

Western Australian Food Innovation Precinct (WAFIP)

Enterprise Support Program Grant Guidelines

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1. Western Australia Food Innovation Precinct (WAFIP)

The Shire of Murray, in partnership with both State and Commonwealth Governments, is delivering the \$21.75 million WAFIP in the Peel Business Park. The contemporary precinct will be positioned to act as a vibrant innovation and accelerator ecosystem which strengthens the region's performance in the agri-business sector.

The strategic intent of the WAFIP is to become a centre of excellence for applied research, development and commercialisation of new ag-technology and value-added food products for supply to local, national and international markets.

The WAFIP will seek to provide common access facilities and accommodate high technology food production, value add processing and commercial research and development (R&D) projects, including:

- Science laboratories
- Commercial kitchen and trial facilities
- Food product, research and small batch production facilities
- Cold and dry storage
- Offices and co-working spaces
- Warehousing, packaging, distribution and incubator space
- A substantial business support network comprised of mentors and business specialists

The WAFIP will enable the sharing of ideas and will provide access to leading edge research capability and opportunities to enable the development of new enterprises, high-end products, and markets. The focus of activities will be far reaching and may include technological developments, processing and value-added product development, promoting export capability and product traceability.

The WAFIP's location in the Peel Business Park provides geographic advantages with proximity to primary product, export markets and access to all transport routes (road, rail, air and sea).

Further details on the WAFIP are available on the Shire of Murray's website.

2. Enterprise Support Program

The Enterprise Support Program (ESP) is a \$3.85M competitive grant program set up in partnership between the Shire of Murray, Development WA and the Department of Primary Industries and Regional Development (DPIRD) which contributed \$2.5M.

The ESP provides up to \$600,000 in 1:1 (minimum) co-funding to agri-businesses seeking to pursue business development and innovation opportunities through the leading-edge research capability, incubation space and technologies available in the WAFIP.

Support will be for agri-businesses, enterprises and entrepreneurs seeking opportunities to innovate, accelerate business development, commercialise research and to deliver projects that demonstrate:

- Innovation
- Diversification
- Export capability
- Product development
- Commercialisation of research

It is intended that the ESP will contribute towards economic diversification, jobs growth, food innovation and improving the export capability of agrifood commodities. Funding is available to eligible participants across the following three streams.

- 1) Business / product commercialisation, collaborative research and development
- 2) Common use equipment within the WAFIP
- 3) User incentives to access WAFIP space, facilities and services

Prospective applicants may request up to a total of \$600,000 across the three streams. Successful applicants will have up to two years to complete their projects and acquit the funds.

3. ESP objectives

1. Facilitate innovative developments in the agri-business sector
2. Support (new) product development, innovation and the commercialisation of research
3. Scale up small-medium enterprise and enhance export capability
4. Create new opportunities for value-added and food processing and manufacturing
5. Develop WAFIP as the hub of agri-innovation in WA

4. Timing and key dates

The ESP will be activated in two phases.

Phase 1: The Shire of Murray \$1.3M funding round commencing in May 2021

Phase 2: The State's \$2.5M funding round to be activated in Q3 - Q4 2021.

Applications can be submitted at any time in the year. The ESP Panel will convene towards the end of every quarter to review applications and make recommendations for funding. The cut-off date for applications will be advertised on the Shire's website.

Note: Phase 2 approval process may take longer due to State Government decision making processes.

The Shire of Murray will canvas prospective applicants through ongoing engagement with industry. Agri-businesses that express an interest in the WAFIP and are seeking to deliver projects that align to the intent of the WAFIP will be invited to submit an application when the funding round opens.

The Shire of Murray will begin administering the grants to funding recipients prior to the WAFIP becoming operational in 2022.

Successful applicants will be required to enter into a Financial Assistance Agreement (FAA) with the Shire and will need to complete their project and acquit grant funding within two years of executing the FAA.

5. Eligibility criteria

Applicants that meet each of the following criteria are eligible to apply, applicants must:

- Be an agricultural / food or fisheries business, incorporated body operating in the agriculture, food and fisheries sector or an agricultural support industry
- Demonstrate a minimum 1:1 cash contribution to the project (not from State or Local Government funding sources)
- Have an Australian Business Number (ABN)
- Be registered for GST
- Be able to enter into a legally binding agreement with the Shire of Murray
- Be operating in Western Australia for the next three years
- Be financially solvent
- Undertake activities and provide a strong rationale for ongoing association/co-location at the WAFIP
- Have acquitted any previous ESP grants received under the WAFIP ESP

The following applicants are ineligible to apply:

- Federal, State and Local Government Agencies (including Government Trading Enterprises)
- Universities and research institutions

Where the eligibility of an applicant or application is ambiguous, the ESP Panel will make a determination as to its eligibility.

6. Activities that will be considered for funding

The ESP will enable the agricultural and food industry and business community to deliver innovative projects that pursue collaborative agri-business development opportunities through the WAFIP. Funding will provide recipients with access to the WAFIP through the three below streams. An outline of the activities that will be considered for funding is provided below.

1) Business / Product Development, Commercial Research & Development

Funding will enable industry to pursue commercial research and development projects through the WAFIP. Research projects must align to the program objectives and may include; the commercialisation of new ag-technology, business development opportunities, product development and value-adding, adopting innovation, enabling market access and increasing local capabilities and efficiencies.

2) Common Use Equipment within the WAFIP

Funding to enable the purchase of specialty equipment to drive innovation, diversification and business development outcomes. Equipment must operate from the WAFIP for no less than four years. The commercial availability of equipment for other tenants through common use or fee for service arrangements as well as the proposed ownership/management model for the equipment within the WAFIP will be considered through the evaluation process.

Applications for the purchase of equipment that would be considered as normal for individual business operations as determined by the ESP Panel will not be supported

3) User incentives to access WAFIP space, facilities and services

Funding is available for agri-businesses and entrepreneurs undertaking a project and seeking the physical occupation of and/or access to the WAFIP through hiring research labs, leasing common user workspaces or common storage facilities. Funds will enable applicants to access these facilities at a subsidised cost and to deliver innovative business development projects.

The following Projects are **ineligible** for funding:

- Activities with no clear connections to the WAFIP
- Consultancies, study tours or fact-finding missions
- The purchasing of land
- Development of grant application materials, businesses cases, feasibility studies etc.
- Protecting / patenting intellectual property
- Relocation of people
- Payments for expenditure incurred prior to securing grant funding
- Projects that do not demonstrate well-articulated benefits to industry and community
- Projects that have already received ESP WAFIP funding
- Expenditure associated with access to business advice (e.g. legal or export advice) that would otherwise be provided through the WAFIP.

7. Making a submission

Applications are required to be submitted online in accordance with the timeframes established in these guidelines.

When making an application, please ensure that you address the following:

Applicant information (2 pages max)

- Applicant description (structure, size, length of operation, area of business etc.)
- Organisational capacity and expertise to deliver the project
- Organisational capacity and experience to effectively use Government grant funding
- Demonstrate financial solvency and financial capacity
- Overview of project partners
- Project governance arrangements

Project Summary (no more than 2 pages or 600 words)

- Detailed project description
- Reasons for undertaking the project
- Location of the project
- The funding amount sought from each funding stream
- Detailed project costs, milestones and timeframes
- Confirmation of all contributions to the project (including other State or Federal funds sought and received)
- Ongoing capacity beyond the life of the project
- Direct and indirect employment resulting from the project

- Relevant background information and overview of the project's regulatory environment
- Identifying key risks to delivering the project and proposed mitigation strategies

Project alignment (4 pages max)

- Identify why the grant is necessary for the project to succeed
- Outline of intended outcomes and benefits to business, industry and other parties
- Alignment to the fund objectives
- Clear associations to the intent of the WAFIP
- Alignment to achieving jobs growth, economic diversification and improving export capabilities
- Project synergies, compatibility and alignment to other relevant Government initiatives
- Relevant industry and community support for the proposal

Prospective applicants are encouraged to contact the Shire of Murray to discuss their application prior to finalising a submission.

Applicants are to provide the following when applying for funds under **Common Use Equipment within the WAFIP** stream:

- Details of the equipment including operational, spatial, electricity and plumbing requirements
- Similar / alternative equipment that could meet the same purpose
- A proposed ownership and management structure for the equipment within the WAFIP including operational models (maintenance, insurance, liabilities and personnel)
- The proposed length of time the equipment would remain within the WAFIP (if greater than 4 years)

Should applicants secure funding under this stream, applicants will negotiate and agree to an asset ownership, management and operational model with the Shire of Murray.

Should a trustee submit an application on behalf of a trust, the application must provide information and documentation which demonstrates that:

- The applicant is able to enter into a legally binding grant agreement, both in its personal capacity and in its capacity as a trustee of the Trust
- The applicant represents and warrants to the Shire that, in respect of the trust:
 - a. it is the sole trustee of the Trust;
 - b. it is a validly appointed trustee of the trust and no action is proposed to remove it as trustee of the Trust;
 - c. there has not been any contravention of or non-compliance with any of the terms of the trust deed constituting the Trust;
 - d. it has a right of indemnity out of the assets of the Trust for all liabilities incurred by it under this Agreement and the assets of the Trust are sufficient to satisfy that right; and
 - e. this Agreement does not conflict with the operation or terms of the Trust or the trust deed;
 - f. it has full and valid power and authority under the Trust to enter into this Agreement and to carry out the transactions contemplated by this Agreement (including all proper authorisations and consents);
 - g. it enters into this Agreement and the transactions evidenced by it for the proper administration of the Trust and for the benefit of all of the beneficiaries of the Trust; and;

- h. it will not, without the Shire's consent (not to be unreasonably withheld or delayed), resign, allow the appointment of a substitute or additional trustee, terminate the trust or vary the terms of the Trust or resettle the Trust.

8. Assessment process

Applications will be reviewed by an ESP Panel which comprises representatives from the Shire of Murray, State Government and independent members with experience in the agri-business sector.

The Panel will consider the merits of all applications against the eligibility and selection criteria as follows.

- Alignment to the intent of the ESP Objectives and the WAFIP
- Alignment to other relevant Government initiatives and priorities (i.e. jobs growth, economic diversification, primary industries plan and improving market access, food waste to value add and sustainability)
- Applicant's demonstrated capacity to deliver the Project
- Proposed collaborations and partnerships (particularly within the WAFIP)
- Other 'due regard' considerations

9. Funding decisions

Depending on the level of funding requested, recommendations for funding will be approved as follows:

Phase 1

The Shire of Murray will table all ESP funding assessments and recommendations to the Shire of Murray Council for confidential consideration and approval.

Phase 2

- a. The Shire of Murray will table all ESP funding assessments and recommendations up to \$50,000 to the Shire of Murray Council for confidential Consideration and approval.
- b. All ESP funding recommendations above \$50,000 will be progressed, via the Department of Primary Industries and Regional Development, to the Minister for Agriculture and Food for final approval.

Funding decisions made by the Shire Council and Minister for Agriculture and Food are final and will not be subject to an appeals process.

The ESP Panel may consider recommending projects for 'partial funding' where it considers it appropriate, following consultation with the applicant.

All applicants will receive notice of the outcome of the application in writing. Unsuccessful applicants are not precluded from re-submitting an application or seeking feedback from the Shire of Murray.

10. Other considerations

Successful recipients will be required to enter into a legally binding agreement with the Shire of Murray. These agreements will establish a schedule of milestone-based progress payments and recipient's reporting requirements to the Shire of Murray. These agreements will also address the following:

- Recipient reporting obligations (with respect to project delivery and expenditure of funds)
- Recipient acquittal requirements
- Project delivery milestones and timeframes
- Communications processes
- Record keeping requirements

Should applicants secure funding under the **Common Use Infrastructure in the WAFIP** stream, applicants will negotiate and agree to an asset ownership, management and operational model with the Shire of Murray. The agreed model will be written into the legally binding funding agreement.

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful owner of those intellectual property rights. Any part of an application considered to contain any intellectual property rights should be clearly identified by the applicant.

Applicants are informed that DPIRD and the Shire of Murray are subject to the Freedom of Information Act 1992 (WA), which provides a general right of access to records held by State Government agencies and local governments. Applicants are advised that information pertaining to the receipt of State Government financial assistance will be tabled in the Western Australian Parliament. This information could include the name of the recipient, the amount of the assistance, the name of the project and a brief description thereof. This could result in requests for more details to be released publicly. Successful applicants should be aware that their organisation's name, project name and amount of funding approved may appear on State or Local Government websites or media releases. The Shire of Murray also reserves the right to discuss an application with a third party if it is deemed necessary to assist in assessing the application.

11. Contact information

Should you require any additional information on the WAFIP or the ESP grant program, please contact Dr Chris Vas, General Manager – WAFIP, Shire of Murray at wafip@murray.wa.gov.au.