

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 30 June 2028, or on completion of final performance reporting and processing of final payments against milestones.																																			
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 border="1"> <thead> <tr> <th>Table 1</th> <th>2022-23</th> <th>2023-24</th> <th>2024-25</th> <th>2025-26</th> <th>2026-27</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>(\$ million)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Estimated total budget</td> <td>2.628</td> <td>0.185</td> <td>0.140</td> <td>0.104</td> <td>0</td> <td>3.057</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td><i>1.377</i></td> <td><i>0.030</i></td> <td><i>0.105</i></td> <td><i>0.017</i></td> <td><i>0</i></td> <td><i>1.528</i></td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>1.252</td> <td>0.156</td> <td>0.035</td> <td>0.087</td> <td>0</td> <td>1.529</td> </tr> </tbody> </table> <p>Note: Individual values may not sum up to the published total due to rounding. 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	2022-23	2023-24	2024-25	2025-26	2026-27	Total	(\$ million)							Estimated total budget	2.628	0.185	0.140	0.104	0	3.057	<i>Less estimated National Partnership Payments</i>	<i>1.377</i>	<i>0.030</i>	<i>0.105</i>	<i>0.017</i>	<i>0</i>	<i>1.528</i>	Balance of non-Commonwealth contributions	1.252	0.156	0.035	0.087	0	1.529
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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 end 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 improved
6		South Australia will provide project data updates as requested by the Commonwealth (but no more frequently than 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.	<p>Milestone 1</p> <ul style="list-style-type: none"> Quarterly project data provided for the period 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	<p>Equal to:</p> <p>The Commonwealth's co-contributions to payments made or expected to be made under this agreement for the period (up to 30 September 2023)</p> <p>(No Commonwealth payment made)</p>
	<p>Milestone 2</p> <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	<p>Equal to:</p> <p>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)</p> <p>(\$1,376,535 PAID)</p>
	<p>Milestone 3</p> <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	<p>Equal to:</p> <p>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)</p> <p>(\$30,000 PAID)</p>

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	<p>Milestone 4</p> <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 2024 – 30 June 2025). 	<p>30 April 2025</p>	<p>Equal to:</p> <p>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)</p> <p>(\$105,000 PAID)</p>
	<p>Milestone 5</p> <ul style="list-style-type: none"> SA has provided project data updates as requested by the Commonwealth (but no more frequently than on a quarterly basis). Annual Report provided for the period 1 April 2025 - 31 March 2026. The value of payments made or expected to be made to approved Industry Partners consistent with this agreement for the period of (1 July 2025 – 30 June 2026). 	<p>30 April 2026</p>	<p>Equal to:</p> <p>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)</p> <p>Up to a maximum of \$16,800 subject to Additional term 4.</p>
	<p>Milestone 6</p> <ul style="list-style-type: none"> Acceptable evidence of payments made or expected to be made to eligible project proponents consistent with this Agreement for the period of (1 July 2026 – 30 June 2027). 	<p>30 April 2027</p>	<p>Equal to:</p> <p>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).</p> <p>Any remaining funds as per Additional term 4.</p>

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.

Table 3: Projects			
Project title and description	Industry partner	Expected project completion date	Commonwealth funding
<p>Wandilo Infrastructure Upgrade</p> <p>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.</p> <p>The project will purchase new sorting and decontamination equipment and a new liquid waste purification plant.</p> <p>The project will increase waste processing capacity by 100,000 tonnes per annum and create 16 jobs during construction and 7 ongoing jobs following commissioning.</p>	Van Schaiks Organic Soils & Bark Suppliers Pty Ltd	<p>June 2024 (including reporting)</p> <p>(Completed)</p>	\$497,035
<p>Recycled Organic Screen System (ROSS) Contamination Removal Improvement</p> <p>The project will upgrade contamination identification and removal capacity at the Jeffries Group Buckland Park Facility.</p> <p>The project will purchase a laser object detection sorter to remove black plastics, and a density separator (wind sifter) to improve plastic film removal.</p> <p>The project will increase waste processing capacity by 5,000 tonnes per annum and create 1 job during construction.</p>	Jeffries Group	<p>March 2026 (including reporting)</p>	\$213,000
<p>South Australian Riverland Advanced Composting Facility</p> <p>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.</p> <p>The project will increase waste processing capacity by 10,000 tonnes per annum and create 4 jobs during construction and 3 ongoing jobs following commissioning.</p>	Peats Group Pty Ltd	<p>June 2024 (including reporting)</p> <p>(Completed)</p>	\$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 waste processing capacity by 32,000 tonnes per annum and create 1 job during construction and 1 ongoing job following commissioning.</p>	<p>SA Composters Pty Ltd</p>	<p>June 2023 (including reporting)</p> <p>(Completed)</p>	<p>\$300,000</p>
<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 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>	<p>District Council of Peterborough</p>	<p>June 2026 (including reporting)</p>	<p>\$68,300</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 / 3 / 2026

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

The Hon Lucy Hood MP
Minister for Climate, Environment and Water

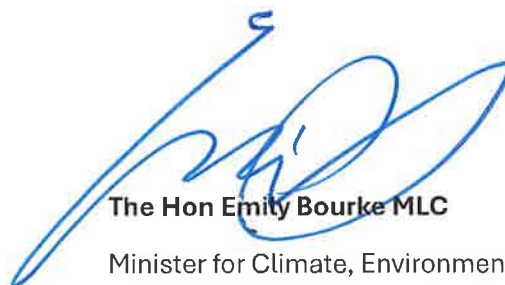
/ / 2026

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of Australia by*

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

Senator the Hon Murray Watt
Minister for the Environment and Water
/ / 2026



The Hon Emily Bourke MLC
Minister for Climate, Environment and Water
22 4 / 2026