

Western 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 Western 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 WESTERN AUSTRALIA

- A3 Under this Schedule, Western Australia agrees to facilitate achievement of the outcomes of the Agreement by:
- a) a competitive grants funding program open to private sector, non-government organisations and local government applicants.
 - b) delivery of a new Australian recycling pulp mill by 30 June 2023, with the capacity to process an additional 100 kilo tonnes per annum of kerbside mixed paper and cardboard (including 20 kilo tonnes of commercial and industrial co-mingled waste paper and cardboard).

PART 2A: DELIVERY OF A COMPETITIVE GRANTS PROGRAM

- A4 The grants program delivered by Western Australia will fund projects consistent with the eligibility criteria in Appendix A and prioritise the following categories of projects:
- a) Developing plastics processing capacity;
 - b) Tyre processing capacity;
 - c) Remote and regional sorting and processing capacity.
- A5 Western Australia agrees officials from the Western Australia and Commonwealth governments will jointly agree grant assessment criteria in accordance with the eligibility criteria in the Appendix to this Agreement. Western 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.
- A6 The grants program delivered by Western Australia will require at least a matching contribution of funding from proponents consistent with clause 19 of the Agreement.

- A7 The program will be co-funded by the Commonwealth and Western Australia (including up to \$5 million in industrial land as an in-kind contributions) with third party contributions as set out in clause 19 of the Agreement.
- a) In-kind contributions of land from Western Australia must be independently valued and the Commonwealth must be satisfied that the provision of land to project proponents directly supports projects under this Agreement.

PART 2B: DELIVERY OF RECYCLING PULP MILL

- A8 Western Australia will deliver the Australian recycling pulp mill in accordance with the proposal submitted to the Commonwealth on 2 October 2020.
- A9 Western Australia agrees to provide its Final Business case to the Commonwealth for information before any payments can be made under this agreement.

PART 3: FINANCIAL ARRANGEMENTS

- A10 The Commonwealth will provide a maximum estimated financial contribution of \$35,000,000 to Western Australia. All payments are GST exclusive. Of this \$35,000,000:
- a) Up to \$20,000,000 will be provided for the competitive grants funding program (paragraph A3a and Part 2A of this Schedule).
- b) Up to \$15,000,000 will be provided for the Australian recycling pulp mill (paragraph A3b and Part 2B of this Schedule).
- A11 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	10.0	25.0	33	2	70.0
Less estimated National Partnership payments	5	12.5	16.5	1	35.0
Balance of non-Commonwealth contributions	5	12.5	16.5	1	35.0

Note: Balance of non-Commonwealth contributions includes estimated contributions from Western 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.

PART 4: PROJECT MILESTONES, REPORTING AND PAYMENTS

- A12 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 Western Australia demonstrating that the relevant milestone has been met.
- A13 If the maximum Commonwealth payments are not made in a given financial year (e.g. due to lack of project proposals acceptable to Western Australia) the Commonwealth will endeavour to 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.

A14 Upon receipt of Commonwealth funds, Western Australia is to make payments to project proponents as soon as reasonably practicable.

Table 2: Milestones, reporting and payment summary

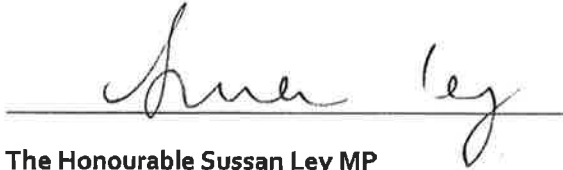
Output	Milestones	Report due	Payment
Projects consistent with the eligibility criteria in Appendix A to the Agreement delivered through a competitive grants process.	<u>Milestone 1</u> Grants funding program - The value of payments approved for payment to eligible project proponents consistent with this Agreement for the period of 1 July 2020 to 30 June 2021	30 March 2021	Equal to: <ul style="list-style-type: none"> The Commonwealth's co-contributions to grant payments approved by WA to be made to project proponents for the period 1 July 2020 to 30 June 2021 up to \$2,500,000 or as per clause A13.
	<u>Milestone 2</u> Pulp mill – Milestone to be determined and agreed by both the Commonwealth and Western Australia.	30 March 2021	\$2.5 million
	<u>Milestone 3</u> Grants funding program - The value of payments approved for payment to eligible project proponents consistent with this Agreement for the period of 1 July 2021 to 30 June 2022	30 March 2022	Equal to: <ul style="list-style-type: none"> The Commonwealth's co-contributions to grant payments approved by WA to be made to project proponents for the period 1 July 2021 to 30 June 2022 plus any remaining amount that WA would have been eligible to receive under milestone 1 had the maximum Commonwealth contribution not been reached. up to \$7,500,000 or as per clause A13.
	<u>Milestone 4</u> Pulp mill – Milestone to be determined and agreed by both the Commonwealth and Western Australia.	30 March 2022	\$5 million
	<u>Milestone 5</u>	30 March 2023	Equal to:

	<p>Grants funding program - The value of payments approved for payment to eligible project proponents consistent with this Agreement for the period of 1 July 2022 to 30 June 2023</p>		<ul style="list-style-type: none"> • The Commonwealth's co-contributions to grant payments approved by WA to be made to project proponents for the period 1 July 2022 to 30 June 2023 • plus any remaining amount that WA would have been eligible to receive under milestone 1 and 2 had the maximum Commonwealth contribution not been reached. <p>up to \$10,000,000 or as per clause A13.</p>
	<p><u>Milestone 6</u></p> <p>Pulp mill – Milestone to be determined and agreed by both the Commonwealth and Western Australia.</p>	30 March 2023	\$6.5 million
	<p><u>Milestone 7</u></p> <p>Grants funding program - The value of payments approved for payment to eligible project proponents consistent with this Agreement for the period of 1 July 2023 to 30 June 2024</p>	31 March 2024	<ul style="list-style-type: none"> • The Commonwealth's co-contributions to grant payments approved by WA to be made to project proponents for the period 1 July 2023 to 30 June 2024 • plus any remaining amount that WA would have been eligible to receive under milestone 1, 2 and 3 had the maximum Commonwealth contribution not been reached. <p>as per clause A13.</p>
	<p><u>Milestone 8</u></p> <p>Pulp mill – Milestone to be determined and agreed by both the Commonwealth and Western Australia.</p>	30 March 2024	\$1 million

SIGN OFF

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

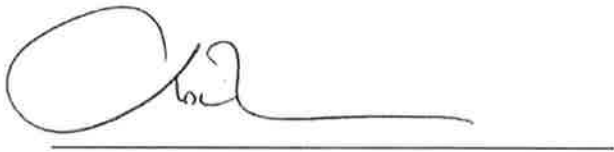
Signed for and on behalf of the Commonwealth of Australia by

A handwritten signature in cursive script, appearing to read "Sussan Ley", written over a horizontal line.

The Honourable Sussan Ley MP
Minister for the Environment

Date: 21/1/21

Signed for and on behalf of the State of Western Australia by

A handwritten signature in cursive script, appearing to read "Stephen Dawson", written over a horizontal line.

The Honourable Stephen Dawson MLC
Minister for Environment

Date: 13/1/21