



**METS  
IGNITED**

*Engage  
in our future*

METS IGNITED

Queensland METS

Collaborative Projects Fund

Guidelines

December 2019



Australian Government  
Department of Industry,  
Innovation and Science

Industry  
Growth  
Centres

# 1 The Queensland METS Collaborative Projects Fund

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The Australian Government's Industry Growth Centres Initiative aims to boost competitiveness and productivity in sectors of key strategic importance. The Mining Equipment, Technology and Services (METS) is one of six such sectors identified as an area of focus.

METS Ignited works with Australian suppliers to the mining industry, global miners, research organisations and capital providers to improve the competitiveness and productivity of the Australian METS sector.

METS Ignited has five key strategic priorities:

- **Aligned Strategy** – the sector has a compelling vision and strategy that aligns to and enhances the growth needs of the METS, mining and research industries.
- **Global Brand** – the Australian METS brand and value proposition is recognised globally, highly valued and priced at a premium.
- **Internationally Competitive** – supply chain participation is facilitated by global partnerships, world class clusters and the active support of capital markets to grow scale needed to compete internationally.
- **Collaborative & Innovative** – collaboration across the sector has accelerated the rate of both innovation and commercialisation.
- **Skilled for 2026** – the skills base enhances business capability and growth, and ensures the sector's sustainability and leadership in a rapidly transforming technology landscape.

Further details on METS Ignited can be found at <http://www.metsignited.org/> and information on the broader Growth Centre Initiative is available [here](#).

The Queensland Government has been working with METS Ignited on a number of projects that are designed to align with these strategies and provide opportunities for Queensland METS companies.

This has included the commitment of significant resources to better understanding the challenges and opportunities that face the METS sector, both now and in the future.

Key findings from that research include a clear need for greater collaboration between METS sector participants and accelerated rates of commercialisation in order to increase the international competitiveness of METS sector businesses.

In the current and future business environment - where the mining industry is seeking new technologies and business models to improve productivity, environmental and social outcomes - it is unlikely that a single company will have an entire solution. The business model of clustering companies with complementary areas of expertise to address customer challenges is already well established in Europe and North America. Some well co-ordinated international clusters are now engaging with Australia's resources sector.

METS Ignited and the Queensland Government are together kick-starting the connections between METS companies and other organisations to realise business opportunities that will deliver increasing value to our mining operations around the State. This is being done by the Queensland Government providing matched funding for collaborative commercial projects within Australia and internationally via the clustering business model.

The goal is to identify world leading business clusters in mining products and services and help these businesses and communities grow, receive recognition for their innovative skills, capitalise on new business opportunities and facilitate expansion of their operations into new markets.

Queensland is home to world leading METS companies with a long history of developing innovative solutions to the problems faced by mining companies in their local areas, as well as internationally.

Decades of mining activity expansion has resulted in the natural clustering of local companies with specific and complementary expertise in mining construction, operation, maintenance, rehabilitation and remediation.

Many of these businesses are already world leaders in their areas of expertise and others have the potential to access significant domestic and international opportunities by working together and promoting their collective capabilities to the miners and major METS companies (“the Customer(s)).

The purpose of the Queensland METS Collaborative Projects Fund Program is to:

- (a) encourage collaboration amongst businesses in the METS and Mining sectors in Queensland
- (b) address real business challenges and opportunities confronted by Customers
- (c) facilitate the commercialisation of innovative products and services developed in Queensland.

Where METS companies are working with other suppliers and one or more Customer/s, they can apply for matched funding from a minimum of \$50,000 to deliver projects that:

- build on a live business opportunity
- have Customer involvement and contribution to funding
- deliver broad benefits to their regional business community, e.g. via capability development, social licence etc.

**IMPORTANT NOTE:** The Queensland METS Collaborative Projects Fund is intended to drive collaboration and/or be of broad benefit to the METS sector and broader community in Queensland. It is expected that projects would normally be led by a METS company and “collaboration” is interpreted as requiring the participation of multiple METS companies and a mining company or major METS company which is classed as the ‘customer.’ In the case of projects focused on export business opportunities, the “customer” can be located overseas.

Whilst we do not wish to completely exclude METS companies from outside Queensland, we would like to see applications from consortiums whose members have a strong presence in Queensland, in particular those towns and cities that service the mining operations across the state.

The businesses must be working to solve a real operational problem faced by a Customer and result in a financial or operational benefit for the mining company or major METS companies involved. Resolving the issue presented must have commercial opportunities for the consortium of METS companies involved or deliver substantially improved competitiveness to Australian METS or Mining.

The funding is available for all forms of technological solutions to mining, exploration, oil, gas and energy industry challenges, however it is expected that this program will provide a tangible opportunity for the industry leading clusters in the Queensland Cluster program to commercialise innovative technologies through collaboration.

## 2 Processes

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METS Ignited is seeking proposals from consortiums of companies in the METS-Mining sector with connections to the Queensland mining, oil and gas industries. The process will include a request for a Short Proposal, which will be reviewed for eligibility and to proceed, if appropriate, to an Enhanced Proposal. Proposal templates are available on the METS Ignited website <https://www.metsignited.org/>.

An overview of the selection process follows:

1. METS Ignited will seek **Short Proposals** directly from prospective consortiums.
2. **Short Proposals** will be evaluated by the METS Ignited, who may seek specialist advice and expertise.
3. METS Ignited may elect to fund a project on the basis of the **Short Proposal** only.
4. Other **Short Proposals** may be selected to proceed to an **Enhanced Proposal** stage, which could include guidance to the applicants from METS Ignited on project direction, commercial pathways and possible partners.
5. After submission, **Enhanced Proposals** will be re-evaluated by METS Ignited.
6. The successful **Enhanced Proposals** will be submitted to a panel formed by METS Ignited, the Queensland Government and appropriate industry representatives, for final approval.
7. Successful applicants will be required to enter into a Funding Agreement with METS Ignited, before being entitled to any payments. Projects shall not commence until such an agreement is in place. Failure to enter into an agreement within 60 days of being notified may result in withdrawal of the offer by METS Ignited.
8. All project shortlisting and evaluation will be based on available funds, eligibility and alignment with the METS Ignited strategy, and is at the sole discretion of METS Ignited.

### 3 Eligibility and merit criteria

Eligibility criteria for Queensland METS Collaborative Projects Fund is set out below:

Item	Description
1.	The lead applicant must represent a consortium of industry partners from within the mining and METS sector. The consortium must have at least three METS companies involved. A consortium may also include members from research organisations, universities and other associations across the METS value chain. The consortium must include a mining company or a major METS company (“Customer”) that manages or supplies directly to a planned or operational mining activity. The mining activity may be outside Queensland. At least one the METS companies in the consortium must conduct commercial activities in Queensland.
2.	Proposed matched funds requested must be a minimum \$50,000 though total project costs are not under any financial limit.
3.	Proposed project duration ideally is less than 12 months. Extensions on existing projects will be considered provided Mets Ignited agrees this is justified.
4.	The project must demonstrate real commercial or operational benefit for the mining company or major METS company involved and must not relate to basic/discovery research.
5.	Proposals must demonstrate/confirm ownership or access to the IP necessary to conduct the Project and clear demonstration on how the collaboration will work between the consortium partners.
6.	Proposals must clearly define the benefits to the Customer, the METS companies and the local community.

Proposals will be further evaluated based on their merit including:

Item	Description
1.	<p><b>Alignment:</b> Extent of alignment with METS Ignited’s strategy around Collaboration and Innovation.</p> <ul style="list-style-type: none"> <li>- Collaborative approach</li> <li>- Approaching a real commercial opportunity/challenge</li> <li>- Using an innovative approach.</li> </ul>
2.	<p><b>Market opportunity:</b> Extent to which the Project addresses a gap in the capacity and capability of the mining company, major METS company or the METS sector, and is business-ready (including customer ecosystem readiness considerations).</p>
3.	<p><b>Impact:</b> Extent to which the project will deliver local, regional, national and sector wide impact, considering also the funding ratio (i.e., government to industry cash ratio).</p>
4.	<p><b>Skills and education:</b> Extent to which the project will improve training or workforce skills development (where applicable).</p>
5.	<p><b>Management capability and risk:</b> Demonstrated evidence of technical, methodological and management capability to deliver the project, including track record and risk profile.</p>

## 4 Matched Funds/Contributions

To be eligible, the project applicants must provide cash contributions, at least equalling the sum of all government funds, inclusive of the METS Ignited funding. That is, all contributions from Government Agencies, whether they are Federal or State must at least be matched in cash by the Consortium Applicants. Examples follow:

### **Example 1:**

- MI funds requested \$100K
- State Government cash of \$100k (sourced from alternate funding programs)
- Industry (Mining/METS) matched cash required is a further \$200K
- **Total project value = \$400K**

### **Example 2:**

- MI funds requested \$100K
- CRC funds requested \$100k (say 50% of which is Government funds)
- Industry (Mining/METS) matched cash required is a further \$100K
- i.e. total govt. cash of \$150k vs industry cash of \$150k (where industry cash is made up of \$50k of CRC industry sourced cash and \$100k directly sourced from industry)
- **Total project value = \$300K**

### Ineligible contributions/costs

Ineligible contributions/costs include charges for all “internal resources” of the applicant that would be incurred irrespective of whether the Project was undertaken or not. These include applicant employee salaries and wages, fees for the use of a proponent’s facilities, use of applicant-owned plant and equipment, any charges related to participant overhead recovery, cost of access to IP, etc.

Following short-listing, project applications must include a detailed budget which separately identifies all cost inputs and other contributions, supporting schedules and statements that evidence compliance with the above principles, together with a proposed mechanism for auditing the project activities. Approval of the budget and supporting documents, together with regular audit will form part of project milestone payments. Note that a simple approach to the project budgeting involves cash contributions from all parties to pay for all project activities and resources. Estimated payment rates for any consultants or contractors engaged must be reasonable and in line with current market expectations.

## 5 Researchers

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Research (if required) can be completed by public and/or private agencies. Private organisations not already registered as research providers must first be authorised by METS Ignited.

## 6 Intellectual Property

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METS Ignited promotes practical approaches to IP which drive innovation, increase speed to market, and improve business outcomes for Australian-based METS companies. Guiding philosophies to consider for collaboration and IP treatment include:

- clear articulation of the contribution each party will make, as well as the benefit expected for each party
- allocation of benefits and background contributions should be expressed in percentages
- for jointly developed project IP, METS promotes “concessional access” over “veto/preferred access” terms for participating parties
- Customers within the project groups should not seek to own the IP but rather should seek unrestricted access to the IP to improve their international competitiveness.

## 7 Project Funding

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### 7.1 Funding Agreement

Successful proposals will be subject to a Funding Agreement. In general, two types of agreement are anticipated:

1. A simple agreement with a single/lead METS participant (preferred by METS Ignited)
2. A more complex, multi-party agreement, in which there is a “simple agreement” in place between METS Ignited and a lead applicant, which specifies the need for an underlying collaboration agreement between the consortium participants, including the Customer.

In both cases, agreements will set out the expectations and deliverables for the project, including payment schedules, reporting obligations, and industry matched funding payments.

### 7.2 Payments, milestones and governance

Funding may be payable by instalment, as determined by METS Ignited, and linked to milestones (which can be suggested by applicants in their proposals). This may include, at the discretion of METS Ignited, an upfront payment of up to 25 per cent. Subsequent payments will be made on the basis of completion of milestones and provision of progress reports. Projects will be administered and governed according to the risk profile of the project and as determined by METS Ignited.

## 7.3 Reporting

In managing approved projects, regular reporting processes will need to be established, supporting the terms of the Funding Agreement. The content of these reports is set out in the Funding Agreement, where the reports include:

- progress reports (including cash reporting of project to date), which will be linked to payment milestones
- end of project reporting
- case study reports
- ad-hoc reports.

## 8 Media and reporting obligations

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1. Once a Funding Agreement is in place, METS Ignited reserves the right to publically report on the progress and outcomes of the project, consulting with the consortium prior to doing so.
2. On project completion or as agreed at key project milestones, the project consortium must provide a case study covering an overview of the challenges addressed, the approach, solution/learnings and the planned benefits and general findings observed in the project.
3. On Project completion, METS Ignited also requires that the project participants submit a Final Report, which may be linked to the final project payment. The Final Report shall describe project processes, learnings, trainings and outcomes and must describe the nature and application of any IP (without specifics of the actual IP created by or for the Consortium or broader cluster).
4. The final report will not be used by METS Ignited or the Commonwealth Government for commercial use or commercial disclosure unless the consortium fails to commercialise the IP within three (3) years.
5. Where applicable, the consortium must also provide to METS Ignited annual reporting in a standard format on the benefits (market share, entry into new markets, sales, or other measurable performance metrics) of the project for three years post project completion.

METS Ignited reserves the right to amend these guidelines (and any Expressions of Interest) at any time, where such amendments will comply with applicable guidelines. This document is not a legal contract; it is a set of guidelines to assist applicants with completing the proposal.