



Department of
**Jobs, Tourism, Science
and Innovation**

Native Forest Transition: Closure of Impacted Business (CIB) Grants

Frequently Asked Questions (FAQ)



Native Forestry Transition: Closure of Impacted Businesses

Frequently Asked Questions (FAQs)

1. What is the aim of the Closure of Impacted Businesses (CIB) grants?

The Closure of Impacted Businesses (CIB) program is a \$1 million fund that aims to help any business reliant on native timber to exit the industry. The grant offers eligible businesses up to \$50,000 in financial assistance to help with expenses associated with closing their business.

2. Who can apply?

Registered businesses that can demonstrate:

- A direct link to native forestry, or those that support the native forestry industry (e.g. furniture makers, servicing industry);
- The business has been operating for at least 3 years prior to, and at the time of when the decision to end native timber logging was announced on 8 September 2021;
- A reliance of 50% or more on the native forestry industry; and
- They are based in Western Australia.

3. Do I need to match the funding?

No, applicants are not required to match the funding.

4. Why are there two stages?

The CIB program's two-stage structure allows for a phased approach, ensuring that businesses can access initial assistance in Stage 1, to engage professional support and develop a business closure schedule.

Stage 2 then provides further financial support for eligible businesses through reimbursement for approved expenses incurred during the closure process.

5. Why do I need to prepare a business closure schedule?

The business closure schedule demonstrates to government that you are committed to closing the business and provides an overview of the activities that require funding.

The schedule will also help the applicant facilitate a well-managed, orderly closure process that adheres to regulatory and legal obligations, while also aiming to minimise negative impacts on affected parties.

6. Do I need to apply for Stage 1 if I understand what my closure activities are?

Yes, all applicants must apply for Stage 1 to determine eligibility and access an initial payment of up to \$5,000.

Applicants will then be invited to apply for Stage 2 once eligibility has been determined under the Stage 1 application.

7. Why is Stage 2 funding provided on reimbursement?

Stage 2 funding is provided on a reimbursement basis to ensure accountability and transparency in the use of funds. By requiring successful applicants to submit receipts for approved eligible activities, government can verify that the funds are being utilised to support the closure process.

8. How do I apply?

Applications may only be submitted online via Smarty Grants at <https://nft.smartygrants.com.au/CIBs>.

9. How do I prove a demonstrated reliance on the native forest industry?

Your business must be able to prove that at least 50% of its turnover or operations is connected to the commercial native forest industry for one of the 3 years prior to 8 September 2021 and during that time. This can be done by providing financial statements and any other evidence which may include copies of invoices, receipts and contracts.

10. Can I submit multiple applications?

No. Applicants can only submit one application with the business' ABN or ACN. The business must be the only business held by the business owners/directors.

11. Can I apply if I have received funding under another grant that is part of the Native Forest Transition program?

No, you cannot apply for the CIB if you have already received funding from another Native Forest Transition grant program.

12. How long will it take to assess my application?

It will take approximately 4 weeks for applications to be assessed from when you submit. If the assessment process takes longer, we will notify you by email.

13. How will payments be made?

Successful applicants will be issued a letter of agreement that contains a schedule of approved activities.

If an applicant is successful in Stage 1, payments will be made electronically into the successful business applicant's nominated Australian bank account.

Stage 2 successful applicants will need to submit their receipts for approved eligible items to be reimbursed.

14. What supporting evidence do I need to apply in Stage 2?

Only successful applicants that meet eligibility in Stage 1 will be funded in Stage 2.

Applicants must set out a business closure schedule that details a schedule of eligible activities including associated costs, that need to be executed to close the business.

JTSI will review the business closure schedule activities for eligibility and confirm via a letter of agreement which activities will be funded.

Applicants must then submit receipts for approved activities to be reimbursed.

15. Do I need to declare my grant as income?

JTSI cannot provide taxation advice regarding the tax treatment of the grant funds.

Applicants are advised to seek professional tax advice on individual requirements prior to lodging an application.

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