

Food Waste for Healthy Soils Fund

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule																					
Parties	Commonwealth Queensland																				
Duration	This Schedule is expected to expire on 31 October 2025 or on completion of final performance reporting.																				
Purpose	<p>This Schedule supports the delivery of projects funded under the Food Waste for Healthy Soils Fund that include:</p> <ul style="list-style-type: none"> • infrastructure upgrades and developments that support the diversion of organic waste from landfill • an increase in the quantity and improvement to the quality, safety and consistency of recycled organic waste, especially for use in the agricultural industry and • development of sustainable markets for high-value nutrient rich compost and soil conditioners. 																				
Estimated financial contributions	<p>The Commonwealth will provide a maximum estimated total financial contribution of \$4.925 million to Queensland. All payments are GST exclusive.</p> <p>The estimated financial contribution to be provided by the Commonwealth is outlined in Table 1.</p> <table border="1"> <thead> <tr> <th>Table 1 (\$ million)</th> <th>2022-23</th> <th>2023-24</th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>4.000</td> <td>3.000</td> <td>2.850</td> <td>9.850</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td><i>2.000</i></td> <td><i>1.500</i></td> <td><i>1.425</i></td> <td><i>4.925</i></td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>2.000</td> <td>1.500</td> <td>1.425</td> <td>4.925</td> </tr> </tbody> </table> <p>Note: Balance of non-Commonwealth contributions includes contributions from Queensland 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.</p>	Table 1 (\$ million)	2022-23	2023-24	2024-25	Total	Estimated total budget	4.000	3.000	2.850	9.850	<i>Less estimated National Partnership Payments</i>	<i>2.000</i>	<i>1.500</i>	<i>1.425</i>	<i>4.925</i>	Balance of non-Commonwealth contributions	2.000	1.500	1.425	4.925
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<p>Additional terms</p>	<p>Financial Contributions</p> <ol style="list-style-type: none"> 1 Queensland is responsible for provision of funds to industry partners and reporting on the implementation of the projects listed in Table 3. 2 The Commonwealth will contribute up to one third of the cost of each project listed in Table 3 and Queensland will at least match the Commonwealth's contribution for each project. Queensland will ensure each Industry Partner provides the remaining funding for each project. <p>Payments</p> <ol style="list-style-type: none"> 3 The Commonwealth will make payments subject to Queensland demonstrating that relevant milestones have been met. 4 If the maximum Commonwealth payment shown in Table 2 is not made in a given financial year 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. <p>Reporting</p> <ol style="list-style-type: none"> 5 Queensland will report annually to demonstrate performance against indicators a – d below and that Commonwealth funding has been matched. These reports will include: <ol style="list-style-type: none"> (a) a statement of funds paid to Industry Partners (b) a statement of cash and in-kind contributions from Industry Partners (c) details of projects: <ol style="list-style-type: none"> 1 progress made in delivering the project including: <ol style="list-style-type: none"> i) progress made to finalise funding arrangements between Queensland and its Industry Partners ii) progress made to obtain appropriate regulatory approvals to conduct the project iii) construction/installation progress 2 the number of full-time equivalent (FTE) jobs created during the construction phase of the project (d) for completed projects: <ol style="list-style-type: none"> 1 the volume of additional organic waste each facility is able to process each year (total additional capacity) 2 the volume of additional organic waste actually being processed following project commissioning (actual used capacity) 3 the markets that have been/are being developed for recycled organic products produced by each facility 4 the number of ongoing FTE jobs created as a result of the project 5 project benefits realised including how the quality, safety and consistency of recycled organic products has been improved.
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	<p>6 Queensland will provide project data to the Commonwealth on a quarterly basis.</p> <p>7 Queensland is responsible for providing early advice to the Commonwealth on projects that are unlikely to progress or if issues arise that will impact project completion.</p>
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Table 2: Milestones, reporting and payment summary

Output	Performance milestones	Report due	Payment
Delivery of projects listed in Table 3.	Milestone 1 <ul style="list-style-type: none"> Quarterly project data provided for the periods ending 31 December and 31 March. The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (1 July 2022 – 30 June 2023) 	30 April 2023	Equal to: The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (1 July 2022 – 30 June 2023) Up to a maximum of \$2,000,000.
	Milestone 2 <ul style="list-style-type: none"> Quarterly project data provided for the periods ending 30 June, 30 September, 31 December, and 31 March. The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (1 July 2023 – 30 June 2024) 	30 April 2024	Equal to: The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (1 July 2023 – 30 June 2024) Up to a maximum of \$1,500,000, subject to additional term 4.
	Milestone 3 <ul style="list-style-type: none"> Quarterly project data provided for the periods ending 30 June, 30 September, 31 December, and 31 March. The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (1 July 2024 – 30 June 2025) 	30 April 2025	Equal to: The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (1 July 2024 – 30 June 2025) Up to a maximum of \$1,425,000 subject to additional term 4.
	Milestone 4 <ul style="list-style-type: none"> Quarterly project data provided for the period ending 30 September. 	31 October 2025	NA

Table 3: Projects

Project title and description	Industry partner	Expected project duration	Commonwealth funding
<p>Candysoil North Tivoli Organics Processing Facility project The project will upgrade the existing facility to increase processing capacity. The project will build an enclosed negative pressure receive hall and composting facility, including a four-person picking station. The project will increase waste processing capacity by 24,000 tonnes per annum and create 34 jobs during construction and 6 ongoing jobs following commissioning.</p>	<p>Canerase Pty Ltd</p>	<p>12 months (estimated March 2024)</p>	<p>\$625,000</p>
<p>Earthborn Australia Palmwoods Upgrade project The project will upgrade the existing facility to increase organics processing capacity. The project will install two enclosed composting tunnels, specialised contamination identification and removal equipment and a picking station. The project will increase waste processing capacity by 22,000 tonnes per annum and create 6 jobs during construction and 6 ongoing jobs following commissioning.</p>	<p>Earthborn Australia</p>	<p>8 months (estimated December 2023)</p>	<p>\$750,000</p>
<p>Phoenix Power Recycling (Yatala) Organic Processing Upgrade project The project will double the capacity of enclosed composting at the Phoenix Power Recycling facility in Yatala Queensland. The project will install four composting vessels and support infrastructure to remove contaminants including a picking station and optical sorter. The project will increase waste processing capacity by 45,000 tonnes per annum and create 31 jobs during construction and 6 ongoing jobs following commissioning.</p>	<p>Phoenix Power Recyclers</p>	<p>25 months (estimated April 2025)</p>	<p>\$1,050,000</p>

<p>REMONDIS Swanbank Organics Resources Recovery Facility project The project will establish a new organics resource recovery facility at Swanbank Ipswich in Queensland</p> <p>The project will use enclosed tunnel technology.</p> <p>The project will increase waste processing capacity by 48,000 tonnes per annum and create 100 jobs during construction and 9 ongoing jobs following commissioning.</p> <p>Prior to the first milestone delivery date, Queensland will provide a business plan for the Commonwealth's review and acceptance setting out REMONDIS' plan for the financial viability of the facility and a detailed development plan for Queensland specific markets for FOGO derived projects.</p>	<p>REMONDIS Australia Pty Ltd</p>	<p>30 months (estimated September 2026)</p>	<p>\$2,500,000</p>
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The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by

Tanya Plibersek

The Honourable Tanya Plibersek MP
Minister for the Environment and Water

15/12/2022

Signed for and on behalf of the State of Queensland by

[Signature]

The Honourable Meaghan Scanlon MP
Minister for the Environment and the Great Barrier Reef and Minister for Science and Youth Affairs

27/02/2023