



Re-tooling for Climate Change Program

Fact Sheet

Who is it for?

Re-tooling for Climate Change supports small and medium-sized businesses undertaking manufacturing activities in Australia.

What does it offer?

The program aims to help Australian manufacturers reduce their environmental footprint, through projects that improve the energy and/or water efficiency of their production processes.

The program provides grants between \$10,000 and \$500,000, up to a maximum of one third of the cost of each project.

Examples of eligible projects could include:

- investing in small-scale cogeneration plants that capture waste energy and use it to produce electricity on site;
- stormwater capture and improving water recycling for re-use in the manufacturing process;
- improving insulation and recovering waste heat to improve manufacturing process efficiency;
- process re-engineering involving the adoption of energy efficient manufacturing tools, that reduce substantially the energy used in the production process.

Eligibility criteria

An eligible applicant for *Re-tooling for Climate Change* must:

- be a non-tax exempt manufacturing company incorporated under the *Corporations Act 2001*;
- have, or is part of a group, that have an annual turnover of less than \$100 million in each of the three financial years before the year of application lodgement;
- be able to fund the costs of the project not met by the grant (at least two thirds of the cost of the project).

Eligible projects must be directed towards improvement of energy and/or water efficiency of manufacturing processes.

Merit criteria

The program is competitive and merit based, and applications should aim to demonstrate a strong case against each of the merit criteria.

Eligible applications will be assessed against the following three criteria:

- **Potential for reduction of the environmental footprint.** This may include the projected improvements in energy and/or water efficiency, or reductions in carbon emissions to be achieved. It may also take into account outcomes such as conversion to a renewable or co-generated energy source.

Further information

For further information about *Re-tooling for Climate Change*, visit the AusIndustry website at www.ausindustry.gov.au Click on 'AusIndustry products', which contains an alphabetical listing of all AusIndustry programs, and follow the links to *Re-tooling for Climate Change*. Alternatively, contact the AusIndustry Hotline on 13 28 46 or by email at hotline@ausindustry.gov.au



- **Scope and impact of process improvement.** This would include the extent to which the project is more than routine production or investment activity. Other factors affecting merit could be whether the project will have a long term, sustainable impact on the ability of the company and/or industry to respond to climate change, and if it offers demonstration potential or the application of innovative, transferable technology.
- **Organisational capacity/capability to undertake the project.** This would include access to relevant expertise and experience through the company or its contractors, and a well articulated project plan outlining key methods, milestones and timeframes.

Further information about the merit criteria is available in the *Re-tooling for Climate Change Customer Information Guide* on the AusIndustry website.

How do I apply?

Applicants must compete for limited grant funds, based on the merit of their application.

To apply, applicants must complete an application in the form provided by AusIndustry, and lodge it during one of the application rounds.

Applicants should use the guide provided with the application form, to help ensure that they address the eligibility and merit criteria as well as possible.

How will my application be assessed?

Applications will be considered in several rounds each year.

Innovation Australia, which is a Commonwealth statutory body, will assess and rate the merit of applications.

In assessing applications, Innovation Australia will consider the indicators of merit outlined in the application guide. These include the quality of supporting data provided to verify the rationale for the project, and its projected impact on energy and/or water efficiency, and/or carbon emissions.

The nature of the supporting evidence expected will depend on the size of the grant sought.

What will I be asked to do if I am successful?

Successful applicants will need to enter into a *Re-tooling for Climate Change* grant agreement with the Commonwealth in order to receive grant funding.

The grant agreement will outline the rights and obligations of the grantee and the Commonwealth, including a project plan (project duration of no more than 18 months), reporting obligations, and payment schedule.

Re-tooling for Climate Change grants may have implications for the tax obligations of successful customers. Seek independent advice on taxation matters if offered a grant.

Further information

For further information about *Re-tooling for Climate Change*, visit the AusIndustry website at www.ausindustry.gov.au Click on 'AusIndustry products', which contains an alphabetical listing of all AusIndustry programs, and follow the links to *Re-tooling for Climate Change*. Alternatively, contact the AusIndustry Hotline on 13 28 46 or by email at hotline@ausindustry.gov.au