

## 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 30 June 2028, or on completion of final performance reporting and processing of final payments against milestones.																								
Purpose	This Schedule supports the delivery of projects funded under the Food Waste for Healthy Soils Fund that include: <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 \$4.175 million to Queensland. All payments are GST exclusive. 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>2024-25</th> <th>2025-26</th> <th>2026-27</th> <th>2027-28</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td><b>Estimated total budget</b></td> <td><b>0</b></td> <td><b>1.900</b></td> <td><b>3.500</b></td> <td><b>2.950</b></td> <td><b>8.350</b></td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>0</td> <td>0.950</td> <td>1.750</td> <td>1.475</td> <td>4.175</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0</td> <td>0.950</td> <td>1.750</td> <td>1.475</td> <td>4.175</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 Industry Partners.</p>	Table 1 (\$ million)	2024-25	2025-26	2026-27	2027-28	Total	<b>Estimated total budget</b>	<b>0</b>	<b>1.900</b>	<b>3.500</b>	<b>2.950</b>	<b>8.350</b>	<i>Less estimated National Partnership Payments</i>	0	0.950	1.750	1.475	4.175	Balance of non-Commonwealth contributions	0	0.950	1.750	1.475	4.175
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Additional terms	<p><b>Financial Contributions</b></p> <ol style="list-style-type: none"> <li>1 Queensland is responsible for provision of funds to Industry Partners 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 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.</li> </ol> <p><b>Payments</b></p> <ol style="list-style-type: none"> <li>3 The Commonwealth will make payments subject to Queensland 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 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. A discussion between the parties will occur prior to any decision being made on unspent funding.</li> </ol> <p><b>Reporting</b></p> <ol style="list-style-type: none"> <li>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"> <li>(a) a statement of funds paid to Industry Partners</li> <li>(b) a statement of cash and in-kind contributions from Industry Partners</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 Queensland and its Industry Partners</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 is able to process each year (total additional capacity)</li> <li>2 the volume of additional organic waste actually being processed following project commissioning (actual used capacity)</li> <li>3 the end 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 improved.</p> <p>6 Queensland will provide project data updates as requested by the Commonwealth (but no more frequently than 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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<b>Output</b>	<b>Performance milestones</b>	<b>Report due</b>	<b>Payment</b>
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, 30 June, 30 September, 31 December, and 31 March.</li> <li>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)</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)  (No Commonwealth payment made)
	<b>Milestone 2</b> <ul style="list-style-type: none"> <li>Queensland has provided project data updates as requested by the Commonwealth (but no more frequently than on a quarterly basis).</li> <li>Annual Report provided for the period 1 April 2025 - 31 March 2026.</li> <li>The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (1 July 2025 – 30 June 2026).</li> </ul>	30 April 2026	Equal to: The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (1 July 2025 – 30 June 2026).  Up to a maximum of \$950,000 subject to Additional term 4.
	<b>Milestone 3</b> <ul style="list-style-type: none"> <li>Queensland has provided project data updates as requested by the Commonwealth (but no more frequently than on a quarterly basis).</li> <li>Annual Report provided for the period 1 April 2026 - 31 March 2027.</li> <li>The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (1 July 2026 – 30 June 2027).</li> </ul>	30 April 2027	Equal to: The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (1 July 2026 – 30 June 2027).  Up to a maximum of \$1,750,000 subject to Additional term 4.
	<b>Milestone 4</b> <ul style="list-style-type: none"> <li>Queensland has provided project data updates as requested by the Commonwealth (but no more frequently than on a quarterly basis).</li> </ul>	30 June 2028	Equal to: The Commonwealth's co-contributions to payments made or expected to be made

	<ul style="list-style-type: none"> <li>Annual Report provided for the period 1 April 2027 - 31 March 2028.</li> <li>The value of payments made or expected to be made to approved project proponents consistent with this agreement for the period of (1 July 2027 – 30 June 2028).</li> </ul>	<p>under this agreement for the period (1 July 2027 – 30 June 2028).</p> <p>Up to a maximum of \$1,475,000 subject to Additional term 4.</p>
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Note: If acceptable evidence of a milestone is submitted after 1 May (but no later than 30 June) in any given financial year, this may result in the Commonwealth accruing the expense (rather than making the payment that year), meaning that the Commonwealth payment is made in the subsequent financial year.

<b>Table 3: Projects</b>			
<b>Project title and description</b>	<b>Industry partner</b>	<b>Expected project completion date</b>	<b>Commonwealth funding</b>
<p><b>Candysoil North Tivoli Organics Processing Facility project</b></p> <p>The project will upgrade the existing facility to increase processing capacity.</p> <p>The project will build an enclosed negative pressure receival hall and composting facility.</p> <p>The project will increase waste processing capacity by 60,000 tonnes per annum and create 34 jobs during construction and 6 ongoing jobs following commissioning.</p>	Canerese Pty Ltd	TBC	\$625,000
<p><b>Phoenix Power Recycling (Yatala) Organic Processing Upgrade project</b></p> <p>The project will double the capacity of enclosed composting at the Phoenix Power Recycling facility in Yatala Queensland.</p> <p>The project will install four composting vessels and support infrastructure to remove contaminants including a picking station and optical sorter.</p>	Phoenix Power Recyclers	TBC	\$1,050,000

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<p>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><b>REMONDIS Swanbank Organics Resources Recovery Facility project</b></p> <p>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 June 2027</p>	<p>\$2,500,000</p>

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

Signed for and on behalf of the Commonwealth of Australia by



**Senator the Hon Murray Watt**  
Minister for the Environment and Water

5/13/2026

Signed for and on behalf of the State of Queensland by



**The Hon Andrew Powell MP**  
Minister for the Environment and Tourism and  
Minister for Science and Innovation

28/14/2026