

# Unpacking and tapping into the Federal Government's \$1.5b investment in Australian manufacturing

**One of the largest investments into the Australian manufacturing industry – and in stark contrast to past investments – is the \$1.5b ‘modern manufacturing strategy’. Key programs of this strategy include the \$1.3b Modern Manufacturing Initiative (MMI) and the \$52.8m Manufacturing Modernisation Fund (MMF).**

This initiative commits to creating an environment that fosters manufacturing competitiveness, aligns resources to build scale where we have competitive strength and secures sovereign capability in areas of national interest.

This investment aligns with the industries the Government wants to be firmly established in the next decade – areas in which Australia already has a strong competitive advantage or is an emerging area of opportunity.

This is a significant opportunity for Australian manufacturers – and is one businesses must proactively pursue in order to tap into this support.

The first program funds to be released are for the Manufacturing Modernisation Fund.

## Manufacturing Modernisation Fund (MMF)

The MMF is an existing program, with \$52.8m now available for a second round of applications. The grant is designed to support investment in transformational technologies and processes.

### What does the MMF provide?

- grants of \$100,000 to \$1m on 3:1 basis
- support for transformative investments in technologies and processes

### Who is eligible?

The fund anticipates supporting 150 manufacturers that align with the new National Manufacturing Priorities:

- Resources Technology & Critical Minerals Processing
- Food & Beverage
- Medical Products
- Recycling & Clean Energy
- Defence
- Space

If you are a company that operates in one of these six priority industries, are considering investment in transformative technologies and processes, and are able to initiate a project next year, you could be eligible for this program.

### Deadline

Applications will open by the end of the year, and while the deadline is yet to be announced, it appears likely the application window will be over the Christmas/New Year period.

This is a less than ideal time to be preparing applications. We are looking for companies that are ready to begin work now on preparing their applications, with a view to investing enough time with us to ensure your application will be regarded as both professional and persuasive.

## What are the other parts of the broader manufacturing strategy?

- \$1.3b “Modern Manufacturing Initiative” focused on supporting the scaling up of priority industries with grants open in the first quarter of next year.
- \$107.2m to identify “supply chain resilience” vulnerabilities with regard to critical goods and services such as medicines, food, chemicals and plastics. Options to address these include manufacturing domestically, underpinned by State and Federal procurement contracts, or identifying “like-minded partners” overseas to contract with.
- Government and industry will partner to develop industry-led roadmaps to identify growth opportunities, barriers to scale and what is needed along the value chain in each area. These are to be prepared by April.

## How Grant Thornton can support and our proven track record

With a fund so highly contestable, Grant Thornton can leverage our experience and intimate awareness of the application process to support clients. We can advise if your project aligns well with the program and ensure your project is presented so that it rates highly across all merit criteria assessments. Round one was incredibly competitive and received more than 2000 applications – with only seven per cent successful. Our team prepared five applications for clients in round one, with a 100 per cent success rate.



### For more information:

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