

30 July 2024

# Drought Infrastructure Fund

## Program Guidelines

### 1. Objectives

- 1.1 The Drought Infrastructure Fund is an incentive-based initiative to assist farmers within New South Wales to identify and address risks to their farming business, improve permanent farm infrastructure, ensure long-term productivity and sustainable land use plus aid in meeting changes to seasonal conditions.
- 1.2 The availability of loans is subject to funds being available. No loans will be offered beyond the allocated funding.

### 2. Assistance Available

- 2.1 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, the long-term profitability of the business and address adverse seasonal conditions. Such works would fall into four main categories and include the following examples but not limited to:

Drought preparedness	<ul style="list-style-type: none"><li>• stock and domestic water supply</li><li>• cap and piping of bores in the artesian basin</li><li>• refurbishing/desilting ground tanks</li><li>• planting perennial species</li><li>• stock containment areas</li></ul>
Environment	<ul style="list-style-type: none"><li>• soil conservation</li><li>• erosion control</li><li>• woody/noxious weed/serrated tussock control</li><li>• solar power conversions</li></ul>
Farm infrastructure	<ul style="list-style-type: none"><li>• fodder storage facilities (silo/hay shed)</li><li>• farm/shearing sheds</li><li>• fencing/road works</li><li>• storm/exclusion netting</li><li>• new/upgrading of irrigation systems</li></ul>
Natural resources	<ul style="list-style-type: none"><li>• planting trees for shade/wildlife corridors</li><li>• livestock effluent control</li><li>• fencing off of river banks</li><li>• disaster mitigation works (flood pads, etc.)</li></ul>

- 2.2 A loan of up to 100% of the net, GST exclusive cost of the works to a maximum of \$1,000,000 with a maximum of \$1,000,000 outstanding at any time.
  - 2.3 The net cost is determined by deducting the amount of any other NSW Government grants relating to the proposed works.
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### 3. Interest

- 3.1 The rate will be that applying at the date on which the loan is approved and is fixed for the term of the loan. The rate is currently 2.5%.
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### 4. Term

- 4.1 Up to 20 years, dependent upon the amount borrowed and the applicant's ability to repay.
  - 4.2 Works must be completed within 12 months from the date of loan approval.
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### 5. Repayments

- 5.1 Monthly, half-yearly, quarterly or annual repayments of principal and interest.
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### 6. Security

- 6.1 Charge and registered caveat over the property on which the proposed works will be carried out. (Security over additional property will also be considered.)  
*Note: The charge is specific to the works being completed, and a new charge is required for each approved advance.*
  - 6.2 Funds will not be released until all security requirements have been satisfied and caveat registered over security property.
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### 7. Costs

- 7.1 There are no establishment or account-keeping fees; however, costs for registering security documents and Government Stamp Duty will be borne by the applicant.
  - 7.2 As part of the assessment process, the RAA 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.
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### 8. Eligibility Criteria

- 8.1 To be eligible for assistance, you must demonstrate that:
    - a. [you](#) are the owner or operator of a farm business where the work is to be carried out
    - b. [your](#) business operates as a sole trader, partnership, trust, or private company and trades agricultural products
    - c. [your](#) business is registered with the Australian Taxation Officer as a primary producer and has an Australian Business Number (ABN)
    - 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 [you](#) are classified as a “new entrant”, meaning that you have been operating your farm business
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for between 12 months to 3 years and more than 50% of your gross income will be derived from the farm business within 3 years of the date of the application. The applications of new entrants will be considered on a case-by-case basis

- e. [you](#) do not have gross off-farm assets exceeding \$5,000,000 (excluding funds in a registered superannuation fund).

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## 9. Additional Eligible Requirements

- 9.1 [You](#) must lodge an application before commencing the project.
- 9.2 Loans must be fully drawn within 12 months of approval.
- 9.3 [You](#) must permit the RAA or any other person authorised by the RAA to enter the property to enable inspection of the works.
- 9.4 Payments will be made on receipt of eligible, valid invoices, and the RAA may inspect the works under [Section 9.2](#) of these guidelines to ensure it is eligible and compliant.
- 9.5 [Valid tax invoices](#) submitted in relation to this application may not be used to secure funding under any other NSW Government scheme.
- 9.6 Successful applicants must provide the RAA with satisfactory security in accordance with the RAA's security requirements.
- 9.7 [You](#) can demonstrate that the works will have a significant beneficial impact on the land, the farming business and aid in preparing for adverse seasonal conditions.
- 9.8 [You](#) can demonstrate that [your](#) farm business has long-term viability and has the capacity to repay the loan sought.
- 9.9 [You](#) must demonstrate the proposed works are part of your Farm Business and Risk Assessment Plan.

## Additional Terms and Conditions

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### 10. Exclusions

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

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### 11. Application and Claiming Process

- 11.1 Refer to the [RAA website](#) to complete an online application.
- 11.2 Applications for assistance under the program must be made on the RAA's application form and be accompanied by the documentation stated in the application form.
- 11.3 Complete applications will be assessed in order of receipt. Incomplete applications will not enter the assessment queue until all required information is provided.

- 11.4 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.
  - 11.5 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.
  - 11.6 Refer to [www.raa.nsw.gov.au/loans/dif](http://www.raa.nsw.gov.au/loans/dif) to complete an online application and to lodge a claim.
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## 12. Application Assistance

If [you](#) need assistance with submitting your application, please contact us:

Phone: 1800 678 593

Email: [rural.assist@raa.nsw.gov.au](mailto:rural.assist@raa.nsw.gov.au)

If [you](#) need assistance with interpreting or translating, please contact Multicultural NSW on 1300 651 500 or email [languageservices@multicultural.nsw.gov.au](mailto:languageservices@multicultural.nsw.gov.au).

*Please do not self-assess [your](#) eligibility for this assistance. If you have any questions regarding [your](#) eligibility, please contact the RAA on free call 1800 678 593 or visit [www.raa.nsw.gov.au](http://www.raa.nsw.gov.au).*

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## 13. Assessment and Decision Makers

- 13.1 Applications will be assessed against the eligibility criteria by Assessment Officers on the Assessment Team, who are responsible for routine assessment against the criteria in these guidelines and recommend assessment outcomes.
- 13.2 Program Officers on the Assessment Team ensure the program is administered in accordance with these guidelines and the policy intent and approve loans based on recommendations by Assessment Officers.
- 13.3 The Chief Executive of the RAA is responsible for ensuring the program is administered in accordance with approved criteria and policy intent.
- 13.4 The 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. Failure to provide such information may result in the RAA refusing [your](#) application.
- 13.5 The RAA reserves the right to refuse an application where eligibility criteria are not met or where [you](#) do not or cannot provide sufficient information for the RAA to determine if eligibility criteria have been met.
- 13.6 The RAA can put an application on hold where the applicant is under investigation or has been charged in relation to the fraudulent receipt of grants or rebates under this or other RAA programs or schemes.
- 13.7 Complete applications will be assessed in order of receipt. Incomplete applications will not enter the assessment queue until all required information is provided.
- 13.8 Applicants should note that past financial assistance under this program or any other program or scheme is not a reliable indicator of eligibility for future financial assistance under this scheme.
- 13.9 Applications submitted may be subject to audit by the RAA or its agents in order to determine compliance with scheme guidelines.

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## 14. Fraud and Corruption

- 14.1 The RAA takes fraud and corruption seriously. Suspected fraud will be assessed and investigated as appropriate, which may require the involvement of external parties such as the NSW Police Force or the NSW Independent Commission Against Corruption (ICAC).
- 14.2 By signing the application form, [you](#) declare that the information provided in the application form and supporting documentation is true and accurate.
- 14.3 Providing inaccurate, untrue or misleading information may be a breach of the *Rural Assistance Act 1989* (NSW) or criminal law for which serious penalties may apply.
- 14.4 The RAA responds to fraud by:
- audit and site validation of applications and claims that are of concern
  - referral to the NSW Police Force or ICAC of suspected fraud
  - recovery of any assistance provided under a fraudulent application.
- 14.5 An application [approval](#) may be delayed where:
- assistance previously provided by this or any other related NSW government loan, grant or rebate program or scheme cannot be validated or
  - the outcome of relevant legal or validation actions may impact the decision to grant further assistance.

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## 15. Important Information

- 15.1 These guidelines are correct at the time of publishing.
- 15.2 The RAA reserves the right to amend, alter or change these guidelines at any time. It is the responsibility of the applicant to ensure that they check the relevant website prior to making a claim.
- 15.3 Without limiting any rights, the RAA (or another NSW Government agency), in its sole discretion, may recover funds from the claimant and determine that a debt is due if evidence indicates that the claimant:
- did not meet the eligibility criteria
  - received an overpayment.

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## 16. Evaluation

- 16.1 The RAA is committed to providing excellent service that responds to [your](#) needs through well-targeted programs. For that reason, the RAA evaluates its programs. This includes surveys at various points of [your](#) application, [approval](#) and completion. The RAA may also contact [you](#) to ask about [your](#) experience of the assistance [you](#) received. The RAA will always treat the responses [you](#) provide as confidential and use the information only for the purposes it was collected.

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## 17. Government Information (Public Access) Act

- 17.1 Applicants should be aware 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.

- 17.2 The *Government Information (Public Access) Act 2009* (NSW) makes government information accessible to the public by:
- a. requiring government agencies to make certain sorts of information freely available
  - b. encouraging government agencies to release as much other information as possible
  - c. giving the public an enforceable right to make access applications for government information
  - d. restricting access to information only when there is an overriding public interest against disclosure.
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## 18. Complaints

Any concerns about the Drought Infrastructure Program should be submitted in writing to [rural.assist@raa.nsw.gov.au](mailto:rural.assist@raa.nsw.gov.au).

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## 19. Definitions

**Approval:** your application will be approved based on your eligibility with the criteria listed in [Section 8](#) and [Section 9](#).

**Valid tax invoice:** a paid invoice including the name, address and ABN (if applicable) 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. The RAA can ask for proof of payment of the invoice.

**You and your:** in the context of these guidelines and the related application process refers to the applicant. The RAA takes you as having the authority to make an application on behalf of the entity applying.

# Disclaimer

The Department does not guarantee or warrant and accepts no legal liability whatsoever arising from or connected to the accuracy, reliability, currency or completeness of any material contained in this publication. Information in this publication is provided as general information only and is not intended as a substitute for advice from a qualified professional.

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Funding assistance provided through the scheme is subject to funds being available. The Department reserves the right to make changes to the scheme to ensure it meets the objectives outlined in these guidelines and provides equitable funding support to applicants.

In extenuating circumstances, applications submitted after the deadline may be accepted at the sole discretion of the Department.

These guidelines are subject to change at any time at the sole discretion of the Department.

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