

Economic Development,
Jobs, Transport
and Resources

Dairy Development Grants

Program Guidelines

DAIRY DEVELOPMENT GRANTS PROGRAM GUIDELINES

The Victorian Government has established the Dairy Development Grants program to assist Victorian dairy farmers experiencing challenging economic conditions as a result of the 2016 milk price reductions.

The program is a key component of the Victorian Government's broader support for dairy farmers and impacted communities.

The program is managed by Agriculture Victoria and delivered by Rural Finance.

PROGRAM OBJECTIVE

The Dairy Development Grants program will assist dairy farmers to make infrastructure investments in their dairy farm businesses to improve their productivity, competitiveness and resilience to market downturns.

ABOUT THE PROGRAM

A grant of up to \$5,000 per dairy farm business is available to assist eligible dairy farmers impacted by retrospective milk price reductions and low opening milk prices.

Eligible dairy farm businesses are required to provide at least a dollar for dollar matching funding co-contribution.

Grants can be used to implement on-farm infrastructure improvements that assist productivity enhancement and production efficiencies.

WHO CAN APPLY?

The Dairy Development Grant is available to dairy farmers in Victoria, including those that:

- own an operating dairy farm
- are a share farmer on a property operating as a dairy farm
- hold a lease for an operating dairy farm.

One Dairy Development Grant will be offered per farm business or farm property only, with applications assessed in order of date of receipt by Rural Finance. An applicant who operates more than one farm business may only apply for a grant for one of their businesses.



Applicants are required to:

- Provide evidence they are a licensed dairy farm operator, share farmer or lessee. This may include a dairy industry license issued by Dairy Food Safety Victoria, lease documentation, share farming contract or agreement with a dairy production/supply company.
- Have an ABN and be registered for GST.
- Sign a statutory declaration stating that either 51 per cent of their gross annual income is received from dairy farming OR that they have made a minimum farm related capital investment of \$50,000 (excluding land purchase) in the dairy farm business.

Businesses must declare they have met the relevant criteria. Businesses may be asked to produce evidence, such as financial statements, to validate eligibility. The Department of Economic Development, Jobs, Transport and Resources (DEDJTR) may audit successful applications throughout the life of the program.

The minimum value of a grant available to eligible applicants under the program is \$1,000. The maximum is \$5,000. Eligible dairy farm businesses are required to match the grant amount approved with at least a dollar for dollar matching funding co-contribution.

Grants are not available where activities have already started or completed prior to the commencement of this program. Formal grant approval will need to be provided before activities can commence.

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ELIGIBLE INFRASTRUCTURE IMPROVEMENTS

Applicants are strongly encouraged to base potential infrastructure improvements on current business plans. Infrastructure activities include the following (but are not limited to):

- reticulated water systems using water troughs for stock
- irrigation system upgrades
- permanent repairs to fixed infrastructure (e.g. irrigation pumps)
- permanent milk vat upgrades (e.g. electronics)
- initiating or upgrading information and knowledge management systems (e.g. software packages)
- farm development to improve efficiencies to farm production systems (e.g. sensor equipment)
- fodder storages and systems (e.g. silos, silage bunkers, hay sheds)
- re-fencing to better match property layout with land capability
- addition of shelter belts and associated fencing
- reclamation of degraded areas (e.g. laneway upgrades, repairs or expansion) to deliver lasting benefits directly linked to productivity and profitability
- feeding system upgrades (e.g. feed pads or feed troughs)
- pasture improvements and renovation (e.g. associated seed, fertiliser and chemical costs)
- improving manure and effluent management systems.



INELIGIBLE ACTIVITIES

Activities and expenses not eligible for the grant include (but are not limited to):

- business planning activities
- replacing existing agricultural machinery and equipment (e.g. tractors)
- purchase, lease or acquisition of land
- purchase, lease or maintenance of transportation vehicles (e.g. cars, motorbikes, quadbike safety devices, trailers and trucks)
- utilities and operating costs of the business (e.g. gas, electricity, rates)
- standard variable inputs (normal operations e.g. water, grain and fodder)
- purchase of livestock
- standard boundary or house fencing
- pre-existing annual fees
- administration, legal or insurance costs
- breeding technologies (e.g. DNA analysis, semen purchases, Artificial Insemination, or Embryo Transplant program)
- farm business exit strategy assistance.

Where activities can normally be funded through other Commonwealth Government and state programs they will not be funded through the Dairy Development Grants program. Examples include the Victorian Government's Irrigation Incentives Program and/or the Commonwealth Government's National Landcare Program.

Eligible farmers that have already received, or have had 'in-principle' approval for grants under the Farm Risk Management Grants Program, are not eligible for the Dairy Development Grants.

Activities or projects that have received (or are approved to receive) funding from another source will be ineligible for funding under this program.

ALIGNMENT WITH OTHER PROGRAMS

A range of other dairy support is provided by industry, the Victorian Government and the Commonwealth Government. Support is being provided to help farmers make decisions, including through Dairy Australia's 'Taking Stock' program, which provides specialist one-to-one farm business support. Potential applicants are strongly encouraged to participate in these programs.

For further information on industry support programs please contact your local Regional Development Program below:

GippsDairy

Phone: (03) 5624 3900

Email: executiveassistant@gippsdairy.com.au

WestVic Dairy

Phone: (03) 5557 1000

Email: amanda@westvicdairy.com.au

Murray Dairy

Phone: (03) 5833 5312

Email: admin@murraydairy.com.au



APPLICATION AND ASSESSMENT PROCESS

Applications for the Dairy Development Grant funding will be processed in order of receipt.

<p>Step 1 Assess eligibility</p>	<ul style="list-style-type: none"> • Read the guidelines to establish eligibility or call Rural Finance for general enquiries about the application process.
<p>Step 2 Submit application to Rural Finance for assessment</p>	<ul style="list-style-type: none"> • Applicant to complete application form and submit to Rural Finance. Applications must be supported by a quotation for the proposed infrastructure investment.
<p>Step 3 Approval and grant process</p>	<ul style="list-style-type: none"> • 'In-principle' approval or rejection of the proposal will be communicated to the applicant. • On receiving written 'in-principle' approval, applicants are required to purchase infrastructure investment within three months of the date of approval of the Dairy Development Grant. • Where 'in-principle' approval is granted, payment will be made only on submission of invoices and receipts.
<p>Step 4 Undertake infrastructure project</p>	<ul style="list-style-type: none"> • On completion of the infrastructure project, grant recipients are required to forward paid tax invoices/s to Rural Finance. The grant recipient must pay for the project and/or activity initially and then Rural Finance will forward payment of the grant amount on completion. The grant amount will be 50 per cent of the total cost of the infrastructure investment (up to \$5,000).
<p>Step 5 Payment</p>	<ul style="list-style-type: none"> • Payment will be arranged and processed as soon as possible.



FUNDING SOURCE

The Victorian Government is supporting the Victorian dairy industry with a comprehensive \$13.5 million package. As part of the package, \$1.79 million has been provisioned for the Dairy Development Grants program.

For more information about other dairy support the Victorian Government provides, please contact:

Agriculture Victoria

Telephone: 136 186

Email: dairy.support@ecodev.vic.gov.au

Web: <http://agriculture.vic.gov.au/agriculture/dairy/dairy-support>

DURATION OF THE PROGRAM

The grants will be open until 30 June 2017, or until the Dairy Development Grant program funds are fully allocated, whichever occurs first.

REVIEW AND AMENDMENT

DEDJTR may review and amend the grants program at any time.

EVALUATION OF THE PROGRAM

The Victorian Government may conduct an evaluation to determine the extent to which the Dairy Development Grants program has contributed to Victorian Government policy objectives. Grant recipients may be requested to provide information to assist in the evaluation after the program's completion.

FOR FURTHER INFORMATION

Rural Finance

Telephone: 1800 260 425 (Free call)

Email: industryprograms@ruralfinance.com.au

Web: ruralfinance.com.au

Postal address: GPO Box 1313, Bendigo Central, Victoria, 3552.

Fax: (03) 5441 8901