

Amended Horticultural Netting Program – trial

FEDERATION FUNDING AGREEMENT - ENVIRONMENT

Table 1: Formalities and operation of schedule																																													
Parties	Commonwealth Victoria Queensland Western Australia New South Wales Tasmania Northern Territory																																												
Duration	This Schedule is expected to expire on 30 June 2025.																																												
Purpose	<p>This Schedule will support the delivery of funds to primary producers of commercial horticulture crops to purchase and install horticultural netting to increase crop productivity.</p> <p>This Schedule is an amendment of the Schedule signed by the Commonwealth, Victoria, Queensland and Western Australia in the 2020 – 2021 financial year in which the Commonwealth provided a \$9 million financial contribution to those States outlined in Table 1 below.</p> <p>This Schedule has been amended for the Commonwealth to provide an additional \$33 million financial contribution to the States in the 2021 – 2022 financial year.</p> <p>This amended Schedule now also includes New South Wales, Tasmania and the Northern Territory as Parties.</p>																																												
Estimated financial contributions	<p>The Commonwealth will provide an estimated total financial contribution to the States of \$42.0 million in respect of this Schedule.</p> <table border="1"> <thead> <tr> <th colspan="4">Table 1</th> </tr> <tr> <th>(\$ million)</th> <th>2020-21</th> <th>2021-22</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>9.0</td> <td>33.0</td> <td>42.0</td> </tr> <tr> <td>Less estimated National Partnership</td> <td>9.0</td> <td>33.0</td> <td>42.0</td> </tr> <tr> <td>- VIC</td> <td>4.6</td> <td>11.2</td> <td>15.9</td> </tr> <tr> <td>- QLD</td> <td>2.2</td> <td>10.9</td> <td>13.1</td> </tr> <tr> <td>- WA</td> <td>2.2</td> <td>2.6</td> <td>4.8</td> </tr> <tr> <td>- NSW</td> <td>0.0</td> <td>5.9</td> <td>5.9</td> </tr> <tr> <td>- TAS</td> <td>0.0</td> <td>1.9</td> <td>1.9</td> </tr> <tr> <td>- NT</td> <td>0.0</td> <td>0.4</td> <td>0.4</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.0</td> <td>0.0</td> <td>0.0</td> </tr> </tbody> </table>	Table 1				(\$ million)	2020-21	2021-22	Total	Estimated total budget	9.0	33.0	42.0	Less estimated National Partnership	9.0	33.0	42.0	- VIC	4.6	11.2	15.9	- QLD	2.2	10.9	13.1	- WA	2.2	2.6	4.8	- NSW	0.0	5.9	5.9	- TAS	0.0	1.9	1.9	- NT	0.0	0.4	0.4	Balance of non-Commonwealth contributions	0.0	0.0	0.0
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Additional terms	<p>For the purpose of this Schedule:</p> <ul style="list-style-type: none"> Eligible primary producers for each State can be found at Table 2 Appendix A – Project Eligibility Criteria for the respective State. 																																												

Table 2 Appendix A – Project Eligibility Criteria

Guidance to the State of Victoria on eligibility for Commonwealth funding under the Horticultural Netting Program.

Funds provided in the 2020-21 financial year

1. Payments to eligible primary producers will be up to 50 per cent of the costs incurred by primary producers, up to a maximum of \$300,000, for eligible activities undertaken from 16 December 2019.
 - a) The State of Victoria may choose to lower the maximum amount of payments to eligible primary producers.
2. Eligible applicants must:
 - a) Be registered with the Australian Taxation Office as a primary production business and have an Australian Business Number;
 - b) Be property owners, share farmers or lease holders in the horticulture industry;
 - c) Purchase and install protective netting over existing commercial apple and pear orchards;
 - d) Earn more than 50 percent of their total income from primary production.
3. The land on which netting is to be installed must have an established use of apple and pear cropping prior to 16 December 2019.
4. The protective netting must be purchased and installed to increase apple and pear orchard productivity, by reducing the impacts of adverse weather events or animal predation, and to reduce water usage.
5. Protective netting must be purchased and installed after 16 December 2019.
6. Eligibility for the payment applies to the purchase and installation of permanent and throw-over protective netting and associated support structures.
7. Grower co-contributions may include funds provided through loans from the Commonwealth Regional Investment Corporation.
8. To ensure the greatest value for the Program, the following activities are ineligible for funding:
 - a) Projects that have already received assistance from State or Commonwealth grants to achieve the same objectives;
 - b) Projects where the netting and/or associated support structures have been damaged by the bushfires of 2019-20;
 - c) Projects where insurance has been claimed for damaged netting and/or associated support structures;
 - d) Retrospective funding for purchase or works carried out prior to 16 December 2019;
 - e) Feasibility studies, business cases, reports and development plans;
 - f) Costs associated with preparing applications for funding;

- g) Operational expenditure, including wages, utilities, self-installation, repairs and maintenance.
9. Unspent funds provided in the 2020-21 financial year can be used alongside funds provided in the 2021-22 financial year.

Funds provided in the 2021-22 financial year

10. Payments to eligible primary producers will be up to 50 per cent of the costs incurred by primary producers, up to a maximum of \$300,000, for eligible activities undertaken from 14 December 2021.
- a) The State of Victoria may choose to lower the maximum amount of payments to eligible primary producers.
11. Eligible applicants must:
- a) Be registered with the Australian Taxation Office as a primary production business and have an Australian Business Number;
 - b) Be property owners, share farmers or lease holders in the horticulture industry;
 - c) Purchase and install protective netting over existing commercial horticultural produce;
 - d) Earn more than 50 percent of their total income from primary production.
12. The land on which netting is to be installed must have an established use of horticultural production prior to 14 December 2021.
13. The protective netting must be purchased and installed to increase horticultural productivity, by reducing the impacts of adverse weather events or animal predation, and to reduce water usage.
14. Protective netting must be purchased and installed after 14 December 2021.
15. Eligibility for the payment applies to the purchase and installation of permanent and throw-over protective netting and associated support structures.
16. Grower co-contributions may include funds provided through loans from the Commonwealth Regional Investment Corporation.
17. To ensure the greatest value for the Program, the following activities are ineligible for funding:
- a) Projects that have already received assistance from State or Commonwealth grants to achieve the same objectives;
 - b) Projects where the netting and/or associated support structures have been damaged by the bushfires of 2019-20;
 - c) Projects where insurance has been claimed for damaged netting and/or associated support structures;
 - d) Retrospective funding for purchase or works carried out prior to 14 December 2021;
 - e) Feasibility studies, business cases, reports and development plans;
 - f) Costs associated with preparing applications for funding;

- g) Operational expenditure, including wages, utilities, self-installation, repairs and maintenance.
 - h) Grapes grown for the purposes of winemaking.
18. All funding is to be contracted by the State of Victoria by 30 June 2024 with completion of all works to be finalised by, and payments made to grantees by, 30 June 2025.
19. It is requested that the State of Victoria consult with the horticulture industry in that State in developing program guidelines.
20. The State of Victoria will retain \$448,959 from the State's 2021-22 allocation of \$11,223,983 for its costs of administering the funding, to be spent over the life of the program, until 30 June 2025.

The Parties have confirmed their commitment to this schedule as follows:

*Signed for and on behalf of the Commonwealth of
Australia by*



The Honourable Littleproud MP
Minister for Agriculture and Northern Australia

*Signed for and on behalf of the
State of Victoria by*



The Honourable Mary-Anne Thomas MP
Minister for Agriculture

[Day] [Month] [Year]

31 March 22

30 March 2022

Table 2: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
<p>Delivery of funds to eligible primary producers of commercial horticultural products to purchase and install horticultural netting to increase the productivity of those horticultural orchards/crops.</p>	<p>Victoria submits a high level implementation approach for the Program</p>	<p>31/03/2021</p>	<p>Nil</p>
	<p>Report detailing all aspects of delivery from commencement to 31 December 2020</p>	<p>31/05/2021</p>	<p>\$4,000,000</p>
	<p>Execution of funding agreement variation</p>	<p>31/05/2021</p>	<p>\$666,666</p>
<p>Reports to include:</p>	<p>Report detailing all aspects of delivery from 1 January 2021 to 30 June 2021</p>	<p>31/07/2021</p>	<p>Nil</p>
<p>Payments to primary producers:</p>	<p>Report detailing all aspects of delivery from 1 July 2021 to 31 December 2021</p>	<p>31/01/2022</p>	<p>Nil</p>
<ul style="list-style-type: none"> • number of grants; • average grant value; • total grant value. 	<p>Execution of funding agreement variation</p>	<p>30/04/2022</p>	<p>\$11,223,983</p>
<p>Crops:</p>	<p>Report detailing all aspects of delivery from 1 January 2022 to 30 June 2022</p>	<p>31/07/2022</p>	<p>Nil</p>
<ul style="list-style-type: none"> • average hectares covered by total grant value; • hectares covered by commodity; • total hectares covered. 	<p>Report to include an implementation plan for the delivery of the expanded Program</p>		
	<p>Report detailing all aspects of delivery from 1 July 2022 to 31 December 2022</p>	<p>31/01/2023</p>	<p>Nil</p>
	<p>Report detailing all aspects of delivery from 1 January 2023 to 30 June 2023</p>	<p>31/07/2023</p>	<p>Nil</p>
<p>Location:</p>	<p>Report detailing all aspects of delivery from 1 July 2023 to 31 December 2023</p>	<p>31/01/2024</p>	<p>Nil</p>
<ul style="list-style-type: none"> • region within the State in which grantee farm is located. 	<p>Report detailing all aspects of delivery from 1 January 2024 to 30 June 2024</p>	<p>31/07/2024</p>	<p>Nil</p>
<p>Progress with purchase and installation of horticultural netting funding through this Program.</p>	<p>Report detailing all aspects of delivery from 1 July 2024 to 31 December 2024</p>	<p>31/01/2025</p>	<p>Nil</p>
	<p>Report detailing all aspects of delivery from 1 January 2025 to 30 June 2025.</p>	<p>31/07/2025</p>	<p>Nil</p>