

1. Objectives

The Farm Innovation Fund is an incentive-based initiative to assist farmers within New South Wales to identify and address risks to their farming business, improve permanent farm infrastructure, ensure long term productivity and sustainable land use plus aiding in meeting changes to seasonal conditions.

The availability of loans is subject to funds being available. No loans will be offered beyond the allocated funding.

2. Purpose

Funding by way of a loan is available to meet the cost of carrying out permanent capital works that will have a significant beneficial impact on the land, long term profitability of the business and address adverse seasonal conditions. Such works would fall into four main categories and include the following examples but not limited to:

Drought Preparedness:	<ul style="list-style-type: none"> • Stock & Domestic water supply • Cap and piping of bores in the artesian basin • Refurbishing / desilting ground tanks • Planting Perennial Species • Stock containment areas
Environment:	<ul style="list-style-type: none"> • Soil Conservation • Erosion control • Woody/ Noxious weed/ Serrated Tussock Control • Solar Power Conversions
Farm Infrastructure:	<ul style="list-style-type: none"> • Fodder storage facilities (Silo-Hay Shed) • Farm/ shearing sheds • Fencing/ Road works • Storm/ Exclusion netting • New/ upgrading of irrigation systems
Natural Resources:	<ul style="list-style-type: none"> • Planting trees for shade/ wild life corridors • Livestock effluent control • Fencing off of river banks • Disaster Mitigation Works (Flood Pads etc)

3. Amount

A loan of up to 100% of the net, GST exclusive cost of the works to a maximum of \$1,000,000 with a maximum of \$1,000,000 outstanding at any time.

The net cost is determined by deducting the amount of any other Government grants relating to the proposed works.

4. Interest

The rate will be that applying at the date on which the loan is approved and is fixed for the term of the loan. The rate is currently 2.5%.

5. Term

Up to 20 years dependent upon the amount borrowed and applicant's ability to repay.

Works must be completed within 12 months from date of loan approval.

6. Repayments

Monthly, Half Yearly, Quarterly or Annual repayments of principle and interest.

7. Security

Statutory Charge and registered caveat over the property on which the proposed works are to be carried out. (Security over additional property will also be considered.)

Note: The charge is specific to the works being completed and a new charge is required for each approved advance.

Funds will not be released until all security requirements have been satisfied and caveat registered over security property.

8. Costs

There are no establishment or account keeping fees, however, costs for registering security documents and Government Stamp Duty will be borne by the applicant.

As part of the assessment process, the Authority will obtain title searches to confirm ownership of the land offered as security. This cost will be borne by the applicant whether or not they take up the loan.

9. Eligibility

To be eligible for assistance you must demonstrate that:

- a) You are the owner or operator of a farm business where the work is to be carried out; and
- b) Your business operates as a sole trader, partnership, trust or private company and trades agricultural products; and

- c) Your business is registered with the Australian Taxation Officer as a primary producer, and has an Australian Business Number (ABN); and
- d) As the owner and operator, you earn more than 50% of your gross income from your primary production enterprise under normal seasonal circumstances; or
You are classified as a “new entrant”, meaning that you have been operating your farm business for between 12 months to three years and more than 50% of your gross income will be derived from the farm business within three years of the date of the application. The applications of new entrants will be considered on a case by case basis.
- e) You do not have gross off farm assets exceeding \$5,000,000 (excluding funds in a registered superannuation fund).

10. Additional Eligibility Requirements

- a) Loans must be fully drawn within 12 months of approval.
- b) You must permit the NSW RAA or any other person authorised by the NSW RAA to enter the property to enable inspection of the works.
- c) Payments will be made on receipt of eligible tax invoices and the NSW RAA may inspect the works as per b) above to ensure it is eligible and compliant. You must lodge an application before commencing the project.
- d) Invoices submitted in relation to this application may not be used to secure funding under any other NSW State Government Scheme (excluding the Federally funded Emergency Water Infrastructure Rebate Scheme).
- e) Successful applicants must provide NSW RAA with satisfactory security in accordance with NSW RAA’s security requirements.
- f) You can demonstrate that the works will have a significant beneficial impact on the land, the farming business and aid in preparing for adverse seasonal conditions.
- g) You can demonstrate that your farm business has long-term viability and has the capacity to repay the loan sought.
- h) You must demonstrate the proposed works are part of your Farm Business and Risk Assessment Plan.

11. Exclusions

- a) Farm plant, machinery, all vehicles and transportable items such as field bins, grain augers etc.
- b) All residential farm premises/buildings.
- c) Use of own machinery or own labour.
- d) All farm inputs.
- e) Non-farm related items.

12. Fraudulent claims

- a) By signing the claim form, you are declaring that the information provided in the application form and supporting documentation is true and accurate.
- b) Providing inaccurate, untrue or misleading information may be a breach of criminal law for which serious penalties may apply.
- c) If any information provided in an application or supporting documentation is found to be inaccurate, untrue or misleading, legal action may be taken against you, including action to recover the funds.

13. Important information

- a) Guidelines are correct at the time of publishing.
- b) RAA reserves the right to amend, alter or change these guidelines at any time, and it is the responsibility of the applicant to ensure that they check the relevant website prior to application.
- c) The guidelines that apply to your application will be the guidelines that are current at the time your application is received by RAA.
- d) While RAA has taken all care in preparing these guidelines, RAA will not be liable in any way for any errors, omissions or variation to information in these guidelines or for not advising an applicant of any errors, omissions or variations to information in these guidelines.

14. Assessment

- a) Applications will be assessed against the eligibility criteria. RAA reserves the right to request further information from you or from any business or individual you have engaged, to assist in assessing your application and to

verify any information provided in your application.

- b) When asking for financial information, the RAA will ask for personal tax returns in addition to financial information for all business entities with which the applicant has a formal interest including companies, partnerships and self-managed super funds.
- c) Failure to provide such information may result in RAA refusing your application.
- d) RAA also reserves the right to refuse an application, at its discretion, for any reason or for no reason irrespective of whether the eligibility criteria have been met.
- e) Applications submitted may be subject to audit by RAA or its agents in order to determine compliance with scheme guidelines.

15. Applications

Applications for assistance under the program must be made on RAA's application form and be accompanied by the documentation stated in the application form.

Complete applications will be assessed in order of receipt. Incomplete applications will not enter the assessment queue until all required information is provided.

Applicants should note that past financial assistance under this program or any other program is not a reliable indicator of eligibility for future financial assistance under this program.

Before applying for financial assistance under this program or making any decision, applicants should seek advice from their legal, business and financial advisers to determine their eligibility for and the terms of the financial assistance.

Applications and claim forms can be submitted online, by email, post, fax or in person. Applications and claim forms that have been emailed can be tracked most efficiently.

Online: <https://www.raa.nsw.gov.au/loans/farm-innovation-fund/loan-application-online-form/fif-online-form>

Email: rural.assist@raa.nsw.gov.au

Post: Locked Bag 23, Orange NSW 2800

Fax: (02) 6391 3098

In Person: 161 Kite St, Orange NSW 2800