

The Farm Innovation Fund is an incentive-based initiative to assist farmers within New South Wales to identify and address risks to their farming enterprises, improve permanent farm infrastructure, ensure long term productivity and sustainable land use plus aiding in meeting changes to seasonal conditions.

The availability of loans is subject to funds being available. No loans will be offered beyond the allocated funding. Applicants should contact the Authority prior to lodging an application.

PURPOSE: Funding by way of a loan is available to meet the cost of carrying out permanent capital works that will have a significant beneficial impact on the land, long term profitability of the enterprise and address adverse seasonal conditions. Such works would fall into four main categories and include the following examples **but not limited** to:

Drought Preparedness - Stock & Domestic water supply
Cap and piping of bores in the artesian basin
Refurbishing / desilting ground tanks
Planting Perennial Species

Environment – Soil Conservation
Erosion control
Woody /Noxious weed/Serrated Tussock Control
Solar Power Conversions

Farm Infrastructure - Fodder storage facilities (Silo-Hay Shed)
Farm/shearing sheds
Fencing/Road works
Storm/Exclusion netting
New/upgrading of irrigation systems

Natural Resources – Planting trees for shade/wild life corridors
Livestock effluent control
Fencing off of river banks
Disaster Mitigation Works (Flood Pads etc)

AMOUNT: A loan of up to 100% of the net, **GST exclusive** cost of the works to a maximum of \$250,000, with a total of \$250,000 outstanding at any one time.

The net cost is determined by deducting the amount of any other Government grants relating to the proposed works.

INTEREST: The rate will be that applying at the date on which the loan is approved and is fixed for the term of the loan.
(A discount of 1.5% may apply for the initial 12 months – see eligibility conditions.)

TERM: Up to 20 years dependent upon the amount borrowed and applicant's ability to repay. ***Works must be completed within 12 months from date of loan approval.***

REPAYMENTS: Monthly, Half Yearly or Annual repayments of principle and interest generally in line with applicant's cash flow.

SECURITY: Statutory Charge and registered caveat over the property on which the proposed works are to be carried out.

NOTE: The charge is specific to the works being completed and a new charge is required for each approved advance.

Funds will not be released until all security requirements have been satisfied and caveat registered over security property.

COSTS: There are no establishment or account keeping fees, however, costs for registering security documents and Government Stamp Duty will be borne by the applicant.

As part of the assessment process, the Authority will obtain title searches to confirm ownership of the land offered as security. This cost will be borne by the applicant whether or not they take up the loan.

AM I ELIGIBLE FOR ASSISTANCE ?

To be eligible you must:

- ❑ Be the owner or operator of the property where the work is to be carried out.
- ❑ Show the farm enterprise under normal seasonal conditions provides at least 50% of your total GROSS income.
- ❑ Not have gross off farm assets exceeding \$5,000,000
- ❑ Demonstrate that the works have a significant beneficial impact on the land, the farming enterprise and aid in preparing for adverse seasonal conditions
- ❑ Demonstrate that your farm enterprise has long-term viability and has the capacity to repay the loan sought.
- ❑ Provide satisfactory security to support the loan sought.
- ❑ Lodge an application before commencing the project. *An interim application is to be lodged with the Authority if the project is to commence prior to lodging the full application.*
- ❑ Demonstrate the proposed works are part of your Farm Business and Risk Assessment Plan.

*(If you undertake an appropriate training course to aid you in preparing a Farm Business and Risk Assessment Plan and provide a paid tax invoice from a Registered Training Provider with your application, you will receive an **interest discount of 1.5%** for the initial 12 months on your first Farm Innovation Fund Loan. The course cost may be added to your loan.)*

EXAMPLES OF WHAT IS NOT COVERED BY THIS SCHEME

- ❑ Farm plant, machinery, all vehicles and transportable items such as field bins, grain augers etc
- ❑ All residential farm premises/buildings.
- ❑ Use of own machinery or own labour
- ❑ All farm inputs
- ❑ Non farm related items

The above information is a guide for prospective applicants. Full details can be obtained by contacting the Authority

HOW DO I APPLY ?

Applicants can lodge completed application forms including required documentation to the NSW Rural Assistance Authority by post, email, facsimile or personal delivery at:

Post: Locked Bag 23, Orange NSW 2800

Email: rural.assist@raa.nsw.gov.au

Fax: (02) 6391 3098

In person: 161 Kite Street, Orange NSW 2800

Contact details:

161 Kite Street, ORANGE NSW 2800

Telephone 02 6391 3000

Freecall 1800 678 593

Calls to "1800" numbers from your home phone are free.

Calls from a public phone and mobiles may be timed and attract charges.

Facsimile 02 6391 3098

Email: rural.assist@raa.nsw.gov.au

If you have difficulty understanding this form you should seek the assistance of your rural/financial counsellor, accountant or a trusted family member/friend.

