

South Australia

NATIONAL PARTNERSHIP ON RECYCLING INFRASTRUCTURE

PART 1: PRELIMINARIES

- A1 This Schedule has been developed in accordance with clause 15 of the National Partnership Agreement on Recycling Infrastructure and should be read in conjunction with that Agreement.
- A2 This Schedule will commence as soon as it is signed by the Commonwealth and South Australia, and will expire on 30 June 2024 or on completion of final performance reporting and processing of final payments against milestones, whichever is later.

PART 2: DELIVERY OF PROJECTS IN SOUTH AUSTRALIA

- A3 Under this Schedule, South Australia agrees to facilitate achievement of the outcomes of the Agreement:
- a) Through a competitive grants funding program open to private sector, non-government organisations and local government applicants.
 - b) If agreed by the Commonwealth by identifying individual projects that enhance recycling and re-use capacity and capability in South Australia.
 - c) Through delivery of a 40,000 tonne per annum fibre polishing plant adjacent to the Northern Adelaide Waste Management Authority by 30 June 2024.
- A4 Projects delivered by South Australia under A3 of this Schedule will require at least a matching contribution of funding from proponents consistent with clause 19 of the Agreement.

PART 2A: DELIVERY OF GRANTS PROGRAMS

- A5 The grants program delivered by South Australia will prioritise the following categories of projects:
- a) Mixed plastics reprocessing
 - b) Increasing soft plastics processing capacity
 - c) Commercialisation of new plastic separation technology
 - d) Increasing glass remanufacturing capacity
- A6 South Australia agrees to publish grant guidelines and provide a copy of the guidelines to the Commonwealth Department of Agriculture, Water and the Environment before approving any grants under this program. Officials from the South Australian and Commonwealth governments will jointly agree grant assessment criteria in accordance with the eligibility criteria in the Appendix to this Agreement. South Australia agrees that all pending decisions on successful grants will be provided to the Commonwealth before a final decision is announced, and that prior

agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to projects awarded by states under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

- A7 The projects will be co-funded by the Commonwealth and South Australia with third party contributions as set out in clause 19 of the Agreement.
- a) For the purposes of subclause 19(a) of the Agreement, the Commonwealth agrees to recognise South Australia's previous commitments of \$1.631 million for recycling infrastructure projects as part of its co-funding contribution under this Agreement. South Australia agrees to contribute an additional \$13.369 million to meet its remaining co-funding requirements.
 - b) South Australia will report on the recycling infrastructure projects referred to in A7(a) of this Schedule consistent with Part 4: of the Agreement and Part 4 of this Schedule.
 - c) For the purposes of subclause 19(a) of the Agreement, South Australia will write to each grant proponent that has received funding as part of South Australia's prior commitments of \$1.631 million to provide official acknowledgement that the Commonwealth co-funded those grants and is to also be recognised as a partner contributor in any public messaging, advertising, acknowledgements, events or similar, consistent with Part 14 of the Agreement.

PART 2B: DELIVERY OF A FIBRE POLISHING PLANT

- A8 South Australia will deliver a fibre polishing plant adjacent to the Northern Adelaide Waste Management Authority by 30 June 2024, in accordance with the business case submitted to the Commonwealth, at a total estimated project cost of \$12,000,000.

PART 3: FINANCIAL ARRANGEMENTS

- A9 The Commonwealth will provide a maximum estimated financial contribution of \$18,960,000 to South Australia. All payments are GST exclusive.
- a) Up to \$15,000,000 will be provided for the grants program outlined in Part 2A of this Schedule; and
 - b) Up to \$3,960,000 for a fibre polishing plant at Northern Adelaide Waste Management Authority as outlined in Part 2B of this Schedule.

- A10 The estimated financial contribution to be provided by the Commonwealth is outlined in Table 1.

Table 1: Estimated financial contributions

(\$ million)	2020-21	2021-22	2022-23	2023-24	Total
Estimated total budget	5.369	12.5	13.46	4.96	36.289
Less estimated National Partnership payments	3	7	8.96	0	18.96
Balance of non-Commonwealth contributions	2.369*	5.5	4.5	4.96	17.329

Note: Balance of non-Commonwealth contributions includes contributions from South Australia to at least match the Commonwealth's contribution but does not include contributions from third parties such as local governments and other non-government organisations.

*South Australia contributions include \$1.631 million in previous commitments for recycling infrastructure. South Australia will provide an additional \$17.329 million in funding over the Agreement period, which, together with the \$1.631 million already committed, will make up South Australia’s agreed co-contribution of \$18.96 million.

PART 4: PROJECT MILESTONES, REPORTING AND PAYMENTS

A11 Table 2 summarises the project milestones, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to South Australia demonstrating that the relevant milestone has been met.

A12 If the maximum Commonwealth payments are not made in a given financial year (e.g. due to lack of acceptable project proposals) the Commonwealth may move funds into a later year at its discretion. The Commonwealth makes no guarantee that unspent funding (if any) will be carried into later years.

Table 2: Milestones, reporting and payment summary

Output	Milestones	Report due	Payment
Projects consistent with the eligibility criteria in Appendix A to the Agreement delivered through a competitive grants process.	Milestone 1 Payments made to eligible project proponents consistent with this Agreement for the period 1 July 2020 to 30 April 2021.	30 April 2021	Equal to: <ul style="list-style-type: none"> The Commonwealth’s co-contributions to grant payments made under this Agreement for the period 1 July 2020 to 30 April 2021 up to \$3,000,000.
	Milestone 2a Payments made to eligible project proponents consistent with this Agreement for the period 1 May 2021 to 31 October 2021.	1 December 2021	Equal to: <ul style="list-style-type: none"> The Commonwealth’s co-contributions to grant payments made under this Agreement for the period 1 May 2021 to 31 October 2021. plus any remaining amount that South Australia would have been eligible to receive under milestones 1 had the maximum Commonwealth contributions not been reached. up to \$2,000,000 or as per clause A12.
	Milestone 2b Payments made to eligible	1 May 2022	Equal to: <ul style="list-style-type: none"> The Commonwealth’s co-


Output	Milestones	Report due	Payment
	project proponents consistent with this Agreement for the period 1 November 2021 to 30 April 2022.		<p>contributions to payments made under this Agreement for the period 1 November 2021 to 30 April 2022.</p> <ul style="list-style-type: none"> plus any remaining amount that South Australia would have been eligible to receive under milestones 1 and 2a had the maximum Commonwealth contributions not been reached. <p>up to \$3,000,000 or as per clause A12.</p>
	<p>Milestone 3</p> <p>Payments made to eligible project proponents consistent with this Agreement for the period 1 May 2022 to 30 April 2023.</p>	1 May 2023	<p>Equal to:</p> <ul style="list-style-type: none"> The Commonwealth's co-contributions to grant payments made under this Agreement for the period 1 May 2022 to 30 April 2023 plus any remaining amount that South Australia would have been eligible to receive under milestones 1, 2a and 2b had the maximum Commonwealth contributions not been reached <p>up to \$7,000,000 or as per clause A12.</p>
	<p>Milestone 4</p> <p>Payments made to eligible project proponents consistent with this Agreement for the period 1 May 2023 to 30 April 2024.</p>	1 May 2024	<p>Equal to:</p> <ul style="list-style-type: none"> any remaining amount that South Australia would have been eligible to receive under milestones 1, 2a, 2b and 3 had the maximum Commonwealth contributions not been reached. <p>up to \$0 or as per clause A12.</p>

Delivery of fiber polishing plant adjacent to the Northern Adelaide Waste Management Authority	Milestone 5 – Project initiation Signed contract between South Australian Government and project proponent	1 December 2021	\$1,000,000
	Milestone 6 – Procurement and permit/approvals Procurement for this project as set out in the contract (from project commencement to 31 March 2022) Permits and approvals initiated (approved or submitted for approval)	31 May 2022	\$1,000,000
	Milestone 7 – Construction Report on progress of the project including civil and engineering works, construction and installation of equipment	30 April 2023	\$1,960,000
	Milestone 8 - Project completion All equipment and infrastructure installed and operational. Copy of final project report.	30 April 2024	\$0

SIGN OFF

The Parties have confirmed their commitment to this Schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Sussan Ley MP
Minister for the Environment

Date: 29th November 2021

Signed for and on behalf of South Australia by



The Honourable David Speirs MP
Minister for Environment and Water

Date: 13/01/2022