

Department of Climate Change,  
Energy, the Environment and Water

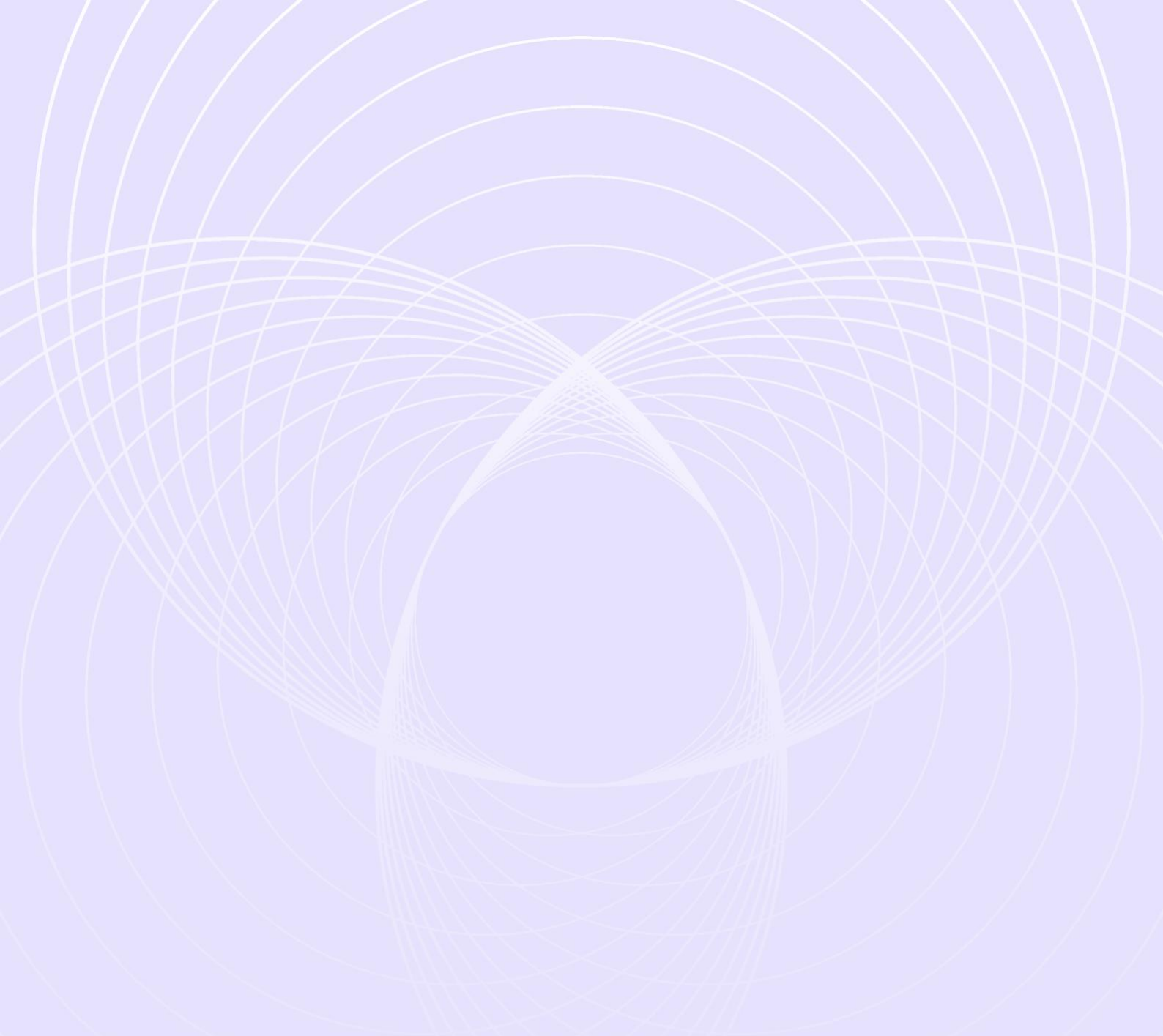
# Clean Technology Innovation



Project development stream  
funding guidelines

February 2024





## Acknowledgement of Country

The Department of Climate Change, Energy, the Environment and Water acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Clean Technology Innovation, project development stream funding guidelines

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# 1. Introduction

## 1.1 Delivering net zero manufacturing

The NSW Government is committed to achieving net zero emissions by 2050 and this will require supporting industry to decarbonise. Critical to enabling this is the [Net Zero Plan Stage 1: 2020-2030](#) (the Net Zero Plan). The Net Zero plan will fast-track emissions reductions over the next decade to combat climate change, grow the economy, create jobs and attract investment.

In its 2023 budget, the NSW Government announced \$480 million in funding to boost the Net Zero Manufacturing Initiative (the Initiative), which is a key part of the Net Zero Plan. The Initiative builds on from the work of the [Net Zero Industry and Innovation Program](#) (NZIIP) released in 2021 which includes Clean Technology Innovation (CTI) as one of 3 key focus areas.

Clean Technology Innovation has allocated \$2.5 million in this round for technical and commercial viability studies of a project or product to make informed decisions before progressing with technology trials.

The Initiative is administered by the Department of Climate Change, Energy, the Environment and Water (the Department). For enquiries or questions related to these guidelines, the Initiative and its streams, please email us at [netzeroinnovation@environment.nsw.gov.au](mailto:netzeroinnovation@environment.nsw.gov.au)









## 1.2 Objectives of Clean Technology Innovation

In this round, the Clean Technology Innovation project development stream will provide grants up to \$250,000 per project for up to 50% of eligible project costs. Its objectives remain aligned with the Net Zero Plan and are listed in Figure 1:

Figure 1 Objectives of CTI

<b>Reduce industrial emissions</b> Unlock the next wave of low emissions technologies needed for NSW to reach net zero emissions by 2050			
			
<p><b>1.</b> Repeatedly test the technical and commercial feasibility, viability and or compliance of a product or project.</p>	<p><b>2.</b> Accelerate and expand the research, development and commercialisation of low emissions technologies that show potential for becoming scalable, replicable and cost-effective.</p>	<p><b>3.</b> Create an ecosystem that can develop the capability to drive repeated clean technology innovations.</p>	<p><b>4.</b> Attract world-class clean technology companies and innovations to domestic markets and convert NSW into a clean technology superpower.</p>

## 1.3 Purpose of these guidelines

These guidelines provide information for applicants seeking to apply for project development stream funding including:

- key dates and timeframes for this grant opportunity
- how to apply and critical information required to support your application
- eligibility and merit criteria
- the types of projects and costs that can be funded.

These guidelines must be read in conjunction with the [CTI streams supplementary guidance](#) and frequently asked questions (FAQs) published on our [website](#). Our website also has an eligibility checker to help determine which Initiative stream is right for you.

## 2. Key dates and timelines

The project development stream follows a single stage detailed application and assessment process.

Table 1 identifies the indicative timeframes for the project development stream. These are subject to change at the discretion of the Department.

Table 1 Key dates and timelines

Stage	Timeframe
Detailed application open	26 February 2024
Detailed application close	3 May 2024
Notification of assessment outcome	15 July 2024, or as soon as possible after a decision has been made at the Department's discretion. Successful applicants will be notified and be re-quired to sign a confidentiality document and funding agreement.
Project announcement	Public announcement by the Department may occur at any time after funding agreement signing.
Contracting and project commencement	Contract negotiations can commence once the applicant has signed and returned their confidentiality document. The project will commence once both parties have signed the funding agreement.
Project announcement	Public announcement, led by the Department, will occur at any time after the funding agreement signing.
Project completion	Projects must be completed within 12 months of execution of the funding agreement.
Project evaluation	Successful applicants will be required to participate in a fund evaluation after the project has commenced. The evaluation will require applicants to provide evidence of how the project has resulted in measurable benefits consistent with the objectives of the Clean Technology Innovation project development stream.

# 3. Application process

The application process consists of a single stage detailed application. Further details on each application step have been provided below.

During the application process, if there is any further information required by the assessment committee to confirm your eligibility or for merit scoring, the Department will request clarification or evidence to be submitted through [SmartyGrants](#).

The application process consists of 5 steps.

## Step 1: Before applying

Before applying you should:

- read all the information on our [website](#)
- use the eligibility checker on our website to find out which support you may be eligible for
- if support is identified, read the stream funding documents and other related documents published on our website
- register for the question and answer (Q&A) session on our website.

If you have any queries regarding your project's eligibility, please email us at [netzeroinnovation@environment.nsw.gov.au](mailto:netzeroinnovation@environment.nsw.gov.au)

## Step 2: Prepare and submit a detailed application

Complete the project development application form. Please refer to the [CTI streams supplementary guidance](#) for the step-by-step process.

Applications must be submitted prior to the specified closing date and time to be eligible for further assessment.

Please note, if you do not receive an email confirming receipt of your application within 2 working days, please email us at [netzeroinnovation@environment.nsw.gov.au](mailto:netzeroinnovation@environment.nsw.gov.au) to confirm receipt.

If, by omission an applicant has submitted an application for a study that does not meet the scope of the project development stream but does meet the scope of one of the other funding streams in the Initiative (incorrect submission), the Department has the discretion to offer the applicant the opportunity to submit a proposal for the alternative stream). Any granted opportunity for the applicant to resubmit after the closing date will be limited to 5 business days.

### Step 3: Detailed application assessment

An independent assessment committee will review your application against eligibility and merit criteria. We expect that these reviews will take 4 - 6 weeks.

During the assessment process, the Department may ask applicants to provide additional information to assist in the assessment process. Confidentiality will be maintained throughout the assessment process. The Department might also request a meeting with an applicant to assist the assessment process or as part of due diligence.

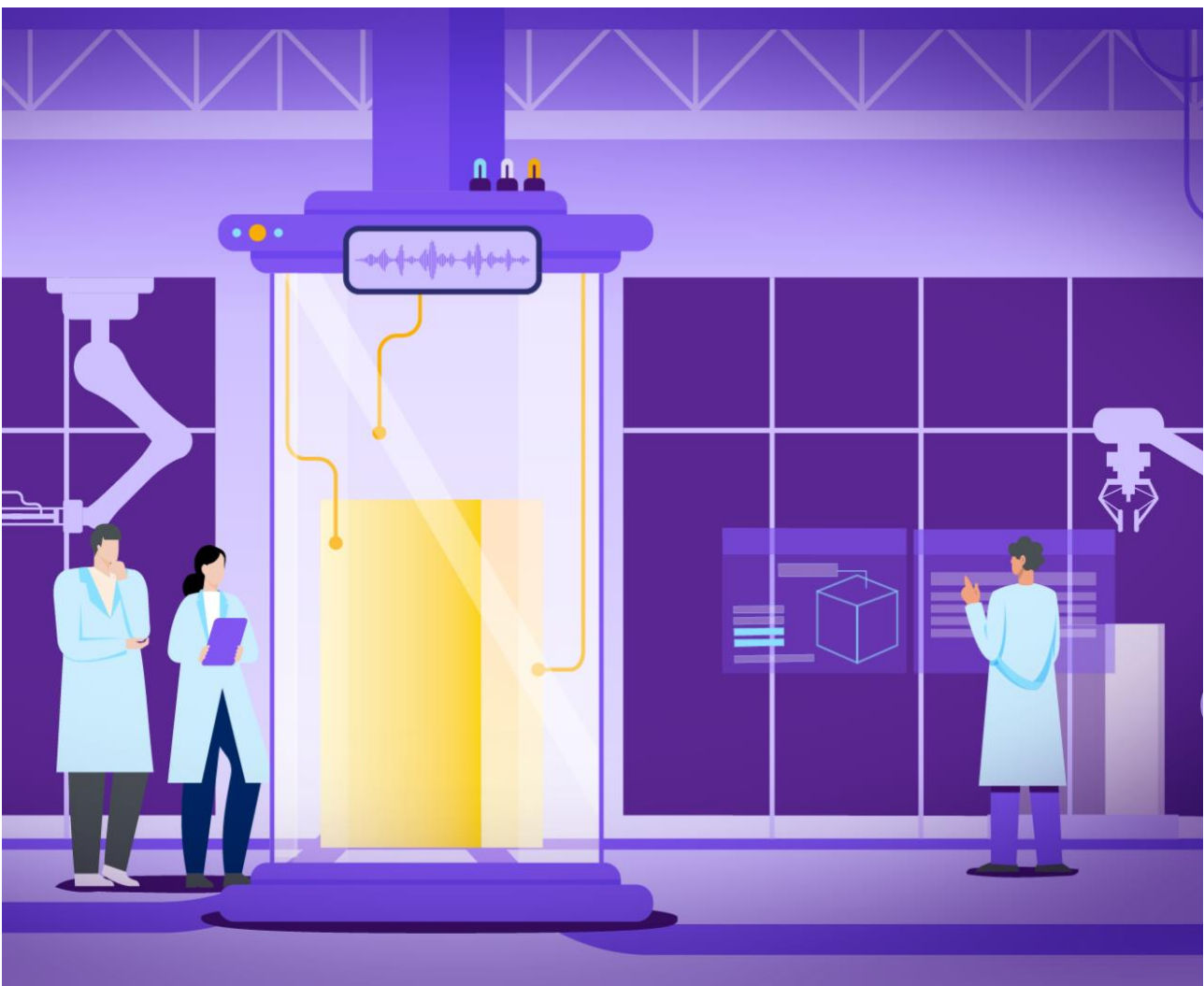
### Step 4: Notification of assessment and funding agreement

If your application is successful, we will send you a written offer and the funding agreement.

If your application is unsuccessful, we will notify you of the outcome via email.

### Step 5: Study commencement

The study will commence following the signing of the funding agreement.





# 4. Eligibility criteria

To be eligible for funding, your application must meet all eligibility criteria outlined below.

All applications need a lead applicant. The Department will only enter into a funding agreement with the lead applicant assessed during the application process.

Proposed changes to the lead applicant (during the application process or during the study) must be approved by the Department in writing. The Department reserves the right to determine the proposed lead applicant ineligible if they cannot satisfy the eligibility criteria.

Detailed guidance on the requirements for each eligibility criterion is provided in the [CTI streams supplementary guidance](#).

## 4.1 Eligibility criteria 1: eligible applicants

To be eligible for funding, applicants must:

- hold an Australian Business Number (ABN)
- be an eligible organisation:
  - an Australian entity duly incorporated under the *Corporations Act 2001* (Cth) and hold and comply with all necessary authorisations that are material to the conduct of the business of the applicant(s)
  - a private or publicly funded research organisation applying through its appropriate commercialisation or technology transfer office, which will establish a separate entity to commercialise the clean technology (such as a university spin-out)
  - a Commonwealth entity under section 10 of the *Public Governance, Performance and Accountability Act 2013* (Cth)
  - an Australian state- or territory- owned body corporate, or a subsidiary of an Australian state- or territory- owned body corporate
  - an Australian state, territory or local government or council
  - an international non-government organisation seeking to establish an Australian based entity to commercialise a clean technology not yet adopted in NSW.
- be the legal and beneficial owner of, or has all necessary rights to use, any intellectual property necessary to carry out the study
- hold all insurances required by law including public liability insurance (with coverage for at least \$10 million) and workers compensation
- materially comply with all:
  - obligations under employment contracts, industrial agreements and awards
  - codes of conduct and practice relevant to conditions of service and to the relations between the applicant and the employees employed by the applicant
  - applicable Workplace Health and Safety legislation.

- not be subject to any insolvency event, including the subject of an order or resolution for winding up or dissolution (other than for the purposes of reconstruction or amalgamation) or the appointment of a receiver, liquidator, administrator or similar
- not be listed on the Australian Department of Foreign Affairs and Trade [sanctions list](#)
- disclose any legal proceedings or investigations including litigation, arbitration, mediation or conciliation that are taking place, pending or (to the best of the applicant's knowledge, after having made proper enquiry) threatened against the applicant or a related body corporate (as defined in the *Corporations Act 2001* [Cth])
- disclose all Australian state, territory and/or commonwealth government grants applied for in relation to the project including history of grant funding (including both successful and unsuccessful applications)
- each application must have a lead applicant. Should the funding recipient differ from the lead applicant at any point of the application process/grant program, the lead applicant is required to explicitly indicate this in their application.

## 4.2 Eligibility criteria 2: eligible projects

To be eligible for funding, projects must:

- be based in NSW
- be applying for funding up to \$250,000
- be expected to be complete within 12 months of commencement
- have a lab proven technology or [technological readiness level](#) (TRL) of between 5 - 9 that is at a clear go/no-go decision point which requires a technical, feasibility or equivalent study to be undertaken
- have a commercial readiness index (CRI) of less than 4
- align to a Decarbonisation Opportunity Cluster as outlined in the Office of Chief Scientist and Engineer's [2023 update to the Decarbonisation Innovation Study](#)
- have co-contribution funding arrangements of at least 1:1 between grant funding (from this grant) and other sources (e.g. applicant, collaborators, private or other public organisations). Projects that have a cash contribution from potential customers or an institutional investor will be viewed favourably during assessment. Higher cash contributions will also be viewed favourably. In-kind (non-financial) contributions are not eligible.

## 4.3 Eligibility criteria 3: eligible pathways

To be eligible for funding, the lead applicant must confirm:

- that the proposed activities will, or has the potential to, advance or progress the clean technology product or solution. Examples of eligible activities include, but not limited to:
  - technical feasibility study
  - commercial viability study
  - development of business cases
  - front end engineering design (FEED)

- gaining approvals or certifications
- any other activities that can assist with the commercialisation of a clean technology product or solution.

## 4.4 Examples of eligible studies

Table 2 provides examples of studies that are eligible for funding under the project development stream. This is not an exhaustive list of studies. It is designed to give applicants an idea of the type of studies that are eligible and their key benefits.

Table 2 Examples of eligible projects

Example	Undertaking
<p><b>Example 1</b> Company A has a lab proven technology and wants to further understand the technical and commercial viability of their product in NSW.</p>	<p>Company A will conduct a feasibility study to assess both the technical and commercial viability of their product. The study will provide them with crucial information and analysis to determine if the product is feasible and has potential for success in the market. The feasibility study will help Company A decide whether to proceed to the next stage of development, modify their study scope, or potentially explore alternative options. The outcome of the feasibility study will help Company A in making informed decisions regarding the future of their product.</p>
<p><b>Example 2</b> Company B is interested in accelerating the development of their product by undertaking FEED and conducting design validation.</p>	<p>Company B will conduct a FEED study to assess the technical and practical feasibility of their detailed engineering design, 3D drawings and design validation plans. The study will provide them with valuable insights, analysis, and assessments to determine if their proposed approach is viable and can lead to successful product development.</p>
<p><b>Example 3</b> Company X has developed an innovative product but is uncertain about the approval pathways required for its market entry.</p>	<p>Company X will undertake an investigative study to gain insights into the regulatory landscape and the specific compliance measures they need to adhere to. The study will help them navigate the approval process and ensure that their product meets all the necessary legal and safety requirements, ultimately paving the way for the market entry and commercialisation of their product.</p>

# 5. Merit criteria

Eligible applications will be assessed against 3 merit. Table 3 lists the merit criteria.

Table 3 Merit criteria

<b>1 Purpose and capability to deliver</b>
<ul style="list-style-type: none"> <li>• Demonstrate the need and justification for the study.</li> <li>• Ability to demonstrate capacity to deliver study outcomes.</li> <li>• Ability to identify key risks and appropriate mitigation strategies.</li> <li>• Ability to co-contribute to the budget for the study and activities.</li> <li>• Demonstrate criticality of the study.</li> <li>• Demonstrate applicant's and study partners' (where relevant) knowledge, skills and experience to deliver the study.</li> </ul>
<b>2 Display commitment for implementation or progression</b>
<ul style="list-style-type: none"> <li>• Strategy to advance the proposed technology on the TRL and CRI scales.</li> <li>• Demonstrate market demand for the proposed technology and business model to support the growth of the technology.</li> </ul>
<b>3 Alignment with NSW Government Strategic Objectives</b>
<ul style="list-style-type: none"> <li>• Alignment with Clean Technology Innovation objectives and priority areas identified in the NSW Office of Chief Scientist and Engineer's <a href="#">Decarbonisation Innovation 2023 Study</a>.</li> <li>• Demonstrate economic, environmental and/or social benefits to NSW businesses, communities, industries and regions.</li> </ul>

# 6. Contact details

## 6.1 Contact information

Frequently asked questions and other resources to assist with applications can be found on our [website](#).

Department staff are available to assist with any questions during the application process. Please note that the Department is not able to assist applicants with the preparation of their application.

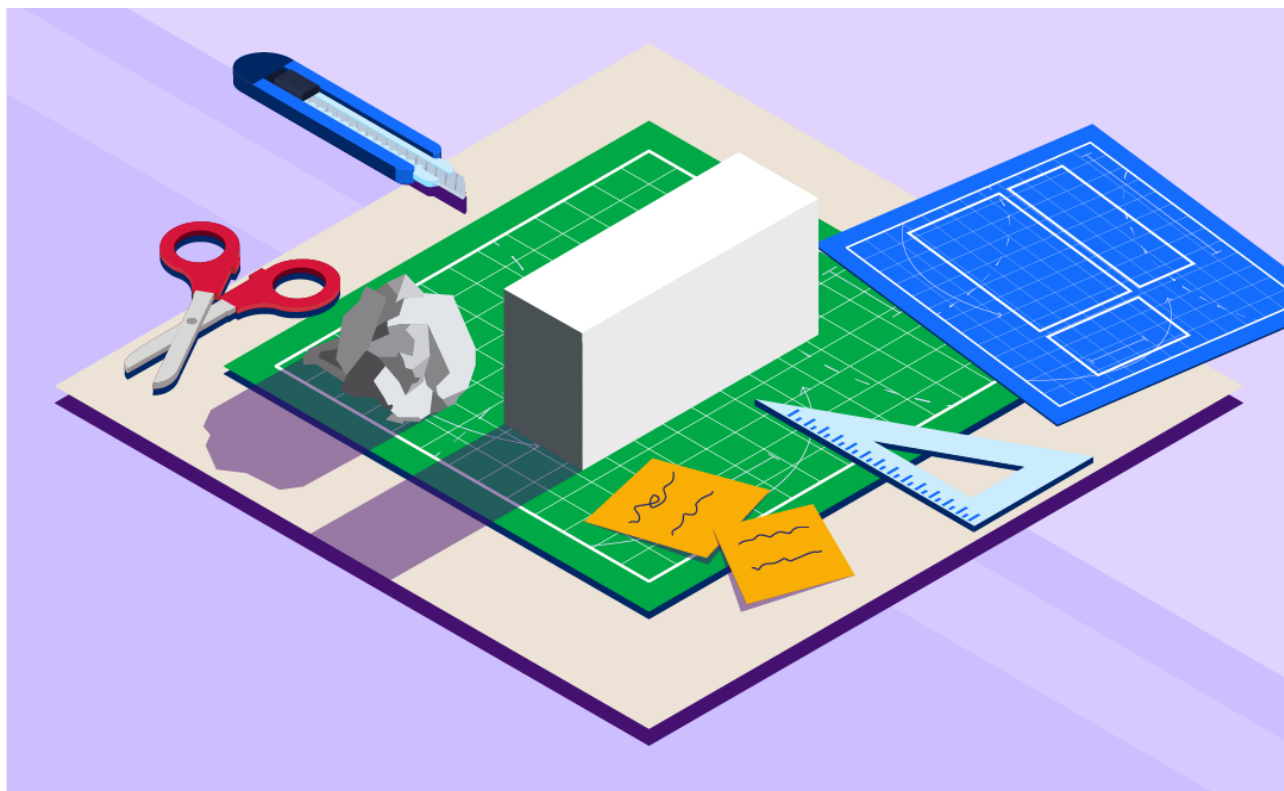
The Department's relevant project team can be contacted by emailing [netzeroinnovation@environment.nsw.gov.au](mailto:netzeroinnovation@environment.nsw.gov.au)

The Department will use its best endeavours to respond to all emailed questions within 3 business days.

## 6.2 Complaints

Any concerns about the Initiative and the Clean Technology Innovation project development stream should be submitted in writing to [netzeroinnovation@environment.nsw.gov.au](mailto:netzeroinnovation@environment.nsw.gov.au)

If you disagree with the way the Department has handled the issue, you may contact the NSW Ombudsman via [www.ombo.nsw.gov.au](http://www.ombo.nsw.gov.au)







### For more information

For more information about the Net Zero Manufacturing Initiative grants please visit our website or contact us via the email below.

[www.energy.nsw.gov.au/net-zero-manufacturing-initiative](http://www.energy.nsw.gov.au/net-zero-manufacturing-initiative) |  
[netzeroinnovation@environment.nsw.gov.au](mailto:netzeroinnovation@environment.nsw.gov.au)