

Extract from:
Linkage Projects Funding Rules for funding commencing
in 2009

Appendix 2: Partner Organisations

A2.1 General Eligibility

- A2.1.1 To be an eligible Partner Organisation, an organisation must be:
- a. a private sector organisation;
 - b. a private non-profit organisation; or
 - c. a Government organisation – in general, State, Territory or Commonwealth Government organisations are eligible to participate as Partner Organisations where funds they are committing to the project have not previously been appropriated either for internal research-related activities or for any other purpose of research, research evaluation and/or Consultancy.
- A2.1.2 Notwithstanding the above, the following organisations and types of organisation are not eligible as Partner Organisations under LP:
- a. Australian higher education organisations and their controlled entities, including their commercial arms;
 - b. any Australian organisation which in the ARC's opinion is associated with a higher education organisation and which in the ARC's opinion provides undergraduate or postgraduate training as a substantial part of its activities;
 - c. Rural Research and Development Boards / Corporations;
 - d. State and Territory Government Research and Development organisations;
 - e. Co-operative Research Centres;
 - f. the Defence Science and Technology Organisation;
 - g. the Australian Nuclear Science and Technology Organisation;
 - h. the Commonwealth Scientific and Industrial Research Organisation;
 - i. Geoscience Australia;
 - j. the Australian Institute of Marine Science;
 - k. the Institute of Advanced Studies (IAS) at the Australian National University;
 - l. the Environmental Research Institute of the Supervising Scientist;
 - m. the Australian Antarctic Division;
 - n. any entity (for example joint ventures) where a majority of the membership is made up of, or ownership and/or control is exercised

by, other organisations or their representatives, which are not themselves eligible to be a Partner Organisation; and

- o. any organisation, which in the opinion of the ARC, receives substantial funding from State, Territory or Commonwealth Government sources or from Governments of other countries and the ARC considers such funding is provided mainly for research or research-related activities.

A2.1.3 If, after reading these Funding Rules, any doubt exists over the eligibility of an organisation to be a Partner Organisation, advice can be sought from the ARC about the eligibility status of the organisation by means of the submission of an Eligibility Ruling Request to the ARC pursuant to the process specified in Section 10.1 The request must include information where relevant concerning the proposed Partner Organisation's activities and arrangements for the organisation's membership, ownership and control.

A2.1.4 In relation to organisations which receive substantial funding from State, Territory or Commonwealth Government sources or from Governments of other countries, an Eligibility Ruling Request must include financial information such as a summary statement which might be included in an annual report and details regarding the sources from which the organisation receives funds, the amount it receives from such sources and the purposes for which it receives the funds.

A2.1.5 The Eligibility Ruling Request process assists in providing an intending Applicant with an indication about the likelihood that a proposed Proposal will satisfy the Partner Organisation eligibility requirements. The intending Administering Organisation will be advised of the ARC's decision approximately two weeks after the due date for such requests.

A2.1.6 In all cases, whether or not the above process is observed, the ARC reserves the right to decide whether a proposed Partner Organisation is an eligible Partner Organisation.

A2.2 Overseas Partner Organisation

A2.2.1 The ARC is prepared to accept an overseas organisation as a Partner Organisation if the organisation meets the eligibility criteria above. If a Proposal includes an overseas Partner Organisation, the Proposal must address the following additional criteria to the satisfaction of the ARC:

- a. the economic, environmental or social benefit of the research to Australia; and
- b. the intended use of the research outcomes in Australia.

A2.2.2 In addition to the requirements stipulated in A2.2.1, if an overseas higher education institution, or an entity closely associated with an overseas higher education organisation, is proposed as a Partner Organisation on a Proposal there must be at least one other Partner Organisation involved in the Proposal which is an Australian Partner Organisation which meets the eligibility requirements specified in Appendix 2.

- A.2.2.3 If similar Proposals involving Australian and overseas Partner Organisation(s) are competing at the margin for funding, the ARC may give priority to Proposals which involve one or more Australian Partner Organisations.
- A2.2.4 Partner Organisation contributions from overseas organisations must be specified in Australian dollars and, subject to these Funding Rules, contributed at the specified level regardless of currency fluctuations.
- A2.3 Partner Organisation Contributions requirements**
- A2.3.1 Proposals must meet the requirements for Partner Organisation contributions specified below. Only contributions directly relevant to the proposed project are taken into account as eligible Partner Organisation contributions. The ARC may make any adjustments it considers necessary to reflect what it considers to be the true value of the Partner Organisation Cash Contribution and in-kind contributions. The ARC reserves the right to determine the levels of Partner Organisation contributions which are taken into account as eligible Partner Organisation contributions and may determine contributions to be at levels which may differ from those submitted in a Proposal.
- A2.3.2 The entire contribution from each Partner Organisation (including the Partner Organisation Cash Contribution and any in-kind contribution) must be specific to the project and not part of a broader contribution to an Eligible Organisation. The required Partner Organisation contribution may be used, for example, to assist the project with personnel costs (excluding the salaries of CIs and Partner Organisation personnel), provision of equipment or the use of a laboratory. Costs of capital works and general infrastructure must not be included in the required Partner Organisation contribution. This does not, however, preclude Partner Organisations from contributing to capital works and general infrastructure costs and salaries of Partner Organisation personnel if that contribution is above the required Partner Organisation contribution.
- A2.3.3 Guidelines to assist Administering Organisations and Partner Organisations in determining the value of in-kind contributions can be found at Appendix 5.
- A2.3.4 Partner Organisations such as community groups, small business enterprises, charities, and start-up commercial organisations that can demonstrate that they do not have ready access to cash reserves may seek exemption from the minimum cash requirements outlined below, except for cash requirements associated with APAI stipends. In such cases, the Applicant must submit a request for exemption according to the process described in Section 10.1. The request must quantify in detail the in-kind contributions and the Partner Organisation's commitment to providing it.
- A2.3.5 If the Proposal is successful, Partner Organisation contributions (both the Partner Organisation Cash Contribution and in-kind contributions) must be reported by the Administering Organisation in its End-of-Year report.

Minimum cash contribution

- A2.3.6 If a Proposal is seeking on average less than \$50,000 per year from the Commonwealth:
- a. there is no minimum cash requirement if the Proposal does not include a request for an APAI stipend; or
 - b. if the Proposal includes a request for an APAI stipend, the minimum cash requirement is \$6,000 per APAI student per year for each year the student is to receive a stipend.
- A2.3.7 Subject to A2.3.8, if a Proposal is seeking on average \$50,000 or more in any year from the Commonwealth, the combined Partner Organisation Cash Contributions must be at least 20 per cent of the total amount sought from the Commonwealth.
- A2.3.8 If a Proposal is seeking \$500,000 or more in any year from the Commonwealth, the combined Partner Organisation Cash Contributions must be at least 50 per cent of the total amount sought from the Commonwealth.

Total contribution requirements

- A.2.3.9 Subject to A2.3.10, the combined Partner Organisation contributions for a Proposal (i.e. the total cash contributions and/or in kind contributions of all Partner Organisations), as determined by the ARC, must at least match the total amount sought from the Commonwealth.
- A2.3.10 If a Proposal includes a request for an APAI stipend the combined Partner Organisation contributions may be reduced by \$14,000 per APAI for each year for which APAI funding is requested.

A2.4 Offer of funding

- A2.4.1 A project may not begin, nor ARC funds be expended, until the Funding Agreement between the Administering Organisation and the ARC has been signed, and each of the Partner Organisations and the Administering Organisation have entered into a written agreement (the Partner Organisation Agreement) as required in the Funding Agreement.
- A2.4.2 If the amount of Commonwealth funding approved for a LP project varies from the amount requested, the Applicant must discuss the matter with the Partner Organisation. If the Partner Organisation agrees that the research project is viable within the parameters of the varied amount of Commonwealth funding, pro rata adjustments may be made to the proposed Partner Organisation project contributions.

A2.5 Eligibility for concessional treatment

- A2.5.1 Partner Organisation contributions to a LP project may be eligible for the R&D Tax Concession to the extent that the expenditure is incurred by an eligible company in respect of eligible R&D activities and provided that all other relevant requirements are met.
- A2.5.2 Detailed information on the eligibility requirements for the R&D Tax Concession can be obtained from AusIndustry State Offices in each capital

city. Details of the programs administered by AusIndustry can be obtained from its homepage (<http://www.ausindustry.gov.au>).

- A2.5.3 If an eligible company is unsure whether it can claim the contribution as research and development expenditure, it can apply for a private binding ruling from the Australian Taxation Office (ATO). Details on how to apply and what information needs to be provided can be obtained from the ATO.