

Food Waste for Healthy Soils Fund

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule

Parties	Commonwealth South Australia																									
Duration	This Schedule is expected to expire on 31 October 2025																									
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 \$1.528 million to South Australia. 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 colspan="5">Table 1</th></tr><tr><th>(\$ 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>3.022</td><td>0.034</td><td>0.0</td><td>3.056</td></tr><tr><td>Less estimated National Partnership Payments</td><td>1.511</td><td>0.017</td><td>0.0</td><td>1.528</td></tr><tr><td>Balance of non-Commonwealth contributions</td><td>1.511</td><td>0.017</td><td>0.0</td><td>1.528</td></tr></table> <p>Note: Balance of non-Commonwealth contributions includes contributions from South Australia to at least match the Commonwealth’s contribution but does not include contributions from Industry Partners.</p>	Table 1					(\$ million)	2022-23	2023-24	2024-25	Total	Estimated total budget	3.022	0.034	0.0	3.056	Less estimated National Partnership Payments	1.511	0.017	0.0	1.528	Balance of non-Commonwealth contributions	1.511	0.017	0.0	1.528
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Additional terms	<p>Financial Contributions</p> <ol style="list-style-type: none"> 1 South Australia (SA) 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 SA will at least match the Commonwealth's contribution for each project. SA 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 SA 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 SA 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 SA 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
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	5	project benefits realised including how the quality, safety and consistency of recycled organic products has been improved.
	6	South Australia will provide project data to the Commonwealth on a quarterly basis.
	7	South Australia 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.

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, 30 September 2022.The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (up to 30 September 2022)	1 November 2022	Equal to: The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (up to 30 September 2023) Up to a maximum of \$1,511,300
	Milestone 2 <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 October 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 \$1,511,300 less any payment made under milestone 1.
	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 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 \$17,035, 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 2024	NA

Table 3: Projects

Project title and description	Industry partner	Expected project duration	Commonwealth funding
Wandilo Infrastructure Upgrade The project will upgrade infrastructure to increase composting, organic receival and liquid waste capacity, and improve contamination management at Bio Gro's Wandilo composting and organic receival facility to meet increasing regional demand for organic waste recycling. The project will purchase new sorting and decontamination equipment and a new liquid waste purification plant. The project will increase in waste processing capacity by 100,000 tonnes per annum and create 16 jobs during construction and 7 ongoing jobs following commissioning.	Van Schaiks Organic Soils & Bark Suppliers Pty Ltd	June 2024 (including reporting)	\$497,035
Recycled Organic Screen System (ROSS) Contamination Removal Improvement The project will upgrade contamination identification and removal capacity at the Jeffries Group Buckland Park Facility. The project will purchase a laser object detection sorter to remove black plastics, and a density separator (wind sifter) to improve plastic film removal. The project will increase in waste processing capacity by 5,000 tonnes per annum and create 4 jobs during construction.	Jeffries Group	June 2024 (including reporting)	\$213,000
South Australian Riverland Advanced Composting Facility The project will establish a commercial scale organics receival and compost manufacturing facility in the Riverland region of South Australia, situated at Monash or Renmark. The project will increase in waste processing capacity by 10,000 tonnes per annum and create 4 jobs during construction and 3 ongoing jobs following commissioning.	Peats Group Pty Ltd	June 2024 (including reporting)	\$450,000

<p>Compost production capacity upgrade</p> <p>The project will upgrade shredding infrastructure at the SA Composters' Lonsdale facility to improve energy efficiency and process organic waste at a higher throughput and smaller shredding size. The project will increase capacity, allow intake of new waste streams (e.g. digestate), and support processing larger quantities of organic waste more efficiently.</p> <p>The project will purchase a shredder.</p> <p>The project will increase in waste processing capacity by 32,000 tonnes per annum and create 1 job during construction and 1 ongoing job following commissioning.</p>	SA Composters Pty Ltd	June 2023 (including reporting)	\$300,000
<p>Small Organics Processing Plant at Peterborough</p> <p>The project will build a new, small, demonstration composting facility in Sunnybrae in South Australia to process FOGO and other organic waste for use in domestic and agricultural settings. The project will build a hard stand and leachate ponds, and purchase a backhoe and grinder.</p> <p>The project will increase in waste processing capacity by 1,878 tonnes per annum and create 5 jobs during construction and 1.5 ongoing jobs following commissioning.</p> <p>South Australia will confirm contamination management activities to ensure products are suitable for use on agricultural soils.</p>	District Council of Peterborough	June 2024 (including reporting)	\$68,300

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

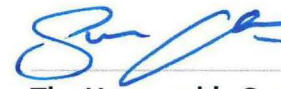
*Signed for and on behalf of the Commonwealth
of Australia by*

A handwritten signature in blue ink, reading "Tanya Plibersek", written over a horizontal line.

The Honourable Tanya Plibersek MP
Minister for the Environment and Water

24 / 10 / 2022

*Signed for and on behalf of the
State of South Australia by*

A handwritten signature in blue ink, reading "Susan Close", written over a horizontal line.

The Honourable Susan Close MP
Minister for Climate, Environment and Water

18 / 11 / 2022