1. **Objectives**

The Drought Assistance Fund provides assistance that will promote profitability and resilience.

The availability of loans is subject to funds being available. No funding will be offered beyond the $200 million allocated to this program.

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, transport of fodder and/or water
- b) Water and fodder infrastructure
- c) Banking of genetic material of livestock
- d) Activities which promote profitability and resilience as a result of the on-farm investment.

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) You do not have gross off-farm assets exceeding $5,000,000 (excluding funds in a registered superannuation fund).

4. **Additional Eligibility Requirements**

In relation to payment and security, the following applies:

- a) Loans will be fully drawn within 12 months of approval.
- b) Payments will be made on receipt of eligible tax invoices.
- c) You must lodge an application before commencement of the activity.
- d) Invoices submitted with the application may not be used to secure funding under any other NSW State Government Scheme (excluding the Federally funded Emergency Water Infrastructure Rebate Scheme).

5. **Eligible activities**

Eligible activities that promote profitability and resilience and can include costs that would normally be incurred in the course of carrying on a farming operation.

6. **Loan amounts**

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

Applicants that have received a loan in the 2018/19 financial year can apply for an additional loan of up to $50,000 in the 2019/20 financial year.

7. **Terms of repayment**

The loan term is two years repayment free from the date the loan is 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. **Security**

Statutory First Charge and registered caveat over the property on which the proposed works are to be carried out. (Security over additional property will also be considered.) Funds will not be released until all security requirements have been satisfied and caveat registered over security property.
10. Key outcomes

a) Best practice systems to minimise the impacts of drought on production in 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.

11. 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.

12. 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.

13. 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.

14. 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.


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

Post:  Locked Bag 23, Orange NSW 2800

In Person: 161 Kite St, Orange NSW 2800