



The Farm Innovation Fund is an incentive-based initiative to assist farmers within New South Wales to identify and address risks to their farming enterprises, improve permanent farm infrastructure, ensure long term productivity and sustainable land use plus aiding in meeting changes to seasonal conditions.

PURPOSE: 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, long term profitability of the enterprise and address adverse seasonal conditions. Such works would fall into 4 main categories and include the following examples **but not limited to:**

Drought Preparedness

Stock & Domestic water supply
Cap and piping of bores in the artesian basin
Refurbishing / desilting ground tanks
Planting Perennial Species

Environment

Soil Conservation
Erosion control
Woody /Noxious weed/Serrated Tussock
Control
Solar Power Conversions

Farm Infrastructure

Fodder storage facilities (Silo-Hay Shed)
Farm /shearing sheds
Fencing/Road works
Storm/Exclusion netting
New/upgrading of irrigation systems

Natural Resources

Planting trees for shade/wild life corridors
Livestock effluent control
Fencing off of river banks
Disaster Mitigation Works (Flood Pads etc)

AMOUNT: A loan of up to 100% of the net, **GST exclusive**, cost of the works to a maximum of \$250,000 and limited to an overall amount of \$500,000 outstanding at any one time

The net cost is determined by deducting the amount of any other Government grants relating to the proposed works.

INTEREST: The rate will be that applying at the date on which the loan is approved and is fixed for the term of the loan.
(A discount of 1.5% may apply for the initial 12 months– see eligibility conditions.)

TERM Up to 20 years dependent upon the amount borrowed and applicant's ability to repay. ***Works must be completed within 12 months from date of loan approval.***

REPAYMENTS: Monthly, Half Yearly or Annual repayments of principle and interest generally in line with applicant's cash flow.

SECURITY: Statutory Charge and registered caveat over the property on which the proposed works are to be carried out.

COSTS: There are no establishment or account keeping fees, however, costs for registering security documents and Government Stamp Duty will be borne by the applicant.

As part of the assessment process, the Authority 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.

AM I ELIGIBLE FOR ASSISTANCE ?

To be eligible you must:

- ❑ Be the owner or operator of the property where the work is to be carried out.
- ❑ Show the farm enterprise under normal seasonal conditions provides at least 50% of your total GROSS income.
- ❑ Not have gross off farm assets exceeding \$5,000,000
- ❑ Demonstrate that the works have a significant beneficial impact on the land, the farming enterprise and aid in preparing for adverse seasonal conditions
- ❑ Demonstrate that your farm enterprise has long-term viability and has the capacity to repay the loan sought.
- ❑ Provide satisfactory security to support the loan sought.
- ❑ Lodge an application before commencing the project. *An interim application is to be lodged with the Authority if the project is to commence prior to lodging the full application.*
- ❑ Demonstrate the proposed works are part of your Farm Business and Risk Assessment Plan.

*(If you undertake an appropriate training course to aid you in preparing a Farm Business and Risk Assessment Plan and provide a paid tax invoice from a Registered Training Provider with your application, you will receive an **interest discount of 1.5%** for the initial 12 months on your first Farm Innovation Fund Loan. The course cost may be added to your loan.)*

The above information is a guide for prospective applicants. Full details can be obtained by contacting the Authority

EXAMPLES OF WHAT IS NOT COVERED BY THIS SCHEME

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

HOW DO I APPLY ?

Application forms are available from the NSW Rural Assistance Authority by telephoning:

Toll Free 1800 678 593 or
(02) 6391 3000

Or visit our web site
www.raa.nsw.gov.au

Application forms are also available from your local Rural Counsellor

Send completed application forms to:
NSW Rural Assistance Authority
Locked Bag 23
ORANGE NSW 2800