

Building Resilience to Manage Fruit Fly

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule

Parties	The Commonwealth Victoria
Duration	This Schedule is expected to expire on 30 June 2025.
Purpose	<p>This Schedule will support the delivery of the Building Resilience to Manage Fruit Fly Package (The Package) in Victoria, including:</p> <ol style="list-style-type: none"> a. Critical post-harvest infrastructure in key areas nationally to grow horticulture trade and provide contingency options in the event of exotic pest incursions. This will be delivered through an expansion of capacity to the Steritech irradiation facility at Merrifield with the commercial application of a dual X-ray irradiator system for fresh produce treatment that will increase throughput in the treatment of fresh produce to meet biosecurity requirements. <p>To underpin the delivery of this infrastructure the following will also be developed:</p> <ol style="list-style-type: none"> b. Enhanced biosecurity protocols for utilising irradiation treatments, which can be implemented to mitigate pest risks to support the domestic movement of fresh produce. c. Analysis and consideration of recommended improvements of the export accreditation and compliance standards for domestic trade for any existing and new irradiation facilities.

<p>Estimated financial contributions</p>	<p>The Commonwealth will provide an estimated total financial contribution to Victoria of \$5.3m in respect of this Schedule.</p> <hr/> <p>Table 1 (\$ million)</p> <table border="1"> <thead> <tr> <th></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>0.0</td> <td>4.0</td> <td>1.3</td> <td>5.3</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>0.0</td> <td>0.0</td> <td>0.0</td> <td>0.0</td> </tr> <tr> <td>- Victoria</td> <td>0.0</td> <td>4.0</td> <td>1.3</td> <td>5.3</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.0</td> <td>0.0</td> <td>0.0</td> <td>0.0</td> </tr> </tbody> </table>		2022-23	2023-24	2024-25	Total	Estimated total budget	0.0	4.0	1.3	5.3	<i>Less estimated National Partnership Payments</i>	0.0	0.0	0.0	0.0	- Victoria	0.0	4.0	1.3	5.3	Balance of non-Commonwealth contributions	0.0	0.0	0.0	0.0
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<p>Additional terms</p>	<p><i>Project Plan (Plan)</i></p> <ol style="list-style-type: none"> The Victorian government will be responsible for delivering the activities under the Building Resilience to Manage Fruit Fly package in accordance with a Plan agreed between senior Commonwealth and Victorian officials. The Plan should address: the project scope, a project schedule, budget information, project stakeholders, governance arrangements, a communication plan, high-level design plans and a risk management plan. The Commonwealth acknowledges that Victoria may address the items above by incorporating relevant existing information or documents prepared for other purposes. The Plan is expected to be a flexible document that may be varied over time to accommodate changed circumstances. Variations to the Plan that directly affect the outputs and timeframes for the project are subject to written agreement between senior Commonwealth and Victorian officials. <p><i>Additional expenses</i></p> <ol style="list-style-type: none"> The Commonwealth’s funding contribution does not cover ongoing operational costs of operating or maintaining the facilities. The Victorian government will be responsible for the implementation and ongoing operation of infrastructure which is developed with funding from this package. This includes providing or securing ongoing operation, staffing, facility maintenance and future upgrades of facilities that it is responsible for. <p><i>Reporting</i></p> <ol style="list-style-type: none"> Performance milestone progress reports must be certified by a Victoria senior official as being a true and accurate representation of the progress of the project for the relevant reporting period. A final report is required on completion of this project. The final report should contain details that can be used for public information and dissemination purposes, in addition to evaluating the Project from Victoria’s perspective. A Financial Report outlining total resourcing provided and expenditure should be submitted as part of the Final Report under this Schedule, with detail provided at the sub-project level. <p><i>National cooperation</i></p> <ol style="list-style-type: none"> To the extent possible, Victoria will ensure that initiatives under this Agreement support national coordination between states and territories. This will aid in reducing biosecurity barriers related to fruit fly and will support meeting importing country requirements and promoting access to international markets. 																									

Table 2: Victoria - Performance requirements, reporting and payment summary			
Output	Performance milestones	Report due	Payment (m)
Melbourne Irradiation Facility Expansion	Acceptance of a Project Plan detailing how project components will be delivered.	8/12/2023	\$3.0
	Acceptance of progress report 1 prepared in accordance with and detailing progress against the project plan for the following project components: <ul style="list-style-type: none"> - Execution of subcontracts with Steritech Pty Ltd and other service providers if needed. - Evidence of purchase or down payment on an irradiator. 	19/01/2024	\$0.5
	Acceptance of progress report 2 prepared in accordance with and detailing progress against the project plan for the following project components: <ul style="list-style-type: none"> - Onboarded of the Senior Project Officer Domestic Trade to facilitate the delivery of milestones of this project. - Successful installation of the irradiator at the Steritech Merrifield facility. 	17/05/2024	\$0.5
	Acceptance of progress report 3 prepared in accordance with and detailing progress against the project plan for the following project components: <ul style="list-style-type: none"> - Enhanced biosecurity protocols for utilising irradiation treatments, which can be implemented to mitigate pest risks to support the domestic movement of fresh produce. - Commercial application of a dual X-ray irradiator treatment system for fresh produce at the Steritech Merrifield facility. 	30/11/2024	\$0.5
	Completed output infrastructure and acceptance of a Final (Closure) report. The Final Report should include: <ul style="list-style-type: none"> - Recommendations on utilising export accreditation and compliance standards for domestic trading for any existing and new irradiation facilities. - A description of the conduct, benefits and outcomes of the project. - Any other matters specified in the agreed Project Plan. 	16/05/2025	\$0.8
	Total		\$5.3

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

**Signed for and on behalf of the Commonwealth
of Australia by**



Senator the Honourable Murray Watt MP
Minister for Agriculture, Fisheries and Forestry

[Day] [Month] [Year]
8/11/23

**Signed for and on behalf of the
State of Victoria by**



The Honourable Ros Spence MP
Minister for Agriculture

[Day] [Month] [Year]
6/12/23