



Automotive Diversification Programme Ministerial Guidelines 2015

I, IAN ELGIN MACFARLANE MP, Minister for Industry and Science, issue these Guidelines for the Automotive Diversification Programme.

Dated:

26/2/15

A handwritten signature in blue ink, appearing to read 'I. Macfarlane', written over a horizontal line.

Minister for Industry and Science

1 Name of Guidelines and commencement

- 1.1 These are Automotive Diversification Programme Ministerial Guidelines 2015.
- 1.2 These Guidelines commence on the day they are signed by the Minister.

2 Programme objective

- 2.1 The objective of the Automotive Diversification Programme is to assist Australian automotive supply chain companies to diversify out of the domestic motor vehicle manufacturing sector through investment in capital equipment and thereby retain manufacturing capability in Australia.
- 2.2 Programme background: The Automotive Diversification Programme is a \$20 million programme which includes \$18 million for competitive merit-based grants. The Programme is planned to run for four years, commencing in the 2014-15 financial year.

3 Purpose of these Guidelines

- 3.1 The purpose of these Guidelines is to establish and set out the framework for the Automotive Diversification Programme.
- 3.2 These Guidelines should be read in conjunction with the *Commonwealth Grants Rules and Guidelines*, especially in relation to procedures to be followed under relevant legislation.

4 Interpretation

- 4.1 In these Guidelines, words identified in bold throughout the guidelines, have the following meanings unless the contrary intention appears:
 - **accept** means admitted by the **Programme Delegate** for assessment by the ADP Advisory Committee in accordance with these Guidelines.
 - **applicant** means a **company** that applies for funding under the Programme in respect of a **project**.
 - **application** means an application that meets the eligibility requirements set out in Guideline 7.
 - **Automotive Diversification Programme** or **ADP** means the competitive merit-based grants **Programme** administered in accordance with these Guidelines.
 - **capital equipment** means new equipment and state-of-the-art second-hand manufacturing plant and equipment purchased through

an arms-length transaction with a remaining economic life of not less than 70 per cent (including devices, machines and tools) that are recorded in the applicant's accounts as a fixed asset, for use in the operation of the business and directly related to the project to which the **application** relates.

- **company** means a company, except a company to which Division 50 of the *Income Tax Assessment Act 1997* applies, that is incorporated in Australia.
- **Department** means the Department of Industry and Science or the department with responsibility for administering the **Programme** under Administrative Arrangements Orders, as they may be in force from time to time.
- **early stage commercialisation activities** have the meaning given in section 12.2.c.
- **eligible project activities** for the **Programme**, are the activities described in Guideline 12.
- **eligible project expenditure** has the meaning given in Guideline 10.
- **export capability activities** has the meaning given in section 12.2.d.
- **finance lease** has the meaning given by the Australian Accounting Standards.
- **fixed asset** has the meaning given by the Australian Accounting Standards.
- **grant agreement** means an agreement between an **applicant** and the Commonwealth for funding under the **Programme** in accordance with these Guidelines.
- **Grantee** means an **applicant** that has had its **application** for a grant under the **Programme** accepted and has entered into a **grant agreement** with the Commonwealth.
- **Goods and Services Tax** or **GST** has the same meaning as in the *A New Tax System (Goods and Services Tax) Act 1999*.
- **ineligible project expenditure** has the meaning given in Guideline 11.
- **Minister** means the Minister with portfolio responsibilities for the **Programme**.

- **motor vehicle** means any vehicle (other than a used vehicle):
 - that has a gross vehicle weight of not more than 3.5 tonnes; and
 - that, if imported, would be classified to: a subheading of heading 8702 or 8703 (other than 8703.10.00) of Schedule 3 to the *Customs Tariff Act 1995* ('Tariff'); or subheading 8704.21, 8704.31 or 8704.90 of Schedule 3 to the Tariff.
- **new**, in relation to a product, service, customer or market, means a product or service that a company has not previously produced, or a customer or market that a company has not previously supplied, on a commercial basis.
- **non-automotive industry** means an industry other than the domestic motor vehicle manufacturing industry.
- **operational lease** has the meaning given by the Australian Accounting Standards.
- **original equipment** has the same meaning as in regulation 1.5 of the Automotive Transformation Scheme Regulations 2010.
- **Programme** means the Automotive Diversification Programme.
- **Programme Delegate** means an official of the Department (as defined in the *Public Governance, Performance and Accountability Act 2013*), appointed under Guideline 5 by the Minister to carry out the relevant function for the **Programme**.
- **project** means the activity undertaken by an **applicant** for which funding is sought, as described in the **application** and **grant agreement**.
- **project completion date** means the day specified in the **grant agreement** by which all **project** milestones will be completed.
- **project start date** means the day specified in the **grant agreement**, not being a day before the grant offer made by the **Programme Delegate** is accepted by the **applicant**.
- **project milestone** means a reference point that marks a major event in the project and is used to monitor the project's progress.
- **reconfiguration** means to remodel or restructure a manufacturing production line.

- **research and development activities** has the meaning given in section 12.2.a.
- **re-tooling activities** has the meaning given in section 12.2.b.
- **Secretary** means the Secretary of the Department of Industry and Science or of the department with responsibility for administering the **Programme** under the Administrative Arrangements Orders that may be in force from time to time.

4.2 **Automotive components, automotive machine tools, automotive tooling and automotive services** have the same meanings as set out in regulations 1.7 to 1.10 of the Automotive Transformation Scheme (ATS) Regulations 2010, and apply to these Guidelines as if references in those regulations to an ATS participant were references to an **applicant** or a **Grantee** under the **Programme**.

5 Programme Delegate

5.1 The **Minister** will appoint a **Programme Delegate** to administer the **Programme**.

5.2 The **Programme Delegate** is responsible for:

- a) determining the eligibility of **application** for merit assessment;
- b) entering into funding agreements on behalf of the Commonwealth with **Grantees**; and
- c) authorising payments of grant funds by the Commonwealth to **Grantees**.

6 ADP Advisory Committee

6.1 The ADP Advisory Committee is appointed by the **Minister** in accordance with any relevant guidance about board appointments. The purpose of the ADP Advisory Committee is to consider and assess **applications** and make funding recommendations to the **Minister** to award funding under the **Programme**.

6.2 The Committee will include representatives from:

- a) The Sectoral Growth Policy Division within the **Department**;
- b) The Victorian Government Department of Economic Development, Jobs, Transport and Resources, or the department of the Victorian Government with responsibility for automotive programmes from time to time;

- c) The South Australian Department of State Development, or the department of the South Australian Government with responsibility for automotive programmes from time to time.

6.3 The ADP Advisory Committee will conduct a merit assessment of all eligible **applications**.

6.4 A member of the ADP Advisory Committee must comply with the Guideline 29 (Disclosure of Interest).

7 Applicant Eligibility

7.1 To be eligible to apply for grant, an **applicant** must:

- a) be a trading corporation (within the meaning of section 51(xx) of the Australian Constitution) incorporated in Australia that is non-income tax exempt and registered for GST;
- b) at the time of applying, be an Australian producer of **automotive components**, an Australian producer of **automotive machine tools** or **automotive tooling**, or an Australian provider of **automotive services**;
- c) at the time of applying be a supplier to an Australian **original equipment** manufacturer;
- d) demonstrate that it has completed an independent business capability development activity to improve its competitiveness and business capability, and that this activity has resulted in the implementation of at least one improvement to its business within the two years preceding the date of the **application**;
- e) demonstrate that it is able to fund the costs of its **project** that are additional to the grant sought;
- f) demonstrate that it has a genuine need for financial assistance to undertake its **project**; and
- g) demonstrate that it has access to, or the beneficial use of, any intellectual property necessary to carry out the **project**.

7.2 To avoid doubt, an applicant does not need to be registered in the Automotive Transformation Scheme to be eligible to apply for a grant under the **Programme**.

7.3 The following entities are ineligible to apply:

- a) individuals and partnerships;

- b) companies that do not comply with the Workplace Gender Equality Act 2012;
- c) Australian motor vehicle producers; or
- d) Commonwealth, State and Local Government agencies and bodies (including government business enterprises).

8 Merit criteria

8.1 Each application is to be assessed against the following merit criteria:

- a) the **project** meeting the objective of the **Programme** by supplying **new** products or services to customers in the domestic and international non-automotive industry or to the international automotive industry;
- b) the capacity and capability of the **applicant** to undertake the **project**;
- c) the contribution of the **project** to the economic sustainability of the **applicant**;
- d) the value for money offered by the **project** including the level of **applicant** contribution; and
- e) the contribution of the **project** to the sustainability of manufacturing in Australia.

9 Grants under the Programme

Amounts

- 9.1 A grant under the **Programme** in respect of an **application** must be no less than \$50,000.00.
- 9.2 A grant under the **Programme** in respect of an **application** must not be more than \$1 million.
- 9.3 The **Programme** will provide grants on a reimbursement basis, subject to the **Grantee** meeting **project milestones** and incurring **eligible project expenditure**, as set out in the **grant agreement**.
- 9.4 The **Programme** will contribute up to one dollar for every dollar contributed by a **Grantee** on **eligible expenditure**.

Duration

9.5 For the purposes of an **application**, the maximum **project** duration is two years from the approved **project start date**. There is no minimum **project** duration.

Total value of grants

9.6 The total value of **Programme** grants that a **Grantee** may be awarded in a 12 month period must not be more than \$1 million.

9.7 The total value of **Programme** grants that a **Grantee** may be awarded over the life of the **Programme** must not be more than \$1.5 million.

9.8 The total value of grants made under the **Programme** must not exceed \$18 million.

Taxation

9.9 Grants under the **Programme** attract the **Goods and Services Tax (GST)**. An amount equal to the value of the **GST** applicable to the grant will be paid to a **Grantee** in addition to the grant amount.

9.10 Grants under the **Programme** are treated as assessable income for taxation purposes, unless specifically exempted. On this basis, **applicants** should seek independent professional advice about their taxation obligations.

10 Eligible project expenditure

10.1 **Eligible project expenditure** includes **capital equipment**, recorded as a **fixed asset** in the **applicant's** accounts, necessary to undertake the **project**.

10.2 Expenditure on **capital equipment** may include equipment purchased using a **finance lease**.

10.3 **Eligible project expenditure** also includes **reconfiguration** costs necessary to undertake the project.

10.4 The **Programme** will not provide funding in relation to expenditure incurred on a day before the **project start date**. If a grant is awarded, only expenditure incurred on or after the **project start date**, and on or before the **project completion date**, is eligible for funding.

11 Ineligible project expenditure

11.1 Expenditure on the following is not eligible for grant funding, even if it is related to **eligible activities**:

- a) **capital equipment** used in 'business as usual' activities, including, but not limited to:
 - 1) infrastructure;
 - 2) financial management systems;
 - 3) quality control;
 - 4) collection of information;
 - 5) vehicles and office fixtures, including general office equipment such as computers, printers and software, and furniture;
- b) **capital equipment** acquired by the **Grantee** using an **operational lease**;
- c) **capital equipment** acquired by the **Grantee** using non-cash consideration.

12 Eligible project activities

12.1 A **project** under the **Programme** must involve one or more of the following **eligible project activities**:

- a) research and development activities undertaken in Australia;
- b) re-tooling activities undertaken in Australia;
- c) early stage commercialisation activities undertaken in Australia;
- d) pre-production development activities undertaken in Australia; and
- e) development of export capability activities.

12.2 For this section:

- a) **research and development activities** has the meaning given in subregulations 1.20 (1) to 1.20 (3) of the Automotive Transformation Scheme Regulations 2010, and applies in these Guidelines as if references in those subregulations to an ATS participant were references to an applicant or a Grantee under the Programme.
- b) **re-tooling activities** include adapting or upgrading manufacturing machinery and equipment directly used in automotive manufacturing for the purpose of establishing a new production capability for a new product, whether automotive or non-automotive.
- c) **early stage commercialisation activities** includes related product development, (undertaken to improve the performance or reduce the

cost of a product, process or service), development of prototypes and intellectual property protection and management.

- d) **export capability activities** includes improving the ability of the applicant to access opportunities in export markets.

13 Applying for assistance

13.1 Application rounds will be held annually for the life of the **Programme** until all funds are exhausted. A second round may be held in a year if there is sufficient funding available under the **Programme** to do so.

13.2 An **application** must not be accepted after the closing date for applications specified on the AusIndustry website.

[NOTE: The opening of an application round is to be advertised and Programme documentation, including application form and a funding agreement template, is to be available on the AusIndustry website: www.business.gov.au]

14 Application form

14.1 An **application** must be in a form approved by the **Programme Delegate**.

14.2 An **applicant** may only submit one **application** per round.

14.3 An **application** may be submitted on-line, by email or by mail.

14.4 The following information is indicative of what might be sought in an application:

- a) the **applicant's** name, corporate information (eg address, ABN, ownership), financial status, role in the **project**, and capabilities relevant to the **project**;
- b) information about other key parties involved in the **project**, including their role, contribution, capabilities, and how they will benefit from the **project**;
- c) a detailed description of the **project**, including any innovation or **eligible activity** occurring in the context of the **project** and the locations where such innovation or **eligible activity** is to occur;
- d) a description of the benefits of the **project** in achieving the objective of the **Programme**;
- e) a description of the economic benefits of the **project**, including on assisting Australian automotive supply chain companies broaden

their customer and product base, domestically or internationally, and how the **project** benefits the Australian economy;

- f) business plans for the **project** (including research and development, intellectual property management and commercialisation plans);
- g) financial plans pertaining to the **project**, including detailed costs, cash flow, timelines and **project milestones**, and sources and amounts of **project** investment to be provided by the **applicant** and other parties;
- h) the amount of funding sought, the reason the funding is required, a proposed grant milestone payment schedule, and the implications for the **project** if a grant is not awarded;
- i) information about other forms of assistance provided by, or sought from, the Commonwealth or Australian State or Territory governments relevant to the **applicant** and the **project**.

14.5 For an **application** to be valid, all applicable sections must be completed and information on the **project** and how it addresses each merit criterion should be sufficient to allow the ADP Advisory Committee to assess the **project**.

14.6 An **applicant** must state in the **application** that the **applicant** gives permission for the service provider who undertook the business capability development activity with the **applicant** to release confidential information to the ADP Advisory Committee to aid the Committee in their assessment of the **application**.

14.7 An **applicant** may not make changes to the **application** after the closing date for the application round in which the **application** was submitted but, at the discretion of the **Programme Delegate**, an **applicant** may be asked to provide additional information about or clarification of their **application**.

15 When an application cannot be accepted

15.1 An **application** cannot be accepted by the **Programme Delegate** if he or she considers that it:

- a) does not comply with Guideline 7; or
- b) is substantially the same as another application that:
 - a. was not accepted by the **Programme Delegate**; or
 - b. was accepted by the **Programme Delegate**, but related to a **project** for which a grant was not awarded.

- 15.2 Whether an **application** is accepted for assessment must be decided by the **Programme Delegate** in accordance with Guideline 15.1.
- 15.3 An **applicant** must be advised in writing whether their **application** is accepted and will be assessed by the ADP Advisory Committee or has not been accepted and will not be assessed.
- 15.4 A decision by the **Programme Delegate** to accept, or not accept, an **application** is final.

16 Application assessment

- 16.1 The **Programme** is a competitive merit based grants programme. There may be more **applications** received than funding available to award in a funding round. Therefore, meeting the eligibility and merit criteria does not guarantee that an offer of funding will be made.
- 16.2 All accepted **applications** must be assessed by the ADP Advisory Committee against the merit criteria set out at Guideline 8.
- 16.3 During the assessment process, the **Programme Delegate** and the ADP Advisory Committee may:
- a) contact any **applicant** in relation to their **project** and seek additional information to assist the assessment process;
 - b) invite an **applicant** to present their **project** in person to the ADP Advisory Committee; and
 - c) seek additional expertise in assessing the merits of an **application**.

17 Other assistance

- 17.1 If a **project** receives funding or non-cash contributions from an external party, this will be taken into consideration when determining the value of a grant award.
- 17.2 If a **project** receives other Commonwealth, State or Territory Government assistance, other than from a programme with its own clawback provisions (including the Automotive Transformation Scheme), the value of that assistance must be deducted from any calculation to determine the value of a grant under the **Programme**.

18 The decision process

- 18.1 The Minister will make decisions on applicants taking into account:
- a) the ADP Advisory Committee's merit assessment; and

- b) existing commitments of **Programme** funds in the current and future financial years; and
- c) **Programme** funds currently available; and
- d) whether the **application** can be accommodated within the **Programme** funding for the financial years to which the **application** relates.

18.2 The **Minister** will make the final decision about the value of a **grant** to be offered to an **applicant**, which may be less than the amount originally sought in the **application**.

18.3 A decision of the **Minister** to award (or not award) a grant is final.

18.4 The **Department** must advise **applicants** in writing of the outcome their **application**.

19 Successful applications

19.1 To receive a grant, a successful **applicant** must enter into a written **grant agreement** with the Commonwealth.

19.2 The offer of a grant lapses if:

- a) an **applicant** does not accept the offer within the timeframe prescribed by the **Programme Delegate**; or
- b) if the grant offer has been accepted, a **grant agreement** has not been entered into within 30 days of the **applicant** accepting the offer of a grant.

20 Grant agreement

20.1 A **grant agreement** must:

- a) give the **Programme Delegate** power to recover funds paid under the **grant agreement** if the **Grantee** has acted in a manner contrary to these Guidelines or the objectives of the **Programme**; and
- b) not be inconsistent with the law of the Commonwealth, a State or Territory or these Guidelines; and
- c) specify the amount of funding for the **project** to which the **application** relates and the timing and method of delivery of the grant, on a reimbursement basis against the successful completion of **project milestones** and incurring **eligible project expenditure** ; and

- d) require the **Grantee** to conduct the **project** to which the **application** relates; and
- e) require the **Grantee** to exploit the outcomes of the **project**, including any intellectual property developed as part of the **project**, on normal commercial terms and in a manner that will be for the benefit of the Australian economy; and
- f) require the **Grantee** to seek and receive permission from the **Programme Delegate** before dealing with intellectual property developed under a grant in a manner other than the manner outlined in the **application** for the duration of the **project** and for two years after the **project completion date**; and
- g) require the **Grantee** to keep records relating to the conduct and management of the **project**;
- h) require the **Grantee** to participate in an evaluation of the **Programme** within 12 to 18 months of the **Programme** concluding; and
- i) provide the Commonwealth with the ability to inspect the premises where the **project** is undertaken and records relating to the conduct and management of the **project**; and
- j) require the **Grantee** to report to the **Programme Delegate** on a quarterly basis in support of the conduct and management of the **project**; and
- k) provide for variation and termination of the **grant agreement**; and
- l) require the **Grantee** to comply with all applicable Commonwealth, State and Territory laws.

20.2 A grant agreement may include other matters.

21 Variation of grant agreement

21.1 The **Programme Delegate** may approve an extension to the length of a **grant agreement** of up to 6 months from the **project completion date** specified in the **grant agreement** if:

- a) the need for the extension could not have been anticipated before the **project start date**; and
- b) the extension would significantly improve the outcomes of the **project**.

- 21.2 The **Programme Delegate** may vary a **grant agreement** for administrative purposes.
- 21.3 The **Programme Delegate** may only vary a **grant agreement** in a manner consistent with these guidelines.
- 21.4 A variation takes effect from the date the **Programme Delegate** agrees to vary the **grant agreement**, unless the **Programme Delegate** determines otherwise.

22 Announcement of grants

- 22.1 A list of Grantees must be published on the Department website including details, on an individual basis, of each Grantee, the value of the grant, the purpose of the grant and the period of the grant term.

23 Monitoring and site visits

- 23.1 The **Grantee** must, at the request of the **Programme Delegate**, provide any relevant information on the **project** for the purposes of assessing the progress of the **project** in accordance with the milestones and activities specified in the **application** and/or **grant agreement**.
- 23.2 For the purposes of assessing the progress of a **project** the **Grantee** must allow Departmental officials reasonable access to any site on which the **project** is being undertaken or where documents, equipment or information relating to the **project** are stored.
- 23.3 Such access must be undertaken with the **Grantee's** consent, which must not be unreasonably withheld.

24 Document retention

- 24.1 A **Grantee** must retain all documents and records in relation to the **application** and the **grant agreement** for a period of seven years after the completion of the **project**.
- 24.2 A **Grantee** must provide this information to the **Programme Delegate** if requested to do so.

25 Conditions: general

- 25.1 An **applicant** must comply with these Guidelines.
- 25.2 A **Grantee** must comply with these Guidelines, the **grant agreement** and any relevant administrative guidelines published on the AusIndustry or Department of Industry and Science websites from time to time.
- 25.3 These Guidelines may be amended from time to time.

25.4 The **Programme Delegate** may make administrative guidelines and amend them from time to time.

26 Conditions: confidentiality

26.1 The use and disclosure of information provided to the **Department** is regulated by legislation and the common law. Without limitation, relevant legislation includes the *Public Service Act 1999* (Cth), the *Public Service Regulations*, the *Privacy Act 1988* (Cth), the *Crimes Act 1914* (Cth) and the *Criminal Code Act 1995* (Cth).

26.2 Only information which satisfies all of the four criteria listed below will be treated by the Commonwealth as confidential information:

- a) the information is clearly identified by the **applicant** as confidential and reasons for the confidentiality are provided by the **applicant**;
- b) the information is commercially sensitive;
- c) the disclosure of the information would cause unreasonable detriment to the **applicant** or another party; and
- d) The **applicant** provided the information under an understanding that it would remain confidential.

26.3 Only information which does not satisfy the above requirements will not be treated as confidential.

26.4 Even if the information provided by the **applicant** is identified by the **applicant** as confidential:

- a) it will be disclosed by the **Department** (including its officials and contractors) to the ADP Advisory Committee and other Commonwealth officials and contractors for the purposes of administering the **Programme**;
- b) It will be disclosed by the **Department** in accordance with Guideline 22;
- c) to the extent it is information received in an **application** and during the performance of the **project**, it may be disclosed for reporting and consultation with other Commonwealth, State or Territory government agencies.

26.5 In addition to the other disclosures of confidential information the **Department** may disclose any confidential information it receives as part of the administration of the **Programme** to:

- a) the Auditor-General, Ombudsman or Privacy Commissioner;
- b) the responsible **Minister**;
- c) a House or a Committee of the Parliament of the Commonwealth of Australia;
- d) a third party contractor engaged by the Commonwealth for audit-related purposes; or
- e) other Commonwealth agencies for law enforcement purposes, where the disclosure will serve the Commonwealth's legitimate interests and, if necessary, to substantiate an **applicant's** claims.

26.6 Confidential information may also be disclosed if the Commonwealth is otherwise required or permitted by law to do so, or where the information enters the public domain due to the actions of someone other than the Commonwealth.

[NOTE: Queries about the ADP may be directed by phone to: 13 28 46, or by email to: hotline@business.gov.au]

27 Use and disclosure of Personal Information

27.1 The **Department** and its officials are required to treat Personal Information in accordance with the *Privacy Act 1988* (the 'Privacy Act') as amended from time to time. Personal Information is defined in section 6 of the Privacy Act. The Privacy Act, among other things requires the **Department** to inform individuals of why their Personal Information is being collected and to whom the **Department** will disclose the Personal Information.

27.2 The **Department** will collect Personal Information from **applicants** for the purposes of the administration of the **Programme**.

27.3 The **Department** may provide Personal Information collected about an **applicant** for the purposes of the **Programme** to Departmental officials and contractors, the ADP Advisory Committee and other Commonwealth officials and contractors for the purposes of administering the **Programme**.

27.4 The **Department** and/or the **Minister** may publish **Grantees'** Personal Information in accordance with Guideline 22.

27.5 The Department's Privacy Policy which is available on the Department of Industry and Science website provides further information about how the **Department** collects, uses, stores and discloses an **applicant's** Personal Information and the way in which an **applicant** can access and correct their Personal Information.

28 Freedom of information

28.1 All documents created or held by the **Department** with regard to the **Programme** are subject to the *Freedom of Information Act 1982*. Unless a document falls under an exemption provision, or is conditionally exempt and it is not in the public interest to give access to the document, it will, subject to any obligations of third party consultation, be disclosed in response to a request under the *Freedom of Information Act 1982*.

29 Conflicts of interest

29.1 Individuals involved in deciding **applications** or administering the **Programme** (including the **Programme Delegate** and ADP Advisory Committee) must declare and manage conflicts of interest in accordance with these Guidelines.

29.2 A conflict of interest involves a conflict between the public duty and private interests of an ADP Advisory Committee member, in which the member has private-capacity interests which could improperly influence the performance of their official duties and responsibilities.

29.3 An *apparent* (or perceived) conflict of interest exists where it appears that a member's private interests could improperly influence the performance of their duties and responsibilities but this is not in fact the case. ADP Advisory Committee members should be conscious that perceptions of conflict of interest may be as important as actual conflict and still need to be managed appropriately.

29.4 A *potential* conflict of interest arises where an ADP Advisory Committee member has a private interest which is such that an actual conflict of interest would arise if the member were to become involved in relevant (that is, conflicting) official duties and responsibilities in the future.

29.5 The **Department** has procedures for managing disclosure of interest by departmental officials, technical experts and other third parties involved in assessments of **applications**. Conflicts of interest will be managed in accordance with these procedures.

29.6 The **Department's** procedures for managing disclosure of interest are in accordance with the requirements of the APS Code of Conduct (section 13(7) of the *Public Service Act 1999*) and are published on the **Department's** website.

29.7 The **Department** will manage potential and actual ADP Advisory Committee member conflicts of interest through a disclosure of interest process that requires declaration of any conflict of interest by Panel members and exclusion

of that member(s) from assessment of an **application** if the **Programme Delegate** determines that the conflict of interest is material.