



Department of
Jobs, Tourism, Science
and Innovation

Native Forestry Transition

Small Business Development and Diversification grants

Frequently asked questions





1. What is the aim of the Small Business Development and Diversification (SBDD) grants?

The \$15 million SBDD program aims to provide targeted funding to help business with a demonstrated reliance on native forestry to remain open and invest in job creation, diversification and innovation during the Native Forest Transition (NFT).

There is \$7.8 million available in Round 2.

2. Who should apply for the SBDD grant?

The SBDD grant is open to any business in Western Australia that can demonstrate a significant reliance on the native forest industry through turnover or operations.

The *demonstrate reliance* threshold has been set at 50 per cent.

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

Your business must be able to prove that at least 50 per cent of its turnover or operations is connected to the commercial native forestry industry over a two-year period. This can be done by providing financial statements over two financial years and by providing copies of invoices, receipts and contracts.

The Department of Jobs, Tourism, Science and Innovation (JTISI) can provide further guidance, but we recommend you work with your accountant to determine and source evidence to demonstrate the 50 per cent threshold.

4. Can I apply for the SBDD grant if my business is outside the native forest area?

The Western Australian Government recognises that not all businesses reliant on the commercial native forestry industry are in the designated native forestry area.

The SBDD grant is open to any business within Western Australia with a demonstrated reliance on the commercial native forestry industry that plans to protect or create new jobs, diversity or innovate their business.

5. Do I have to apply for \$400,000?

Businesses can apply for grants of up to \$400,000. Seeking a lesser amount is permitted and will not impact on the assessment of the application.

Applicants are required to validate how all requested funding will be spent through the provision of evidence such as quotes.



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

6. Does SBDD grant require dollar for dollar funding?

Matched funding is not required for the SBDD grant.

7. Can I apply if I have received a Business Transition Program payment?

Business Transition Program recipients can apply for the SBDD if they have received less than \$400,000 and only for the difference, up to \$400,000.

Please contact the NFT Team if you require further clarification.

8. Can I submit multiple SBDD applications?

Applicants can only submit one application under Round 2. Applicants who received funding under Round 1 are ineligible for Round 2.

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

Applicants are required to demonstrate that they can substantially commence the project within 6 months (e.g. planning approvals, Gantt chart, letters of intent). However, no retrospective funding can be claimed or will be awarded under this Grant.

If the applicant does invest capital into a project before approval and the disbursement of SBDD funding, it is entirely at the applicant's own cost and risk (e.g. planning approval or equipment deposit).

10. 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 be determined by the individual specifics of the business.

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

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

Grants paid under the SBDD are not regarded as payment for a supply to JTSI. Therefore, the JTSI will not increase the grant to include GST.



12. What supporting evidence do I need to apply?

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

A detailed business plan template can be accessed at nft.smartygrants.com.au/SBDDR2 and a full list of eligibility criteria and the assessment criteria can be found in the SBDD Guidelines.

13. Do I need to sign a grant agreement?

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

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

14. 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.



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