



Department of Jobs,
Precincts and Regions

Horticultural Netting Infrastructure Program

GUIDELINES – MARCH 2021

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1 Purpose

The purpose of the Horticultural Netting Program (the Program) is to provide funding to eligible apple and pear producers for the purchase and installation of new netting over established apple and pear orchards (a 'project'). The first round of the Program will operate to 31 December 2022 and may be extended where subsequent rounds are required.

The Commonwealth Government has provided \$4 million for the Program and the Department of Jobs, Precincts and Regions (DJPR) has agreed to implement the Program on their behalf.

Research indicates that netting delivers productivity benefits by protecting crops from extreme weather and predators and increasing water use efficiency. Netting helps producers to maintain fruit quality, ensure continuity of supply and manage production risks.

2 About the Program

The Program consists of up to \$4 million in grant funding, which will be made available to eligible apple and pear producers operating in Victoria. It will provide for up to 50 per cent of eligible costs to commercially install or purchase new horticultural netting (fixed and demountable), to a maximum of \$150,000 (ex GST).

Applications can be submitted by eligible producers who have had netting already installed after 16 December 2019, and from eligible producers who seek to purchase and install netting before 31 December 2022.

The number and value of individual grants allocated by the Program will depend upon overall demand. If the Program is oversubscribed, funding will be allocated to successful applicants on a pro-rata basis (i.e. a proportion of the amount applied for).

Example: If the Program is oversubscribed by 20 per cent (\$4.8 million total), each applicant will be offered 20 per cent less than their requested amount e.g. under this scenario a \$150,000 application will be offered \$120,000.

If the Program is undersubscribed, any unallocated funds will be offered the under the same demand-based process in subsequent rounds. Successful applicants that withdraw after being offered a grant under this Program will be ineligible to apply for any subsequent rounds under this Program. Program dates may be extended to accommodate additional funding rounds where required.

Applications for the Program will be open at dates specified on the grants area of the Agriculture Victoria website at <https://agriculture.vic.gov.au/support-and-resources/funds-grants-programs>.

For DJPR to consider an application, the applicant should ensure that their application is complete and all required supporting documents are provided. Successful applicants will be invited to enter into a funding agreement with the Victorian Government.

Funding is limited to one grant per business registered with the Australian Tax Office as a primary production business with an Australian business number (ABN).

3 Eligibility

Applications will be assessed against the eligibility criteria outlined in these Guidelines.

DJPR reserves the right to request further information from an applicant or from any party engaged in connection with making the application, to assist with assessment of the application or to verify any information provided in the application.

NOTE: Submitted applications may be subject to desk or in-person audit or inspection to determine eligibility in accordance with these Guidelines.

3.1 Eligible applicants

Eligible applicants must:

- a) Operate a primary production business (as defined in the *Income Tax Assessment Act 1997*)
- b) Be property owners, share farmers or lease holders for the land parcel proposed for the project
- c) Operate a commercial apple and/or pear orchard in Victoria
- d) Operate as a sole trader, partnership, trust or private company
- e) Hold an Australian business number (ABN)
- f) Earn more than 50 per cent of their gross income from their primary production business under normal seasonal circumstances
- g) Have complied with the terms and conditions of any previous Victorian Government funding, grant or concessional loan they have received
- h) Have not withdrawn from a previous offer made under this Program.

3.2 Eligible activities and costs

Funding will be provided for the costs for:

- Self-installing; to purchase new horticultural netting and associated support structures required for installation; or
- Installation by an independent commercial third-party provider whose regular business includes installation of agricultural netting ('Third Party Installation'): to supply and install new horticultural netting and associated support structures required for installation.

Netting must be installed in the State of Victoria for the purpose of increasing commercial apple and pear orchard productivity, such as by decreasing water use, the impact of adverse weather events or animal predation.

Netting must have a mesh size no larger than 30 mm and be purchased and installed between 16 December 2019 and 31 December 2022.

The land on which the netting infrastructure has been/will be installed must have been utilised for commercial apple or pear cropping prior to 16 December 2019.

Projects are to commence within six months of approval, with funds fully acquitted within 12 months of commencement.

Applications for Third-Party Installation must include written quotes or cost estimates from the preferred third-party supplier.

Applicants must attest that the installed or proposed netting and associated support structures comply with all relevant planning and building regulations, occupational health and safety and other regulations within their area.

Projects should demonstrate a commitment to Victorian or regional employment and purchasing wherever possible.

3.3 Ineligible activities and costs

Activities and projects that are not eligible for funding include:

- Projects that have already received assistance from other relevant federal, state or local government grant funds to achieve the same outcomes (**however, funding obtained through Commonwealth Regional Investment Corporation loans are eligible contributions**)
- Projects where the netting and/or associated support structures have been damaged by the bushfires of 2019-20
- Projects for which insurance has been claimed for damaged netting and/or associated support structures
- Feasibility studies, business cases, reports and development plans
- Costs associated with the preparation of the application for this Program

- Costs for spare netting or infrastructure to cover any wear and tear or accidental damage once installation is complete
- Costs for purchasing equipment and machinery associated with the installation and maintenance of netting infrastructure
- Operational expenditure, including wages, utilities, self-installation, repairs and maintenance.

3.4 Co-contributions

To be eligible for funding under the Program, the applicant is required to make a cash co-contribution of at least 50 per cent of eligible project costs.

Financial co-contributions can include cash contributions from the applicant and other parties, including individuals, financial institutions, businesses, but cannot include contributions from Australian Government programs (**however, funding obtained through Commonwealth Regional Investment Corporation loans is an eligible contribution**).

3.5 Financial, probity and reputational checks

If the applicant is a company, DJPR will undertake checks to confirm any recordings of actions, claims, disputes with any of the directors, or that none of the directors have been disqualified from acting as a director, or that there are any adverse findings against the applicant.

Private sector and not-for-profit applicants requesting funding of over \$50,001 will be required to provide financial information to enable a risk assessment to be completed:

1. Audited financial reports for the last three financial years, or if not available, reports from an accountant. This should be the 'final accounts' with Director's Report and Declaration and should include:
 - profit and loss statement
 - balance sheet
 - cash flows
 - notes to the accounts.
2. If the latest financial report is more than six months old:
 - Up-to-date management or interim accounts for the current year including: profit and loss statement and balance sheet.
 - In case of public listed corporations, half yearly financial report.

4 How to apply

Step 1: Read the guidelines

Applicants are advised to read these guidelines prior to completing an application.

Step 2: Submit an application and attach supporting documents

Applicants must attest to their eligibility through completing the application form (available at: <https://agriculture.vic.gov.au/support-and-resources/funds-grants-programs>) and attaching supporting documents, including those listed below:

- Evidence that the owner operates a primary production business (as defined in the *Income Tax Assessment Act 1997*)
- Evidence of ownership arrangement (owners, share farmers or lease holders) for the land parcel proposed for this project, e.g., Council rate notice, lease contract, share farming agreement (copies)
- For self-installation, written quotes or paid receipts/invoices for eligible costs
- For Third Party Installation, receipted invoices or written quote / estimate from your preferred commercial netting company/service provider confirming total project cost
- Evidence of sufficient funding to fund your co-contribution e.g., bank statements or letter from your financier (not required for those who have already purchased and installed netting)
- Relevant financial information from private sector and not-for-profit applicants requesting funding of over \$50,001 (see section 3.5)
- For funding under \$50,000, proof of at least 50 per cent of income from primary production:
 - › a profit and loss statement, with statutory declaration stating that the statement is a true representation of the business' income (available online at: <https://www.justice.vic.gov.au/statdecs#form>) or
 - › letter from an accountant stating that more than 50 per cent of gross income is earned from primary production under normal seasonal circumstances.

Applications will be assessed to ensure they meet all essential Program criteria. The assessment will also consider whether a project, or elements of a project, could be more appropriately funded by other federal, state, and/or local government or industry programs.

5 Application assessment and funding

5.1 Overview

Applications will be assessed by DJPR against the eligibility criteria, as well as financial, probity and reputational checks. All applicants will be contacted and advised of the outcome of their application. Successful applicants will be invited to enter into a grant agreement with the Victorian Government. By accepting an offer of funds, applicants consent to the name of their business being associated with the Program and may also be involved in the preparation of public announcements about the Program.

Any letters or invitations to successful applicants to enter into a grant agreement apply will not constitute a formal contract and are not legally binding on the State unless and until a formal written grant agreement is executed by both parties.

The Minister for Agriculture will consider the recommendations from DJPR and determine whether to approve an application.

5.2 Funding agreement

Successful applicants will be required to enter into a grant agreement with the Victorian Government in order to receive funding assistance. Further documentation may be required prior to a grant agreement being finalised.

DJPR may negotiate with applicants on details of a project under the grant agreement to meet any requirements the Minister may impose as a condition of funding and specific milestones the applicant will be required to meet.

The grant agreement will outline all conditions for the provision of funding. Successful applicants will be expected to meet all terms and conditions of the grant agreement, including governance and reporting requirements. Applicants must comply with all federal and state legislation, regulations and codes in the delivery of the Program, for example, relevant planning and building guidelines and Occupational Health and Safety Standards.

Grant payments will be made on a reimbursement basis on milestones agreed in the grant agreement upon presentation of paid invoices for approved project expenditure, including evidence of eligible applicant contributions. Verification of milestone completion may be undertaken via physical inspections by DJPR Officers or their delegates. Payments will be made after a milestone is accepted as completed by DJPR.

Final payments are made upon receipt of a final report evidencing project completion to the satisfaction of DJPR.

The following conditions will be expected of financial assistance recipients:

- Complete the project as stated in the application
- Meet all key milestones and obligations as defined in the grant agreement
- Acknowledge the contribution of the Commonwealth and the Victorian Government on any promotional material
- Provide opportunities for the Commonwealth Minister together with the Minister for Agriculture or a representative to take part in any formal project milestones and launches.

Note: Grants may be subject to GST and income tax. Applicants should consider seeking advice on these and other tax implications from their tax advisers or the Australian Taxation Office before applying.

All funded projects may be publicly listed on Agriculture Victoria's website.

6 Other conditions

The Department reserves the right to amend these Guidelines and application terms and assessment processes in its sole discretion.

These Guidelines and any discussions you may have with any DJPR representative are for information only, and do not constitute advice. Applicants should seek independent professional advice before making an application or entering into an Agreement with the State.

Applications are made at the cost of the applicant.

The Department makes no representation that a grant of funds will be made to any applicant and reserves the right not to fully allocate the funds or make funds available under the Program.

All funding recipients must agree to comply with the Department's performance monitoring and evaluation regime.

It is the responsibility of the funding recipient to obtain advice on any tax implications resulting from receiving funding under this Program.

Funding recipients will be required to cooperate with the Department in any promotional or marketing activities relating to the Program and any support provided.

By entering into a grant agreement, you agree to allow the Department to conduct on-site audits to confirm compliance with the grant agreement.

Confidentiality/Privacy Statement

Any personal information provided by the applicant or a third party in an application will be collected by DJPR for the purpose of Program administration, assessment and reporting. This information may be provided disclosed to other Victorian and Commonwealth government bodies for the purposes of administering the Program and assessment and reporting. If confidential personal information about third parties is included in an application, applicants are required to ensure that the third party is aware of the contents of this Privacy Statement.

Any personal information collected, held, managed, used, disclosed or transferred will be held in accordance with the provisions of the *Privacy and Data Protection Act (Vic) (Cth)* and other applicable laws.

DJPR is committed to protecting the privacy of personal information. The Department's Privacy Policy can be found online at <https://djpr.vic.gov.au/privacy>. Enquiries about access to information should be directed to the Department's Privacy Unit by email privacy@ecodev.vic.gov.au.

7 Further information

All enquiries on the Program should be directed to the Program team at email: hort.netting@agriculture.vic.gov.au.

Authorised by the Hon. Mary-Anne Thomas MP
Department of Jobs, Precincts and Regions
1 Spring Street Melbourne Victoria 3000
Telephone (03) 9651 9999

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