

# Regional Recovery Partnership – Queensland

## FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

### AMENDMENT 1

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Queensland
Duration	This amended Schedule will commence as soon as the Commonwealth and Queensland Government sign it and will expire on 31 December 2023 or on completion of the projects, including final performance reports, unless terminated earlier or extended as agreed in writing by the Parties.
Purpose	This Schedule will support the delivery of the Regional Recovery Partnerships in identified regions (Cairns and Tropical North Queensland, Gladstone and Mackay-Isaac-Whitsunday). These Partnerships support existing state and regional recovery plans with a package of targeted initiatives to deliver jobs, economic recovery and economic diversification.
Partnership project purposes	<p>The projects under the Partnerships are:</p> <ul style="list-style-type: none"> <li>- <b>Cairns and Tropical North Queensland:</b> <u>Cairns Gallery Precinct Development - Stage 2-5a</u> - During 2020, Stage One delivered the restored and refurbished former Cairns Courthouse now operating as an Indigenous art gallery and events venue. Works to be completed under this Agreement include the demolition of the existing building at 51 The Esplanade, heritage refurbishment and upgrade of the former shire offices on the Cairns Esplanade, upgrade and modifications, connectivity and landscaping to the existing Cairns Art Gallery and a detailed design for a new world-class Indigenous Art Gallery including wider precinct integration.</li> <li>- <b>Gladstone:</b> <u>Central Queensland Hydrogen Ecosystem Development</u> - The consortium will establish a Central Queensland hydrogen knowledge base centred in Gladstone to test transporting, storing and dispensing renewable hydrogen as a liquid and compressed gas via re-fuelers and establish design principles for an export terminal for liquid hydrogen. Establishing a renewable hydrogen ecosystem development pilot will facilitate investment in hydrogen fuel cell electric cars, trucks, buses, ferries and locomotives; attract technologists to the</li> </ul>

region to view an integrated technology demonstration site; and provide a real life testing environment for hydrogen technology providers and further research.

- Auckland Hill (Harbour Outlook) Economic Development – This project will provide additional footpaths and access between the Marina and Harbour lookouts, refurbish and extend the existing Harbour lookout, provide additional parking and refurbish the café open dining area.
- **Mackay-Isaac-Whitsunday:**  
Biocommodities Pilot Expansion - This project will support Queensland University of Technology’s (QUT) development of regional bio-manufacturing industries in synthetic biology, green chemicals and future foods. The partial expansion and equipment upgrades of the ten year old Biocommodities Pilot Plant, owned and operated by QUT, will enhance the region’s capability in scaling up fermentation processes for synthetic biology and future foods technologies.
- Clermont Saleyards & Showgrounds Upgrade (Stage 2) - Improved infrastructure and technology upgrades to support more efficient cattle transport and saleyard operations. The project will also refurbish the existing show pavilion to create a multi-user space.
- Aquaculture + Agriculture Tech Skills Hub - will provide ag-tech program delivery and training that is aligned to industry requirements.

Estimated financial contributions

The Commonwealth will provide a total financial contribution to Queensland of \$30.0 million in respect of this Schedule.

<b>Table 1</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Total</b>
<b>(\$ million)</b>					
<b>Estimated total budget</b>	1.7	25.0	8.495	3.495	<b>38.69</b>
Less estimated RRP Payments	0	25.0	5.0	0.0	<b>30.0</b>
<b>Balance of non-Commonwealth contributions</b>	1.7(1)	0.0	3.495(2,3,4&5)	3.495(2,3,4&5)	<b>8.69</b>

\* Queensland is not required to provide financial and/or in-kind contributions under the terms of this Agreement, however it allocates its own source funding and provides in-kind contributions to support achievement of the outputs in this Schedule. \* The funding profile is indicative and based on estimates.

Cash and in-kind contributions from proponents include:

(1) CQ Hydrogen project – contribution through Hydrogen Industry Development Fund – announced Feb 2020 – (\$1.7m)

(2) Biocommodities Project – QUT operating costs \$400,000 per year - approx. \$800,000 over 2 year

(3) TAFE Aquaculture/Ag project: (a) GW3 \$100,000 cash, (b) RDAMIW \$20,000 cash (c) TAFE Qld, CQU, QFS \$500,000 in-kind= \$620,000 over 2 years

(4) Cairns Art Gallery Precinct Project - Cairns Regional Council - Operating costs including project management: \$570,000 in-kind.

(5) Auckland Hill Economic Development – Gladstone Ports Corporation - \$5 million co-contribution.

Total non-Commonwealth contributions: \$1.7 m + \$800,000 + \$620,000 + \$570,000 + \$5m = \$ 8.69 M

	The estimated non-Commonwealth contributions is <b>\$8.69</b> million.
Reporting arrangements	<p>Tables 2 A-F summarise the milestones for the projects, their relationships to the outputs, expected completion dates, relevant reporting dates and expected payments to be made.</p> <p>The Queensland Government will provide performance reports in accordance with these Tables during the operation of the Schedule. Each performance report is to contain tracking of actual performance in the period to date against project milestones across all regions and advice on any broader policy issues impacting on Partnership delivery. The reports, as appropriate, should also explain how projects have contributed to Partnership objectives in particular creating jobs, economic growth and economic diversification in each location, and how the project's impact has been amplified by other partners' efforts.</p>
Evaluation	<p>The Commonwealth will be responsible for conducting an evaluation of the Partnerships and initiatives delivered under this Agreement in 2022-23. Queensland and other project proponents will be responsible for participating in the evaluation.</p> <p>Queensland is to provide a summary of initiatives implemented under each Partnership, and outcomes they have and are expected to achieve, including a statement on the completion of all works for these projects.</p>
Shared roles	<p>All Parties will continue to broker solutions between their different governments to help align efforts to assist economic recovery in the different regions.</p> <p>All parties will commit to best practice governance arrangements in order to deliver the reports and Partnerships in a timely manner.</p> <p>In addition, Schedule E, Clause 26 of the IGA FFR outcomes will be applicable to projects funded under Partnerships.</p>

**Table 2A: Performance requirements, reporting and payment summary – Cairns Gallery Precinct Development - Stage 2-5a – Cairns and Tropical North Queensland**

Performance milestones	Progress Report due	Payment
Commencement of Schedule	n/a	\$10 million
Evidence of advertisement placed for tender - demolition of existing building at 51 The Esplanade.	15/11/2021	n/a
Commencement of demolition of existing building at 51 The Esplanade. Evidence of advertisement placed for tender for existing Cairns Art Gallery upgrades and modifications, connectivity and landscaping.	24/01/2022	n/a
Commencement of Mulgrave Shire Offices refurbishment and existing Cairns Art Gallery refurbishment.	1/11/2022	n/a
New Gallery design (concept and detailed) completed. Mulgrave Shire Office refurbishment completed, and existing Cairns Art Gallery refurbishment completed	30/11/2023	n/a
Completion Report for works funded under the Regional Recovery Partnerships	31/12/2023	n/a

**Table 2B: Performance requirements, reporting and payment summary – Central Queensland Hydrogen Ecosystem Development – Gladstone**

Performance milestones	Progress Report due	Payment
Commencement of Schedule	n/a	\$5 million
Inception meeting held, governance framework developed including funding model for the hydrogen ecosystem project team.	1/08/2021	n/a
Completion of hydrogen ecosystem feasibility study.	1/11/2022	n/a
Hydrogen production for pilot established either through leveraging off the HyP facility or recommissioning existing hydrogen production facility in Gladstone Hydrogen refuelling station in Gladstone procured, installed and commissioned.	1/05/2023	n/a
Completion Report for works funded under the Regional Recovery Partnerships.	2/11/2023	n/a

**Table 2C: Performance requirements, reporting and payment summary – Biocommodities Pilot Expansion – Mackay-Isaac-Whitsundays**

Performance milestones	Progress Report due	Total payment available
Commencement of Schedule	n/a	\$5.221 million
Documentary evidence that tender process has commenced for development of detailed design.	1/08/2021	n/a
Completion of detailed design plan Construction tenderer appointed Construction capital works commenced	2/05/2022	n/a
Construction and commissioning completed	1/05/2023	n/a
Completion Report for works funded under the Regional Recovery Partnerships	2/11/2023	n/a

**Table 2D: Performance requirements, reporting and payment summary – Clermont Saleyards & Showgrounds Upgrade (Stage 2)- Mackay-Isaac-Whitsundays**

Performance milestones	Progress Report due	Total payment available
Commencement of Schedule	n/a	\$3.279 million
Completion of design plan	1/08/2021	n/a
Construction commenced	1/11/2021	n/a
Construction complete	2/05/2023	n/a
Completion Report for works funded under the Regional Recovery Partnerships	1/11/2023	n/a

**Table 2E: Performance requirements, reporting and payment summary – Aquaculture + Agriculture Tech Skills Hub - Mackay-Isaac-Whitsundays**

Performance milestones	Progress Report due	Total payment available
Commencement of Schedule	n/a	\$1.5 million
Industry Stakeholder Engagement and Working Group established	1/08/2021	n/a
Regional AgTech Program and Skills-Needs Mapped	2/05/2022	n/a
Aquaculture and Agriculture Tech Skills Hub Framework developed and delivered	1/11/2022	n/a
Aquaculture and Agriculture Tech Skills Hub Pilot program scoped	2/05/2023	n/a
Completion Report for works funded under the Regional Recovery Partnerships	2/11/2023	n/a

**Table 2F: Performance requirements, reporting and payment summary – Gladstone Auckland Hill (Harbour Outlook) Economic Development**

Performance milestones	Progress Report due	Total payment available
Commencement of amended Funding Schedule to include Harbour Outlook project	n/a	\$5 million
Detailed design complete, Early Works (in the form of geotechnical and site preparation) and Tenure Arrangements agreed and State approvals underway.	31/12/2021	n/a
Commencement of Harbour Outlook capital works delivery	31/03/2022	n/a
Completion of Harbour Outlook capital works delivery	30/11/2022	n/a
Completion Report for works funded under the Regional Recovery Partnerships	30/06/2023	n/a

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

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



**Mr Joe Castellino**  
Assistant Secretary, Regional Development, Local Government and Regional Recovery, Regional Policy and Recovery Branch, Department of Infrastructure, Transport, Regional Development and Communications

1 November 2021

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



**The Honourable Dr Steven Miles MP**  
Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning

12 November 2021