



The Farm Innovation Fund is part of the NSW Government's \$1.8 billion Emergency Drought Relief Package. The Farm Innovation Fund loan helps primary producers to identify and address risks to their farming business, improve permanent farm infrastructure and ensure long-term productivity and sustainable land use, aiding in meeting changes to seasonal conditions.

The Application Process

Primary producers are required to complete an application form for a Farm Innovation Fund loan before costs of the project/s are incurred. The Farm Innovation Fund Guidelines outline what you can apply for.

Application forms can be submitted online or printed and submitted by either email, fax or post.

The Guidelines and Application forms are available on the RAA website www.raa.nsw.gov.au

Frequently Asked Questions

Q1. Is there a cut off time to submit my application?

No, however, loans will not be offered beyond the allocated funding.

Q2. What is the interest rate and can my interest rate change?

The current interest rate is 2.5% and is fixed from the date of approval and will remain the same for the life of the loan.

Key Points

- » A loan of up to \$1,000,000 per application.
- » The concessional interest rate is fixed for the term of the loan. The rate is currently 2.5%.
- » The maximum loan term is 20 years.
- » Funding is available for permanent on-farm infrastructure
- » Up to 100% of the net, GST exclusive cost of the works can be borrowed.
- » The loan must be fully drawn down within 12 months after the application is approved.
- » An application form must be submitted before costs are incurred.

Q3. Am I able to complete the work prior to applying?

No, applications must be lodged prior to commencement of the work.

Q4. Can I send in an application whilst waiting on information from my bank?

Yes, although your loan will not be assessed until your application is complete.

Q5. Can primary producers that have been in operation less than three years, and therefore cannot provide the required three years of financial information, still apply?

Ongoing businesses that have been operating for less than 3 years and cannot provide financials can still apply, but their applications will be considered on a case by case basis, taking into account:

- » their performance to the current time,
- » the performance of previous businesses,
- » financial information from the business if it was previously operating, and
- » the nature of security that is being provided.

The RAA will always have the right to reject an application, if it is believed that information is insufficient to demonstrate viability or ability to repay the loan at the time of initial application. It is recommended that the farm business apply after three years of operations.

Q6. Does a mortgage get taken over my property?

No, a Statutory Charge and registered caveat will be placed over the property where the works are to be carried out. Additional or alternate property may be considered. Your bank will need to sign and stamp the Lenders consent form to support your application.

As part of the assessment process, the authority will obtain title searches to confirm ownership of the land offered as security. The cost of the searches is charged to the applicant whether or not they take up the loan.

Q7. Are lease-holders eligible for Farm Innovation Fund loans?

Farm Innovation Fund loans are ordinarily available for primary producers who own and operate the business, and own or are in the process of purchasing, the land upon which the farming occurs and upon which improvements are proposed. However, a Farm Innovation Fund loan will be considered for lease-holders where they:

- » have been leasing on that land for more than 3 years,
- » have written approval from the land-owner for the proposed works,
- » can provide adequate security and demonstrate ability to repay the loan.

Q8. How do I access the funds once approved?

You will need to sign and submit an 'Authority to Pay' form along with your Tax Invoices to the RAA. Payment will be processed to your nominated bank account. The Authority will NOT pay to the supplier directly.



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Further information

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