



RESEARCH SUPPORT FOR NATIONAL SECURITY
PROJECT AND APPLICATION GUIDELINES

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NATIONAL SECURITY SCIENCE AND TECHNOLOGY BRANCH

PROJECT GUIDELINES

1. Definitions

- 1.1. For the purposes of the Project and Application Guidelines, the following definitions shall apply:
 - 1.1.1. 'Commonwealth' shall mean the Commonwealth of Australia, as represented by the National Security Science and Technology Branch within the Department of the Prime Minister and Cabinet.
 - 1.1.2. 'Project' shall mean a research project conducted by a Research Provider in accordance with these guidelines.
 - 1.1.3. 'Research Provider' means the organisation or collaborative partnership or network conducting the Project. Further information on eligibility of Research Providers is supplied at clause 3 of these Project Guidelines.

2. Project purposes

- 2.1. Only Projects with the following purposes may be funded:
 - 2.1.1. the development of specific technologies or capabilities (i.e. not the furthering of long-term basic research and development);
 - 2.1.2. the development of best practice manuals;
 - 2.1.3. the development of training user manuals;
 - 2.1.4. research which facilitates product discrimination; or
 - 2.1.5. program definition studies (specifically relating to scoping study research proposals for emerging threat priorities).

3. Research Providers

- 3.1. Projects may be conducted by either one or a combination of more than one of the following organisations:
 - 3.1.1. A Commonwealth, State or Territory department or agency;
 - 3.1.2. Any company registrable under the *Corporations Act 2001*; and
 - 3.1.3. Any Higher Education provider recognised by the *Australian Qualifications Framework Register of Recognised Education Institutions & Authorised Accreditation Authorities in Australia*.

4. Funding

- 4.1. Funding is provided on the following basis:
 - 4.1.1. funding is only available for up to 50% of the total cost of a Project, as calculated by the addition of all Eligible Project Costs (see clause 5.1);
 - 4.1.2. prior to the commencement of funding for a Project, the Research Provider must prove its ability to meet the remainder of the cost of a Project through cash or in-kind contributions from itself and/or a Project Sponsor;
 - 4.1.3. the responsibility for securing co-sponsor funding and support is that of the Research Provider and must be demonstrated in the form of a letter from the co-sponsor at the commencement of contract negotiations indicating their support for the project and willingness to provide funding [a template letter will be provided to successful applicants].
 - 4.1.4. all funding is governed by agreed terms and conditions set out in a funding agreement signed by the Commonwealth and the Research Provider prior to the commencement of funding;

- 4.1.5. funding may be withheld or suspended if the Research Provider does not meet agreed obligations;
- 4.1.6. funding is available for multiple financial years but cannot currently extend beyond June 2012;
- 4.1.7. funding is awarded on a competitive basis and is dependent on available program funding but there is otherwise no maximum limit on funding per Project; and
- 4.1.8. funding must not duplicate any form of support (financial or otherwise) already provided by the Australian Government or any other party; and
- 4.1.9. funding can only be provided towards the use of equipment during a Project and cannot be used to purchase permanent equipment or assets for a Research Provider.

5. Eligible Project Costs

5.1. The following are Eligible Project Costs:

- 5.1.1. the salaries and direct on-costs of staff employed specifically for the Project;
- 5.1.2. administrative expenses, publishing costs, consumables costs and/or bench fees incurred directly in relation to the Project;
- 5.1.3. contributions towards travel undertaken directly in relation to the delivery of Project milestones, including economy class flights and a living allowance per person per day of \$100 per day (domestic travel) or \$200 per day (international travel); and
- 5.1.4. eligible equipment costs, as set out in clause 6.

5.2. The following are not Eligible Project Costs:

- 5.2.1. costs incurred prior to the commencement of a funding agreement;
- 5.2.2. general administration and overhead costs, including the construction or renovation of facilities;
- 5.2.3. non-eligible equipment costs, as set out in clause 6.1;
- 5.2.4. costs associated with market research for products or other research carried out to assess the size of a market and/or the price of a particular service or product;
- 5.2.5. costs associated with marketing activities aimed at creating demand for goods and services or endorsing commercial offerings, including the use of a retailing or trade showroom;
- 5.2.6. debt financing;
- 5.2.7. costs associated with the preparation of financial and audit statements;
- 5.2.8. costs associated with any litigation; and
- 5.2.9. costs related to any activity for which an input tax credit can be obtained.

6. Equipment Costs

- 6.1. Costs related to the acquisition or use of generic equipment are not Eligible Project Costs. Generic equipment includes items such as office furniture and equipment, non-specialised computers or printers, photocopiers or motor vehicles;
- 6.2. Costs related to the acquisition or use of specialised equipment may be Eligible Project Costs, subject to the provisions set out in clauses 6.3 and 6.4. Specialised equipment is as follows:
 - 6.2.1. items which have been designed or customised for carrying out a specific research task;
 - 6.2.2. items which are being studied as part of a Project, including as part of a product discrimination or testing process; and/or
 - 6.2.3. items which the Commonwealth requires the Research Provider to obtain for the security of a Project (i.e. a computer purchased for exclusive Project use for information security purposes).

- 6.3. Only those costs directly arising from the use or acquisition of item of specialised equipment for a Project may be included as Eligible Project Costs. Therefore:
- 6.3.1. only if an item is to be used exclusively for a Project can 100% of the cost associated with its acquisition or use be included as Eligible Project Cost; and/or
 - 6.3.2. if an item is not to be used exclusively for a Project, only the proportionate cost of Project-related use may be included as an Eligible Project Cost (i.e. if only 50% of a Research Provider's use of a piece of equipment is related to a Project, only 50% of the costs related to that piece of equipment can be included as an Eligible Project Cost).
- 6.4. If an item of specialised equipment is purchased by a Research Provider for a Project, only the cost of its use during the Project can be included as an Eligible Project Cost. Therefore, the Eligible Project Cost of a purchased item will be the purchase price minus the residual value of the item at the end of its use for Project purposes.
- 6.4.1. As an example, a Research Provider may purchase a piece of equipment valued at \$1500 to use for two years exclusively in connection with a Project. If the item depreciates at the rate of \$200 a year, after the two years, the equipment would have a residual value of \$1100. The Research Provider would therefore be able to include \$400 as an Eligible Project Cost.

7. Intellectual property

- 7.1. Intellectual property rights are considered separately for each Project, with final terms and conditions set out in each funding agreement. Research Providers will be asked to provide information in the application process on the use and proposed ownership of intellectual property rights in the Project.
- 7.2. Notwithstanding clause 7.1, the Commonwealth does not ordinarily seek to acquire the intellectual property rights arising from material produced by a Project. Therefore, as a general rule, intellectual property rights arising from material created by the Project should vest with the Research Provider.
- 7.3. As part of program accountability, the Research Provider is required to provide regular reports to the Commonwealth of the Prime Minister and Cabinet. Notwithstanding clause 7.1, a Research Provider will be expected to implement the following steps to allow the Commonwealth to deal appropriately with the reports:
- 7.3.1. Grant the Commonwealth a permanent, irrevocable, free, world-wide, non-exclusive licence to use, reproduce, modify, adapt and exploit the intellectual property provided to it in reports, including any material created outside of the Project;
 - 7.3.2. Obtain written consent from authors of reports which allow the Commonwealth to use, reproduce, adapt or exploit all or any part of the reports with or without attribution of authorship; to supplement the reports with any other material; and to use reports in a different context to that originally envisaged; and
 - 7.3.3. Bring into existence, sign, execute or otherwise deal with any document which may be necessary or desirable to give effect to these requirements.
- 7.4. The Commonwealth may grant a licence to use, copy and reproduce certain Commonwealth material for the purposes of a Project. However, ownership of all Commonwealth material, including any associated Intellectual Property rights in that material, must remain vested at all times in the Commonwealth. The Research Provider will be required to abide by certain conditions set out in the funding agreement regarding the use, storage and return of the material.

8. Publicity

- 8.1. The Commonwealth has a duty to put in place procedures which prevent the release of sensitive security information and to ensure the equitable treatment of applicants. Therefore, as both a condition of submitting an application for funding and as part of the funding agreement, a Research Provider will be requested to not publish any information concerning a Project in any media, nor to respond to a request to publish information concerning a Project in any media, without the prior written consent of the Commonwealth.
- 8.2. The Research Provider must acknowledge the financial and/or other support received from the Commonwealth in all publications, promotional and advertising materials, public announcements and activities related to the Project and any products, processes or inventions developed as a result of it.
- 8.3. The Commonwealth reserves the right to publicise and report on a Project. The Commonwealth may utilise the following information:
 - 8.3.1. the name of the Research Provider;
 - 8.3.2. the amount of funding provided;
 - 8.3.3. the title and a brief description of the Project; and/or
 - 8.3.4. a brief description of the aims and/or outcomes of the Project.

9. Security

- 9.1. The Commonwealth may provide funding for Projects which use and/or produce classified or sensitive security information.
- 9.2. The Commonwealth may put in place any security requirement it views as necessary to protect the integrity of the program and/or any material used or produced by a Project.
- 9.3. Due to their use or production of classified security information, Research Providers may be subject to certain statutory provisions relating to security and security issues, including requirements specified in the Commonwealth Protective Security Manual 2005.
- 9.4. Research Providers must ensure their personnel are aware of relevant statutory provisions and security requirements imposed by the Commonwealth and put in place procedures to ensure compliance with them.
- 9.5. The Commonwealth may require that particular personnel of a Research Provider:
 - 9.5.1. hold a particular level of Commonwealth security clearance;
 - 9.5.2. undergo other forms of security vetting, including a National Police Check; and/or
 - 9.5.3. sign a non-disclosure agreement.
- 9.6. The following activities must not be undertaken as part of a Project without the prior written approval of the Commonwealth:
 - 9.6.1. the performance of any Project activities outside Australia;
 - 9.6.2. the transfer of classified security information outside Australia.

10. Personnel and subcontractors

- 10.1. Research Providers must ensure, and have procedures in place to ensure, that all personnel involved in a Project:
 - 10.1.1. are of good fame and character;
 - 10.1.2. are properly qualified for the tasks they are to perform;
 - 10.1.3. act in a fit and proper manner while carrying out work on the Project; and
 - 10.1.4. comply with relevant security procedures.
- 10.2. The Commonwealth may at any time, on reasonable grounds, without any liability whatsoever, withdraw, limit or suspend its authorisation of a particular person. Should this occur, the individual may no longer work on the Project or have access to Project files and the Research Provider will be required to make available a suitable replacement within a reasonable time.

- 10.3. Research Providers may not use subcontractors to perform any activities as part of a Project without the prior written approval of the Commonwealth.
- 10.4. There is not a requirement for personnel involved in a Project to hold Australian citizenship, however, non-Australian citizens must still be able to meet any requirements under clause 9.5.

11. Accountability Requirements

- 11.1. Research Providers are obliged to carry out a Project:
 - 11.1.1. diligently, effectively, in good faith and to a high professional standard;
 - 11.1.2. in accordance with these Project Guidelines and the funding agreement (the latter taking precedent in the event of conflict);
 - 11.1.3. within specified timeframes; and
 - 11.1.4. in compliance with any applicable laws;
- 11.2. The Commonwealth has no obligation to manage or maintain a Project at any stage.
- 11.3. Research Providers must create and maintain full and accurate accounts of the conduct of the Project including, without limitation, progress against the Milestones, all income and expenditure related to the Project, the receipt and use of funding, the acquisition and disposal of Specialised Equipment and the creation of intellectual property rights in project material.
- 11.4. A Project Committee will be appointed to oversee a Project to ensure it is achieving its objectives and adequately addressing the identified requirement.
 - 11.4.1. The Project Committee will normally be chaired by the Commonwealth of the Prime Minister and Cabinet and may include representatives from organisations financially supporting the Project.
 - 11.4.2. The Project Committee will endorse the completion of Project milestones, delivery of Project material and recommend the approval of progress payments in accordance with the funding agreement.
 - 11.4.3. Research Providers must agree that they remain fully responsible for performing the Project in accordance with the funding agreement, even though performance of the Project will be subject to regular review by the Project Committee.

12. Applicable law

- 12.1. The Project and Application Guidelines shall be subject to and construed in accordance with the law in force in the Australian Capital Territory.

APPLICATION GUIDELINES

1. Application submission

- 1.1. All applications must be submitted in accordance with all conditions set from time to time by the Commonwealth, including deadlines for submission, methods for submission and use of a standard application form.
- 1.2. Beyond the information explicitly requested in the standard application form, no other information, including supplementary documents, may be attached to an application.
- 1.3. The onus to provide proof of transmission prior to any deadline for submission rests with the applicant. The Commonwealth may require the applicant to provide proof of transmission.

2. Undertakings by applicants

- 2.1. In submitting an application, applicants acknowledge that:
 - 2.1.1. they do not rely on any representation, letter, document or arrangement, whether oral or in writing, or other conduct as adding to or amending these conditions;
 - 2.1.2. they do not rely on any warranty or representation made by or on behalf of the Commonwealth, except such as are expressly provided for herein, but they have relied entirely on their own enquiries and inspection in respect of the subject of their proposal;
 - 2.1.3. the Commonwealth shall not be responsible for any costs or expenses incurred in complying with the requirements of an application and negotiating any subsequent funding agreement;
 - 2.1.4. they must undertake not to publish any information concerning this application in any media, nor to respond to a request to publish information concerning this application in any media, without the prior written consent of the Commonwealth; and
 - 2.1.5. neither these conditions nor any application give rise to a formal written contract.
- 2.2. In submitting an application, applicants shall be deemed to have:
 - 2.2.1. examined the Project and Application Guidelines and all documents referred to in these guidelines, including the application forms, and any other information made available in writing by the Commonwealth to the applicant;
 - 2.2.2. examined all further information relevant to the risks, contingencies, and other circumstances having an effect on their application and which is obtainable by the making of reasonable enquiries; and
 - 2.2.3. satisfied themselves as to the correctness, accuracy and sufficiency of their applications.

3. Information contained within an application

- 3.1. All applications shall become the property of the Commonwealth at the time of lodgement. Notwithstanding this, and without prejudice to anything agreed in any subsequent funding agreement, ownership of the intellectual property in the information contained in a proposal and any supporting documents shall remain unchanged.
- 3.2. All information contained in the application will be treated as commercial-in-confidence in so far as the Commonwealth's obligations under the law permit
- 3.3. The Commonwealth reserves the right:
 - 3.3.1. to use the information contained in the application for any purpose connected with the management of the funding;
 - 3.3.2. to make copies of the application for the purpose of assessment;

- 3.3.3. to provide the application or any part thereof to a third party for the purposes of assessment or the preparation of any subsequent funding agreement;
 - 3.3.4. to use any information provided in a successful application during the management of the project and for any reviews and/or investigation it may subsequently undertake; and
 - 3.3.5. to retain and/or destroy the information as it sees fit.
- 3.4. All documents created or held by the Commonwealth are subject to the *Freedom of Information Act 1982*. Unless a document falls under an exemption provision, it will be made available to the general public if requested under the *Freedom of Information Act 1982*.
- 3.5. The Commonwealth is also bound by the provisions of the *Privacy Act 1988*. Section 14 of the *Privacy Act 1988* contains the Information Privacy Principles which describes the rules for handling personal information.
- 3.6. The Commonwealth is not obliged to return an application or any copies of it to the applicant.

4. Minimum eligibility criteria

- 4.1. All applications must meet the following minimum standards:
- 4.1.1. The application must be completed using the standard application form and must not contain responses which exceed the maximum word lengths set out in the form;
 - 4.1.2. All information must be in English and the application must be sufficiently legible and complete so as to allow assessment against all criteria;
 - 4.1.3. All financial values are to be in Australian dollars and inclusive of any applicable Goods and Services Tax (GST); and
 - 4.1.4. The total funding requested from the Commonwealth must not represent more than 50% of the Eligible Project Costs.
- 4.2. The Commonwealth may exclude from further consideration any application that fails to meet one or more the above standards.

5. Assessment process

- 5.1. All applications will be assessed against the following criteria:
- 5.1.1. *Research requirement*
How well the project would address a research requirement or priority identified by the Commonwealth.
 - 5.1.2. *User Support*
The degree of support, including any financial or in-kind contributions committed to the project, received from those agencies and organisations which might utilise the end-product of a project.
 - 5.1.3. *Potential benefit to Australia*
How much benefit would the project provide to the user community and whether the project is likely to enhance Australia's interests through new linkages and collaboration in the local research community, potential export, etc.
 - 5.1.4. *Past Performance*
The Research Provider's capability and technical capacity for managing research projects and achieving outcomes.
 - 5.1.5. *Project design and methodology*
How appropriate and feasible is project design and methodology to the task, including how clearly the application outlines proposed activity and how the project is structured to reduce the risks of non-delivery
 - 5.1.6. *Proposed Budget*
The overall cost efficiency of delivering the intended benefits and the cost efficiency of individual project activities.

- 5.2. The relative weighting of the assessment criteria in clause 5.1 will be established prior to assessment but not released publicly.
- 5.3. An assessment panel, made up of individuals with relevant knowledge and expertise, will assess the merit of each application against the assessment criteria and make recommendations to the Commonwealth.
- 5.4. In assessing an application, the assessment panel and the Commonwealth may seek advice from other Commonwealth departments and agencies, State or Territory government agencies and/or external specialists in the field to which the proposal relates.
- 5.5. The Commonwealth may request applicants to provide additional information to clarify any issues raised during the assessment process or to address any comments made by the assessment panel.

6. Approval of applications and execution of agreements

- 6.1. The final decision regarding the funding of any Project rests with the Commonwealth.
- 6.2. Unsuccessful applicants will be notified in writing of the decision of the Commonwealth in regard to their application and how they may seek feedback from the Commonwealth.
- 6.3. Successful applicants will be notified in writing that they have been tentatively approved to receive funding, subject to the execution of a funding agreement between the Research Provider and the Commonwealth.
- 6.4. The Commonwealth has no obligation to provide a successful applicant with any funding until a funding agreement has been executed between the Research Provider and the Commonwealth. Successful applicants must not commence work on a Project until a funding agreement has been executed.
- 6.5. The Commonwealth may enter into negotiations regarding the execution of a funding agreement with any applicant.
- 6.6. The Commonwealth reserves the right to discontinue any discussions or negotiations with any applicant at any time as it sees fit, no matter how close to finalisation those discussions or negotiations may be.

7. Commonwealth's rights

- 7.1. The Commonwealth reserves the right to conduct the following checks in relation to applications:
 - 7.1.1. Financial viability checks through the Australian Securities and Investments Commission (ASIC) and other credit reference agencies regarding Research Providers and individuals or other companies associated with an application;
 - 7.1.2. Background checks, including checks of criminal records, to determine the good character and business reputation of individuals associated with an application;
 - 7.1.3. Checks to ascertain whether any form of support (financial or otherwise) is already being provided to a Research Provider by the Australian Government or any other party in relation to the
- 7.2. The Commonwealth reserves the right to:
 - 7.2.1. accept or reject any application regardless of its compliance with the Application or Project Guidelines;
 - 7.2.2. during assessment, seek clarification from, and to enter into discussion with, any or all of the applicants in relation to their proposals;
 - 7.2.3. allocate a lesser amount than that requested in an application to the whole or part of a project, if in its opinion lesser funding is appropriate, or if insufficient Australian Government funds are available to fund the proposal as a whole;
 - 7.2.4. seek changes to a Project in the context of completing a funding agreement; and

7.2.5. vary, amend or terminate a selection process at any time.

8. Errors in an application

- 8.1. The Commonwealth will not accept responsibility for any misunderstanding arising from the failure by an applicant to comply with the Project or Application Guidelines, or arising from ambiguity, discrepancy, error or omission contained in an application.
- 8.2. If an applicant discovers a discrepancy, ambiguity, error or omission with their application, they must bring it to the attention of the Commonwealth prior to the time specified in clause 1.1.3 of these Application Guidelines. Applicants cannot alter their application in any manner after this time.
- 8.3. If a proposal is incomplete or contains information that is misleading, it will be excluded from any further consideration for funding.
- 8.4. The provision of false or misleading information, or false or misleading documents, to the Commonwealth is an offence under Commonwealth criminal law.

9. Fraud and improper assistance

- 9.1. It should be noted that Commonwealth policy is to exclude from further consideration proposals which have been compiled with improper assistance of employees, ex-employees, and/or contractors or ex-contractors of the Commonwealth or that have been compiled utilising information unlawfully obtained from the Commonwealth.
- 9.2. The emphasis in the preceding clause is on improper assistance. It does not preclude proposers and collaborating parties using employees who are ex-Commonwealth public servants or ex-employees, provided they have not been involved in the development of this or a request document or related documentation or had contact with the personnel involved with these activities other than for the legitimate purpose of responding to this request.
- 9.3. The Commonwealth is fully committed to complying with *Commonwealth Fraud Control Guidelines 2002* and is bound by departmental Fraud Control Plans.

10. Applicable law

- 10.1. The Project and Application Guidelines shall be subject to and construed in accordance with the law in force in the Australian Capital Territory.