

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 2025.																																								
Purpose	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. 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 \$9m estimated total financial contribution to those States (outlined in Table 1 below). This Schedule has been amended for the Commonwealth to provide an additional \$33m estimated financial contribution to States in the 2021 – 2022 financial year. This amended Schedule now also includes New South Wales, Tasmania and the Northern Territory as parties.																																								
Estimated financial contributions	The Commonwealth will provide an estimated total financial contribution to the States of \$42.0 million in respect of this Schedule. <table><tr><th>Table 1 (\$ million)</th><th>2020-21</th><th>2021-22</th><th>Total</th></tr><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></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	For the purpose of this Schedule: 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 New South Wales on eligibility for Commonwealth funding under the Horticultural Netting Program.

1. The State of New South Wales will make available a total pool of \$5,620,124 for payments to eligible primary producers.
2. The State of New South Wales will retain \$295,796 from the State's \$5,915,920 for its cost of administering the funding.
3. Payments to eligible primary producers will be up to 50 per cent of the costs incurred by primary producers, up to a maximum of \$150,000 for eligible activities undertaken from 14 December 2021.
 - a) The State of New South Wales may choose to lower the maximum amount of payments to eligible primary producers.
4. 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.
5. The land on which netting is to be installed must have an established use of horticultural production prior to 14 December 2021.
6. 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.
7. Protective netting must be purchased and installed after the date the program opens in New South Wales.
8. Eligibility for the payment applies to the purchase and installation of permanent and throw-over protective netting and associated support structures.
9. Grower co-contributions may include funds provided through loans from the Commonwealth Regional Investment Corporation.
10. 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;

WITHOUT PREJUDICE

- d) Retrospective funding for purchase or works carried out prior to the date the program opens in New South Wales;
- 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.

11. All funding is to be contracted by the State of New South Wales by 30 June 2024 with completion of all works to be finalised by, and payments made to grantees by, 30 June 2025.

12. It is requested that the State of New South Wales consult with the horticulture industry in that State in developing program guidelines.

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

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



The Honourable David Littleproud MP
Minister for Agriculture and Northern
Australia

[Day] [Month] [Year]

31 March 22

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



Hon Dugald Saunders MP
Minister for Agriculture and Western New
South Wales

[Day] [Month] [Year]

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Table 2: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
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. Reports to include: Payments to primary producers: • number of grants; • average grant value; • total grant value. Crops: • average hectares covered by total grant value; • hectares covered by commodity; • total hectares covered. Location: • region within the State in which grantee farm is located. Progress with purchase and installation of horticultural netting funding through this Program.	Execution of funding agreement	30/04/2022	\$5,915,920
	Report detailing all aspects of delivery from commencement to 30 June 2022	30/04/2022	Nil
	Report to include an implementation plan for the delivery of the 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