

The GIA cost-share categories

GIA introduces cost-sharing between government and industry for biosecurity readiness and response activities. This factsheet details the cost share categories specified in the GIA Deed and provides worked examples that show how the costs for government and industry are worked out in practice.

The GIA Deed states that the costs for readiness and response activities (excluding minimum commitments) under an Operational Agreement will be divided based on the categories set out in Schedule 2 of the Deed, unless otherwise agreed.

Table 1 shows the cost share categories specified in the GIA Deed.

MPI has agreed to meet the first 20% of the cost for a joint activity in recognition that activities such as trade and tourism can create biosecurity risks. The

remaining 80% of the cost will be split between industry and government, with the condition that industry never pays more than 50% of the total costs.

The split of costs will be based on the proportion of public benefit relative to industry benefit that is likely to accrue from the joint activity.

Figure 1 (next page) shows how the share of costs that are paid by government and industry are worked out in practice.

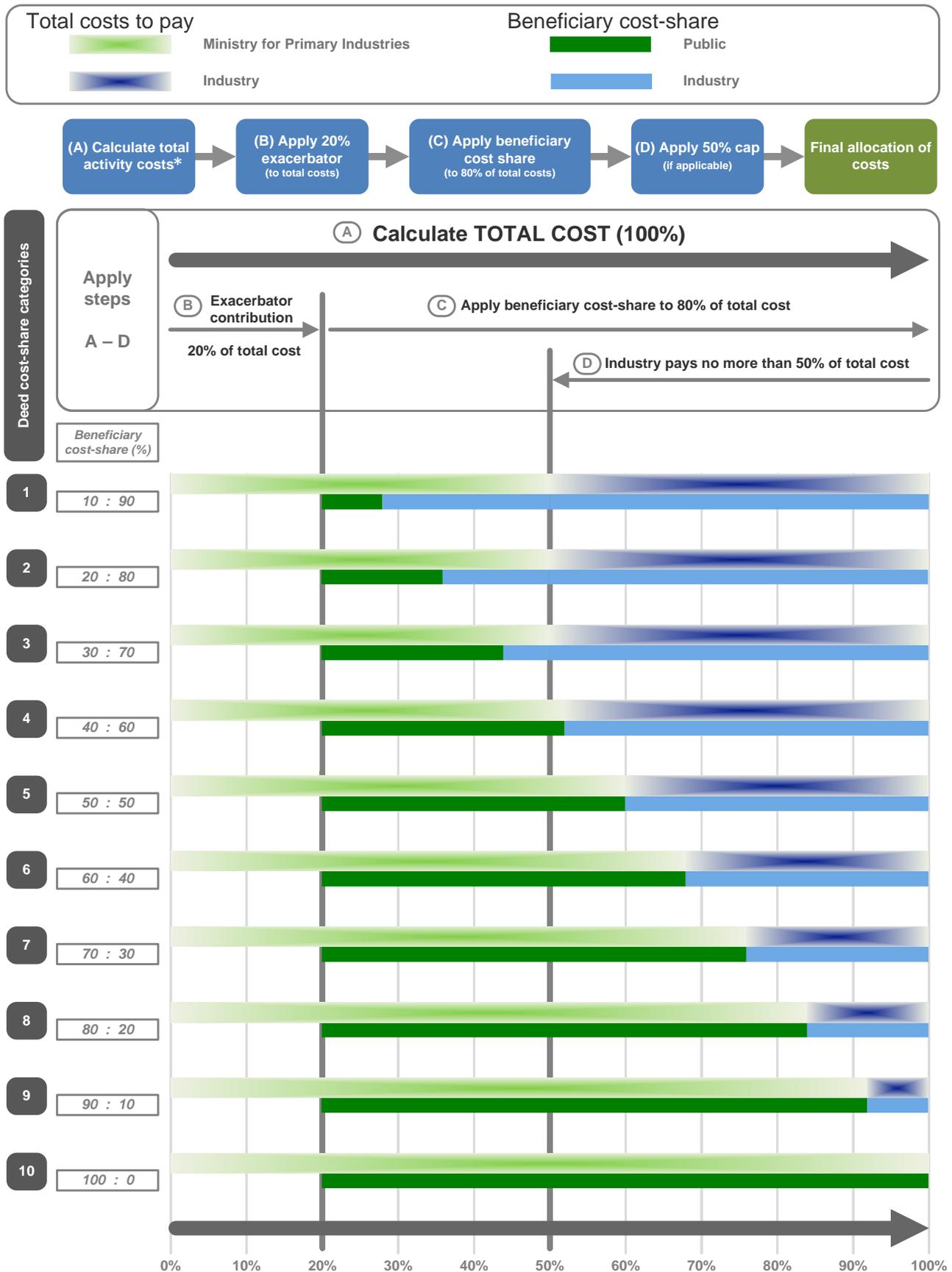
Table 1: Cost-share categories and associated exacerbator and beneficiary cost-shares.

Cost-share categories	Estimated benefit share (%)		Agreed cost-share *		
	Public	Industry	Exacerbator Contributed by MPI	MPI	Industry
1	10	90	20	30	50
2	20	80	20	30	50
3	30	70	20	30	50
4	40	60	20	32	48
5	50	50	20	40	40
6	60	40	20	48	32
7	70	30	20	56	24
8	80	20	20	64	16
9	90	10	20	72	8
10	100	0	20	80	0

* Minimum 50 percent contribution from MPI to readiness and response activities agreed under an Operational Agreement.

Source: Government Industry Agreement for Readiness and Response Deed.

Figure 1: Cost-share categories - worked examples



* excludes minimum commitments

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