

Defence Ready Initiative 2025/26

Guidelines

Contents

Fund Overview	3
Fund objectives	3
Key Dates	3
Grant funding	3
Assessment process	4
Fund Guidelines	5
Who can apply?	5
Eligible Activities	5
Ineligible Activities	7
How do I apply?	8
How will the applications be assessed?	8
Financial Assistance Agreement	8
Payment Process	9
Tax Information	9
Reporting Requirements	9

Overview

2025/26 Round Objectives

The Defence Ready Initiative (**DRI**) is a grant program administered by Defence West within the Department of the Premier and Cabinet (**the Department**).

The objective of the DRI is to provide funding support for Western Australian small to medium enterprises (**SMEs**) that operate in the defence sector, in order to enhance their capacity, capability and competitiveness in specific areas to participate as suppliers of products, services and works that assist in meeting Defence's requirements.

These guidelines are designed to assist applicants in understanding the DRI and the application process. The Department reserves the right to make any amendments or vary the application of these guidelines on a case-by-case basis as appropriate.

Key Dates

The timelines below are indicative only and subject to change at the Department's discretion. Any changes to closing dates will be published on the Department's website.

Milestone	Date
Round Opens	9am (AWST) 3 November 2025
Round Closes	4pm (AWST) 15 December 2025
Assessment and notification of outcomes to applicants	Within three months of round closing
Execution of Financial Assistance Agreement	Within 30 days of notification of outcome
Completion of activities and claim for payment submitted	No later than 30 June 2027

Grant funding

The level of funding support available under the DRI is a maximum of \$20,000 (excluding Goods and Services Tax (**GST**)) per successful application.

Grant amounts sought cannot exceed 50 per cent of eligible expenditure (excluding GST). For example, to be eligible for the full \$20,000 you would need to have minimum eligible costs of \$40,000 (excluding GST).

NB: The Department reserves the right to support applications for more than \$20,000 on a case-by-case basis.

Assessment process

Applications will be assessed by an independent Assessment Panel which will meet to consider all submitted applications following the closure of the round.

Applications will be assessed against their eligibility as well as the round objectives, and will then be scored against the following evaluation criteria and weightings:

Relevance/need 30%

Level of impact 30%

Capability and capacity 15%

Value for money 15%

Financial viability and risk 10%

Contact

If you have any questions regarding this assistance program, the application form or your business eligibility for funding under this round, please contact the Industry Development team at Defence West defencewest@dpc.wa.gov.au.

Guidelines

Who can apply?

Previous recipients of funding are not eligible to apply for this round of DRI funding.

To be eligible for funding, applicants must satisfy the following criteria:

- Be registered for GST for at least 12 months prior to application submission date;
- Have an Australian Business Number (**ABN**);
- Be a for-profit organisation or business (Not-for-profits and charities are ineligible);
- Have been operating for at least two years – including at least one year in Western Australia – at the time of submitting an application for funding;
- Have its principal place of business (**operating facility**) in Western Australia and continue to be based in Western Australia for at least the next 12 months following application submission date;
- Employ less than 200 people; and
- Have not previously applied for a DRI grant during this round or financial year.

Please note: If multiple applications are received from the same business, only the first application submitted will be considered unless otherwise requested by the applicant.

Eligible Activities

The following activities are eligible for funding:

1. External expertise for the purpose of:

- Planning and business advice. This includes, but is not limited to:
 - Strategic and business planning;
 - Development and implementation of marketing plans;
 - Supply chain facilitation;

- Tender submission advice and preparation; and
- Preparation and submission of applications for other government and international grants.
- Improvements to internal business infrastructure / systems. This includes, but is not limited to:
 - Production systems;
 - Transportation and distribution systems;
 - IT and communication systems including cyber security;
 - Implementation and certification of national and international standards and management systems; and
 - Operational and other activities identified as necessary to meet the pre-qualification requirements of the target market.
- Training and/or customer engagement. This includes, but is not limited to:
 - Up-skilling of employees which leads to improved operational processes;
 - Training that is part of the employer's staff development requirements;
 - Costs involved in activities that build customer relationships, such as participation in trade shows;
 - Travel and accommodation costs associated with training – where local options are not available; and
 - Costs involved in bringing registered trainers to deliver local group training.

2. Plant and equipment. This includes, but is not limited to:

- Acquiring new equipment or machinery;
- Acquiring second-hand equipment or machinery through a dealer;
- Modifying existing equipment or machinery;
- Upgrades or expansions to applicant owned business operating facilities;
- Purchase of specialised motor vehicles. These are vehicles which perform specific and specialised functions (e.g. bobcats, forklifts, cherry pickers, back hoes, bucket trucks etc.) and will be used exclusively for business purposes; and

- Purchase of specialised computer hardware and software (e.g. tender management software; project management software; on-line sales and marketing systems).

Ineligible Activities

- Works carried out by consultants without the appropriate expertise to deliver the service;
- Works carried out by third parties that are perceived by the Department not to be at arm's length from the business;
- Support of any legal action;
- Purchase of equipment and machinery second-hand through a private sale;
- Purchase of motor vehicles which do not perform specific and specialised functions (e.g. utility vehicles, vans, 4x4s);
- Purchase of general computer hardware, software, and office furniture and equipment upgrades and purchases e.g. Microsoft Office/Windows operating systems, photocopiers etc.
- Land and property acquisitions;
- Upgrades or expansions to leased or rented property;
- Internal research and development activities;
- Expenditure of an operational nature (i.e. business as usual expenditure such as wages, advertising, office expenses, accounting, legal, IT maintenance services etc.);
- In-house training (i.e. training delivered by employees of the business);
- Training by organisations without the appropriate expertise and experience;
- Tertiary education - this includes certificate level courses at TAFE or private colleges;
- In-kind contributions are not considered as part of the business commitment to activity costs and are not funded under the DRI;
- Retrospective activities. The activity or expenditure on the activity must not be undertaken prior to submitting your application;
- Activities for which other Federal, State or Local Government funding has been, or is likely to be granted; and
- Activities implemented outside of Western Australia.

How do I apply?

Eligible applicants must submit their application online using the DRI Application Form. A preview of the Application Form detailing the information required is available through the [DRI webpage](#).

Before applying, applicants must read and understand these guidelines and the Financial Assistance Agreement found on the [DRI webpage](#).

How will the applications be assessed?

Applications are assessed by an Independent Assessment Panel that will meet to consider all submitted applications following the closure of the round. The Independent Assessment Panel will comprise of officers from within the Department as well as external expertise, as required. Applications are assessed against their eligibility as well as their relevance to the round objectives and against the evaluation criteria of the round.

A satisfactory response is required across all of the evaluation criteria in order for an application to have a good chance of success.

To mitigate risk, a Risk of Failure report will be obtained through [Illion \(formerly Dun & Bradstreet\)](#) for recommended applicants. Illion is an independent, third party used to carry out due diligence and is not associated with, or part of, the Department.

A High Risk of Failure on the report will be taken into consideration when determining successful applications. The final decision on applications where a High Risk of Failure report is returned will be at the Department's discretion.

Further information on Illion can be found on its [website](#).

Applicants will be notified of the outcome of their application via the email address provided in the application form.

Financial Assistance Agreement

Approval of funding is subject to the applicant entering into a Financial Assistance Agreement (**FAA**) with the Department.

Applicants must read the FAA template prior to submitting an application. This template includes the non-negotiable terms and conditions that successful Applicants will be required to agree to when entering into an FAA with the Department.

Payment Process

The DRI is a re-imbursement scheme where successful applicants pay for the activity prior to making a claim for the approved grant funding. The grant will be paid in two instalments; the first instalment on execution of the FAA, and the second instalment upon completion of all agreed activities. Progress instalments will not be considered except in exceptional circumstances.

To make a claim for payment, successful applicants must provide to the Department, via email:

- A Tax Invoice for the GST exclusive value of the grant;
- Copies of suppliers' invoices and receipts as proof that the activity has been paid for in line with the application and FAA; and
- Additional documentation as requested by the Department.

If a claim for payment is not received by the specified due date, the grant approval will lapse, and the Department may terminate the funding agreement.

Tax Information

The Department is registered for GST and has been issued with ABN 61 313 082 730.

Grants paid under the DRI are not regarded as payment for a supply to the Department. Therefore, the Department will not increase the grant to include GST, nor will it reimburse a grant recipient for GST paid to a third party.

Grants are assessable income for taxation purposes. We recommend applicants seek independent professional advice on tax obligations or seek assistance from the [Australian Taxation Office](#). The Department does not provide taxation advice.

Reporting Requirements

Recipients will be required to strictly comply with reporting requirements as set out in the FAA.