



Australian Government
Department of Agriculture,
Fisheries and Forestry



A U S T R A L I A ' S F A R M I N G F U T U R E

FarmReady Industry Grants Guidelines

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Program information, guidelines and related forms are available at
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AUSTRALIA'S FARMING FUTURE – FARMREADY

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FarmReady Industry Grants

1. Overview

Australia's Farming Future (AFF) is the Australian Government's \$130 million flagship four-year initiative (until June 2012) to improve productivity and help farmers manage climate change and climate variability. The initiative comprises a number of elements:

- The Climate Change Research Program will provide funding for research projects and on-farm demonstration activities.
- FarmReady will help industry and primary producers develop skills and strategies to help them deal with the impacts of climate change.
- Climate Change Adjustment Program assists farmers in financial difficulty to manage the impacts of climate change.
- Transitional income support is linked to the climate change adaptation program and provides short-term income support and advice and training opportunities to farmers in serious financial difficulty, while they adapt their farm to changing circumstances, including climate change.
- Community networks and capacity building activities will focus on increasing the leadership and representative capacity of specific target groups including women, youth, Indigenous Australians and people from culturally linguistically diverse backgrounds.

Primary production is increasingly reliant on the knowledge, innovation, skills and attitudes of its workforce, with climate change one of the greatest threats facing Australia's primary industries.

The FarmReady program will provide \$26.5 million over four years to improve uptake of risk management and business management skills, increase the use of new technologies, and best practice management to enable primary producers and industries to adapt and respond to the impacts of climate change.

The program consists of two separate elements:

- FarmReady Reimbursement Grants to individual primary producers and Indigenous land managers to attend approved climate change training activities
- FarmReady Industry Grants to industry organisations to undertake projects that will enable their members to adapt to climate change.

These guidelines provide details on FarmReady Industry Grants. Separate guidelines are available for FarmReady Reimbursement Grants.

FarmReady will cease on 30 June 2012 and all funded activities must be completed by 31 March 2012 to ensure that all grant payments can be made prior to the program end date.

2. Purpose of the FarmReady Industry Grants

Through collaborative projects, the industry grants program aims to improve the capacity of agriculture, fishing and forestry industry organisations, natural resource management (NRM) groups and producer groups to increase their industries' self reliance and preparedness to adapt to climate change and climate variability by:

- Promoting increased awareness of options and uptake of strategies for dealing with climate change and climate variability.
- Accelerating the uptake of climate change adaptation and mitigation education and training activities.
- Encouraging the uptake of best practice management techniques and strategies to reduce the gap between climate change research and practical practices.
- Complementing other government and industry programs and initiatives by facilitating the delivery of integrated solutions to dealing with the impacts of climate change.

Industry grant funding will provide an opportunity to undertake projects that deliver tangible outcomes, and assist primary production and NRM groups to develop strategies to help their members adapt to climate change. The maximum amount of grant funding available for each project is \$80 000 per financial year. Grant funding will be administered through milestone payments set out in a Funding Agreement to be signed by the grantee and Department of Agriculture, Fisheries and Forestry.

Project proponents will be required to contribute their own funds to projects where the total value of the agreed project exceeds the amount of the approved grant.

3. Who is eligible to apply for FarmReady Industry Grants

Applicants must be legal entities¹ or able to nominate a project sponsor which is a legal entity and able to enter into a Funding Agreement on their behalf. Where relevant, applicants must seek the sponsoring organisation's agreement in writing before applying.

The following groups are eligible to apply for funding:

- Groups of primary producers who form specifically to undertake an eligible project
- Established primary producer industry organisations/groups at the local, regional and national level
- NRM groups at a local, regional and national level.

Applicants or the sponsoring organisation will need to be:

1. A business registered for tax purposes in Australia with an Australian Business Number and/or Australian Company Number.

¹ Recognised at law as having the capacity to act, such as an individual, corporation or trust.

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2. Carrying out business activities in Australia.
3. Financially sound, as demonstrated through the provision of certified financial statements and related documents and where applicable, able to demonstrate their capacity to fund their share of project costs.

Applications that do not provide evidence of **all** the above will not be accepted.

4. What qualifies for funding

Project proposals should focus on activities that are responsive to the potential impacts of climate variability and climate change on industry and regional groups and will provide skills, knowledge or strategies to help industry address these issues.

Proposals may include new educational or training programs, adaptation of existing programs or implementation of current research results. Activities could include:

- Identifying strategies to combat emerging climate change issues
- Industry-specific training plans at a local, regional, state or national level
- Reviews of existing programs and strategies to assess effectiveness
- Climate change related communication campaigns
- Identification of skills requirements
- Identification and removal of specific barriers that inhibit access to climate change information
- Facilitation of uptake of best management techniques, strategies, practical adoption of climate variability and climate change adaption and mitigation practices.

This should not be regarded as an exhaustive list. Consideration will be given to all proposals (within the context of these guidelines) that have the potential to provide tangible outcomes for Australia's farming future.

Grant funding will **not** be available for activities such as:

- Purchasing of infrastructure (eg. water tanks or fencing)
- Weed and feral animal control
- Purchasing of major equipment or activities that could be considered part of normal business operations
- Applicant marketing campaigns
- Operating costs which would be incurred whether or not the project is undertaken, including insurance and office accommodation
- Activities which have previously been completed
- Activities which, in any way, are funded by other Australian, state or local government grant programs

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- Specific training activities required to be undertaken to satisfy government regulatory and statutory obligations or compliance with industry standards
- Development of prototypes or commercialisation activities.

5. How to apply for a FarmReady Industry Grant

Industry grant funding rounds will be advertised in national and rural newspapers along with application closing dates. Information about each funding round will be made available on the FarmReady website or by phoning 1800 638 746.

You will need to submit a completed application form, including supporting documentation that is prepared in accordance with these guidelines and ensure it is received by the department by the closing date. The application form is available on the FarmReady website. Applicants will be sent an acknowledgment within 10 working days of the receipt of a completed application by the department.

Total project costs should be calculated as the cost of all eligible project activities undertaken or commissioned by project partners. Cash contributions to be made by the proponent over and above the grant funding sought will need to be detailed in your application as part of the total project costs.

No other sources of government funding (State or Commonwealth) can be used for any of the expenditure within a project.

6. How are applications assessed

Applicants must demonstrate how the proposed project will assist the industry/group members respond to the challenges of climate change and climate variability. An independent expert advisory panel will assess applications and will recommend suitable projects for funding to the decision maker. When considering projects the advisory panel will take into account:

- The extent to which the project meets the objectives of the FarmReady program
- A demonstrated need for government assistance – the panel will identify priority industry sectors/equity groups where a FarmReady grant would make a difference
- The extent to which the proposed project is part of an integrated and strategic approach and not an ad-hoc proposal or project
- The level of support from industry members and other key stakeholders
- The existence of a structured work program with defined outputs and outcomes achievable within a reasonable time period
- Proposed arrangements for measuring the performance of the project against its objectives
- The adequacy of measures and expertise to manage the proposed project
- The legal status of the applicant and their ability to conduct the contractual obligations of the project.

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As this is a competitive and discretionary grants program, each application is also assessed against the other applications for that round. This approach ensures that proposals are considered on merit against other proposals and determines priority for funding. As program funds are limited, meeting the assessment criteria does not guarantee funding.

If you have partners or sponsors involved in your project you must include a letter of understanding or an agreement setting out ownership and disposition of existing and proposed intellectual property rights associated with the project. All partners/sponsors must sign this letter. If you do not submit this letter, your application will not be accepted. Cash contributions from industry and/or partners that subsidise the cost of the project are allowed.

Please note that in the course of assessing the project, the department may need to disclose some of the information in applicants' proposals to other government departments and agencies (those departments and agencies will be alerted as to any information that an applicant has identified as confidential).

Unsuccessful applicants are welcome to re-apply in the next grant round. In these instances, we suggest that applicants seek feedback from the department before applying in subsequent rounds.

7. Who approves the suitable applicants

An independent, expert advisory panel will assess applications and will recommend suitable projects for funding.

The advisory panel comprises representatives with skills and knowledge in agribusiness, learning, climate change and other areas of relevant technical expertise. The panel will consider applications for each funding round in a competitive selection process and make recommendations based on merit to the decision maker.

The decision maker will be the Minister of Agriculture, Fisheries and Forestry.

It should be noted that industry grants is a discretionary grants program. This means that the decision maker has discretion in determining whether or not a particular application receives funding and may or may not impose conditions on the grant.

Applicants should be aware that, although they may seek the full amount (\$80 000) of grant funding for their project, it is possible that only partial funding will be recommended or approved. All costs of the project above the approved grant will need to be met by the project proponents.

Details of the terms and conditions of the grant and the obligation of the grantee will be set out in a formal Funding Agreement to be signed by the grantee and the department.

Decisions on approval of FarmReady Industry Grant projects by the decision maker are final.

For applicants seeking further information, please contact FarmReady by email to farmready@daff.gov.au or phone 1800 638 746.

8. Additional Information for successful applicants

You should be aware that receipt of funding from this program may result in your organisation being ineligible for support from some other government programs. Applicants should also seek professional advice on the taxation impacts on your business from receiving funding under this program.

Grant payments attract GST. Grantees should consider the taxation implications of accepting a government grant payment. If at all concerned how this additional income will affect you, it is recommended that you seek advice from a financial advisor/tax advisor. Grantees can also contact the Australian Tax Office Business Call Centre on 132 866.

The terms and conditions in these guidelines are not exhaustive. Once a grant is approved, a non-binding relationship exists until a Funding Agreement is agreed and signed. The Funding Agreement will contain all terms and conditions. A Funding Agreement template is available on the FarmReady website. Grantees should seek independent legal advice before entering into a Funding Agreement.

Any project activity for which funding is sought must not commence until a Funding Agreement has been signed by the grantee and the department. Assistance for otherwise eligible project activities that have already commenced **will not** be considered.

Successful applicants will be required to sign a Funding Agreement that sets out:

- The rights and obligations of the Commonwealth and the successful applicant
- The agreed activities and timetable for completion of the project
- The milestone payments
- The conditions to be met to acquit the use of the funds
- Reporting obligations
- Requirements for recognising the Australian Government's contribution.

Grant recipients will have a four week period from receipt of Funding Agreement in which to sign and return the agreement to the department. Inability to execute the Funding Agreement within four weeks may result in the offer being withdrawn. Funds are based on the Funding Agreement's terms and conditions. If these terms and conditions are not met, funding may be reduced, delayed or terminated.

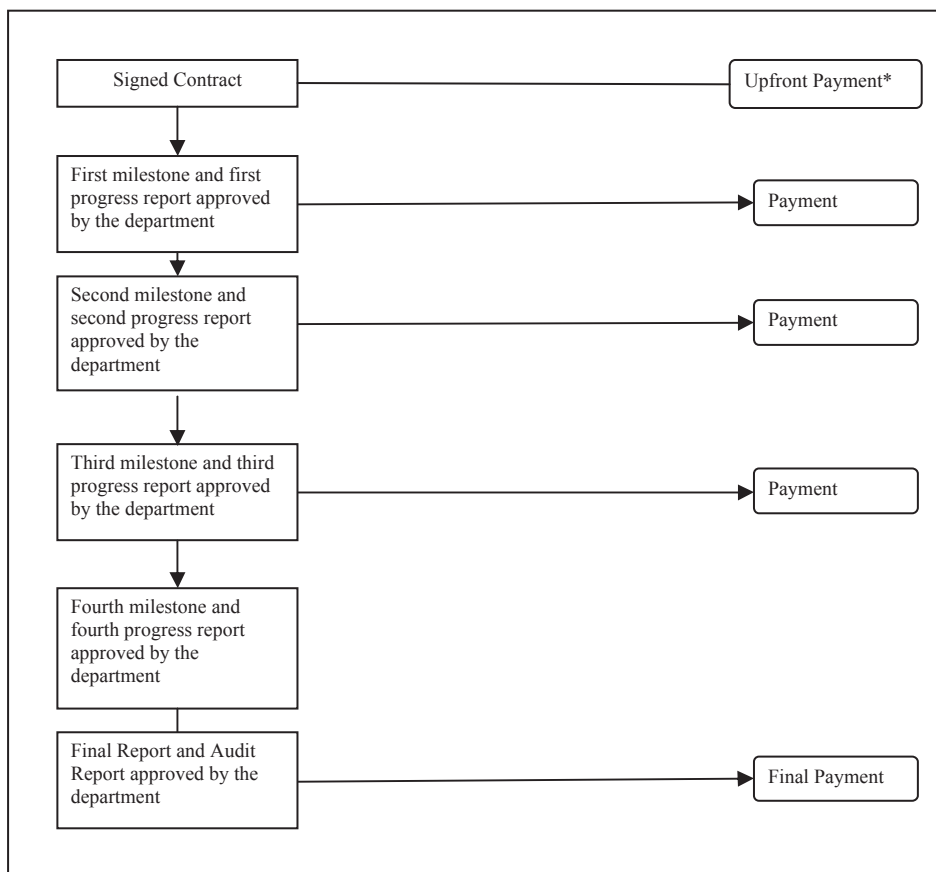
The Funding Agreement sets out the requirements for regular reports to the department on progress, proof of expenditure (including tax invoices and receipts) and proof of activity and achievement of outcomes. Where progress is not satisfactory the Funding Agreement will be reviewed and funding maybe terminated. Non-compliance with the terms and conditions of the Funding Agreement may result in an obligation to refund grant funds to the department.

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A final report and audit report will be required at the end of the project to verify that expenditure of both the Australian Government's and the participant's contributions, where relevant, have occurred in accordance with the Funding Agreement.

Under the Funding Agreement any intellectual property developed during the project will remain the property of the applicant business. However, the Funding Agreement will incorporate a provision that cedes to the Australian Government royalty-free rights to use any of the intellectual property in publicising or disseminating the key features, benefits and new industry models developed from the project, provided that this does not extend to information that both parties agree is commercially sensitive.

The Funding Agreement will include an agreed work plan that will specify the objectives, milestones and the required outcomes that must be met before grant payments can be made. A report at the end of each milestone is the means by which the project will be evaluated. Grant payments are made according to receipt of the reports and reconciliation of expenditure, as indicated by the flow diagram below:



Note: *any upfront payment will be subject to negotiation depending on the applicant's financial circumstances.

Individual projects may vary in their number of milestones and payments.