



Primary Industry Support Package (PISP) – Critical Producer Grant (CPG) – Private Native Forestry and Timber Plantations Guidelines

DRAFT

1. Objective

To provide funding to private native forestry (PNF) and authorised timber plantation area operators impacted by the February / March 2022 NSW Severe Weather and Flooding (AGRN 1012) (**the Events**) to assist with damage repair, job security, and build resilience to reduce the impact of future adverse events.

2. Assistance available

Applications Open Date: 16 September 2022

Applications Close Date: 30 June 2023 or until the program funding is fully allocated, whichever occurs first.

Activities Completion Date: 31 May 2024

The following assistance is available:

- 2.1 grants of up to \$10,000 per damaged *PNF Plan Area* or *Authorised Timber Plantation Area*;
- 2.2 all applications must be submitted by the Applications Close Date. All activities and expenditure must be completed and all supporting documentation must be submitted by the Activities Completion Date;
- 2.3 the Department of Regional NSW (the Department) will endeavour, but is not obliged, to provide advance notification of early closure or an extension of the Applications Close Date under the Critical Producer Grant Program. In the event of an early close, the Department will review received applications for eligible applicants. Early closure of the Program will not impact funding for projects that have already been approved. In the event of an extension or early closure of the Program, applicants and Department stakeholders will be notified and public-facing content will be updated consistently;
- 2.4 the availability of assistance is subject to funds being available. No assistance will be offered beyond the allocated funding;
- 2.5 a lack of notification by the Department, or an applicant's lack of awareness of early closure of the Program will not be grounds for consideration of applications received after the Applications Close Date;
- 2.6 All information in these guidelines should be read in conjunction with the Critical Producer Grant Program Framework – nsw.gov.au/criticalproducergrant.

3. Eligibility

To be eligible for this grant the following conditions must be met:

- 3.1 *you* must be directly impacted by the Events;
- 3.2 *you* are an existing primary producer or primary production enterprise and have an existing *PNF Plan* and/or
- 3.3 *you* are an *authorised timber plantation area* owner impacted by and operating in [one of the disaster declared local government areas \(LGAs\) for the Events](#);
- 3.4 *your* business operates as an incorporated entity or trust (including a trust with a corporate or individual trustee);
- 3.5 *your* business has an active Australian Business Number (ABN), Australian Company Number (ACN), or has registration with NSW Fair Trading under the Associations Incorporation Act 2009 which is active at the time of *your* application and was active at the time of the Events;
- 3.6 *you* have or are willing to purchase at least \$20 million in public liability insurance;
- 3.7 *you* intend to continue or re-establish the *primary production enterprise*;



- 3.8 *you* have costs that *you* have incurred and/or will incur as a result of the Events that have not been claimed and are not able to be claimed through any other State or Australian government program of assistance and/or private insurance;
- 3.9 *you* have, or will have *evidence* of costs incurred.

4. Eligible activities

Activities must be related to the:

- 4.1 replacement and/or restoration of key *physical assets* on landholdings managed for PNF or *authorised timber plantation area*;
- 4.2 the costs of road and snig track stabilisation and/or sediment control in flood affected landholdings with an existing *PNF Plan* or *authorised timber plantation area*;
- 4.3 the costs of groundcover reestablishment and/or erosion sedimentation control on landholdings with an existing *PNF Plan* or *authorised timber plantation area*.

5. Eligible costs

Eligible costs include:

- 5.1 costs for the replacement of groundcover and growing stock including:
 - a) for PNF operations - purchase of native grass seeds and/or native hardwood seedlings and planting costs (one replanting cycle only) - to assist with the installation of groundcover
 - b) for authorised timber plantation area operations - purchase of seedlings, ground preparation and planting costs to replant damaged areas
 - c) machine and equipment hire and/or operational costs for ground preparation
- 5.2 costs for the replacement of damaged physical assets including road, snig track and/or unsealed trafficable operational areas remediation for:
 - a) hire, mobilisation and/or operation of earth moving and road building equipment
 - b) purchase and establishment of capital costs for erosion sedimentation control measures
- 5.3 costs incurred from the date of the Events until the Activities Completion Date.

6. Ineligible costs

Ineligible costs are:

- 6.1 claims for activities that commenced prior to the Events;
- 6.2 costs already funded by producer-specific insurance, aside from circumstances where items were under-insured in relation to the damage incurred or where there is an excess for like-for-like replacement. *Specific evidence* will be requested in these circumstances;
- 6.3 costs already funded under other State or Commonwealth government assistance measures;
- 6.4 purchase of equipment, *physical assets* or works not linked to replacement or repair of *directly damaged physical assets*, or replacement or repairs that do not increase *resilience to future events*;
- 6.5 costs to cover lost earnings as a result of the Events;
- 6.6 costs to cover the purchase of land and/or ongoing lease costs;
- 6.7 costs or claims not related to *direct* damage from the Events;
- 6.8 staff salary and/or wages, or any costs that could be considered as 'business as usual' expenses unrelated to the *direct damage* from the Events;
- 6.9 funding cannot be used for expansion activities or for areas that were not in active production;
- 6.10 clean-up works that clear undamaged vegetation, land or trees;
- 6.11 costs related to damage to residential property.

7. Assessment

- 7.1 Applications will be assessed against the eligibility criteria and must be supported by *evidence* of *direct damage*.



- 7.2 When asking for financial information, the Department can ask for personal tax returns in addition to financial information for all business entities with which the applicant has a formal interest, including companies, partnerships and self-managed super funds. The Department may draw on financial information, including tax return documentation, provided for previously *approved* applications.
- 7.3 The Department reserves the right to request further information from *you* or from any business or individual *you* have engaged to assist in assessing *your* application and to verify any information provided in *your* application. Failure to provide such information may result in the Department refusing *your* application.
- 7.4 The Department reserves the right to refuse an application where eligibility criteria are not met, or where the applicant does not, or cannot, provide sufficient information for the Department to determine if eligibility criteria have been met.
- 7.5 Applications submitted may be subject to audit by the Department or its agents in order to determine compliance with the PISP Framework, CPG Framework and Industry Guidelines.
- 7.6 An application *approval* or payment may be delayed where:
- assistance previously provided by this or any other related NSW government grant program cannot be validated, or
 - the outcome of relevant legal or validation actions may impact the decision to grant further assistance.
- 7.7 Complete applications will be assessed in order of receipt. Incomplete applications will not enter the assessment queue until all required information is provided. Application assessments will commence from a *submitted application*.
- 7.8 The Department will notify all applicants of the outcome of their application within 20 working days of a *submitted application*.
- 7.9 Applicants should note that past grants or other financial assistance under this program or any other program is not a reliable indicator of eligibility for future grants under this program.
- 7.10 Before applying for a grant under this program, applicants should seek advice from their legal, business or financial advisers in relation to the tax implications of this grant.

8. Fraudulent claims and auditing

- 8.1 The NSW Government takes fraud and corruption seriously. Suspected fraud will be assessed and investigated as appropriate, which may include the involvement of external parties such as NSW Police or the NSW Independent Commission Against Corruption (ICAC).
- 8.2 The NSW Government responds to fraud by:
- audit and site validation of applications and claims that are of concern
 - referral to NSW Police or ICAC of suspected fraud
 - recovery of any assistance provided under a fraudulent application.
- 8.3 By signing the application form, *you* are declaring that the information provided in the application form and supporting documentation is true and accurate.
- 8.4 Providing inaccurate, untrue or misleading information may be a breach of the Rural Assistance Act 1989 or criminal law for which serious penalties may apply.
- 8.5 The Department regularly undertakes random spot auditing of applications to determine adherence to eligibility and legitimacy of claims.
- 8.6 The Department reserves the right to undertake an audit of any funding provided within seven years. Applicants are required to keep appropriate records for audit and assurance purposes.

9. Submitting your application

- 9.1 All applications must be completed online using the Smarty Grants portal at <https://SFRP.smartygrants.com.au/CPG>.
- 9.2 Applicants can only submit one application and will be required to provide the following information to determine eligibility for the program:
- Business details such as location, ABN and demonstration of active participation in the industry where appropriate, including PNF Plan details (if applicable)
 - Evidence that you have or are willing to purchase the required amount of public liability insurance
 - Details of the proposed project including *evidence* of cost estimates or costs incurred for each eligible component (eligible costs are those incurred between the date of the Events until the Activities Completion Date, which are incurred as due to *direct* impacts of the Events).



- d) Costings for activities proposed to be funded by the grant
 - e) Demonstration of direct impact and damage from the Events
 - f) A description of how the proposed activities will enable continued operations, support retention of jobs and ongoing economic activity
- 9.3 Subject to the below, applications will be assessed by staff within the Department in the order that they are submitted.
- 9.4 The Department will stop assessing applications received after the cut off time of 2pm on the Applications Close Date. Applications received after this date will not be assessed.
- 9.5 Applicants will be notified of the outcome within 20 business days from *submitting a completed Application*.
- 9.6 If an application is missing information or is incomplete, the Department may, in its sole discretion, work with applicants to clarify any missing or incomplete information. However, the Department will not start assessing the application until, in the Department's sole opinion, the application is complete.
- 9.7 Applications will be considered and may be *approved* at the discretion of the Recovery Program Manager, Industry Recovery, Department of Regional NSW.

10. Successful applications

- 10.1 Successful Applicants will be provided with a letter of offer and will be required to enter into a Funding Deed with the Department prior to receiving funds. The NSW Government makes no binding funding commitment to an Applicant unless and until both parties sign a Funding Deed.
- 10.2 Successful Applicants may be required to submit progress reports to the Australian and NSW governments and auditing documentation as outlined in the Funding Deed.
- 10.3 Payments will be made as set out in the Funding Deed.
- 10.4 Applicants who have entered into a Funding Deed will receive milestone payments dependent on the sum of their grant. Subsequent milestone payments after the initial payment may be withheld if the successful applicant is unable to demonstrate sufficient *evidence* for the remainder of the grant amount or work done to date.
- 10.5 Requests for variations or changes to the Funding Deed will only be considered in limited circumstances.
- 10.6 Successful applicants may be required to participate in an evaluation after the activity has commenced to determine the extent to which the activity has contributed to the objectives of the PISP. Successful applicants may be required to provide *evidence* demonstrating how the outcomes of the funded activities are consistent with the objectives of PISP, with a focus on employment, recovery and growth.
- 10.7 Without limiting any rights, the Department (or another NSW agency) in its sole discretion may recover funds from the applicant, and determine that a debt is due, if evidence indicates that the applicant:
- a) did not meet the eligibility criteria
 - b) received an over-payment of the grant (whether of the up-front grant or of an additional grant payment), or
 - c) spent any part of the grant on costs that were not related to an eligible project or costs.
- 10.8 The Australian and NSW governments may choose to publicly announce successful applications and applicants may be requested to keep the funding confidential for a period of time if an announcement is to be made by the Australian and NSW governments.
- 10.9 If successful, the Australian and NSW governments reserve the right to use the Applicant's information in media regarding the program. Information may be used in the form of press releases, case studies, promotional material and in response to media enquires relevant to the program

11. Unsuccessful applications

- 11.1 Unsuccessful Applicants will be notified of the outcome and provided an opportunity for feedback by the Department. Applicants are encouraged to resubmit updated applications based on the feedback provided by the Applications Close Date, however an Applicant can only have one successful application.

12. Important information

- 12.1 These guidelines are correct at the time of publishing.
- 12.2 All information in these guidelines should be read in conjunction with the Critical Producer Grant Framework – nsw.gov.au/criticalproducergrant



- 12.3 The Department reserves the right to amend, alter or change these guidelines at any time, in consultation with Resilience NSW and the National Recovery and Resilience Agency (NRRRA). It is the responsibility of the applicant to ensure that they check the relevant website prior to application.

More information about this program is available at <https://www.nsw.gov.au/regional-nsw/regional-recovery-programs/storm-and-flood-recovery/2022-flood-recovery-programs>

If you require assistance or advice with your application, please contact the Department at floods.recovery@regional.nsw.gov.au or 1300 679 673 for a referral to the appropriate regional team.

Any concerns about the Program should be submitted in writing to floods.recovery@regional.nsw.gov.au.

If you do not agree with the way the Department has handled the issue, you may wish to contact the NSW Ombudsman via www.ombo.nsw.gov.au.

If you have difficulty understanding these guidelines or completing the application form, you should seek the assistance of your rural/financial counsellor, business advisor, accountant or a trusted family member/friend.

If you need assistance with interpreting or translating, please contact Multicultural NSW on 1300 651 500 or email languageservices@multicultural.nsw.gov.au.

If you have any questions regarding your eligibility for this Critical Producer Grant please contact Service NSW on 1300 679 673 or visit <https://www.nsw.gov.au/regional-nsw/regional-recovery-programs/storm-and-flood-recovery/2022-flood-recovery-programs>

Definitions

Approval – your application will be approved based on your eligibility with the criteria listed in 3) above. After successful applicants enter into a Funding Deed, invoices will then be approved based on their eligibility with the criteria listed in 4) and 5) above and compliance with the terms of the Funding Deed.

Business as Usual – means activities, staffing and associated costs that are part normal, day-to-day operations.

Direct damage – means a direct and material impact of the events, or flood mitigation activities on *physical assets* or equipment, including livestock in disaster-declared LGAs.

the Events – means the February / March 2022 NSW Severe Weather and Flooding (AGRN 1012), which occurred from 22 February 2022 onwards

Evidence –

- **evidence of the cost incurred** will need to be provided by *valid tax invoices and proof of payment*
- **evidence of damage** can include photographic *evidence* of damage incurred including details of:
 - who took the photograph(s)
 - where the photograph(s) was taken
 - the date on which the photograph was taken
 - an explanation of the damage that the photograph is intending to show

Photographic *evidence* may also be sought to substantiate other forms of *evidence*

- insurance details including proof of insurance, and potentially pay-out figures when an audit is undertaken
- self-declaration(s) may be accepted in limited circumstances, where the absence of documentation is the primary justification, and only on agreement from the administering agency
- **specific evidence** can include:
 - manufacturer or business quote for replacement of *physical assets*



- email correspondence from manufacturer or business to confirm the damaged *physical asset* is no longer available on the market and/or no longer industry standard-practice
- financial documentation including, but not limited to, available funds in bank account statements and the market value of a commodity at the time of the natural disaster.

Future resilience – replacement works on *physical assets*, access tracks and fencing where the intention of the replacement is to return the *physical asset* to its status in keeping with industry standards before the natural disaster event unless that status jeopardises future resilience to natural disaster events by way of poor quality materials, or inappropriate location. The intention is to encourage responsible *physical asset* replacement rather than business improvements.

Physical asset – A physical asset is an item of physical form in the business that has value to the operation of the primary production enterprise. Physical assets include, but are not limited to, private roads, sheds and outbuildings, internal fencing, stockyards and earthworks.

Private Native Forestry (PNF) Plan Area – approved under the Local Land Services Act 2013.

Submitted application – an application submitted before the Applications Close Date that includes all required documentation for assessment, including tax documentation and *evidence* of damage to be eligible for assessment and consideration to enter a Funding Deed.

Authorised Timber Plantation Area – an authorised timber plantation area is one authorised under the Plantations and Reafforestation Act 1999.

Valid tax invoice – means an invoice as described by the ATO (<https://www.ato.gov.au/business/gst/tax-invoices/>). This means the invoice must include the name, address and ABN of the entity that issued the invoice and a description of each item to which the invoice relates which is clearly identifiable as being related to approved expenditure for the applicant.

You and **Your** in the context of these guidelines and the related application process refers to the applicant and can be taken to refer to a sole trader, company, partnership or trust. The Department takes *you* as having authority to make an application on behalf of the entity applying.

Primary Industries Support Package

The \$100m Primary Industries Support Package (PISP) is co-funded 50:50 by the NSW and Australian governments. For more information about this program, and other support measures available please visit <https://www.nsw.gov.au/regional-nsw/regional-recovery-programs>.

Public Acknowledgement

Under the Disaster Recovery Funding Arrangements, all projects under the Program must appropriately acknowledge and recognise that it is jointly funded by the Australian and NSW governments under the Disaster Recovery Funding Arrangements. The announcement of assistance must be done jointly by the Australian and NSW governments, unless otherwise agreed.

Publications must include both the Australian and NSW governments' logos and the following disclaimer: 'Although funding for this product has been provided by both the Australian and NSW governments, the material contained herein does not necessarily represent the views of either governments'. The Department will identify and inform Resilience NSW and the Australian Government of media opportunities.

Government Information (Public Access) Act

Applicants should be aware that information submitted in applications and all related correspondence, attachments and other documents may be made publicly available under the Government Information (Public Access) Act 2009 (NSW). Information that is deemed to be commercially sensitive will be withheld. The Government Information (Public Access) Act 2009 (NSW) makes government information accessible to the public by:

- requiring government agencies to make certain sorts of information freely available
- encouraging government agencies to release as much other information as possible



- giving the public an enforceable right to make access applications for government information
- restricting access to information only when there is an overriding public interest against disclosure.

Disclaimer

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The Guidelines and Fact Sheets are subject to change at any time at the sole discretion of the Department of Regional NSW.