Forestry Transition Program

Timber Innovation
Grants Program

**Round Three**

Application guidelines
May 2024

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# 1. Background

The Forestry Transition Program is providing support for workers, businesses and
communities who are impacted by the cessation of commercial native timber harvesting
in Victorian State forests.

The Victorian Timber Innovation Grant Program aims to support impacted forestry businesses to explore, invest, and implement new business opportunities.

Following the successful delivery of Rounds 1 and 2 of the program, additional funding is available for Round 3.

# 2. Description and objectives

## 2.1 Program description and objectives

The Victorian Government has established the Timber Innovation Grant Program to support native timber businesses to transition into other industry sectors. Through the program, the Victorian Government seeks to support investment that leads to the creation and retention of sustainable jobs.

The aim of Round 3 of the Timber Innovation Grant Program is to support existing native timber industry businesses to diversify their business and transition into another industry sector, retain existing jobs or create new, sustainable jobs and build local economies in those areas impacted by native forestry transition.

The Program will support Victorian forestry businesses to:

* explore, test or deliver new or innovative business models; or
* diversify or reorientate core business activities into alternative industry sectors.

Funding through Round 3 of the Program will be awarded based on an assessment of the application’s value-for-money and the capability of the applicant to complete the project.

Round 3 of the Program has an expression of interest stage and an application stage. Round 3 also includes assistance for applicants to prepare their application.

Applicants should note that projects may not proceed to the application stage if there is no or limited alignment to objectives of the Victorian Timber Innovation Fund or if the applicant is unable to demonstrate the project’s contribution to broader local jobs and local economies.

Applications for Round 3 open on Friday 31 May 2024 and close on Monday 30 June 2025.

## 2.2 Eligible businesses

To be eligible for funding, an applicant must:

1. Have or had a Timber Sale Agreement, Forest Produce Licence or Forest Produce Agreement issued by VicForests that was current as at 1 January 2023; or
2. Have or had a harvest / haulage contract with VicForests that was current as at
1 January 2023; or
3. be one of the following:
4. a haulage sub-contractor who:
5. has contracted since 1 July 2020 to a business with a current VicForests harvest and/or haulage contract, and
6. has at least 30% of annual revenue derived from the business with the VicForests contract based on an average of the last five financial years; or
7. a truck operator who:
8. has transported hardwood woodchips or other residues from sawmills that had a Timber Sale Agreement or a Forest Product Licence issued by VicForests since 1 July 2020, and
9. has at least 30% of annual revenue derived from transporting hardwood woodchips or other residues from those mills based on an average of the last five financial years; or
10. a road contractor who:
11. has contracted since 1 July 2020 to a business with a harvest / haulage contract with VicForest that was current as at 1 July 2023, and
12. has at least 30% of annual revenue derived from road construction or maintenance operations on the road network used for hardwood log haulage based on an average of the last five financial years; or
13. a seed-collector who has at least 30% of annual revenue derived from the VicForests contract based on an average of the last five financial years; or
14. a business undertaking forest-based activities which has had at least 30% of annual revenue derived from a VicForests contract based on an average of the last five financial years.

Businesses must also:

* have an Australian Business Number (ABN); and
* be, or expect to be, conducting business operations in Victoria; and

meet all the industrial relations obligations as an employer in accordance with the National Employment Standards under the *Fair Work Act 2009* (Cth) **National Employment Standards - Fair Work Ombudsman**.

An application received from a business, where a business owner or director of the business is applying for or has previously received a Worker Support (redundancy top-up) Payment as part of the Forestry Transition Program will not be accepted.

Applicants must contact a Forestry Transition representative to discuss their eligibility prior to submitting an application.

## 2.3 Eligible project activities

Activities funded under the Program can include:

* designing, developing or implementing new processes, products or innovation opportunities
* purchasing mobile or fixed plant or equipment (including trailers)
* re-tooling or modifying existing plant or equipment
* investing in new product streams and technologies
* undertaking feasibility studies (the Government funding contribution towards these studies will be limited to $100,000)

engaging consultants or research expertise to support transition opportunities

Other activities or projects not listed above may still be eligible, provided they align with the program objectives and contribute to building local economies by creating new employment and business opportunities.

A project funded by the Program must be completed within 2 years unless otherwise agreed with the Department.

Applicants must contact a Forestry Transition representative to discuss the eligibility of the proposed project activity prior to submitting an application.

## 2.4 Ineligible project activities

The following activities will generally not be funded under the Program:

* funding for equipment to undertake DEECA forest and fire management works through a novated VicForests contract with DEECA
* purchase of vehicles (including but not limited to: cars, utes, truck prime movers, vans, etc.)
* projects requiring ongoing funding from the Victorian Government when completed
* retrospective funding, where projects have commenced (i.e. equipment purchased, contracts entered into, or construction has begun) or have been completed prior to receiving funding approval
* ongoing operating costs such as rent or utilities or salary subsidies
* purchase or establishment of a timber plantation
* financial reimbursement for an applicant’s or their employee’s time relating to this program
* event sponsorship
* private sector projects undertaken as a result of a government contract
* projects where funding is normally provided by other state, Australian Government, or local government sources
* costs to meet regulatory requirements
* purchase of property or land

telecommunication service improvements and access road upgrades

Applicants must contact a Forestry Transition representative to discuss the eligibility of their proposed project activity prior to submitting an application.

## 2.5 Grant amount

The Victorian Government may provide grants of up to $1,000,000 (ex GST).

Any applications for grants over $1,000,000 million (ex GST) may be considered on a case-by-case basis.

In determining the amount provided by the Government, the following will be taken into account:

* project alignment with the Program’s objectives, particularly the creation and the retention of jobs in Victorian communities impacted by the native timber transition;
* the co-contribution amount to be made by the applicant;
* previous funding received by the applicant from the Forestry Transition Program, including earlier rounds of the Victorian Timber Innovation Fund and the status of funded projects;

value for money. The project is expected to generate broader public good, particularly building local economies and creating new or retaining existing employment opportunities.

Note that the amount provided by the Government may be less than the amount requested by the Applicant.

For companies that are unable to provide three years of audited financial accounts, the department will utilise its absolute discretion in determining the amount of funding, if any a project may receive.

## 2.6 Co-contribution requirement

A cash co-contribution is not a requirement for projects with a total value of up to $250,000 where jobs will be retained or created.

The level of financial co-contribution will be factored into the assessment process. That is, an application with a higher percentage of applicant contribution will be assessed more favourably.

For projects with a total value of over $250,000, a minimum 1:1 cash co-contribution will be required by the applicant for every dollar over $250,000.

In-kind contributions may be taken into consideration at the discretion of the department.

Table : co-contribution examples

| Total project value | Maximum Government contribution | Minimum applicant cash contribution |
| --- | --- | --- |
| $250,000 | $250,000 | $0 |
| $300,000 | $275,000 | $25,000 |
| $400,000 | $325,000 | $75,000 |
| $500,000 | $375,000 | $125,000 |
| $1,000,000 | $625,000 | $375,000 |
| $1,750,000 | $1,000,000 | $750,000 |

Applicants are expected to maximise their co-contribution. Co-contributions can be drawn from a range of sources such as:

* equity from the business or business investors
* loans from financial institutions
* grants from the Australian Government
* contributions from local government authorities
* contributions from utility/service providers

funds from other sources.

Sources of cash co-contribution must be disclosed in the application. Note that the purchase of land will not be considered a co-contribution.

# 3. Application and assessment process

## 3.1 Opening and closing dates

Applications for the Program will open on **31 May 2024** and will close on **30 June 2025**, unless funds are fully expended prior to this date. Applications may be submitted at any time between the opening and closing dates. Applications submitted outside of these dates will not be considered.

## 3.2 Application process

To apply for a grant, applicants are to undertake the following process.

### Step 1: Should I apply for a Victorian Timber Innovation Program grant?

* Read these guidelines carefully

Discuss the proposed project with a Forestry Transition representative on telephone
**1800 318 182** or email **forestrytransition@deeca.vic.gov.au.**

### Step 2: Seek assistance to prepare an application (optional)

If you need assistance to prepare an application, help is available through a Registered Service Provider(A Registered Service Provider is an organisation who has been assessed by the Department as having an appropriate level of professional experience and knowledge to support the development of a project plan and/or the preparation of an application). The Department covers the cost of the work undertaken by the Registered Service Provider (up to a maximum value of $7,500). If you don’t need assistance, you don’t have to do this step.

* Review the list of Registered Service Providers available on the website <https://www.deeca.vic.gov.au/forestry/grants/timber-innovation-grants>
* Contact a Registered Service Provider and discuss your need for assistance

Work with the Registered Service Provider who will prepare your project plan for the program

The Registered Service Provider will complete an expression of interest and/or a grant application on behalf of the business.

### Step 3: Prepare an Expression of Interest

Applicants or a Registered Service Provider applying on behalf of a business are to complete an Expression of Interest application that provides a reasonably detailed description of the project including the outcomes and expected benefits for job creation and economic contribution to the local economy.

The Expression of Interest will be submitted through Grants Online website <https://deeca.my.site.com/publicform?id=VTIGPR3-EOI>

An impacted revenue declaration prepared by an accountant is required for the following types of business: harvest and/or haulage sub-contractors, wood chip truck operators, seed collectors and other affected businesses as listed in Section 2.2 (Eligible businesses).

Expressions of Interest will be assessed as to the business’ eligibility as listed in Section 2.2 (Eligible businesses) and the eligibility of the proposed project activity as listed in Sections 2.3 (Eligible project activities) and 2.4 (Ineligible project activities).

Applicants should note that Expressions of Interest may not proceed to the application stage if the business or the proposed project activity is deemed to be ineligible for the grant program.

### Step 4: Prepare a Grant Application

If the Expression of Interest is assessed as eligible, a Forestry Transition representative will email the online application form link directly to the applicant who may then submit an application.

The application must include:

* a detailed description of the project
* a description as to the project’s ability to support the business to transition away from native timber supply. This must include:
* for timber-related applications: sources of timber
* for service-related applications: a description of markets and customers
* for production-related applications: a description of inputs, customers and markets
* the outcomes and benefits of the project, particularly relating to employment creation or retention and economic benefits to the local economy
* a project plan that outlines project timelines and milestone dates available on the website (<https://www.deeca.vic.gov.au/__data/assets/word_doc/0026/682208/victorian-timber-innovation-grants-project-plan-template.docx>) and the people who will be involved in delivering the project
* a project budget that details where non-government funding will be sourced and when it will be spent
* a risk management plan available on the website (<https://www.deeca.vic.gov.au/__data/assets/word_doc/0027/682209/victorian-timber-innovation-grants-project-risk-assessment-template.docx>)
* 3 years of audited financial reports, where the latest financial report is more than six months old, up-to-date management or interim accounts (profit and loss and balance sheet) will be requested (for projects over $50,000).
* The following documents may be attached to support the Application:
* research to support the activity
* feasibility studies
* business plans
* costs benefit analysis
* letters of support.

Applicants have up to 60 days from the date of invitation to prepare and submit an online application.

The preparation and submission of an application may be done by either the Applicant or the Registered Service Provider acting on the Applicant’s behalf.

## 3.3 Assessment process

Applications will be initially checked for eligibility to make sure that the applicant and their activity is eligible for funding.

Applications will then be assessed by a Departmental assessment panel against the criteria in Table 2.

Table : Assessment Criteria

| Assessment criteria | Weighting |
| --- | --- |
| Project outcomes**Applications will be assessed on a value-for-money basis which includes consideration of:*** how the proposed project will support the business to transition successfully away from dependence on native timber supply or timber harvesting operations in Victorian State forests. The application should include the source of any required inputs, markets and customers.
* how the project supports local employment and benefits the local community and other supply-chain businesses.
* how many sustainable jobs will be created and/or retained. The assessment will consider the funding requested per job created or retained.
* the level of cash-co-contribution by the applicant.
 | **60%** |
| Organisational capability and capacity**Applications will be assessed on the ability of the applicant to complete the project. Applications must:*** clearly describe and scope the project, including submission of a project plan, timeline and risk assessment. For projects with a total project cost of over $500,000, applicants must include a business plan that has been prepared or reviewed by an external business advisor.
* demonstrate the extent to which the business has the required resources and skills to manage and implement the project, including sufficient cash to meet co-contribution requirements and key project people.
* demonstrate their history in meeting contractual obligations with the State, if applicable.
* indicate their compliance with all industrial relations obligations as an employer in accordance with the National Employment Standards under the *Fair Work Act 2009* (Cth) or the applicable award, such as the Timber Industry Award.
 | **40%** |

It is recommended that applicants and Registered Service Providers use these criteria as a guide to the information that should be included within the application. Not all assessment criteria listed may be relevant to each application.

Note that the Departmental assessment panel will also consider:

* the applicant’s history in involvement with other Forestry Transition programs

the applicant’s previous compliance with industrial relations obligations as an employer.

## 3.4 Recommendation for funding

The Departmental assessment panel will make a recommendation for funding based on its assessment of applications against the assessment criteria.

The panel may recommend the application not be funded, be partially funded or fully funded or may request that further information be supplied by the applicant.

A financial risk assessment will be undertaken by the Department for grants greater than $50,000. Applicants will be required to submit Australian Taxation Office compliance reports (balance sheet and profit and loss statements) for the past three years.

Where the latest financial report is more than 6 months old, up-to-date management or interim accounts (profit and loss and balance sheet) will be requested.

The assessment panel will consider the results of the financial risk assessment as well as the evidence that the business has sufficient cash to cover the co-contribution requirements over the life of the project in determining what funding, if any, should be recommended for approval.

The assessment panel will also confirm claims of job retention or creation against records from the Worker Support Program.

## 3.5 Approval of funding

Where the departmental assessment panel recommends an application for funding, the panel will provide that recommendation to the Minister for Agriculture for final consideration.

The Minister for Agriculture will consider the recommendations made by the Department when deliberating on approval for a grant to an applicant.

The Department will provide feedback to unsuccessful applicants for those Applications not recommended to the Minister for approval.

# 4. Grant agreement

## 4.1 Offer of a Grant

Where the Minister for Agriculture approves a grant to a successful applicant, the Minister will write to the successful applicant with an offer to enter into a grant agreement with the Department.

The letter of offer is a non-binding agreement and will lapse after 30 days from the date of the letter unless varied by agreement with the Department.

The successful applicant must respond to the Letter of Offer in writing indicating they have accepted it.

## 4.2 Grant agreement

The Department will issue the successful applicant with a grant agreement if the applicant accepts the letter of offer.

The grant agreement:

* describes the purpose for which the funding must be used
* sets out any requirements or conditions that must be met prior to the payment of a grant instalment
* outlines agreed milestones and project outcomes that must be achieved before payment of a grant instalment
* is a legally enforceable document that clearly set out the obligations of both parties. It aims to protect the Victorian Government’s interests and ensure the efficient and effective use of public money

ensures there is appropriate recognition of Victorian Government support in project-related publications, media releases and promotional material.

Successful applicants must agree and sign the grant agreement within 30 days from the date the Department provides them with the grant agreement, otherwise the offer will lapse. The grant agreement is to be signed by a person authorised by the business to enter into an agreement.

Once the grant agreement has been signed, the applicant will be required to actively manage and deliver the project and provide accurate progress reports to the department. During a project, the Department may conduct site visits.

The project must commence within 3 months of the execution of the grant agreement. If the project does not commence within this timeframe the grant may be withheld, suspended or cancelled by the department.

Details of the project are to remain confidential until the project is formally announced by the Victorian Government.

# 5. What are the funding conditions?

## 5.1 Conditions of applying

These guidelines and any discussions you may have with a representative of the Department are for information only and do not constitute advice.

Applicants should seek independent advice before making an application or entering into a grant agreement.

Applications are made at the cost of the applicant, except where an applicant seeks assistance through a Registered Service Provider for the preparation of an Application.

The Department makes no representation that a grant of funds will be made to any applicant and reserves the right to make no funds available under the Victorian Timber Innovation Grants Program.

## 5.2 Information only

The Department reserves the right to make changes to these guidelines as required.

Any changes to the guidelines will not affect the eligibility of the applicants and applications made prior to the date of publication of any update.

## 5.3 Local Jobs First Policy

Projects with a grant amount of $1 million or more are required to meet the Local Jobs First Policy requirements: [**localjobsfirst.vic.gov.au**](http://localjobsfirst.vic.gov.au/).

## 5.4 Fair Jobs Code

The Victorian Government’s Fair Jobs Code commenced on 1 December 2022.

The Fair Jobs Code allows the Victorian Government to use its purchasing power to promote secure employment and fair labour standards and to ensure compliance with employment, workplace and industrial laws.

Grants of $500,000 and over (excluding GST) may need to comply with the Code – for more information please go to **Fair Jobs Code for suppliers and businesses |** [**buyingfor.vic.gov.au**](http://buyingfor.vic.gov.au/). This site includes a link to apply for a Fair Jobs Code pre-assessment certificate.

## 5.5 Project costing treatment of GST

Applicants should note that all project costs included in the application must be exclusive of GST.

Applicants must have an Australian Business Number (ABN) and be registered for GST or provide written advice from the Australian Taxation Office that no withholding tax is required to be withheld from the grant payment.

## 5.6 Legislative and regulatory requirements

In delivering the activity grant recipients are required to comply with all relevant Commonwealth and state/territory legislations and regulations, including but not limited to:

* *The Privacy Act 1988 (Commonwealth)*
* *The Freedom of Information Act 1982 (Vic)*

*Occupational Health and Safety Act 2004*

## 5.7 Tax implications

Applicants should consult the Australian Taxation Office or seek professional advice on any taxation implications that may arise from this grant funding.

Successful applicants without an ABN will need to provide a completed Australian Taxation Office form ‘Statement by a Supplier” so that no withholding tax is required from the grant payment.

## 5.8 Acknowledging the Victorian Government’s support

Successful applicants are expected to acknowledge the Victorian Government’s support and promotional guidelines ([**https://www2.delwp.vic.gov.au/grants**](https://www2.delwp.vic.gov.au/grants)) will form part of the funding agreement. Successful applicants must liaise with the departmental program area to coordinate any public events or announcements related to the project.

## 5.9 Payments

Payments will be made as long as:

* the funding agreement has been signed by both parties;
* grant recipients provide reports as required, or otherwise demonstrate that the activity is progressing as expected;

other terms and conditions of funding continue to be met.

## 5.10 Monitoring

Grant recipients are required to comply with project monitoring and reporting requirements as outlined in the funding agreement. This may include progress reports, site inspections, completion reports and acquittal documentation.

## 5.11 Privacy

Any personal information about you or a third party in your application will be collected by the department for the purposes of administering your grant application and informing Members of Parliament of successful applications. Personal information may also be disclosed to external experts, such as members of assessment panels, or other Government Departments for assessment, reporting, advice, comment or for discussions regarding alternative or collaborative grant funding opportunities. If you intend to include personal information about third parties in your application, please ensure that they are aware of the contents of this privacy statement.

Any personal information about you or a third party in your correspondence will be collected, held, managed, used, disclosed or transferred in accordance with the provisions of the *Privacy and Data Protection Act 2014* and other applicable laws.

DEECA is committed to protecting the privacy of personal information. You can find the DEECA Privacy Policy online at **www.delwp.vic.gov.au/privacy**

Requests for access to information about you held by DEECA should be sent to the Manager Privacy, P.O. Box 500 East Melbourne 8002 or contact by emailing **Foi.unit@delwp.vic.gov.au**.

## 5.12 What is the notification process?

Successful and unsuccessful applicants will be notified in writing after the assessment process is completed. All decisions are final and are not subject to further review. Unsuccessful applicants can ask for feedback on their application.

# 6. Other Forestry Transition worker, business and community support

The **Forestry Transition Program** includes assistance for affected timber businesses, workers and communities. Successful applicants under the Victorian Timber Innovation Grants Program may be eligible for other Forestry Transition Program support packages when and if released, subject to meeting the specific requirements.

Details of these programs can be found at [**deeca.vic.gov.au/forestry/forestry-transition-program**](http://deeca.vic.gov.au/forestry/forestry-transition-program) or by phoning **1800 318 812**.

# 7. Step-by-step application guide

1. Read the Program Guidelines

2. Contact the department’s Forestry Transition Representative to discuss your project

2a. Seek assistance from Registered Service Provider to prepare an application (optional)

2b. Registered Service Provider prepares business’ project plan

2c. Registered Service Provider will complete an expression of interest and/or a grant application on behalf of the business

2d. Registered Service Provider receives up to $7,500 from the department for works undertaken

3. Submit the Expression of Interest (EOI) Form through the VTIF website

4. Receive EOI outcome from the department

5. Receive application form electronic weblink by email from the department if successful

6. Apply via the electronic weblink before the program closing date

7. Department assesses and recommends application to the Minister for funding

8. Receive Letter of Offer if successful or notification if unsuccessful

9. Applicant responds by accepting or rejecting letter of offer

10. Department issues a grant agreement for applicant’s signature

11. Applicant signs and return grant agreement to the department

12. Department countersigns and executes the agreement

13. Project commences

14. Payments are made on evidence of the project milestones being met and completed

# 8. Further support

A Forestry Transition representative is available to provide additional support to applicants.

Applicants requiring further information or support should contact a Forestry Transition representative on telephone: **1800 318 182** or email: **forestrytransition@deeca.vic.gov.au**.

If you require assistance submitting your application online, email **grantsinfo@delwp.vic.gov.au**.

# Appendix 1: Grant application assistance

**1. Registered Service Providers**

**2. Assistance available**

**3. Funding**

**4. Eligibility and assessment – Registered Service Provider**

**5. Participant and Service Provider relationship**

**6. Ineligible project activities**

**7. Funding conditions**

## 1. Registered Service Providers

A panel of Registered Service Providers has been established and is available via the **deeca.vic.gov.au/forestry/grants/timber-innovation-grants** website for eligible businesses to review and select a provider. The Department may review membership of the panel in the future and invite new applicants to apply via formal assessment to the Registered Service Provider panel. The timing of any call for new Service Providers is at the discretion of the Department.

The eligible business will be able to engage a service provider from a panel of Registered Service Providers (Panel) who has been assessed by the Department as having an appropriate level of professional experience to provide project planning and grant application writing skills.

Organisations wishing to be considered for the panel may register interest by emailing**forestrytransition@deeca.vic.gov.au**

**Step One**: The Service Provider submits an application using the link below

**Step Two**: The Department assesses the submitted applications against the selection criteria. In determining the panel membership, the Department takes into consideration the availability of the Service Provider to service regional areas

**Step Three**: Selected Service Providers are sent a letter of offer by the Department to become a Registered Service Provider

**Step Four**: The list of Registered Service Providers is published on the website

The Department reserves the right to remove any pre-approved provider from the panel.

## 2. Assistance available

Registered Service Providers will be funded for the purpose of the project planning, preparation and completion of an expression of interest, and, if required, a grant application to the Timber Innovation Fund Program – Round 3.

The department does not guarantee that an expression of interest will proceed to the grant application stage. It is important that the applicant and Registered Service Provider discuss the eligibility of the project with a Business Transition Officer prior to submitting an expression of interest or application.

## 3. Funding

Under voucher-type programs, the funding is paid to the Registered Service Provider once the services have been provided to the satisfaction of both the participant and the Department.

Grant Application Assistance vouchers are capped at a maximum value of $7,500 (exclusive of GST). If the total assistance cost exceeds the $7,500 provided by the Department, participants will be required to meet the additional costs.

Program participants will not receive a financial reimbursement for their or their employee’s time and should discuss the time commitment with the appointed Registered Service Provider.

The Department reserves the right to determine the value of the services being provided by the Registered Service Provider. This value may be less than the amount requested by the participant.

## 4. Eligibility and assessment – Registered Service Provider

To be a Registered Service Provider for Grant Application Assistance, a business services applicant is required to demonstrate to the Department’s satisfaction that they:

1. currently supply the professional services and where applicable demonstrate industry-specific knowledge;
2. are financially viable (Potential service providers may be required to submit financial accounts for the previous) three (3) Financial Years, plus, interim accounts if the financial accounts are over 6 months old);
3. are based in or have an operating presence in Victoria;
4. have a trading history of at least two years(The Department reserves the right to waive this requirement at its discretion on a case-by-case basis.)
5. are one of the following entity types:
6. a private or public company (not listed) incorporated in Australia under the Corporations Act 2001, that is non-tax-exempt and is registered for GST; or
7. a not-for-profit organisation that:
* is an incorporated body, co-operative, or association (including business associations); and
* holds a current Australian Business Number (ABN); and
* is registered for GST or can provide written advice from the Australian Tax Office that no withholding tax is required from the voucher payment.
1. commit to undertake their role in accordance with these Guidelines and the agreement entered with the Department; and
2. are not a Sole Trader.

## 5. Assessment – Registered Service Provider

Registered Service Providers are selected based on their eligibility to be involved in the program as set out above, and based on their:

1. proven experience in undertaking project planning
2. demonstrated understanding of forestry businesses and the Victorian timber industry
3. proven knowledge and experience of grant writing capabilities
4. ability to access clients across regional Victoria.

Registered Service Providers will be listed on the VTIF program webpage at [**deeca.vic.gov.au/forestry/grants/timber-innovation-grants**](http://deeca.vic.gov.au/forestry/grants/timber-innovation-grants).

## 6. Participant and Service Provider relationship

A constructive working relationship between the participant and the Registered Service Provider is important for the successful completion of an expression of interest to the Timber Innovation Fund – Round 3, and where an expression of interest is successful, the completion of a grant application to the Timber Innovation Fund.

Participants and Registered Service Providers must be entirely unrelated entities.

They may not be owned by the same parent or ultimate holding company, share governance, or have common directors.

1. Applicants to the Grant Application Assistance are required to declare all existing governance relationships between themselves and the nominated Registered Service Providers, including whether any of the Registered Service Providers:
2. are subsidiaries or related bodies corporate within the meaning of the Corporations Act 2001; or
3. share common directors, officers, or senior managers; or
4. share any person who controls (directly or indirectly) or has substantial influence over the exercise of voting power under the governance arrangements of the respective organisations.

## 7. Ineligible Grant Application Assistance activities

The following will not be funded under the Grant Application Assistance:

1. capital expenditure
2. internal costs, salaries, worker entitlements or resources of the applicant
3. equipment, software, and hardware purchases
4. training courses, units, or modules (e.g. language, mentoring, coaching or other)
5. interpreting and translation costs
6. costs associated with minor or non-technical alterations of a product to suit a specific market
7. basic professional services such as ongoing, routine accounting, tax and legal business requirements, licensing, costs associated with export documentation, legal/intellectual property costs, financing fees
8. routine maintenance including rents and utilities
9. travel costs and entertainment costs
10. costs associated with group trade missions, delegations, events, seminars, workshops and/or training
11. any amount paid on account of goods and services tax
12. any administrative fees or surcharges for administering the expenditures listed above
13. services relating to import activities
14. projects where the primary purpose relates to offshore manufacturing
15. intellectual property fees and charges associated with registering domestic or international patents or other intellectual property enforcement expenses
16. any other expenditure as determined by the Department that does not meet eligibility under the Grant Application Assistance.

No funding will be provided if the project commences prior to receiving a letter of offer from the Department approving eligibility to participate in Grant Application Assistance process.

## 8. Funding conditions

A Registered Service Provider will be required to agree to the terms and conditions as outlined in the Letter of Registration with the Department under which it must warrant to the Department that it is:

1. committed to carrying out its obligations and duties, completing the agreed services to the reasonable satisfaction of eligible businesses (see 2.2 of these Guidelines) and the Department with respect to the provision of any Services under any voucher issued by the Department
2. committed to servicing projects in a proper, timely and efficient manner as agreed with the business
3. ensure the highest quality of work and the delivery of the services with the utmost efficiency.

A decision to register a service provider under the Grant Application Assistance is at the Department’s sole discretion.

Registered Service Providers may not subcontract the services under a voucher without the written approval of the participant and the State.

### Voucher conditions

Following the Department’s assessment of a Timber Innovation Grants Program application, the Department will write to the applicant with a letter of offer confirming the outcomes of the application.

Once the Department has received the acceptance of the letter of offer signed by the Participant and a copy of the service agreement signed by both the Registered Service Provider and the applicant, a voucher will be issued to the applicant and the Registered Service provider will receive a copy.

### Duration of projects

Where an expression of interest is successful, a grant application must be completed within 90 days of the application link being sent to the applicant. Once a formal grant application is submitted the project is deemed complete. The Department reserves the right to withdraw the offer of voucher funding if projects are not commenced or completed within the allocated time.

### Payment conditions

Each voucher can only be used for the services of one Registered Service Provider, not multiple Registered Service Providers. Payment for services delivered up to the face value of each voucher will be direct from the Department to the Registered Service Provider. GST will be paid in addition to the voucher value where applicable.

Redeeming the full amount of the voucher is dependent on whether a valid expression of interest and grant application have been received and assessed as eligible to the program. In the event that an expression of interest does not progress to a grant application the Registered Service Provider will be eligible to apply for a proportion of the full voucher amount (up to half the total value of the voucher). The Registered Service Provider will not be able to redeem the voucher, and the Department will not be liable to pay the Service Provider until it has received:

* a valid tax invoice from the Registered Service Provider specifying the actual services provided to the Participant up to the value of the voucher;
* the voucher signed by both the applicant and the Registered Service Provider indicating that the agreed activities have been completed;
* a Statutory Declaration signed by the participant stating the services were completed in accordance with the service agreement and were satisfactory;
* if, in the event the project cost exceeds the value of the voucher (capped at $7,500 exclusive of GST), a Statutory Declaration from the Registered Service Provider that states that the project has been completed and that the Service Provider has received the participant’s co-contribution for the costs exceeding the cap; and

the Department is satisfied that the services have been completed in accordance with the Registered Service Provider’s agreement with the Department.

Authorised by the Department of Energy, Environment and Climate Action

1 Spring Street Melbourne Victoria 3000
Telephone: 1800 318 182
Email: **forestrytransition@deeca.vic.gov.au**

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Telephone: **1800 318 182**

Email: **forestrytransition@deeca.vic.gov.au**

Website: [**vic.gov.au/forestry**](http://vic.gov.au/forestry)