

Department of Jobs, Tourism, Science and Innovation

Native Forestry Transition Timber Region Transition Grant Frequently asked questions



Introduction

This Frequently Asked Questions (FAQs) is designed to help applicants navigate the application process for the Timber Region Transition Grant (TRTG) program. It covers key information about eligibility, required documentation, and application procedures to ensure you have everything you need to successfully submit your application.

At the end of the FAQs, you will find a *grant submission checklist* to help you review your application and confirm that all required documents are included. Please use this checklist as a final step before submitting your application.

Frequently Asked Questions

1. What is the aim of the program?

The aim of \$3 million Timber Region Transition Grant program is to support projects that enable economic diversification and create sustainable employment opportunities within the Native Forestry Timber Region.

2. Who should apply for the program?

The TRTG program is open to established businesses within the Native Forest Region that have received less than \$250,000 from the Native Timber Transition Plan (NFTP) funding. Eligible applicants should have shovel-ready projects focused on diversifying regional economies, fostering innovation, and demonstrating a strong commitment to growth and job creation.

Startups are also eligible to apply but must demonstrate sufficient capital, relevant experience, a robust governance structure, and a clear plan to deliver tangible outcomes within the specified timeframe.

3. Do I need matched funding?

Yes, if your business cannot demonstrate reliance on native timber, you are required to provide matched funding. This funding must be evidenced in your application and can come from sources such as personal funds, bank loans, other business loans and additional grants. Please note that labour costs, in-kind contributions, and asset values are not eligible as matched funding.



4. Do businesses with a demonstrated reliance on native timber need to match funding?

No, businesses that can show at least 50 percent reliance on the native timber industry as of 8 September 2021, and whose directors or owners have received less than \$250,000 in total funding under the NFTP program, can apply for up to \$250,000 in grant funding without needing to provide matched funding.

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

Your business must be able to prove that at least 50 percent of its turnover or operations was connected to the native forestry timber industry in 2021-22. This can be done by providing financial statements and by providing copies of invoices, receipts, and contracts.

6. Does my project have to be delivered in the Native Timber Forestry Region?

The project must be implemented in, or deliver outcomes in, one or more of the Local Government Areas (LGAs) within the Native Forest Timber Region. See the TRTG Guidelines for a full list of the LGA areas.

7. Do I have to apply for \$250,000?

No, businesses can apply for grants up to \$250,000. Requesting a lesser amount is allowed and will not affect the assessment of your application. Applicants must provide evidence, such as quotes, to justify how all requested funds will be used.

The Minister for Forestry and JTSI reserve the right to negotiate project outcomes and adjust the funding offer accordingly.

8. Can I apply if I have received a previous Native Forest Transition funding?

Yes, business directors and owners can apply if they have received less than \$250,000 in previous Native Forest Transition funding. You may apply for the difference, up to a total of \$250,000 received.

9. Can I submit multiple applications?

No, applicants can only submit one application. If your project involves collaborations or partnerships, the application should be submitted by a single lead applicant.



10. Can I commence my project before I have received the grant funding?

Applicants must demonstrate that they can substantially progress the project within 6 months (e.g. by providing planning approvals, a Gantt chart, quotes). However, expenses incurred before the Financial Assistance Agreement (FAA) is signed will not be reimbursed, and any early investment is at your own risk.

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

The grant should be considered as income to the business and as such, could be liable for tax. JTSI cannot provide tax advice regarding the tax treatment of the grant funds, as this will depend on the specific circumstances of your business.

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

12. Can I claim Goods and Service Tax (GST) on my grant from JTSI?

Applicants can use the awarded funding to cover GST payments for approved expenditure items.

However, grants paid under the TRTG are not regarded as payment for a supply to JTSI. Therefore, the JTSI will not increase the total grant amount to include GST.

13. How do I prepare a business plan?

As part of your application, a detailed business plan outlining your project is required to be provided. A business plan includes important information to ensure assessors can determine the ability of an organisations ability to deliver the program objectives and the commercial and financial soundness of the project.

A business plan template can be accessed at nft.smartygrants.com.au/TRTG and an outline is included in the TRTG Guidelines.

14. Do I need to sign a Financial Assistance Agreement (FAA)?

All successful applicants will need to sign a FAA. The FAA will be negotiated between JTSI and the successful applicant and is required to be finalised within 12 weeks of the funding offer.

If a FAA cannot be negotiated with the successful applicant in that timeframe, the funding offer may be withdrawn.

15. Do I need to have insurance?

Yes, successful applicants must hold Public Liability insurance with a minimum coverage of \$10 million per claim. Additionally, applicants are required to have Workers Compensation insurance and insurance to cover the full replacement value of any assets purchased with grant funding.

16. Will the grant be paid on reimbursement or on project milestones?

Payments terms will be determined when negotiating the FAA. These will be dependent on the size of the grant as well as the nature and duration of the project.

Typically, payments will be made on the achievement of milestones, with the final payment held until the project is ready to be acquitted.

17. When do projects need to start and finish?

Funded activities cannot begin until a FAA has been signed. Projects must be completed, and all funding acquitted within 12 months.

If your project has a longer timeframe, apply only for a stage that can be completed within this 12-month period. Please ensure that you detail the outcomes that can be achieved within this timeframe.

18. How long will it take to process my application?

It will take up to 12 weeks to process your application from the date the applications are closed.

Grant submission check list

Required documentation:

- □ Financial statements for the last fiscal year (audited)
- Business plan (including Gantt chart, budget, financial forecasting)
- □ Quotes for proposed expenditures
- □ Planning or other relevant approvals
- □ Insurance documents
- □ Letters of support and commitment
- □ Evidence of matched funding
- □ Curriculum vitae (CV)
- Evidence of experience (cases studies, strategic plans, annual reports, letters of support, CVs)
- Evidence relating to reliance on native timber (financial statements, contracts, lists of suppliers, inventory, sales etc.)

Application check list:

- □ Confirm eligibility
- □ Ensure the application meets the selection criteria (objectives, strategic priority areas, and weighted criteria)
- □ Provide a clear project summary
- □ Confirm the project can be delivered within 12 months
- □ Clearly demonstrate the issue or need addressed by the project
- □ Specify realistic and measurable project objectives and outcomes
- Have the application reviewed by the <u>South West Development Commission</u> or someone not involved in its writing
- □ Attach all required supporting documentation
- □ Submit the application on SmartyGrants before midnight, 6 October 2024



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