Recycling Modernisation Fund Plastics Technology stream

FEDERATION FUNDING AGREEMENT - ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Victoria
Duration	This Schedule is expected to expire on 30 June 2027 or on completion of final performance reporting and processing of final payments against milestones.
Purpose	This Schedule will support the delivery of one project funded under the Recycling Modernisation Fund Plastics Technology stream that will: • Significantly increase Australia's recycling and recovery rates of hard-to-recycle plastics • Support a safe circular economy for plastics in Australia to transform waste plastic into valuable new products, such as food-grade plastic packaging • Build domestic and international confidence to invest in recycling infrastructure in Australia • Support long-term job creation and a more highly skilled workforce in the Australian recycling industry • Protect our environment through reduced plastic pollution.

<table>
<tr>
<td>Estimated financial contributions</td>
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The Commonwealth will provide a maximum estimated total financial contribution of $4,421,704 to Victoria. All payments are GST exclusive.
The estimated financial contribution to be provided by the Commonwealth is outlined in Table 1.
<table>
<tr><th>Table 1
($ million)</th><th>2024-25</th><th>2025-26</th><th>2026-27</th><th>Total</th></tr>
<tr><td>Estimated total budget</td><td>3.128</td><td>1.079</td><td>0.215</td><td>4.422</td></tr>
<tr><td>Less estimated National Partnerships Payments</td><td>3.128</td><td>1.079</td><td>0.215</td><td>4.422</td></tr>
<tr><td>Balance of non-Commonwealth contribution</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
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Note: Table 1 includes contributions from the Commonwealth but does not include contributions from the Project Proponent. Victoria is not making a financial contribution towards these projects.
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<td>Additional terms</td>
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Financial contributions
1. Victoria is responsible for provision of funds to Project Proponents and reporting on the implementation of the project listed in Table 2.
2. The Commonwealth will contribute up to 50% of the cost of the project listed in Table 2 up to $4,421,704 , with the Project Proponent contributing at least of 50% of the total cost for the project. Victoria will be responsible for ensuring the Project Proponent contributions are provided for each project.
Payments
3. If the maximum Commonwealth payment shown in Table 3 is not made in a given financial year the Commonwealth may move funds into later years at its discretion. The Commonwealth makes no guarantee that unspent funding (if any) will be carried into later years. A discussion between the Parties at officials level will occur prior to any decision being made on unspent funding.
Reporting
4. Victoria will provide project data updates to the Commonwealth, as requested by the Commonwealth (but no more frequently than on a quarterly basis), including any updates to data from the initial data capture or previous quarter and progress against milestones in the funding agreements between Victoria and the Project Proponent.
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	5. Victoria is responsible for providing advice as soon as it becomes aware if the project is unlikely to progress, or if there are issues likely to impact its on-time completion. 6. Once the project is complete, Victoria will provide the following data on that project to the Commonwealth as soon as practicable: i) the volume and type of additional plastic waste the project will process each year ii) the volume and type of additional plastic waste being processed following the project commissioning iii) the feedstock for the project inputs iv) the end-markets for the project offtake v) the number of ongoing FTE jobs created by the project vi) the environmental, social and economic benefits of the project. **Traceability** 7. Victoria will ensure that the Project Proponent as a condition of funding: i) implements recycled content traceability consistent with the National Framework for Recycled Content Traceability and register their use of the national framework with Department of Climate Change, Energy, the Environment and Water; and ii) provide reports on specified dates to the Victorian Department of Energy, Environment and Climate Action.

Table 2: Project summary			
Project title and description	**Project proponent**	**Expected project completion date**	**Commonwealth funding**
Circular Agricultural Plastic Recycling and Remanufacture The project will install recycling technology and infrastructure in Hamilton to recover and process an additional 8,000 tonnes per annum of traditionally hard-to-recycle agricultural Polypropylene and Low density polyethylene plastics such as films, grain tarp and baling twine into high quality resins for remanufacturing back into the original products.	Sustainable Plastic Solutions Pty Ltd	15 June 2027	$4,421,704

Table 3: Performance requirements, reporting and payment summary			
Delivery of project 2 listed in Table 2	Milestone 1 Commonwealth acceptance of an Implementation Plan that includes, at a minimum: • an outline of the phases of the Project including planning, licensing, preconstruction, construction and deposits, shipping and commissioning of equipment • a timeline that outlines timing for the phases of the Project • expected outcome of the Project • Project budget • risk plan.	11 December 2024	$1,326,511 (PAID)
	Milestone 2 Project data updates provided to the Commonwealth for the most recent data request as outlined in clause 4.	28 July 2025	$1,079,498 (PAID)

	Satisfactory progress against the Implementation Plan as demonstrated in an Interim Project Report to the satisfaction of the Commonwealth containing progress against the Phases outlined in the Implementation Plan, including: • Equipment order 1 - Deposit paid by the Proponent Evidence of the payments made to the Project Proponent consistent with this agreement.		
	Milestone 3 Project data updates provided to the Commonwealth for the most recent data request as outlined in clause 4. Satisfactory progress against the Implementation Plan as demonstrated in an Interim Project Report to the satisfaction of the Commonwealth containing progress against the Phases outlined in the Implementation Plan, including: • Equipment order 1 - Progress payment made by the Proponent • Equipment order 2 Deposit paid by the Proponent Evidence of the payments made to the Project Proponent consistent with this agreement.	30 August 2026	$24,429 ($1,801,000 has been previously paid in 2024-25 and was reallocated to this project milestone)
	Milestone 4 Project data updates provided to the Commonwealth for the most recent data request as outlined in clause 4. Satisfactory progress against the Implementation Plan as demonstrated in an Interim Project Report to the satisfaction of the Commonwealth containing progress against the Phases outlined in the Implementation Plan, including: • Equipment order 1 Progress payment made by the Proponent • Equipment order 2 Progress payment made by the Proponent • Equipment order 3 Deposit paid by the Proponent Evidence of the payments made to the Project Proponent consistent with this agreement.	20 December 2026	$95,133

	Milestone 5 Project data updates provided to the Commonwealth for the most recent data request as outlined in clause 4. Satisfactory progress against the Implementation Plan as demonstrated in an Interim Project Report to the satisfaction of the Commonwealth containing progress against the Phases outlined in the Implementation Plan, including: • Equipment order 1 Installation and commissioning • Equipment order 2 Progress payment made by the Proponent • Equipment order 3 Progress payment made by the Proponent • Equipment order 4 Deposit paid by the Proponent Evidence of the payments made to the Project Proponent consistent with this agreement.	20 February 2027	$95,133
	Milestone 6 If not already provided, final completion report for the project which demonstrates the outcomes achieved through the implementation of the project. Evidence of the payments made to the Project Proponent consistent with this agreement.	15 June 2027	Nil

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

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

Senator the Honourable Murray Watt
Minister for the Environment and Water

[Day] [Month] 2026

14/9/26

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

The Honourable Jaclyn Symes MLC
Minister for the Environment

[Day] [Month] 2026

29/10/2026