Electronic National Livestock Identification System (NLIS) (Sheep & Goats) – a transition package for Victoria

Funding application guidelines
Minister’s foreword

Investing now, protecting tomorrow – let’s work together

I am pleased to announce the details of a $17.06 million transition package to support Victoria’s sheep and goat industries to implement an electronic National Livestock Identification System (NLIS) based on the mandatory use of electronic ear tags.

Victoria’s sheep and wool production is valued at over $2 billion, with products sold in profitable local and export markets. This reform will significantly improve Victoria’s ability to track sheep and goats in an animal disease emergency or food safety event. It will also provide trading partners with increased confidence in the safety and origin of Victorian products, protecting and enhancing existing and future market access for our livestock industry.

While the transition to an electronic NLIS (Sheep & Goats) is an important reform to protect our livestock industries, the government recognises there will be costs and changes required along the supply chain to implement new infrastructure and operational requirements.

Agriculture Victoria consulted closely with industry and key stakeholders on a draft transition package. I am really pleased with the level of feedback provided, which Agriculture Victoria carefully considered in finalising the transition package and accompanying standards.

The transition package provides funding across the supply chain for the purchase and installation of infrastructure and for training and technical support. It also includes cost neutral tags for producers for the first 12 months. Producers will be able to purchase electronic tags for their 2017 lambs and kids from $0.35 per tag for the first year.

I encourage you to consider the equipment and support that you may need to transition to an electronic system and to apply for funding.

This is an important reform to protect our valuable livestock sector and to support innovation and jobs in rural and regional Victoria. This government will continue to partner with industry to improve Victoria’s farming industries. Let’s work together.

Jaala Pulford

Minister for Agriculture
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1. OVERVIEW AND PURPOSE

1.1 Background

On 24 August 2016, the Minister for Agriculture announced that Victoria will transition to a National Livestock Identification System (NLIS) (Sheep & Goats) based on the mandatory use of electronic ear tags. This transition will be phased in from 1 January 2017. All sheep and goats born in Victoria on or after 1 January 2017 must be identified with an electronic NLIS (Sheep) tag before leaving the property of birth. From 1 July 2017, saleyards, abattoirs and knackeries must commence scanning electronic tags of sheep and goats and uploading information to the NLIS database.

Agriculture Victoria consulted with industry and key stakeholders on Electronic NLIS (Sheep & Goats) – a transition package for Victoria: consultation paper, with submissions closing on 30 September 2016. Feedback received during the consultation phase was carefully considered in finalising the transition package.

1.2 What is the transition package?

The transition package is a program of support, including funding, to help industry transition to an electronic NLIS (Sheep & Goats). Under the package, $17.06 million is available, including:

1. Cost neutral tags for producers for the first 12 months, at $0.35 for the lowest priced electronic NLIS (Sheep) tag for 2017 lambs and kids;

2. Funding for:
   - the purchase and installation of infrastructure (including hardware and software) required to meet the regulatory obligations of an electronic NLIS (Sheep & Goats);
   - the purchase of optional infrastructure (including hardware and software) that will help industry benefit from the commercial opportunities associated with electronic identification;
   - planning and design activities in saleyards and abattoirs;
   - assistance to implement operational procedures; and
   - research and design to address an identified need within the supply chain.

3. Access to technical support and consultants; and

4. Training and extension activities that will help industry understand their regulatory obligations, support practice change and maximise the technology’s potential benefits. This funding includes up to $400,000 for developing and delivering education and training to producers, agents, transporters, processors and saleyards, in addition to already funded departmental extension activities.

1.3 Purpose of this document

These guidelines describe how applicants can apply for funding to support the purchase and installation of infrastructure, undertake planning and design activities and/or apply for assistance to implement operational procedures. They set out the activities and infrastructure that are eligible for funding, who can apply, application closing dates, the process for submitting applications and the criteria for assessing applications.

These guidelines also describe the delivery of other activities, including access to technical support, consultants, training and extension activities.

Prospective applicants are advised to read these guidelines in full before preparing an application. The Victorian Government may review and amend these guidelines at any time.

For additional information, including frequently asked questions, visit www.agriculture.vic.gov.au/sheepEID or email EID.grants@ecodev.vic.gov.au.

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1 Some breeds of goats are exempt. See the Electronic NLIS (Sheep & Goats) Standards for information.
1.4 Key dates
Funding applications open 14 November 2016 and will remain open until the specified closing date or the funding allocation is exhausted, whichever occurs first.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Applications close</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producers, stock agents, transporters and EID scanning contractors</td>
<td>31 December 2017</td>
</tr>
<tr>
<td>Agricultural show operators</td>
<td>31 December 2017</td>
</tr>
<tr>
<td>Depot operators and export companies</td>
<td>31 December 2017</td>
</tr>
<tr>
<td>Abattoirs and knackeries</td>
<td>31 March 2017</td>
</tr>
<tr>
<td>Saleyards phase 1 (planning and design)</td>
<td>30 June 2017</td>
</tr>
<tr>
<td>Saleyards phase 2 (infrastructure and installation)</td>
<td>31 October 2017</td>
</tr>
<tr>
<td>Third party provider / research and design (R&amp;D)</td>
<td>31 December 2017</td>
</tr>
</tbody>
</table>

1.5 How to apply for funding

To submit a funding application, visit [www.agriculture.vic.gov.au/sheepEID](http://www.agriculture.vic.gov.au/sheepEID). A group of government and industry representatives will assess applications against core criteria, which are detailed in these guidelines. Successful applicants will be required to enter a funding agreement, which will include reporting milestones.

Prospective third party provider / R&D applicants are strongly encouraged to discuss their proposal with Agriculture Victoria before applying for funding. To do so, email EID.grants@ecodev.vic.gov.au with a brief description of the proposed project and contact details and an Agriculture Victoria officer will respond.

For detailed information on how to apply for funding and the assessment process and criteria, please read the funding application guidelines, which are available at [www.agriculture.vic.gov.au/sheepEID](http://www.agriculture.vic.gov.au/sheepEID).

1.6 Definitions

**Meaning of ‘DEDJTR’**
Department of Economic Development, Jobs, Transport and Resources (DEDJTR), which is responsible for implementing the electronic NLIS (Sheep & Goats), via Agriculture Victoria.

**Meaning of ‘electronic National Vendor Declaration (eNVD)’**
An electronic movement document completed by the person consigning or selling sheep or goats. It is used to describe the sheep and goats and to record the locations where movement started and ended.

**Meaning of ‘Electronic NLIS (Sheep & Goats) Standards’**
Victoria’s system for the identification and tracking of sheep and goats born on or after 1 January 2017.

**Meaning of ‘Infrastructure’**
The hardware and software required to meet the regulatory obligations of an electronic NLIS (Sheep & Goats).
2. PRODUCERS, TRANSPORTERS AND ELECTRONIC IDENTIFICATION (EID) SCANNING CONTRACTORS

2.1 Regulatory obligation
Under the Electronic NLIS (Sheep & Goats) Standards, producers must identify sheep and goats born on or after 1 January 2017 with an approved electronic NLIS (Sheep) tag before the animal leaves the property of birth.

2.2 Available support
Support may be delivered by Agriculture Victoria or a third party (selected through a competitive process).

<table>
<thead>
<tr>
<th>Producers</th>
<th>Agriculture Victoria will:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• deliver regional workshops for producers and producer groups on implementation of electronic tagging and the associated productivity benefits</td>
</tr>
<tr>
<td></td>
<td>• provide access to information on equipment selection and installation design</td>
</tr>
</tbody>
</table>

| Transporters    | If requested, Agriculture Victoria may provide tailored workshops on implementation and productivity opportunities. |

| EID scanning contractors | If requested, Agriculture Victoria may provide tailored workshops on implementation and productivity opportunities. |
2.3 Summary of funding

Funding is available for the purchase of selected types of infrastructure, as described below. Applicants need to address the core criteria for applications and need to provide co-funding.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Eligible optional infrastructure</th>
<th>Exclusions</th>
<th>Maximum amount per applicant and co-funding</th>
<th>Additional support</th>
<th>Total package available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producers</td>
<td>• Wand and panel readers&lt;br&gt;• Weighing equipment with EID reader fittings&lt;br&gt;• Manual drafting crates with EID reader fittings&lt;br&gt;• Lamb marking cradles with EID reader fittings&lt;br&gt;• Software to collect and manage performance data and/or to record movements on the NLIS database&lt;br&gt;• Magazine tag applicators</td>
<td>• Auto-drafter&lt;br&gt;• Computers, laptops, phones and tablets&lt;br&gt;• Electronic NLIS (Sheep) tags</td>
<td>$3,000&lt;br&gt;Applicants must fund a minimum of 50 per cent of costs</td>
<td>Agriculture Victoria will:&lt;br&gt;- deliver regional workshops for producers on implementation of electronic tagging and the associated productivity benefits&lt;br&gt;- provide access to information on equipment selection and installation design&lt;br&gt;- deliver an extension program</td>
<td>Up to $750,000</td>
</tr>
<tr>
<td>Transporters</td>
<td>• Wand and panel readers&lt;br&gt;• Software to collect and manage performance data and/or to record movements on the NLIS database</td>
<td>• Computers, laptops, phones and tablets&lt;br&gt;• Auto-drafter</td>
<td>$2,500&lt;br&gt;Applicants must fund a minimum of 50 per cent of costs</td>
<td>If requested, Agriculture Victoria may deliver tailored workshops on implementation and productivity opportunities</td>
<td>Up to $100,000</td>
</tr>
<tr>
<td>EID scanning contractors</td>
<td>• Wand and panel readers&lt;br&gt;• Software to collect and manage performance data and/or to record movements on the NLIS database</td>
<td>• Computers, laptops, phones and tablets&lt;br&gt;• Auto-drafter</td>
<td>$10,000&lt;br&gt;Applicants must fund a minimum of 50 per cent of costs</td>
<td>If requested, Agriculture Victoria may deliver tailored workshops on implementation and productivity opportunities</td>
<td>Up to $75,000</td>
</tr>
</tbody>
</table>
3. STOCK AGENTS

3.1 Regulatory obligation
Under the Electronic NLIS (Sheep & Goats) Standards, from 31 March 2018, stock agents conducting private property public auctions in Victoria must scan the electronic tags of sheep and goats and upload information to the NLIS database.

3.2 Available support
If requested, Agriculture Victoria or a third party (selected through a competitive process) may provide tailored workshops for agents on implementation and productivity opportunities.

3.3 Ineligible projects
An application will not proceed to formal assessment if it:

- requests retrospective funding, when projects have commenced or been completed before receiving funding approval;
- does not strongly demonstrate the need for support that meets the funding criteria;
- is unlikely to deliver practical outcomes within the project timeframes;
- is primarily for private benefit;
- requires ongoing government funding once completed; or
- does not relate to implementing an electronic NLIS (Sheep & Goats).

3.4 Ineligible costs
The following costs are ineligible for funding:

- ongoing operating costs or salaries (note: this does not preclude project management costs) and
- legal fees or cash prizes.

3.5 Summary
Funding is available for the purchase of selected types of infrastructure, as described below. Applicants need to address the core criteria for applications and need to provide co-funding.

<table>
<thead>
<tr>
<th>Eligible infrastructure to meet a regulatory requirement</th>
<th>For stock agents conducting private property public auctions in Victoria:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Wand and panel readers</td>
</tr>
<tr>
<td></td>
<td>• Software to collect and manage performance data and/or to record</td>
</tr>
<tr>
<td></td>
<td>movements on the NLIS database</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Eligible optional infrastructure</th>
<th>• Wand and panel readers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Software to collect and manage performance data and/or to record</td>
</tr>
<tr>
<td></td>
<td>movements on the NLIS database</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Computers, laptops, phones and tablets</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Maximum funding available</th>
<th>For agents conducting private property public auctions in Victoria, maximum funding will be determined based on assessment against the core criteria.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In all other cases, the maximum funding is $2,500.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level of co-funding required</th>
<th>For agents conducting private property public auctions in Victoria, no co-investment is required for applications that satisfactorily address the core criteria and demonstrate the requested infrastructure is required to meet the applicant’s regulatory requirements.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In all other cases, applicants will be required to provide a minimum of 50 per cent of eligible costs.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total package available</th>
<th>Up to $150,000.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Who can apply?</th>
<th>Stock agents operating in Victoria, or a livestock agency business. A limit of one (1) reader and related software applies per company location.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Conditions of funding</th>
<th>Successful applicants need to report against agreed milestones.</th>
</tr>
</thead>
</table>

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2 Stock agents conducting private property public auctions in Victoria may require infrastructure to meet a regulatory requirement, as described in the Electronic NLIS (Sheep & Goats) Standards.
4. AGRICULTURAL SHOW OPERATORS

4.1 Regulatory obligation
Under the Electronic NLIS (Sheep & Goats) Standards, from 31 March 2018, agricultural show operators must scan the electronic tags of sheep and goats and upload information to the NLIS database.

4.2 Available support
If requested, Agriculture Victoria or a third party (selected through a competitive process) may provide training and technical support.

4.3 Ineligible projects
An application will not proceed to formal assessment if it:

- requests retrospective funding, when projects have commenced or been completed before receiving funding approval;
- does not strongly demonstrate the need for support that meets the funding criteria;
- is unlikely to deliver practical outcomes within the project timeframes;
- is primarily for private benefit;
- requires ongoing government funding once completed; or;
- does not relate to implementing an electronic NLIS (Sheep & Goats).

4.4 Ineligible costs
The following costs are ineligible for funding:

- ongoing operating costs or salaries (note: this does not preclude project management costs) and
- legal fees or cash prizes.

4.5 Summary
Funding is available for the purchase of selected types of infrastructure, as described below. Applicants need to address the core criteria for applications.

| Eligible optional infrastructure | Wands  
| | Software to collect and manage performance data and/or to record movements on the NLIS database |
| Exclusions | Computers, laptops, phones and tablets |
| Maximum funding available | Determined based on assessment against the core criteria. |
| Level of co-funding required | No co-investment is required for applications that satisfactorily address the core criteria and demonstrate the requested infrastructure is required to meet the applicant’s regulatory requirements. |
| Total package available | Up to $40,000 |
| Who can apply? | Agricultural show operators in Victoria. |
| Conditions of funding | Successful applicants need to report against agreed milestones. |
5. DEPOT OPERATORS AND EXPORT COMPANIES

5.1 Regulatory obligation
Under the Electronic NLIS (Sheep & Goats) Standards, from 31 March 2018, depot operators for export or operating on behalf of a processor(s) and export companies must scan the electronic tags of sheep and goats and upload information to the NLIS database.

5.2 Available support
If requested, Agriculture Victoria or a third party (selected through a competitive process) may provide:
- training and technical support
- tailored workshops for exporters on implementation

5.3 Ineligible projects
An application will not proceed to formal assessment if it:
- requests retrospective funding, when projects have commenced or been completed before receiving funding approval;
- does not strongly demonstrate the need for support that meets the funding criteria;
- is unlikely to deliver practical outcomes within the project timeframes;
- is primarily for private benefit;
- requires ongoing government funding once completed; or
- does not relate to implementing an electronic NLIS (Sheep & Goats).

5.4 Ineligible costs
The following costs are ineligible for funding:
- ongoing operating costs or salaries (but this does not preclude project management costs under a fixed term contract) and
- legal fees or cash prizes.

5.5 Summary
Funding is available for the purchase of selected types of infrastructure, as described below. Applicants need to address the core criteria for applications.

| Eligible infrastructure to meet a regulatory requirement | • Wand and panel readers  
• Software to collect and manage performance data and/or to record movements on the NLIS database |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible optional infrastructure</td>
<td>Auto-drafter to be used with electronically tagged sheep.</td>
</tr>
<tr>
<td>Exclusions</td>
<td>Computers, laptops, phones and tablets</td>
</tr>
<tr>
<td>Maximum funding available</td>
<td>Determined based on assessment against the core criteria.</td>
</tr>
<tr>
<td>Level of co-funding required</td>
<td>No co-investment is required for applications for required infrastructure that satisfactorily address the core criteria and demonstrate the requested infrastructure is required to meet the applicant’s regulatory requirements. Co-funding may be required for optional infrastructure.</td>
</tr>
<tr>
<td>Total package available</td>
<td>Up to $200,000.</td>
</tr>
</tbody>
</table>
| Who can apply? | Export depot operators and export companies with premises in Victoria.  
Depot operators in Victoria, with a throughput of no less than 5,000 head of sheep per annum, operating on behalf of a processor(s). |
| Conditions of funding | Successful applicants need to report against agreed milestones. |
6. ABATTOIRS AND KNACKERIES

6.1 Regulatory obligation
Under the Electronic NLIS (Sheep & Goats) Standards, from 1 July 2017, abattoirs and knackeries must commence scanning the electronic tags of sheep and goats and uploading information to the NLIS database.

6.2 Available support
If requested, Agriculture Victoria or a third party (selected through a competitive process) may provide:

- training and technical support
- assistance to plan and design infrastructure installation
- assistance to develop operational procedures or work instructions

6.3 Ineligible projects
An application will not proceed to formal assessment if it:

- requests retrospective funding, when projects have commenced or been completed before receiving funding approval;
- does not strongly demonstrate the need for support that meets the funding criteria;
- is unlikely to deliver practical outcomes within the project timeframes;
- is primarily for private benefit;
- requires ongoing government funding once completed; or
- does not relate to implementing an electronic NLIS (Sheep & Goats).

6.4 Ineligible costs
The following costs are ineligible for funding:

- ongoing operating costs or salaries (note: this does not preclude project management costs) and
- legal fees or cash prizes.

6.5 Summary
Funding is available for the purchase of selected types of infrastructure, as described below. Applicants need to address the core criteria for applications and may need to provide co-funding.

<table>
<thead>
<tr>
<th>Eligible infrastructure to meet a regulatory requirement</th>
<th>Wand and panel readers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Software to collect and manage performance data and/or to record movements on the NLIS database</td>
</tr>
<tr>
<td></td>
<td>Computers essential for the recording of movements and/or receipt of electronic National Vendor Declarations (eNVDs)</td>
</tr>
<tr>
<td></td>
<td>Noise shielding</td>
</tr>
<tr>
<td></td>
<td>Structural modifications essential to install readers</td>
</tr>
<tr>
<td></td>
<td>Fair and reasonable travel and accommodation costs that are essential for the successful delivery of the proposed project will be considered</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Eligible optional infrastructure*</th>
<th>Auto-drafters to be used with electronically tagged sheep</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Panel readers in lairage</td>
</tr>
<tr>
<td></td>
<td>Hook tracking equipment and associated software</td>
</tr>
</tbody>
</table>

Exclusions
Computers, laptops, phones and tablets

Maximum funding available
Maximum funding will be determined based on assessment against the core criteria.

Level of co-funding required
No co-investment required for applications for required infrastructure that satisfactorily address the core criteria and demonstrate that the requested infrastructure is required to meet the applicant’s regulatory requirements.

Co-funding may be required for optional infrastructure.

Total package available
Up to $2.8 million for abattoirs and up to $50,000 for knackeries.

Who can apply?
Abattoirs and knackeries licensed to process sheep or goats and their carcasses.
An organisation representing more than one abattoir.

Conditions of funding
Successful applicants need to report against agreed milestones.

* Knackeries are not eligible for specified items.
7. SALEYARDS

7.1 Regulatory obligation
Under the Electronic NLIS (Sheep & Goats) Standards, from 1 July 2017, saleyards will must commence scanning the electronic tags of sheep and goats and uploading information to the NLIS database.

7.2 Two phase funding
Two phases of funding will be available to saleyards.

**Phase 1** funding is available to support the cost of planning and designing infrastructure requirements in saleyards, including any essential saleyard modifications. Applications may include the cost of engaging a consultant or project manager to coordinate the project. Successful applicants will need to produce a report outlining the required infrastructure, essential modifications and estimated costs.

**Phase 2** funding is available to support the cost of purchasing and installing required infrastructure and undertaking essential saleyard modifications. Applicants for phase 2 funding will need to substantiate their requirement by providing a costed plan and a business case.

7.3 Available support
Agriculture Victoria or a third party (selected through a competitive process) will provide:

- training and technical support
- assistance to plan and design infrastructure installation and saleyard modifications, via phase 1 funding
- assistance to develop operational procedures

7.4 Ineligible projects
An application will not proceed to formal assessment if it:

- requests retrospective funding, when projects have commenced or been completed before receiving funding approval;
- does not strongly demonstrate the need for support that meets the funding criteria;
- is unlikely to deliver practical outcomes within the project timeframes;
- is primarily for private benefit;
- requires ongoing government funding once completed; or
- does not relate to implementing an electronic NLIS (Sheep & Goats).

7.5 Ineligible costs
The following costs are ineligible for funding:

- ongoing operating costs or salaries (note: this does not preclude project management costs) and
- legal fees or cash prizes.
### 7.6 Summary

Funding is available for specified activities and the purchase of selected types of infrastructure, as described below. Applicants need to address the core criteria for applications and may need to provide co-funding.

| Eligible activities (phase 1 funding) | • Planning and design activities (including engaging a project manager and/or consultant) to develop a costed estimate of infrastructure (including hardware and software) and operational requirements.  
• Fair and reasonable travel and accommodation costs that are essential for the successful delivery of the proposed project will be considered |
| Eligible infrastructure to meet a regulatory requirement (phase 2 funding) | • Readers  
• Software and associated data logging and data management equipment  
• Auto-drafters and installation  
• Essential saleyard modifications may be considered  
• Fair and reasonable travel and accommodation costs that are essential for the successful delivery of the proposed project will be considered |
| Exclusions | Computers, laptops, phones and tablets |
| Maximum funding available | Determined based on assessment against the core criteria. |
| Level of co-funding required | No co-investment is required for applications that satisfactorily address the core criteria and demonstrate the requested infrastructure is required to meet the applicant’s regulatory requirements. |
| Total package available | Up to $2.8 million. |
| Who can apply? | Persons operating a public saleyard at which sheep or goats are sold.  
An organisation operating on behalf of more than one saleyard. |
| Conditions of funding | Successful applicants for phase 1 funding need to develop a costed estimate of infrastructure and operational requirements and report against agreed milestones.  
Successful applicants for phase 2 funding need to report against agreed milestones. |
8. THIRD PARTY PROVIDERS / RESEARCH AND DEVELOPMENT

8.1 Objective
To fund research and development projects that address an identified need within the supply chain to increase the effectiveness of the system.

8.2 Eligible projects
Projects that may be eligible for funding include, but are not limited to:

- approaches to data logging in saleyards when tags are scanned
- noise cancelling systems to improve read rate and ‘action levels’ for readers throughout the supply chain
- wireless synchronisation of panel readers
- improved sheep flow through readers
- tools to support the commercial, on-farm and supply chain uses of electronic identification
- carcass feedback to support improved on-farm management decisions

Fair and reasonable travel and accommodation costs that are essential for the successful delivery of the proposed project will be considered.

8.3 Ineligible projects
An application will not proceed to formal assessment if it:

- requests retrospective funding, when projects have commenced or been completed before receiving funding approval;
- does not strongly demonstrate the need for support that meets the funding criteria;
- is unlikely to deliver practical outcomes within the project timeframes;
- is primarily for private benefit;
- requires ongoing government funding once completed; or
- does not relate to implementing an electronic NLIS (Sheep & Goats).

8.4 Ineligible costs
The following costs are ineligible for funding:

- ongoing operating costs or salaries (note: this does not preclude project management costs) and
- legal fees or cash prizes.

8.5 Before applying
Prospective applicants are strongly encouraged to discuss their proposal with Agriculture Victoria before applying for funding. To do so, email EID.grants@ecodev.vic.gov.au with a brief project description and contact details and an Agriculture Victoria officer will respond.
9. APPLICATION AND ASSESSMENT

To ensure the suitability of applications, all prospective applicants must follow these steps:

**Step 1: Before applying**
Before submitting an application, prospective applicants are advised to read these guidelines carefully to establish eligibility.

**Step 2: Preparing an application**
Use the application form to clearly describe the requirement to be met by the funding. Provide evidence of how that requirement meets the funding criteria and attach documentation to support the application (for example, evidence of scale of operations).

**GST**
All project costs in your application must exclude GST.
Any DEDJTR grant will be ‘grossed up’ by the amount of the GST, if you provide GST registration details (or proof of GST exemption).

**Who signs the application?**
Applications must be signed by the chief executive officer or an equivalent authorised signatory.

**Eligibility criteria**
To be eligible for receiving funding, the applicant must:
1. Have an Australian Business Number (ABN);
2. Consent to evaluation and reporting requirements on the funds received; and
3. Undertake the project or activity in Victoria.

**Core assessment criteria**
The transition package is designed to meet the needs of all sectors of the supply chain, with an emphasis on meeting regulatory requirements.
In preparing an application, prospective applicants need to demonstrate the project’s ability to address each of the following criteria:
- economic benefits;
- breadth of impact;
- demonstrated project need, feasibility and delivery;
- financial viability; and
- maximising value to the State.

**Economic benefits**
All applications need to outline the economic benefits of the funding request, highlighting how it will support the sheep and goat industries.
Applications should clearly demonstrate how the proposal will:
- contribute, in the medium and longer term, to the reduction of costs related to the production, welfare and supply chain costs of the sheep and goat industry; and
- result in a return on investment over a specified period.

Third party provider / R&D applications should additionally demonstrate how the project will:
- address market driven issues (that is, will address an identified need within the supply chain) and/or
- open new market access opportunities and/or
- support an increase in competitiveness and/or productivity.
Breadth of impact
All applications should clearly demonstrate how the project will:

- contribute, in the longer term, to the improvement of the industry, region, state or nationwide through improved animal husbandry, supply chain efficiencies, automation, or the extension and/or opening of new markets.

Third Party Provider / R&D applications should additionally demonstrate how the project will:

- contribute, in the longer term, to strengthening the sheep and goat industries and/or
- apply across multiple parts of the supply chain.

Demonstrated project need, feasibility and delivery
The applicant must describe and quantify the benefits of receiving funding, in terms of their business need.

For producers, this includes:

- estimated current sheep numbers; and
- historical sheep numbers for the past five (5) years; and
- estimated future sheep numbers for the next three (3) years.

Stock agents, EID scanning contractors and transporters should describe their business need in terms of the number of clients serviced.

Abattoirs, knackeries and depot operators, for export or on behalf of a processor(s), should describe their business need in terms of annual throughput of sheep or goats.

Agricultural show operators should describe their business need in terms of the annual number of agricultural shows in Victoria where sheep and/or goats are present.

Third party provider / R&D, saleyard or abattoir applications (where the abattoir application requests funding for optional infrastructure) should additionally demonstrate:

- the project need and a compelling reason for government assistance
- access to suitable project management expertise;
- that the project is achievable within budget and the proposed timeframe; and
- that project risks have been identified and strategies are in place to manage them.

Financial viability
DEDJTR needs to assess applicants’ financial viability and ability to manage and complete the project. Applicants seeking funding in any one application:

- over $10,000 and less than $50,000 need to provide:
  o financial reports for the past two financial years—that is, the ‘final accounts’ with Directors’ Report and Declaration, including the Profit and Loss Statement, Balance Sheet and Notes to the Accounts; and
  o where the latest financial report is more than six months old, up-to-date management or interim accounts (Profit and Loss Statement and Balance Sheet).
- over $50,000 need to provide:
  o an audited financial report for the past three financial years; and
  o where the latest financial report is more than six months old, up-to-date management or interim accounts (Profit and Loss Statement and Balance Sheet). In the case of public listed corporations, a half yearly financial report is sufficient.

Maximising value to the State
The applicant should demonstrate and/or describe how the proposal reduces cost, increases efficiencies (throughput) and potentially increases the State’s national and international market share or access to new markets (as appropriate).

Step 3: Application assessment
Applications received by DEDJTR will undergo a two-stage assessment process.

In the first stage, DEDJTR staff will determine the eligibility of the proposal by assessing the application against the eligibility conditions and core criteria. This assessment will also consider the project’s key risks and issues.

In the second stage, the application will proceed to a governance group of government and industry representatives — the Expenditure Working Group (EWG)— for final consideration and assessment.
**Step 4: Approval and notification**

The EWG will provide advice and recommendations to the Minister for Agriculture, who is accountable for determining the outcome of funding applications.

Agriculture Victoria will advise applicants in writing of the decision on their application. Successful applicants will receive a Letter of Offer, which will outline the obligations attached to the offer of funding.

**Conditions of funding**

**Funding agreements**

Within one month of an offer of funding, successful applicants need to enter into a funding agreement with DEDJTR and commence their project. If the project does not commence within this timeframe, DEDJTR will review the funding.

The funding agreement will:

- detail all funding obligations and conditions;
- describe the purpose for which the funding must be used;
- set out any requirements or conditions that must be met before payment of a funding instalment; and
- outline agreed milestones and project outcomes that must be achieved before payment of a funding instalment.

For a copy of the standard terms and conditions on which funding is offered, call DEDJTR on 03 9027 5456.

The funding agreement is a legally enforceable document that clearly defines the obligations of both parties. It aims to protect the government’s interests and to ensure the efficient and effective use of public money. It also ensures appropriate recognition of Victorian Government support on project related publications, media releases and promotional material.

Funding agreements must be signed by the applicant organisation’s chief executive officer (or equivalent). No offer is binding until a legal agreement is executed. Once the agreement is executed, the applicant needs to actively manage and deliver the project and provide progress reports to DEDJTR. During the project, DEDJTR may conduct site visits.

**Evaluation and reporting**

Successful applicants need to submit progress and completion reports, assessing the progress of their project against milestones and providing evidence of project completion. Applicants may be requested to participate in evaluation and communication activities relating to the project.

**Privacy**

DEDJTR may collect any personal information about you or a third party in your application, for grant administration. It may provide this information to other Victorian Government bodies for the purposes of assessing your application. If you intend to include personal information about third parties in your application, please ensure 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 Information Privacy Act 2000 (Vic) and other applicable laws.

DEDJTR is committed to protecting the privacy of personal information. You can find the DEDJTR privacy policy online at [www.ecodev.vic.gov.au](http://www.ecodev.vic.gov.au); click on the privacy statement link at the bottom of the web page and then click on the department’s privacy policy. If you have questions about access to information about you that DEDJTR holds, please call the department’s Privacy Unit on 03 9651 9749 or email privacy@ecodev.vic.gov.au.

**Commercial in confidence**

DEDJTR will handle commercial in confidence applications, reports and correspondence in accordance with the Victorian Government security and probity policies and guidelines.