

- 5. The Agency is a civil entity. Therefore, projects from industries whose primary source of income is derived from the production or distribution of munitions or the like should not be supported.
- 6. There needs to be clarity on what budget items will be supported: e.g. salaries, consumables, travel, other expenses, and on what and for whom. At present it seems that successful grants could be spent on almost anything. The application process should include submission of a detailed budget request, with prior approval required for significant variations. The various ARC schemes are good examples of how this can be implemented.
- 7. There must be reporting requirements including reporting expenditure against the approved budget, and means of assessing performance and terminating non-performing projects. Reporting should include statements for public release.
- 8. The requirement for 80% of the budget to be spent in Australia mitigates against buyingin to major international programs which may be able to provide significant