



Department of
Primary Industries and
Regional Development

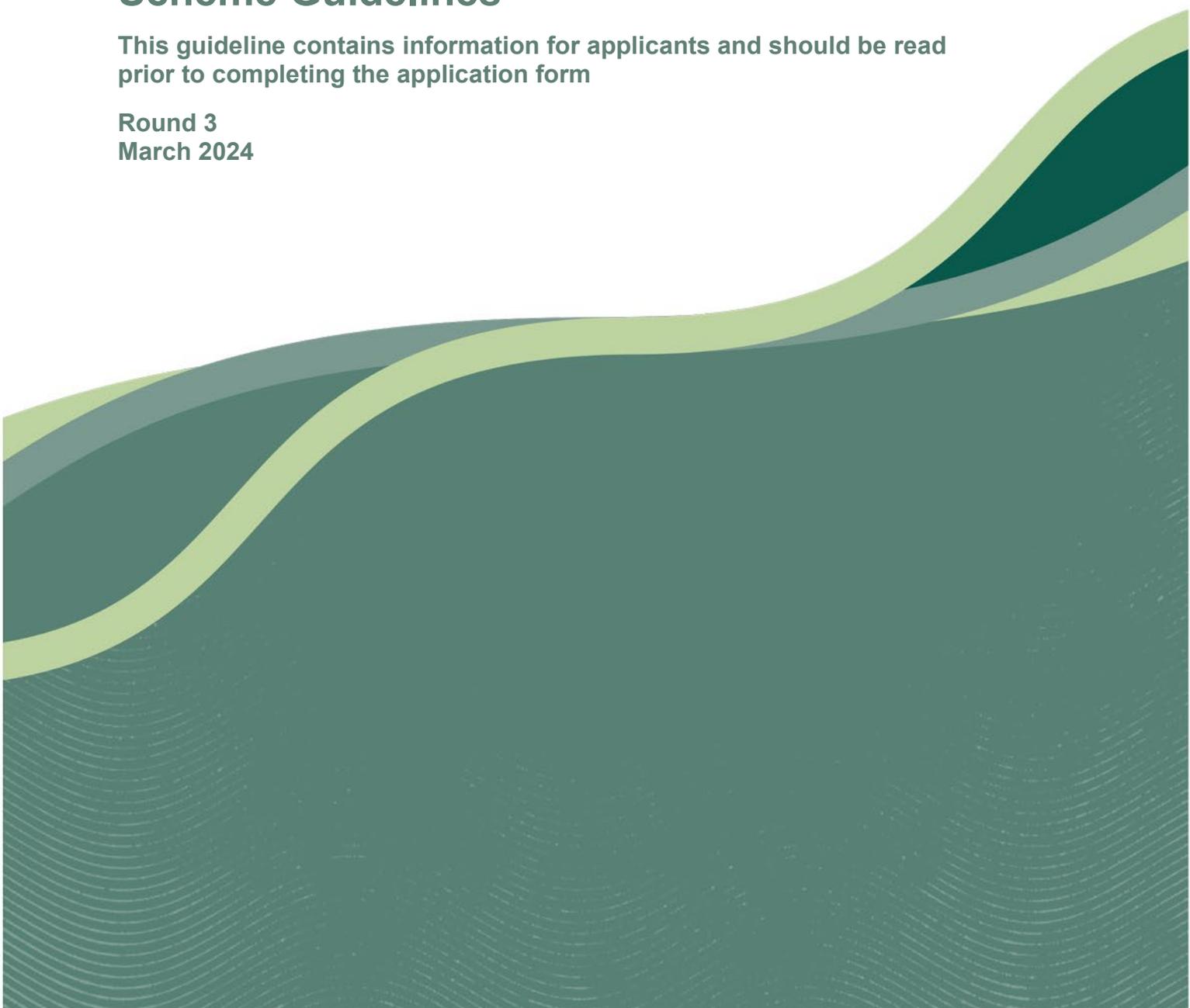
Protect
Grow
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Value Add Investment Grants: Capital Stream

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: Capital Investment 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 **Capital Investment stream** will provide funds to eligible applicants for capital investment projects to expand, diversify or relocate their value adding and processing operations in WA. It will support investments in new manufacturing capability or processing facilities, new technology or plant modernisation which result in reducing WA's reliance on imported products, supports business growth, fosters innovation and creates jobs. Projects must align to the stated objectives of the VAIG and be delivered by 28 February 2026.

Further information about the **Feasibility 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 implementing capital investment projects relating to food and beverage manufacturing or other forms of value adding processing in WA.

Regional and Aboriginal businesses are encouraged to apply.

Grant process

Applications will follow a two-stage application process. Stage One will consist of an Expression of Interest (Eoi) process where businesses can provide high-level information regarding their proposed project. DPIRD will assess Eoi applications and invite selected applicants to submit a full grant proposal in Stage Two.

Only Eoi applicants selected by DPIRD will be considered for funding through the VAIG Capital Investment stream.

Key dates

To be considered for funding through this scheme,

- Expressions of Interest must be submitted by **5.00pm (AWST), 3 May 2024**
- Detailed applications must be submitted by **5.00pm (AWST), 15 July 2024**.

	Dates
Ministerial announcement	22 March 2024
Expressions of Interest (EOI) Open	22 March
Expressions of Interest (EOI) Close	3 May – 5pm AWST
EOI assessment & approvals	31 May
Successful EOI applicants informed	31 May
Feedback and advice provided to unsuccessful projects	From 31 May
<i>Project refinement & application period (Invited applicants only)</i>	6 weeks from 3 June
Invited applications close	15 July – 5pm AWST
Applications assessment & approvals	15 July to 13 September
Recipients announced	From September
Financial Assistance Agreements	October 2024 - January 2025
Projects commence	upon approval
Projects to be completed by	28 February 2026

Funding limits and timeframes

In this scheme individual grants of between \$500,000 - \$1,000,000 are available.

The scheme will cover projects/activities that commence once DPIRD and the successful recipient have signed the FAA..

Projects must be completed by 28 February 2026.

Activities that can be funded

Capital investment funding assistance may be available for new investment or bringing forward planned investment projects in existing businesses that involve value adding post harvest or production, which is defined as any activity that transforms WA primary production from its original or raw form (i.e. commodities) into a state which is perceived as more valuable to the end consumer (i.e. products), thereby accruing higher margins to the producer. This can include but are not limited to:

- 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 improve 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
- Businesses to relocate operations to, or expand existing operations in, regional and/or metropolitan WA.

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, salaries, utility charges, rent, or relocation of employees
- 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
- Purchase of land or buildings
- Agricultural primary production and farm infrastructure
- Data purchase or database access
- Legal fees
- Protecting or patenting intellectual property
- Repair or connection to infrastructure or major equipment that could be considered part of normal business or ongoing operations
- A research and development project involving an experiment or a trial with unknown outcome
- Any other expenditure as determined by the Department that does not meet program conditions

Applicant Eligibility Requirements

For the purposes of this grant, primary production encompasses, grains and oilseeds meat and livestock, dairy, fibre, horticulture, wild catch fisheries and aquaculture, forestry and bush food products.

Applicants must satisfy eligibility requirements and provide identified application information for the EOI and grant application.

Mandatory eligibility requirements

To be eligible to receive a grant, your application must be related to value adding to primary production in WA; and the applicant must meet ALL of the following criteria:

- Be a private sector business (including incorporated trustees), public companies, grower cooperatives, or similar organisations having an Australian Business Number (ABN) and registered for GST
- Be capable of entering into a legally binding agreement with the WA Government
- 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
- The project be located in, or looking to relocate to, regional and/or metropolitan WA
- Have the financial capacity to fund the minimum cash contribution

- Have been in operation for a minimum of two years (or similar established track record)
- Have a project to be delivered by 28 February 2026. Projects must commence within six months of executing a funding agreement (which will include agreed milestones and project deliverables) with the State.

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.

Expression of Interest (Eoi) submission requirements

Proposed projects must comply with the criteria outlined in Activities that can be funded and Mandatory Eligibility requirements sections of this document.

Eoi applicants will not be required to demonstrate ability to satisfy mandatory eligibility requirements at this stage. However, the applicant will be required to affirm their understanding of those mandatory requirements and understand that they will be required to provide evidence of their ability to satisfy them should they be invited to the next stage.

Applicants are encouraged to be developing their project to a 'shovel-ready' status, including but not limited to business case, feasibility studies and consultation on necessary approval and regulatory requirements as these will be required for invited Stage 2 applicants.

EOI information required from Applicant

Applicants will be asked to provide a short, compelling summary of their project, the rationale behind it and the anticipated benefits to the State. The objective of the Eoi is to provide businesses in WA the opportunity to showcase innovative approaches, techniques, and/or technology in the agribusiness food and beverage sector.

The Eoi will comprise two sections: (1) business information and (2) project information.

Business information requested will include a short description of the overall business operations and summary information relating to annual total revenue, current number of employees and business location(s).

Project information will include a description of the proposed project, including the purpose and objectives of the project. Additional details requested will include:

- Estimated total project budget
- Anticipated grant funding request (not to exceed 50% of project budget)
- Project timeline or schedule
- Short description of intended funding plan (e.g., self-funded, private investment, etc.)
- Efforts undertaken (or to be undertaken) to de-risk the project, such as business case, risk analysis and mitigation plan, feasibility assessment, engagement regarding approvals, licencing and regulatory requirements etc.

- Confirmation that the applicant has reviewed eligibility requirements and affirms its ability to provide supporting evidence should the applicant proceed to *Stage 2: Grant Application*.

Applicants that best align to WA's value add objectives will be invited to submit a full grant proposal for the proposed project.

Capital Investment Stream Stage 2 eligibility requirements

In addition to the mandatory eligibility requirements, applicants for a Capital Investment grant must:

- Submit an EoI for the intended project
- Receive an invitation from DPIRD to submit a grant application for the project identified within the EoI
- Have completed a business case, feasibility assessment, or de-risk analysis of the intended project.
- Provide evidence of consultation with applicable regulatory authorities as to the specific requirements for the potential project including indicative timeframes, cost and process (environmental approvals, licencing requirements, development applications etc).

Applicant funding contribution

Applicant should demonstrate a cash funding contribution of no less than 50% 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 50% 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 secured funding sources for this portion of funds, including any conditions and/or requirements imposed with those funds.

How to apply for funding

Applicants must first submit an Expression of Interest in order to qualify for the closed round grant application. Eligible businesses and organisations can apply for funds by completing and submitting an online EoI Application Form via [SmartyGrants](#) prior to the closing date.

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

Assessment – How will the applications be assessed

DPIRD will appoint an independent assessment panel with suitable industry, technical and commercial experience to determine eligibility, assess the applications and provide funding recommendations to DPIRD. Information about the assessment panel will not be disclosed.

- **Assessment process**

A separate assessment process will occur for each stage.

- **Stage One** will be an open Expression of Interest (EOI) process allowing businesses to submit a short project summary. No funding will be awarded at this stage. Projects will be assessed based on the merits of the proposed project and those considered to have high potential will be invited to submit a detailed grant application in Stage Two.

Unsuccessful applicants at Stage One will be provided with detailed feedback and may be referred to other DPIRD or third-party operated schemes of assistance based on their needs.

- **Stage Two** will be a closed, invite-only grant application process for the successful projects from Stage One. It will be a competitive process with all applications assessed on their merits by an independent assessment panel.

The Panel will review applicants and determine eligibility, assess the applications and provide funding recommendations to DPIRD. 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 to the Minister for Agriculture and Food for final decision-making.

Program opening and successful applicants will be announced by the Minister for Agriculture and Food via media statement.

- **Assessment criteria for Stage One: EOI submissions**

EOI applicants that affirm their ability to satisfy the mandatory eligibility requirements will be reviewed and assessed based on the project's merits. The assessment will consider three areas:

- **Strategic alignment** – How the project will contribute to the objectives of VAIG stated in this document.
- **Benefits** – How significant are the benefits (both direct and indirect) to the business and the broader WA economy such as economic diversification, Environmental, Social and Governance (ESG) initiatives and job creation.
- **Feasibility** – What information is provided on the steps taken or planned to determine the project's feasibility including the key risks and the development of a concrete project management plan.

- **Assessment criteria for Stage Two: Grant application**

Only successful EOI submissions that are invited to submit a grant application will be assessed.

Following eligibility screening, applicants will be merit assessed based on the selection criteria detailed below. Applicants must address all the assessment criteria as outlined in this document. Assessment of the application 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, complexity and grant amount requested.

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

Assessment Criteria – Capital Stream			Weighting
1.	ESG Impact	<p>The Applicant must demonstrate:</p> <ul style="list-style-type: none"> • Ability to contribute to Environmental, Social and Governance (ESG) initiatives; and • Ability to support sustainability initiatives (such as reducing carbon footprint, supporting Net Zero, supporting sustainable growth). 	10%
2.	Direct Economic Benefit	<p>The Applicant must demonstrate how the project will:</p> <ul style="list-style-type: none"> • increase agriculture, food and beverage value added production; • result in direct investment in the WA value adding agribusiness food and beverage sectors, such as: <ul style="list-style-type: none"> ○ Enhance competitive landscape for WA (increase exports/ replace imports) ○ Market diversification and enhancement ○ Product diversification ○ Employment upskills/ diversification ○ Job creation • allow business to scale operations to expand into new markets, new products, new customers, etc., and generate potential long-term benefits that continue after funding has ceased. 	30%
3.	Indirect Economic Benefit	<p>The Applicant must demonstrate how the project will:</p> <ul style="list-style-type: none"> • deliver innovation or production productivity benefits e.g. through the introduction of new technology, enhancement of employee skills, improved safety, new management techniques or raising the value of outputs. • complement or create an added incentive for other investment to occur, e.g. through the creation of critical mass of an industry sector or through the potential attraction of an industry partner; • create any benefits for any other groups such as suppliers, transport operators or other service providers; and • advance priority initiatives for the agribusiness, food and beverage sectors in WA relevant industry or community support for the project if applicable. 	20%
4.	Project Feasibility	<p>The Applicant must demonstrate that:</p> <ul style="list-style-type: none"> • the project is technically feasible, and any plant and equipment purchased is fit for purpose; • that any regulatory requirements including planning and environmental issues have been identified; • the estimated timeframes for the planning, development, approval and implementation of the project; and • that project risks have been identified and strategies developed to manage them. 	25%
5.	Viability of Applicant	<p>The Applicant must demonstrate:</p> <ul style="list-style-type: none"> • their capacity, capability and commitment to undertake the project successfully by February 2026. This includes track record and experience of delivering large projects of a similar nature; and • that they have sufficient funds to deliver the project, including the minimum contribution, noting aboriginal businesses may be 	15%

	<p>considered on a case-by-case basis, and outlining any other project funding sources including contributions from the Commonwealth or local governments, community, private sector or other organisations.</p>	
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Other factors will 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
 - Value Add Investment Grants
 - Value Add Agribusiness Investment Attraction Fund
 - Asian Market Export Grants
 - Export Competitiveness Grants provided by DPIRD or by other State and/or Federal institutions.
- II. The percentage of the nominated cash co-contribution from the applicant or total contribution (cash and in-kind) from eligible Aboriginal applicants. Higher levels of cash co-contribution 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 interested (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 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 twelve weeks of the closing date for applications.

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.

Within twelve weeks of the end date, the grant recipient must provide to the Project Manager 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.

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

In addition to the required final acquittal report, regular project monitoring activities may include:

- Regular milestone reviews with the VAIG team via email/phone; and
- Site visits.

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@dpird.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

The Chief Executive Officer of the Department of Primary Industries and Regional Development and the State of Western Australia accept no liability whatsoever by reason of negligence or otherwise arising from the use or release of this information or any part of it.

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