General Outline
The Australian Government has provided $25 million to deliver the Industry Cooperative Innovation Program between June 2005 and June 2011. These funds will provide support to assist industry consortia to deliver industry wide benefits that raise capability in their industry through cooperative innovation projects.

Industry Cooperative Innovation Program is a merit based funding program with the objectives to:

• encourage business to business cooperation on innovation projects both within Australia and internationally that enhance productivity, growth and international competitiveness in Australia.

• generate national benefit for the Australian economy.

AusIndustry, the Australian Government’s business program delivery division of the Department of Industry, Tourism and Resources, has responsibility for the delivery of the Industry Cooperative Innovation Program.

The Directions provide the Industry Research and Development Board (the Board) with an additional function. This additional function relates to the administration of the Program including the policies and practices to be followed by the Board in the performance of the function. In accordance with the Directions, the Board provides the technical assessments and merit ranking of eligible applications under the competitive grants element of the Industry Cooperative Innovation Program. The Program Delegate determines which eligible applications will receive funding and takes into account the merit ranking provided by the Board, the available Program funding, and the policy objectives of the Program.

The Directions do not affect the rights of a person (other than the Commonwealth) as at the date of registration so as to disadvantage that person or impose liabilities on that person (other than the Commonwealth) in respect of anything done or omitted to be done before the date of registration on the Federal Register of Legislative Instruments.

Legislative authority
The Directions are issued to the Board by the Minister for Industry, Tourism and Resources (the Minister) acting under section 18A and subsection 19 (1) and 20 (1) of the Industry Research and Development Act 1986.

Consultation
The Minister consulted the Board during the development of the Directions, as required under sub-section 20 (2) of the Industry Research and Development Act 1986.
Public consultation was conducted in the form of Industry consultations held on 24 August 2006 and 6 September 2006 at Melbourne and Sydney respectively. Some written submissions were also received.

Financial Implications
The Directions have no financial impact. The Directions provide a framework by which the Board provides assessments and merit ranking of eligible applications. The Program Delegate makes the final decision in determining the quantum, terms and conditions of grants under the Program.

Date of effect
The Directions commence on and from the day on which particulars of the Directions have been published in the Gazette and have been registered on the Federal Register of Legislative Instruments.

Notes on Provisions of the Directions

PART 1 – PRELIMINARY

Name of Direction

Clause 1

The Directions constitute the Industry Cooperative Innovation Program Ministerial Directions No 1 of 2007.

Commencement

Clause 2

The Directions commence on and from the day on which particulars of the Directions have been published in the Gazette and have been registered on the Federal Register of Legislative Instruments.

Object of these Directions

Clause 3

The object of the Directions is to provide the Board with instructions in relation to an additional function of the Board – namely the provision of technical assessments and merit ranking of eligible applications under the competitive grants element of the Industry Cooperative Innovation and - and the policies and practices that the Board must follow in the performance of this function.
Interpretation

Clause 4

This clause explains key terms used in the Direction. It includes a new definition of Industry Cooperative Innovation Program and Program policy Objectives to clearly articulate scope for international collaboration and provide greater clarity to the merit criteria.

Clause 5

The clause outlines interpretation guidelines for the Ministerial Direction No 1 of 2007.

PART 2 – ASSESSMENT AND MERIT RANKING OF APPLICATIONS

Procedure

Clause 6 -7

This clause provides a guide to the Board on the assessment and merit ranking of eligible applications. The Board must consider eligible applications in relation to a particular funding round as soon as practicable after the Program Delegate has provided those applications to it.

Board may decline to provide merit ranking

Clause 8

The Board may refuse to provide a merit ranking of a particular applicant if it is not satisfied that its application shows sufficient merit.

Assessment of applications

Clause 9 -10

The Board assesses the merit of each applicant's activities against the merit criteria contained within the Directions. Instruction to the Board that in considering the applications it must take into account advice provided by the Department on Industry Cooperative Innovation Program policy issues that are relevant to or have impact on any of the merit criteria.

Merit Criteria

Clause 11 -13

The Board will assess applicants against the merit criteria for Stream A and Stream B projects in the Directions. These criteria are:

- Industry Scope and Cooperation
- Project Methodology
- Financial and Management Capacity
- National Benefits
PART 3 – ASSESSMENT OF PROPOSALS FOR VARIATION TO THE AGREED PROJECT

Clause 14

The clause outlines the process of re-submitting a proposal for variation, and outlines the criteria that can be varied for an existing approved and executed agreement.

Clause 15

On receiving a variation request the Board must assess the proposal as soon as practicable and provide assessment to the Program Delegate.

Clause 16

The clause outlines the criteria against which the proposal must be assessed.

PART 4 – ASSESSMENT OF PROPOSALS FOR VARIATION TO GOVERNING DOCUMENTS

Clause 17

The clause outlines the other assessments that the Program Delegate could request the Board to provide associated with applications, activities and projects such as technical assessments, or assessments that could impact on a merit criterion.

Clause 18

The requirement that the Board in carrying out the assessments pursuant to the merit criteria consider any relevant policies relating to the administration of the Industry Cooperative Innovation Program issued under the Guidelines.

PART 5 – BOARD TO PROVIDE ADVICE ON POLICIES AND OPERATIONS OF THE PROGRAM

Clause 19

The Board may advise the Minister, or the Minister may request advice from the Board, on non-financial administration matters relating to the Program.

Clause 20

The Board may collect and analyse data on the performance of the Program, provide advice to the Minister on such performance, and must cooperate with any independent evaluation of the Program.
PART 6 – TRANSITIONAL PROVISIONS

Clause 21 – 22

The two clauses outline the conditions when the 2007 Directions will take effect, and the Directions that are applicable to existing Industry Cooperative Innovation Program funding that were approved prior to the implementation of 2007 Directions.