

Summary of changes to the Rainwater Crop Compensation Scheme for the 2023 Season

Please find *attached* a copy of the Rainwater Crop Compensation Scheme for the 2023 season. The scheme comes into force 24 hours before the start of season.

Please note that the Board has made changes to the Rainwater Crop Compensation Scheme for the 2023 season clarifying the operation of the scheme and for ease of reference, a summary only of the scheme (this is not meant to be exhaustive) is set out below:

1. The scheme applies where cane is burnt prior to a wet weather event, but not where cane is burnt:
 - a. when BOM forecasts at least a 50% chance of 25 mm or more of rain;
 - b. after a wet weather event and unable to be harvested;
 - c. in excess of that permitted under the CSA.
2. The scheme applies where there is a mill breakdown following a wet weather event preventing the cane from being harvested.
3. **All reasonable steps** must be taken to prevent loss of the crop.
4. Whether “**all reasonable steps**” have been taken include matters such as –
 - a. The content of any wet weather text message/s sent prior to the burn;
 - b. Ground/field conditions prior to the rain event;
 - c. Weather forecast for subsequent days;
 - d. An attempt to harvest the crop/use of wet weather harvesting gear or photographs demonstrating that no attempt could be made.
5. Members must notify KCGO within **3 days** of the wet weather event of a potential claim under the scheme (ie that there may likely be crop losses).
6. Within **21 days** of the wet weather event the subject of the claim, complete and return KCGO’s claim form and provide information and assistance to allow the Board to determine the claim.
7. The loss of tonnes is determined on an estimate from the mill (subject to bin quotas).
8. **Aggregate Indemnity** – All claims for the season not to exceed 25% of the total fund as at the start of the season.
9. **Indemnity** - \$45/tonne of cane or such lesser value based on the sugar price and the member’s seasonal average relative CCS **OR** the additional harvesting costs of using wet weather gear to harvest the cane.
10. Compensation under the scheme will be paid within 30 days of the end of the season, or in 2 parts if the sugar value is unlikely to reach \$45/tonne, the second part on resolution of the sugar price.
11. The Board, by resolution, determines all claims under the scheme.

Please contact Allan Parker should you have any queries.