

# SUSTAINABLE AVIATION FUEL FUNDING INITIATIVE

Frequently asked questions

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Australian Government  
Australian Renewable  
Energy Agency

**ARENA**

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# FREQUENTLY ASKED QUESTIONS

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This document contains frequently asked questions (FAQ) regarding the Funding Announcement for ARENA's Sustainable Aviation Fuel Funding Initiative (SAF Funding Initiative). ARENA will update this FAQ list as the SAF Funding Initiative progresses. For further details, please refer to the Funding Announcement located on the ARENA website at [arena.gov.au/funding/sustainable-aviation-fuel-funding-initiative](https://arena.gov.au/funding/sustainable-aviation-fuel-funding-initiative).

Applicants can submit questions relating to the Funding Initiative by emailing [saf@arena.gov.au](mailto:saf@arena.gov.au). ARENA reserves the right to publish any such questions and answers in this FAQ document.

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## 1. APPLICANTS

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### 1.1 CAN MY ORGANISATION APPLY FOR FUNDING?

Section 2.2 of the [ARP Guidelines](#) sets out 'Eligibility Criterion A - Eligible Applicant' requirements for Applicants, as follows: to be eligible for funding, at the time of applying, your organisation must hold an Australian Business Number (ABN) and

- › be (or warrant that you will be at the time of entering into a funding agreement) an Australian entity incorporated under the Corporations Act 2001 (Cth) or
- › be a Commonwealth entity prescribed as a government business enterprise by section 5(1) of the Public Governance, Performance and Accountability Rule 2014 or
- › be an Australian State or Territory owned corporation or a subsidiary of an Australian State or Territory owned corporation or
- › be an Australian local government or council.

### 1.2 WHAT ARE THE ELIGIBLE ACTIVITIES UNDER THE SAF FUNDING INITIATIVE?

Section 2.3 of the [ARP Guidelines](#) sets out 'Eligibility Criterion B - Eligible Activity' for Applicants, as follows: You must be able to demonstrate to the satisfaction of ARENA (in its absolute discretion) that the Activity described in your Proposal:

- a. involves a Renewable Energy Technology and/or has the potential to contribute to the Program Outcomes; and
- b. does not include research (Technology Readiness Level (TRL) 1-3 - see Appendix A), or education and training of students. For the purpose of clarification, Activities can include research components to the extent these are part of a larger activity focused on the Development, Demonstration, Deployment or commercialisation of a Renewable Energy Technology.

In addition to the above eligibility requirements, section 4 of the [Funding Announcement](#), sets out additional criteria as follows:

- c. projects must use a Renewable Feedstock or product produced from a Renewable Feedstock; and
- d. projects must include an Approved Production Pathway.

### 1.3 WHAT FEEDSTOCKS ARE ELIGIBLE UNDER THE SAF FUNDING INITIATIVE?

Section 12 of the [Funding Announcement](#) defines Renewable Feedstock as 'feedstocks that are of a biogenic origin and replenishable nature. Feedstocks that are predominantly of fossil origin such as products of crude oil are considered non-renewable and ineligible under the Funding Initiative.' Applicants will be required to demonstrate how their feedstock meets this definition particularly in relation to the origin and composition of the feedstock.

Section 5 of the [Funding Announcement](#) sets out the merit criteria against which Applications will be assessed. It identifies what attributes proposals should demonstrate in order to be considered to be of high merit.

#### 1.4 WHAT PRODUCTION PATHWAYS ARE ELIGIBLE UNDER THE SAF FUNDING INITIATIVE?

Section 12 of the [Funding Announcement](#) defines an Approved Production Pathway as 'Production of SAF in accordance with internationally recognised certification pathways such as ASTM or where a pathway to certification can be outlined. Under the SAF Funding Initiative Power to Liquids (PtL) pathways are not considered as an eligible pathway.'

Section 5 of the [Funding Announcement](#) sets out the merit criteria against which Applications will be assessed. It identifies what attributes proposals should demonstrate for the chosen production pathway in order to be considered to be of high merit.

Applicants will be required to indicate whether their proposed production pathway is ASTM certified or outline the pathway to certification.

#### 1.5 CAN PROJECT PARTNERS BE FROM OVERSEAS?

Yes. However, as per the Advancing Renewables Program (ARP) Guidelines, the work must take place primarily in Australia and no more than 10 percent of ARENA funding can be spent overseas, except if being used to purchase materials or equipment.

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## 2. PROJECTS

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#### 2.1 WHAT TYPE OF PROJECTS DOES THE SAF FUNDING INITIATIVE SEEK TO SUPPORT?

ARENA has set the Scope of Activity to be intentionally broad in order for the sector to outline what they believe is required to establish a SAF industry. The SAF Funding Initiative is seeking projects that are collaborating across the sector and is not intending to support projects where there is limited evidence of collaboration or where Applicants are working in isolation. Section 5 of the [Funding Announcement](#) sets out the merit criteria against which Applications will be assessed. It identifies what proposals should demonstrate in order to be considered to be of high merit.

As set out in section 3 'Scope of Activity' of the Funding Announcement, the SAF Funding Initiative is open to eligible entities for Proposals that align with the SAF Funding Initiative Objective described in Section 1 of the Funding Announcement. Project activities may include:

- a. Commercial or pre-commercial scale engineering feasibility, front-end-engineering-design (FEED) studies or other project development activities. Applicants seeking to align with this activity should demonstrate strong collaboration across the supply chain with project activity occurring across multiple members of the supply chain.
- b. Pilot-scale or pre-commercial demonstrations of novel technologies that have a demonstrable pathway to produce SAF. Applicants seeking to align with this activity should be beyond an early stage of technology demonstration and identify a key need from industry for the proposed demonstration.
- c. Demonstration of novel and scalable approaches to establishing the supply chain required in a future SAF industry. Feedstock supply is considered a key unlock for the sector, ARENA is seeking innovative approaches to either aggregate or supply feedstock to prospective SAF projects.

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# 3. ASSESSMENT PROCESS

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## 3.1 HOW DO I APPLY FOR FUNDING?

The SAF Funding Initiative will have a two-stage application process. Expressions of Interest (EOIs) and Full Applications must be submitted using ARENA's Grants Management System (GMS), accessible on [ARENANet](#).

Should you wish to discuss your application with ARENA ahead of submission, please contact the team at [saf@arena.gov.au](mailto:saf@arena.gov.au).

Each section of the application form contains instructions on what information is required and any word limits which may apply. Applicants can save their application at any time before submitting to ARENA before the EOI Due Date.

## 3.2 WHEN WILL THE SAF FUNDING INITIATIVE CLOSE FOR APPLICATIONS?

Please refer to section 11 of the Funding Announcement for key dates. The EOI Due Date is Wednesday 1 November 2023 by 5pm AEDT. ARENA retains the right to amend proposed timelines and stages or alter any element of the SAF Funding Initiative at its discretion. Any such changes will be published on ARENA's website.

Applicants are able to submit EOIs at any point in time ahead of the EOI Due Date. Proposals that submit earlier may be assessed ahead of the EOI Due Date.

## 3.3 HOW DOES ARENA DECIDE WHICH PROJECT WILL RECEIVE FUNDING?

ARENA will assess eligible projects against the five Merit Criteria as set out in the Funding Announcement, which entails the merit criteria in the ARP Guidelines plus additional considerations relevant to the SAF Initiative. ARENA will engage its expert Advisory Panel to undertake this process. A list of Advisory Panel members is available on the ARENA website. The Merit Criteria are:

- a. The extent to which the project will contribute to the Program Outcomes and Funding Initiative Objective as set out in the SAF Funding Initiative Funding Announcement.
- b. The capability and capacity of the Applicant, Project Partners and key project personnel to deliver the project.
- c. The quality of project design, project risk, risk of negotiating a funding agreement, and compliance with other requirements outlined in Part 5 of the ARP guidelines.
- d. The financial capacity to deliver the project; whether the project is commercially viable without ARENA funding; whether the amount of ARENA funding sought (and the form in which it is to be provided) and the total cost of the project is appropriate.
- e. The value of the knowledge generated by the project in contributing to the Program Outcomes.

Please see section 5 of the [Funding Announcement](#) for further information.

## 3.4 WHAT IS A PORTFOLIO APPROACH?

When selecting projects for funding ARENA may consider how a project will contribute to the SAF Funding Initiative Outcomes. ARENA may elect not to fund an otherwise meritorious project if the aims or outcomes of that project are the same as, or similar to, the aims and outcomes of a project that has previously been funded or is currently under assessment.

## 3.5 CAN ARENA HELP WITH MY APPLICATION?

ARENA can provide high-level guidance on proposals prior to submission of an EOI. At the Full Application stage ARENA may work with Applicants to develop their applications. Should you wish to discuss your application with ARENA please contact the team at [saf@arena.gov.au](mailto:saf@arena.gov.au).

## 3.6 WHAT FEEDBACK CAN I GET ON MY APPLICATION?

Applicants will be advised of the outcome in writing following the assessment of the EOI or Full Application. ARENA will provide written feedback to Applicants who are invited to the Full Application Stage. All decisions made by ARENA will be considered final.

### 3.7 CAN ARENA PROVIDE EXAMPLES OF PREVIOUS SUCCESSFUL APPLICATIONS FROM PAST ROUNDS?

No, ARENA does not provide sample answers or Applications for any of its programs. ARENA expects all answers to be honest, succinct, well justified, and complete.

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## 4. FINANCES

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### 4.1 HOW MUCH FUNDING CAN ARENA PROVIDE TO MY PROJECT?

ARENA has allocated \$30 million of funding to the SAF Funding Initiative. ARENA expects that the grant requests each to be a minimum of \$1 million and a maximum of \$30 million. The total ARENA funding requested is expected not to exceed 50 per cent of the project cost.

### 4.2 WHERE IS THE ARENA BUDGET TEMPLATE?

The ARENA budget template can be found in the online [ARENANet](#) application form, under 'Merit Criterion D'. Applicants should submit a budget and a financial model (where applicable) with their application. A justification should be provided where Applicants do not provide a financial model.

### 4.3 WHY DOES ARENA REQUIRE CO-INVESTMENT AND IS THERE A MINIMUM LEVEL?

ARENA expects to provide the minimum grant size required to make a project commercially viable and requires a co-investment commitment to ensure the Applicant has the appropriate level of funding to successfully complete the project. Project Partners need to provide letters of support as evidence of cash or in-kind contributions to demonstrate sources of funding. ARENA may provide feedback on the appropriate size of the ARENA grant based on the commercial position of your project. Should your project be approved for funding, the amount of grant funding may be reduced if the underlying commercial position of the project changes.

### 4.4 SHOULD SALARIES BE COUNTED AS IN-KIND OR CASH CONTRIBUTIONS?

Where personnel are already engaged by the Recipient prior to the commencement of the project and have not been engaged specifically to work on the project, this cost should be classified as an In-kind contribution, as opposed to cash contributions. In addition, where an existing member of personnel is transferred to work on the project (for all or part of the time), then the proportion of time that is spent on the project should be classed as an In-kind contribution.

Where personnel are (or will be) specifically hired to work on the project, this can be classed as a Cash Contribution. The hire of personnel to work on the project may also include the hire of existing personnel, where the duration of their existing engagement does not cover their proposed involvement in the project. The appropriate FTE must be apportioned to the project and must not overlap with any pre-existing role or work on other projects.

The Applicant can elect to assign cash salaries from either a cash contribution or the ARENA Grant funding request under the budget. This budget and its justification will be assessed for merit under Merit Criterion D.

### 4.5 HOW WILL PAYMENTS BE MADE IF MY APPLICATION IS SUCCESSFUL?

ARENA provides grant funding at agreed milestones following the successful completion and acceptance of milestone deliverables with payments made in arrears. Please see Schedule 1 of the Funding Agreement template provided on ARENA's Sustainable Aviation Fuel Funding Initiative [webpage](#) for more information.

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# 5. KNOWLEDGE SHARING

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## 5.1 WHAT ARE ARENA'S REQUIREMENTS FOR KNOWLEDGE SHARING?

Knowledge sharing refers to the development and dissemination of information, data and lessons learnt throughout the project, as well as creating opportunities for collaboration with the wider renewable energy sector. In some cases, this knowledge may be made publicly available, in others it may be restricted to a relevant audience within the specific sector. ARENA's approach to knowledge sharing does not include sharing of any commercially sensitive information or intellectual property (IP).

Please refer to the SAF Funding Initiative Knowledge Sharing Plan template located on the [webpage](#) for more information.

Further information is available at  
arena.gov.au

## Australian Renewable Energy Agency

To explore potential for funding visit:  
arena.gov.au/funding

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