

## DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES

MS23-000904

To: Minister for Industry and Science (For Information only)

## SCALE FACILITATION | R&amp;D TAX INCENTIVE - ADVANCE AND OVERSEAS FINDING

Timing: Routine

<b>Recommendations:</b> That you			
1. <b>Note</b> the briefing on the outcome of R&D Scale Facilitation Vehicle XIV Pty Ltd's advance and overseas finding application for the R&D Tax Incentive (R&DTI); and  s.22			
			<b>Noted / Please Discuss</b>
<b>Minister:</b>			Date:
<b>Comments:</b>			
<b>Clearing Officer:</b>	Tara Oliver	General Manager, R&D Tax Incentive Branch, Commercialisation	Ph: s.22 Mob: s.22
Contact Officer:	s.22	Manager – National Assessments Team, R&D Tax Incentive	Ph: s.22 Mob: s.22
<b>For Parliamentary Services' use only.</b> Date Submitted to the Minister's office in PDMS:			2/6/2023

**Key Points:**

- The purpose of this brief is to inform you of the outcome of an application for a R&DTI advance and overseas finding from Scale Facilitation Vehicle XIV Pty Ltd (the Applicant). The Applicant company is one of 50 R&D special purpose vehicles established by US company Scale Facilitation through its Scale Facilitation Fund I. According to its website the fund is '...not a private equity fund, nor...a sovereign wealth fund. We are a hybrid fund focused on scaling technology and other innovations...'
- The IR&D Act sets out the operating rules for the R&DTI, including the circumstances where a company must, or may, seek a finding on the eligibility of R&D activities. A relevant rule in this case is that a R&D tax offset will only be available for expenditure incurred on an activity conducted outside Australia if a finding that the activity cannot be conducted in Australia has come into force (s28C and s28D). The Applicant was required to submit a finding application because some activities are US-based.

3. Under the IR&D Act, powers to administer the R&DTI are vested in Industry Innovation and Science Australia (IISA), and delegated to the R&D Incentives Committee (R&DIC) and the department. All R&DTI decisions are made at arms-length to the Government.

4. s.47E(d)

The Applicant may raise this with you given the project's links to Recharge Industries' plans to develop Australia's battery manufacturing capabilities and its alignment to the National Battery Strategy.

*High level summary of overseas finding (see more information at [Attachment A](#))*

5. The Applicant company aims to support the development and commercialisation of 'Molecule OS'. The Molecule OS project will use machine learning to improve Bayesian optimisation algorithms for the purpose of optimising lithium-ion battery manufacturing.

6. s. 47G, s47E(a)

- a. The key tests under the ITA Act and IR&D Act are outlined in [Attachment A](#).

7. The R&DTI is designed to support eligible R&D only and is one program in a suite of programs to support innovation, s. 47G  
It was recently reported that Recharge Industries (which is part of Scale Facilitation's portfolio) will receive \$10 million of Deakin University's \$50 million Trailblazer funding.

8. s.47E(a)

9. s. 47G

10. The department would be happy to provide a verbal briefing on this case. Should you or your colleagues be approached by the Applicant or its related entities, we have provided high level talking points on the R&DTI (see [Attachment B](#)).<sup>s.22</sup>

#### **Sensitivities and Handling:**

11. You toured the site for the proposed Recharge Industries Gigafactory and held a press conference there on 18 May 2023. You highlighted the alignment of the Recharge Industries Gigafactory project to the National Battery Strategy, National Reconstruction Fund priorities and the Government's advanced manufacturing priorities.

12. <sup>s.47E(a)</sup>

s.47E(a), s.47G

s.47E(a)

- d. The assessment has taken much longer than usual. The application was lodged more than 300 days ago on 1 July 2022. The timing reflects the complexity of the case and the time taken for further information to be provided following requests. Average timeframes for advance and overseas findings are around 90 days.

**Data referenced: Nil.**

**Consultation: YES**

13. R&DIC, ATO, Critical Minerals Office, NRF Priorities Branch.

**Attachments**

**A:** Background

**B:** Talking Points

**DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES**MS23-000904 – **Attachment A****Background on the Research and Development Tax Incentive (R&DTI) and Scale Facilitation Vehicle XIV Pty Ltd overseas finding***Background on the R&DTI*

1. The R&D Tax Incentive (R&DTI) is a broad based, legislated self-assessment tax incentive program. It is co-administered by the department (on behalf of the IISA Board) and the ATO. As the Minister for Industry and Science you are responsible for the *Industry Research and Development Act 1986* (IR&D Act) which contains certain rules for the operation of the R&DTI. You appoint members to the IISA board and the R&D Incentives Committee (R&DIC) but do not have an administrative decision making role.
  - a. On behalf of IISA, the department is responsible for program promotion, education and guidance, and registering and making findings on R&D activity eligibility. Under delegation, the department administers the R&DTI including registering and making findings on R&D activity eligibility, with [s. 47E\(a\)](#)
  - b. The ATO is responsible for ensuring the eligibility of entities and, as part of the company tax process, validating the expenditure claimed under the R&DTI.
2. A company can ask for an advance finding to determine the eligibility of R&D activities it intends to claim under the R&DTI, and must apply for an overseas finding if it intends to claim overseas R&D activities. A positive advance and/or overseas finding gives a company assurance that its registered R&D activities will be eligible for the R&DTI. Advance findings bind the Commissioner of Taxation for the income year in which the application is lodged and for the following two income years. That is, the Commissioner must accept decisions about the eligibility of R&D activities if a finding is in force.
3. To be an eligible R&D activity, an activity must meet the definition of either a core R&D activity (s355-25) or a supporting R&D activity (s355-30) in the *Income Tax Assessment Act 1997* (ITA Act). If the activity is conducted overseas, it must also meet the four conditions provided at s28D of the IR&D Act.
  - a. The key tests under the ITA Act are:
    - i. s355-25 - the activity must be a core R&D activity where the outcome cannot be known in advance but instead requires a systematic progression of work proceeding from hypothesis to experiment, observation and evaluation and leads to logical conclusions. The purpose of the activity must be for generating new knowledge.
    - ii. s355-30 - The activity must be a supporting R&D activity which is directly related to a core R&D activity. However, if the activity produces or is directly related to producing goods or services, it must be also be conducted for the dominant purpose of supporting a core R&D activity.

- b. The key tests under s28D of the IR&D Act for an overseas activity are:
- i. The activity must be an eligible R&D activity,
  - ii. an Australian core R&D activity must not be able to be completed without the conduct of the overseas activity,
  - iii. it must not be able to be conducted in Australia,
  - iv. the costs of the overseas activities must be less than the Australian activities.

*Background on the Scale Facilitation overseas finding*

4. s. 47G
  
5. This advance and overseas finding is from R&D Scale Facilitation Vehicle XIV Pty Ltd, incorporated on 22 July 2021 as a special purpose vehicle formed to support the development and commercialisation of 'Molecule OS'. The 'Molecule OS' project aims to utilise machine learning to improve Bayesian optimisation algorithms for the purpose of optimising lithium-ion battery manufacturing.
6. s. 47G
  
7. s.47E(a), s. 47(C)
  
- 8.
  
- 9.
  
- 10.

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## DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES

MS23-000904 – Attachment B

s.22

**Talking points**

- The R&DTI is the Government’s key mechanism for stimulating industry investment in R&D, helping to drive innovation that delivers economic and social benefits for all Australians.
- At an estimated cost of \$3.2 billion in 2022-23, the R&DTI program encourages over 12,000 companies to invest in additional R&D.
- The R&DTI does not cover all activities relating to innovation. The legislative definition of eligible R&D is set down in the *Income Tax Assessment Act 1997* and focuses on R&D that businesses are less likely to undertake in the absence of government support.
- My department regularly assesses applications for advance and overseas findings to ensure the ongoing integrity of the R&DTI.
  - Positive advance findings give companies assurance that their registered activities will be eligible for claiming under the R&DTI.
  - If a company wishes to claim overseas activities it plans to undertake, it must request an overseas finding about whether its activities are eligible overseas R&D activities.
- Advance and overseas findings are reviewable decisions. A company can request an internal review and provide additional information.
- The R&DTI is one program in a suite of programs to support Australian companies to innovate and grow. The R&DTI supports

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companies at the R&D stage. Other programs such as the \$392 million Industry Growth Program provides support for companies to commercialise their R&D. Government initiatives such the Trailblazer Universities Program help industry and researchers collaborate.

*If asked about how the Government is supporting Australian battery manufacturing and technology*

- The National Battery Strategy will complement Australia's Critical Minerals Strategy to provide a clear plan to ensure Australia can take its place in the profitable global battery supply chain. Under our Australian Made Battery plan we are also:
  - partnering with the Queensland Government to create a Battery Manufacturing Precinct, supported by up to \$100 million in Commonwealth equity funding;
  - establishing a Powering Australia Industry Growth Centre to support Australian businesses manufacture, commercialise and adopt new renewable technologies like batteries; and
  - supporting 10,000 New Energy Apprenticeships.
- The Government is also supporting clean energy generation and storage technologies through:
  - The \$15 billion National Reconstruction Fund, designed to transform and strengthen priority industries, including \$3 billion for the renewables and low emission technologies industries; and
  - The \$392 million Industry Growth Program to help start-ups and small-to-medium businesses commercialise their ideas and grow.





s.22

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**From:** Purtell, Nick <[Nick.Purtell@industry.gov.au](mailto:Nick.Purtell@industry.gov.au)>  
**Sent:** Thursday, 22 June 2023 10:02 AM  
**To:** s.22 <[s.22@industry.gov.au](mailto:s.22@industry.gov.au)>  
**Cc:** Oliver, Tara <[Tara.Oliver@industry.gov.au](mailto:Tara.Oliver@industry.gov.au)>; Blight, Tanya <[Tanya.Blight@iisa.gov.au](mailto:Tanya.Blight@iisa.gov.au)>; Roussel, Sandra <[Sandra.Roussel@industry.gov.au](mailto:Sandra.Roussel@industry.gov.au)>  
**Subject:** s.22

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s.22

Nick

s.22

s.22

- **RDTI (Tara Oliver)**
  - s22
  - s.22
  - Scale Facilitation | R&D Tax Incentive - advance and overseas finding (MS23-000904)

s.22

**Nick Purtell**  
**Head of Division**  
**Commercialisation Division**

s.22

| [nick.purtell@industry.gov.au](mailto:nick.purtell@industry.gov.au)

Department of Industry, Science and Resources  
Ngunnawal Country, Industry House, 10 Binara Street (GPO Box 2013) Canberra ACT 2601 Australia

**industry.gov.au** ABN 74 599 608 295

Supporting economic growth and job creation for all Australians | We are collaborative, innovative, respectful and strive for excellence



#### **Acknowledgement of Country**

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging.



s.22

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**From:** Purtell, Nick  
**Sent:** Tuesday, 1 August 2023 10:00 PM  
**To:** s.22  
**Cc:** Oliver. Tara: Blicht. Tanva: Roussel. Sandra: s.22  
**Subject:** s22

Hi s.22

s22

Nick

PDMS number	Subject	Sent to the MO	Date MO Action is required	Key Comments
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s.22

MS23-000904	Scale Facilitation I R&D Tax Incentive – Advance and Overseas Finding	3/6/23	Routine	s. 47G  The brief is for information only.
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**Nick Purtell**  
**Head of Division**  
**Commercialisation Division**

<sup>s</sup> | [nick.purtell@industry.gov.au](mailto:nick.purtell@industry.gov.au)

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**PROTECTED**

s.22

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**From:** s.22  
**Sent:** Tuesday, 13 June 2023 4:31 PM  
**To:** DLO Husic  
**Cc:** Cooper, Jocelyn; Luchetti, Narelle  
**Subject:** FW: New QTB request - Battery Strategy - MO due 10am 14 June [SEC=OFFICIAL]

Hi s.22

Please see below, response to the Office's query.

**Response**

- Recharge Industries (parent company Scale Facilitation) propose to start manufacturing and commercialising battery technologies in Australia in 2024. Recharge Industries has made a number of representations to the Commonwealth seeking funding support s. 47G
  - The department has not had sufficient time to contact Commonwealth agencies to determine if other portfolios have provided support.

s. 47G

**Sensitivity**

- s. 47G
  
- s. 45

Happy to discuss.

Cheers,  
s.22

Manager - National Battery Strategy  
National Reconstruction Fund Priorities Branch  
Manufacturing and National Reconstruction Fund Division

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**Department of Industry, Science and Resources**

Ngunnawal Country, Industry House, GPO Box 9839, Canberra, ACT, 2601

Ph: s.22 [@industry.gov.au](mailto:@industry.gov.au)**From:** DLO Husic <[DLOHusic@industry.gov.au](mailto:DLOHusic@industry.gov.au)>**Sent:** Tuesday, 13 June 2023 5:07 PM**To:** s.22 [@industry.gov.au](mailto:@industry.gov.au)**Cc:** Cooper, Jocelyn <[Jocelyn.Cooper@industry.gov.au](mailto:Jocelyn.Cooper@industry.gov.au)>; Luchetti, Narelle <[Narelle.Luchetti@industry.gov.au](mailto:Narelle.Luchetti@industry.gov.au)>; DLO Husic <[DLOHusic@industry.gov.au](mailto:DLOHusic@industry.gov.au)>**Subject:** RE: New QTB request - Battery Strategy - MO due 10am 14 June [SEC=OFFICIAL]

Hi s.22

Separate (but related) to the QTB – can you please advise what, if any, government funding has been provided to Recharge Industries and/or Scale Facilitation s.47E(a)

Grateful for your advice on this – as well as any other sensitivities the MO should be aware of – as soon as practicable **this afternoon** please, as this is the subject of a media inquiry.

Kind regards

s.22

Departmental Liaison Officer | Office of the Ed Husic MP

[DLOHusic@industry.gov.au](mailto:DLOHusic@industry.gov.au)

**From:** [@industry.gov.au](mailto:@industry.gov.au)

**Sent:** Tuesday, 13 June 2023 4:54 PM

**To:** DLO Husic <[DLOHusic@industry.gov.au](mailto:DLOHusic@industry.gov.au)>; QTBs <[QTBs@industry.gov.au](mailto:QTBs@industry.gov.au)>

**Cc:** Cooper, Jocelyn <[Jocelyn.Cooper@industry.gov.au](mailto:Jocelyn.Cooper@industry.gov.au)>; Luchetti, Narelle <[Narelle.Luchetti@industry.gov.au](mailto:Narelle.Luchetti@industry.gov.au)>; s.22

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**Subject:** RE: New QTB request - Battery Strategy - MO due 10am 14 June [SEC=OFFICIAL]

Thanks team – we’ll action now.

Cheers,

s.22

Manager - National Battery Strategy  
National Reconstruction Fund Priorities Branch  
Manufacturing and National Reconstruction Fund Division

**Department of Industry, Science and Resources**

Ngunnawal Country, Industry House, GPO Box 9839, Canberra, ACT, 2601

Ph: [@industry.gov.au](mailto:@industry.gov.au)

**From:** DLO Husic <[DLOHusic@industry.gov.au](mailto:DLOHusic@industry.gov.au)>

**Sent:** Tuesday, 13 June 2023 4:52 PM

**To:** QTBs <[QTBs@industry.gov.au](mailto:QTBs@industry.gov.au)>

**Cc:** DLO Husic <[DLOHusic@industry.gov.au](mailto:DLOHusic@industry.gov.au)>; s.22 [@industry.gov.au](mailto:@industry.gov.au)

**Subject:** New QTB request - Battery Strategy - MO due 10am 14 June [SEC=OFFICIAL]

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Good afternoon team

The office has requested that a new QTB titled ‘Battery Strategy’ be created ahead of sitting tomorrow, to include:

- Some talking points about battery strategy as a whole
- Talking points for if the Minister is asked about the impact of Recharge Industries’ ‘pivot’ from domestic battery manufacturing in Geelong to its UK enterprise (see below)

Due to the MO **10am Wednesday 14 June** please – apologies for the very short turnaround.

Thanks

s.22

Departmental Liaison Officer

Office of the Hon Ed Husic MP | Minister for Industry and Science

A M1.49 Parliament House Canberra ACT 2600

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Department of Industry, Science and Resources

...

Exclusive

# Battery maker Recharge fast-tracks UK plant, overtaking Geelong





**Hans van Leeuwen** *Europe correspondent*

Jun 13, 2023 – 4.54am

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**London** | Battery manufacturing start-up Recharge Industries has abruptly pivoted from its plan for a Geelong gigafactory, and will first fast-track the [multibillion-dollar Britishvolt project](#) that Recharge founder David Collard rescued from administration in February.

Recharge has redeployed most of its 160 worldwide staff into crunching plans for the 30-gigawatt-hour (GWh) factory in northern England, which sits on a 93-hectare shovel-ready site. The company aims to make batteries in Britain as soon as next year.



David Collard, right, founder of Recharge Industries, with his new British CEO Tony Laydon.

“In effect we had the site in Geelong ready, everything was going forward, and then Britishvolt happened,” Mr Collard said.

“The UK site is more advanced and there are a lot of big firms that have done a lot of due diligence previously on the site, plus the site already has these big infrastructure assets that we can now use to de-risk the broader project.”

The [New York-based former PwC partner](#), 38, has just hired former Britishvolt executive Tony Laydon to get the British project up and running within 12 months, and was in London last week for talks on teeing up finance for its first phase.

Following the talks, Recharge signed a deal on Monday with Tritax Management, a real estate fund manager 60 per cent owned by financial giant Abrdn, that will shave £1 billion (\$1.9 billion) from the project’s estimated £3 billion-plus longer-term cost.

Recharge and Tritax will create a joint-venture development company that will take custody of Britishvolt’s land and the infrastructure assets that Mr Collard acquired back in February.

This development company will fund the gigafactory's first phase, and will also inject funding into a separate Recharge UK operating company, in lieu of the assets transferred. It will also be the operating company's landlord, under a new lease on the facility.

The Recharge operating company is looking to borrow up to £250 million from the British government's new UK Infrastructure Bank. This finance would potentially be secured not on the land – which will be owned by the development company – but on revenue streams from the development company.

Mr Collard said the structure would help overcome the challenge battery makers face of whether to pitch to investors in infrastructure, property, private equity or venture capital.

“By splitting the structure into a ‘devco’ and an ‘opco’, we make it easier to de-risk the project and attract the right investment partners for each, while also providing certainty for both entities,” he said.

Tritax executives will head to Australia in the coming week to try and recruit co-investors in the development company, such as superannuation funds or other asset managers.

## **Leapfrogging Geelong**

The rapid momentum in the former Britishvolt project at Cambois, in the north-eastern English county of Northumberland, means it will leapfrog the Geelong project, near Avalon Airport, that Recharge has been working on for almost two years.

But Mr Collard said the rapid acceleration of the British site would help generate momentum in Geelong.

“It will help fast-track Australia,” he said. “All the money spent on the design of this UK facility will also apply in Australia – the money being invested now in the UK is basically being invested in Australia.”

The remaining hurdle for Recharge UK is the need to strike a deal with Northumberland County Council over the council's pre-existing right to buy back the land. Until an agreement is found, the project's financing cannot be finalised.

Mr Laydon held talks with the council last week, and said the authority was “ready to talk it through”.

“They're constantly saying they will bend over backwards,” he said. “They're huge believers in it, it would be transformational for the region. They're committed to build the gigafactory, to unlock the site for us to get finance.”

Mr Collard said he also expected the council to fast-track planning approvals, to allow Recharge to meet its hugely ambitious timetable.



The gigafactory as conceived by Britishvolt.

The initial 12-month construction will create a facility with capacity for 6 GWh, of which 2 GWh will be installed as soon as possible – “the equipment is already ordered”, Mr Laydon said – and a further 4 GWh will follow within 12 months.

The second phase will add another 6 GWh, and a third phase will build out a further 18 GWh, for a total of 30 GWh.

Mr Laydon said much of the facility’s design was based on previous Britishvolt plans, and would be finalised within six to eight weeks.

“Then it will be basically looking for the construction partners that we’re going to work with,” he said.

“I’m fully expecting that by the time we get to the end of quarter one, beginning of quarter two next year, we should be in a position of starting to look at shovels in the ground.”

## **Departure from Britishvolt**

The difference with the failed Britishvolt plan, Mr Laydon said, was that Recharge already had intellectual property from its US partner C4V, a supply chain and some offtake agreements – all of which his previous company was trying to do at once.

Another difference was that Britishvolt had focused on the automotive market, where battery designs had to be highly specific to the vehicle and extensively tested. Recharge, by contrast, was starting out with “static storage” – big batteries to hold excess energy for times when renewables are not producing.

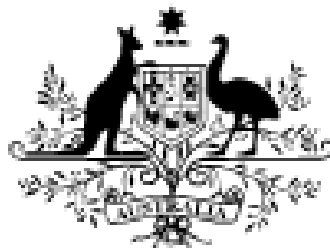
Mr Laydon said ultimately, the plant would effectively be able to toggle between static storage and automotive batteries.

And he echoed Mr Collard in saying that the Cambois and Geelong plants were being developed in tandem, with a common design, which could also be a template for any other assets Recharge develops or acquires.

“The idea we’ve got is ‘design one, build many,’” he said. He also said the Northumberland land envelope was also large enough to accommodate facilities for companies in Recharge’s supply chain.

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***SPEECH***



**THE HON ED HUSIC MP**

Minister for Industry and Science

Speech notes

**Visit to Recharge Industries office**

**11 Mackey St, North Geelong**

**Thursday 18 May 2023**

**10.30am**

## Acknowledgements

- Hello all.
- I begin by acknowledging the Wadawurrung people, the traditional custodians of this land, and pay my respects to the Elders both past and present.
- I would also like to pay my respects to any First Nations people with us today.
- s.22
- And thanks to Rob Fitzpatrick, the CEO and Dave Hay, the Project Lead of Recharge Industries for this opportunity to speak.

## Key messages

- I look forward to Recharge Industries marking its mark in the Australian battery industry.
- There are great opportunities ahead.
- Batteries will play an increasingly important role in Australia's energy future.
- And it is vital that we produce more of them on home soil. So companies who can do that have a strong future.
- An ideal would be getting to the stage where Australian based companies can meet all our domestic needs as well as exporting to the world.
- We have the raw materials. We have the people who can do it. And the Government has the will.
- As part of our Australian Made Battery Plan, we will publish Australia's first National Battery Strategy.
- The Strategy is designed to guide stakeholders towards a shared vision of an end-to-end battery manufacturing.

- It will outline actions for governments and industry to help build scale and competitiveness.
- The Government will build on our strengths.
- We will be drawing on our abundant minerals and a manufacturing sector recharged by our policies.
- Our Strategy will demonstrate that we mean business on batteries.
- It will show we are ready to play a role in diversifying global supply chains.
- And it will open the way to the foreign investment we need.
- As part of the Australian Made Battery Plan, the Government will partner with the Queensland Government to create the Australian Made Battery Precinct.
- My department is working with the Queensland State Government to provide up to \$100 million in equity to establish the Precinct.
- The Precinct will bring together industry, academia and the community to bolster Australia's manufacturing capability and support industry growth.
- Both governments will work together to determine final design and determine when, where it will happen.

### **Growth Centre and battery manufacturing potential**

- As part of the Australian Made Battery Plan, The Government is also establishing the Powering Australia Industry Growth Centre.
- We are providing \$14.8 million over four years to establish the centre which will:
  - Help businesses to locally manufacture renewable energy technologies and commercialise local ideas.
  - Encourage connections between critical minerals producers and renewables manufacturers.

- Hire a First Nations Advisor to build First Nations business management capabilities.
- A two-stage competitive grant process will be used to find and fund a suitable applicant to deliver the centre.
- We will provide the grant opportunity guidelines in due course.
- The Charging Ahead report published by the Future Battery Industries CRC and Accenture has good news for Australia.
- It found the growth of global demand and the increased forecast value of battery packs has widened our national opportunity.
- The report says diversified battery industries in Australia could contribute A\$16.9 billion gross value added and 61,400 jobs to the economy by 2030.
- This is more than double the gross value-added contribution forecast in 2021.

## **National Reconstruction Fund**

- The Government is backing Australian manufacturers, ideas and know how through our \$15 billion National Reconstruction Fund.
- The latest Budget allocated substantial funding to the NRF which is one of the largest investments in manufacturing in Australian history.
- On commencement, the NRF Corporation will have \$5 billion available for investment through debt and equity instruments.
- The remaining \$10 billion will be credited to the NRF special account by July 2029.
- The NRF will provide:
  - Up to \$3 billion for renewables and low emissions technologies
  - \$1 billion for value-adding in resources
  - \$1 billion for critical technologies; and
  - \$1 billion for advanced manufacturing



- The NRF will help diversify and transform Australian industry, create secure, well-paying jobs, and boost sovereign capability.
- The Government is rebuilding Australia's industrial capability, so that we can be at the forefront of modern manufacturing nations.
- And the production of batteries will be an important part of that.
- Ensuring the transformation of our nation into a high-value, high-wage modern economy needs to be a collaborative effort.
- It will involve governments, businesses, unions, the research sector and other industry stakeholders.
- Australia has the potential but we need to have faith in our ideas, our know-how and ability to get the job done.
- Thank you.

DISR – for release under the FOI Act

DISR – for release under the FOI Act

s.22

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**From:** s.22  
**Sent:** Monday, 15 May 2023 3:05 PM  
**To:** Media Husic, s.22 DLO Husic  
**Cc:** MediaTeam  
**Subject:** Speech notes for NRF and Industry Growth roundtable [SEC=OFFICIAL]  
**Attachments:** Minister Husic NRF and Industry Growth roundtable speech notes.docx

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

OFFICIAL

Hi all,

Here are the speech notes for the minister for the NRF and Industry Growth roundtable in Geelong this week.

I've presented them in your preferred 'dot point' format with breakout sections for key data and figures. There is some repetition.


Thanks!

s.22

Senior speechwriter  
Communications Branch  
**Department of Industry, Science and Resources**

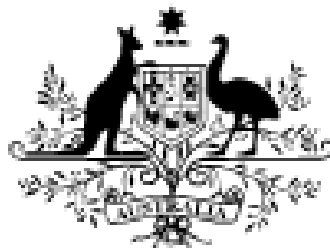
s.22 [@industry.gov.au](mailto:@industry.gov.au)

s.22

 *The department acknowledges the traditional owners of the country throughout Australia and their continuing connection to land, sea and community. We pay our respect to them and their cultures and to the elders past and present.*

OFFICIAL

***SPEECH***



**THE HON ED HUSIC MP**

Minister for Industry and Science

Speech notes

**NRF and Industry Growth Roundtable**

**Institute of Frontier Materials, Geelong, Vic**

**18 May 2023**

## Speech notes

### Acknowledgments

- I would like to acknowledge the traditional owners of the land on which we meet today, the Wadawurrung people, and pay my respects to the Elders both past and present.
- I would also like to pay my respects to any Aboriginal and Torres Strait Islander people here today.

### Key attendees

- s.22
- s.22
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- s.22

### Key messages

- We want Australia to be a smart country that makes high-value products for the world.
- We have all the ingredients right here to seize this opportunity and tap into what is an immense global market.

- Our skilled workforce, world-class research and science capability puts us in a strong position.
- Growing our manufacturing sector will help revitalise Australia's industrial base, create secure, well-paid jobs, and drive economic growth.
- These opportunities aren't just limited to the capital cities and major metropolitan centres.
- Regional areas like Geelong, which have the infrastructure, talent and foresight will be able to capitalise on this growth.
- In fact, it's already happening.
- I know the region has a large proportion of manufacturing employment.
- Manufacturing is the fifth largest employer in Geelong, with about 1000 businesses and 12,000 employees.
- The people in this room are already driving innovation and developing cutting edge technologies.
- This is occurring in areas such as renewables and low emissions technologies, transport and defence – these are all areas we are hoping to grow through targeted investment.

### *NRF*

- The \$15 billion National Reconstruction Fund (NRF) will be central to rebuilding Australia's industrial capability, so we can be a country that makes things again.
- The NRF is one of the largest investments in manufacturing in Australian history.

- Through this, the government is backing Australian manufacturers, ideas and know how.
- The NRF is planned to commence in mid-2023 – legislation has already passed through the Parliament and we are working to establish the NRF as quickly as possible.
- We are investing across 7 priority areas:
  - value add in resources
  - value-add in the agriculture, forestry and fisheries sectors
  - transport
  - medical science
  - renewables and low emission technologies
  - defence capability, and
  - enabling capabilities.
- Investments will diversify and transform Australian industry, create secure, well-paying jobs, and boost sovereign capability.
- The NRF will target projects that help Australia capture new, high-value market opportunities.
- It will encourage the commercialisation of Australian innovation and technology.
- This will help drive the growth of globally competitive and resilient businesses.
- This includes in the regions – ensuring a broad cross section of Australians see tangible benefits.



- We have highly innovative businesses across Australia, including right here in Geelong.
- We're backing them and many others by earmarking \$1 billion of NRF finance to grow advanced manufacturing.
- Many of you have made significant contributions to the design of the NRF and I thank you for that.
- Once established, businesses, including many right here and across Victoria, will be able to discuss project ideas with the NRF.

### *Industry Growth Program*

- We know that SMEs and start-ups play a crucial role in the Australian economy.
- But the early stages of commercialisation and growth can be high risk and high cost for many of these businesses.
- The Industry Growth Program, a brand new program announced in the recent Budget, is designed to offer the support they need.
- The new program provides \$392.4 million to back SMEs and start-ups to get their innovative ideas off the ground.
- Crucially, it's going to help businesses in their most challenging development phase.
- There's a real focus on having industry helping industry.
- The program will provide matched grant funding of \$50,000 to \$5 million.
- It will directly contract experienced advisers to provide commercialisation and business growth guidance.

- It will also contract industry organisations in the targeted priority areas to provide tailored sectoral advice.
- It is expected to launch later this year.

### Key facts, figures and ‘zingers’

- Manufacturing plays an important role in Geelong in terms of employment.
- In February 2023, 12,100 people were employed in manufacturing in Geelong, making it the 5th largest employing industry in the region.
- There are about 1,000 manufacturing businesses in Geelong.
- In 2023, GeelongPort (**represented at roundtable**) will partner with one of Australia’s clean energy market leaders, Vestas, to help deliver Australia’s largest wind farm. GeelongPort will provide critical port and laydown infrastructure for 122 Vestas EnVentus wind turbines at the 756 MW development.
- The New Energies Service Station Geelong Demonstration Project by Viva Energy (**represented at roundtable**) is a fuel cell electric vehicle hydrogen refuelling station located in Geelong. The first public hydrogen refuelling facility in Australia, the \$43.3 million project is supported by the Australian Government with \$22.8 million through ARENA.
- FLAIM (**represented at roundtable**) developed the world’s first multi-sensory immersive learning solution for firefighters to safely and cost-effectively replicate the stress and uncertainty of real-world emergency situations. FLAIM Trainer is the world’s first immersive technology enabled firefighter training solution.

- Recharge Industries (**represented at roundtable**) is developing Australia's first large-scale lithium-ion cell production facility to provide safer, more efficient and recyclable batteries. Recharge Industries will create between 500 and 750 jobs in its initial phase, with roughly 2,500 direct jobs created once at full production and another 2,000 indirectly.

## **Conclusion**

- When you visit a facility like this one, and look around at the breakthroughs being made by companies in Geelong and surrounds, you can tell there are exciting developments brewing in Australian advanced manufacturing.
- It's encouraging to see much of this great work taking place in regional centres, like yours, which are punching above their weight on the Australian advanced manufacturing scene.
- We've seen what you are doing, and we are well aware of the opportunities that lie ahead for this region and others across Victoria.
- You have all the ingredients right here to continue to thrive and seize the immense global market opportunities.
- That's why we are doing whatever it takes to grow the nation's advanced manufacturing capabilities and revitalise Australian industry.
- The net result will be secure, well-paid jobs, economic growth and thriving regions like this one.
- Thank you.

**ENDS**

**1000 words**

s.22

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**From:** Media Husic  
**Sent:** Thursday, 18 May 2023 3:37 PM  
**Subject:** DEPUTY PRIME MINISTER RICHARD MARLES, MINISTER ED HUSIC AND LIBBY COKER MP | TRANSCRIPT | PRESS CONFERENCE | RECHARGE INDUSTRIES | THURSDAY 18 MAY 2023 [SEC=OFFICIAL]

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

OFFICIAL



**THE HON RICHARD MARLES MP**  
Deputy Prime Minister  
Minister for Defence

**THE HON ED HUSIC MP**  
Minister for Industry and Science

**LIBBY COKER MP**  
Federal Member for Corangamite

## TRANSCRIPT

**E&OE TRANSCRIPT**  
**PRESS CONFERENCE**  
**THURSDAY, 18 MAY 2023**

**Subjects: Recharge Batteries; Circular Economy; Cancellation of Quad.**

**RICHARD MARLES:** Well, it's fantastic to be here at Avalon, and behind me is its future site of Recharge Industries battery manufacturing facility, which we're really looking forward to seeing operational in the next couple of years. Fantastic to be here with the Minister for Industry, my good friend Ed Husic, and the member for Corangamite Libby Coker.

This is really one of the most exciting projects in Geelong today. We will see hundreds of people employed in the next few years, and beyond that the prospect of thousands of people being employed in manufacturing, which is very much the heart of the industrial centre of Geelong's economy, but this is such an important project from a national point of view.

This is really first of a kind battery manufacturing in our nation. It is a holy grail that Australian industry has been pursuing for a long time, and it's really exciting, and it's going to be happening in our back yard here in Geelong.

But in the northern part of Geelong where so much manufacturing has been done over a long period of time, the making of cars, International Harvester and the like, to have manufacturing having a rebirth through the making of batteries is just a really exciting prospect for our town.

We're very excited about that, and we're very excited about having our Minister here today to talk more about the government's policy. Ed.

**ED HUSIC, MINISTER FOR INDUSTRY AND SCIENCE:** Thank you very much, Richard. It is really great to be with both Richard and Libby, who are massive proponents of building manufacturing capability, and in this part of the world, but also focussed on advanced manufacturing capability, which is what Recharge Industries are looking to bring right here.

We've had 10 years effectively of neglect by a former government that didn't get that this is the type of activity we need to see as we make a transition to a much more sustainable energy future. Batteries a big part of that. Australians get it.

That's why when you look around the world, in terms of the proportion of homes that have solar on their roof tops, Australia is a world leader, but there's another important component about that around battery technology and the manufacture of batteries that can be used as part of that.

And instead of importing all this equipment we should be looking to lever off our huge store of critical minerals and rare earths, we have all the components that go into batteries, and yet we don't do enough value-add. It's been a big focus of this Government to be able to set up a number of mechanisms to ensure that we get the most value on Australian soil, that we manufacture as much as we can onshore, and we look at areas like, for example, battery manufacture, where we can do just that.

It's why we set up the \$15 billion National Reconstruction Fund, one of the great investments in manufacturing capability in living memory; it's why we're developing a National Battery Strategy to make sure that all corners of the country are contributing to the manufacture of batteries and being involved in the battery value chain. It's why we are looking at, for example, new energy apprenticeships to skill people up, to make sure that they're available.

There are a whole host of things that we're doing as a new Government trying to play catch-up for those years of neglect. And being able to see Recharge Industries' plans here, to build its own Gigafactory, and to make a big contribution from a Victorian standpoint is very, very important. We want to see more of this happen in different parts of the country. We certainly are prepared to work with industry to help stand that up, but you need to be able to have the type of businesses like this, like Recharge Industries, that are looking actively to see what they can do to transform that opportunity, and it is really good to be able to hear their plans and see what we can do as a major national contribution as well. And I think I might hand over to, as I said, a manufacturing champion in Libby.

**LIBBY COKER:** Well, good morning everyone. It is great to be here with Ed and Richard out here on this site. This is an example of what Geelong does well. Recharge Industries is looking to create something very special here, and it is about renewables, it's about reducing our emissions, and I know that our community here are right behind these types of initiatives, and our government has a National Reconstruction Fund which I'm sure that Recharge will be having a look at that.

It is something that we are wanting to pursue. It's not just about the reducing our emissions, it is about jobs. There will be thousands of jobs here, and that is what is so exciting. It shows the capacity of this region. We have a great university; we have Gordon TAFE, which has the capacity to grow our skills in providing support for batteries, it's exceptional the partnerships that we have.

We come from a fantastic strong manufacturing base with the automotive industry, and this is a renaissance for our region. So I'm very pleased to have our Industry Minister with us today, and we will be following up today with a round table to talk to our community, our manufacturing community about how we grasp the opportunities of our Albanese Government, and that we make sure that we are a leader in manufacturing for renewables, and that the benefits of that in terms of local procurement and jobs come with that. So great to be with you today, thank you.

**JOURNALIST:** Recharge have already said that they're a little bit behind their schedule because they've bought Britishvolt in the UK, and they seem to be focussing quite on that. Are you confident that they're not spreading themselves too thin?

**RICHARD MARLES:** Look, I think Recharge and its parent company Scale facilitation have been amazing in terms of what they are doing in growing their business around the world, but here in Geelong as well.

The acquisition of Britishvolt I think is a very significant acquisition for their portfolio, but what's been made clear today is that there is still very much an intent to get this facility going as soon as possible with a view to seeing construction happen here behind us within the next year or so, and batteries coming off the line in 2025.

And that is just going to be an amazing addition to the manufacturing base of Geelong. It is hundreds of jobs in the next couple of years, thousands beyond that, and when you think about the - I mean Ford, when it made its decision to stop making cars in Geelong - was employing about 900 people in Geelong. To have a new manufacturing facility in this town of that scale in the next few years is absolutely game changing for us. As Libby said, it really is a renaissance of Geelong manufacturing.

Ed is somebody who comes to his portfolio and our Government with an absolute passion about wanting to be in a country where we make things. We all live in a town here in Geelong, where our history is making things, and we're really confident that's going to happen here in terms of making batteries in the next few years.

**JOURNALIST:** What do you think the importance of Recharge will be to our sovereign capability in Australia?

**ED HUSIC:** The world's in a race at the moment to be able to provide battery technology and battery manufacture at scale, recognising it's an important part of not just reducing emissions, but increasing jobs and economic activity as a result of that. And a lot of parts of the world are looking at what they can do in different parts of the value chain; it's not just in terms of mining and refining, it's processing, it's the cell manufacturing, it's the systems integration; there's a lot of technology that basically sits within batteries to make sure they work as efficiently as they can, and the other element of it as well is in terms of recycling and re-use too, and being able to find other ways to extend the life of those batteries and re-use those materials, really important.

In the Australian context building that sovereign capability across those areas. The Future Battery Industries CRC reckons that that can add nearly 17 billion in gross value-add and create over 60,000 jobs. So getting this right is really, not only important in terms of our broader push to reduce emissions, transition to that new energy future, but it can also deliver a major economic benefit, and particularly when it comes to jobs.

So again, that's why we've been focussed on developing that National Battery Strategy, underpinning it with the National Reconstruction Fund, and as a government, and I'll end on this point, the big thing is to send that clear signal: we want to work with business, academia, who are thinking around new technology; it's standing that up, deploying it, putting it to good use. If we work together, there is a lot that we are able to achieve.

**JOURNALIST:** Just a question about recycling. Australia, especially Victorians, have sort of been let down by our recycling industries lately. Has Recharge or Scale given you any guarantees about the percentage of batteries that will be back to the system for a circular economy?

**ED HUSIC:** The good thing is that Recharge Industries are thinking ahead along this, and as their plans develop, we'll obviously be looking forward to further details around how that happens. The big thing is that they're factoring that in at day one, and wanting to work on that, and we do need to think about how we can recycle a lot of that material and re-use it.

There are some great firms I've seen here in Victoria that are thinking ahead about how to re-use, recycle and re-use battery material. So, you've got - and some of them are being financed through either the CFC or ARENA. So, there's some work that's happening there.

At a broader level, Environment Minister Tanya Plibersek and I are looking at circular economy developments and trying to work with industry and others to make that at a larger scale happen across the country.

The Environment Minister has set up a Circular Economy Ministerial Advisory Group. I have been reshaping programs in industry to try and encourage that activity more. Again, we've had a former Government that's just sat on its hands or actively worked against these types of things. Being able to think cleverly at the start of the design of a product, thinking about how you can recycle and re-use it, and to reduce waste, and to be much more efficient in the use of resources, there's a lot of work there that's been neglected, but we are adamant that we will work across government to make that happen, and also work with State and Local Government on that too.

**JOURNALIST:** We've just got a couple of questions for Richard from our Canberra team. Is that all right? I've just got one from Nine. The cancellation of the Quad is being seen as a win for China. How important is it that this meeting still goes ahead, and can you confirm it will happen with Japan?

**RICHARD MARLES:** Well, what we're seeing is an American President making a decision around dealing with domestic issues in the US. There's nothing particularly remarkable about that, and I don't think anything more should be read into this situation than that.

There will be an important set of conversations which happen with Japan and with India, and with the United States in Tokyo, and so that will happen over the course of the weekend.

The Quad remains a really important set of relationships for our country; we're very committed to it, and I know the other Quad partners are as well.

**JOURNALIST:** We've just got two from Andrew Greene, is that all right?

**JOURNALIST:** Sir Angus Houston has spoken overnight warning about the chance of miscalculation with China in our region and criticising its build up in the South China Sea. Do you agree that China has undermined Australia's national interest in those strategic waters?

**RICHARD MARLES:** We live in a world which is strategically complex, and it's as strategically complex as it's been since any point since the Second World War. And that's really what's underpinned all the work that we've done in the Defence Strategic Review, making sure that we have our posture right, and making sure that we are tasking our Defence Force right in terms of meeting the needs of our national interest. That's what the Defence Strategic Review was doing, and that's what the government's response to the Defence Strategic Review has done.

We absolutely think that we are living in a time of real strategic complexity, which is why with a controlled sense of urgency we are doing so much work around retasking our Defence Force.

**JOURNALIST:** The last one from Andrew Greene you and your electorate, you've cancelled the second expected order of self-propelled howitzers that were expected to be built locally, and the DSR has reduced a number of infantry fighting vehicles to 129. How many jobs has this affected, and what have you told local supply chain companies hit by these decisions?

**RICHARD MARLES:** Well, we've been working with Hanwha who have been involved in the self-propelled howitzers and we've been keeping that company, along with all companies, informed of the processes that we've been going through with the Defence Strategic Review and the government's response to it.

And I mean there's an understanding that governments need to make decisions in the national interest, and that's exactly what we are doing. We haven't resiled from the fact that these are difficult issues that we're dealing with and difficult decisions that we're taking.

But ultimately what matters here is that we are reprioritising our money from areas which are, to be frank, less important, and focussing on those areas which are most needed in terms of the allocation of resources for our Defence and for our strategic posture. That's what we are doing.

And as difficult as these decisions are, it's fundamental to the national interest that we are making sure that we are getting every piece of value from the money that we are investing in our Defence Force. That is projected to grow over the next decade beyond the trajectory of growth that we inherited from the former government, but it's really important that the quality of that spend is maintained, and you don't do that without making difficult decisions, and that's what we're seeing here. But along the way, we are going to greatly increase the capability and the potency of our Defence Force, and that's what this moment demands.

**ENDS**


**MEDIA CONTACT:** Media Team - [media.husic@industry.gov.au](mailto:media.husic@industry.gov.au)

**OFFICIAL**





**The Hon ED HUSIC MP**  
**Minister for Industry and Science**

MEETING REQUEST	
Meeting	Recharge Industries Site Visit
Date:	Thursday 18th May
Time:	10:30am
Location:	11 Mackey St, North Geelong VIC 3215
Contact:	Roxie Bennett Head of Strategic Relationships Advisory Board Member  s.22 s.22
Attendees <sup>i</sup> :	Minister Husic Rob Fitzpatrick, Recharge Industries CEO Dave Hay, Project Lead s.22 TBC Deputy Prime Minister TBC s.22

Bios:	Yes
Discussion Points:	Yes
Sensitivities/Issues	Yes
Stakeholder views	No
Prior meetings	No

Departmental Rep <sup>ii</sup> :	No
Record of Meeting:	

Speech Notes:	Yes
Speech (full text):	
Q&A	
Media Release:	
Shell Release:	

Gift: <i>(bilat/international only)</i>	
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MO Comments:	Site visit to Recharge Industries gigafactory (lithium-ion battery manufacturing) who would like to show their products and may like to discuss the NRF/Powering Australia Industry Growth Centre/National Battery Strategy,
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## DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES

MB23-000369

**To:** Minister for Industry and Science**RECHARGE INDUSTRIES SITE VISIT****Timing:** Thursday, 18 May 2023, 10:30am**Meeting with:**

- Rob Fitzpatrick, CEO, Recharge Industries
- Dave Hay, Chief Scale Officer, Recharge Industries
- s.22

**Proposed note taker:** None requested**What we want:** To understand Recharge Industries progress of the proposed Avalon gigafactory site.**What they want:** to provide their views on the support needed to establish the Avalon gigafactory site.**Prior meetings:** Nil**Issues and Sensitivities:** Recharge Industries propose to start manufacturing and commercialising battery technologies in Australia in 2024. s. 47G

- The proposed project is at an early stage. The Department has not been able to verify the likelihood of Recharge Industries being able to commence production in 2024. The department is in regular contact with Recharge Industries to understand its progress.
- s.47G
- s.45
- s47E(a)

<b>Clearing Officer:</b>	William Tan	General Manager, NRF Priorities Branch	Ph: s.22 M: s.22	
Contact Officer:	s.22	Manager, National Battery Strategy	Ph: s.22 M: s.22	
<b>For Parliamentary Services' use only.</b> Date Submitted to the Minister's office in PDMS:			16/05/2023	

s.47E(a) . Should you be asked about the AOF application we suggest you note decisions on the R&DTI are at arms-length to government. The department registers and make findings on R&DTI eligibility on behalf of Industry Innovation and Science Australia s.47E(a) .

**Consultation: YES.** AusIndustry (Business Grants Hub), Critical Minerals Office.

**Attachments**

- A: Discussion points**
- B: Speech notes**
- C: Background**
- D: Biographies**

## ATTACHMENT A: DISCUSSION POINTS

**National Battery Strategy**

- As part of the Australian Made Battery Plan, the Government will publish Australia's first National Battery Strategy (the Strategy).
- Publish the Strategy, to guide governments and industry towards a shared vision of an end-to-end battery manufacturing.
- The Strategy will outline actions for governments and industry to help build scale and competitiveness.
- The Strategy will look to draw on Australia's strengths, matched to our mineral availability, manufacturing capacity and local and global demand for products.
- The Strategy will signal to international partners that Australia is open for investment and ready to play a role in diversifying global supply chains.

**Australian Made Battery Precinct**

- As part of the Australian Made Battery Plan, the Government will partner with the Queensland Government to create the Australian Made Battery Precinct ('the Precinct').
- The department is working with the Queensland State Government to provide up to \$100 million in equity to establish the Precinct.
- The Precinct will bring together industry, academia and the community to bolster Australia's manufacturing capability and support industry growth.
- Timing, location, final design and implementation arrangements is a decision for both Governments.

**Powering Australian Industry Growth Centre**

- As part of the Australian Made Battery Plan, the Government is providing \$14.8 million over four years to establish the Powering Australia Industry Growth Centre (the Centre).
- The Centre will offer three services:
  - Helping businesses to locally manufacture renewable energy technologies and commercialise local ideas.

- Encouraging connections between critical minerals producers and renewables manufacturers.
- Hiring a First Nations Advisor to build First Nations business management capabilities.
- A competitive grant process will be run to find an entity to deliver the Centre. Details on this process will be outlined in grant opportunity guidelines.
- Following the competitive grant process, the successful applicant will be awarded the Powering Australia Industry Growth Centre grant.

### **Battery manufacturing potential**

- The 'Charging Ahead' report published by the Future Battery Industries CRC and Accenture indicates that the growth of global demand and the increased forecast value of battery packs has amplified the opportunity for Australia.
- The reports found that diversified battery industries in Australia could contribute A\$16.9 billion gross value added (GVA) and 61,400 jobs to the economy by 2030, this is more than double the GVA contribution forecast in 2021.

### **National Reconstruction Fund**

- The Government is working to establish the NRF as quickly as possible. It is planned to commence in mid-2023.
- The Government National Reconstruction Fund's has earmarked funding in four priority areas which are relevant to battery manufacturing:
  - Up to \$3 billion for renewables and low emissions technologies
  - \$1 billion for value-adding in resources
  - \$1 billion for critical technologies; and
  - \$1 billion for advanced manufacturing
- The Government is rebuilding Australia's industrial capability, so that we can be a country that makes things again.

**SPEECH**



**THE HON ED HUSIC MP**

Minister for Industry and Science

Speech notes

**Visit to Recharge Industries office**

**11 Mackey St, North Geelong**

**Thursday 18 May 2023**

**10.30am**

## Acknowledgements

- Hello all.
- I begin by acknowledging the Wadawurrung people, the traditional custodians of this land, and pay my respects to the Elders both past and present.
- I would also like to pay my respects to any First Nations people with us today.
- s.22
- And thanks to Rob Fitzpatrick, the CEO and Dave Hay, the Chief Scale Officer of Recharge Industries for this opportunity to speak.

## Key messages

- I look forward to Recharge Industries marking its mark in the Australian battery industry.
- There are great opportunities ahead.
- Batteries will play an increasingly important role in Australia's energy future.
- And it is vital that we produce more of them on home soil. So companies who can do that have a strong future.
- We have the raw materials. We have the people who can do it. And the Government has the will.
- As part of our Australian Made Battery Plan, we will publish Australia's first National Battery Strategy.
- The Strategy is designed to guide stakeholders towards a shared vision of an end-to-end battery manufacturing.
- It will outline actions for governments and industry to help build scale and competitiveness.
- The Government will build on our strengths.
- We will be drawing on our abundant minerals and a manufacturing sector recharged by our policies.
- Our Strategy will demonstrate that we mean business on batteries.

- It will show we are ready to play a role in diversifying global supply chains.
- And it will open the way to the foreign investment we need.
- As part of the Australian Made Battery Plan, the Government will partner with the Queensland Government to create the Australian Made Battery Precinct.
- My department is working with the Queensland State Government to provide up to \$100 million in equity to establish the Precinct.
- The Precinct will bring together industry, academia and the community to bolster Australia's manufacturing capability and support industry growth.
- Both governments will work together to determine final design and determine when, where it will happen.

### **Growth Centre and battery manufacturing potential**

- As part of the Australian Made Battery Plan, The Government is also establishing the Powering Australia Industry Growth Centre.
- We are providing \$14.8 million over four years to establish the centre which will:
  - Help businesses to locally manufacture renewable energy technologies and commercialise local ideas.
  - Encourage connections between critical minerals producers and renewables manufacturers.
  - Hire a First Nations Advisor to build First Nations business management capabilities.
- A competitive grant process will be used to find and fund a suitable applicant to deliver the centre.
- We will provide the grant opportunity guidelines in due course.
- The Charging Ahead report published by the Future Battery Industries CRC and Accenture has good news for Australia.
- It found the growth of global demand and the increased forecast value of battery packs has widened our national opportunity.



- The report says diversified battery industries in Australia could contribute A\$16.9 billion gross value added and 61,400 jobs to the economy by 2030.
- This is more than double the gross value-added contribution forecast in 2021.

### **National Reconstruction Fund**

- The Government is backing Australian manufacturers, ideas and know how through our \$15 billion National Reconstruction Fund.
- The Government National Reconstruction Fund's has earmarked funding in four priority areas which are relevant to battery manufacturing:
  - Up to \$3 billion for renewables and low emissions technologies
  - \$1 billion for value-adding in resources
  - \$1 billion for critical technologies; and
  - \$1 billion for advanced manufacturing
- The NRF will help diversify and transform Australian industry, create secure, well-paying jobs, and boost sovereign capability.
- The Government is rebuilding Australia's industrial capability, so that we can be at the forefront of modern manufacturing nations.
- And the production of batteries will be an important part of that.
- Ensuring the transformation of our nation into a high-value, high-wage modern economy needs to be a collaborative effort.
- It will involve governments, businesses, unions, the research sector and other industry stakeholders.
- Australia has the potential but we need to have faith in our ideas, our know-how and ability to get the job done.
- Thank you.

## ATTACHMENT C: BACKGROUND

**About the event**

- Site visit to Recharge Industries facilities where you will be shown lithium-ion battery products the company is seeking to take to market.
- To discuss the National Reconstruction Fund, the Powering Australia Industry Growth Centre, and the National Battery Strategy.

**About the organisation**

- Recharge Industries is the trademarked title for Scale Facilitation's business entities that focus on battery manufacturing.
  - Scale Facilitation is Recharge Industries' parent company.
- Recharge Industries has funding partnerships with:
  - s. 47G ; and
  - s. 47G ).
  - An Australia company Magnis Energy Technologies Ltd currently commercialises C4Vs patented technology through its Imperium3 New York Inc (iM3NY) facility.
- Recharge Industries have established an entity in the United Kingdom
  - The company is currently in the process of finalising its purchase of Britishvolt, a collapsed UK battery manufacturing company.
- Recharge Industries have a Memorandum of Understanding with Tees Valley Lithium (TVL) for it to supply lithium hydroxide (Li-OH) from its facility in Teeside, UK
- Recharge Industries have engaged Accenture as its engineering provider to move forward on building its gigafactory in Australia:
- s. 47G
- Recharge Industries, with the Australian Workers Union, have negotiated an enterprise agreement to securing workers' rights and conditions for a future production facility.

**ATTACHMENT D: BIOGRAPHIES**

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**Rob Fitzpatrick – CEO, Recharge Industries**

Rob has been the CEO of Recharge Industries since November 2022. Recharge Industries is the trade marked battery manufacturing subsidiary of Scale Facilitation.

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**Dave Hay – Chief Scale Officer, Recharge Industries**

Dave has been the Chief Scale Officer of Recharge Industries since May 2022.

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**The Hon ED HUSIC MP**  
**Minister for Industry and Science**

<b>MEETING REQUEST</b>	
Meeting	Battery Strategy Roundtable
Date:	Tuesday 14 March 2023
Time:	1.00pm
Location:	Industry House
Contact:	s.22 DISR National Battery Strategy Ph: s.22   s.22 @industry.gov.au
Attendees <sup>i</sup> :	Minister Husic s.22 (Senior Adviser) Dept to organise attendees

Bios:	Yes
Discussion Points:	Yes
Sensitivities/Issues	Yes
Prior meetings	Yes

Departmental Rep <sup>ii</sup> :	Yes (SES Band 1 or above)
Record of Meeting:	

Speech Notes:	
Speech (full text):	
Q&A	
Media Release:	
Shell Release:	

Gift: <i>(bilat/international only)</i>	
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MO Comments:	Roundtable with stakeholders to discuss battery strategy
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## DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES

MB23-000152

**To:** Minister for Industry and Science

### NATIONAL BATTERY STRATEGY ROUNDTABLE

**Timing:** Tuesday 14 March 2023, 1:00pm to 3:00pm, Ground Floor, 10 Binara Street (Industry House), Canberra ACT 2601 (<sup>s.22</sup>)

**Meeting with:** National Battery Strategy Roundtable (Biographies at Attachment D)

**Proposed note taker:** William Tan, General Manager (A/g), M&NRF Division.

#### What we want:

- To build support from battery experts for the Strategy.
- To understand the challenges and opportunities in creating end-to-end battery industries in Australia. These insights will inform the development the National Battery Strategy and broader objectives of the Australian Made Battery Plan (discussion points at Attachment A).

#### What they want:

- To understand the Government's vision on creating an end-to-end battery industry.
- To share their views with you on the role government(s) can take to support the battery industry address barriers and capitalise on opportunities. Stakeholder public views are included in biographies (see Attachment D)

**Prior meetings:** You have previously met with several attendees (see Attachment D)

#### Issues and Sensitivities:

1. <sup>s.47G</sup>

2. <sup>s.22</sup>

#### Consultation: YES.

3. AusIndustry, Commercialisation and Minerals and Resources Divisions.

<b>Clearing Officer:</b>	William (Will) Tan	General Manager (A/g), NRF Priorities Branch	Ph: <sup>s.22</sup> M: <sup>s.22</sup>	
Contact Officer:	<sup>s.22</sup>	Manager, National Battery Strategy	Ph: <sup>s.22</sup> M: <sup>s.22</sup>	
<b>For Parliamentary Services' use only.</b>			10/3/2022	
Date Submitted to the Minister's office in PDMS:				

**Attachments**

- A:** s.22
- B:** s.22
- C:** Grants table
- D:** Attendee biographies
- E:** s.22

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Attachment C

Grants

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Organisation	Program interactions	Sensitivities\Issues
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Recharge Industries	Nil	Nil
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Image	Name and biography	Expertise
s.22	<p><b>Rob Fitzpatrick – CEO, Recharge Industries</b></p> <p>Rob has been the CEO of Recharge Industries since November 2022. Recharge Industries is the trade marked battery manufacturing subsidiary of Scale Facilitation. s.22</p> <p><b>Key Views:</b> <i>“Australia needs to act decisively if we are to build a domestic value chain that provides globally resilient supply chains, supports sustainable economic growth and creates jobs.”</i> 3/2/2023 – Recharge Industries website</p> <p><b>Key interactions with the Minister or the Department:</b> Department Officials met previously with Mr Fitzpatrick on 22 February 2023, and attended a Scale Facilitation Event in Geelong, Victoria in January 2023.</p>	Whole of battery manufacturing

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