



Industry Diversification Program

For gas appliance manufacturers and supply chains

Transition Planning Stream PROGRAM GUIDELINES

December 2025

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1 Background

Victoria has historically been the primary supplier of gas to Eastern Australia and continues to consume more gas than any other state. However, with legacy fields in the Bass Strait nearing depletion and alternative supply sources significantly more costly, gas is no longer the abundant and low-cost resource it once was.

The Victorian Government released the Gas Substitution Roadmap in 2022 (with updates in 2023 and 2024). The Roadmap sets out a pragmatic and comprehensive response to this challenge, outlining how we will use energy efficiency, electrification, biomethane and renewable hydrogen to reduce emissions while ensuring supply for the businesses and industries that require gas.

The Government has taken several actions to deliver the Roadmap and its objectives, including:

- From 1 January 2024, residential buildings requiring a planning permit are required to be built as all-electric (announced on 28 July 2023).
- From 1 January 2027, all new residential and most new commercial buildings will be required to be all-electric, and from 1 March 2027, hot water systems in existing owner-occupied homes that reach end of life must be replaced with an electric alternative.
- From 1 March 2027, minimum energy efficiency standards for rental homes will be expanded to require gas heating and hot water systems in rental homes to be replaced at end-of-life with an energy-efficient electric equivalent, like a reverse-cycle air-conditioner or a heat pump hot water system.

Consultation with industry throughout the Gas Substitution Roadmap process has revealed that demand for gas appliances has dropped significantly. This is challenging the sector's viability and economic contribution to the state. In response, the Victorian Government established the Industry Diversification Program (IDP) in June 2025, a \$9.5 million initiative to support manufacturers and supply chains to diversify and position for growth in the electric appliance market.

2 Objectives

In order of priority, the IDP has the following 3 objectives, which all seek to support Victorian manufacturers who are highly dependent on the gas appliance industry:

1. Support successful business transition to preserve economic activity, jobs, industrial capability and essential supply chains in Victoria.
2. Support participation in the local production of electric appliances and/or their input components to ensure the state's appliance manufacturing industry is ready to meet this new demand.
3. Where necessary, support the orderly wind-down of businesses, to minimise distress and disruption to proprietors, suppliers and customers.

3 Summary

The IDP provides eligible Victorian gas appliance manufacturers, and their input component manufacturers, with professional advice and grants to support their businesses to transition and plan for the future. Gas appliances may include (but are not limited to) gas cooktops, gas heaters and gas hot water appliances.

4 IDP Streams

The IDP will be delivered in 2 streams:

Stream 1: Transition Planning Stream (TPS)	<p>Through the TPS, eligible businesses can apply to receive professional advice and planning services to assist with the development of a Business Transition Plan (Plan), comprising:</p> <ol style="list-style-type: none">1. A Preliminary Business Diagnostic, which includes a financial health check and an assessment of future opportunities.2. Follow-on support to develop a full Plan, which outlines business transition pathways and activities, such as (but not limited to) acquisition of plant and equipment, new product development, workforce training and marketing.
Stream 2: Implementing Transition Stream (ITS)	<p>Following the completion of a Plan under TPS, eligible businesses may be invited by the department to apply for a grant under the ITS to support the implementation of eligible activities outlined in their Plan. Program Guidelines and further information for the ITS will be provided to eligible businesses that complete their TPS and are subsequently invited to apply for a grant under the ITS.</p>

These guidelines are for support under Stream 1, Transition Planning Stream (TPS). The IDP is administered by the Department of Jobs, Skills, Industry and Regions (the department).

5 Key program dates

- 5.1 The Program (Stream 1) will open in December 2025 and close on 31 March, 2026 at 11:59 pm (AEDT) or earlier if funds are exhausted. Complete applications will be assessed in the order that they are received. Late applications will not be accepted, other than in exceptional circumstances at the discretion of the department.

6 Eligibility Criteria

6.1 The Applicant must meet the following eligibility criteria¹:

- a) An eligible entity (see Appendix A), which has:
 - i. an active Australian Business Number (ABN); and
 - ii. an active registration for Goods and Services Tax (GST) if required to be registered for GST at law,which was registered prior to 28 July 2023 (Government's initial announcement).²
- b) An employing business registered with WorkSafe Victoria as at 28 July 2023.
- c) Manufacturing operations in Victoria involving either:
 - i. production of finished gas appliances³, and/or
 - ii. production of input components⁴ for gas appliances.
- d) Highly dependent on the gas appliance industry, as demonstrated by deriving at least 40% of business revenue⁵ from the sale of gas appliances or gas appliance input components, in the 2022-23, 2023-24 or the 2024-25 financial year.

7 Ineligible businesses

7.1 The following entities or business structures are not eligible to apply:

- a) Commonwealth, state or local government agencies or bodies
- b) companies not incorporated in Australia
- c) unincorporated entities
- d) publicly funded research institutions industry associations.

7.2 A full list of eligible and ineligible entity types is at Appendix A.

7.3 The following gas reliant businesses are not eligible unless they also undertake manufacturing operations in Victoria (and satisfy all of the Eligibility Criteria):

- a) importers of gas appliances and/or gas appliance components
- b) wholesalers of gas appliances or gas appliance components
- c) retailers of gas appliances or gas appliance components
- d) service businesses including (but not limited to) plumbing services, gas fitting services, certifiers, maintenance and servicing businesses.

¹ At the department's sole discretion, consideration may be given to Applicants who do not meet all the Eligibility Criteria outlined in section 5.1. In this situation, the Applicant must demonstrate to the department's satisfaction that extenuating circumstances apply.

² Applicants that registered after 28 July 2023 but backdated their ABN or GST registration date to an earlier date will be ineligible.

³ An entity responsible for the design, manufacture, and supply of complete gas appliances.

⁴ A business that manufactures the individual parts or subsystems used in the assembly of finished gas appliances.

⁵ Business revenue includes gross sales income before deductions for expenses and exclusive of sales tax

8 Program support

- 8.1 A Service Provider will be appointed by the department to deliver professional advice and planning services to assist with the assessment and development of Plans. The Service Provider will be an entity that has knowledge and experience of businesses in transition.
- 8.2 The Service Provider will work with successful Applicants to support their needs, to provide Stage 1, and at the department's discretion, Stage 2 services:
- **Stage 1 – Preliminary Business Diagnostic**
The Service Provider will complete a Preliminary Business Diagnostic for successful Applicants, including a financial health check (including a financial risk assessment) and an assessment of future opportunities (Diagnostic Report).
 - **Stage 2 – Business Transition Plan**
After completion of the Preliminary Business Diagnostic, successful Applicants may be offered services to develop a full Plan. The nature of services involved in a Plan may include specialist financial and accounting advice, technical considerations, legal considerations, general business planning, marketing planning and business sale or closure advice.
- 8.3 If Stage 2 services are offered but a scope of work is not agreed between the Service Provider, the successful Applicant and the department, the department may determine that those Stage 2 services should not proceed.
- 8.4 The department will pay the Service Provider directly for the Service Provider's services. Funding is not provided to successful Applicants directly.

9 How the planning support services works

- Step 1** – Applicants submit an application via the Business Victoria website at: <https://business.vic.gov.au/grants-and-programs/industry-diversification-program/> and attach the required evidence of eligibility. As part of the application process, the Applicant must accept and agree to be bound by the terms and conditions of the grant in the application form and these guidelines. By completing the application form, the Applicant is making an offer to the department and will be bound by the terms of the offer if accepted by the department.
- Step 2** – The department will notify Applicants of the outcome of their application within 4 weeks of submission, subject to the provision of all information required through the application process. If the Application is successful, the Applicant will receive confirmation of the department's acceptance of their application via email (Successful Email). If this occurs, an agreement is formed between the successful Applicant and the department on the terms and conditions contained in the application form, these guidelines and the Successful Email.
- Step 3** – If the Applicant is assessed as eligible to receive support under the TPS, the Service Provider will contact the successful Applicant within 5 days of the Successful Email to commence the Preliminary Business Diagnostic (Stage 1). The Diagnostic Report will be provided to the business and to the department.
- Step 4** – The Diagnostic Report will assist in informing the Applicant, the Service Provider and the department about whether there is value or benefit in developing a full Plan. The Service Provider will scope the additional services to undertake this work and provide the business with its proposed scope of work once agreed between the Service Provider, successful Applicant and the department. The successful Applicant is not obliged to continue to the Plan (Stage 2). These 2 steps may work concurrently.

- Step 5** – If Stage 2 services are offered and agreed, upon agreement of a scope of work between the Service Provider and the successful Applicant, the Service Provider will develop the Plan.
- Step 6** – The finalised Plan will be provided to the successful Applicant and the department.
- Step 7** – Successful Applicants that have completed a Plan may be invited by the department, at its discretion, to apply for a grant to implement eligible activities outlined in their Plan, through Stream 2 (subject to approval via a future grant application process): the Implementing Transition Stream (ITS) (refer to Summary in the introduction). Application information about Stream 2 of the Program will be made available to invited businesses.

10 Who can apply?

- 10.1 The person submitting the application must be an authorised representative of the business (such as an owner or director) who can execute contracts and legally bind the business or be a person given authorisation by an authorised representative to apply.
- 10.2 The person submitting the application must attest that they have the authority to make the application on behalf of the business, and to legally bind it to perform the obligations if the application is successful.
- 10.3 A trustee may apply on behalf of a Trust and a Partner may apply on behalf of a partnership provided that the trustee or partnership would otherwise be eligible and be able to meet the obligations under the signed agreement.

11 How to apply

- 11.1 Carefully read these Program Guidelines and the 'Frequently Asked Questions' found on the Program website: <https://business.vic.gov.au/grants-and-programs/industry-diversification-program/>
- 11.2 Compile all necessary application supporting documents as detailed in the 'Documentation and evidence requirements' section below.
- 11.3 Submit an application online via 'Apply now' button on the Business Victoria website: <https://business.vic.gov.au/grants-and-programs/industry-diversification-program/>
- 11.4 All questions and fields in the application form must be completed, including requested information and evidence, to ensure a timely assessment process.
- 11.5 Look out for an email confirming your application has been received. If it does not appear in your inbox, check your spam or junk folder. If the confirmation email is still missing, email industrytransition@ecodev.vic.gov.au to check if your application has been received.
- 11.6 Only applications that are lodged will be assessed. Applications that are still in 'draft' and have not been submitted upon the Program close date will not be assessed.

12 Documentation and evidence requirements

- 12.1 In satisfying the Eligibility Criteria (Section 5), Applicants must provide the following information to the department's satisfaction when applying:
- evidence of holding a WorkSafe Victoria Certificate of Currency (as at 28 July 2023)
 - reasonable evidence of sales of gas appliances and/or input components for gas appliances, such as offtake agreements, invoices, receipts, sales documentation
 - a Statutory Declaration from a Director or authorised person of the Applicant stating that the business is highly revenue dependent on the gas appliance industry.

13 Assessment of eligibility

- 13.1 The Applicant will be required to confirm and attest that the business meets the Eligibility Criteria at the time of application and agrees to be bound by the terms and conditions of the Program.
- 13.2 Applications will be assessed using the information and evidence provided in the application form and through verification with other data sources to attest that the Applicant is reliant on the gas appliance industry for at least 40% of its revenue as outlined in Section 5.2.
- 13.3 As part of this process, any information provided by the business may be shared and subject to verification with other government agencies (State and Commonwealth) including (but not limited to) the Department of Energy, Environment and Climate Action, WorkSafe Victoria, the Australian Business Register and the Commonwealth Department of Home Affairs, as well as the suppliers or customers of gas appliances or their component manufacturers.
- 13.4 Businesses must ensure that the information listed with the Australian Business Register (ABR) as part of their ABN registration is current and accurate at the time of application.
- 13.5 Business registration details filed with the Australian Securities and Investments Commission, Australian Charities and Not-for-profits Commission, Consumer Affairs Victoria and/or other applicable regulators may be checked.
- 13.6 Without limiting the department's assessment, the following circumstances may be taken into consideration in any decision whether to award planning services:
 - duplicate applications by a trustee and a trust
 - misleading amendments to information provided to public registers describing the business or any authorised officer of the business
 - any adverse findings by a government agency or local council regarding a business or its operation
 - whether the business is, or has been given notice that it will be, placed under external administration, there is a petition for bankruptcy or to wind up or deregister a company or business, and
 - a step is being taken to deregister the company or business (including cancellation or lapse in registration of any relevant permit).
- 13.7 Applications will be carefully considered and assessed against the Eligibility Criteria. The department may, in its absolute discretion, determine (a) whether the type of business of an Applicant is eligible for the grant, or (b) whether the Applicant derives 40% or more of its revenue from the gas appliance industry. The department's decision about eligibility for a grant is final.
- 13.8 The department may request further information or clarification to assist with assessment of applications.
- 13.9 The Victorian Government reserves, in its absolute discretion, the right to refuse an application where eligibility criteria are not met, or where the Applicant does not or cannot provide sufficient information in the required time frame to assess whether eligibility criteria have been met, or where a claim cannot be supported.
- 13.10 Only completed applications that are lodged with the department will be assessed. Applications that are in draft or are incomplete and that have not been submitted will not be considered as received and will not be assessed.
- 13.11 The Applicant must also provide a release to the department relating to the provision of services by the Service Provider acknowledging it is the service provider who will have responsibility for provision of the services to the business to the requisite standards and be

liable to the business for conducting the Preliminary Business Diagnostic and Future Opportunities Assessment, the Plan, or both.

14 Due diligence checks

- 14.1 Applicants may be subject to due diligence checks to enable the department to assess financial and other non-financial risks associated with the application. Such checks may include but are not limited to:
- a) the potential for reputational risk to the State
 - b) the risk profile, financial viability and management capacity of the Applicant's business
 - c) the delivery performance of grants contracted with the Victorian Government and whether the Applicant has failed to meet key contractual obligations
 - d) contacting gas appliance manufacturers to verify that the Applicant participates in their supply chain
 - e) the department undertaking a site visit (where necessary) to verify manufacturing operations in Victoria.
- 14.2 Outcomes from such assessments may be taken into account in any decision to recommend or provide the planning services.
- 14.3 The department may, at any time, remove an Applicant from the application and assessment process, if in the department's opinion, association with the Applicant may bring the department, a Minister or the State of Victoria into disrepute.

15 Outcome notification

- 15.1 The department will endeavor to notify Applicants of the outcome of their complete application via email within 4 weeks of submission.
- 15.2 There may be longer processing times and delays in notification of the outcome of the Application if it:
- does not meet the eligibility criteria
 - is incomplete
 - has incorrect information
 - does not include current or accurate information registered with relevant regulators or partner agencies.

16 Feedback to unsuccessful Applicants

- 16.1 Applicants may request feedback on their unsuccessful application by directing their request in writing to industrytransition@ecodev.vic.gov.au.

17 Complaints

- 17.1 Should an Applicant wish to lodge a complaint or provide feedback to the department about the process for an application, they are requested to send an email outlining their concerns or feedback to industrytransition@ecodev.vic.gov.au. The department will aim to resolve any concerns raised within 28 business days unless further investigation is required. If further investigation is required, Applicants will be contacted by phone or email asking for additional information.

18 Compliance and Audit

- 18.1 Recipients of planning services may be subject to an audit by the department, the Victorian Government, its representatives or agents or the relevant Auditor-General for up to 4 years from receiving their Successful Email.
- 18.2 Audits may be conducted either before or after application approval and undertaking of planning services, and may be used to review eligibility, to determine whether information provided in the grant application was accurate.
- 18.3 Evidence of eligibility must be kept for the entire duration of the audit period and be produced on request by the department (refer to Section 11 'Documentation and evidence requirements').
- 18.4 It is an offence under the Oaths and Affirmations Act 2018 (Victoria) for a person to make a statement in a Statutory Declaration that they know to be untrue.

19 Program evaluation

- 19.1 The following outcomes are expected to be achieved by the end of the Program. These outcomes will form the basis for evaluation of the Program.
 - Businesses are transitioning or diversifying with reduced impact on owners and staff.
 - Economic activity in the sector is less disrupted.
 - Employment in the sector is less affected by the transition.
 - Where necessary, some businesses have exited with reduced impact on owners and staff.
- 19.2 Each planning services recipient agrees to take part in the Program's evaluation by participating in evaluation surveys. The evaluation enables the effectiveness/impact of the Program to be assessed.

20 Privacy Statement

- 20.1 Any personal information provided for the Program will be collected and used by the department for the purposes of assessing eligibility, program administration, program review, evaluation and audit.
- 20.2 When applying for planning services the Applicant consents to the department sharing their information with the Service Provider/s for the purpose of delivering the services. Additionally, in assessing an application for the Program, as well as in any audit or evaluation of a successful application, it may be necessary to share personal information with State and Commonwealth Government Departments and Agencies, as well as other external experts. If personal information about a third party is included in the application, the Applicant must ensure the third party is aware of and consents to the contents of this privacy statement.
- 20.3 The department completes a range of eligibility assessments that may include matching data to clarify the accuracy and quality of information supplied. This is part of our auditing and monitoring processes and for confirming eligibility across the Program.
- 20.4 The department collects demographic information for economic reporting purposes. No personal information is used in reporting; all reports are presented with aggregated data.
- 20.5 Any personal information about the Applicant or a third party will be collected, held, managed, used, disclosed, or transferred in accordance with the provisions of the *Privacy and Data Protection Act 2014* (Victoria) and other applicable laws.

- 20.6 Enquiries about access or correction of personal information collected, can be emailed to industrytransition@ecodev.vic.gov.au. The department's privacy policy is also available by emailing the department's Privacy Unit at privacy@ecodev.vic.gov.au.

21 Department probity and decision-making

- 21.1 The Victorian Government makes every effort to ensure the application and assessment process is fair and undertaken in line with the published Program Guidelines. Decisions in recommending and awarding planning services under the Program are at the Minister's and department's discretion. This may include not offering the services.
- 21.2 These guidelines and application terms and conditions may be changed from time to time at the discretion of the department, and the changes will apply to any current or future applications submitted.
- 21.3 The department may request the Applicant provide further information should it be necessary to assess an application against the Program's policy objectives.
- 21.4 Victorian Government staff are required to act in accord with the Code of Conduct for Victorian Public Sector Employees (Section 61) issued under the *Public Administration Act 2004* (Victoria). This includes an obligation to avoid conflicts of interest wherever possible and declare and manage any conflicts of interest that cannot be avoided.

22 Applicant conflict of interest

- 22.1 A conflict of interest arises where a person makes a decision or exercises 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. A conflict of interest may arise where an Applicant:
- has a professional, commercial, or personal relationship with a party who is able to, or may be perceived to, influence the application assessment process, such as a Victorian Government staff member, or
 - has a relationship with, or interest in, an organisation, such as the Service Provider, which is likely to interfere with or restrict the Applicant from carrying out the proposed activities fairly and independently.
- 22.2 Applicants must advise the department of any actual, potential, or perceived conflicts of interest relating to a project for which it has applied for funding.

23 Further information

- 23.1 For further information on the Program, or any Applicant enquiries visit: <https://business.vic.gov.au/grants-and-programs/industry-diversification-program/> or email industrytransition@ecodev.vic.gov.au.

24 Appendix A – eligible and ineligible entity types

24.1 Eligible entity types

The applicant business must be a legal entity registered as a business in the state of Victoria and can be any of the following entity types (and provided it is not an Ineligible entity type as set out below):

- A company registered under the Corporations Act 2001 (Commonwealth) with the Australian Securities and Investment Commission (ASIC)
- An incorporated association registered under the Associations Incorporation Reform Act 2012 (Vic) with Consumer Affairs Victoria (CAV)
- An indigenous organisation incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Commonwealth).
- A Franchisees may be eligible if they are part of a chain and can demonstrate that they operate through a separate legal entity.
- An incorporated not-for-profit organisation registered with the Australian Charities and Not-for-profits Commission
- A sole trader
- A Partnership⁶
- A trustee on behalf of a Trust⁷⁸.

24.2 Ineligible entity types

The following are not eligible to apply:

- A Commonwealth, state or local government agency or body, including
 - a State Body as defined in the State-Owned Enterprises Act 1992 (Vic)
 - a Crown land committee of management
 - a Victorian local government authority.
- Publicly funded research institutions
- A Public company within the meaning of the Corporations Act 2001.
- A company not incorporated in Australia
- An unincorporated association
- An unincorporated not-for-profit
- A co-operative registered under the Co-operatives National Law
- A body corporate under the Local Government Act 2020 (Vic)
- A statutory corporation such as a university, hospital or TAFE
- Unincorporated community sporting and active recreation clubs and associations.

⁶ Provided all individuals in the partnership will be legally liable for the performance of any agreement the individual signs.

⁷ Trustees can apply on behalf of a Trust, provided the trustee:

- remains sufficiently liable for the performance of any agreement it signs
- has the right to be indemnified from the assets of the Trust
- is indemnified from the assets of the Trust.

⁸ Eligible incorporated trustees exclude self-managed super funds.