

# Food Waste for Healthy Soils Fund

## FEDERATION FUNDING AGREEMENT – ENVIRONMENT

**Table 1: Formalities and operation of schedule**

Parties	Commonwealth New South Wales																				
Duration	This Schedule is expected to expire on 31 October 2025 or on completion of final performance reporting and processing of final payments against milestones, whichever is later.																				
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"><li>• infrastructure upgrades and developments that support the diversion of organic waste from landfill</li><li>• 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</li><li>• development of sustainable markets for high-value nutrient rich compost and soil conditioners.</li></ul>																				
Estimated financial contributions	<p>The Commonwealth will provide a maximum estimated total financial contribution of \$4.99 million to New South Wales. All payments are GST exclusive.</p> <p>The estimated financial contribution to be provided by the Commonwealth is outlined in Table 1.</p> <table><tr><th>Table 1 (\$ million)</th><th>2022-23</th><th>2023-24</th><th>2024-25</th><th>Total</th></tr><tr><td>Estimated total budget</td><td>2.436</td><td>4.216</td><td>3.327</td><td>9.979</td></tr><tr><td>Less estimated National Partnership Payments</td><td>1.218</td><td>2.108</td><td>1.664</td><td>4.990</td></tr><tr><td>Balance of non-Commonwealth contributions</td><td>1.218</td><td>2.108</td><td>1.664</td><td>4.990</td></tr></table> <p>Note: Balance of non-Commonwealth contributions includes contributions from New South Wales to at least match the Commonwealth’s contribution but does not include contributions from Proponents</p>	Table 1 (\$ million)	2022-23	2023-24	2024-25	Total	Estimated total budget	2.436	4.216	3.327	9.979	Less estimated National Partnership Payments	1.218	2.108	1.664	4.990	Balance of non-Commonwealth contributions	1.218	2.108	1.664	4.990
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Additional terms	<p><b>Financial Contributions</b></p> <ol style="list-style-type: none"> <li>1. New South Wales (NSW) is responsible for provision of funds to Proponents and reporting on the implementation of the projects listed in Table 3.</li> <li>2. The Commonwealth will contribute up to one third of the cost of each project listed in Table 3 and NSW will at least match the Commonwealth's contribution for each project. NSW will use best endeavours to ensure that each Proponent provides the funding required for each project.</li> </ol> <p><b>Payments</b></p> <ol style="list-style-type: none"> <li>3. The Commonwealth will make payments subject to NSW demonstrating that relevant milestones have been met.</li> <li>4. If the maximum Commonwealth payment shown in Table 2 is not made in a given financial year 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..</li> </ol> <p><b>Reporting</b></p> <ol style="list-style-type: none"> <li>5. NSW 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"> <li>(a) a statement of funds paid to Proponents</li> <li>(b) a statement of cash and in-kind contributions from Proponents</li> <li>(c) details of projects:                 <ol style="list-style-type: none"> <li>1 progress made in delivering the project including:                     <ol style="list-style-type: none"> <li>i) progress made to finalise funding arrangements between NSW and its Proponents</li> <li>ii) progress made to obtain appropriate regulatory approvals to conduct the project</li> <li>iii) construction/installation progress</li> </ol> </li> <li>2 the number of full-time equivalent (FTE) jobs created during the construction phase of the project</li> </ol> </li> <li>(d) for completed projects:                 <ol style="list-style-type: none"> <li>1 the volume of additional organic waste each facility can process each year (total additional capacity)</li> <li>2 the actual volume of additional organic waste being processed following project commissioning (actual used capacity)i</li> <li>3 the markets that have been/are being developed for recycled organic products produced by each facility</li> <li>4 the number of ongoing FTE jobs created as a result of the project</li> </ol> </li> </ol> </li> </ol>
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	<p>5 project benefits realised including how the quality, safety and consistency of recycled organic products has been improved.</p> <p>6. New South Wales will provide project data to the Commonwealth on a quarterly basis.</p> <p>7. New South Wales is responsible for providing advice to the Commonwealth as soon as known 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.	<b>Milestone 1</b> <ul style="list-style-type: none"> <li>Quarterly project data provided for the periods ending 31 March.</li> <li>The value of payments made or accrued to Proponents consistent with this agreement for the period of (1 October 2022 – 30 June 2023)</li> </ul>	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 \$1,218,000.
	<b>Milestone 2</b> <ul style="list-style-type: none"> <li>Quarterly project data provided for the periods ending 30 June, 30 September, 31 December, and 31 March.</li> <li>The value of payments made or accrued to Proponents consistent with this agreement for the period of (1 July 2023 – 30 June 2024)</li> </ul>	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 \$2,108,000, subject to additional term 4.
	<b>Milestone 3</b> <ul style="list-style-type: none"> <li>Quarterly project data provided for the periods ending 30 June, 30 September, 31 December, and 31 March.</li> <li>The value of payments made or accrued to Proponents consistent with this agreement for the period of (1 July 2024 – 30 June 2025)</li> </ul>	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 \$1,663,504, subject to additional term 4.
	<b>Milestone 4</b> <ul style="list-style-type: none"> <li>Quarterly project data provided for the period ending 30 September.</li> </ul>	31 October 2025	NA

**Table 3: Projects**

<b>Project title and description</b>	<b>Proponent (Industry Partners for reporting purposes)</b>	<b>Expected project duration</b>	<b>Commonwealth funding</b>
<p><b>Warragundi Composting Facility</b></p> <p>The project will establish a new composting facility on a degraded sheep station where the compost will be applied to improve the productivity and resilience of the land. The project will demonstrate a large-scale pasture improvement program using compost.</p> <p>The project will install a windrow composting system within a covered building including sections for unloading, manual contamination removal, pre-processing (shredding) and a picking station, and a windrow turner with a remote monitoring system, and further contaminate screening.</p> <p>The project will increase waste processing capacity by 75,000 tonnes per annum and create 17 jobs during construction and 17 ongoing jobs following commissioning.</p>	Bettergrow Pty Limited	TBC	\$1,000,000
<p><b>GRL Food and Garden Organics (FOGO) Transition Project</b></p> <p>The project will upgrade the existing Global Renewables Eastern Creek waste processing facility to process FOGO. The facility's compost hall will be upgraded as part of a larger project to allow FOGO to be processed separately to municipal solid waste (MSW) streams. The new FOGO process will 'plug-into' the existing MSW plant to minimise interruption and maximise existing capital.</p> <p>The project will install FOGO consolidation, sorting and processing equipment.</p> <p>The project will increase waste processing capacity by 40,000 tonnes per annum and create 2 jobs during construction and 1.5 ongoing jobs following commissioning.</p>	Global Renewables Eastern Creek Pty Ltd	TBC	\$1,000,000

<p><b>Ravensworth Facility Composting Equipment</b></p> <p>The project will double the organic processing capacity at the Ravensworth Compost Facility. The upgrade will allow the facility to accept FOGO and will reduce the composting footprint by up to 70%.</p> <p>The project will install a new trommel screen and mixing/deep stacking unit.</p> <p>The project will increase waste processing capacity by 29,000 tonnes per annum and create 0 jobs during construction and 4 ongoing jobs following commissioning.</p>	Loop Organics Pty Ltd	TBC	\$200,387
<p><b>Development of a Worm Casting Production Facility</b></p> <p>The project will upgrade the Polpure Worm Casting Production Facility to enable production of its own carbon inputs and establishment of a worm casting and worm tea collection facility. Produced organic fertiliser products will be suitable for domestic and export markets.</p> <p>The project will install two shredders, a windrow turner and weighbridge and build the collection facility (a shed and drainage slab).</p> <p>The project will increase waste processing capacity by 13,003 tonnes per annum and create 1 job during construction and 2 ongoing jobs following commissioning.</p>	Polpure Pty Ltd	TBC	\$245,000
<p><b>Muswellbrook Shire Council Organics Recycling Facility (ORF)</b></p> <p>The project will establish a new organics recycling facility to expand Muswellbrook Shire Council's organics recycling capacity from GO only to GO and FO. The facility will utilise proven recycling technology to fill a gap in organic processing capability in the Hunter region.</p> <p>The project will install a covered aerated static pile composting system consisting of concrete bays with a motorised impermeable cover.</p> <p>The project will increase waste processing capacity by 10,000 tonnes per annum and create 1 job during construction and 1 ongoing job following commissioning.</p>	Muswellbrook Shire Council	TBC	\$300,000



<p><b>Awaba ORRF Expansion Project</b></p> <p>The project will increase organic processing capacity at the Lake Macquarie ORRF Facility to meet the future needs of the region.</p> <p>The project will build two new large composting tunnels and upgrade the facility's biofilter and the IT composting system.</p> <p>The project will increase waste processing capacity by 16,000 tonnes per annum and create 2 jobs during construction and 1 ongoing job following commissioning.</p>	REMONDIS Australia Pty Ltd	TBC	\$1,000,000
<p><b>Organics Recovery - For Circular Economy</b></p> <p>The project will increase processing capacity for anticipated additional FOGO at Worm Tech's Carrathool facility.</p> <p>The project will install composting equipment (wind sifter and trommel screen), infrastructure (construction of windrow pads and shed) and purchase a truck to meet site transport requirements.</p> <p>The project will increase waste processing capacity by 30,000 tonnes per annum and create 1 job during construction and 0 ongoing jobs following commissioning.</p>	Worm Tech Pty Ltd	TBC	\$286,617
<p><b>Australian Native Landscapes - New composting facility at Buttonderry</b></p> <p>The project will establish a new organic recycling facility at Wyong NSW to provide FOGO processing capacity to meet the future needs of the Central Coast region. The project will use a range of technologies to process organics to form finished products certified and compliant to AS4454.</p> <p>The project will build a new enclosed processing and composting facility to enable stabilisation of organics, and capability to blend and mix organics to form finished products.</p> <p>The project will increase waste processing capacity by 60,000 tonnes per annum and create 2 jobs during construction and 1 ongoing job following commissioning.</p>	Australian Native Landscapes	TBC	\$957,500

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

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



**The Honourable Tanya Plibersek MP**  
Minister for the Environment and Water

15/12/2022

*Signed for and on behalf of the  
State of New South Wales by*



**The Honourable James Griffin MP**  
Minister for Environment and Heritage

31/1/2023