

# On-farm Emergency Water Infrastructure Rebate Scheme

FEDERATION FUNDING AGREEMENT - ENVIRONMENT

Formalities and operation of schedule	
Parties	<p>Commonwealth of Australia</p> <p>New South Wales</p> <p>Victoria</p> <p>Queensland</p> <p>Western Australia</p> <p>South Australia</p> <p>Tasmania</p> <p>Australian Capital Territory</p> <p>Northern Territory</p>
Effect on other agreements	<p>The Project Agreement for an On-farm Emergency Water Infrastructure Rebate Scheme that commenced on 14 December 2018 and Schedules A to I to the Project Agreement is replaced by the Federation Funding Agreement – Environment (the Agreement) and this Schedule to the Agreement.</p> <p>This Schedule is expected to expire on 30 June 2022.</p>
Output and Purpose	<p>This Schedule will provide funding for rebates to eligible primary producers and horticulture farmers for the costs associated with the purchase and installation of on-farm water infrastructure that addresses animal welfare needs, permanent planting needs and improves resilience to drought.</p>

Estimated financial contributions

Under the initial Scheme, the Commonwealth will provide an estimated total financial contribution to the States of up to \$4.51 million in 2020-21 and up to \$3.24 million for jurisdiction administration costs in 2021-22 in respect of this Schedule, noting this does not include payments made under previous agreements. All payments are exclusive of GST.

<b>Table 1 (\$ million)</b>	2020-21 (actuals)	2021-22
<b>Estimated total budget</b>	<b>4.51</b>	<b>4.62</b>
<b>Less estimated National Partnership Payments</b>	<b>4.51</b>	<b>3.24</b>
New South Wales	0.00	1.38
Victoria	0.00	0.19
Queensland	3.00	0.18
Western Australia	0.25	TBA
South Australia	1.00	0.25
Tasmania	0.20	TBA
Australian Capital Territory	0.05	TBA
Northern Territory	0.00	TBA
<b>Unallocated funds</b>	<b>0.00</b>	<b>1.24</b>
<b>Balance of non-Commonwealth contributions</b>	<b>0.00</b>	<b>1.38</b>

The Commonwealth will provide an additional estimated total financial contribution to the States of up to \$50 million in respect of this Schedule, noting this does not include payments made under the previous agreement. States will be paid the value of funding for legacy rebates received before 2 October 2020 on the condition that they participate in the expansion of the Scheme by co-funding all future applications. All payments are exclusive of GST.

<b>Table 2 (\$ million)</b>	2020-21 (actuals)	2021-22
<b>Estimated total budget (1)</b>	<b>2.61</b>	<b>68.1</b>
<b>Estimated National Partnership Payments (2)</b>	<b>2.43</b>	<b>47.6</b>
New South Wales	0.00	20.5
Victoria	0.00	1.64
Queensland	0.00	3.60
Western Australia	2.43	TBA
South Australia	0.00	6.50
Tasmania	0.00	TBA
Australian Capital Territory	0.00	TBA
Northern Territory	0.00	TBA
<b>Unallocated funds</b>	<b>0.00</b>	<b>15.4</b>

	<b>Balance of non-Commonwealth contributions</b> <b>(3) = (1) – (2)</b>	<b>0.18</b>	<b>20.6</b>
<b>Additional terms</b>	<p>Guidance on eligible project activities is at Appendix A.</p> <p>In providing rebates to primary producers and horticulture farmers, the States must be satisfied that the rebate recipient has demonstrated that they are from the grazing or horticulture industries and drought affected.</p> <p>'Drought-affected' will be defined in State program guidelines for the rebate scheme. The definition of drought-affected may be amended over the life of the scheme in consultation with the Commonwealth as conditions change and will be published as required.</p> <p>Rebates will be 25 per cent of the costs incurred by primary producers and horticulture farmers, up to a maximum total rebate of \$25,000, for eligible activities undertaken. States will be paid the value of funding for legacy rebates received before 2 October 2020 on the condition that they participate in the expansion of the Scheme by co-funding all future applications for at least 12.5 per cent of costs incurred.</p> <p>As part of milestone reporting, States are required to provide evidence of payments made to eligible farmers regarding both Commonwealth and non-Commonwealth contributions.</p>		

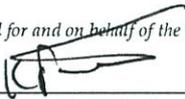
**Table 3A: New South Wales – Performance requirements, reporting and payment summary**

Output	Performance milestones	Report due	Payment
<p><u>2021-22</u></p> <p>Scheme expansion – New infrastructure to water livestock and permanent plantings for drought affected farm businesses</p>	<p><i>Milestone 1</i></p> <p>Payments at 25 per cent of expenses (100 per cent Commonwealth funding) made to eligible legacy primary producers and horticulture farmers for the period 1 January 2020 to 1 October 2020 consistent with this Schedule.</p>	28 May 2021	Legacy payment 1 – Value of legacy rebates received under prior arrangements from 1 January 2020 to 1 October 2020 up to \$5.46 million.
	<p><i>Milestone 2</i></p> <p>Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent New South Wales funding) made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 2 October 2020 to 31 October 2021.</p> <p>Co-funded payment for administration arrangements for the delivery of an On-farm Emergency Water Infrastructure Rebate Scheme.</p>	15 November 2021	<p>Value of Commonwealth funded rebates paid from 2 October 2020 to 31 October 2021 up to \$15 million.</p> <p>Plus \$687,500 for Commonwealth-funded administration costs</p>
	<p><i>Milestone 3</i></p> <p>Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent New South Wales funding) made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 1 November 2021 to 31 January 2022.</p>	15 February 2022	Value of Commonwealth funded rebates 1 November 2021 to 31 January 2022 up to \$15 million, less payments for rebates under this Schedule already provided to NSW in 2021-22.
	<p><i>Milestone 4</i></p> <p>Payments at 25 per cent of expenses (100 per cent Commonwealth funding) made to eligible legacy primary producers and horticulture farmers for the period 1 January 2020 to 1 October 2020 consistent with this Schedule for the completion of the initial scheme.</p>	15 February 2022	Legacy payment 2 – Value of legacy rebates received under prior arrangements from 1 January 2020 to 1 October 2020 up to \$5.46 million, less payments for legacy rebates under this Schedule already provided to NSW in 2021-22.
	<p><i>Milestone 5</i></p> <p>Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent New South Wales funding) made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 1 February 2022 to 30 April 2022 for the completion of the expanded scheme.</p>	15 May 2022	Value of Commonwealth funded rebates 1 February 2022 to 30 April 2022 up to \$15 million, less payments for rebates under this Schedule already provided to NSW in 2021-22.

Schedule

	Co-funded payment for administration arrangements for the delivery of an On-farm Emergency Water Infrastructure Rebate Scheme.	Plus \$687,500 for Commonwealth-funded administration costs
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Signed for and on behalf of the Commonwealth of Australia by

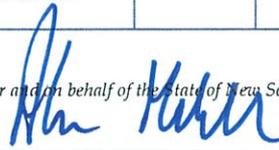


**The Honourable Keith Pitt MP**  
Minister for Resources, Water and Northern Australia

[Day] [Month] [Year]

12/5/21

Signed for and on behalf of the State of New South Wales by



**The Honourable Adam Marshall MP**  
Minister for Agriculture and Western New South Wales

[Day] [Month] [Year]

13/5/21

**Table 3B: Victoria – Performance requirements, reporting and payment summary**

Output	Performance milestones to be demonstrated by the State of Victoria	Report due	Payment Amount
<p><u>2021-22</u></p> <p>The State of Victoria will be responsible for administering further rebates in Victoria in accordance with this Schedule.</p> <p>The rebate scheme is being expanded to cover: new infrastructure to water livestock; permanent plantings; and improvements for resilience to drought, for drought affected farm businesses</p>	<p><i>Milestone 1</i></p> <p>Evidence of payments made by Victoria for eligible rebates received prior to 1 October 2020 consistent with schedule H of the Project Agreement. In accordance with that schedule, rebates are equal to 25% of the total costs of eligible expenses claimed by rebate applicant (100% Commonwealth funding).</p>	<p>On both parties signing the Schedule</p>	<p>An amount equal to the value of legacy rebates paid under previous arrangement conditions up to \$776,650.</p>
	<p><i>Milestone 2</i></p> <p>Administration arrangements for the delivery of the On-farm Emergency Water Infrastructure Rebate Scheme being administered under this Schedule (100% Commonwealth funding) evidenced by an invoice.</p>	<p>15 November 2021</p>	<p>\$192,500 for administration costs.</p>
	<p><i>Milestone 3</i></p> <p>Evidence of payments of rebates paid to eligible primary producers and horticulture farmers in accordance with this Schedule (being rebates equal to 25% of the total costs of eligible expenses claimed by rebate applicants) from the date this Schedule is signed to 31 October 2021.</p> <p>For the avoidance of doubt:</p> <ul style="list-style-type: none"> <li>• the rebates will be co-funded equally between the Commonwealth and the State of Victoria, i.e. the rebates will be made up of 50% Commonwealth funding and 50% Victorian funding</li> <li>• evidence will be the provision of aggregated data that will report the number of applications, the local government area of the applicant and the type of investment made with the rebate.</li> </ul>	<p>15 November 2021</p>	<p>An amount equal to the value of the Commonwealth's contribution for any rebates paid by the State of Victoria from the date this Schedule is signed to 31 October 2021 up to \$862,540.</p>
	<p><i>Milestone 4</i></p> <p>Evidence of payments of rebates paid to eligible primary producers and horticulture farmers in accordance with this Schedule (being rebates equal to 25% of the total costs of eligible expenses claimed by rebate applicants) for the period 1 November 2021 to 13 May 2022.</p> <p>For the avoidance of doubt:</p>	<p>16 May 2022</p>	<p>An amount equal to the value of the Commonwealth's contribution for any rebates paid by the State of Victoria from 1 November 2021 to 13 May 2022 up to a maximum figure equal to \$862,540 minus any payment</p>

- the rebates will be co-funded equally between the Commonwealth and the State of Victoria, i.e. the rebates will be made up of 50% Commonwealth funding and 50% Victorian funding.
- evidence will be the provision of aggregated data that will report the number of applications, the local government area of the applicant and the type of investment made with the rebate.

amount made in accordance with Milestone 3.

For the avoidance of doubt the maximum amount payable by the Commonwealth under both Milestones 3 and 4 is \$862.540 and the maximum amount payable by the State of Victoria towards rebates being administered under this Schedule is \$862.540 (and noting that the State of Victoria can apply the legacy payment being provided to it under Milestone 1 towards its maximum contribution value).

If the Scheme is terminated before the end date of this Schedule, the Commonwealth will pay its percentage funding contribution to the value of rebates paid by Victoria up to the termination date, and its percentage funding contribution for rebates approved in-principle by Victoria as at the termination date and that are subsequently paid to the applicant by the administrator, up to a maximum of \$862,540, minus any amount for rebates which has already been paid.

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



**The Honourable Keith Pitt MP**  
Minister for Resources and Water

[Day] [Month] [Year]

6/8/21

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



**The Honourable Mary-Anne Thomas MP**  
Minister for Regional Development and Agriculture

[Day] [Month] [Year]

6 September 2021

Table 3C: Queensland – Performance requirements, reporting and payment summary			
Output	Performance milestones	Report due	Payment
<u>2020-21</u> New infrastructure to water livestock and permanent plantings for drought affected farm businesses	<b>Milestone 1</b> Payments made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 1 January 2020 to 30 April 2021.	1 May 2021	Value of rebates paid from 1 January 2020 to 30 April 2021, up to \$3 million, excluding the value of any payments for rebates disbursed under this Schedule for the period 1 May 2019 to 30 April 2020.
<u>2021-22</u> Scheme expansion – New infrastructure to water livestock and permanent plantings for drought affected farm businesses under the expansion of the Scheme	<b>Milestone 2</b> Payments at 25 per cent of expenses (100 per cent Commonwealth funding) made to eligible legacy primary producers and horticulture farmers consistent with this Schedule for the period 1 January 2020 to 1 October 2020.	15 July 2021	Value of legacy rebates received under prior arrangements from 1 January 2020 to 1 October 2020 up to \$1.7 million.
	<b>Milestone 3</b> Co-funded payments at 25 per cent (50 per cent Commonwealth funding and 50 per cent Queensland funding) made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 2 October 2020 to 31 October 2021.	15 November 2021	Value of Commonwealth funded rebates paid from 2 October 2020 to 31 October 2021 up to \$1.9 million.
	<b>Milestone 4</b> Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent Queensland funding) made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 1 November 2021 to 31 January 2022.	15 February 2022	Value of Commonwealth funded rebates paid from 1 November 2021 to 31 January 2022 up to \$1.9 million, less payments for rebates under this Schedule already provided to Qld in 2021-22.
	<b>Milestone 5</b> Co-funded payments at 25 per cent (50 per cent Commonwealth funding and 50 per cent Queensland funding) made to eligible primary producers and horticulture farmers consistent with this Schedule for the period 1 February 2022 to 30 April 2022.  Payment for administration arrangements for the delivery of an On-farm Emergency Water Infrastructure Rebate Scheme.	15 May 2022	Value of Commonwealth funded rebates paid from 1 February 2022 to 30 April 2022 up to \$1.9 million, less payments for rebates under this Schedule already provided to Qld in 2021-22.  Plus \$180,000 for Commonwealth funded administration costs

Signed for and on behalf of the Commonwealth of Australia by

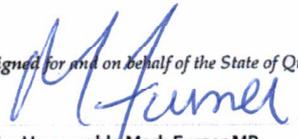


The Honourable Keith Pitt MP  
Minister for Resources, Water and Northern Australia

[Day] [Month] [Year]

12/5/21

Signed for and on behalf of the State of Queensland by



The Honourable Mark Furner MP  
Minister for Agricultural Industry Development and Fisheries

[Day] [Month] [Year]

14/5/2021

**Table 3E: South Australia – Performance requirements, reporting and payment summary**

Output	Performance milestones	Report due	Payment
<p><u>2020-21</u> Initial Scheme - New infrastructure to water livestock and permanent plantings for drought affected farm businesses</p>	<p><i>Milestone 1</i> Payments made to eligible primary producers and horticulture farmers in accordance with this Schedule for the period 23 June 2020 to 30 April 2021.</p>	<p>31 May 2021</p>	<p>Value of rebates paid from 23 June 2020 to 30 April 2021 up to \$1 million.</p>
<p><u>2021-22</u> Scheme expansion – New infrastructure to water livestock and permanent plantings for drought affected farm businesses</p>	<p><i>Milestone 2</i> Payments at 25 per cent Commonwealth funding made to eligible legacy primary producers and horticulture farmers in accordance with this Schedule for the period 1 January 2020 to 1 October 2020.</p>	<p>30 September 2021</p>	<p>Value of legacy rebates received under prior arrangements from 1 January 2020 to 1 October 2020 up to \$3.7 million.</p>
	<p><i>Milestone 3</i> Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent South Australian funding) made to eligible primary producers and horticulture farmers in accordance with this Schedule for the period 2 October 2020 to 10 June 2021.</p>	<p>30 September 2021</p>	<p>Value of Commonwealth funded rebates paid from 2 October 2020 to 10 June 2021 up to \$200,000.</p>
<p><u>2021-22</u> Scheme expansion – New infrastructure to water livestock and permanent plantings for drought affected farm businesses</p>	<p><i>Milestone 4</i> Administration arrangements for the delivery of an On-farm Emergency Water Infrastructure Rebate Scheme.</p>	<p>15 November 2021</p>	<p>\$250,000 for administration costs.</p>
	<p><i>Milestone 5</i> Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent South Australian funding) made to eligible primary producers and horticulture farmers in accordance with this Schedule for the period 11 June 2021 to 31 October 2021.</p>	<p>15 November 2021</p>	<p>An amount equal to the value of Commonwealth’s contribution for any rebates paid by the State of South Australia from 11 June 2021 to 31 October 2021 up to \$2.6 million.</p>
	<p><i>Milestone 6</i> Co-funded payments at 25 per cent of expenses (50 per cent Commonwealth funding and 50 per cent South Australian funding) made to eligible primary producers and horticulture farmers in accordance with this Schedule for the period 1 November 2021 to 30 April 2022.</p>	<p>16 May 2022</p>	<p>An amount equal to the value of Commonwealth’s contribution for any rebates paid by the State of South Australia from 1 November 2021 to 30 April 2022 up to a maximum of \$2.6 million minus any payment amount made in accordance with Milestone 5.</p>

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



**The Honourable Keith Pitt MP**

Minister for Resources, Water and Northern Australia

[Day] [Month] [Year]

31 / 5 / 21

*Signed for and on behalf of the State of South Australia by*



**The Honourable David Basham MP**

Minister for Primary Industries and Regional Development

[Day] [Month] [Year]

7<sup>th</sup> June 2021

## APPENDIX A: GUIDANCE TO STATES ON ELIGIBILITY FOR COMMONWEALTH FUNDING UNDER THE REBATE SCHEME

- A1 Eligible applicants must:
- a. be a primary producer or horticulture farmer (as defined by the state or territory in relation to delivering the rebate scheme)
  - b. be property owners, share farmers or lease holders in the grazing industry
  - c. purchase and install water infrastructure for grazing livestock or permanent plantings that the landholder owns (not stock agisted on their property).
- A2 The property must be within an area defined by the state or territory as being drought impacted as defined in accordance with this schedule.
- A3 Water infrastructure must be purchased and installed for an animal welfare or permanent planting need and to improve drought resilience.
- A4 Eligibility for the rebate for primary producers applies to:
- a. water infrastructure purchased after 30 June 2018
  - b. the purchase and installation of:
    - i. pipes
    - ii. water storage devices such as tanks and troughs associated with stock watering
    - iii. water pumps and associated water distribution systems
  - c. the drilling of new stock water bores and associated power supply such as generators
  - d. desilting dams
  - e. other activities as agreed by the Commonwealth and consistent with the Output and Purpose of this Schedule for applications received from 2 October 2020.
- A5 Eligibility for the rebate for horticulture farmers applies to:
- a. water infrastructure purchased after 30 June 2019
  - b. the purchase and installation of:
    - i. the drilling of new horticulture groundwater bores
    - ii. desilting dams
  - c. other activities as agreed by the Commonwealth and consistent with the Output and Purpose of this Schedule for applications received from 2 October 2020.