

Waste Less, Recycle More

Organics Infrastructure (Large and Small) Grants Program Stream 4: Product Quality

Guidelines for Applicants

Closing date: 3pm Thursday, 29 August 2019

Every effort has been made to ensure that the information in this document is accurate at the time of publication. However, as appropriate, readers should obtain independent advice before making any decision based on this information. Published by: Office of Environment and Heritage NSW 59 Goulburn Street, Sydney NSW 2000 PO Box A290, Sydney South NSW 1232 Phone: (02) 9995 5000 (switchboard) Phone: 131 555 (environment information and publications requests) Phone: 1300 361 967 (national parks, climate change and energy efficiency information, and publications requests) Fax: (02) 9995 5999 TTY: (02) 9211 4723 Email: info@environment.nsw.gov.au Website: www.environment.nsw.gov.au

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Section 1: About this funding program

NSW Environmental Trust

The NSW Environmental Trust (the Trust) is an independent statutory body established by the NSW Government to fund a broad range of organisations to undertake projects that enhance the environment of NSW. The Trust is empowered under the *Environmental Trust Act 1998*, and its main responsibility is to make and supervise the expenditure of grants. The Trust is administered by the Office of Environment and Heritage (OEH).

NSW Environment Protection Authority

The NSW Environment Protection Authority (EPA) is an independent statutory authority and the principal environmental regulator in NSW. It leads the state's response to managing a diverse range of activities that can impact the health of the NSW environment and its people, using a mix of tools including education, partnerships, licensing and approvals, audit, enforcement and economic mechanisms. The EPA is empowered under the *Protection of the Environment Administration Act 1991* (POEO Act).

Waste Less, Recycle More

Waste Less, Recycle More (WLRM) was launched in February 2013, providing \$465.7 million over five years to reduce waste to landfill and increase recycling. An extension of WLRM until 2020/21 was announced in October 2016 with an additional allocation of \$337 million.

The EPA is responsible for the delivery of many programs under this initiative along with the overall outcomes. The Trust is responsible for the funding and delivery of most of the contestable grant programs and works in partnership with the EPA to deliver these programs. A key focus of this initiative is to assist communities, business and industry across the NSW economy to reduce waste, increase recycling and meet recycling targets in the NSW Waste and Resource Recovery (WARR) Strategy 2014-2021.

The Waste Less Recycle More extension is made up of:

- \$70 million Local Government Waste and Resource Recovery Program
- \$65 million Illegal Dumping Prevention and Enforcement Fund
- \$30 million Litter Prevention and Enforcement Fund
- \$35.5 million Organics Infrastructure Fund and Program
- \$48 million Waste and Recycling Infrastructure Fund
- \$57 million Systems for Household Problem Waste Program
- \$5 million Recycling Innovation Fund
- \$22.5 million Business Recycling Program
- \$4 million Heads of Asbestos Coordination Authorities program

The Organics Infrastructure Fund

Food and garden waste remain the largest proportion of waste going to landfill from both homes and businesses in NSW. The successful diversion and reuse of the organics stream is critical to achieving the NSW Government's target to divert 75 per cent of all waste from landfill by 2021. The \$105.5 million Organics Infrastructure Fund (\$70 million under the initial Waste Less, Recycle More and a further \$35.5 million under the Waste Less Recycle More extension) integrates all the components required for successful diversion of organics from landfill and recovery of organics as a valuable resource including:

- food waste avoidance
- food donation and redistribution to people in need
- organics collections
- organics processing (this grant program)
- markets for composted organics
- regulation and compliance

The Organics Infrastructure (Large and Small) Grants Program

The Organics Infrastructure (Large and Small) grants support the purchase of a broad range of small and large infrastructure and equipment to reuse or recycle source separated food and garden waste that would otherwise go to landfill. The grant program also provides funding for infrastructure that will improve product quality and consistency to ensure strong markets for recycled organics products and therefore, effective diversion of organics from landfill in NSW. Grant projects are grouped into four streams as listed in the table below, and each stream has its own guidelines, application forms and assessment criteria.

Grant program summary

Stream 1 Organics Processing Infrastructure	Grants of between \$25,000 and \$3 million, are available to councils, waste companies and composting companies. Grants will cover up to 50 per cent of capital costs for new or enhanced infrastructure to process food, garden or combined food and garden organics from households and businesses. This stream supports organisations processing organics generated and source separated by others.
Stream 2 Business Organics Recycling	Grants of between \$75,000 and \$500,000 are available to business and local councils, covering up to 50 per cent of costs of onsite processing equipment. Grants of between \$135,000 and \$500,000 are available to not-for-profit organisations and government institutions, covering up to 90 per cent of costs of onsite processing equipment.
Stream 3 Food Donation	Grants of between \$10,000 and \$500,000, are available to food relief agencies for infrastructure, like refrigerated vans and freezers that increase capacity to collect, store and redistribute surplus food from businesses to people in need.
Stream 4 Product Quality	Grants of between \$10,000 and \$500,000 are available to councils and businesses, covering up to 50 per cent of capital costs relating to organics processing infrastructure and equipment (unless special consideration granted, see below). For example, decontamination equipment can be purchased to improve the quality and consistency of organics outputs above regulatory requirements and lead to robust markets for recycled organics.
Stream 5 Transfer Stations	Grants of between \$10,000 and \$500,000 are available to councils and businesses, covering up to 50 per cent of capital costs relating to infrastructure and equipment to establish new or upgrade existing transfer stations so that they can also be used as transfer stations for food (or food and garden) organics.

These guidelines refer to **Stream 4 Product Quality** grants **only**. Refer to separate guidelines and application forms for the other Organics Infrastructure (Large and Small) grants program streams.

The Trust reserves the right at its sole and absolute discretion and at any time, to change the eligibility and selection criteria for this program. The current eligibility and selection criteria for the fund are described in this document.

Stream 4 Product Quality

This stream aims to improve the robustness of NSW markets for recycled organics products by providing funding for equipment and management systems that improve the quality (and consistency) of recycled organics products above and beyond regulatory requirements (at 18 June 2019). Consumer confidence and improved product sale prices support the viability and sustainability of the organics recycling industry and assist in development of a pull market.

Stream 4 does not require additional diversion from landfill for source separated organics. The funding is available to local councils and organics waste management facility operators for household, commercial and industrial organics, not agricultural wastes. **To be eligible**, the applicant must demonstrate that product quality is impacting on the ability to sell the outputs into a particular market and that the grant funding will open a market for the improved product.

Examples of eligible projects for this stream include:

- pasteurisation of self-hauled household organics to enable a facility to sell the improved product into new markets
- additional/improved equipment to remove contamination in input material
- screening equipment for output material
- equipment to improve testing and management systems/procedures at a facility to enable greater onsite testing or third-party product quality certification.

Eligibility

Eligible organisations

Organisations eligible to apply include:

- businesses that are experienced in organics processing
- NSW councils
- groups of NSW councils
- other local-government controlled organisations (or deemed to have the same local government function)

Applicants who have previously been awarded funding for a new facility, or funding of more than \$500,000 for an upgrade of a facility, through a Stream 1 grant are **not eligible** to apply for a Stream 4 grant for the same site.

Note: All applicants must be legally constituted entities and be organisations, not individuals or sole traders.

Partnership projects

Partnership projects are encouraged, for example, a partnership between several NSW local councils operating a series of small composting operations where the equipment is owned and shared amongst several sites and local government areas. Partnership projects can improve the implementation and reach of projects. An organisation must be nominated to act as the grant applicant and administrator of the project, including signing the Deed of Agreement and taking responsibility for submission of milestone reports. An agreement must have been reached between all partners in relation to project management, roles, responsibilities and funding contributions before applying for funds. This agreement must be explained in the grant application and can be provided in the form of a Memorandum of Understanding signed by each partner or a letter from each partner detailing their roles, responsibilities and commitments.

Multiple applications

Applicants may submit multiple applications. For example, you can submit two different applications for two different sites or you can reapply if an application was unsuccessful in a previous year. If you are proposing several projects, you must provide evidence of sufficient resources to implement all projects, including capacity to manage any ongoing projects funded in previous years. You will also be expected to maintain separate recordkeeping for each project including tracking your in-kind and cash contributions for each separate project.

Conditions of eligibility

Eligible organisations must meet the following conditions to qualify for this funding:

- Complete all the relevant Environmental Trust forms and supporting documents.
- Include in your application the names of two senior officers in your organisation (e.g. General Manager, CEO, Chief Financial Officer, Group Manager or Secretary) who can attest to the accuracy of the information within the application.
- Demonstrate in your application that your project is aligned with the program aims and objectives, provides value for money, delivers public benefits, and will deliver significant resource recovery outcomes.
- Demonstrate that previous government grants have been managed effectively or where previous grants have performed poorly, explain how your organisation's performance will be improved.
- Demonstrate that the time required for all necessary planning, regulatory or other approvals has been considered and how these factors have been taken into account. For example, experience from a previous project may highlight that you will need longer timeframes to gain approvals if this was a major cause of project delay.
- Submit projects that will have 6-months of throughput and quality improvement data by 30 June 2021.
- Ensure your application is received by the closing date. Late applications will not be accepted.

Applications that do not satisfy all the above conditions will be deemed ineligible and will not be assessed.

You are ineligible to apply for this funding if:

- your organisation, a project partner or related company generates waste in NSW that is transported for recycling or disposal to a location outside of NSW; and
- there was, at the time of transport, a lawful recycling or disposal facility for that waste within NSW.

Organisations that generate waste near the border of any other Australian State or Territory may apply for an exemption from this provision if they can demonstrate compelling circumstances as to why waste has been sent out of NSW. To apply for an exemption, contact the EPA program team at organics.recycling@epa.nsw.gov.au

Funding

Grants of between \$10,000 and \$500,000 are available, covering up to 50 per cent* of the capital costs of organics processing infrastructure and equipment.

- A 'Special Consideration' clause applies to councils to allow funding of up to 75 per cent of total eligible costs. Councils that do not have the capacity to co-contribute 50 per cent of total costs for large infrastructure projects, such as in regional and rural areas of NSW, may be eligible to apply. The Environmental Trust will use a number of criteria to determine a council's eligibility under the special consideration clause including:
 - total area (square kilometre) of the Local Government Area (LGA)
 - number of rates paying properties (residential, business, farmland) within the LGA
 - council justification

Please contact the EPA on (02) 9995 6876 organics.recycling@epa.nsw.gov.au before you lodge your application if you are intending to request Special Consideration.

Note: Up to six hours of business case advisory service support is available for applicants from the EPA. See page 10 for more details on eligibility and how to access this service.

What will be funded?

Infrastructure and equipment that improves the quality of eligible recycled organics products beyond regulatory requirements (at 18 June 2019) are eligible for this funding. This includes, but is not limited to, improving the quality to meet a higher resource recovery standard, e.g. mulch to pasteurised garden or compost. Also, eligible for funding is assistance with developing policies, procedures and testing regimes that improve the consistency or lead to greater consumer confidence in the quality and consistency of eligible recycled organics.

Examples of eligible infrastructure and equipment for funding, include but are not limited to:

- Upgrades to composting facilities to decrease the environmental risk of output material
- Windrow turners.
- Upgrades to signage and barriers.
- Management systems and infrastructure for receipt areas.
- Bag splitting or de-packaging equipment.
- Front end manual or mechanical sorting equipment.
- Air separation technology.
- Screens.
- Onsite laboratory/testing equipment.
- Training in the use of the new equipment.
- Procurement of expert advice on establishment of quality assurance management and testing systems where the advice is less than 5 per cent of the project budget.

Applicants are required to contribute at least 50 per cent of the cost of eligible infrastructure and equipment as a part of the project; unless the applicant is a council that has been approved for 'special consideration' (see above) by the EPA. Evidence of this cash contribution must be provided to the Trust as part of the project milestone reports.

What will not be funded?

Activities, projects and elements that are ineligible for grant funding and cannot be included in your matching contributions include:

- Statutory requirements such as development consent, environmental impact assessments, operating licences, resource recovery exemptions and orders (RRE/O), or compliance the conditions thereof (other than any RRE/O changes post 18 June 2019).
- Works already completed or committed to at the time before the opening of the grant round was announced.
- Operational expenses including fuel, electricity, equipment maintenance, monitoring and staff costs (other than staff costs associated with training).

- Project management and grant administration costs.
- Marketing costs.
- Activities, projects or infrastructure outside NSW or processing waste generated outside NSW
- Equipment that might be viewed as bypassing the intent of Resource Recovery Orders and Exemptions e.g. hammer mills and grinders.
- Equipment required to meet a compliance obligation.
- Compost spreaders for application of processed organics to land.
- Bagging equipment.
- Transport and/or vehicles.
- That proportion of the equipment's operations that will not be used for the product quality project described in the grant application.
- Assistance above \$500,000 per applicant (except where an applicant is seeking funding for multiple composting facilities across NSW and is therefore submitting multiple grant applications).
- Offsite equipment e.g. bins or skips that are provided to the waste suppliers.
- Purchase of land.
- Research.
- Leased equipment.
- Contingency costs expressed as a percentage of the project cost.
- Activities, projects or elements on sites where there has been previous significant organics infrastructure grant funding awarded for increased capacity.
- Quality improvement of products which are not supported by a Resource Recovery Exemption.

Projects involving related-party transactions

Applicants who are purchasing goods or services from related entities will not be eligible for funding unless they can prove to the satisfaction of the Trust, that any financial benefit given would be reasonable where the parties are dealing at arm's length or on terms that are less favourable to the related party. While these types of transactions are legal and ethical, the relationship inherent between the involved parties creates potential conflicts of interest and the Trust would prefer not to have to manage these potential conflicts. If in doubt, contact the Trust Administration before submitting your application.

Before finalising Part B: Application Budget, you are encouraged to contact the EPA to discuss eligible and ineligible items for funding.

Funding from multiple sources

Funding for this this program requires a **co-contribution** towards the total cost of **eligible** grant items. You must be able to demonstrate this in Part B: Application Budget.

Some large projects may involve multiple sources of government funding. For the Trust to make fair decisions about allocating grants, setting funding priorities and avoiding duplication with other government agencies, you are required to advise us if you:

- Have secured funding from another government agency for the same or related activities to those requested from the Trust.
- Have current applications lodged with other government agencies.
- Receive other funding from other government agencies while your project is underway.

The Trust encourages applicants to develop projects which include partnerships, collaboration, other funding sources and in-kind contributions. These all tend to improve outcomes of projects and may make your application more competitive.

The Triple Bottom-Line

It is expected that your project will implement best practice and consideration of Triple Bottom Line outcomes: Environmental, Economic and Social. This can be defined as being mindful of the 'big picture, for example, in designing, building, upgrading or enhancing a facility. In your application, you will also need to demonstrate a commitment to incorporating sustainability principles into the design of your project. This includes energy and water efficiencies, biodiversity impacts and landscaping. The Government Resource

Efficiency Policy (GREP) is a useful reference. You should also include any associated actions your organisation has already implemented, or intends to implement, including reference to local or organisational strategies, policies or plans.

Compliance with NSW environment protection laws

Note that the Trust, with input from the EPA, will consider the compliance history of applicants under NSW environment protection laws, including penalty notices, clean up notices, prevention notices, licence suspensions, licence revocations, convictions or prosecutions under the *National Parks and Wildlife Act* 1974, *Protection of the Environment Operations (POEO) Act* 1997, *Protection of the Environment Operations (Waste) Regulation* 2014 and the *Native Vegetation Act* 2003.

In addition applicants are not eligible for the grant if, on or after 18 June 2019 they or any directors or managers of the applicants (whether as directors or managers of the applicants or otherwise in their personal capacity or including where they have been directors or managers of other companies), have contravened any provision of the POEO Act with the result of avoiding, minimising or undermining the requirement to pay any waste contributions required under section 88 of the POEO Act.

For the purposes of this matter the relevant provisions of the POEO Act are sections 48, 64, 88, 115, 120, 142A, 143, 144, 144AA, s144AB or 211 of the POEO Act or Part 2 of the *Protection of the Environment Operations (Waste) Regulation* 2014 in relation to any waste activities where a consequence of the contravention has the result of the avoidance, minimisation or undermining of the waste contribution. This also includes a contravention of any clause of a resource recovery exemption.

These matters can be considered whether or not any regulatory action has taken place in relation to those contraventions, including whether or not court proceedings have been commenced or an offence has been proven in court proceedings.

Regulations governing use of outputs

The application of waste to landfill or its use as a fuel in NSW may trigger the requirement to hold an Environment Protection Licence (EPL) under the *Protection of the Environment Operations (POEO) Act* 1997. The thresholds regulating whether a site needs to hold an EPL for those activities can be found in Clause 39 and 40 of Schedule 1 of the POEO Act. The EPA may exempt a person from the requirement to hold a licence for these activities.

Resource Recovery Exemptions and Orders are granted by the EPA where the land application or use of waste as fuel is a bona-fide, fit for purpose, *reuse* opportunity.

The EPA encourages the recovery of resources from waste by issuing both general and specific Resource Recovery Exemptions and Orders.

General exemptions and orders are issued for commonly recovered, high-volume and well-characterised waste materials. A general exemption and order may be used by anyone, without seeking approval from the EPA, provided that the generators, processors and consumers fully comply with the conditions of the exemption and order.

Where no general exemption and order are available for the intended use, a specific exemption and order may be issued after an application is made to the EPA.

There are four relevant general exemptions and orders:

- pasteurised garden organics
- compost
- solid food waste
- liquid food waste

Note: Composting does not include drying or dehydration processes.

Resource Recovery Exemptions and Orders are regulatory requirements. For funding under this stream, these requirements (at 18 June 2019) are the baseline level. Funding is available for improvement of product quality and consistency above the baseline level.

For more information on these exemptions please visit the EPA website. If it is intended to use organics outputs as a fuel, they must comply with the NSW Energy from Waste Policy Statement.

Obligations of successful applicants

Deed of agreement

Successful applicants will be required to sign a performance-based Deed of Agreement (the Deed) with the Trust, which will stipulate all funding obligations and conditions. The Trust will closely monitor adherence to all requirements of the Deed, as well as progress against project deliverables and expenditure of funds. Funding is paid after completion of agreed milestones and continued funding is dependent upon the Trust's acceptance of milestone reports.

Successful applicants will have up to 30 days from the date of formal notification of the offer of funding to sign a Deed of Agreement. If the Deed of Agreement is not signed within the specified period, the offer of funding may lapse.

Successful applicants will be required to comply with all conditions (including special conditions) contained in the Deed of Agreement, including, but not limited to:

- Accept the grant funding is contingent on improved quality and consistency of product and may be adjusted according to any variances to this outcome.
- Provide written evidence from project partners who are contributing funds or resources to the project.
- Confirm a final schedule of payment and reporting dates relative to project activities.
- Complete a Project Measures report at time of project commencement (projected numbers) and with each milestone report (actual numbers achieved). Templates are available on the Trust website detailing what type of information will be required.
- Provide milestone and final reports in accordance with the reporting requirements outlined in the Deed of Agreement, including an independently certified Final Statement of Expenditure.
- Provide all invoices related to Trust and in-kind project expenditure.
- Provide a Tax Invoice to the Trust for each grant instalment.
- Seek prior approval from the Trust for any variation to the agreed project plan, project measures, timeframe or budget.
- Acknowledge the Trust and EPA in all promotional material and public statements about your project. Your acknowledgement must include the appropriate NSW government logo in accordance with publishing requirements. Logo and requirements for use to be downloaded from the Trust website.
- Agree for all knowledge gained as part of the grant to be made publicly available whether that be publishing the final report or promoting the project via other avenues available to the Trust and the EPA.
- Invite Trust and EPA representatives to any launch or public event associated with this funding, and where they can attend, they are acknowledged as official guests and provided with the opportunity to publicly addressing the event.

Project implementation timeframe

The Trust receives an annual funding allocation for Waste Less, Recycle More programs, with limited capacity to carry over funds to future financial years. Consequently, projects must be completed within three years of signing the Deed of Agreement.

Successful applicants will be required to:

- Demonstrate starting the project within four months of signing the Deed of Agreement, which includes obtaining all approvals, advertising tenders or commencement of works. If a project is not started within this four-month period and without justification and Trust approval the grant may be revoked.
- Make a commitment to provide six months of data to demonstrate improved product quality and consistency by 30 June 2021.

For projects that are not completed within the time-frame, you will be required to formally request a variation from the Trust and justify why the grant should not be terminated. Requests for variations to projects are considered by the Trust and these should be submitted as soon as possible. Significant extensions to time will only be approved under exceptional circumstances.

Assessment criteria

Selection for Trust grants is a merit-based process. Eligible applications will be assessed by an independent Technical Review Committee (TRC) against the assessment criteria, set out in the following table.

The application forms will allow the TRC to assess your project. All questions in the application should be answered fully and prepared with these criteria in mind.

- 1. Demonstrated product quality improvement
 - current practices and how the project will improve quality
 - quantities of material targeted for improvement
 - demonstrated link between improved quality and business benefit
 - additional practices introduced for long term quality improvements

2. Value for money and project impacts

- change in the quality of the recycled organics products
- demonstrated benefits to the business
- a detailed, credible budget is provided
- cash and in-kind contribution are clearly demonstrated

3. Demonstrate ability to deliver the project to a high standard

- detailed analysis is undertaken in developing the project
- sound project planning and methodology
- solid market analysis and understanding of how product improvements support business goals
- adequate consideration of risks and mitigation measures
- demonstrated management skills, expertise and relevant experience
- the level of performance on any previous grants

Business case advisory service

All the application documents make up a business case for funding for your project. The EPA provides independent, confidential, free and expert assistance to applicants to support the development of their business case. The Business Case Advisory Service provides up to six hours support for applicants.

The advisors are available to provide support as you prepare your application documents: advising on appropriate analysis, content and presentation of information. The advisor will also provide comment and critical feedback on the quality of the business case presented. Business cases prepared in a consistent format and to high standards will streamline the assessment process and increase the quality of your application.

The advisor will cover the following areas of planning and analysis expertise:

- market analysis
- technical analysis, including selection, integration and optimisation of plant and equipment
- economic and financial analysis, including the preparation of a cost benefit analysis consistent with NSW Treasury Guidelines and assessment of net public benefits
- planning and licensing analysis
- project planning to detail steps involved in commissioning and ongoing operation of the infrastructure

Advisors are not funded to:

- gather the necessary background information
- complete business case on behalf of the applicant
- complete the Trust grant application on behalf of the applicant

To apply for Business Case Advisory support, applicants must complete the EPA Business Case Advisory Service (BCAS) application form on the Trust website.

It is advised that applicants apply as soon as possible as there are a limited number of advisors and limited period available before the closing date for applications. Applications to use the service will only be accepted up to **21 August 2019** i.e. six working days before the close of the grant round.

The provision of support is at the discretion of the EPA. Receiving BCAS support does not mean that you will be awarded a grant and if you do not receive BCAS support, you can still apply for a grant. If your BCAS application is successful, the EPA program manager will contact you and will forward your BCAS application and contact details to an advisor.

Advisors are contracted by the EPA and are bound to keep information provided by applicants confidential.

Part B: Application budget

Overview

Part B: Application Budget form is an Excel document, separate from the main application form. The form can be downloaded from the Trust website.

When you fill-out the budget spreadsheet, the figures you enter will be added-up automatically. You cannot cut and paste data into the document as it will alter the formatting and cause errors, which may result in your budget submission being deemed ineligible.

Enter the data manually and submit the completed form as an Excel document so that it can be uploaded directly into the Trust database. **DO NOT PDF**.

An incorrect or incomplete Application Budget form may render the application ineligible or reduce the Technical Review Committee's confidence in the applicant's capacity to deliver the project and manage the finances. If you are unclear about what is eligible and ineligible or how to complete the Budget spreadsheet contact the EPA for advice.

The Application Budget consists of one worksheet with five parts:

- Part 1 Project expenditure breakdown.
- Part 2 Other sources of project income.
- Part 3 Summary of project budget for eligible grant items only.
- Part 4 Additional direct project costs (ineligible items).
- Part 5 Summary of total project including ineligible items.

You must complete Parts 1, 2 and 4 and the 'total' fields will be added automatically in Part 3 and 5.

All items in your budget need to be detailed, reasonable and justifiable, especially where individual items comprise a large proportion of the overall budget. Detailed costing ensures that your budget is well planned and linked to the objectives and activities of your project. Ensure you can provide a corresponding invoice for all expenditure when you come to the reporting stage. Be specific and give unit values where possible. There is a risk that if you do not provide sufficient detail and justification your application may not be as competitive.

Cash and in-kind contributions

The Trust values the ability to secure additional cash and in-kind contributions that reflect support for a project and added value for money. These guidelines detail what is eligible and ineligible for funding.

Separate eligible and ineligible items in your budget on the appropriate tabs. That is, show all **eligible** costs for the project in Part 1 and 2 of the budget to a maximum of \$500,000 requested as a grant from the Trust. Show all **ineligible** costs provided as cash or in-kind to the project in Part 4 of the budget. The grant will not cover the cost of ineligible items, but details of ineligible costs should still be provided if they are relevant to the project to give an overall total project value.

Taxation - goods and services tax (GST)

GST applies to payments made under this program. However, some grants of financial assistance may be subject to income tax in the hands of certain recipients. It is therefore recommended that you, as the applicant, seek independent legal and financial advice if uncertain about your organisation's taxation obligations.

Organisations administering a grant (and are registered for GST) are not to include any GST in the application budget. The Trust will add 10 per cent GST to the grant payment.

Organisations administering a grant that are NOT registered for GST are to include in the application budget any GST that will be incurred during the life of the project.

A tax invoice is required for the amount of each milestone payment of the grant/project. The invoice is to include GST if applicable. All invoices from local councils (as a government related entity) should be exclusive of GST.

Attachments

Any additional or supporting material submitted with your application documents should be kept to a minimum. Limit the number and size of attachments. Examples of acceptable attachments include:

- Copy of the Resource Recovery Exemption and Order products currently comply with
- Strategy, policy or report extracts (maximum two pages)
- Summary of previous projects (maximum two pages)
- Letters of support signed by senior officers (maximum two pages)
- Quotes

Application and submission process

Applicants are required to submit the following documents.

Part A	Application Form	PDF Document
Part B	Application Budget	Excel Document
Part C	Project Plan	Word Document
Financial Analysis		Excel Document

Note: The Application Form and Budget documents (Part A and B) are locked. This means that the size of the text boxes will not expand, and your answer must fit into the space provided. The Project Plan (Part C) form will expand to accommodate additional information.

Checklist and document naming

Use the checklist at the end of the application form to make sure that your application is complete.

You must adhere to these naming conventions for submitting the application documents:

- Application Form
 01 Grant Application
- Application Budget
 02 Grant Application Budget
- Project Plan
 03 Project Plan
- Financial Analysis
 04 Financial Analysis
- Project Timeline 05 Project Timeline

Who to contact for assistance

Application assistance

NSW Environmental Trust

Phone: (02) 8837 6093 Email: waste.recycling@environmentaltrust.nsw.gov.au General program or project assistance

NSW Environment Protection Authority

Phone: (02) 9995 6876 Email: organics.recycling@epa.nsw.gov.au

Any application that is late, incomplete or ineligible will not be considered.

Application and notification

Acknowledgement of receipt of applications

You should expect acknowledgement of your Application Form within two days of the closing date. If you do not receive acknowledgement email, contact the Trust to ensure your email has been received.

You should expect to receive a confirmation email with a unique reference number within three weeks of the closing date. This reference number should be used in all correspondence to and from the Trust. If you do not receive an email within three weeks, contact the Trust administration at waste.recycling@environmentaltrust.nsw.gov.au.

Assessment and approval process

After the closing date, Trust Administration staff will check whether your application is eligible and complete.

The information you supply will be used to assess your project. Some of this information may also be used for promotional purposes.

The Trust will endeavour to treat sensitive personal and confidential information that you provide confidentially. If you require strict commercial confidentially, you should request this in your application. However, all documents held by the Trust are subject to the *Government Information (Public Access) Act* 2009.

The Trust will establish an independent Technical Review Committee (TRC) for each grant program. Each TRC is made up of people with knowledge and experience relevant to each grant program and includes at least one community group representative and at least one industry representative. TRC members agree to undertake their duties within the principles of ethical conduct, integrity, objectivity and independence. They are also required to keep all matters concerning applications confidential and to declare any potential conflict of interest.

The TRC will assess the merit of your application by using the assessment criteria outlined in these guidelines. The TRC then makes recommendations to the Trust who will ultimately approve the funding. Successful applicants may not receive the full amount requested and may be subject to special, as well as general, conditions of funding.

Unsuccessful applicants can request feedback on their applications by emailing the Trust Administration at waste.recycling@environmentaltrust.nsw.gov.au.

Decisions by the Trust are final. There is no appeal process.

Notification of grant decisions

The Minister for the Environment, as Chair of the Environmental Trust, will publicly announce the successful applicants. Applicants will also be notified in writing.

Conflict of interest

Applicants are required to declare any real, potential or perceived conflict of interest that they may be aware of in relation to being awarded a grant, particularly where:

- The project that you are proposing will be undertaken on private land and that land is owned by a member or members (or relatives) of the organisation applying for a grant.
- Members, or relatives of members, of the organisation applying for a grant are being paid as project managers (or similar) with Trust funds.
- Members, or relatives of members, of the organisation applying for a grant are being paid as contractors with Trust funds.
- Works carried out by the project could create current or future financial or other benefit for members of the organisation applying for the grant, or their relatives.
- Third parties used to assist in the preparation of the grant application will potentially be engaged to carry out work on the project.

Such circumstances do not exclude the project from being funded, however they do need to be acknowledged as a potential conflict of interest. The Technical Review Committee will assess each situation on its merits and environmental need.

Confidentiality

The Trust will use the information you supply to assess your project for funding. Information on funded projects may be used for promotional purposes.

We will endeavour to treat sensitive personal and confidential information that you provide to us confidentially. If you require strict commercial confidentially, you should request this in your application. However, all documents held by the Trust are subject to the *Government Information (Public Access) Act* 2009.

Intellectual property

The applicant must own, or be able to, lawfully use any intellectual property required to carry out the project. The applicant will be required to give the EPA and Trust (without cost) a non-exclusive irrevocable licence to use, reproduce, communicate to the public, or adapt the intellectual property in the project.

What happens if false or misleading information is supplied for this application?

Applicants must certify that all the information in the application is true and correct. The **grant will be revoked and funds, plus interest, must be repaid** if:

- the Grantee at any time provides misleading or false information;
- there has been a material change in the circumstances of the Grantee's financial position, structure or identity including:
 - being a company, resolves to go into liquidation;
 - being a non-profit company, ceases to retain its non-profit status; or
 - being an organisation, ceases to operate.

An assessment regarding possible fraud will also be undertaken and appropriate legal action initiated if warranted.

Section 2: Guide to completing your application

Use the information below as a guide when answering specific questions in your Application Form. Guide notes have not been provided for those questions where the answer is apparent.

The Trust strongly recommends that you consult with the EPA on (02) 9995 6876 to discuss your ideas and project proposal before completing this application.

Eligibility	Grant funding is only available to eligible organisations for new or enhanced equipment and infrastructure.
	Please answer all the questions to determine your eligibility to apply for this funding.
Background	
	Project title.
1	This is the title of your project and will be used on all promotional material, on the website, Deed of Agreement and any other relevant documents. It should be no more than 68 characters long.
	Funding amount requested.
	This is the grant amount. This should match the amount you have requested in your Application Budget form. It is recommended you complete your Application Budget before answering this question.
	Project summary.
2	Provide a 100-word summary of your project. This should be succinct, summarising clearly the main activities and outcomes that you plan to achieve. This summary will be used to promote your project on the Environmental Trust website and in media releases. Think of it as a punchy plain English statement that explains to an external audience what the project is about and the benefits it aims to deliver.
	Project X is about It's important to do because When it is finished the project will
	Site location.
3	Give the name and address of the site where the equipment or facility will be located. If you do not own the site, explain your lease arrangement e.g. from whom you lease? when does your lease expire, is it conditional on a council tender?
	State electorate and local government area.
4	List the local government areas and state electorates in which the project will occur. Include a note if processing occurs on multiple sites or material is sourced from multiple local government areas.
	Applicant contact details.
5	The people that may be contacted before, during or after the project for additional information, updates on progress etc.
	Management structure.
_	Provide details on the senior management of your organisation. Experience in similar projects and support of senior management is beneficial for your application. For larger projects this should be demonstrated through attachment of CVs and letters of support.
6	Years trading: this is not required for government organisations.
	Number of personnel: this figure gives an indication of resources that can potentially add value or impact the project and provide a comparison based on the size of the project relative to the total size of the organisation.
	Contact details for partners (if applicable).
	If you are applying as an individual organisation you do not need to answer this question.
7	For partnership projects, the primary contact listed in question 5 is from the organisation appointed as the lead Applicant. The lead grant Applicant must act as administrator of the grant program including signing the Deed of Agreement and submitting milestone and financial reports.
	A letter from each partner (or a MOU), confirming participation, roles, responsibilities and funding contributions must be submitted with the grant application.
8	Has your organisation previously received funding from the NSW Environmental Trust, NSW Environment Protection Authority or Office of Environment and Heritage?
8	Only include grants that your organisation received within the last five years. The assessment process will also consider how well previous grants were implemented.

9	Insurance. Provide details of your insurance as it is a condition of your grant that you have adequate insurance cover including public liability insurance of \$10 million, workers' compensation and volunteer insurance (if volunteers are involved in the implementation of your project).
Licensing	and compliance history under NSW Environment Protection laws
10-12	Refer to the above section of these guidelines - Compliance with NSW environment protection laws.
Project m	lestones
13	 Payment and milestone schedule. Complete this section once you have completed Part B: Application Budget and your project timeline. Provide the amount you are seeking from the Trust in the 'total funding requested' box. The total funding requested cannot exceed \$500,000. For most projects, the first instalment amount will be 50 per cent of your total funding amount requested, the second and third instalments should total 40 per cent and the final instalment should be 10 per cent. Provide the milestone dates you expect to achieve milestone two, three and final report. Milestone 1 should be approximately January 2020. The project must commence within four months of signing the funding agreement with the aim to have all equipment installed and commissioned by December 2020. Milestone 2 will be the completion of the equipment installation or product quality management system. Final report will be project completion and submission of the final grant report to the Trust with at least 6 months of processing data (no later than 30 June 2021). These milestones will be linked to the Trust reporting dates and milestone payments. These dates should be based on your in-house planning and the length of time you estimate to implement these key stages of your project.
14	 Provide an overview of your proposed project. Provide a maximum one-page overview of your proposed project. You need to explain a little of the context, what type of business or organisation you are and why you are seeking to develop this project. You need to explain: Your current operations (waste inputs and processing steps) How you identified the need for the project Briefly describe the equipment that you wish to purchase How you will demonstrate the product quality and consistency has improved Ensure you clearly describe the main thrust of your project, for example: Unpasteurised clean material being upgraded to pasteurised material to access markets. Reduced contamination in a product to provide greater confidence within current markets. Increased onsite testing to ensure nothing slips pass the keeper.
Criterion 2	: Demonstrated product quality improvements
15	Explain how you identified a need to improve product quality and/or consistency. Explain the internal and or external factors that have prompted this project. For example, are you interested in being an industry leader? Does your testing show occasional changes in physical or chemical contaminant levels? Are clients demanding higher quality or consistent product? Are you expanding into a different market with increased revenue potential? Did an expert audit/investigation of your operation recommend the upgrades?

	What equipment and/or management systems will you be putting in place to improve product quality and/or consistency?
16	Describe the changes you are proposing in detail. Don't just state that you want to purchase a screen, list the size, model, brand and type of screen. Explain how the changes will lead to improved product quality or consistency. Explain how the equipment will be used in conjunction with existing equipment. Explain how this project will align with your existing quality management systems.
	In some cases, improving quality may be achieved through changing or upgrading an existing piece of equipment. Grant funding is only available for the additional cost. If you are replacing/upgrading existing equipment explain what will happen to the existing equipment, for example, will you sell it?
	Explain why replacement/upgrade wouldn't happen as part of a general asset replacement strategy. For example, does the existing equipment have five years remaining service life so grant funding is bringing forward the upgrade or are you only requesting the difference in replacement cost of the current screen with a more expensive and effective screen.
	Processing capacity and throughput.
17	What are you currently producing and what markets do you sell it into?
	Describe the sources of the input material and contamination type and levels for each source.
	How much of this material will be improved by the grant project proposal?
	Explain your current decontamination and processing procedures.
18	Detail the receival procedures for accepting material on site (and rejection of loads), manual and mechanical decontamination procedures, overview of the actual processing methods, and polishing/preparation of final products for market.
	Explain your testing regime to ensure compliance with Resource Recovery Exemptions and Orders.
19	Provide details of the testing and record keeping you do onsite e.g. record delivery amounts and conditions, temperature testing, turning, quantities and type of contaminants removed. Describe sample collection methods and frequency, offsite testing or independent certification systems in place. List any changes in the last four years to testing and record keeping procedures. Consider attaching a summary spreadsheet of test
	results. If your current products are covered by a specific Resource Recovery Exemption and Order (rather than a general RRE/O), attach a copy to your grant application.
	Describe the end products of your processing system, current markets and competition.
	Provide an overview of the range of end products currently produced and the contaminant levels in each. Consider describing the products according to AS4454 size and maturity characteristics.
20	Also, describe the current markets. For example, you may be shredding all material to one size and using it onsite for landscaping or be making a range of course and finer grade compost products and selling into the urban amenity market.
	Describe whether the quality or consistency of your products is limiting your competitiveness in this market or if you are trying to expand into other markets. For a council shredding operation, it may be that the council wishes to use the material on parks and gardens and so needs to pasteurise the organics to remove the risk of spreading weeds. Alternatively, a composter may be entering a new market that requires fully certified rather than self-verified product.
Criterion 2	Value for money and project impacts
	Prepare a financial analysis to support your proposal.
21	Prepare the financial analysis. The Financial Analysis form can be downloaded from the Trust website.
	Provide an overview in the application form.
	How will you measure the impact and success of your project?
	What are the objectives of your project?
22	Objectives should be SMART i.e. simple and specific, measurable, achievable, realistic and time bound.
	For example, decrease glass greater than 2 millimetres in 100 per cent of all output material from 0.4 per cent to 0.2 per cent within one month of screen being installed.
	Detail the market for the improved product (including demand, price, and competition).
23	Improved product quality and consistency can lead to expanded market opportunity and price. Estimate how much additional product you will be able to sell and or any price increase. Explain how you will market the improved outputs, which new markets and where they are located.
	For some projects, improvements may be to retain current markets and customers.

	Detail the operational life-span of the equipment and your commitment to maintaining and promoting the improved quality of outputs.
24	Describe the age of the equipment you intend to purchase and the estimated useful lifespan. Once you have installed the equipment, will you be upgrading the verification/certification of your products and management systems? Is this project part of a bigger longer-term plan for product improvement?
	Explain why this project would not go ahead in the near future without funding from this program.
	Funding will not be provided for activities which would occur anyway, without the support of this grants program, including those sufficiently cost-effective to implement without funding.
	Describe why this project would not proceed without funding assistance or how the funding would enable the project to be brought forward.
	For applicants where the cost savings from the project will accrue to the organisation, the following questions should be answered:
	What is your estimated annual increase in revenue and/or reduction in expenses?
25	• Incorporating these revenues/expenses, how does the payback period or internal rate of return for the project relate to your organisation's usual hurdle rates for project investment?
20	• Have other forms of finance been considered for part or the entire project? If not, why not? If it has been rejected, what was the basis for this decision?
	For projects where there are no financial barriers to proceeding, or where cost savings from the project will not accrue to the organisation, state:
	What are the non-financial barriers to implementing the project?
	How will the funding assistance help the project proceed?
	For councils applying under the Special Consideration clause, provide information to support your claim including total area (square kilometres) of the LGA, total number of rates paying properties, recent activities relating to waste management that may be impacting on ability to undertake further waste management upgrades.
	Resources from other sources.
26	List any other relevant grants or payments you or your listed project partners currently have or will receive from the Trust, EPA and other state or commonwealth agencies.
	Note: This grant will fund additional infrastructure above existing commitments. However, it will not fund work that should have been undertaken as part of agreed commitments or existing programs.
	Describe how your project is delivering good value for money, and how it will contribute to the aims of this grant program.
27	Describe how this project will deliver good value for the government investment. Your project is evaluated against other grant applications. This is an opportunity to demonstrate why your project should receive grant funding above others.
	In your description, include calculation of grant dollars per kilograms or tonnes of improved product, and total project cost per kilogram or tonne of improved product per year.
	Detail the analysis that has been undertaken in selecting this specific equipment or management system.
28	What steps have you taken with suppliers of material to decrease contamination of input material? Have you seen the equipment in use in similar situations? Have you spoken to industry experts? Have you trialled the equipment? Did the analysis include comparison of price, support maintenance and training, or calibration for your site/material?
	Outline the staff training that will be undertaken to ensure the project is implemented well.
29	New quality management procedures rely on understanding and support of operational staff. Explain how staff will be trained and supported to implement the project.
	Outline the monitoring and evaluation that will be undertaken.
30	Explain how you will measure the progress and impact of your project to check you are meeting your objectives. You should have multiple methods of checking the effectiveness of your project. For example, if you are attempting to remove more light plastics you could measure the increase in soft plastics collected for
	disposal as well as conduct sampling of your final organics product. How often will you collect the data, analyse it to check performance is optimum or recalibrate the equipment?

31	Outline your commitment to the product quality and any other plans you may have for the facility such as expanded capacity and throughput.
	 Have you previously investigated undertaking quality improvement works?
	 Do you participate in industry promotion and support of high standard products?
	 Is this project part of existing plans to grow your business - what types of additional organics will you process?
	 Following this project, will you be implementing other new or enhanced quality management systems or equipment?
	Part B: Application Budget
	This part of the application is a separate Excel document which can be downloaded from the Trust website. This document is where you will be required to enter in your full budget, including all sources of income and all source of expenditure.
	Eligible grant items (cash and in-kind contributions)
Part B	Grants between \$10,000 and \$500,000, covering up to 50 per cent of the capital costs (up to 75 per cent under the special consideration clause), are available. Only include eligible grant items in the funding request. Refer to the section above entitled 'What will be funded'.
	Provide as much detail and breakdown as possible in your budget and follow the budget instructions contained within the excel form. It also provides information regarding budget breakdown, and the number of quotes for different sizes of equipment/project elements.
	A detailed budget supported by actual quotes will help demonstrate that your grant request is reasonable, and that you understand all the costs and elements of a successful processing operation. Although quotes for all pieces of equipment and multiple quotes for larger pieces of equipment are not mandatory at the application stage, if your application is successful, quotes and invoices need to be provided to the Trust during the implementation of the project.
	Note: The amounted requested from the Trust cannot be increased once awarded. However, there is some scope to apply for a budget variation between approved line items in your budget. For example, one piece of equipment may be cheaper than expected and another is slightly more. Transfer of funds across line items is permitted with prior approval from the Trust.
	Budget lines labelled 'contingency' or 'fixed percentage' of the overall project are not eligible for funding.
	Additional contribution – ineligible grant items (cash and in-kind contributions)
	Provide details about cash or in-kind contributions to ineligible grant items. Even though you cannot claim for grant funding for ineligible items, including them here on a separate tab enables the Trust to consider additional benefits of your project and additional resources you are contributing to it. This provides increased confidence that the project is well considered and planned.
	Under ineligible items, you can include items that are listed under the 'What won't be funded' section of these guidelines such as operational expenses, expenses relating to staff, or project management. Contact the EPA to discuss if you are uncertain.
	Note: These additional costs cannot be counted as part of your co-contribution of at least 50 per cent (unless approved for special consideration) of the project cost. This co- contribution is calculated on eligible items only.
Criterion 3	Demonstrated ability to deliver the project to a high standard
	Project measures table.
	The table offers a range of baseline data and target measures designed to help you record and monitor the quantitative outcomes of your project. If you are successful in receiving a grant, the project's performance will be measured against actual (or achieved) quantitative data for each stage of your project.
	Data provided in this table should match the outputs detailed in Part C: Project Plan.
32	Why: The project measures table requires you to demonstrate what outputs will be delivered as part of your project. You can use it to check how the project is tracking against its' projected measures. The Trust may combine project measure data received from grantees to demonstrate the achievements across all Trust funded grants programs.
	Note: Measures that are highlighted as Mandatory must be included.
	How: It is recommended that you read through the table and definitions to select project measures that are relevant to your project.
	Note: Only nominate project measures that relate to your project, making sure you include those marked as Mandatory which are applicable to all projects. Once you have provided data projections for the mandatory and the relevant project measures, the other measures can be left blank.

	Part C: Project Plan
Part C	The following additional documents are required to demonstrate your project is well planned and the key steps have been considered:
	1. Project Plan
	Use the template provided on the Trust website to structure your Project Plan. Refer to the separate document Project Plan Guide.
	2. Project Timeline (all projects)
	Submit a project timeline in the format of a Gantt chart or similar.
Other sup	porting information
	It is expected that the project will implement best practice in sustainability. Detail how you intend to achieve this. Also, detail any other benefits of the project in particular, 'Triple Bottom Line' outcomes.
	Be mindful of the 'big picture' in designing and implementing your project.
	This could include the use of recycled materials, supporting local businesses, harvesting rainwater, site landscaping, and selection of energy efficient equipment and processes.
	What economic benefits can result from your project? For example - new jobs, resources kept within the NSW or local economy, avoidance of costs. Include in your description when these benefits will be realised and for how long.
	Social outcomes
	What social benefits will result from the project? This could include anything that is not an economic benefit. For example, strengthened local communities, jobs for disadvantaged people, increased awareness of the value of organics, healthier sporting fields as a result of using and incorporating compost from the organics collected. When will these benefits will be realised and for how long?
33	Environmental outcomes
	What is your organisation's commitment to the implementation of environmental sustainability in this project and any associated actions already implemented, or intended to implement, including reference to local strategies, policies or plans, for example, diversion of material from landfill, less methane produced at landfill, beneficial use of outputs? Include in your description when these benefits will be realised and for how long.
	Also consider energy efficiency in design and operation, water efficiency, selection and use of recycled materials, packaging, waste management, transport and site landscaping (such as use of native plants).
	Useful resources include:
	OEH, Support for sustainability
	Infrastructure Sustainability Council of Australia
	Australian Green Infrastructure Council
	Green Infrastructure
	Declare any real, potential or perceived conflict of interest that you may be aware of.
	A conflict of interest may relate to land ownership, salary and contractor payments. You are required to declare any real, potential or perceived conflict of interest that they may be aware of in relation to the awarding of a grant, particularly where:
	 Members, or relatives of members, of the organisation applying for a grant own private land where your proposed project activities will be undertaken.
	• Members, or relatives of members, of the organisation applying for a grant are being paid as project managers (or similar) with Trust funds.
34	• Members, or relatives of members, of the organisation applying for a grant are being paid as contractors with Trust funds.
	• The project activities may create current or future financial or other benefit for members of the organisation applying for the grant, or their relatives.
	 Third parties used to assist in the preparation of the grant application will potentially be engaged to carry out work on the project.
	Such circumstances do not exclude the project from being funded, however they do need to be acknowledged as a potential conflict of interest and managed appropriately. The Trust's Technical Review Committee will assess each situation on its merits.

35	Community benefit. Detail how this project will specifically benefit your local community and the broader NSW community.
	Include information such as:
	Additional jobs.
	Sale of new products from recovered materials.
	Improved production from degraded soils.
	Procurement of goods and services including communications, advertising, technical, financial, transport etc.
	You will need to be able to demonstrate these benefits as the project progresses.
36	Third party assistance. List all the parties who have contributed to the information in this application.
	Include other divisions or units within your organisation and outside consultants. Ensure that you have a full understanding of, and can substantiate, the information supplied for your specific situation as you may be required to explain or expand on the details of your project.
	Please note that should you engage outside consultants they will need to provide details of all other Waste Less Recycle More grant programs/projects they have worked or are currently working on. In general, it would be expected that consultants engaged to assist in the development of the grant application would not be eligible to apply for contracts under the approved project, as they could have an unfair advantage in a competitive tender process.