

1. Objectives

The Drought Assistance Fund facilitates sustainable primary production in New South Wales during drought.

2. Purpose

The purpose of assistance under this program is to provide interest free loans to primary producers to implement systems and management practices that enhance the sustainability of their primary production enterprise by funding;

- a) Transport of livestock, fodder and/or water
- b) Water and fodder infrastructure
- c) Banking of genetic material of livestock.

3. Eligibility

To be eligible for assistance you must demonstrate that:

- a) You are the owner and operator of a farm business in NSW where the work is to be carried out; and
- b) Your business operates as a sole trader, partnership, trust or private company and trades agricultural products and
- c) Your business is registered with the Australian Taxation Office as a primary producer, and has an Australian Business Number (ABN) and
- d) As the owner and operator, you earn more than 50% of your gross income from your primary production enterprise under normal seasonal circumstances; or
- e) You are classified as a “new entrant”, meaning that you have been operating your farm business for between 12 months to three years and that more than 50% of your gross income will be derived from the farm business within three years of the date of the application; and
- f) Your business is being negatively impacted by drought conditions as assessed by the NSW Rural Assistance Authority (RAA), taking into account financial information and the Combined Drought Indicator map; and
- g) The business can support the loan repayments; and
- h) You do not have gross off-farm assets exceeding \$5,000,000.

4. Additional Eligibility Requirements

In relation to payment and security, the following applies:

- a) Loans must be fully drawn within 12 months of approval.
- b) Applicants can receive a maximum of \$50,000 under the Drought Assistance Fund.
- c) Payments will be made on receipt of eligible tax invoices.
- d) You must lodge an application before commencement of the activity.
- e) Invoices submitted with the application may not be used to secure funding under any other Government Scheme, including the Emergency Drought Transport Subsidy.
- f) Successful applicants must provide NSW RAA with satisfactory security in accordance with NSW RAA's security requirements.
- g) NSW RAA will consider other chattels as possible loan securities on a case-by-case basis.

5. Eligible activities

Eligible activities must be able to demonstrate an enterprise or natural resource sustainability benefit, for example:

- a) New/upgrade of stock and domestic water supply
- b) Desilting dams
- c) Fodder and/or grain storage facilities
- d) Transport of livestock to sale, slaughter or agistment
- e) Transport of fodder
- f) Transport of water for stock purposes
- g) Genetic collection and storage expenses

6. Loan amounts

A loan of up to 100% of the net, GST exclusive, cost of the works to a maximum of \$50,000.

7. Terms of repayment

The loan term is two years repayment free from the date the loan is fully drawn down and then up to five years of principal only repayments.

8. Interest

Interest is 0%. Principal must be repaid within seven years.

9. Key outcomes

- a) Best practice systems to minimise the impacts of drought on production in plant and animal industries
- b) Construct and improve and maintain water supplies
- c) Improved water use efficiency
- d) Construct and improve fodder storage facilities
- e) Support positive animal welfare
- f) Maintain livestock breeding capability through genetic material storage
- g) Other activities not listed which are intended to mitigate the effects of climate and market risks.

10. Fraudulent claims

- a) By signing the claim form, you are declaring that the information provided in the application form and supporting documentation is true and accurate.
- b) Providing inaccurate, untrue or misleading information may be a breach of criminal law for which serious penalties may apply.
- c) If any information provided in an application or supporting documentation is found to be inaccurate, untrue or misleading, legal action may be taken against you, including action to recover the funds.

11. Important Information

- a) Guidelines are correct at the time of publishing.
- b) RAA reserves the right to amend, alter or change these guidelines at any time, and it is the responsibility of the applicant to ensure that they check the relevant website prior to application.
- c) The guidelines that apply to your application will be the guidelines that are current at the time your application is received by RAA.
- d) While RAA has taken all care in preparing these guidelines, RAA will not be liable in any way for any errors, omissions or variation to information in these guidelines or for not advising an applicant of any errors, omissions or variations to information in these guidelines.

12. Assessment

- a) Applications will be assessed against the eligibility criteria. RAA 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.
- b) Failure to provide such information may result in RAA refusing your application.
- c) RAA also reserves the right to refuse an application, at its discretion, for any reason or for no reason irrespective of whether the eligibility criteria have been met.
- d) Applications submitted may be subject to audit by RAA or its agents in order to determine compliance with scheme guidelines.

13. Applications

Applications for assistance under the program must be made on RAA's application form and be accompanied by the documentation stated in the application form.

Complete applications will be assessed in order of receipt. Incomplete applications will not enter the assessment queue until all required information is provided.

Applicants should note that past financial assistance under this program or any other program is not a reliable indicator of eligibility for future financial assistance under this program.

Before applying for financial assistance under this program or making any decision, applicants should seek advice from their legal, business and financial advisers to determine their eligibility for and the terms of the financial assistance.

Applications and claim forms can be submitted online, by email, post, or in person. Applications and claim forms that have been emailed can be tracked most efficiently.

Apply Online: <https://www.raa.nsw.gov.au/loans/drought-assistance-fund/drought-assistance-fund-online-form>

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

Post: Locked Bag 23, Orange NSW 2800

In Person: 161 Kite St, Orange NSW 2800