking procurement pathways into corporates (being the local innovator's first client) and developing corporate venture capital.
- 3 Broader ecosystem support such as: co-working spaces, entrepreneurs in residence, recurring events, incubators and innovation hubs that are <u>specifically</u> <u>aimed at</u> developing regional, and/or indigenous and/or female founders in Western Australia.

X-TEND is open to all investor markets and industry sectors that clearly demonstrates a strong market need.

The initiative must be delivered in Western Australia and contribute towards the growth of the innovation community. Applications that strengthen innovation ecosystem collaboration



and improve access to, or participation in, the Western Australian innovation community are required.

7. Co-investment

A 1:1 co-investment is preferred in this process. However, it is recognised that some vital initiatives may not be able to attract this level of co-investment. As such, partial or non-matched funding applications may be considered and evaluated on a case by case basis where a demonstrated market need is shown. This is at JTSI's absolute discretion.

Applications that focus specifically on **regional**, **indigenous** and/or **female founders** may not be expected to provide as much co-contribution, and in some cases, none at all (depending on the attractiveness of the application). Applicants can make the case for less co-investment in their application.

The co-investment cannot comprise or include funds, sponsorship or otherwise from the Western Australian State Government. Proof of co-contribution should be included in the project plan.

8. Follow on funding

Applicants are invited to identify if their program will run for one (1) or two (2) years in the application process. Successful X-TEND programs will be funded for an initial 12 months. Additional follow on funding for the second year, (not exceeding \$150,000) may be considered based on the proven outcomes from the first year; a demonstrated strong market need; and is subject to available government funding and at JTSI's absolute discretion.

9. How the application process works

To be considered for funding for X-TEND WA, your application can be submitted via the <u>online grants platform</u> at any time and can be edited prior to specified cut-off dates for each round. Please note that an independent panel will review submitted applications during the financial year, after each of the advertised cut-off dates for each round.

To be considered for the X-TEND Round 7 funding, your application must be received by 11:00AM (AWST) Friday 30 August 2024. Successful applicants will be required to be available to sign funding agreement documentation throughout September 2024.

Indicative timeline for X-TEND Round 7

Closing date	Applications lodged no later than 11:00AM (AWST)
	Friday 30 August 2024



Eligibility checks	30 August – 1 September 2024
Evaluation	September 2024
Outcome known	September-October 2024
Funding agreements in place	October 2024
Funded programs completed	By October 2025

The application evaluation comprises four stages and each stage is described below.

9.1. Stage 1: Develop and submit your application

Applicants should consider these Guidelines in full prior to completing their application. Applications can be completed online via the <u>X-TEND WA online grant platform</u>.

Applications can be submitted at any time of the year but they will only be assessed during specific cut-off times for rounds. To be considered for funding for X-TEND Round 7, your application must be received by 11:00AM (AWST) Friday 30 August 2024.

JTSI officers cannot review and quality check your application, however, you are free to ask specific questions if you require clarification of the requirements to innovation@jtsi.wa.gov.au.

Applicants are to exercise caution when using generative AI tools in the preparation of grant applications, given it may not be possible to monitor or manage subsequent use of information entered into generative AI databases.

Applicants must certify that all information provided in their applications is accurate, as they are accountable for any misinformation and factual errors more broadly, including those resulting from the use of generative AI in their applications.

Applicants should appreciate that the X-TEND WA Program grant application process does require an investment of time, and they should weigh this against the likely competitiveness of their application.

9.2. Stage 2: Eligibility checks

Once you complete your application it will be assessed by JTSI to make sure that it has all the required information and meets the basic criteria for the program.

If your application does not meet these basic requirements it will not be assessed further. You will be notified via email at the end of the process as to the outcome of your application.



In some circumstances (for example, if a simple point needs to be clarified) JTSI officers may contact you. See Item 5 for eligibility criteria.

9.3. Stage 3: Evaluation

Your application will be evaluated to determine the extent to which the application meets the investment requirements of Government and whether they offer value for money as an investment.

There will be multiple applications competing for a finite pool of funds and so there will be a competitive assessment to identify the strongest applications.

JTSI will draw on a range of information to understand and assess your application. The application form, and its supporting documentation, will be the first piece of information JTSI considers.

The panel may also draw on information that it gathers from referees, Internet and other sources, as well as financial due diligence checks conducted by the panel and JTSI officers.

Evaluation panel members will be required to complete a conflict of interest declaration and any conflicts will be managed.

Applications will be scored against the six evaluation criteria (see section 5 above) to determine whether they offer value for money as an investment and against other applications. This scoring will be used to make a recommendation to JTSI along with advice on the strengths and weaknesses of each application. JTSI makes the final decision on awarding funding.

JTSI reserves the right to subject any application to a competitive process, or not proceed at all, should the proposal fail to meet any of the above criteria to JTSI's satisfaction at any point during the assessment process outlined in this document.

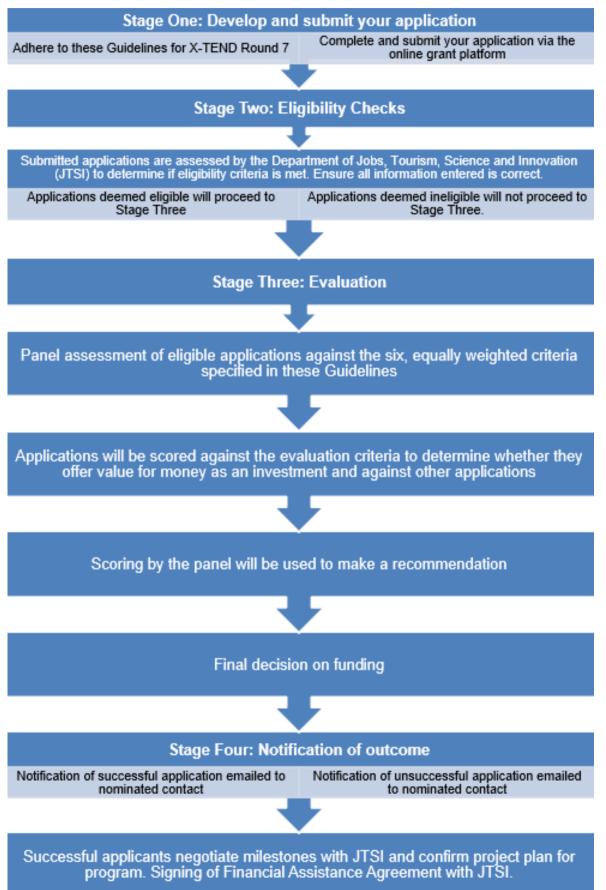
JTSI reserves the right to subject any application to a competitive process, or not proceed at all, should the proposal fail to meet any of the above criteria to JTSI's satisfaction at any point during the assessment process outlined in this document.

9.4. Stage 4: Notification of Outcome

You will be advised of the outcome of your application by emailed letter once a decision has been made. Please note, the decision is final and no further correspondence can be entered into. Timing of the announcement is at the discretion of the Minister for Innovation.

If your application is successful, the letter will include an offer of funding and you will be asked to enter into a Financial Assistance Agreement (FAA).

New Industries Fund – X-TEND Program Process



10.How the funding works

Your funding will be managed under a FAA which will link grant instalments to agreed milestones and Key Performance Indicators (KPIs). Initiatives will be funded for a set dollar value (not exceeding AU\$150,000) and specified purpose and duration.

Your project plan needs to clearly identify the components of your program or initiative that the funding from X-TEND WA will be applied. X-TEND WA funding <u>cannot</u> be spent on 'business as usual' salaries for existing staff.

JTSI reserves the right to check the financial stability of all selected applicants before funding agreements are finalised.

No rights to financial assistance accrue until such time as the FAA has been executed by JTSI.

Any follow on funding for an agreed second year will be subject to:

- achievement of deliverables and KPIs that are agreed in the FAA;
- acceptance of a Final Report by JTSI;
- evaluation of outcomes;
- available funds; and
- at JTSI's absolute discretion.

The provision of financial support under X-TEND is at the absolute discretion of JTSI and is subject to the availability of funds.

11.Other terms and conditions

11.1. Reporting

If you receive funding from X-TEND WA, you will be required to undertake reporting against your KPIs, including financial statements, as part of milestone payments. JTSI and the NIF are also to be acknowledged on websites, promotional material and program content.

You will also be requested to provide JTSI impact measurements, on an annual basis, outside of the term of your FAA to determine the effectiveness of the State's investment in X-TEND WA.

It is expected that all recipients of NIF funding add their organisation to <u>Dealroom</u>, under the 'Accelerators', 'Workplaces', 'Universities' section, or as appropriate. Here you can add your organisation and grant information, that then becomes visible to the WA Innovation Ecosystem, unlocking features and helping the database become more complete.

11.2. Freedom of Information Act 1992

JTSI is subject to the <u>*Freedom of Information Act 1992*</u>, which provides a general right of access to records held by Western Australian State and Local Government agencies.

Information that relates to the receipt of State Government financial support may be tabled in the Western Australian Parliament. This information could include names of recipients, the amounts of financial support, the name of the project/activity and, possibly, a brief description of the project/s funded. This could result in requests for more detail to be released publicly. Likewise, recipients may be mentioned in Ministerial media releases, on the JTSI website, and social media platforms.

11.3. Tax Information for Applicants

JTSI regards this grant program as having sufficient nexus for supply, and as such grant funds will be inclusive of GST.

Grant Recipients must provide JTSI with a tax invoice inclusive of GST.

11.4.No Harrassment (NEW CLAUSE)

Successful applicants for X-TEND WA will comply with all relevant laws and ensure the services they provide and/or participate in proactively address, manage and where possible, avoid any unwelcome behaviour that offends, humiliates or intimidates a person.

Unwelcome behaviour can include physical, verbal or visual conduct (e.g. in the form of posters, email, or SMS messages). Successful applicants are expected to treat all people with respect and courtesy.