



## Member Alert

### Modern manufacturing initiative opens for medical products

The Modern Manufacturing Initiative is now open for medical product manufacturing projects that meet eligibility under its Translation and Integration streams.

The Morrison Government is backing Australia's medical products manufacturers to grow and create new jobs, with applications for projects in the sector opening under the \$1.3 billion Modern Manufacturing Initiative (MMI). Medical Products is the second of the six National Manufacturing Priorities which will be supported under the MMI to help manufacturers to scale-up production, commercialise their products and operations, and integrate into domestic and global supply chains.

The medical products [National Manufacturing Priority road map](#), will guide government and industry investment under the MMI, and focuses on keeping sophisticated manufacturing capability in Australia. The road map highlights specific areas of investment opportunity including smart monitoring devices and diagnostics, personalised implants and bionics, high-value pharmaceuticals, biologics and complementary medicines, cutting-edge treatments like mRNA vaccines, regenerative medicine and genomics, as well as digital integrated products and platforms.

#### Manufacturing Translation Stream

The [Manufacturing Translation Stream](#) provides businesses with funding to support projects that translate high quality research into commercial outcomes and support businesses to scale-up and be more competitive and resilient. It provides co-funding to support businesses to adopt new technologies and improve their manufacturing processes to boost productivity and competitiveness.

Manufacturing Translation Stream offers co-funding grants of between \$1 million to \$20 million, up to 50% of the eligible project expenditure for businesses with projects to translate research into new or improved products or manufacturing processes with eligible expenditure of over \$2 million.

#### Eligibility

To be eligible you must:

- have an Australian Business Number (ABN)
- be non-tax-exempt
- be registered for the Goods and Services Tax (GST)

and be:

- an entity incorporated in Australia, including start-ups and a trading corporation, where your trading activities:
  - form a sufficiently significant proportion of the corporation's overall activities as to merit it being described as a trading corporation; or
  - are a substantial and not merely peripheral activity of the corporation.

You must also:

- be able to demonstrate your project aligns with one of the National Manufacturing Priorities
- have a minimum of \$2 million in eligible project expenditure
- be able to provide evidence that your project is supported by your board (or Chief Executive Officer or equivalent if there is no board)
- be able to provide evidence that you can meet the costs of the project not covered by the grant funding.

The [Grant opportunity guidelines](#) provide further detail on eligibility.

### How to apply

You should read the [grant opportunity guidelines](#) and [sample grant agreement](#) before you apply. To apply, you must submit your application through the [online portal](#). You'll need to set up an account when you first log into the portal. The portal allows you to apply for and manage a grant or service in a secure online environment. Please note, the Evidence of support from your Board and Accountant Declaration (mandatory attachments to your application) must be submitted on the approved/mandatory template available on [this webpage](#). Applications for the Manufacturing Translation Stream close on **29 March 2021 5PM (AEDT)**.

### Manufacturing Integration Stream

The [Manufacturing Integration Stream](#) supports projects that integrate Australian businesses into domestic and international value chains, propelling their goods and services into new markets. It provides co-funding to encourage linkages between local businesses and domestic and international firms, increasing scale, supply capacity, and the ability to innovate. It will also facilitate the adoption of product standards and greater sharing and transfer of knowledge.

The Manufacturing Integration Stream offers co-funding grants of between \$1 million to \$20 million, up to 50% of the eligible project expenditure for businesses looking to integrate their products and services into domestic and international value chains with eligible expenditure of over \$2 million.

### Eligibility

To be eligible you must:

- have an Australian Business Number (ABN)
- be non-tax-exempt
- be registered for the Goods and Services Tax (GST)

and be:

- an entity incorporated in Australia, including start-ups and a trading corporation, where your trading activities:
  - form a sufficiently significant proportion of the corporation's overall activities as to merit it being described as a trading corporation; or
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### More information

The Department will be hosting information sessions that will provide an overview of the Manufacturing Translation and Integration streams, including eligibility requirements and key points from the assessment criteria. General tips for presenting a strong application will also be provided. [Register here](#) for the event. The session will be recorded and uploaded to [this page](#).

### Background

The Government has acknowledged that Australian manufacturers face a challenging business environment due to the COVID-19 pandemic, and by working with industry, aims to create a competitive business environment, build scale, and boost supply chain resilience. Announcement of a \$1.5 billion investment in a [Modern Manufacturing Strategy](#) has been made, with funding for eligible manufacturers for key manufacturing initiatives.

The Modern Manufacturing Strategy is a key feature of the Government's JobMaker plan to harness Australian manufacturing capability and drive Australia's economic recovery and future resilience. The vision for the Strategy is for Australia to be recognised as a high-quality and sustainable manufacturing nation that helps to deliver a strong, modern and resilient economy for all Australians. The Food & Beverage and Medical Products sectors are among the identified areas in which Australia's capabilities can be lifted.

The Strategy provides that the Government have committed to the following actions to provide the right economic conditions for the manufacturing sector:

- Taking action to reduce energy costs;
- Removing unnecessary regulation and reducing business compliance costs;
- Delivering lowering taxes for businesses to encourage investment and growth; and
- Taking action in priority sectors that require new skills and in which there are shortages.

In addition, the Strategy aims to build national resilience by:

- Encouraging market diversification by working to increase the reach of our Free Trade Agreements; and
- Making trading simpler and cheaper by building an internationally competitive Simplified Trade System.