

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 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.</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>The Schedule was amended in 2022 to also include New South Wales, Tasmania and the Northern Territory as Parties.</p> <p>This Schedule was amended in 2025 to extend the duration of the Schedule to 2026.</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>Table 1 (\$ 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, 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.

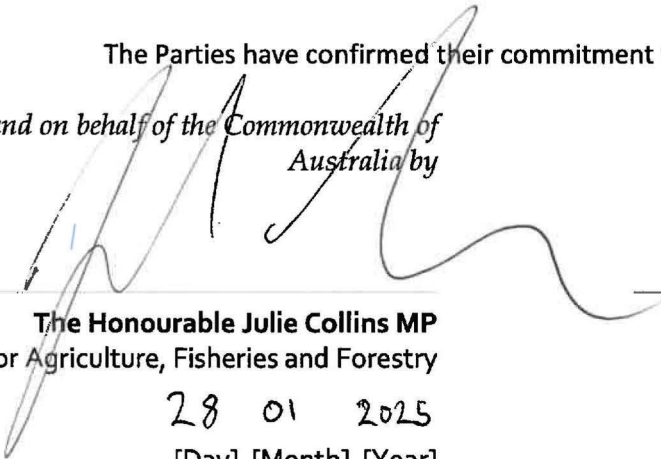
Funds provided in the 2021-22 financial year

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.
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- a) Projects that have already received assistance from State or Commonwealth grants to achieve the same objectives;
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 - 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, 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 2025 with completion of all works to be finalised by, and payments made to grantees by, 30 June 2026.
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 2026.

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
28 01 2025
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by



The Honourable Ros Spence MP
Minister for Agriculture
26 2 25
[Day] [Month] [Year]

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