

**Value Add Agribusiness Investment Attraction Fund**

**Frequently Asked Questions (FAQ)**

***Supporting WA agriculture and food businesses***

An initiative of the Department of Primary Industries and Regional Development



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**Frequently Asked Questions**

These Frequently Asked Questions apply to grants for the Value Add Agribusiness Investment Attraction Fund (VAAIAF). Applicants should read this document in conjunction with the **Guidelines for Applicants** prior to submission.

The Fund will open to applications on **Friday** **31st January 2020 at 9:00AM (WST)**

The closing date for applications on **Friday 13th March 2020 at** **5:00PM (WST)**

**Eligibility**

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1.1 Which business or industry sectors are eligible to be considered for funding?

Applicants that meet all of the following criteria are eligible to apply.

* Australian private sector businesses with an Australian Business Number (ABN), registered for GST and that are capable of entering into a legally binding agreement with the Western Australian Government. This includes trustees acting on behalf of trusts.
* The applicant’s main source of revenue (50 percent or more) should be derived from the production or processing of agriculture, food or beverage products.
* The applicant must have been in operation for a minimum of two years.

Business clusters are also encouraged to apply where, a lead business is defined that meets the above criteria and applies and accepts responsibility for contractual obligations on behalf of the business group.

1.2 My business hasn’t been operating for more than two years, am I eligible?

Only businesses that have been operating for a minimum of two years can apply. The requirement for an applicant to be in operation for a minimum of two years is to provide a level of assurance that the business entity has established suitable business models, financial resources and personnel in place to effectively manage the grant funds and deliver the intended project outcomes. A group of businesses that aim to establish a value added processing operation can also apply as long as the lead applicant (who applies on behalf of the group) has been in the agribusiness sector for more than two years. Established businesses launching new enterprises may also apply, but evidence will need to be provided of track record of parent business.

1.3 My business doesn’t have an ABN or CAN – can I apply?

No. Only agriculture and food businesses registered and operating in, or entering into, Western Australia that have an ABN or CAN can apply.

1.4 Can I apply if I have already received a government grant?

Possibly. If the grant you have already received relates to the services or project you are requesting funding for under the Value Add Agribusiness Investment Attraction Fund round 1 (or other DPIRD grant), then you will not be eligible to apply. However, if the grant you have received relates to a different project/aspect of your business then you may still be eligible to apply. You should contact DPIRD before applying.

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**About the Three Funding Components and Eligible Activities**

2.1 What are the three funding components?

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| COMPONENT 1: CAPITAL EXPENDITURE  This component offers $3.0 million total in this round with grants up to $300,000 matched funding (minimum $1:$1) available per business to contribute to capital expenditure related to expansion or relocation of value adding, processing and production in regional Western Australia. |

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| COMPONENT 2: DE-RISKING INVESTMENT  This component offers a total of $550,000 to contribute to costs occurred in businesses undertaking feasibility for regional expansion or relocation of value adding, processing and production; costs associated with undertaking approvals for regional expansion or relocation. Grants of up to $100,000 matched funding (minimum $1:$1) are available for eligible businesses. |

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| COMPONENT 3: AGRIFOOD TECHNOLOGY INVESTMENT  This component offers $1.0 Million to support small to medium value add, processing and production agribusinesses to confidently invest in globally advanced ag-tech and food-tech that will support material growth of expansion of the business. This includes technology that can reduce input costs and environmental impact, improve productivity; and ensure product quality, product provenance and animal welfare. Grants of up to $100,000 matched funding (minimum $1:$1) are available for eligible agribusiness to invest in and implement innovative technology solutions. |

2.2 What Capital Expenditure activities will be funded?

Capital investment funding assistance may be available for:

* new investment or bringing forward investment in existing businesses that creates jobs;
* investment that enables expansion or diversification of business operations that add value through the production process;
* investment in new manufacturing capability, processing or production facilities, new technology or plant modernisation which results in business growth and jobs creation; and
* businesses to move to, or expand into regional Western Australia.

2.3 What De-Risking activities will be funded?

De-Risking funding assistance may be available to support and de-risk project investment decision making including the following:

* Technical consultants;
* Professional services including, accounting, tax, legal and other services;
* Property related services including architect, planners, designers and valuers;
* Product or market analysts and advisors;
* Specialist reports and data services as may be applicable;
* Other advisors or relevant service providers;
* Obtaining regulatory approvals; and
* Obtaining licences necessary to grow operations.

2.4 What Agri-food Technology activities will be funded

Funding assistance to improve productivity, increase throughout, improve product quality or shelf life, improve supply chains or increase competitiveness, including the following:

* Robotics;
* Autonomous equipment;
* Sensory technology;
* Artificial Intelligence;
* 3D printing;
* Shelf-life enhancement technology; and
* Novel farming systems

2.5 Will I need to obtain a quotation?

Yes. Your application will need to include a service proposal/quotation from the service provider(s) you wish to engage or equipment you wish to purchase and/or any other costs. This/these will need to be attached to your application.

2.6 What types of activities are NOT eligible for funding?

Funding cannot be spent on the following:

* Projects that are not located, in or benefitting, regional Western Australia;
* Purchase of land or buildings;
* Study tours/fact finding missions/travel;
* Preparation of grant application materials;
* Core business expenses not directly related to the proposed project;
* Business entertainment expenses;
* Protecting or patenting intellectual property;
* Relocation of employees, employee salaries; and
* Repair or connection to infrastructure or major equipment that could be considered part of normal business or ongoing operations.

2.7 Can I apply to fund activities that have already commenced?

No. Only activities which commence in line with the successful application and which have not commenced prior to notification of successful outcome for this funding.

2.7 When does the project have to be completed by?

The project must be completed within 12 months from the notification that your application has been successful.

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**Application**

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3.1 How do I apply?

All applications must be submitted online using the **SmartyGrants** application form, please see www.agric.wa.gov.au/VAAIAF for more details.

3.2 How will I know if my application has been received?

Once you have submitted your application, you will receive an acknowledgement email that it has been received. Please email investment@drd.wa.gov.au if you don’t receive this.

3.3 Can I update/revise my application after it has been submitted?

Yes. If you wish to revise your application prior to the closing date, please email investment@drd.wa.gov.au and provide your application number to have it re-opened.

3.4 Can I apply under each (or more than one) component?

Yes but applicants will only be eligible to receive ONE grant.

3.5 I am having difficulties with the Smarty Grants application form – who can I contact?

For technical issues or queries with the Smarty Grants application form, please contact investment[@dpird.wa.gov.au](mailto:Chia.DeCosta@dpird.wa.gov.au) or telephone +61 (0)8 9368 3853

**Grant Value**

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4.1 What is the grant value under each component?

Component 1: maximum of $300 000 (per individual grant)

Component 2: maximum of $100 000 (per individual grant)

Component 3: maximum of $100 000 (per individual grant)

4.2 How much do I need to contribute?

Recipients will need to match funding on a minimum of a $1 to $1 basis. For example if your project is a total of $200,000, you may only apply for $100,000.

4.3 What happens if the project cost is more than the maximum amount I can apply for?

If an applicant would like to spend more than the maximum amount (excluding GST), they (the applicant) will be required to pay the excess amount. For example if you apply under component 3 and your project total is $300,000, you may only apply for $100,000 because that is the maximum amount you can apply for under component 3.

4.4 Are grant payments subject to GST?

Grants will not be increased to include GST, nor will DPIRD provide reimbursement for GST.

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**Application Outcome**

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5.1 What is the assessment criteria and process?

Applicants will be assessed on their merit by a panel against the following selection criteria:

1. **Direct Economic Benefits**

How the project will:

* result in direct investment in regional Western Australia;
* create or retain direct employment or create an increased potential for direct employment;
* increase value added production;
* produce additional revenue, exports or potentially replace imports; and
* generate potential long-term benefits that continue after funding has ceased.

1. **Indirect Economic Benefits**

How the project will:

* create indirect employment if applicable, e.g. during construction or associated with the supply chain or other services;
* complement or create an added incentive for other investment to occur, e.g. through the creation of critical mass of an industry sector or through the potential attraction of an industry partner;
* create any benefits for any other groups such as suppliers, transport operators or other service providers; and
* deliver innovation or production productivity benefits e.g. through the introduction of new technology, enhancement of employee skills, improved safety, new management techniques or raising the value of outputs.

1. **Project Feasibility**

Applications should demonstrate:

* that any regulatory requirements including planning and environmental issues have been identified;
* the estimated timeframes for the planning, development, approval and implementation of the project; and
* that project risks have been identified and strategies developed to manage them.

5.2 Will all eligible applicants be successful?

No. All applications will be assessed by the panel individually on their merit with assessment against the criteria described above in 5.1.

5.3 What happens if my application is not eligible or I miss out?

If your application for funding is unsuccessful, an officer from the Agribusiness, Food and Trade team will be available to discuss any other support DPIRD.

5.4 When will grant funds be made available to successful applicants?

Successful applicants will be required to enter into a funding agreement that will set out agreed milestones and outputs for payments. Milestones will be negotiated with the recipient. Generally payments will be made on a reimbursement basis, however there may be examples where a deposit payment can be made in advance on a case by case basis.

5.5 What are the project reporting and evaluation requirements?

Progress reports will be required to demonstrate progress towards achievement of agreed milestones and outputs and that funds are being spent in accordance with the funding agreement. A final report and evaluation will also be required.

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**Have another question?**

Get in touch with an Agribusiness, Food and Trade team member on +61 (0)8 9368 3853 or email investment@drd.wa.gov.au



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