



Department of
Primary Industries and
Regional Development

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Innovate

Value Add Investment Grants: Feasibility Stream

Scheme Guidelines

This guideline contains information for applicants and should be read prior to completing the application form

Round 3
March 2024



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Value Add Investment Grants: Feasibility Stream

Scheme Overview

The Department of Primary Industries and Regional Development (DPIRD) Value Add Investment Grants (VAIG) program is aimed at supporting the growth of agriculture, food and beverage businesses undertaking value adding in Western Australia (WA) or those seeking to expand in, or relocate to, WA. To date, DPIRD has provided over \$23 million in grants to support value adding projects in WA.

The VAIG program comprises two grant streams: (1) Capital Investment stream and (2) Feasibility stream.

The **Feasibility stream** will provide funds to eligible applicants for the planning of future capital investment projects related to food and beverage manufacturing or other forms of value add processing. This will include, but is not limited to business case preparation, risk analysis and mitigation planning, feasibility assessments, location analysis and other technical studies to support an investment decision.

The objective of the Value Add Investment Grants - Feasibility stream is to de-risk and encourage new investments by businesses that will expand, diversify or relocate their value adding and processing operations in WA.

Further information about the **Capital stream** is found in its corresponding guidelines.

If you need assistance in understanding the guidelines or have questions about eligibility, please refer to the FAQs or contact the VAIG team at aftprograms@dpiird.wa.gov.au or via telephone during business hours, +61 (08) 9368 3853.

Who can apply for funding?

Private sector businesses planning and developing capital investment and expansion projects relating to food and beverage manufacturing or other forms of value adding processing in WA.

Regional and Aboriginal businesses are encouraged to apply.

Opening and Closing Dates for Applications

Applications open on: **22 March 2024**

The Feasibility stream is run as an ongoing rolling round, with applications open until 30 June 2025 or until funding is exhausted, whichever occurs first.

Funding limits and timeframes

In this scheme individual grants of **between \$15,000 to \$100,000** are available.

The scheme will cover projects/activities that commence once DPIRD and the successful recipient have signed the FAA and no earlier than June 2024.

Projects must be completed within nine months of execution of the funding agreement.

Activities that can be funded

Feasibility funding assistance may be available to existing businesses to access professional services to assess the feasibility of their planned investment projects and to

gather other information to support their investment decision. The types of services that can be funded include but are not limited to:

- Technical consultants
- Professional services including, accounting, tax, legal and other services
- Property related services including architect, planners, designers and valuers
- Product or market analysts and advisors
- Specialist reports and data services as may be applicable
- Other advisors or relevant service providers
- Obtaining regulatory approvals
- Obtaining licences necessary to grow operations.

For further information on whether your activity may be eligible, please see 'Contact Information'.

Activities that CAN NOT be funded

Grant funding cannot be used for:

- Costs incurred prior to the project commencement date in the agreement
- Projects relating to “on-farm” primary production activities. The intent is to support post-production value adding to primary production
- Subsidy of the applicant or related entity’s operational expenditure; the ongoing costs of running the business. Examples include, but are not limited to, production, processing and manufacturing costs, repairs, salaries, supplies, and rent.
- Costs incurred in the preparation of a grant application
- Hospitality, entertainment, the provision of alcohol and gratuities
- Marketing and market development activities
- Honorariums, scholarships, study tours, fact-finding missions
- Travel expenses
- Any capital or operational expenses including infrastructure, maintenance or land acquisition
- Agricultural primary production and farm infrastructure
- Data purchase or database access
- Legal fees
- Protecting or patenting intellectual property
- A research and development project involving an experiment or a trial with an unknown outcome.
- Any other expenditure as determined by the Department that does not meet program conditions

Eligibility Requirements

Eligibility requirements

To be considered for funding through this scheme, applicants need to meet both the applicant and project eligibility requirements outlined below. The Feasibility stream is funded until 30 June 2025 and runs as a rolling round.

Applicant eligibility criteria

To be eligible to receive a grant, the applicant must meet ALL of the following criteria:

- Meet the project eligibility requirements outlined below
- Be a private sector business registered with ASIC or registered for an Australian Business Number (ABN) with annual sales turnover of at least \$100,000
- Be a 'going concern' – i.e., will continue to trade into the foreseeable future and there are no plans, events and/or circumstances known to the Applicant which would result in their business ceasing to trade
- Be planning a project located in, or looking to relocate operations to, regional and/or metropolitan Western Australia
- Be capable of entering into a legally binding agreement with the Western Australian Government
- Have the financial capacity to fund the minimum cash contribution
- Have been in operation for a minimum of 12 months (or similar established track record)

Regional and Aboriginal businesses are encouraged to apply.

Business clusters, consortiums, and collaborations are also encouraged to apply where a lead business is defined that meets the above criteria and applies and accepts responsibility for contractual obligations on behalf of the business group.

Foreign companies are eligible but must be registered to carry out business in Australia through registration with ASIC or by the foreign company incorporating an Australian company (subsidiary) with an ABN and to provide a unique business identification number as accepted in their domicile with their application.

Project eligibility criteria

To be eligible to apply, the application must relate to feasibility and other de-risking activities to support an investment decision for a capital investment project that will grow, expand or diversify the value adding operations in Western Australia. The proposed feasibility project should be related to one or more of the following:

- Investment in new manufacturing capability or processing facilities, new technology or plant modernisation which results in reducing WA's reliance on imported products, supports business growth, fosters innovation and creates jobs;
- Investment that improves sustainability, reduces the environmental impact of the manufacturing or processing activities being undertaken or contributes to improvements in broader environmental, social, and governance outcomes;
- Investment that enables expansion or diversification of business operations that relate to value adding to primary production in WA; or
- Investment that involves relocating existing operations to WA, setting up new operations or expanding existing operations in WA.

Applicants who are specifically NOT eligible

Applicants will not be eligible for funding if they are:

- Individuals;
- Commonwealth, state and local government agencies or bodies;

- Businesses owned, co-owned or with representatives on their boards that are DPIRD employees;
- Publicly funded research institutions;
- Industry associations;
- Not-for-profit organisations; and
- Community-based organisations;

Additional information required from Applicant

Applicants must supply the following information:

- if a trustee of a trust, a copy of the trust deed that outlines that the trustee has the authority to make application on behalf of the trust
- bank account details
- physical and postal addresses
- contact details
- two supplier quotes for the proposed scope of works

Applicant funding contribution

Applicant should demonstrate a cash funding contribution of no less than 30% of the total project budget.

While in-kind contributions do not fulfill the requirement for the co-contribution, Aboriginal business applicants that do not have a 30% cash co-contribution but can demonstrate in-kind and/or lesser cash co-contribution may be considered on a case-by-case basis.

Applicants should identify and provide full details of secured funding sources for this portion of funds, including any conditions and/or requirements imposed on the use of those funds.

How to apply for funding

To be considered for funding through this scheme, applicants need to complete and submit an online application via [SmartyGrants](#) prior to the closing date, either 30 June 2025 or until funding is exhausted, whichever occurs first.

Additional resources to assist with the application process are available via our website or by contacting us.

Assessment – How will the applications be assessed

The assessment process aims to objectively identify eligible applicants to whom funding could be awarded. The Feasibility stream is run as a competitive grant process with all applications assessed on their merits by an independent Assessment Panel.

DPIRD will appoint an Assessment Panel with suitable independent industry, technical and commercial experience to review applications, determine eligibility, assess the applications, and provide funding recommendations to DPIRD.

• Assessment criteria

Following eligibility screening, applications will be merit assessed based on the criteria detailed below. Applications must address all the assessment criteria and assessment will be based on the weighting given to each criterion.

The amount of detail and supporting evidence requested and provided in the application should be relative to the size and complexity of the project and the grant amount requested.

Eligible applicants will be assessed against the following **five (5)** criteria:

Assessment Criteria – Feasibility Stream			Weighting
1.	ESG Impact	The Applicant must demonstrate ability to: <ul style="list-style-type: none"> • contribute to Environmental, Social and Governance (ESG) initiatives; and • support sustainability initiatives (such as reducing carbon footprint, supporting Net Zero, supporting sustainable growth). 	10%
2.	Strategic business case	The Applicant must demonstrate that: <ul style="list-style-type: none"> • the feasibility study, business plans, or other de-risking activities will support a commercial investment decision for a proposed project that has the potential to grow investment in the value adding agriculture, food and beverage industry. 	25%
3.	Direct Economic Benefit	The Applicant must demonstrate that: <ul style="list-style-type: none"> • the feasibility activities are associated with plans for direct investment in the WA value adding agribusiness, food and beverage sectors; and • the plans for development, expansion or relocation will: <ul style="list-style-type: none"> ○ create or retain direct employment or create a positive effect on job creation and the community; ○ increase value added production; ○ produce additional revenue, exports or potentially replace imports; and ○ generate potential long-term benefits that continue after funding has ceased. 	20%
4.	Project Feasibility	The Applicant must demonstrate that: <ul style="list-style-type: none"> • the study's activities (feasibility study, business plans, approvals, etc.) are credible and accurately identify what the feasibility study is going to examine, key personnel and contractors. • a minimum of two quotes have been sought for the proposed project. 	30%
5.	Viability of Applicant	The Applicant must demonstrate that they have: <ul style="list-style-type: none"> • capacity, capability and commitment to complete the project successfully within nine months of execution of the funding agreement; and • sufficient funds to meet the milestones and complete the work, including the minimum applicant contribution and outlining any other project funding sources including contributions from the Commonwealth or local governments, community, private sector or other organisations. 	15%

Other factors may be taken into consideration during the assessment process at the discretion of the panel, including but not limited to:

- i. Whether the applicant has received other grant funding sourced/approved for this proposal, including but not limited to, previous rounds of the
 - Value Add Investment Grants,
 - Value Add Agribusiness Investment Attraction Fund,
 - Asian Market Export Grants,
 - Export Competitiveness Grants provided by DPIRD or other organisations.
- ii. The percentage of the nominated cash co-contribution from applicants or total contribution (cash and in-kind) from eligible Aboriginal applicants. Higher level of contributions may be viewed more favourably.
- iii. If the applicant is a previous recipient of grant funding from DPIRD, the relevant monitoring, evaluation and reporting performance of the applicant.
- iv. The business and applicant(s) are considered in good standing with applicable regulatory, compliance, and taxation authorities.

Conflict of interest

Assessment team members will complete a conflict of interest (COI) declaration before commencing the assessment process. An assessor will not participate in the assessment of applications where there is a perceived conflict of interest. The assessment team chair will be responsible for making judgements regarding conflicts of interest.

Decision

The Minister for Agriculture and Food will make the final decision on which businesses will receive funding under this program, based on the information contained within the assessment report provided by DPIRD.

The full assessment process, including submission to the Minister for Agriculture and Food (the Minister) for final approval of successful applicants is expected to take up to sixteen (16) weeks from the date of submission to notification of a funding decision. These timeframes are indicative only and subject to change.

The decision-maker's decision will be based on the same compliance and assessment criteria identified in all policy documents related to this program.

As the final decision-maker, the Minister can ask the Project Manager for additional information, but not for information that is not included in the selection criteria, in the promotional material or in the applications.

Recommended projects may include, where appropriate, financial and risk assessments on the applicants. An Assessment Report will be developed from the assessment process and recommended applications presented by DPIRD to the Minister for final decision-making.

If funds requested exceed funds available for suitable or recommended applicants, the Project Manager can reduce funding levels requested for individual projects and may seek recommendations from the assessment panel on this.

• Appeal process

There will not be an appeal process as the Minister's decision is final.

Notification of application outcomes

Notification of successful and unsuccessful applications will take place generally within sixteen weeks of receipt of any application.

Successful applicants will be informed by:

- Initial formal email
- Inclusion in a public media release; and
- An announcement on the Program website.

Unsuccessful applicants will be informed in the following manner:

- Initial formal email including offer of feedback and contact details of person to provide feedback.
- Provided information on other potential funding or assistance opportunities that may be applicable.

Agreement Arrangements

If the funding submission is approved, DPIRD will discuss the development of a funding agreement with each applicant. The agreement will describe how and when payment of the grant is to be made, milestones and reporting requirements, as detailed below.

All projects must be approved, and the agreement executed prior to project commencement. No retrospective payments will be made.

Agreements must be executed within 40 business days from the date of a written offer, and where applicable, have any financial or risk issues resolved prior to proceeding. The offer may lapse if an agreement is not signed within this time.

Reporting and monitoring requirements

As a condition of funding, all grant recipients are required to provide a detailed final acquittal report.

Where the grant excluding GST exceeds \$50,000, within twelve weeks of the end date the grant recipient must provide a financial statement of income and expenditure of the Project signed by the CEO (or equivalent) of the grant recipient and certified by an Auditor and include details of how the Grant was expended. The final report must be audited by an independent auditor prior to lodgement.

Where the grant excluding GST is \$50,000 or less, within twelve weeks of the end date, the grant recipient must provide to the Project Manager an acquittal report signed by the CEO (or equivalent) of the grant recipient showing how and to what extent the grant was spent and the extent to which outcomes were achieved. The State reserves the right to request an audited financial statement for the Project to be certified by an Auditor appointed by the State, costs to be borne by the Grantee.

Full details of the acquittal requirements for grant recipients are specified in the agreement.

Tax information

Funding provided to recipients under the Grant is regarded as payment for a supply. GST-registered grant recipients will therefore be liable for GST in connection with the grant.

The grant will be increased by the amount of GST payable. Recipients must provide a tax invoice for the GST inclusive value of the grant.

Applicants are encouraged to seek tax advice on the potential implications of obtaining funding.

Personal Information and disclosure of information

Applicants are informed that DPIRD is subject to the *Freedom of Information Act 1992 (WA)*, which provides a general right of access to records held by the State Government agencies and local governments.

Intellectual Property

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful owner of those intellectual property rights.

Any part of an application considered to contain any intellectual property rights should be clearly identified by the applicant. The applicant grants to the State (and will ensure that relevant third parties grant) a non-exclusive, irrevocable licence to use and reproduce the intellectual property for the purpose of administering the fund.

Payment arrangements

The payment policy for this scheme is as follows:

- Payments are made by the department
- Payments are made upon evidence of satisfying milestones and receipt of invoice
- Payments are made electronically to a nominated DPIRD Registered Supplier bank account established as one of the initial steps in the contracting process.

Contact Information

For further information on the Program please refer to the FAQs or contact the VAIG team at aftprograms@dpiird.wa.gov.au or via telephone during business hours, +61 (08) 9368 3853.

Glossary of Terms

Applicant - the entity who makes the application for funding.

Application - an application (or relevant part of an Application) made to the State of Western Australia for funding under the Fund.

AWST - Australian Western Standard Time.

DPIRD - Department of Primary Industries and Regional Development.

Grant – Value Add Investment Grant.

Grant Opportunity Type:

- **open competitive funding rounds** have open and closed nominated dates, with eligible applications being assessed against the nominated selection criteria (and against other applications);
- **targeted or restricted competitive** funding rounds are open to a small number of potential applicants based on the specialised requirements of the grant activity under consideration;
- **a non-competitive, open process** under which applications may be submitted at any time over the life of the grant opportunity and are assessed individually against the selection criteria, with funding decisions in relation to each application being determined without reference to the comparative merits of other applications; and
- **a closed non-competitive process.** For example, where applicants are invited by the entity to submit applications for a particular grant and the applications or proposals are not assessed against other applicants' submissions but assessed individually against selection criteria.

Guidelines – are the guidelines for the program, this document.

Key Contact - the person to contact if there are any queries or information required in relation to the program.

Program Manager - the person responsible for managing the grant program.

Program Owner - the Director of the operational area responsible for the implementation of the program on behalf of DPIRD (the fund provider).

Project Partners - are other entities, apart from the primary applicant named in the proposal or in the full application.

Program Provider - The program provider is (generally) DPIRD; the policy owner that establishes the program and is ultimately responsible for the program's underlying policy and program deliverables

SmartyGrants – is the grant management system used by DPIRD.

Important Disclaimer

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