

# Agricultural Value Add Opportunities Grant Program and Amended Horticultural Netting Program – trial

## FEDERATION FUNDING AGREEMENT - ENVIRONMENT

<b>Table 1: Formalities and operation of schedule</b>	
Parties	Commonwealth Victoria Queensland Western Australia New South Wales Tasmania Northern Territory
Duration	This Schedule is expected to expire on 30 June 2026.
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, and for other purposes as described below.</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 was 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 also includes New South Wales, Tasmania and the Northern Territory as Parties.</p> <p>This Schedule was amended in 2025 to allow the Northern Territory to use residual Commonwealth funding allocated to Northern Territory to support delivery of an additional round of the Northern Territory’s Agricultural Value Add Opportunities Grant Program.</p>

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<p>Estimated financial contributions</p>	<p>The Commonwealth will provide an estimated total financial contribution to the States of \$42.0 million in respect of this Schedule.</p> <hr/> <p><b>Table 1</b> <b>(\$ million)</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 15%; text-align: center;">2020-21</th> <th style="width: 15%; text-align: center;">2021-22</th> <th style="width: 10%; text-align: center;">Total</th> </tr> </thead> <tbody> <tr> <td><b>Estimated total budget</b></td> <td style="text-align: center;"><b>9.0</b></td> <td style="text-align: center;"><b>33.0</b></td> <td style="text-align: center;"><b>42.0</b></td> </tr> <tr> <td><b>Less estimated National Partnership</b></td> <td style="text-align: center;"><b>9.0</b></td> <td style="text-align: center;"><b>33.0</b></td> <td style="text-align: center;"><b>42.0</b></td> </tr> <tr> <td>- VIC</td> <td style="text-align: center;">4.6</td> <td style="text-align: center;">11.2</td> <td style="text-align: center;">15.9</td> </tr> <tr> <td>- QLD</td> <td style="text-align: center;">2.2</td> <td style="text-align: center;">10.9</td> <td style="text-align: center;">13.1</td> </tr> <tr> <td>- WA</td> <td style="text-align: center;">2.2</td> <td style="text-align: center;">2.6</td> <td style="text-align: center;">4.8</td> </tr> <tr> <td>- NSW</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">5.9</td> <td style="text-align: center;">5.9</td> </tr> <tr> <td>- TAS</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">1.9</td> <td style="text-align: center;">1.9</td> </tr> <tr> <td>- NT</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">0.4</td> <td style="text-align: center;">0.4</td> </tr> <tr> <td><b>Balance of non-Commonwealth contributions</b></td> <td style="text-align: center;"><b>0.0</b></td> <td style="text-align: center;"><b>0.0</b></td> <td style="text-align: center;"><b>0.0</b></td> </tr> </tbody> </table>		2020-21	2021-22	Total	<b>Estimated total budget</b>	<b>9.0</b>	<b>33.0</b>	<b>42.0</b>	<b>Less estimated National Partnership</b>	<b>9.0</b>	<b>33.0</b>	<b>42.0</b>	- 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	<b>Balance of non-Commonwealth contributions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<p>Additional terms</p>	<p>For the purpose of this Schedule:</p> <ul style="list-style-type: none"> <li>• Eligible 'primary producers' and 'eligible businesses' for each State can be found at Table 2 Appendix A – Project Eligibility Criteria for the respective State.</li> </ul>																																								

**Table 2 Appendix A – Project Eligibility Criteria**

**Guidance to the Northern Territory on eligibility for Commonwealth funding under the Horticultural Netting Program.**

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 14 December 2021.
  - a) The Northern Territory 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 horticultural produce;
  - 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 horticultural production prior to 14 December 2021.
4. 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.
5. Protective netting must be purchased and installed after 14 December 2021.
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 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 viticulture.

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9. All funding is to be contracted by the Northern Territory by 30 June 2024 with completion of all works to be finalised by, and payments made to grantees by, 30 June 2025.
10. It is requested that the Northern Territory consult with the horticulture industry in that State in developing program guidelines.

**Guidance to the Northern Territory on eligibility for Commonwealth funding for the Agricultural Value Add Opportunities Grant Program – Round 2**

1. A maximum of \$257,000 of Commonwealth funding is available for the Agricultural Value Add Opportunities Grant Program – Round 2.
2. Payments to eligible businesses will be up to 50 per cent of costs incurred by the business, up to a maximum of \$50,000 for eligible activities.
  - a. The Northern Territory may choose to lower the maximum amount of payments to eligible businesses.
3. To be an 'eligible business' applicants must comply with all of the following:
  - a. Be registered with the Australian Taxation Office as a primary production business or a 'linked industry'; and
  - b. Be a 'Territory Enterprise'; and
  - c. Hold a valid Australian Business Number; and
  - d. Be fully compliant with its obligations under its governing legislation; and
  - e. Be financial stable and solvent; and
  - f. Not be an 'excluded entity'.
4. A 'Territory Enterprise' is a business that satisfies all of the following:
  - a. Operating in the Northern Territory – the enterprise is actively trading out of premises located in the Northern Territory; and
  - b. Has a significant permanent presence – the business maintains an office, manufacturing facilities or other permanent base within the Northern Territory; and employs Northern Territory residents.
5. A 'linked industry' includes:
  - a. A business involved in processing and manufacturing of raw agricultural products into finished goods. This includes activities such as food and fibre processing, packaging, and preservation; or
  - b. An industry body representing NT Primary Producers.
6. An 'excluded entity' is an entity that is a public or private school, private or public educational institution, government agency, government owned body, statutory corporation or local government body.
7. All funding is to be contracted by the Northern Territory by 30 June 2025 with completion of all works

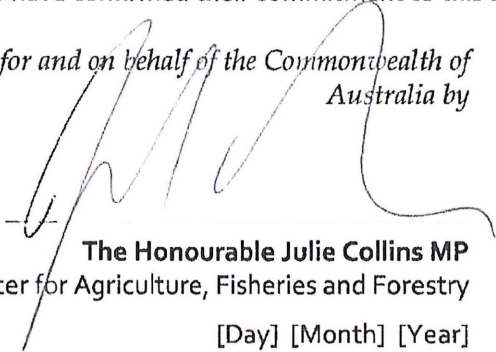
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and payments made to grantees by 30 June 2026.

8. Northern Territory will develop program guidelines consistent with current Agricultural Value Add Opportunities Grant Program.

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

Signed for and on behalf of the Commonwealth of  
Australia by



The Honourable Julie Collins MP  
Minister for Agriculture, Fisheries and Forestry

[Day] [Month] [Year]

28 01 2025

Signed for and on behalf of the  
Northern Territory by



Hon Gerard Maley MLA  
Minister for Agriculture and Fisheries

[Day] [Month] [Year]

27-2-25

<b>Table 2: Performance requirements, reporting and payment summary</b>			
<b>Outputs</b>	<b>Performance milestones</b>	<b>Report due</b>	<b>Payment</b>
<p><b>1. For the Horticultural Netting Program</b></p> <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>	Execution of funding agreement	30/04/2022	\$365,740
	Report detailing all aspects of delivery from commencement to 30 June 2022 Report to include an implementation plan for the delivery of the Program	30/04/2022	Nil
	Report detailing all aspects of delivery from 1 July 2022 to 31 December 2022	31/01/2023	Nil
	Report detailing all aspects of delivery from 1 January 2023 to 30 June 2023	31/07/2023	Nil
	Report detailing all aspects of delivery from 1 July 2023 to 31 December 2023	31/01/2024	Nil
	Report detailing all aspects of delivery from 1 January 2024 to 30 June 2024	31/07/2024	Nil
	Report detailing all aspects of delivery from 1 July 2024 to 31 December 2024	31/01/2025	Nil
	Report detailing all aspects of delivery from 1 January 2025 to 30 June 2025	31/07/2025	Nil
	Report detailing all aspects of delivery from 1 July 2025 to 31 December 2025	31/01/2026	Nil
	Report detailing all aspects of delivery from 1 January 2026 to 30 June 2026	31/07/2026	Nil
<p><b>2. For the Agricultural Value Add Opportunities Grant Program</b></p> <p>Delivery of funds to eligible businesses that support the objectives of the Northern Territory Agricultural Value Add Grant Program.</p> <p><b>Reports to include:</b></p> <p><b>1. For the Horticultural Netting Program</b></p> <p>Payments to primary producers:</p> <ul style="list-style-type: none"> <li>• number of grants;</li> <li>• average grant value;</li> <li>• total grant value.</li> </ul> <p>Crops:</p> <ul style="list-style-type: none"> <li>• average hectares covered by total grant value;</li> <li>• hectares covered by commodity;</li> <li>• total hectares covered.</li> </ul>			

<p>Location:</p> <ul style="list-style-type: none"><li>• region within the State in which grantee farm is located.</li></ul> <p>Progress with purchase and installation of horticultural netting funding through this Program.</p> <p><b>2. For the Agricultural Value Add Opportunities Grant Program</b></p> <p>Payments to eligible businesses:</p> <ul style="list-style-type: none"><li>• number of grants;</li><li>• average grant value;</li><li>• total grant value.</li></ul> <p>Payment by Industry type:</p> <ul style="list-style-type: none"><li>• number of grants by agricultural industry;</li><li>• value of grants by agricultural industry</li></ul> <p>Payment by location:</p> <ul style="list-style-type: none"><li>• region within the State in which grantee is located.</li></ul> <p>Progress with contracting of funding agreements through this Program.</p>			
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