



Webinar Questions and Answers for the International Space Investment India Projects

The following questions were asked during an industry webinar on 28 March 2023. Some questions have been edited for length or clarity.

1) Is Foreign Contribution Regulation Act Registrations required for the Indian Partner?

It is up to the project partner to ensure they meet the requirements of the country in which they are located. Not meeting these requirements will put the project in jeopardy.

2) Do Foreign Investment Review Board regulations apply to such a commercial space business consortium between an Indian entity (Supported by Potential Indian Investors) and an existing Australian Entity (Partially Indian invested Startup)?

As mentioned in the webinar, the aim of the program is not investment, it is development of space projects. For all questions relating to FIRB, please contact firbenquiries@treasury.gov.au as the answer to this question may depend on your specific circumstances. You can read [Guidance Notes for Business Investments](#), or access the full series of [Guidance Notes](#), on the Foreign Investment Review Board website.

3) Is there a cap on the number of applications an Indian Company be a part of?

No, providing each application is for a different project.

4) Is there a cap on the number of grants an Indian Company (as a partner) be awarded?

Under section 7.2 Joint applications in the [grant opportunity guidelines](#) “only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth”. This clause means that project partners will not be awarded grant funding. Australian Lead applicants that meet eligibility criteria and are found successful by the Head of the Space Agency will be awarded grant funding. Being an Indian, I want to invest in Australian Company with minority stakeholder less than 10%. Also, if I am on board with above minority stake holding will it affect Australian Grant process.

Applications will be assessed based on eligibility and merit, that is how well the application meets the merit criteria, how it compares to other applications and whether the project provides value for relevant money.

5) Can a lead applicant (Publicly Funded Research Organisation) submit multiple applications for the grant for different projects?

Yes, publicly funded research organisations that are eligible to apply can submit multiple applications provided they are for different eligible projects.

6) Can you please provide a Financial Year breakdown of the grant funding over the 4 funding years? And comment on how FY22/23 funding will be spent if applications are only submitted in June 23?

Unfortunately, we cannot provide information on the financial breakdown, we don't know this until we have a list of successful applications. It is expected no 2022/23 costs will be incurred by successful applicant.

7) Does the 80% rule only apply for the Australian Government's grant funding contribution?

Yes, that is correct. Of the Commonwealth contribution, 80% is to be spent within Australia.

8) How is the funding distributed to Indian partners? Via the lead organisation or a direct fund transfer?

We pay the successful lead applicant, subject to evidence of satisfactory project progress and acceptance by the Commonwealth of the progress and final reports. The successful applicant pays invoices as required. All invoices are required to be audited at the end of the project.

9) Could you please clarify that what types of Indian partner is needed? Is it optional or mandatory?

Project partners are optional, however, as outlined in section 7.2 of the [grant opportunity guidelines](#) we encourage applicants to form consortia that strengthen and broaden their capabilities to effectively deliver a project. We prefer and encourage consortia to include a mixture of industrial and academic partners. If submitting a joint application, you must appoint an Australian lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth.

You can select your own project partners. However, you should ensure that you know who you are collaborating with by undertaking appropriate due diligence, proportionate to the risk and subject to available information, on all partners and personnel participating in the project. This process should take into account any potential intellectual property, security, ethical, legal and reputational risks, and, where necessary, you should be prepared to demonstrate how you will manage and mitigate any identified risks.

For further information please refer to pages 7 and 11 of the [grant opportunity guidelines](#).

10) How large is the funding pool? Are there multiple tranches?

As outlined in section 3 of the [grant opportunity guidelines](#) "the Australian Government has announced a total of \$20.69 million will be administered across four financial years (2022-2026) for the ISI India Projects stream. An estimated \$18 million will be available for this grant opportunity".

11) Are co-investments that a company may contribute to a project also required to meet the 80/20 Australian content rule?

See response to question 8.

12) If an Indian National is on the Board of an Australian Start-up related to space launching initiative with minority stake holding less than 20%, will this affect the grant application?

Applications will be assessed based on eligibility and merit – how well it meets the criteria, how it compares to other applications and whether it provides value for relevant money.

13) Can the split between Indian and Australian expenditure be 1:1 if two entities holding equal IP in the resultant product?

In line with section 3, Grant Amount and Grant Period, of the [grant opportunity guidelines](#) the grant amount will be up to 100 percent of eligible project costs (the grant percentage). There is no co-contribution requirement, however, if you do decide to put in a contribution towards the project then it is up to you how you cover project expenditure not covered by the grant.