



**Australian Government**



DEPARTMENT OF PLANNING, INDUSTRY & ENVIRONMENT

# Guidelines for Applicants

Remanufacture NSW – Stream 1 Infrastructure



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Cover photo: Evolving Images. NSW EPA/DPIE

Supported by the Recycling Modernisation Fund and Waste Less, Recycle More

Published by:

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ISBN 978 1 922318 94 7  
EES 2020/0469  
January 2021

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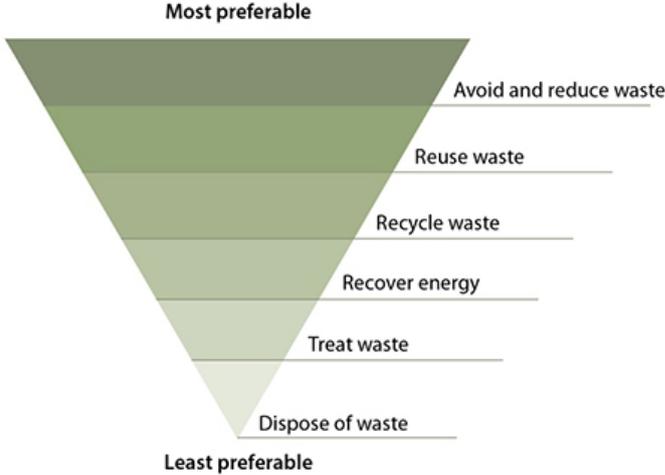
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# About this funding program

## Interpretation of key terms

Term	Description
Breach	<p>An act of breaking or failing to observe a law, agreement, code of conduct, regulatory measure, standard or compliance requirement regulated by the EPA, having a reportable incident or receiving a penalty, notice, prosecution or regulatory intervention that has occurred in the past five years.</p> <p>A breach will not impact the funding application if:</p> <ul style="list-style-type: none"> <li>the breach was not serious</li> <li>the breach has been satisfactorily resolved</li> <li>the applicant has made appropriate efforts, including implementing management systems, to ensure the breach is not repeated</li> <li>since the breach, the applicant has had a satisfactory level of compliance with environmental legislation.</li> </ul>
EPA waste hierarchy	<p>The waste hierarchy is a set of priorities for the most efficient use of resources, drawn from the objectives of the <i>Waste Avoidance and Resource Recovery Act 2001</i>.</p> 
In-kind activities	<p>Contributions to a project that are not financial. Examples of in-kind contributions include:</p> <ul style="list-style-type: none"> <li>staff time to manage project implementation, including volunteer labour (calculated at \$50/hour for instance)</li> <li>installation costs that use existing internal resources</li> <li>use of equipment or machinery that is already owned by the funding recipient (provided at no cost).</li> </ul>
Materials recovery facility (MRF)	<p>A facility that handles a range of recyclables that have usually already been separated from other waste streams (e.g. by householders or businesses before the collection stage).</p>

Term	Description
	At the MRF, the materials are sorted into individual material streams before being sent for recycling. Components of the incoming material that are not suitable for recycling will be separated as 'contaminants' at the MRF.
Recycling	Activities in which solid wastes are collected, sorted, processed, and converted into raw materials to be used in the production of new products.
Re-processors	Use industrial processes to change the physical structure and properties of discarded materials so they can be used again by the community. Re-processors are diverse in nature and range from facilities that dismantle and break down products (e.g. tyres, e-waste and mattresses) into their different components to provide feedstock for further reprocessing through to facilities that melt, break up and reform materials (e.g. organics, plastics, glass and rubber) to either make feedstocks for new products or reuse materials.
Resource recovery	The sum of materials sent to recycling net of contaminants and residual wastes sent to disposal.
Trial	Projects that test the feasibility of innovative technologies and methodologies to increase recycling or reuse of waste export ban materials.
Waste export ban material	Materials subject to the Council of Australian Governments (COAG) waste export ban. The decision was taken on 13 March 2020 by COAG to phase out the export of waste plastic, paper, glass and tyres. These include liquid paperboard but exclude textiles.

## COAG Export Ban and the Recycling Modernisation Fund

In March 2020, COAG agreed to phase out the export of certain waste materials. The COAG decision followed increasing community concern about the impact of exported Australian waste on developing countries and changes to the local recycling industry resulting from import restrictions on waste, particularly China's National Sword Policy. Introduced in 2018, China's National Sword Policy established strict contamination standards for the import of waste into China. Following the introduction of this policy, other countries also increased controls around imported waste, further disrupting the business models of some local recyclers.

For a full description of the materials subject to the COAG waste export ban, and details on when the bans commence, visit the [Department of Agriculture, Water and Environment](#) website. The purpose of the ban is not to stop all waste-derived materials from being exported, but to stop the export of untreated and unprocessed wastes which may have negative human health and/or environmental impact in the receiving country. The ban also aims to maximise the capability of our waste management and recycling sector to collect, recover, recycle, reuse, and process waste materials.

The Australian Government is working with states and territories and industry to co-invest in recycling infrastructure through the Recycling Modernisation Fund to address the need to capture more materials for cost-effective recycling. Remanufacture NSW is the NSW Government's program to deliver the Recycling Modernisation Fund.

## About the Recycling Modernisation Fund

To support the COAG waste export bans, the Australian Government has announced a \$190 million Recycling Modernisation Fund (RMF) that will generate \$600 million of recycling investment and drive a billion-dollar transformation of Australia's waste and recycling capacity.

The RMF will support innovative investment in new infrastructure to sort, process and remanufacture materials such as mixed plastic, paper, tyres and glass.

The Australian Government and state and territory governments recognise that they have a mutual interest in improving outcomes in Australia's waste and recycling sector and will work together to achieve those outcomes.

## NSW Environmental Trust

The NSW Environmental Trust (the Trust) has been established by the NSW Government to fund a broad range of organisations to undertake projects that enhance the environment of New South Wales. The NSW Environmental Trust is empowered under the *Environmental Trust Act 1998*. The Trust's main responsibility is to make and administer grant funding rounds to establish and administer these projects. The Trust organises the assessment and approval process for grants and monitors projects to ensure good governance, appropriate expenditure of grant funds, timely delivery and the satisfactory achievement of agreed outcomes. The Trust liaises with the grantee throughout the life of the project to ensure satisfactory performance is maintained and agreed outcomes are delivered. Once the grant is established all correspondence relating to the grant is through the Environmental Trust.

## NSW Environment Protection Authority

The NSW Environment Protection Authority (EPA) is an independent statutory authority and the principal environmental regulator in New South Wales. 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).

## Remanufacture NSW grant program – supported by the Recycling Modernisation Fund and Waste Less, Recycle More

The Australian and NSW governments have developed Remanufacture NSW to support organisations to respond to the Council of Australian Governments (COAG) ban on the export of certain wastes and to enable a transition to a circular economy for waste export ban materials. It is estimated that the ban will impact the annual export of at least 180,000 tonnes of glass, plastic, tyres and paper/cardboard.

Remanufacture NSW aims to maximise recycling and reuse activities, contributing to meeting the Australian and NSW governments' resource recovery targets and keeping resources within the circular economy.

Remanufacture NSW is jointly funded by the Australian Government's Recycling Modernisation Fund and NSW Government's Waste Less, Recycle More initiative and is delivered by the NSW Environmental Trust (the Trust) in partnership with the NSW Environment Protection Authority (EPA).

## About Remanufacture NSW

Remanufacture NSW offers a total budget of \$35 million in two streams:

**Stream 1 (Infrastructure)** Applicants applying for an infrastructure grant should do so under Stream 1 (other than for a **trial**). See Key Terms for more details. Examples of infrastructure projects are provided under 'Projects that will be considered for funding'.

**Stream 2 (Trials)** Applicants applying for a grant to fund a trial (see Key Terms for more details) should apply under Stream 2.

Please ensure that you select the application form and guidelines relevant to the stream you wish to apply. This Guideline is for **Stream 1 – Infrastructure** grants only.

## Objectives

Remanufacture NSW Stream 1 (Infrastructure) provides co-investment for infrastructure projects that will address export ban materials in one or more of the following ways:

- increase the capability and capacity of industry to recover and reprocess waste materials
- improve the quality, quantity and recyclability/reusability of materials throughout the supply chain and improve access to end markets
- increase the supply and use of recycled content in construction projects or in the manufacture of products
- upgrade equipment and processes to improve the recyclability of products.

Projects will be viewed favourably if applicants demonstrate (supported by evidence) that the project will:

- meet infrastructure gaps for Export Ban Material in New South Wales
- aim to be operational in time to reduce anticipated pressures associated with the commencement of the elements of the COAG waste export ban relevant to the project
- produce materials with identified market demand or potential market demand
- create employment opportunities
- are innovative, with scalable solutions to divert significant volumes of waste from landfill
- foster innovation and commercialisation of new technology
- support the aims and targets of relevant policies such as the National Waste Policy Action Plan NSW Circular Economy Policy Statement and Net Zero Plan NSW
- provide whole-of-supply chain solutions for target materials
- demonstrate genuine and enduring collaboration/partnerships across the supply chain (e.g. collection, sorting, processing, reuse) with an emphasis on whole-of-supply chain collaboration to deliver end-to-end solutions for the target materials
- demonstrate processes that are high on the waste hierarchy
- maximise public value
- are shown to be economically viable over their operational life
- wherever possible, address New South Wales regional and remote area waste challenges
- leverage maximum industry funding.

# Eligibility

## Eligible organisations

At the time of applying the applicant must hold an Australian Business Number (ABN) and be either:

- an Australian entity or partnership incorporated under the *Corporations Act 2001* (Cth)
- a council (as defined in the *NSW Local Government Act 1993*), regional organisation of councils or other, local government-controlled organisation
- a state government entity
- a non-government/not-for-profit organisation (must comply with the ATO's definition) with an established legal status, or those without a legal status that are able to have grant funds administered by another organisation with legal status.

**Note:** for successful applicants the following Australian Government requirements will apply:

- the *Building and Construction Industry (Improving Productivity) Act 2016*, requires that financial contributions to a building project or projects are only made where a builder or builders are accredited under the Australian Government Building and Construction WHS Accreditation Scheme
- compliance with the Code for the Tendering and Performance of Building Work 2016 (Building Code 2016) is a condition of Australian Government funding.

## Projects that will be considered for funding

Under Stream 1, funding is available for new recycling infrastructure and equipment including, but not limited to:

- improved sorting technology and/or increased capacity for glass, plastic and paper products at materials recovery facilities
- improved cleaning technology for glass and plastic products at waste facilities
- increasing mixed plastics processing capacity
- building capacity to process higher value single stream plastics such as polyethylene terephthalate (PET) and high-density polyethylene (HDPE)
- building capacity to process single stream plastics other than PET and HDPE and compound materials
- tyre recycling and reuse technology and infrastructure
- increasing the use of recyclable and recycled materials in manufacturing and construction projects
- mobile or stationary processing equipment.

Examples of projects that will be considered for funding include:

- Infrastructure/equipment to shred, flake, wash, dry, sort, granulate or pelletise materials.
- Projects that involve equipment upgrades or process improvements to existing MRFs, or construction of new MRFs, to increase the quality of output materials, reduce contamination or increase capacity.
- Upgrading plastic sorting technology to produce cleaner streams of plastic, by polymer type.
- Upgrading paper mills to add front-end paper beneficiation technology to accept higher volumes of paper and cardboard.

- Projects that will improve access to end markets, foster innovation and commercialisation of new technology and reduce the pressure of having to landfill the recyclables that were exported. Examples include:
  - plastics beneficiation plants capable of taking MRF mixed plastics and processing into separate polymer types, flaked and/or pelletised
  - paper beneficiation plants capable of accepting MRF paper/cardboard and processing it into a material that has viable end markets (including export)
  - glass beneficiation plants that enable access to feasible end markets
  - glass remanufacturing plants capable of creating consistent demand for local recycled glass
  - glass processing facilities at targeted sand quarries. Quarries could be vertically integrated to receive mixed loads of MRF glass and process on-site into product for input into road base
  - tyre crumbing equipment for tyre recyclers.
- Infrastructure that increases the capacity of manufacturers to use recycled material in their products and to provide secure markets for these recycled materials. Examples include new/modified equipment to increase the use of recycled materials, such as post-consumer plastic, in the manufacture of goods or products.

## Projects that will not be funded

Examples of projects that **will not** be funded include:

- projects that do not address Export Ban Materials
- projects and budget items that do not align with the objectives of the grant program
- projects not located in New South Wales
- projects that do not primarily address materials generated in New South Wales
- projects that request funds to produce documents only and do not deliver infrastructure (e.g. feasibility studies, scoping documentation, business case development, designs and educational programs)
- energy from waste projects, including:
  - construction or modification of any facility that uses waste material as an energy source
  - construction or modification of facilities to produce fuels from waste inputs, including refuse derived fuel (RDF), processed engineered fuel (PEF), tyre derived fuel (TDF), crude oils, liquid or gaseous fuels, or transport fuels
  - construction or modification of pyrolysis facilities
- proposals that provide no evidence of increasing capacity to process or reuse Export Ban Material once the export of that material is banned
- projects that focus on routine or cyclical maintenance works
- projects submitted by applicants who are unable to demonstrate their financial capability to undertake the project
- projects commenced or completed prior to the signing of the grant agreement
- projects that cannot demonstrate that they will be able to operate lawfully (including complying with the COAG waste export ban).

## Conditions of eligibility

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

- all relevant Environmental Trust forms and supporting documents must be completed
- 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
- projects must be completed by **30 June 2024**
- applications must be received by 3pm, Friday 26 March 2021. Late applications will not be accepted.

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

## Project activities that will and will not be funded

The following table provides examples of various project activities that are or are not eligible for grant funding. The table also identifies whether different activities are considered eligible as either co-contribution or in-kind contribution in the application budget.

If the item is not included on the list below, please contact the EPA to confirm if the item is eligible for funding before including it in your application.

Item/activity	Further description or examples (if relevant)	Eligible for grant funding	Eligible as part of co-contribution	Eligible as part of in-kind contribution	Notes
Purchase and installation of sheds or warehouse structures	To house processing equipment or safely store materials either pre or post processing	Yes	Yes	Yes	
Purchase and installation of fixed processing equipment		Yes	Yes	Yes	
Equipment already owned by the applicant, a project partner or an associated entity of either		No	No	No	
Earthworks	To prepare a site for construction of a new facility	Yes	Yes	Yes	Capped at 10% of total grant request
Civil works associated with the development of a new facility		Yes	Yes	Yes	Capped at 10% of the total grant request
Construction of materials storage bays		Yes	Yes	Yes	
Construction of push pits		Yes	Yes	Yes	
Construction of hardstand	But must be directly related to the project activities	Yes	Yes	Yes	
Purchase and installation of control panels		Yes	Yes	Yes	

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Item/activity	Further description or examples (if relevant)	Eligible for grant funding	Eligible as part of co-contribution	Eligible as part of in-kind contribution	Notes
Purchase of software relating to control panels		Yes	Yes	Yes	
Office fit-out		No	No	No	
Costs associated with obtaining relevant planning approvals and environmental licencing	For example, consultants for applying for Development Approvals, Environmental Protection Licences; consultants for undertaking Environmental Impact Assessments and Environmental Impact Statements	No	Yes	No	
Requests for retrospective funding	Where activities have begun or are completed prior to the signing of the Deed of Agreement	No	No	No	
Acquisition or leasing of land or premises		No	No	No	
Project management costs – internal		No	No	Yes	
Project management costs – by consultant		No	Yes	No	
Installation activities – internal	For example, if existing staff carry out certain installation activities	No	No	Yes	
Ongoing operational costs	Such as, but not limited to, salaries, electricity, water and other utilities	No	No	No	
Ongoing maintenance of projects to which organisations have committed as part of a previous grant or another project		No	No	No	
Activities or equipment for which applicants have received funding or support from other funding sources (e.g. other grant programs)		No	No	No	
Costs associated with the application or gaining of funding		No	No	No	
Purchase and installation of weighbridges	To comply with regulatory requirements or for business purposes	No	Yes	Yes	
Purchase and installation of systems to minimise environmental harm or comply with environmental regulation	For example, wheel washes, dust suppression systems, noise minimisation systems, stormwater management systems, fire safety systems	No	Yes	Yes	
On-site process vehicles	For example, material handlers, front end loaders, excavators, fork-lifts	No	Yes	Yes	
Logistics vehicles	For example, prime movers, front lift/side lift trucks, walking floor trucks	No	No	No	With the exception of projects

Stream 1 Remanufacture NSW (Infrastructure) Guidelines for Applicants

Item/activity	Further description or examples (if relevant)	Eligible for grant funding	Eligible as part of co-contribution	Eligible as part of in-kind contribution	Notes
					involving mobile processing
Collection infrastructure and equipment left permanently or semi-permanently at retail, commercial or industrial premises	For example, bins, skips, balers, compactors, reverse vending machines	No	No	No	
Mobile processing equipment	For example, shredders, compactors	Yes	Yes	Yes	
Vehicles required to move mobile processing equipment, or the product produced by mobile processing equipment		Yes	Yes	Yes	Capped at 5% of total grant request
Upgrading site energy inputs	For example, upgrading a transformer	No	Yes	No	
Purchase and installation of solar panels		No	No	No	
Purchasing/constructing site fencing and security gates	For new sites only	No	Yes	Yes	
Training costs	Including for use of new equipment	No	No	Yes	If this is conducted in-house
Purchase and installation of signage	For example, directional, wayfinding and promotional	No	No	No	
Painting of facilities		No	No	No	
Promotional activities	For example, websites, education, marketing	No	No	No	
Project contingency funds		No	No	No	
Freight and shipping fees	For example, for delivery of new equipment	Yes	Yes	No	
Customs and/or duties	For example, for new equipment	Yes	Yes	No	
Work Health and Safety activities	Including training and the provision of PPE	No	No	No	
Costs relating to site clean-up during and post-commissioning	For example, rubbish removal, builders waste skip bins etc.	No	No	No	
Market development costs	For example, work with consultant for focus markets, product promotion etc.	No	No	Yes	

## Compliance with laws including NSW environment protection laws

The Environmental Trust 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*, *Biodiversity Conservation Act 2016*, *Protection of the Environment Operations Act 1997* (POEO Act) and Protection of the Environment Operations (Waste) Regulation 2014 (POEO Waste Regulation).

In addition, applicants are not eligible for a grant if they, or any directors or managers of the applicant organisation (whether as directors or managers of the applicant or otherwise in their personal capacity, including where they have been directors or managers of other companies), have contravened any provision of the POEO Act or POEO Waste Regulation 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, 144AB and 211 of the POEO Act or Part 2 of the POEO Waste Regulation 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 will be taken into account 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.

## Transporting waste out of NSW for disposal or exporting waste export ban material outside of Australia

The applicant is required to confirm whether they, a project partner or related organisation will transport or arrange the transportation of waste generated in New South Wales for disposal outside of New South Wales at any time during the life of any grant awarded.

Should your organisation be found to be involved in transportation of:

- waste outside of New South Wales for disposal
- waste export ban materials outside of Australia

any grant awarded will be terminated immediately and all grant funding will have to be repaid to the Environmental Trust. (**Note:** Organisations that have operations near the border of any other state or territory may apply for an exemption from this requirement.)

## Planning approvals and licensing

Some proposals may not be permissible or may have significant planning challenges due to their location and/or environmental constraints. Applicants must ensure that their proposed project is permissible under the *NSW Environmental Planning and Assessment Act 1979*.

Before you begin your application, **you must:**

- familiarise yourself with the planning approvals required for the project to proceed
- contact the relevant consent authority (council or Department of Planning, Industry and Environment) to discuss your proposal.

When submitting your application, provide the following supporting information to strengthen your application:

- evidence of any discussions with the relevant consent authority (e.g. contact names, emails, letters and details of meetings)
- any other material that demonstrates required approvals will be achieved in a timely way.

**Note:** Manufacturers and re-processors wishing to apply should also consider any potential licensing requirements for the on-site processing or storage of waste. A development consent and an Environment Protection Licence may be required. The following thresholds for storing and processing waste materials apply:

- inside the regulated area – storage of 1000 tonnes (or 1000 m<sup>3</sup>) of material on site at any one time or processing more than 6000 tonnes of waste per year
- outside the regulated area – storage of 2500 tonnes (or 2500 m<sup>3</sup>) of material on site at any one time or processing more than 12,000 tonnes of waste per year.

For information on the regulated area of New South Wales visit the EPA [regulated area and levy rates](#) website.

For further information on licences, including application forms, contact the EPA or visit the [EPA licence forms](#) website.

## Funding

A total of \$35 million is available for this round of Remanufacture NSW grants, through Stream 1 (Infrastructure) and Stream 2 (Trials) grants. If all funds are not allocated in the first round of Remanufacture NSW a second round of the program may be opened at a later date.

In this stream (Stream 1), grants of between \$100,000 and \$5 million are available, covering up to 50% of the capital costs relating to the projects.

### Applicant co-contribution

Applicants are required to provide a minimum cash co-contribution of 50% of eligible project costs.

If the applicant is successful the cash co-contribution must be attributed to payment of specific invoices, throughout the life of the grant, covering at least 50% of the eligible costs.

The co-contribution should be itemised in the application budget.

Applications that include a co-contribution greater than 50% will be viewed favourably, as this will maximise government return on investment. Funding from other grants or programs cannot be included as the co-contribution.

### Applicant in-kind contribution

Applicants should list any 'in-kind' contributions in their application budget.

Definition of in-kind contribution activities are in the Key Terms Table.

In-kind contributions do not form part of your co-contribution but will demonstrate additional commitment to the project.

### Funding from multiple sources

If you have or will apply for funding from multiple government sources, you must advise the Trust if you:

- have secured funding from another government agency for the same or related activities to those you are seeking funds for from the Environmental Trust
- have current applications lodged with other government agencies for the same project or project activities
- receive funding from other government agencies while your project is under way.

**Note:** Activities or equipment for which applicants have received funding or support from other funding sources (e.g. other grant programs) will not be funded.

### Partnership projects

The Trust encourages applicants to develop projects that include partnerships, collaboration, other funding sources and in-kind contributions. For example, businesses generating large quantities of waste may partner with those that collect and/or reprocess the material.

Preference will be given to projects that can demonstrate enduring partnerships between businesses, investors, industry, local councils and, potentially, tertiary/research organisations.

Applicants are encouraged to develop partnership projects with an emphasis on **whole-of-supply chain collaboration** to deliver end-to-end solutions for the priority waste materials.

Partnership projects may improve the implementation and reach of projects. Collaborative applications will require a lead applicant who will be accountable for the implementation of the funding agreement, including signing the grant agreement and submitting milestone reports.

It is expected that an agreement will have been reached between all partners in relation to project management, roles, responsibilities and funding contributions before applying for funds. This agreement should be demonstrated in the grant application and can be provided in the form of a memorandum of understanding (MOU) signed by each partner or a letter from each partner detailing their roles, responsibilities and commitments.

A project partner is any organisation or individual, other than the applicant and its employees/contractors, involved in carrying out the project, including:

- investors
- anyone involved in delivery of the project.

An organisation or individual that only leases or provides land to the applicant or project partners and has no other role in the project is not considered to be a project partner. All project partners must be listed in the application and, at minimum, an intent for an MOU must be submitted with the grant application. If the application is awarded funding, a signed MOU will be required prior signing of the grant agreement.

## Third party assistance

While applicants are encouraged to seek collaboration from other project partners, and it is acknowledged that they may seek the services of contractors or consultants, careful consideration is required around any commercial relationships.

Applicants may seek third party assistance to develop their project and complete their application, however, any costs associated with this service will not be reimbursed with Trust funding and applicants will need to provide details of their financial and contractual arrangements with any third parties.

The Trust is aware of many examples where a third party's rates or charges have been significantly above market rate or have required successful grantees to use preferred suppliers. Applicants must be transparent around their arrangements with consultants so that the Trust can be certain grantees are not being taken advantage of, that projects are as cost effective as possible and that the possibility of actual or perceived fraud or corruption is minimised.

## Who must submit the application?

The submission must be made by the applicant organisation. Applicants may seek assistance from consultants or other advisors to develop their proposed projects. However, the application must be submitted by the organisation applying for the grant that holds, or will hold, the licence for the resource recovery facility, should one be required, or is submitting an application in partnership with an organisation that holds, or will hold, the licence for the resource recovery facility. Submissions from third parties will not be accepted.

The application must nominate the primary contact who must be an employee or office holder of the applicant organisation. The primary contact must be available to respond to questions and requests for information from the Environmental Trust during the application assessment process and, if the application is successful, for the duration of the project.

## Cost-benefit (economic) and financial analysis

Applicants need to undertake a Cost-Benefit and Financial Analysis. This analysis ensures that approved projects will provide value for money, are financially viable, will deliver a net public benefit and help to develop the domestic recycling industry.

For further guidance on completing a cost-benefit analysis, applicants should refer to [NSW Treasury's NSW Government Guide to Cost-benefit Analysis](#) and consider applying to the EPA Application Advisory Service (AAS). See details on how to apply below.

Applicants are required to complete their Cost-Benefit and Financial Analysis using the template provided on the Trust website. Cost-Benefit and Financial Analysis provided in other formats will not be accepted.

Commercially sound projects that seek to maximise public benefits (e.g. diversion of waste from landfill and other environmental benefits, and creation of new jobs) will be favourably considered. Applicants should provide a detailed analysis of the following criteria to support their application:

- all costs are identified (e.g. capital, operating, maintenance and provision for contingencies)
- all benefits are identified (e.g. avoided costs, savings and revenue from sale of recovered materials)
- all non-market values are identified and quantified
- net benefits are assessed (using the discounted stream of costs and benefits based on NSW Treasury's Guide to Cost-benefit Analysis) and include data on:
  - net present value with and without grant funding
  - cost-benefit ratio
  - internal rate of return (percentage)
  - dollars of grant funding per tonne of additional material recycled
  - sensitivity testing (analyse options under different scenarios and discount rates)
- all references, including the data sources and assumptions, are documented.

## Application advisory service

The EPA provides a free application advisory service (AAS) to support eligible applicants to prepare their grant applications. This service is provided by an independent contractor. Under the AAS the EPA provides up to 10 hours of support to eligible prospective applicants. Additional hours may be available to applicants demonstrating hardship; for example, councils in rural and regional areas, and not-for-profit organisations. The number of hours of support available will depend on the value of your project:

The role of the application advisors will be to:

- provide specialist advice to the applicant as it prepares its grant application
- advise on appropriate analysis, content and presentation of information
- provide comment and critical feedback on the quality of the business case presented.

The application advisors may cover the following areas of planning and analysis:

- market analysis, including demand for product
- technical analysis, including selection, integration and optimisation of plant and equipment
- cost-benefit analysis, including the preparation of a cost-benefit analysis consistent with NSW Treasury Guidelines and assessment of net public benefits
- financial analysis, including the external costs and benefits
- planning and licensing analysis

- project planning to detail steps involved in commissioning and ongoing operation of the infrastructure.

EPA funded application advisors will not:

- gather background information, although they can advise on where to access the necessary information (it is expected that the applicant will have already developed or have this ready)
- prepare a complete business case on behalf of the applicant
- prepare a complete grant application on behalf of the applicant.

The support is at the discretion of the EPA and not all applicants will necessarily receive support. A decision by the EPA not to provide application support does not imply that the project is ineligible for funding. Conversely receiving AAS assistance does not ensure application success.

If successful in applying for support, the EPA program manager will contact applicants to arrange a meeting time with the advisor. Advisors are contracted by the EPA and are bound to keep information provided by applicants confidential.

To apply to the application advisory service complete and submit the AAS application form by **5 March 2021**. Applicants are encouraged to apply early to allow sufficient time for the EPA to assess eligibility and assign hours.

## 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. Your application will need to demonstrate your 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 list any associated actions your organisation has already implemented, or intends to implement, including reference to local or organisational strategies, policies or plans.

## Assessment criteria

Selection for Trust grant funding 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 answers in the application should fully address the criteria.

### **1. 20% The project will address critical gaps in the NSW circular economy while supporting industry response to the COAG waste export ban**

The project will facilitate greater material circularity by:

- Increasing the supply of quality recycled materials available for use.
- Demonstrated capacity and capability to address gaps in NSW circular economy infrastructure.
- Reducing anticipated pressures associated with the commencement of the COAG waste export ban relevant to the project material.
- The project aims to retain materials at higher values/compositions (I.e. project activities that sit higher on the EPA waste hierarchy).

### **2. 20% Supply and demand are well understood, make sound business sense and are likely to be secured**

The applicant must demonstrate they can secure adequate supply to use the additional processing capacity. This may include, but is not limited to:

- Evidence of end-to-end supply chain solutions (including partnership agreements with original manufacturer of material, collector, re-processor and remanufacturer).
- Identification of suppliers.
- Letters of support or memorandums of understanding from suppliers/project partners.
- Pricing and service offerings being viable and credible.

The applicant must demonstrate they have access to offtake markets and a high likelihood of securing offtake agreements. This may include, but is not limited to:

- Identification of credible buyers/takers of recovered materials.
- Letters of support or memorandums of understanding from potential buyers/project partners.
- Identification of, and ability to meet, appropriate specifications and quality standards for products.
- Compliance, or likely compliance, of products within the Resource Recovery Exemption framework, if relevant.
- Pricing and service offerings being credible and viable.

### **3. 20% The project proposes a suitable way to collect, process, use and re-supply the target materials**

- Collection sorting, processing and/or manufacturing are suitable to maintain highest value of the used material (e.g. activities that sit higher on the EPA waste hierarchy).
- The processing facilities are suitable for the proposed location, considering other existing and planned facilities servicing that region and material type.
- The infrastructure/technology represents an effective way of processing the target material.
- There is evidence that the sorting/processing/manufacturing technology has been proven in similar applications, including overseas (case studies, written testimonials or contactable referees are included).

- 
- Quotes and feasibility designs should be included for large/complex projects.
- 

**4. 10% The project is likely to obtain and comply with relevant planning instruments, environment protection licensing and regulatory instruments**

- Ability/likelihood of obtaining relevant planning and licensing approvals is demonstrated.
  - Proven performance and compliance history in relation to any existing licences held by the applicant.
  - Proven compliance with NSW environmental and planning laws.
  - Demonstrated understanding of the relevant planning, licensing and regulatory instruments.
- 

**5. 10% The project will have positive impacts for the NSW environment and community**

The project can demonstrate:

- Alignment with relevant sustainability policies and strategies, including the National Waste Policy Action Plan, NSW Circular Economy Policy Statement and Net Zero Plan NSW.
  - Environmental benefits (including non-market costs and benefits).
  - Social benefits, including job creation and how it addresses New South Wales' regional and remote waste challenges.
- 

**6. 10% The project represents good value for money and economic benefit for the people of NSW**

- The project is financially viable based on the results of the financial analysis.
  - The project has net public benefits based on the cost-benefit analysis and compliance with NSW Treasury's Economic Appraisal Guidelines.
  - Value for money considerations will also include:
    - grant dollars invested per annual tonne of additional recycling capacity, compared with other applications submitted for the same material types
    - overall investment by government and the related co-investment leveraged (i.e. such that return on investment of Commonwealth and NSW Government funding is maximised).
- 

**7. 10% There is strong evidence that the project team and project partners can deliver the project to a high standard**

- The application demonstrates sound project planning and methodology.
  - The project team have demonstrated management skills, expertise and relevant experience.
  - There is evidence of satisfactory management systems currently in place at this and/or other facilities managed by the applicant and/or partners.
  - Risks have been identified and mitigation strategies are in place.
  - Proven satisfactory performance in any previous Government grant projects.
-

# Application Budget

## Overview

The application budget is an Excel document, separate from the main application form and can be downloaded from the Trust's website.

When you complete 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 your capacity to deliver the project and manage project finances. If you are unclear about what is eligible and ineligible or how to complete the budget spreadsheet, please contact the EPA to discuss.

The application budget consists of one worksheet with three parts:

- Part 1** Project expenditure breakdown
- Part 2** Other sources of project income
- Part 3** Summary of project budget

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

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 at reporting stage. Be specific and give unit values where possible.

## 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 add value for money. These guidelines detail what is eligible and ineligible for funding. Include all **eligible** costs for the project in Parts 1 and 2 of the budget to a maximum of \$5,000,000 requested as a grant from the Trust. Please refer to the Table for 'What project activities will and will not be funded' for guidance.

## Taxation – goods and services tax (GST)

GST applies to payments made under this grant program. However, some grants 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 registered for GST) are not to include GST in the application budget figures. The Trust will add 10% 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 Trust to pay each grant milestone payment. The invoice is to include GST if applicable. All NSW local and state government entities are GST exempt, and invoices should not include GST.

# Application process

## Timeline

The application process timeline for Stream 1 (infrastructure) is shown in the table below.

Estimated time	Program activity
22 January 2021	Applications open
26 March 2021	Applications close
16 April 2021	Preliminary eligibility assessment of applications and contact applicants if further information is required
7 May 2021	An independent Technical Review Committee (TRC) reviews applications and make recommendations for funding
14 May 2021	Recommended projects are submitted for approval
14 June 2021	Successful applicants are officially announced, and funding agreements are sent for signature

Please note, these dates are indicative only and are subject to change.

Applicants are required to submit the following documents:

Application Form	PDF Document
Application Budget	Excel Document
Capacity Throughput and End Use	Excel Document
Cost-Benefit and Financial Analysis	Excel Document
Supporting Documents	PDF, Word or Image Document

**Note:** The Application Form and Budget documents are locked. This means that the size of the text boxes will not expand, and your answer must fit into the space provided

## 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
- Capacity Throughput 03 Capacity Throughput
- Cost-Benefit and Financial Analysis 04 Cost-Benefit and Financial Analysis
- Supporting Documents 05 Supporting Documents

## Supporting documents

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

- evidence of consultation on Development Approval
- evidence of consultation on Environment Protection Licence requirements
- locational map
- letters of support from councils
- quotes

## Who to contact for help?

### For application assistance

NSW Environmental Trust

Phone: (02) 8837 6093

Email: [waste.recycling@environmentaltrust.nsw.gov.au](mailto:waste.recycling@environmentaltrust.nsw.gov.au)

### For general program or project assistance

NSW Environment Protection Authority

Phone: (02) 9995 6179 or (02) 9995 6920

Email: [infrastructure.grants@epa.nsw.gov.au](mailto:infrastructure.grants@epa.nsw.gov.au)

**Late or incomplete applications will not be considered.**

The Trust recommends that you consult with the EPA on (02) 9995 6179 or (02) 9995 6920 to discuss your project ideas.

# 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 an acknowledgement email, contact the Trust to ensure your application 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](mailto: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 Trust will use the information you supply to assess your project. Some of this information may be used for promotional purposes (see 'Confidentiality' below).

The Trust establishes an independent Technical Review Committee (TRC) for each grant program. Each TRC is made up of people with knowledge and experience relevant to the particular 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. Please note, the TRC membership is confidential to avoid opportunity for influence.

The TRC will assess the merit of your application against the assessment criteria outlined in these guidelines. The assessment process is overseen by an independent probity auditor. The TRC will then make 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 may request feedback on their applications by emailing Trust Administration at [waste.recycling@environmentaltrust.nsw.gov.au](mailto:waste.recycling@environmentaltrust.nsw.gov.au).

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

## Notification of grant decisions

The Minister for Energy and Environment, as Chair of the Environmental Trust, may publicly announce the successful applications. 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 must be acknowledged as a potential conflict of interest. The Technical Review Committee will assess each situation on its merits.

## Confidentiality

The Trust will use the information you supply to assess your project for funding. The Trust may share this information with the EPA and/or the Australian Government as program partners. Information on funded projects may be used for promotional purposes. Information that you provide to us may be shared with other NSW Government and Australian Government agencies and consultants on a confidential basis to better understand the status of the relevant waste markets or infrastructure.

Otherwise, subject to legal requirements of disclosure, we will treat your application confidentially. We will endeavour to treat sensitive personal and confidential information that you provide to us confidentially. If you require strict commercial confidentiality, 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 Australian Government, 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
  - being an organisation, ceases to operate.

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

Please be aware that the Trust or EPA may conduct financial and other background checks on applicant organisations, project partners and personnel before awarding funding.

## Probity

The Trust places high importance on the integrity and transparency of program and project governance. It is vital that all funded projects are delivered in accordance with legal and regulatory requirements, as well as other accepted governance and project management standards. Value for money in project delivery is also a significant priority for the Trust.

## Procurement

To conform to relevant governance and probity standards, the Trust requires all grantees to follow NSW Government procurement procedures. This relates to all major budget items, such as the purchase of materials, or the engagement of contractors or consultants.

All contractors and consultants must be chosen on their merits and ability to effectively deliver the work.

Grantees must select contractors or consultants via a competitive process. This may be subject to audit by the Trust, so all procurement documentation should be retained by the grantee.

For any contract over \$30,000 you must secure a minimum of three written tenders/quotations. Unless selected through an open competitive process, the value of work to any single contractor or consultant must not exceed \$30,000 in total over the life of the funded project.

If an applicant uses the services of a contractor or consultant to assist in the development of an application, that contractor or consultant is excluded from tendering or quoting for work on the successful project, as they would have an unfair advantage.

Projects that involve 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 is given on terms that would be reasonable in circumstances where the parties are dealing at arms-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 Trust Administration before submitting your application.

The conditions of tendering shall be the same for each tenderer on any particular tender process and all tenders must comply with the NSW Government Code of Practice for Procurement (2005).

# Obligations of successful applicants

## Grant agreement

Successful applicants will be required to sign a performance-based grant agreement with the Trust, which will stipulate all funding obligations and conditions. The Trust will closely monitor adherence to all requirements of the agreement, 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 the agreement. If the 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 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 the agreed outcomes.
- 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 all 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 agreement, including an independently certified final statement of expenditure.
- Provide all related invoices to the Trust, including evidence of in-kind expenditure.
- Provide a tax invoice to the Trust for each grant instalment.
- Submit to the Trust, in writing, any request for a variation to the agreed project plan, project measures, timeframe or budget.
- Not proceed with requested variation unless/until formal approval received from the Trust.
- Acknowledge the Australian and NSW governments in all promotional material and public statements about your project. Your acknowledgement must include the appropriate Australian and NSW government logos in accordance with publishing requirements. Logo and requirements for use may 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 Australian Government, the Trust and the EPA.
- Invite Australian Government, 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 address the event.

## Project implementation timeframe

There is limited capacity to carry over unspent program funds to future financial years. Consequently, projects must be completed by **30 June 2024**.

For projects that are not completed by **30 June 2024**, a formal variation must be submitted to the Trust justifying why the grant should not be terminated. Requests for variations to projects must be submitted in writing to the Trust as soon as possible. Extensions of time will only be approved under exceptional circumstances.

Successful applicants will be required to:

- Demonstrate commencement within four months of signing the grant agreement, which includes obtaining all approvals, advertising tenders or commencement of works. If a project is not commenced within this four-month period and without justification and Trust approval the grant may be revoked.