Department of
Jobs, Tourism, Science and Innovation

GOVERNMENT OF
WESTERN AUSTRALIA

Native Forestry Transition
Timber Region Transition Grant Guidelines

Contents

1. Overview

1.1. Native Forest Transition Plan

On the 8 September 2021, the Western Australian Government announced the decision to end native forest logging effective from 1 January 2024.

The Native Forestry Transition Plan (NFTP) was developed in response to this decision and commits $80 million to support affected workers, businesses and regional communities through the transition.

The NFTP provides support to retain skilled workers, assist businesses in transitioning or exiting native forestry, and promote industry growth and diversification in the State's South West regional communities.

The Department of Jobs, Tourism, Science and Innovation (JTSI) administers the NFTP and the associated funding. Further information on the NFTP pillars and other programs is available at the Native Forest Transition website (www.wa.gov.au/nft).

1.2. About the grant

The Timber Region Transition Grant is a $3 million contestable program under the NFTP. The program offers businesses up to $250,000 in matched funding to support economic diversification and sustainable job creation within the Native Forestry Timber Region.

The grant is designed to foster new industries and innovative business expansion to enable a vibrant and sustainable future for the native forestry timber region. Successful projects will need to demonstrate the potential for positive economic impact, including job creation, enhanced regional productivity, and long-term business viability.

Applications open on **21 August 2024** and close at midnight (AWST) on **6 October 2024**.

These Timber Region Transition Grant *Guidelines* have been developed to support eligible businesses to apply and should be read in conjunction with the Timber Region Transition Grant *Frequently Asked Questions* (FAQs).

Timber Businesses

Timber businesses can apply for up to $250,000 in grant funding <u>without</u> requiring matched funds if they:

- Demonstrate at least 50% reliance on the native timber industry as of 8 September 2021.
- Have received less than $250,000 in total funding under the NFTP, including associated Directors/Owners.

The Timber Region Transition Grant program focuses on diversification and does not fund activities directly related to the timber industry.

1.3. Objectives

The aim of the Timber Region Transition Grant program is to support projects that enable economic diversification and create sustainable employment opportunities within the Native Forestry Timber Region. To meet this goal, applicants need to address the following objectives:

Objective 1 - Job Creation: Establish or expand employment opportunities in the native forestry timber region, fostering new capabilities and skills.

Objective 2 - Economic Diversification: Diversify the regional economy away from forestry by supporting projects that establish new or expand existing industries.

Objective 3 - Innovation: Develop, implement or invest in innovative technologies and value-adding activities that enhance regional economic growth and productivity.

Objective 4 – Sustainability: - Support projects or businesses that can demonstrate long-term outcomes and contribute positively to the sustained growth and prosperity of the region.

1.4. Strategic Priority Areas

To ensure that the allocated funds drive growth and long-term sustainable outcomes, applicant projects must demonstrate alignment with at least one of the following strategic priority areas:

- **Tourism:** Encourage the development of tourism ventures that are unique, innovative and/or address a clear market gap to showcase the regions natural beauty and cultural heritage. These projects should attract visitors, create jobs, and stimulate local economies.

- **Creative Industries:** Invest in the growth of creative industries, including arts, culture, and media. These projects should nurture creativity, support cultural expression, and create economic opportunities, contributing to a vibrant economy.

- **Green Energy:** Promote the development and implementation of renewable energy technologies and solutions. Projects should support carbon reduction, enhance energy efficiency, and support a sustainable and resilient future for the region.

- **Advanced Manufacturing and Processing:** Support the growth and transition of enterprises to advanced methods. Projects should aim to create high-quality jobs, increase productivity, and strengthen regional competitiveness.

- **Sustainable Agriculture:** Invest in projects that advance sustainable farming practices, improve soil health, and increase biodiversity. Projects should aim to enhance long-term agricultural productivity while preserving environmental balance and resilience.

- **Job Creation:** Projects across all industry areas that generate significant new employment opportunities. Projects should address local skills gaps, offer opportunities for displaced timber workers or create high-value roles that strengthen the regional labour market.

2. Eligibility

2.1. Location

There are 15 local government areas that make up the native forestry region. To be eligible for funding, proposal must occur within one of the local government areas within the native forestry region.
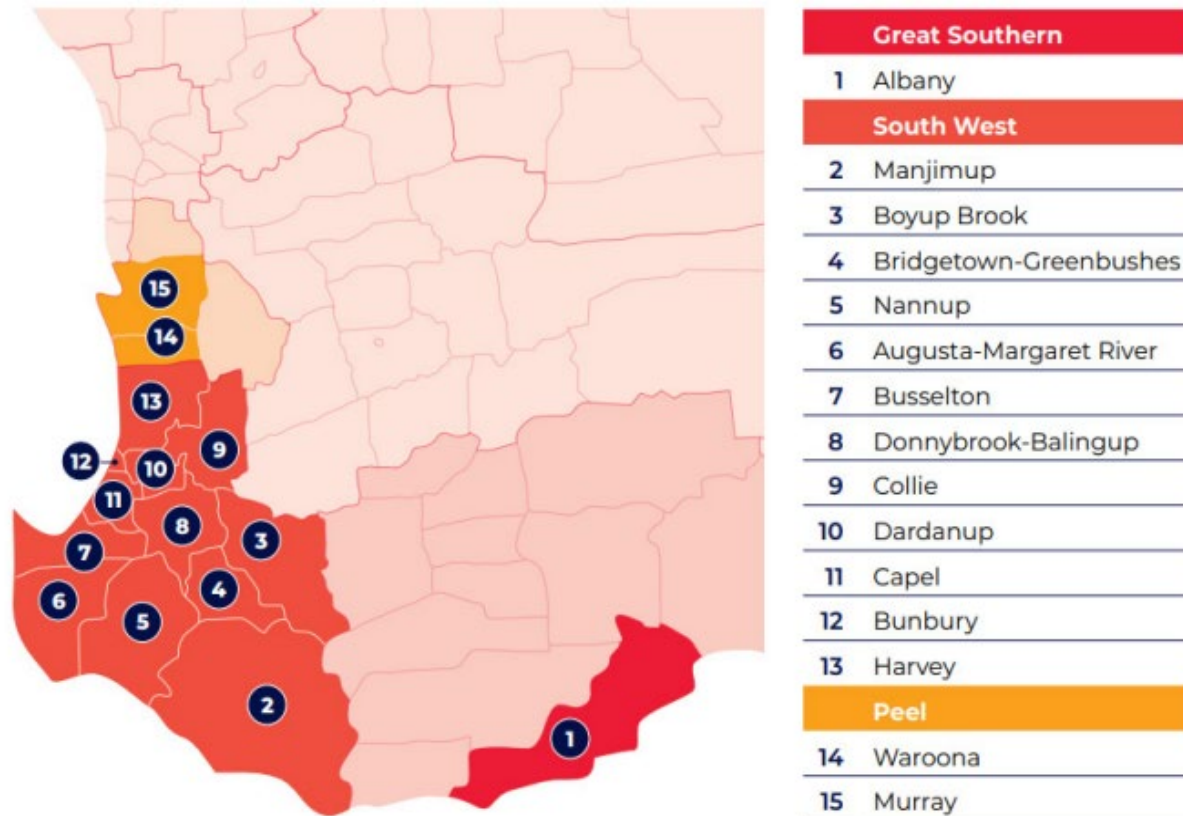

	Great Southern
1	Albany
	South West
2	Manjimup
3	Boyup Brook
4	Bridgetown-Greenbushes
5	Nannup
6	Augusta-Margaret River
7	Busselton
8	Donnybrook-Balingup
9	Collie
10	Dardanup
11	Capel
12	Bunbury
13	Harvey
	Peel
14	Waroona
15	Murray

Figure 1 – Native Forestry Regions

The assessment of proposals will be weighted based on level of impact to communities.

Location of Proposal	Weighting
Within the Local Government Areas of Bridgetown-Greenbushes, Manjimup and Nannup.	High
Within the Local Government Areas of Albany, Augusta-Margaret River, Boyup Brook, Donnybrook-Balingup, Murray and Waroona.	Moderate
Within the Local Government Areas of Bunbury, Busselton, Capel, Collie, Dardanup and Harvey.	Low
Any Local Government Area not identified above.	Not Eligible

2.2. Eligibility Criteria

Applicants must meet the following criteria:

- Submit only one application.

- Hold an Australian Company Number (ACN) or Australian Business Number (ABN).

- Be registered for Goods and Services Tax (GST).

- Be a solvent business based in Western Australia, including recent financial statements or projections to demonstrate financial capacity.

- Be a legal entity capable of entering into a legally binding funding agreement with the Western Australian Government.

- For applicants (directors/owners, even if applying under a different business) that have received previous NFTP funding, apply only for the difference up to $250,000 and for new projects only.

- Submit a comprehensive application via Smarty Grants, answering all questions.

- Be able to sign the Financial Assistance Agreement (FAA) within 60 days of the grant award.

Proposals must also demonstrate the ability to:

- Be delivered within, or propose outcomes within, the native forestry region.

- Be completed within 12 months of signing the FAA. Projects may be staged but must provide a clear pathway to completion with staged outcomes.

- Obtain or submit all necessary approvals, with timeframes accounting for any outstanding approvals.

- Provide proof of matched funding, such as bank statements, loan approval, or partnership agreements (except for businesses with at least 50% reliance on the native timber industry).

- Include a comprehensive business plan detailing the project's goals, strategies, financial projections, and expected outcomes.

- Attach any additional supporting documentation, such as letters of support, approvals, environmental assessments, or technical feasibility studies.

2.3. Ineligible

The following applicants are not eligible to apply:

- Local, state or federal government authorities/agencies.
- Government trading enterprises.
- Individuals without an ABN.
- Businesses not registered for GST.
- Not-for-profit organisations.
- Directors/Owners who have received more than $250,000 in NFTP funding.

The following activities are not eligible for funding:

- Operational Costs: salaries and wages of employees, routine operational and administrative expenses (e.g. rent, utilities, office supplies), and maintenance.
- Pre-existing or Retrospective Expenses: expenses incurred before the grant agreement was signed and costs related to previously completed projects.
- Capital Assets: purchase of land, buildings, and vehicles.
- Feasibility studies and research: costs for initial feasibility studies, market research, or exploratory research not directly leading to project implementation.
- Marketing and Advertising: general marketing, advertising, or promotional activities not specifically tied to the project's goals.
- Project activities outside of Western Australia.

3. Assessment criteria

3.1. Weighted criteria

Eligible applications will be assessed against the we table below.

Assessment Criteria	Weighting
1. **Job Creation:** • Number of jobs retained or created • Quality of jobs • Development of local skills	**30%**
2. **Economic Diversification and Impact:** • Location of outcomes • Ability to support economic diversification • Productivity and value-adding activities • Alignment to Strategic Priority Area	**30%**
3. **Innovation and Sustainability:** • Innovative technologies and approaches • Environmental sustainability • Long-term outcomes	**20%**
4. **Project Feasibility and Organisational Capacity:** • Technical and financial feasibility of the project • Organisational experience and expertise • Financial capability • Governance structure	**20%**

Calculating jobs: In your application, please specify the number of direct jobs that will be employed though the business to support the development and sale of the business's good and services (e.g. the construction phase of a project should not be included).

You will need to include the number of hours per week that will be dedicated to each role and provide evidence to substantiate the estimate such as a business plan and turnover/profit projections.

A full-time employee (FTE) is calculated as 1.0 FTE (38 hours per week). If a role is less than 38 hours, it is considered part-time, and you will need to calculate the proportion of the FTE via the formula: **(role hours/38) x 100 = percentage of FTE.**

For example, a role that is ~20 hours a week will be calculated as (20hs/38hrs) x 100 = 52. Therefore, the role is 50% or 0.5 FTE (rounded).

3.2. Business Plan

In addressing the assessment criteria above, applicants must submit a business plan to demonstrate the commercial soundness of the project. Key business plan components are set out in the table below:

Key Business Plan Components	
Business Strategy	Business vision/mission Business goal, objectives and outcomes Business size/position in market
Product overview	Product (outcome of project) overview Distinguishing features of product (including technical basis) Target market
Commercial soundness of the proposal	Market analysis (trend/market size/competitors/barriers to entry) Demand analysis and demonstrated customer need Price point and justification Ability of the business to generate revenue and profits
Business readiness	Implementation plan Marketing plan Recruitment and skills development plan Project budget (including quotes, investment)
Gantt Chart	Activities and tasks that are to be done Start and end date for activities Milestones and milestone dates
Organisation capacity	Financial capacity Robust governance structure Capacity of key personnel (including CVs) Previous experience in delivering similar scale projects
Evaluation	Project objectives and outcomes Performance measures and data collection methods

4. Application and assessment process

4.1. How to apply

In order for an application to be assessed by the State, the applicant must submit a complete application electronically through the using the NFT online Smarty Grants portal at: nft.smartygrants.com.au/TRTG before the application closing time.

Receipt of the application will be determined by the date and time shown that the complete application is electronically submitted. Lodgement of electronic files may take time and the applicant must make their own assessment of the time required for full transmission of their application.

The JTSI and the SWDC are working together to deliver the grant program. The SWDC NFT team are available to assist with enquiries, discuss projects, assist with proposal development, review draft applications and provide feedback. They can be contacted on 9777 1555 or NFTEnquiries@swdc.wa.gov.au.

4.2. Assessment

A multi-agency assessment panel will be established to assess the Timber Region Transition Grant applications.

Prior to an application being assessed by the assessment panel, JTSI will undertake a preliminary assessment of the eligibility criteria. Applications that do not meet the eligibility criteria will not be reviewed by the assessment panel.

JTSI will refer eligible applications to a third party for confidential and independent due diligence, and depending on the nature of the application, technical assessment.

The assessment panel will review and score all eligible applications based on the assessment criteria. The panel will shortlist applications to make recommendations for funding to the Minister for Forestry.

The assessment panel will be overseen by a probity officer to ensure that the assessment process is carried out with transparency, proper conduct and that any real, perceived or potential conflicts of interest are managed appropriately.

The Minister for Forestry makes the final decision on funding.

4.3. Step by step process

The following offers outlines the grant application and assessment process.

Step 1	Grant opens – Wednesday, **21 August 2024.**
Step 2	Applicant to review the Guidelines, FAQs and the application template.
Step 3	Applicant to ensure that the organisation, the project and project activities are eligible for funding.
Step 4	Applicant to draft application and business plan; and submit before the close date.
Step 5	Grant closes – midnight Sunday, **6 October 2024**.
Step 6	JTSI reviews all application to confirm eligibility. Applications deemed ineligible do not proceed.
Step 7	Eligible applications are referred to third party for due diligence and technical assessment, where required.
Step 8	Assessment panel assess applications for recommendation of funding.
Step 9	JTSI refers recommended projects to the Minister for Forestry for decision.
Step 10	The Minister makes the final funding decision and announces successful applicants. JTSI will notify non successful applicants and provide general feedback.
Step 11	Successful applicants and JTSI negotiate and execute the FAA.
Step 12	JTSI disperse funding based on negotiated milestones in FAAs.

5. Funding conditions

Successful applicants must enter into a FAA with JTSI. The FAA will be negotiated and finalised within 60 days of the grant award. If an agreement is not reached within this timeframe, the funding offer may be withdrawn.

The FAA must be signed by both the applicant and a government representative before any funded activities can commence.

Payments will be made in instalments, linked to the achievement of agreed milestones. The milestone payment schedule, including amounts and payment dates, will be discussed during the agreement negotiations.

Payment claims must be supported by appropriate evidence, and payments will only be made upon verification that milestone conditions have been met. Payments will be made electronically to the applicant's nominated bank account.

Recipients are required to submit a baseline evaluation report, quarterly project reports, and a final project acquittal, demonstrating progress and completion against the key milestones, deliverables, and outcomes of the funded project.

All specific funded activities to be acquitted will be detailed in the FAA. If a recipient fails to comply with any requirements in the FAA, they may be required to repay some, or all of the funding received.

5.1. Tax Information

We recommend you seek independent professional advice on your taxation obligations or seek assistance from the Australian Taxation Office. JTSI does not provide taxation advice.

Grants paid under the NFTP are not regarded as payment for a supply to JTSI, and the total grant amount will not be increased to include GST.

5.2. Confidentiality

JTSI will treat all information provided as confidential and commercial-in-confidence where relevant.

5.3. Personal information and disclosure

JTSI may collect personal information for the purposes of administration and evaluation of an application. If the relevant information is not provided by applicants, JTSI and the State Government assessment panel will be unable to assess the application for funding.

Information from the application may be disclosed to other Western Australian Government agencies and may be published on the JTSI website, provided disclosure is consistent with relevant privacy laws, including the *Privacy Act 1988*. Personal information will be used and stored in accordance with Australian Privacy Principles (APPs) set out in the *Privacy Act 1988*.

5.4. Contact

If you have any questions about the program email NFTEnquiries@swdc.wa.gov.au or phone (08) 9777 1555.