



Ignite Spark Program – Round 2

Guidelines

8 March 2024



Queensland
Government



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ACKNOWLEDGEMENT OF COUNTRY

The Department of Environment, Science and Innovation (the department) acknowledges the Country and people of Queensland's First Nations. We pay our respect to Elders, past, present and emerging. We acknowledge the continuous living culture of First Nations Queenslanders—their diverse languages, customs and traditions, knowledges and systems. We acknowledge the deep relationship, connection and responsibility to land, sea and sky Country as an integral element of First Nations identity and culture. This Country is sacred. Everything on the land has meaning and all people are one with it. We acknowledge First Nations peoples' sacred connection as central to culture and being. First Nations people speak to Country, listen to Country, sing up Country, dance up Country, understand Country and long for Country. We acknowledge and thank First Nations people for the enduring relationship connecting people, Country and ancestors—an unbreakable bond that safely stewarded and protected the land, waters and sky for thousands of generations.

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Program terminology

For the purpose of the Ignite Spark Program the following definitions apply.

Commercialisation	The process of taking a product or service to the market and obtaining paying customers.
Functional prototype	A working integrated model that demonstrates all of the core functionalities and features of the final product or service; built to test and validate the technical aspects and performance.
Headquartered in Queensland	A business that: <ul style="list-style-type: none"> is operating within Queensland (as evidenced by the majority of its key personnel being based in Queensland) conducts the majority of its work within Queensland has an Australian Business Register (ABR) Australian Business Number (ABN) profile listing the 'Main Business Location' as Queensland.
Indigenous business	A business that is at least 50 per cent or more owned by an Aboriginal person and/or a Torres Strait Islander person.
Innovation driven enterprise	A business that emphasises innovation as a key driver of growth, competitive advantage, and value creation, and focuses on developing and commercialising new products or services to achieve its strategic objectives.
Minimum viable product	A development stage within the commercialisation pipeline where a product or service has: <ul style="list-style-type: none"> progressed beyond initial proof of concept/prototype stage fully developed core features and functionalities undergone testing and validation, including pilot trials with potential customers been refined to incorporate feedback from the trials and testing reached the point of market readiness and is at the stage where customers will pay for it.
Organisational overheads	The operational and administrative overhead costs attributed to a position, such as facilities and accommodation-related costs, ICT costs, and general administrative support costs. In some organisations this is calculated as a percentage of the salary costs.
Regional business	A business that is headquartered outside of South East Queensland.
Salary-related on-costs	The costs directly associated with the employment of an individual, such as superannuation and payroll tax.
South East Queensland	The Queensland local council regions of Brisbane City, Gold Coast City, Ipswich City, Lockyer Valley Regional, Logan City, Moreton Bay Regional, Noosa Shire, Redland City, Scenic Rim Regional, Somerset Regional, and Sunshine Coast.

1. About the Ignite Spark Program

The Queensland Government's *Advance Queensland: Innovation for a Future Economy 2022-2032 Roadmap* sets out the direction, initiatives and key priority outcomes for the next phase in Queensland's journey toward becoming a leading and sustainable world-class innovation economy.

The Roadmap targets priority outcomes including increasing investment and business survival rates for innovative businesses by supporting innovative start-ups and businesses to grow and stay in Queensland, reach global markets and create new jobs.

The Ignite Spark Program aims to support Queensland-based small to medium sized innovation driven enterprises with high-growth potential to progress highly innovative products or services towards the minimum viable product stage.

The Ignite Spark Program is a companion program to the Advance Queensland Ignite Ideas Fund which funds projects to commercialise highly innovative and new products or services that are at minimum viable product stage or beyond.

What we are looking for

The Ignite Spark Program aims to build a pipeline of support for Queensland's innovation driven enterprises to progress innovative products or services from the **functional prototype** stage through testing, validation, and customer endorsement to an advanced stage, ready for **commercialisation**.

The objectives of the Ignite Spark Program are to:

- strengthen key industries in Queensland
- diversify the Queensland economy
- enable Queensland businesses to compete in domestic and global markets
- engage and/or benefit regional Queensland
- create new Queensland jobs, now and into the future.

Successful applicant organisations will be eligible for incubator and other business development support services through an expanded Ignite+ program.

2. Available funding

Funding of \$50,000 (minimum) to \$75,000 (maximum) (excluding GST) is available for projects with a duration of up to 12 months with a matched funding contribution from the applicant organisation as outlined below:

Tier 1	For applicants headquartered in South East Queensland , a 20 per cent matched funding contribution is required.
Tier 2	For Indigenous businesses and/or regional businesses , a 10 per cent matched funding contribution is required.

3. Eligibility

3.1 Applicant

To be eligible for funding, applicant organisations must, at the time of application and for the duration of the project:

- be a business **headquartered in Queensland**
- have an ABN
- be registered for GST (at time of Full Application submission)
- have no more than 50 full-time-equivalent employees
- not be a subsidiary of a group of companies that has more than 50 full-time-equivalent employees
- not have received funding for the proposed project activity from either the state, federal or local government
- commit a cash contribution to the project that is at least equal to 10 per cent of the value of funding sought (for Tier 2 applicants) or 20 per cent of the value of funding sought (for Tier 1 applicants).

Matched funding can be sourced internally from the applicant organisation or from investors but cannot include any other Queensland Government grant funding. In-kind and non-cash contributions are not eligible as matched funding contributions.

Organisations and their related entities are limited to **one** application per funding round.

3.2 Project

For the purpose of this program, the project must relate to developing an innovative product or service in one, or more, of the following contexts:

- innovative solutions to existing problems
- new to world innovation
- innovation diffusion (a unique application of a technology that is significantly different to any previous innovation in the market)
- innovation in the Indigenous context (identified by the applicant as innovative to cultural and community practices).

To be eligible for funding, at the time of application, projects must:

- have an existing **functional prototype** for a product or service that is scalable to meet industry/market demand
- demonstrate that the product or service is ready to be validated in an industrially or operationally relevant environment
- demonstrate that the product or service is not currently in market.

The following projects are **not eligible** for support under this program:

- clinical trials
- development of a product or service for internal use of the applicant organisation only
- development of a concept for a new business
- any improvement of an existing product or service that is already in market
- minor modification/improvement of an existing product or service already in an overseas market for the Australian market
- **commercialisation**/entry into market or expansion into new markets if the product or service is already in market.

3.3 Project costs

The Ignite Spark Program funding and the applicant organisation contribution may be used for the following **eligible** project costs:

- salary expenditure (including salary-related on-costs) for employees (including founders, existing and new employees) directly contributing to the delivery of the project (capped at 20 per cent of the total project cost)
- minor market driven modifications (including modifications driven by results of validation testing)
- industry compliance testing (including product accreditation from universities/technical institutes)
- product validation including design for manufacturing assembly and design for manufacturing at scale
- small scale production of prototype for showcasing and demonstration purposes
- third party technical services supporting testing and validation including engaging third-party experts to support design review for manufacturability, building product cost models and risk assessment activities
- third party services providing advice, strategy and planning relating to intellectual property protection or intellectual property protection costs
- equipment not exceeding \$9,000 per item (capped at 10 per cent of the total project cost)
- consumables required specifically for project activities
- travel necessary to undertake project activity – economy airfares and reasonable accommodation costs only will be considered (capped at 10 per cent of the total project cost)
- overseas testing and validation costs if there is no adequately equipped laboratory or facility existing in Australia to undertake the testing
- reasonable freight or transport costs required to support testing or validation.

Items **not eligible** to be paid from Ignite Spark Program funding or the applicant organisation contribution include:

- any product development costs that are not related to minor market-driven modifications or small scale production of prototype for showcasing and demonstration purposes
- costs to commercialise products or services
- marketing and promotional costs
- business development costs
- industry research papers to establish proof of concept
- clinical trials
- individual items of equipment exceeding \$9,000
- costs associated with hard tools for use in the production of stock/inventory
- capital works and/or physical infrastructure including any buildings or leasing costs, land transportation, telecommunications and IT networks
- organisational overheads
- general business operating costs including but not limited to rent, rates, electricity, water, internet, insurance, software and accounting fees.

Only eligible expenditure incurred on or after the project commencement date can be claimed by successful applicant organisations.

Ignite Spark Program funding must be expended either wholly in Queensland, or if partly expended in other jurisdictions, must directly support the project activities (for example, to cover costs to access specialised equipment not available in Queensland).

4. Assessment criteria

All applications will be assessed against the following assessment criteria.

Criteria 1: Significance of the funding opportunity

The application must demonstrate:

- at the time of application, the product or service is at working **functional prototype** stage and is ready to be validated and tested in a relevant industrial or operational environment
- there is a significant opportunity to progress the development of the product or service **functional prototype** through validation and testing.

Criteria 2: Strength of innovation

The application must demonstrate:

- the product or service is clearly innovative, unique and new in its approach to the identified market need
- the innovative product or service can be quickly scaled to meet future industry/market demand
- the applicant has considered the intellectual property protection strategy for the innovative product or service.

Criteria 3: Value and viability

The application must demonstrate:

- the activities are well planned and will progress the innovative product or service from **functional prototype**, through validation and testing, towards a stage of commercial readiness
- the project expenditure is appropriate for the activities to be undertaken
- the applicant organisation has the skills and experience to deliver the project
- the planned activities are appropriate for the innovation being progressed.

Criteria 4: Sustainability and resilience

The application must demonstrate:

- the project will strengthen the applicant organisation to grow, attract future investment and continue to be based in Queensland.

5. Application process

The Ignite Spark Program has a two-stage application process.

Stage 1 – Expression of Interest round
Expressions of Interest should be submitted online via the Advance Queensland website. The closing time and date for submitting applications can be found below.
Stage 2 – Full Application round
Following assessment of the Expression of Interest applications, a number of applicants will be invited to submit a Full Application.

Expressions of Interest not progressing to the Full Application stage will not be considered further in the current round of the Ignite Spark Program.

All applications will be assessed against the eligibility requirements. Only eligible submissions will be considered for funding support. Eligible applications will be assessed in a competitive, merit-based approach by a panel of independent assessors against the assessment criteria.

The Queensland Government may consider ensuring successful applications are equitably distributed across the state and to recognise priority target groups inclusive of female led, **regional** and **Indigenous businesses**.

Applicant organisations may be contacted at any stage of the assessment process to provide further information to enable a due diligence and probity assessment. There is no implicit guarantee of approval at any stage in the process, and applicants will be notified via email of the assessment outcome.

The Queensland Government reserves the right to administer the Advance Queensland Ignite Spark Program and conduct the assessment and approval processes as it sees fit. This may include, at its discretion, considering current Queensland Government priorities and the need to balance the investment to support a diversity of activities across Queensland.

The Queensland Government may, at its discretion, not accept an application or award funding in the case that a project involves (but is not limited to) activities involving liquor, gambling, tobacco, adult services and illicit substances.

A Full Application will include:

- a completed online application form including detailed responses to each of the assessment criteria.

6. Key dates

Activity	Date
Expression of Interest applications open	8 March 2024
Expression of Interest applications close	22 April 2024

All Expression of Interest applications must be submitted by 11.00am on the closing date.

7. Funding agreement

Successful applicants will be required to enter into a legally binding funding agreement with the State of Queensland through the department.

Successful applicants must execute a funding agreement with the Queensland Government within the following timeframes:

- 30 business days from the date of receipt of the initial draft of the funding agreement
- 10 business days from the receipt of the final version of the funding agreement.

The offer may lapse if you do not sign the agreement within this time.

Successful applicants must commence projects within 40 business days of execution of the funding agreement. Failure to meet this timeframe may result in the termination of the funding agreement and the requirement to repay any grant funding received.

Payment of grants will be made in instalments based on agreed periodic project milestones. The first payment will be made upon execution of the funding agreement; subsequent payments will be made upon successful completion of project milestones activities and outcomes; and the final milestone payment will be in arrears upon the provision of documentary evidence that all project activities have been completed, including evidence that total project expenditure has been incurred and project contributions have been made by all relevant parties.

8. Promotion of supported projects

Funding recipients will be expected to actively promote their projects, and to provide information and attend media/promotion events if requested. The Queensland Government funding should be acknowledged by recipients in all relevant published material, media releases and public statements relating to the proposed project.

9. Privacy

The department is collecting personal information from you such as your name, address, contact details of yourself and your business (including employees and partners), resume, employment and directorship, corporate officer history, payslips, asset and financial information and other information relevant to your application or provided by you. This information is collected for the purpose of assessing and evaluating your application for funded projects, milestone reports, and otherwise the department's function of supporting businesses and industry through innovation programs and grants.

Personal information may also be disclosed where required for purposes associated with undertaking assessment of the application, including due diligence enquiries. The email address you provide will be used to communicate with you about your application or program participation (if successful). For example, you may be contacted via email about participating in a survey, interview or focus group. Dependent upon the email service provider you have chosen, this may result in your personal information being transferred overseas.

The personal information provided may be provided to other relevant Queensland Government departments and Ministers, to publicly announce or publish, as identified in the Guidelines, and promote those projects that have been funded. This may include the recipient's name and the amount of funding awarded, project details, agreed outcomes, and progress.

De-identified aggregated data may also be used for the purpose of managing and evaluating the Ignite Spark Program and inform Queensland Government. Your personal information will also be used to provide the services outlined in the guidelines, and for the purposes of research, evaluation, promotion and monitoring of such services, and to improve and design services and programs.

Your personal information will not be otherwise used or disclosed unless authorised or required by law and will be managed in accordance with the Information Privacy Act 2009. The provisions of the Right to Information Act 2009 apply to documents in the possession of the Queensland Government.

The Queensland Government privacy policy can be found at: www.qld.gov.au/legal/privacy.

10. Further information

Web: advance.qld.gov.au

Facebook: Advance Queensland

Twitter: @AdvanceQld

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