



Department of
**Primary Industries and
Regional Development**

GOVERNMENT OF
WESTERN AUSTRALIA

WA Agrifood and Beverage (AFB) Voucher Program (Round 3, 2021)

Guidelines for Applicants



Supporting Western Australian agriculture and food businesses

An initiative of the Department of Primary Industries and Regional Development

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Key dates

| AFB Voucher Round 3 | Date | Time (AWST) |
|---|------------------|-------------|
| Applications open (open for 7 weeks) | 01 October 2021 | |
| Applications close | 15 November 2021 | 5.00pm |

1. Program Overview

1. The Department of Primary Industries and Regional Development (DPIRD) has established the WA Agrifood and Beverage Voucher Program ('AFB Voucher Program') to support eligible small businesses operating in Western Australia to:
 - Increase direct and indirect jobs;
 - improve international competitiveness;
 - facilitate growth, diversification and expansion domestically and internationally through the provision of expert advice;
 - research technological solutions to improve efficiency and resolve digital problems, and;
 - encourage sustainable and socially responsible business practices
2. The program aligns with DPIRD's [Strategic Intent](#), specifically:
 - *International Competitiveness*: to grow internationally competitive industries and businesses; and,
 - *Regional Opportunities*: Capturing regional opportunities to drive economic growth, job creation, local capability and social amenity.

When preparing an application for a voucher, businesses may wish to consider strategic reports commissioned by DPIRD, which outline emerging opportunities in the food and beverage sector. These reports are available on the [Food Industry Innovation](#) web page and include, but are not limited to:

- Premium Market Opportunities;
 - Target Market Opportunities;
 - Partnering for Growth, and;
 - Alternative Proteins
3. Vouchers may be provided to metropolitan and regionally based WA businesses that meet the eligibility criteria (see Section 2 below) and are most competitive against the merit criteria in Section 4 (see Table 2 below).
 4. For the purposes of this program, an eligible small business¹ is defined as having an annual sales turnover of between \$100k and \$10m for regionally located businesses and between \$200k and \$10m for metropolitan based businesses.

¹ A small business is defined by the Australian Taxation Office at <https://www.ato.gov.au/business/small-business-entity-concessions/eligibility/definitions> as having aggregated turnover up to \$10m pa.

5. A maximum of \$400k is available in this round of the program, which is funded from Royalties for Regions funds (up to \$200k) and Consolidated Funds (up to \$200k).
6. The AFB Voucher Program is offered on a competitive application basis in the following **five categories**:
 - i. **Business Planning** (e.g., business evaluation/plan);
 - ii. **Manufacturing for Business Growth** (e.g., primary producers transitioning to manufacturing, quality assurance, QA certification, HACCP plans; digital and technology; and compatibility/integration planning of automation opportunities);
 - iii. **Sales and Marketing** (e.g., ecommerce strategy development, online marketing plan and analytics; marketing planning; competitor analysis; customer insights; branding; packaging design; and preparing for export);
 - iv. **Financial Health** (e.g., structure for capital raising, financial projections, investment memoranda; pitch decks, succession planning); and
 - v. **Environmental Sustainability and Social Responsibility** (e.g., renewable packaging design; waste stream repurposing investigation; design for improved water management; design for renewable energy opportunities).
7. The maximum value of a voucher that a business can apply for is dependent on the annual sales turnover of the applicant as shown in Table 1.

| Table 1: Maximum value of voucher applications | | |
|---|--------------------------|------------------------------|
| Annual Sales Turnover of Applicant | Maximum Value of Voucher | Minimum cash co-contribution |
| \$1m to \$10m turnover [#] | (up to \$10,000 voucher) | 50% |
| \$500k to \$1m turnover | (up to \$5,000 voucher) | |
| \$200k to \$500k turnover (Metro-based businesses) | (up to \$2,000 voucher) | |
| \$100k to \$500k turnover (Regionally based businesses only) | (up to \$2,000 voucher) | |

[#] *Businesses with turnover greater than \$1.5m and a trading history of at least three years may also be eligible for assistance from the Australian Government's Department of Industry, Innovation and Science (AusIndustry), which operates the 'Entrepreneurs Program' which provides the following services:*

- A free Business Evaluation
- A 50/50 grant up to \$20,000 to engage specialist consultants
- Ongoing assistance including invites to EP-run master classes (EP eligible only).

For more information about this service visit: <https://www.business.gov.au/Grants-and-Programs/Entrepreneurs-Programme>

8. Eligible applicants can apply for up to two vouchers to a maximum of \$15,000. The maximum value of each voucher is dependent on annual sales turnover. Applicants must complete separate applications for each voucher (only the first quotation attached to each application on the SmartyGrants system will be considered).
9. SME's that are majority foreign owned or are subsidiaries of larger conglomerates (umbrella companies) with \$10m+ annual sales turnover are ineligible.

10. Vouchers are used to support growth orientated activities undertaken by the Recipient that, by using the expertise of an independent Professional Service Provider, will assist the Recipient to become more productive and internationally competitive; create jobs; advance technology; enter new or penetrate existing export markets; and in general, increase their scale and profitability. Projects that potentially provide greater competitive advantage to a business; build business resilience; develop new innovative products and markets; plan new processes and systems; or apply modern technology, will be assessed favorably.
11. Vouchers are issued in the name of the business (the Recipient), have no cash value and are non-transferable. They are payable by DPIRD to the Professional Service Provider that has been nominated by the Recipient.
12. Quotations from Professional Service Providers must meet minimum quality requirements as outlined on page 12.
13. Vouchers are not to be used for 'business as usual' activities and the Applicant is required to articulate how their proposed activity is likely to lead to longer-term business growth goals.
14. A business entity is limited to two applications. Should more than two applications be submitted, only the first two completed applications that have been submitted on the SmartyGrants system will be considered.
15. Previously successful voucher recipients must wait a period of 12 months from the date of submission of their latest Service Completion Form before they are eligible to apply for this Round.
16. Businesses that are simply packaging or boxing raw ingredients sourced from other producers and selling direct to consumer or direct to the food service sector are ineligible.
17. Food service businesses (e.g., restaurants, cafes) producing meals are ineligible.
18. Applications are to be made online using SmartyGrants:

<https://agric.smartygrants.com.au/AFBvoucherprogramR3>



2. Eligibility Criteria

PLEASE READ CAREFULLY

ALL ELIGIBILITY CRITERIA MUST BE MET BEFORE YOU CAN APPLY

2.1 Applicant Eligibility Criteria

Applicants MUST:

- Be a food or beverage manufacturer for all voucher categories, or a food producer intending to transition to food or beverage manufacturing for the 'Manufacturing for Business Growth' category.

Manufacturer converts raw agricultural materials into new products

- Have annual sales turnover between \$100k and \$10m for regionally based businesses; and \$200k and \$10m for metropolitan based businesses;
- Be registered with an Australian Business Number (ABN) with a Western Australian postcode in the ABN lookup <https://abr.business.gov.au/>
- Be a 'going concern' – i.e., will continue to trade into the foreseeable future and there are no plans, events and/or circumstances known to the Applicant which would result in their business ceasing to trade;
- Have operated for a minimum of 18 months and incorporated in Australia with non-tax exempt status;
- Be able to provide evidence of a business plan. Applicants that are unable to provide evidence are only eligible to apply for a voucher for professional services related to Category 1 - Business Planning;
- Be able to demonstrate through the citing of independent market research (sourced internally or externally) that they have products and markets with the potential for growth;
- Agree to participate in future program evaluation activity such as a survey or interview within 24 months of the Service Completion Form being completed;
- Agree and be able to meet the cash co-contribution requirement of minimum of a minimum of 50 percent of the total cost of professional services; and
- Meet all industrial relations obligations as an employer in accordance with the [National Employment Standards](#)

Applicants may apply individually or jointly. Where a project involves more than one Applicant, the lead organisation should submit the application although both Applicants may contribute to project expenditure to meet any co-contribution requirements (refer to Section 7 Payment Conditions).

In addition to the above eligibility criteria, applicants must meet the following compliance criteria to be eligible for assistance under the program depending on the nature of their commercial structure:

- An Incorporated Trustee can apply on behalf of a Trust provided that the Trustee has the power to enter into an agreement and will remain sufficiently liable for the performance of that agreement; and
- Individual Partners may apply on behalf of a Partnership provided that the Partners will remain sufficiently liable for the performance of any agreement they sign.

The following entities are **ineligible** to apply:

- Individuals;
- Commonwealth, state and local government agencies or bodies;
- Publicly funded research institutions;
- Industry associations;
- Not-for-profit organisations;
- Community-based organisations; and
- SMEs that are majority foreign owned or are subsidiaries of larger conglomerates (umbrella companies) with \$10m+ total turnover.

2.2 Professional Service Provider Eligibility

Applicants who meet the eligibility requirements above will be requested to nominate a Professional Service Provider to perform the proposed services to be supported by redemption of the voucher.

Professional Service Providers nominated by the applicant to complete consultancy works may be publicly funded entities, not-for-profit enterprises or privately owned businesses.

The applicant must provide evidence that the Professional Service Provider has experience or expertise in the service delivery of one category:

1. Business Planning
2. Manufacturing for Business Growth
3. Sales and Marketing
4. Financial Health
5. Environmental Sustainability and Social Responsibility.

This evidence may include, but not be limited to, company brochures; customer testimonials and references; and samples of work for other clients (with redacted text if required).

The Professional Service Provider will not be the same consultant that provided business planning/ evaluation services (if applicable) and will not be the business' accountant.

Professional Service Providers may partner with other Professional Service Providers to deliver the quoted work scope; however such arrangements must be fully disclosed within the quotation attached to a voucher application, clearly stating the experiences and responsibilities for each delivery partner. Applicants that submit quotations from Professional Service Providers that are providing only a project management service, will be deemed ineligible.

This program is funded by the Western Australian Government and the preference is for applicants to use locally based Professional Service Providers where possible.

Applicants and Professional Service Providers must be entirely separate entities. For example, they may not be owned by the same parent company, share governance or have common directors.

Professional Service Providers may submit quotes for up to three applicants. If quotations submitted by differentially named providers share board members, ownership or key personnel, DPIRD reserves the right to treat the quotations as being submitted by similar entities, to add up to a maximum of three.



3. Voucher Categories

Vouchers are designed to support Western Australian food and beverage businesses to accelerate growth; realise and develop new opportunities including product development and process innovation; expand domestic markets; and penetrate export markets.

Applications can be submitted under one of the five categories below. Where two vouchers are applied for by the same business, they must be for different voucher categories.

3.1 Business Planning

- Business planning vouchers may be used to access professional services to support with the development of a business plan/evaluation.
- A business plan provides the basis for the strategic and operational functioning of a business and will assist in securing finance, market development, business activity prioritization and evaluation. Vouchers may be used to develop a new business plan or review/update an existing business plan.
- Preference will be given to activities where independent evaluation of the applicant's business leads to a new or updated business plan. Business coaching is also eligible under this category.

- [AusIndustry](#) provides advice on suggested inclusions in business plans. A well-developed plan will likely amalgamate the following;
 - Marketing Plan
 - Quality Management Plan (ISO 9000/9001, ISO 13485, ISO 14000/14001, TQM Six Sigma)
 - Workforce Plan
 - Assets Management Plan
 - Financial Projections (NPV, IRR, RoC)
 - Product Development Plan
 - Operations Plan

3.2 Manufacturing for Business Growth

(These vouchers are available to businesses that have a current business plan.)

- Manufacturing for Business Growth vouchers may be used to access professional services to investigate systems to maintain consistently high-quality product, reduce unexpected variation in product parameters or reduce risks to food safety. HACCP accreditation will be supported if the applicant can demonstrate that a new level of certification will enable growth of the business by opening new distribution channels, accessing new markets (especially export), or is addressing a key barrier to launching a new product.
- Services focusing on process engineering; supply chain traceability; digital product augmentation; evaluation of proposed automation technology or Internet of Things (IoT) monitoring system for appropriateness for the scale of their business and compatibility with existing products and processes may also be applied for under this category.
- Primary producers wishing to access professional services to transition to manufacturing (complete prefeasibility studies, business planning, product development or organizational design work to prepare for new food and beverage manufacturing lines building on primary production of food in Western Australia) may apply for a voucher under this category.
- The aims of this category include the following. Ensuring high quality production processes so customers receive quality products; helping grow customer loyalty and profitability; transforming the applicant's competitiveness with large increases in productivity at moderate cost; adding digital enhancement to the existing physical products and encouraging Western Australian primary producers to vertically integrate into supply chains, value adding to their base commodities.

3.3 Sales and Marketing

(These vouchers are available to businesses that have a current business plan.)

- The aims of Sales and Marketing vouchers are to maximise the impact of subsequent marketing spends by the Recipient; and, to generate new, targeted sales leads that ultimately result in business growth. They may also support businesses develop a new or revise existing online presence with associated

digital marketing strategies or help prepare a business to pursue export opportunities.

- Sales and Marketing vouchers may be used to access professional services to undertake competitor analysis; market segmentation; customer insights; branding; and packaging design.
- These vouchers are also intended to help WA businesses develop their digital presence, online points of sale, reach new customers on-line and maintain existing customers through digital channels to increase sales volume. Activities such as professional services to develop expert e-commerce strategies including Online-to-Offline/ Offline to Online (O₂O) commerce, platforms and domain evaluation and selection, online store design, checkout experience design, search engine optimisation/marketing, online marketing plan and analytics may be supported.
- Businesses may also use Sales and Marketing vouchers to access professional services to support the development of their export strategy to either initiate export activities or to consolidate their knowledge, develop new markets and maximise long term export potential. This may include export planning; export market identification and prioritisation; competitor and product analysis; pricing strategy development; and other considerations (e.g., phytosanitary requirements; country specific labelling and packaging requirements; transport logistics, cold chain planning and consignment monitoring; development of individual employee export knowledge and capability).

3.4 Financial Health

(These vouchers are available to businesses that have a current business plan.)

- The aims of this voucher category include management of the risks associated with capital expenditure or attracting capital (and associated commitments) from external sources.
- Financial health vouchers may be used to access support for becoming investor-ready, preparing for capital raising and pitching the business to targeted investors (including activities such as financial projections and generating investment memoranda and pitch decks). Businesses can use vouchers to help meet particular funding or capital needs not related to normal business practice, that they have identified as a priority, and which is significantly constraining business growth. Businesses considering this voucher category should consider DPIRD's publication '[Guide to Investment Readiness](#)'. Business planning may have identified target investor groups that may contribute 'in-kind' or 'synergistic' value in addition to investment capital. Investors may facilitate new market access, contribute valuable IP for product development, or bring augmented management skill set to the business. Vouchers are not to be used to prepare applications to DPIRD or other State or Australian government grant programs.
- Financial Health vouchers may also be used for business succession planning activities.

3.5 Environmental Sustainability and Social Responsibility

(These vouchers are available to businesses that have a current business plan.)

- The aims of environmental sustainability and social responsibility vouchers are to support Western Australian businesses anticipate and respond to changes in market expectations around environmental impact and to improve natural resource management.
- This new voucher category has been established in recognition that environmental stewardship is not only an opportunity for a marketable point of difference, but increasingly a requirement for access to markets. Vouchers may be used for activities including but not limited to renewable packaging design; waste stream repurposing investigation; design for improved water management; and design for renewable energy opportunities.



4. Application and Assessment Process

Applications are to be made using DPIRD's online grants administration system
<https://agric.smartygrants.com.au/AFBvoucherprogramR3>

****BEFORE YOU APPLY****

Applicants who meet the eligibility requirements above, will be requested in the online application form to upload two electronic files:

1. Evidence of a **business plan** for all voucher categories other than Category 1 - Business Planning. Applicants without a business plan are encouraged to apply for a voucher to support development of a business plan. Applications for categories other than Category 1 (or with quotations for activities not deemed business planning) that do not include an uploaded plan or part thereof, will be considered ineligible.
2. A detailed **written quotation** from your proposed Professional Service Provider

Applications will be judged in part on the quality of the quotation provided (see Table 2 - # 3 below). Quotations, at a minimum, should include methodology, deliverables, milestones to voucher redemption, time allocation of specified personnel, travel allowances (if applicable) and a payments schedule. Quotations that do not meet the minimum requirements stated above will be considered ineligible.

Quotations that include evidence of key skills, knowledge and experience of the service providers will be scored favourably. Quotations will not be accepted after the closure date and applications without quotations will be considered ineligible.

Professional Service Providers may submit quotations for up to three applicants for Round 3 the AFB Voucher Program. If quotations submitted by differentially named providers share board members, ownership or key personnel, DPIRD reserves the right to treat the quotations as being submitted by similar entities, to add up to a maximum of three.

If you have any queries or concerns related to the provision of a suitable quotation from your chosen service provider, please contact DPIRD's nominated contact officer (see page 17)

4.1 Assessment Process

- Applications must be submitted by **5:00pm WST on Monday 15 November 2021**. Late applications will not be accepted.
- DPIRD will manage the application process and administer the program. An evaluation panel of independent business professionals will assess applications based on compliance with the eligibility requirements and will score each application against the merit criteria in Table 2.
- Approval of vouchers is made by the Minister for Agriculture and Food after consideration and review of the independent evaluation panel recommendations.

| # | Table 2: Merit Criteria used to evaluate applications | Weighting (%) |
|---|---|---------------|
| 1 | Evidence your proposed activity will contribute to business growth | 25 |
| 2 | Evidence the activity will deliver competitive advantage to your business (new products, new markets, new processes, and/or new systems) | 25 |
| 3 | The relevant experience and track record of the Professional Service Provider, and the 'value for money', and methodology presented in the written quotation. | 25 |
| 4 | Demonstrated supply chain relationships and strategic relationships to understand market and product development opportunities and challenges | 15 |
| 6 | Evidence of existing business planning already undertaken, and how this has identified the need for the proposed activity | 10 |
| | Total | 100% |

- Eligible applicants will be ranked based on their score against the criteria within two pools being metro-based and regionally based businesses. The highest-ranking applicants in each pool will be recommended to the Minister to receive a voucher.
- Work must commence within one month of the notification unless otherwise approved by DPIRD in writing.
- Application evaluation and notification times are dependent on the number of applications received and are subject to change. Applicants will be advised of any changes to the scheduled dates (see Table 3).



**Table 3: Proposed Schedule for Agrifood and Beverage Voucher Program
(Round 3)***

| Activity | Estimated date |
|--|---------------------------------------|
| Round 3 opens for applications | 1 October 2021 |
| Round 3 closes for applications | 5:00pm AWST – 15 November 2021 |
| DPIRD review of applications and evaluation | 16 November – 15 February 2022 |
| Vouchers issued to successful applicants <i>(Professional services must commence within one month of issue of voucher)</i> | Late February 2022 |
| Professional services must be completed and confirmed in writing to DPIRD <i>(DPIRD will pay 50% contribution being up to the value stated on the voucher, directly to the Professional Service Provider)</i> | By 31 July 2022 |

* An additional round of the program may be available in 2022 depending on funding

5. Conditions of Use of Vouchers

- Applicants for vouchers with an existing business plan are able to apply for up to two vouchers this round. Applicants who are unable to provide evidence of a business plan will only be able to apply for one voucher under Category 1, Business Planning.
- Vouchers will be provided on a cash co-contribution basis (the Recipient contributes \$1 for every \$1 of value awarded through the voucher). The Recipient will need to pay a minimum of 50 per cent of the total cost of the services provided as a cash payment to the agreed Professional Service Provider. A copy of the tax invoice/tax receipt must be provided before DPIRD makes payment to the Professional Service Provider for the amount stated on the voucher.
- Vouchers are capped at a maximum value depending on business turnover (refer to Section 2 above). For example, a business with between \$1m and \$10m turnover can only access a voucher up to the value of \$10,000 (excluding GST). If the total cost of services is \$55,000, the voucher will cover the maximum of \$10,000. The remaining \$45,000 must be covered by the applicant. Where two vouchers are applied for, the maximum combined value is \$15,000 (excluding GST).
- Funds from other State and Australian Government funding programs or in-kind contributions cannot form part of the applicant's co-contribution.

6. Validity Period of Vouchers

- Approved voucher activities are to commence within one month of notification of the voucher being awarded and must be completed by 31 July 2022.
- Should activities not be commenced within two months of the voucher being awarded, DPIRD reserves the right to cancel the voucher by providing written notice to the recipient.

7. Payment Conditions

- Payment for the value of the voucher will be directly to the approved Professional Service Provider following confirmation from the Recipient that the services, advice or expertise has been fulfilled, and the applicant has met their co-contribution requirements.
- DPIRD will not be liable to pay the Professional Service Provider until it has received:
 - A valid tax invoice from the approved Professional Service Provider addressed to the Department of Primary Industries and Regional Development, for services as described in the approved quotation and amount stated on the voucher.
 - A Statutory Declaration (Service Completion Form) signed by the Recipient that states that the project has been completed and evidence (such as receipted invoice, or copy of bank transfer receipt) that the Professional Service Provider has received the Recipient's cash co-contribution.
 - The Service Completion Form has been completed in sufficient detail to the satisfaction of DPIRD including any additional evidence requested.
 - The Applicant provides proof that they have paid their co-contribution.
- GST will be paid in addition to the voucher value where applicable.
- Any upfront payments must be covered by the applicant out of their co-contribution to the project.

8. Project Expenditure

- All project expenditure is to be incurred after the voucher has been issued. Vouchers will not be provided for retrospective activities.
- Applicants will need to meet the cost of any ineligible expenditure associated with the approved activity.

8.1 Eligible Expenditure

- Eligible project expenditure for voucher funded activities includes project-related non-capital expenditure required to deliver the project and project-related costs of the Professional Service Provider as agreed by DPIRD upon issue of the voucher.

8.2 Ineligible Expenditure

- Vouchers may not be used to cover 'business as usual' expenses.

- Ineligible expenditure includes the following:
 - a) Capital expenditure;
 - b) Non-strategic or non-planning activities (for example where a business is rebranding, the cost of a marketing plan or brand re-design is eligible, however printing costs or website data hosting is not. Design of advertisements are eligible, however advertising costs are not);
 - c) Internal costs, salaries or resources of the applicant;
 - d) Software and hardware purchases;
 - e) Interpreting and translation (with the exception of branding or promotional translating associated with broader promotional campaigns or for product labeling and packaging under the Sales and Marketing category);
 - f) Costs associated with minor or non-technical alterations of a physical product to suit a specific market;
 - g) Costs associated with applying for government grants and public funding programs;
 - h) Basic professional services such as ongoing, routine accounting, tax and legal business;
 - i) Routine maintenance requirements, licensing, costs associated with export documentation, legal/intellectual property costs and financing fees;
 - j) 'Routine' training courses undertaken as a normal part of operating a business (e.g., a spreadsheet or word processing course) and higher education degrees (e.g. an MBA). Short professional development activities that are shown to DIRECTLY contribute to solving an issue or capturing an opportunity may be considered.
 - k) Services relating to import activities;
 - l) Projects where the primary purpose relates to offshore manufacturing;
 - m) Intellectual property fees and charges associated with registering domestic or international patents or other intellectual property enforcement expenses;
 - n) Any administrative fees or surcharges for administering the expenditures listed above; and
 - o) Any other expenditure as determined by the Department that does not meet program conditions.

9. Further Information

Further information and a link to the online application form can be found on the Department of Primary Industries and Regional Development's website <https://www.agric.wa.gov.au/AFBvoucherprogram>

10. Contact Details

Enquiries prior to one week of the closure date may be directed to Mr Tilwin Westrup, Development Officer at the Department of Primary Industries and Regional Development, 0467 787 133 or email DPIRD's Food branch Foodindustryinnovation@dpiird.wa.gov.au

| AFB Voucher Round 3 | Date | Time (AWST) |
|---|------------------|-------------|
| Applications open (open for 7 weeks) | 01 October 2021 | |
| Applications close | 15 November 2021 | 5.00pm |

