



Department of
**Energy and Economic
Diversification**

Local Battery Manufacturing Program

Frequently Asked Questions

Production Ready Stream

Production Scale-up Stream

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The Program

1. What is the purpose of the Local Battery Manufacturing Program?

The overall purpose of the Local Battery Manufacturing Program (the Program) is to increase local manufacturing of residential batteries and battery components, as well as industrial and commercial applications.

Through the delivery of grants and low-interest loans, the Program seeks to reduce barriers to market entry and growth, enabling a more sustainable and competitive battery energy storage industry in Western Australia (WA). The Program will support manufacturers to scale up their businesses, boost productivity and create more local jobs.

2. How many grant streams are available under the Program and what are they for?

Currently, there are two grant streams available under the Local Battery Manufacturing Program: the *Production Ready Stream* and the *Production Scale-up Stream*.

These two grant streams were decided upon after extensive industry consultation and aim to provide appropriate support for battery manufacturers at different stages of production development.

The *Production Ready Stream* supports prospective battery manufacturers with critical pre-production activities to progress towards “at scale” battery manufacturing. This is done through grant sums (up to \$100,000) to contribute to key pre-production activities (selected late-stage feasibility studies (such as legal, schedule and market feasibility studies) prototype development, testing and accreditation).

The *Production Scale-up Stream* supports existing battery manufacturers to enhance their capability and capacity to manufacture batteries, to improve their competitiveness and market share. This stream offers larger grant sums (up to \$5million) to contribute to the purchase of capital equipment, workforce training, upgrade of existing or new facilities and/or the engagement of business and manufacturing expertise.

3. What production activities are within the scope of the Program?

The Program supports a wide range of production activities across the battery energy storage value chain.

The *Production-Ready Stream* will support mature pre-production activities (selected feasibility studies (not early project economic and technical feasibility studies, but rather mature stage such as legal, schedule, market feasibility), prototype development, testing and accreditation of batteries) related to the production of battery and/or battery components and systems. This Stream suits products with a Technology Readiness Level (TRL) of 7 (system prototype testing in an operational environment) or TRL 8

(actual system completed and qualified through test and demonstration.) or TRL 9 (system proven and ready for full commercial deployment).

The *Production Scale-up Stream* supports production activities such as cell manufacturing or equivalent, battery manufacturing inclusive of battery module, pack and/or system design and assembly, and battery recycling.

The Program is battery-chemistry agnostic and therefore inclusive of a range of battery technologies.

4. Are projects focused on battery repurposing and/or refurbishment eligible for funding?

Currently, projects involving battery repurposing or refurbishment are not eligible for funding. Government agencies are actively working to define the appropriate safety standards and regulatory frameworks for these activities. Once these requirements are clearly established and addressed, battery repurposing and refurbishment may be considered for funding in future rounds.

5. How long is the Program open for?

The different Streams are open for different lengths of time.

Production Ready Stream – the Department reserves the right to run multiple rounds under this stream. Each round will remain open for eight weeks.

Production Scale-up Stream – the Department reserves the right to run multiple rounds under this stream. An initial round will be open for three months from the Program launch date.

Funding

6. How much funding is available?

The *Production Ready Stream* offers up to \$100,000 on a matched basis for selected feasibility studies, prototyping, testing and accreditation. The overall indicative budget for this Stream is \$2.2 million. Subject to the availability of funds this Stream will run until the end of the 28/29 financial year.

The *Production Scale-up Stream* offers up to \$5 million on a matched basis for capital equipment, upgrading premises, workforce training and engaging business and manufacturing expertise. The overall indicative budget for this Stream is \$25 million. Subject to the availability of funds this Stream will run until the end of the 28/29 financial year.

7. What is meant by co-contribution?

Co-contributions under both the *Production Ready Stream* and the *Production Scale-up Stream* means the applicant must contribute to the cost of the approved activities. Both grant streams require the applicant to contribute 50% towards the cost of approved activities, effectively matching the program's contribution. This contribution must be in cash or cash equivalents.

To receive the maximum grant of \$100,000 under *Production Ready Stream* means approved eligible activities costs would have to be \$200,000.

To receive the maximum grant of \$5 million under *Production Scale-up Stream* means approved eligible activities costs would have to be \$10 million.

8. Will In-kind contributions or contributions made on the basis of business-as-usual costs be accepted?

No. The applicant's contribution must be in cash or cash equivalents. In-kind contributions and contributions made on the basis of business-as-usual costs will not be accepted.

9. Can I use funding from other sources to meet the applicant contribution requirement?

Yes, funding from other sources may be used to meet part of the applicant contribution, with the following conditions:

- Funding from other Western Australian Government programs or agencies will not be accepted as part of the required applicant contribution.
- Funding from non-WA Government sources, such as the Australian Government can be included but must not make up the full 50% applicant contribution. Applicants are expected to make a reasonable direct contribution to activity costs. What is considered reasonable will be determined by the assessment panel on a case-by-case basis.

Eligibility

(a) Business Eligibility

10. How can I check my eligibility before going through the effort of developing an application?

A copy of the program guidelines is available on the Program's website and SmartyGrants portal for review. The guidelines detail all applicant eligibility criteria as well as an explanation of factors that make an applicant ineligible. Further information on evidence needed for each evaluation criteria is provided in section 5 (Assessment Criteria) of this document.

11. Does the Product Ready Stream support start-up entities?

No, the intention of the Program is to support current battery manufacturers who require support under the eligible activities and non-battery manufacturers who intend to diversify and produce battery components or batteries are encouraged to apply.

12. If I'm not eligible for either Stream is there any other support I can access?

If your business is a start-up, has a product in development with TRL 1 – 6 or for other reasons does not fit within the eligibility criteria outlined in the guidelines, there are other support programs initiated by the Commonwealth and Western Australian Governments that may be more suitable. You can find out more about these alternative support schemes [here](#).

13. Are grants in this program open to all Australian manufacturers?

Yes, as long as there is evidence that there is, or will be, a physical presence in Western Australia including FTEs and there is intent to remain in Western Australia for at least three (3) years or until the completion of the funded Project, whichever is longest.

Businesses that currently do not have a presence in Western Australia but are committed to relocating all or part of their operations to Western Australia are eligible to apply provided irrefutable evidence is provided of their intent to relocate and the relocation does not introduce products or activities that directly compete with existing Western Australian battery and battery component manufacturers.

14. Are non-Australian owned businesses eligible?

Under the *Production Ready Stream*, non-Australian owned businesses are eligible.

Under the *Production Scale-up Stream*, applicants must have a minimum of 50% Australian ownership.

In both cases, there must be evidence that there is, or will be, a physical presence in Western Australia including FTEs and there is intent to remain in Western Australia for at least three (3) years or until the completion of the funded Project, whichever is longest.

15. Is there a maximum business size (FTEs) for eligibility?

No.

16. Can publicly listed companies apply?

Yes.

17. Can a business structured as a trust apply?

Trustees for a trust may be eligible to apply on behalf of the trust.

18. Is my business eligible for funding if it is not registered for GST?

No.

19. Are consortia eligible to apply?

Yes. Applications involving a consortia or partnerships are eligible including involving government entities and not-for-profit organisations but will require a clear lead who meets all the eligibility criteria.

(b) Activity and Expenditure Eligibility

20. Are Vanadium batteries eligible for funding?

Yes. The Program is battery-chemistry agnostic and therefore inclusive of a range of battery technologies, such as Vanadium.

21. What is meant by an eligible activity?

An eligible activity is that part of a battery manufacturing project an applicant is seeking funding assistance for, and which is allowed under the rules of the respective grant streams of the Program.

22. What activity expenses are eligible for funding?

Under both streams grant funding will cover up to 50% of eligible activity costs, excluding GST. The expenses that are eligible for grant funding assistance are:

Production Ready Stream

- Selected feasibility studies;
- Prototype development; and
- Testing and accreditation.

Production Scale-up Stream

- Purchase of capital equipment.
- Workforce training.

- Costs associated with upgrading existing or new premises.
- Engaging business and manufacturing expertise.

Refer to the respective Stream guidelines for a more detailed explanation of the above.

23. What is meant by eligible activity costs?

The costs associated with an eligible activity, that are permitted to be funded under the rules of the respective grant streams of the Program, are referred to as eligible activity costs.

Indicative lists of eligible and non-eligible activity costs are provided in the guidelines for reference. The final decision on whether an activity cost is eligible sits with the evaluation panel.

24. Will expenditure on activities already underway be considered for funding?

Expenditure on retrospective activities (i.e. started before the date of application submission) will not be funded.

Funding Mechanism

25. When is grant funding paid?

The way grant funding is paid varies between the two grant funding Streams.

The *Production Ready Stream* is a reimbursement scheme meaning recipients are required to pay for the approved activity before claiming the grant funding back from the Department.

Under the *Production Scale-up Stream* the release of funds is based on the achievement of milestones in accordance with the terms of a Financial Assistance Agreement.

In both cases, payments require a tax invoice (GST-exclusive) to the Department and any supporting documentation.

Before submitting a tax invoice, a purchase order number must be obtained from the Department and quoted on tax invoices.

26. Can I receive funding from other sources for my project?

Yes, with the following provisions:

- Total funding from Western Australian Government sources (including the Local Battery Manufacturing Program) must not exceed 50% of the total project costs.
- Conditions on applicant contribution requirements must be met, as outlined in Question 9 of this FAQ.

Note: Applying to the Local Battery Manufacturing Program does not prevent applicants from seeking funding from other WA Government programs for separate, though potentially related, projects.

27. Are there defined timelines to begin and complete projects funded through this program?

Yes.

Under the *Production Ready Stream* funded activities must be completed, and claims for payment made, within 12 months of Financial Assistance Agreement execution unless a longer timeframe is explicitly outlined in the FAA.

Under the *Production Scale-up Stream* the period for funded activities to be completed, and claims for payment made, will be negotiated with successful applicants and reflected in Financial Assistance Agreements.

Under both Streams, funded activities must commence within 3 months of FAA execution, or the grant approval may lapse, and the FAA may be terminated.

28. What is a Financial Assistance Agreement?

All successful applicants are required to enter into a funding agreement called a Financial Assistance Agreement (FAA). It is a legal document and contains detailed conditions relating to compliance and monitoring of the funding recipient.

A FAA template is available on the SmartyGrants portal for review.

By signing and returning their FAA to the *Department* via upload to the SmartyGrants portal, recipients will confirm acceptance of the grant and its terms. The FAA does not come into force until both parties have signed it.

29. Why do grants exclude GST?

Funding paid under the Program is not regarded as payment for a supply to the Department. Therefore, the Department will not increase the approved funding to include GST, nor will it reimburse a funding recipient for GST paid to a third party.

Assessment Criteria

30. How do applicants demonstrate alignment with Program purpose and stream objectives?

The overall purpose of the Program is to increase local manufacturing capability of residential batteries and battery components, as well as for industrial and commercial applications.

The objective of the *Production Ready Stream* is to support prospective battery manufacturers to progress towards “at scale” battery manufacturing. This could include a current battery manufacturer looking to launch a new type of battery, or a non-battery manufacturer seeking to commence manufacturing battery components or complete batteries. Key inclusions to demonstrate this would include:

- A clear explanation of how the activity to be undertaken will improve prospects of commencing manufacturing.

The objectives of the *Production Scale-up Stream* are to support existing battery manufacturers to enhance their capability and capacity to manufacture batteries, to improve their competitiveness and market share. Key inclusions to demonstrate this would include:

- An estimate and explanation of jobs anticipated to be created.
- An estimate and explanation of anticipated improvement in market share.
- Prospective orders.
- Workforce training to be undertaken.

31. What is a Project Plan and what information needs to be included?

The purpose of a Project Plan is to demonstrate the overall strength, credibility and feasibility of the Project, including its strategic rationale, operational readiness, and capacity to deliver the proposed Project successfully. A Project Plan is a requirement under the *Production Scale-up Stream* when responding to the *Strength of Proposal* assessment criterion, and may include but not be limited to:

- A clear and detailed description of the Project including objectives, timelines, milestones, deliverables and anticipated outcomes.
- Evidence of market interest/intended uptake.
- Roles and responsibilities of key personnel.
- Key financial and operational assumptions including clear and comprehensible financial projections for the Project.
- The Project’s alignment with the applicant’s long-term business strategy and government priorities.
- A clear rationale for undertaking the Project now.
- A solid understanding of the market, customers and competitive landscape, including clear articulation of opportunities and risks. This will include a comprehensive risk assessment and mitigation strategies.
- Demonstrated business financial stability and capability of sustaining the Project, including evidence of ability to co-contribute the required funding

amount. The provision of audited financial statement for the past two financial years must be presented.

The format of the Project Plan is at the discretion of applicants.

32. Do I need to prepare Project Plan under the *Production Ready Stream*?

A Project Plan is not a requirement under the *Production Ready Stream*, however applicants may wish to provide one when responding to the *Strength of Proposal* assessment criterion. Once again, the format of the Project Plan is at the discretion of applicants and under this Stream it does not have to be as comprehensive as under the *Production Scale-up Stream*.

33. What is meant by Value for Money?

In the assessment of proposed projects, Value for Money is based on a balanced judgement of financial and relevant non-financial factors such as:

Financial Factors:

- Total amount of funding sought.
- Cost of proposed activities and clear justification for them, including proof that alternative quotes have been obtained.
- Upfront and on-going costs and benefits.
- Increase in turnover and profitability.

Non-Financial Factors:

- Increased market penetration and market share.
- Level of project risks.
- Number of local jobs/ apprenticeships/traineeships created.
- Skills development outcomes.
- Increase in productivity and efficiency.
- The flow-on benefits to local suppliers.
- Assistance to meet the business' ESG objectives.
- Alignment with State Government priorities.

34. How do I demonstrate that I possess or are able to acquire the required knowledge and ability to successfully undertake the requested activities?

- Present relevant qualifications and experience of key personnel.
- Present relevant qualifications and experience of key third party consultants.

Applications

35. How do I apply for a grant?

Complete the online application form and upload the required supporting documents via the SmartyGrants portal:

[Home Page - WA Department of Energy and Economic Diversification \(DEED\), Local Battery Manufacturing Program](#)

36. I am having difficulty using SmartyGrants, what can I do?

If you encounter technical issues, please contact the Department of Energy and Economic Diversification (the Department) as early as possible at battery.manufacturing@jtsi.wa.gov.au

37. Can someone from the Department help me with my application?

The Department can only provide general advice on process. The Department cannot assist with drafting or reviewing your application content. This ensures a fair and consistent application process.

Please be aware that responses can take at least 3 business days, therefore, ensure you allow sufficient time when contacting the Department.

38. Can I use a grant writer to prepare my application?

Yes. You are permitted to use a grant writer if you determine that this is a good use of your resources.

The panel appreciates that not all businesses have access to experienced grant writers and there is no expectation that businesses produce highly polished applications. It is important to correct any obvious errors and ensure all required information is included. However, generally the most competitive applications are those written in clear, straightforward language by someone who understands the business and project well.

39. Is there a limit to number of applications that can be submitted?

Yes, the limit on the number of applications varies across Streams.

Under the *Production Ready Stream* up to three applications may be submitted per round as long as they are for different activities.

Under the *Production Scale-up Stream*, only one application may be submitted per round.

40. What information will I need to provide in the application?

A copy of the application form is available on SmartyGrants for review prior to commencing the application process. This form outlines the information you are required to provide.

41. Am I able to see the application template before starting?

Yes, it is available for review on SmartyGrants.

42. Can I have a project in Production-Ready and in Production Scale-up streams running concurrently?

Yes, although the activities under each Stream must be different.

43. Why do you need my financial information as part of the application?

Your financial information through the provision of financial statements (preferably audited) for the past two financial years must be presented as part of the Assessment Criteria *Strength of Proposal*. It is required for two reasons:

- To demonstrate business financial stability and capability of sustaining the Project; and
- Evidence of ability to co-contribute the required funding amount.

44. What do I do if I think I have a conflict of interest?

The application form requires applicants to disclose any actual, potential or perceived conflict of interest that could influence the objectivity of their application or mislead the assessment panel.

For example, such conflicts could include:

Personal Relationships: Engaging a family member as a consultant.

Financial Interests: Having a financial interest in a supplier of equipment.

Conflicts of interest are not inherently wrong or unethical, but they will need to be clearly identified and managed where appropriate.

The evaluation panel will decide on what impact the conflict of interest has on the application and whether additional measures need to be taken to manage it.

45. I will not be able to submit my application on time. Can I request an extension?

No. Applications must be submitted before 3pm AWST on the defined closing dates for each grant stream. Extensions are not given under any circumstances.

46. Is the application process confidential?

Yes. The information provided by applicants is confidential to the Department and subject to standard disclosure requirements under the *Freedom of Information Act 1992 (WA)* and the *Privacy and Responsible Information Sharing Act 2024 (WA)*.

Assessment and Selection Process

47. How long will the funding assessment take?

The Department will endeavour to complete the assessment process as quickly as possible, but this will depend on the number of applications received and follow up clarifications required. Applicants can expect this process to take at least eight weeks.

48. What is the funding selection process?

Funding applications are assessed by an evaluation panel which may obtain input from an industry expert if required. A probity advisor will be present at all evaluation meetings.

Under the *Production Ready Stream* and *Production Scale-up Stream* applications will be assessed competitively. The evaluation panel will agree on a consensus score for each application and determine whether to recommend it for funding or not.

49. What will be considered in the evaluation of my application?

All information provided in your application will be considered, including responses to assessment criteria, eligibility of activity expenditure, financial position, ability to co-contribute and any expert opinion.

50. What probity measures are in place for this program?

All evaluation meetings are attended by a probity auditor to ensure evaluations are fair, consistent and unbiased.

Notification of outcomes, feedback and dispute of results

51. How are application outcomes notified?

Successful applicants will be notified of the outcome of their application via email once the assessment process has been finalised and approved. A Financial Assistance Agreement will be subsequently sent to successful applicants for execution.

52. If my application is successful, how will media announcements be arranged?

Where possible all media will be undertaken jointly between the Department and successful applicants. The State Government maintains the right to publicly announce grant award decisions.

53. If my application is unsuccessful, will I receive feedback on why?

If you are notified that your application has been unsuccessful, you can contact the Department for feedback within two weeks of the notification email.

Please note that feedback will remain high-level, outlining only weaknesses identified in unsuccessful applications.

54. How do I dispute the assessment of my application?

Unsuccessful applicants may dispute the outcome of their submission and must do so in writing via email to the point of contact identified in the letter of outcome within 10 working days of receipt of the letter of outcome.

55. If my application is unsuccessful in one round, can I rework it and submit an improved version?

If new rounds under your stream of interest are made available, yes, you can submit an improved version of an application deemed unsuccessful in a previous round. Please note that there is no guarantee that additional funding rounds under the two grant streams will be available.

Grant Management

56. How are funded activities monitored?

How the Department monitors funded projects will be detailed within Financial Assistance Agreements. Generally, this includes periodic reporting by the recipient and site visits by the Department.

57. Is it possible to vary Financial Assistance Agreements?

Yes. Variations to signed FAAs are possible for such things as milestone dates, project timelines, changes to capital equipment requirements etc. Approval for any variation is at the absolute discretion of the Department. Variations must be sought in writing by emailing the point of contact identified in the letter of outcome.

58. Who can I contact if I have more questions?

Please email batteries.manufacturing@jtsi.wa.gov.au for further information or support. Please allow at least 3 business days for a response.

Version Control

This document will be regularly updated. Please ensure you are referring to the latest version available in the Program's website.

Version number	Date	Amendments (if applicable)
1	11 November 2025	Original version on grant streams launch