

**AUSTRALIAN RENEWABLE ENERGY AGENCY
RENEWABLE ENERGY VENTURE CAPITAL FUND**

PROGRAM ADMINISTRATIVE GUIDELINES



Australian Government
Australian Renewable
Energy Agency

ARENA

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PART ONE - PRELIMINARY

1. BACKGROUND TO THE PROGRAM

- 1.1 In 2011, the Australian Government allocated \$100 million to establish the Renewable Energy Venture Capital (REVC) Fund (Program). The Program was designed to support the development of renewable energy and enabling technologies in Australia.
- 1.2 The Program is a continuation of the program of the same name operated by the Australian Centre for Renewable Energy (ACRE) and is run in accordance with the Australian Renewable Energy Agency's (ARENA) General Funding Strategy.
- 1.3 The existing Governing Documents of the Program established under ACRE were transferred to ARENA to administer pursuant to the *Australian Renewable Energy Agency (Consequential Amendments and Transitional Provisions) Act 2011*.
- 1.4 Returns received by ARENA will be retained by ARENA for use in accordance with the ARENA Act.
- 1.5 The selection of any venture capital fund manager(s) will be undertaken through a competitive merit-based process with a new Information Guide and Application Form being made available by ARENA for potential new applicants of the Program if and when new selection processes are announced.
- 1.6 In 2015, ARENA restructured the Program and reduced the allocation of funding to the Program from \$100 million to up to \$60 million (Restructure).
- 1.7 In 2018, ARENA increased the allocation of funding to the Program from up to \$60 million to up to \$75 million (2018 Amendment).

2. OBJECTIVE OF THE PROGRAM

- 2.1 The objective of the Program is to provide venture capital and active investment management to encourage the development of Australian companies that are commercialising Renewable Energy Technologies.

3. OUTCOME OF THE PROGRAM

- 3.1 The intended outcome of the Program is to develop and commercialise Renewable Energy Technologies by:
 - a. increasing the number of Australian renewable energy and enabling technology companies that are successful in Australian and overseas markets

- b. fostering the skills and management capability of Australian renewable energy and enabling technology companies by providing active investment management and
- c. leveraging additional investment in Australian renewable energy technology and enabling companies from the private sector, including from international sources.

4. NAME OF THE GUIDELINES

- 4.1 This document may be referred to as the Renewable Energy Venture Capital Fund Program Administrative Guidelines (referred to in this document as 'these Guidelines').
- 4.2 A reference to a clause is to a clause of these Guidelines unless stated otherwise.
- 4.3 All capitalised terms have the meaning given to them in clause 40.7.

5. OBJECT OF THE GUIDELINES

- 5.1 The object of these Guidelines is to provide a high-level framework for the operation of the Program.
- 5.2 These Guidelines are supported by other Program documentation (including the Information Guide and the Governing Documents) which may expand, constrain or define terms, concepts and other requirements of these Guidelines, and add additional processes or requirements, as ARENA sees fit.
- 5.3 The Governing Documents regulating the operation of the Licensed Fund(s) and its manager(s) contain substantial obligations in excess of those required by these Guidelines.

6. DURATION AND OPERATION OF THE GUIDELINES

- 6.1 These Guidelines have effect from 1 July 2012.
- 6.2 These Guidelines may be revoked or varied from time to time by the ARENA Board, in accordance with section 24(1) of the ARENA Act and consistent with the provisions of the *Australian Renewable Energy Agency (Consequential Amendments and Transitional Provisions) Act 2011*.
- 6.3 Part Three and section 30 of these Guidelines apply only to any new selection processes announced by ARENA after the date of these Guidelines. The remainder of these Guidelines apply to the existing fund established under the Program, as well as to any new funds.

PART TWO - GOVERNANCE

7. ARENA BOARD

- 7.1 The ARENA Board is responsible for discharge of the obligations under the Governing Documents with respect to the Program and is the decision maker in respect of the Program.
- 7.2 The ARENA Board may delegate responsibility for the Program, including responsibility for making decisions with respect to the Program, to a Board Member or the CEO.
- 7.3 The CEO may sub-delegate responsibility for the Program, including responsibility for making decisions with respect to the Program, to the CFO or to a member of ARENA Staff who is an SES employee or acting SES employee in the Department or who holds, or is acting in, an Executive Level 2 or equivalent position in the Department.
- 7.4 The ARENA Board may provide advice to the Minister on the Program in accordance with the ARENA Act, in particular section 8(d) of that Act.
- 7.5 The ARENA Board is the final decision maker in relation to the selection of a fund manager(s), as described in clause 10.11.

8. ARENA

- 8.1 Without limitation, ARENA is responsible for:
 - a. delivering the Program to ensure policy objectives for the Program are met
 - b. providing a point of contact for Program stakeholders
 - c. managing the application and assessment of any fund manager selection process
 - d. assessing the eligibility of applications
 - e. negotiating Governing Documents with applicants
 - f. entering into agreements with the successful applicants
 - g. monitoring the compliance of the fund manager(s) with contractual obligations
 - h. authorising Program payments to be made by ARENA
 - i. administering any variations to the Governing Documents signed by the fund manager(s)
 - j. deciding matters of eligibility in relation to investments, including whether technologies and companies satisfy the definitions of Renewable Energy Technologies and Eligible Investee Companies respectively

- k. providing approvals and consents regarding ARENA's rights as an investor in any Venture Capital Fund
 - l. collecting and maintaining information to allow for financial and non-financial monitoring and reporting requirements
 - m. conducting reviews and evaluations of individual funds, fund managers or the Program and
 - n. any other actions required to develop and implement the policy underlying the Program or for the efficient and effective delivery of the Program.
- 8.2 ARENA must have regard to the Program objective and outcome under clauses 2.1 and 3.1 when performing any function or making any decision in relation to the Program.
 - 8.3 ARENA may issue guidance of general application in relation to the delivery of the Program.
 - 8.4 ARENA may engage Consultants to assist it in the implementation and delivery of the Program.
 - 8.5 ARENA must carry out obligations with respect to the Program in accordance with the *Australian Government's financial management framework including the Public Governance, Performance and Accountability Act 2013*.

9. DOCUMENTATION

- 9.1 The administrative framework for the Program is derived from:
 - a. the provisions of the *Australian Renewable Energy (consequential Amendments and Transitional Provisions) Act 2011*
 - b. the general funding strategy made under Subdivision A, Division 2, Part 3 of the ARENA Act
 - c. these Guidelines
 - d. any Information Guide and Application Form, as required
 - e. the Delegation from ARENA, the ARENA Board and the CEO
 - f. the Governing Documents
 - g. any other guidance issued by ARENA.

PART THREE - APPLICATION AND ASSESSMENT PROCESS

10. APPLICATION AND ASSESSMENT PROCESS

- 10.1 Applications for any fund manager selection process will be called through public announcement and by the issue of an Information Guide and an Application Form.
- 10.2 ARENA will publicise the application process. In doing so, ARENA will publicise the closing date for applications, the address for lodging applications, the information required to submit an application, and any other information which ARENA considers to be of relevance to potential applicants.
- 10.3 Information sessions may be conducted by ARENA to provide potential applicants with information about the Program and the application process.
- 10.4 An expression of interest process may be undertaken by ARENA to provide it with an early indication of the funding models to be proposed by potential applicants. The expression of interest process is voluntary and is not related to the lodging or consideration of applications.
- 10.5 Applications for any fund manager selection process will be assessed by ARENA against the eligibility criteria referred to in clause 11.
- 10.6 ARENA will conduct a merit assessment of each Eligible Application against the merit criteria referred to in clause 12.1.
- 10.7 ARENA may Shortlist applicants for further assessment and issue those Shortlisted applicants with model Governing Documents for any or all of the models of Venture Capital Fund proposed by applicants.
- 10.8 ARENA may interview any applicant as part of the application process at any time.
- 10.9 ARENA may undertake other enquiries in order to assess the suitability of applicants, which may include conducting due diligence on applicants.
- 10.10 ARENA may seek further information from any applicant, including information to assess an applicant's willingness to comply with ARENA's requirements for the Program, and as part of any due diligence process.
- 10.11 ARENA at the conclusion of the merit assessment process may invite one or more applicants to submit offers for a licence. The decision of the ARENA Board as to the applicants to be invited to submit an offer will be final.

- 10.12 All applicants will be advised in writing of the outcome of the assessment of their application at the conclusion of the assessment process.
- 10.13 The names of applicants licensed under the Program may be published on the ARENA website.
- 10.14 ARENA may exclude an application from further consideration at any stage if the applicant (including the applicant's officers, employees, agents or advisers) engages in any of the following:
 - a. makes false or misleading statements
 - b. attempts to improperly influence an officer of ARENA or ARENA Staff or
 - c. collusive behaviour, anti-competitive conduct or any other similar unlawful conduct with any other applicant or any other person in relation to an application.

11. ELIGIBILITY CRITERIA

- 11.1 ARENA will publish eligibility criteria for any fund manager selection process.

12. MERIT CRITERIA

- 12.1 ARENA will publish merit criteria for any fund manager selection process.
- 12.2 A new Information Guide will be published for any fund manager selection process and will include detail of the scope of each merit criterion and whether any higher level of relative importance is attributed to one or more of the merit criteria.

13. GRANTING OF LICENCES

- 13.1 ARENA will publish, for any fund manager selection process, the conditions for an offer for the granting of a Licence to operate a Venture Capital Fund under the Program.

PART FOUR - KEY REQUIREMENTS FOR LICENSED FUND

14. MINIMUM CAPITAL FOR LICENSED FUND

- 14.1 From the date the 2018 Amendment takes effect, the Program funding from ARENA will not exceed \$75 million.

15. PREFERRED FUNDING MODELS

- 15.1 ARENA will publish the preferred funding models for any fund manager selection process.
- 15.2 A requirement to raise private sector co-investment will be part of the merit assessment process referred to in clause 12.1.

16. RESTRICTIONS ON ENTITIES INVESTING IN LICENSED FUND

- 16.1 A Pooled Development Fund may not invest in, or provide money to a Licensed Fund.

17. RESTRICTIONS ON CONTROL OF LICENSED FUND

- 17.1 Unless otherwise approved by ARENA, an investor in a Licensed Fund must not:
- d. influence, or be in a position to influence, the individual investment decisions of the fund manager
 - e. be a shareholder in the fund manager or
 - f. otherwise control or be able to control the fund manager.
- 17.2 Nothing in this clause prevents Key Personnel from being an investor in a Licensed Fund, or a shareholder in the manager of a Licensed Fund, although ARENA may impose a maximum on the percentage interest held by Key Personnel, individually or collectively.

18. INVESTMENT INSTRUMENTS

- 18.1 Investments by a Licensed Fund may be made via Equity, convertible debt, warrants and options. The Governing Documents will contain additional requirements for which investments are permissible under the Program.

19. INVESTMENT PERIOD

- 19.1 A Licensed Fund may not make any new investments after the fifth anniversary of the granting of the Licence for that fund (or another date as set out in the Governing Documents, as determined by ARENA taking into account the term of the Licensed Fund).

Investments may only be made after that date at the discretion of ARENA. Without limiting that discretion:

- a. the fund manager must demonstrate that investment negotiations commenced before the relevant anniversary of the granting of the Licence
- b. the fund manager must demonstrate to the satisfaction of ARENA that agreement on the relevant investment will be reached within a reasonable period
- c. the fund manager must demonstrate to the satisfaction of the ARENA that there is a reasonable prospect that the investment will be divested within the term of the fund and
- d. the relevant investment must otherwise be in accordance with the requirements of the Governing Documents.

- 19.2 The Governing Documents will contain additional requirements as to the required timing of investments. For example, there may be a requirement that a proportion of investment is made by a Licensed Fund by the second anniversary of the granting of a Licence.

20. ELIGIBLE INVESTEE COMPANIES

- 20.1 A Licensed Fund must only invest in Eligible Investee Companies or other investments authorised by the Governing Documents (principally Australian bank deposits). For a company to be an Eligible Investee Company, it must, subject to clauses 20.3, 20.7 and 20.8, be a company which:
- a. at the time the Licensed Fund first invests in it, is incorporated under the *Corporations Act 2001* and has an Australian Business Number (ABN)
 - b. is commercialising Renewable Energy Technologies or will, under the investment arrangement with the Licensed Fund, be required to commercialise Renewable Energy Technologies
 - c. has business activity at the seed, start-up or early expansion stage of its development, at the time the Licensed Fund first invests in it
 - d. is providing all of the goods and services it produces through commercialising Renewable Energy Technologies to persons who are not Associates

- e. has a majority of its employees (by number) and assets (by value) inside Australia at the time the Licensed Fund first invests in it, or will use the whole of the proceeds from that initial investment within Australia
 - f. at the time the Licensed Fund first invests in it, has an average annual revenue over the previous two years of income that does not exceed \$20 million. The calculation of revenue for a year of income will exclude abnormal items and
 - g. at the time the Licensed Fund first invests in it, is not an Associate of a company (other than an Eligible Education or Research Body) which has an average annual revenue, over the previous two years of income, in excess of \$100 million. The calculation of revenue for a year of income will exclude any abnormal items.
- 20.2 A Licensed Fund may invest in unlisted Eligible Investee Companies or, at the discretion of ARENA, in an Eligible Investee Company that is listed at the date of first investment.
- 20.3 Subsequent to its initial investment in an Eligible Investee Company by a Licensed Fund, the relevant company may remain an Eligible Investee Company even if its incorporation under the *Corporations Act 2001* ceases, provided that:
- a. prior to cessation of incorporation under the *Corporations Act 2001* ARENA is satisfied that the investment in the relevant company will continue to be consistent with the objective and outcome of the Program and
 - b. the relevant company will be incorporated as a company in another jurisdiction, concurrently with (or immediately following) the cessation of incorporation under the *Corporations Act 2001*.
- 20.4 A Licensed Fund must not be in a position to control an investee company.
- 20.5 ARENA may impose other restrictions in the Governing Documents on a Licensed Fund's ability to control an investee company.
- 20.6 Investment decisions will be made by the fund manager(s). However, fund manager(s) may apply to ARENA for a decision as to whether ARENA considers an entity to be an Eligible Investee Company.
- 20.7 ARENA may determine an additional set of criteria for a class of companies that will be considered to be Eligible Investee

Companies. That set of criteria may allow for investment in companies incorporated in certain international jurisdictions and will require, among other things, that the investee company is commercialising Renewable Energy Technologies, has a wholly-owned subsidiary incorporated in Australia under the *Corporations Act 2001* and has or will have substantial operations in Australia.

- 20.8 Requests to invest in entities which meet the intended outcome of the Program, but do not meet the above eligibility criteria, will be considered by ARENA on a case-by-case basis.
- 20.9 ARENA's decision under clauses 20.6 and 20.8 is final.

21. INELIGIBLE INVESTMENTS

- 21.1 A Licensed Fund must not invest in, or provide financial accommodation to, a company:
- a. whose primary business activity involves, directly or indirectly, providing capital to others, purchasing debt obligations or factoring
 - b. which is a passive company. A passive company is a company:
 - i. which in the opinion of ARENA is not undertaking any significant product development or other operations
 - ii. which is likely to pass substantially all of the proceeds of the investment to another entity (other than a wholly-owned subsidiary) or
 - iii. which proposes to use the investment or financial accommodation for purposes other than commercialising Renewable Energy Technologies
 - c. which purchases, or will purchase, goods or services from a supplier who is an Associate of a Licensed Fund, its manager or trustee, except either where the Associate is an Eligible Education or Research Body, or on the following conditions:
 - i. the amount of goods and services to be purchased from the Associate with the investment, or with capital released as a result of the investment, is (or will be) less than 5 per cent of the total amount of the investment and
 - ii. the price of the goods and services is (or will be) no higher than that charged to other customers of the Associate or the market price (whichever is lower)

- d. which carries on business in the capacity of trustee of a trust or in any nominee or representative capacity or
- e. which is, or is in a class of companies, determined by ARENA to be ineligible.

22. PRE-LICENCE INVESTMENTS

- 22.1 ARENA may make provision in the Governing Documents to recognise investments in Eligible Investee Companies by a fund made after the lodgement of an application but prior to the grant of a Licence in respect of the fund.

23. CO-INVESTMENT DIVERSITY

- 23.1 Subject to clause 26 of these Guidelines, co-investment in an Eligible Investee Company with other Licensed Funds and funds licensed under other Commonwealth or State/Territory Government programs is permitted.

24. PORTFOLIO DIVERSIFICATION

- 24.1 A Licensed Fund must not commit to make, or make, an investment (or any other form of funding) in or to any one Eligible Investee Company of more than 20 per cent of the Licensed Fund's total capital unless otherwise approved by ARENA.

25. DRAWDOWN OF CAPITAL

- 25.1 The Governing Documents will include provisions relating to the drawdown of capital for investments and management fees.

26. INVESTMENTS WHICH CONSTITUTE CONFLICTS OF INTEREST

- 26.1 The Governing Documents will include provisions relating to managing conflicts of interest involving the fund manager.

27. GOVERNANCE

- 27.1 The Governing Documents may include provisions for the governance of a Licensed Fund. This may include provision for investors to oversee certain aspects of the operation of a Licensed Fund.

28. TERM OF LICENSED FUND

- 28.1 The term of each Licensed Fund will be no more than 15 years. The term of each Licensed Fund will be agreed by ARENA as part of the negotiation of the Governing Documents.

29. MANAGEMENT AND PERFORMANCE FEES

- 29.1 The fund manager will be paid an annual management fee from the capital of the Licensed Fund and a performance fee (carry) from any profits of the fund to be agreed by ARENA as part of the negotiation for the fund manager's Licence.
- 29.2 ARENA may consider paying its share of the management fees at an early stage, where private sector investors commit to pay the management fees at a later stage, to be agreed by ARENA as part of the negotiation for the fund manager's Licence.
- 29.3 The fund manager may be permitted to recover expenses from the fund to discharge some of their obligations under the Governing Documents as agreed by ARENA as part of the negotiation of Governing Documents.
- 29.4 The Governing Documents may include restrictions on the fees that can be charged by the fund manager to investee companies.

30. PREFERRED DISTRIBUTION MODELS

- 30.1 ARENA will publish the preferred distribution models for any fund manager selection process.
- 30.2 The arrangements for the return of capital and distribution of any profits to investors and the performance fee to the fund manager will be part of the merit assessment process and will be agreed by ARENA during the negotiation of the Governing Documents.

PART FIVE - MISCELLANEOUS

31. CONFIDENTIALITY

- 31.1 Information supplied by applicants as part of the application, negotiation and fund management process will be treated as commercial-in-confidence by ARENA subject to the ability to disclose that information:
- to the responsible Minister
 - in response to a request by a House or a Committee of the Parliament of the Commonwealth of Australia
 - to the Auditor General, Ombudsman or Privacy Commissioner
 - to ARENA Staff and Consultants or
 - where authorised or required by law to be disclosed.
- 31.2 The use and disclosure of information provided to ARENA by applicants (including information provided as part of any application) is regulated by the relevant Commonwealth, State and Territory legislation and general law relating to the use and disclosure of information.
- 31.3 ARENA (including its internal management, agents or advisers) will use the information provided by applicants for the purposes of discharging their respective functions under the Program. ARENA may also:
- use information received in applications in any other legitimate business
 - during the application process and the course of the Program, consult with other Commonwealth agencies or bodies, other organisations or relevant individuals about an applicant's claims and
 - engage Consultants to review and assess applications.
- 31.4 If, during the application process or the course of the Program, ARENA consults with other Commonwealth agencies or bodies, other organisations or relevant individuals about an applicant's claims or engages Consultants to review applications, ARENA will require these parties to observe appropriate confidentiality.

32. CONFLICT OF INTEREST

- 32.1 ARENA will establish and administer conflict of interest procedures, including establishing procedures for Board members, the CEO, the CFO and other ARENA Staff to declare their interests.

- 32.2 All Consultants engaged by ARENA to assist in the assessment of applications will be required to disclose any Conflict of Interest they may have in relation to applicants and may be excluded from the assessment of applications because of their Conflict of Interest.

33. APPEALS AND COMPLAINTS HANDLING

- 33.1 The appeals and complaints handling procedure will be set out in the Information Guide.

34. REPORTING AND EVALUATION

- 34.1 The Governing Documents will include provisions relating to the reporting requirements for a Licensed Fund. Among other things, reports will be required on the impact of investments on investee companies.
- 34.2 ARENA will:
- collect relevant information, including key performance indicators, for the evaluation of a Licensed Fund as set out in the Governing Documents
 - monitor and evaluate the appropriateness, efficiency and effectiveness of the Program and the extent to which it is meeting its policy objectives.
- 34.3 ARENA may examine each Licensed Fund for the purpose of evaluating compliance with Program requirements as and when ARENA considers appropriate.

35. PRESERVATION OF RECORDS

- 35.1 The Governing Documents may impose record-keeping obligations on each Licensed Fund or its manager.

36. PROVISIONS RELATING TO CHANGES WITHIN LICENSED FUND

- 36.1 Among other things, the Governing Documents may include provisions relating to:
- the disposal of interests in a Licensed Fund by the Commonwealth and private sector investors
 - changes to the Licensed Fund's structure
 - transfer of the Licence
 - the retirement of the fund manager and
 - changes to, or replacement of, Key Personnel.

37. DEFAULT

- 37.1 The Governing Documents may include default provisions relating to the manager, investors and the overall financial position of a Licensed Fund.
- 37.2 The Governing Documents will also include protections against fraud and criminal activity.

38. UNDERPERFORMANCE OF LICENSED FUND

- 38.1 The Governing Documents may include provisions relating to the underperformance of a Licensed Fund.

39. BREACH OF LICENCE AND REMEDIES

- 39.1 The Governing Documents will include provisions on the consequences and remedies for breach of the Governing Documents.

40. INTERPRETATION

- 40.1 A reference in these Guidelines to an Act or other instrument is a reference to that Act or other instrument as amended or replaced from time to time.
- 40.2 A reference to **ARENA may** is permissive and not mandatory.
- 40.3 A reference to a **fund** includes a firm, body corporate, trust, partnership, joint venture or other structure.
- 40.4 References to **include, includes, including** and in **particular** do not limit the generality of the words which precede them or to which they refer.
- 40.5 A reference to a **person** includes an individual, firm, a body corporate, a trust or other structure.
- 40.6 A reference to a singular term includes the plural meaning and vice versa.
- 40.7 In these guidelines, unless the contrary intention applies:
- “**Application Form**” means the application form issued by ARENA for the purpose of making an application under the Program.
- “**ARENA**” means the Australian Renewable Energy Agency as established by section 7 of the ARENA Act and includes its successors and delegates.
- “**ARENA Act**” means the *Australian Renewable Energy Agency Act 2011*.

“**ARENA Board**” means the Board of ARENA as established by section 17 of the ARENA Act and includes its successors.

“**ARENA Staff**” means the staff necessary to assist ARENA, and includes contractors to the Department or ARENA and other staff who are engaged under the *Public Service Act 1999* (Cth), employed in the Department and made available by the Secretary of the Department to ARENA under section 62 of the ARENA Act.

“**Associate**” will have the meaning given in the Governing Documents. ARENA will require each document to include detailed and expansive provisions to ensure that relevant degrees of associateship are covered. Examples of associateship will include directors and employees and their relatives, and related companies and trusts.

“**Board Member**” means a member of the ARENA Board.

“**CEO**” means the Chief Executive Officer of ARENA.

“**CFO**” means the Chief Financial Officer of ARENA.

“**Commonwealth**” means the Commonwealth of Australia.

“**Conflict of Interest**” means a situation where a person makes a decision or exercises a power in a way that may be, or may be perceived to be, influenced by either material personal interests (financial or non-financial) or material personal associations.

“**Consultant**” means a consultant engaged by ARENA pursuant to section 63 of the ARENA Act to provide technical and specialist advisory services to assist ARENA in the performance of its functions.

“**Delegation**” means the process by which the authority for delivery of the Program is provided from ARENA, the ARENA Board and the CEO.

“**Department**” means the Commonwealth as represented by the Department of the Environment and Energy or its successor.

“**Eligible Application**” means an application that satisfies the eligibility criteria in clause 11.

“**Eligible Investee Company**” means a company which satisfies the criteria in clause 20 (including any criteria established in accordance with clause 20.7).

“Eligible Education or Research Body”

means an enterprise that:

- a. is established in Australia and
- b. is one of the following:
 - i. an institution of higher education specified in section 4(1) of the *Higher Education Funding Act 1988*
 - ii. a wholly owned Commonwealth, State or Territory enterprise which ARENA considers has objects that include:
 - A. commercialising or supplying Renewable Energy Technologies
 - B. providing services, or making facilities available, in relation to science or technology
 - C. training, or assisting in the training of, persons in the field of scientific or technological research or
 - D. collecting, interpreting or publishing information relating to science or technology
 - i. a “Cooperative Research Centre” as defined in the Cooperative Research Centre Program Guidelines or
 - ii. a Non-profit Enterprise which satisfies the objective of the Program as outlined in clause 2.1.

“Equity” includes any form of debt financing that is approved by ARENA which does not compel the borrower or debtor to pay the interest, coupon or other charge in the nature of interest prior to the end of the term of the debt, except in the event of default.

“Governing Documents” in relation to a Licensed Fund includes:

- a. the Licence with ARENA
- b. the trust deed, constitution or other documents establishing the fund and
- c. any documents between the Venture Capital Fund, its manager and the investors (or any of them).

“Guidelines” means the Renewable Energy Venture Capital Fund Program Administrative Guidelines issued and varied by ARENA from time to time, providing the operational framework for the Program.

“Information Guide” means a document to be issued by ARENA to provide potential applicants with details on processes and requirements for applications under the Program.

“Key Personnel”, in relation to a fund manager, means those individuals determined by ARENA to be key personnel because of their level of technical and managerial expertise, time commitment and their day-to-day involvement in the management of the relevant Licensed Fund. This includes any additions or replacements of key personnel approved by ARENA.

“Licence” means the licence to be granted under these Guidelines to a successful applicant.

“Licensed Fund” means a Venture Capital Fund whose manager has been granted a Licence under the Program in respect of that fund.

“Minister” means the Minister for the Environment or the Minister for Energy, or their successors.

“Non-profit Enterprise” means an enterprise whose governing documents prohibit the distribution of profits or other income to its members.

“Program” means the Renewable Energy Venture Capital Fund.

“Renewable Energy Technologies” are technologies that use, or enable the use of (enabling technologies), one or more renewable energy sources. This may include technologies that:

- a. generate and/or supply energy, including hybrid systems
- b. provide a direct energy input for other uses, such as transport, heating, cooling, cogeneration and trigeneration or
- c. are otherwise associated with, or used in conjunction with, renewable energy technologies.

Where:

- d. renewable energy sources are those that are generated from natural resources that can be constantly replenished
- e. hybrid systems are those that integrate renewable energy technologies with other energy generation systems
- f. enabling technologies and systems are those that enable renewable energy technologies to function more effectively. They may include resource assessments, new materials, nanotechnology, energy

storage, integration systems, information and communication technologies, forecasting systems, control systems and fuel supply logistics

- g. cogeneration technologies involve the combined production of electricity and useful heat from the same process (also known as combined heat and power) and
- h. trigeneration technologies involve the simultaneous production of three forms of energy (electricity, useful heat and cooling) from the same process (also known as combined heat, cooling and power).

ARENA may approve other related renewable energy sources and technologies for the purposes of this definition.

“SES” means Senior Executive Service.

“Shortlist” means the selection of a sub-set of all eligible applicants to undergo further assessment.

“Venture Capital Fund” means:

- a. a limited partnership, unit trust or other structure with initial investment from both the ARENA and private sector investors, as contemplated by clause 15.1 or
- b. any other model adopted by a successful fund manager, approved by ARENA, whether or not a separate vehicle is involved and which may not involve private sector investors committing capital initially, as contemplated by clause 15.2.

Further information is available at
arena.gov.au

Australian Renewable Energy Agency

To discuss potential for funding:
Phone +61 1800 804 847
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