

# Recycling Modernisation Fund (Plastics) Grants Program

Guidelines

Department of Primary Industries, Parks, Water and Environment  
Department of State Growth



**Australian Government**



**Tasmanian  
Government**

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# I. Executive Summary

In 2020, the Council of Australian Governments (COAG) agreed that in response to the implementation of a ban on the export of certain waste products, Australia should build on its capacity to generate high value recycled commodities and associated demand. In response to COAG's decision, the Australian, State and Territory governments have agreed to work together and provide capital investment support for Australian industrial and recycling industries to help build processing capacity and to build markets for recycled products.

As part of this commitment, a National Partnership Agreement has been signed between the Australian Government and Tasmanian Government which includes a commitment to provide a combined \$11 million over four years for investment into Tasmania's recycling industry.

The Tasmanian Government will deliver this commitment, in consultation with the Commonwealth, and is now calling for proposals from proponents wishing to undertake capital investment within Tasmania to **develop plastic reprocessing (recycling) capacity**.

These funding guidelines describe how proponents can seek access, through a competitive process, to the financial support measures offered.

The funding is available for recycling projects located in Tasmania only. The application process will consist of a single round of submitted project applications that must meet all eligibility criteria to be considered for assessment.

Eligible proposals will be assessed against a series of merit criteria. The Tasmanian State Government reserves the right to make decisions on which projects are successful based on the merit criteria and the funding requirements of the project as part of a competitive process.

All enquiries about the funding program and these guidelines, and requests for clarification or additional information, must be directed to the contact officer in the first instance ([Alasdair Wells@dipwe.tas.gov.au](mailto:Alasdair.Wells@dipwe.tas.gov.au)).

## 2. Key Dates

Event	Date
Applications open	Saturday 19 December 2020
Applications Close - Deadline	Monday 12 February 2021

Successful projects will be announced as soon as possible after evaluation and assessment.

Note these dates may change depending on COVID-19 response requirements.

### 3. Overview

In late 2019, the Council of Australian Governments (COAG) agreed that Australia should ban the export of unprocessed waste plastic, paper, glass and tyres while building Australia's capacity to generate high value recycled commodities and associated demand.

Following this decision, in early 2020, after a period of industry consultation and market analysis, COAG agreed to the following implementation timetable for the phased withdrawal of exported recyclables:

- Unprocessed glass - from 1 January 2021
- Mixed Plastics - 1 July 2021
- Whole used tyres - 1 December 2021
- Single resin/polymer plastics - 1 July 2022
- Mixed and unsorted paper and cardboard - 1 July 2024

It is recognised that, as a result of the ban on exporting recyclables, Tasmania's domestic recycling infrastructure requires significant upgrades to be more self-reliant to better reprocess materials that previously would have been exported to international markets via mainland Australia.

As part of COAG's 2020 response strategy to the export bans, governments have agreed to work with industry to invest in growing the Australian recycling industry and build markets for recycled products to support local industry capacity to meet the COAG timetable.

The Australian Government has entered into a National Partnership Agreement (NPA) with States and Territories that commits up to \$190 million over four years through the Recycling Modernisation Fund for recycling infrastructure projects across Australia. Tasmania has been allocated \$5.5 million of this funding pool, which will be matched by the Tasmanian Government resulting in joint grant funding of **\$11 million over four years** being available under this grant program.

The NPA sets out the eligibility criteria for projects and the roles and responsibilities of State Governments and successful applicants that receive support through the program, with the administration and ongoing monitoring of the grant program being the responsibility of each State Government.

The combined Government funding provided for eligible projects will not exceed two thirds (or 66.6 per cent) of the total project cost, with the remainder of the funding to be sourced and invested by the project proponent. Proposals with higher proportional contributions from proponents will be viewed favourably.

Eligible projects can include new or upgraded equipment or facilities to increase domestic Tasmanian processing of recyclable plastics, or projects to increase the use of recyclable plastics in manufacturing and/or infrastructure.

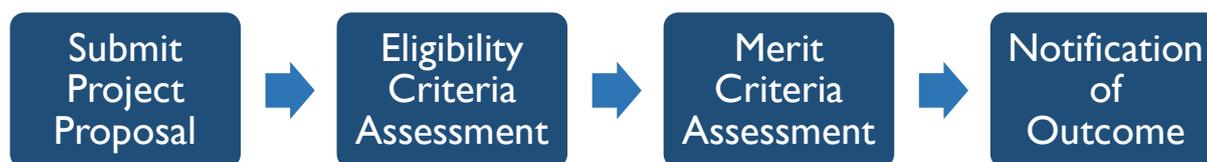
The grants program is open to private sector, non-government organisations and local government applicants. Further details on eligibility are provided in section 5.

# 4. Application and Assessment Process

## 4.1 Application Process

Access to funding under the Recycling Modernisation Fund (Plastics) Grants Program will be through a competitive application process. The application process will involve a single round of funding as follows:

Application Process	Opens	Saturday 19 December 2020
	Closes	Friday 12 February 2021



Applications will need to provide supporting evidence to satisfy the Eligibility Criteria Assessment in order to progress to the Merit Criteria Assessment which will be undertaken on eligible projects to determine the extent to which each project can deliver on the objectives of the fund. The highest ranked projects will be recommended to receive financial support, subject to the funding available under the program.

It is important to note that successful proposals may not necessarily receive the full of amount of grant funding requested within the proposal. A successful application therefore, may be offered a level of financial support the assessment panel deems appropriate under the funding constraints of the program.

Successful applicants will be required to enter into funding agreement/s which will include negotiated milestone and payment schedules.

## 4.2 Assessment Panel

The assessment panel will be responsible for assessing all applications for the Recycling Modernisation Fund (Plastics) Grants Program and making recommendations to the Tasmanian Government.

The assessment panel will be supported by advisors to provide technical, regulatory, economic, financial and probity advice on applications. An independent probity advisor will be appointed to attend all assessment panel discussions and if applicants have any concerns with the assessment process they can contact the probity advisor directly. Details of the probity advisor will be provided on the Department's website ([www.dpipwe.tas.gov.au/environmental-management](http://www.dpipwe.tas.gov.au/environmental-management)) once available.

By submitting an application, applicants consent to the distribution of their application to the advisors for analysis and comment.

## 5. Eligibility Criteria

Applicants must provide supporting evidence, including from third parties where applicable, to allow assessment against the Applicant and Project eligibility criteria. Applications that fail to meet any of the eligibility criteria below will not be considered during the assessment phase.

### 5.1 Applicant

Reference	Criteria	Requirements
5.1.1	Legal Business Entity	Applicants must: <ul style="list-style-type: none"> <li>• Be an Australian registered business and have an Australian Business Number (ABN).</li> <li>• Be registered for goods and services tax (GST).</li> <li>• Be either an organisation registered under Australian company law, or a council existing under the <i>Local Government Act 1993</i> (or a council owned business).</li> </ul>
5.1.2	Financial Sustainability	Applicants must: <ul style="list-style-type: none"> <li>• Must not be under external Administration or have had applications for orders to appoint liquidators or provisional liquidators, or to be wound up or dissolved, or any other action relating to insolvency.</li> <li>• Provide a co-funding commitment. Applicants must provide at least one third of the total project funding. More information is provided in section 7.</li> </ul>

### 5.2 Project

Reference	Criteria	Requirements
5.2.1	Alignment with the Objectives of the National Partnership Agreement (NPA).	Projects must provide sufficient supporting evidence to show that the proposed project will assist with: <ul style="list-style-type: none"> <li>• Developing plastic reprocessing capacity in Tasmania.</li> </ul>
5.2.2	Project Feasibility	Projects must make a direct, tangible contribution to expanding the reprocessing capacity for plastics. Feasibility studies, academic research papers or market surveys, are not eligible for consideration.
5.2.3	Project Location	The proposed project must be located in Tasmania. All grant funding received through this program should be used for infrastructure inside of Tasmania (other than the purchase of equipment and materials).
5.2.4	Project Proponent	The application must clearly identify the project proponent who will be responsible for delivering the project and responsible for all reporting requirements to the Government under the Grant Program.

## 6. Merit Criteria

Once the assessment panel is satisfied that a project has addressed the eligibility criteria of a project, projects will be assessed against the following merit criteria. Note the anticipated merit criteria weightings are shown and are not necessarily equal. Applicants must provide supporting evidence, including from third parties where applicable, in order to allow assessment against the merit criteria. Projects are expected to be viable and effective into the long term, for which funding under the RMF (Plastics) Grant Program will be available for up to four years.

Reference	Criteria	Weighting	Requirements
6.1.1	Applicant capability and capacity	10%	<p>Assessment of the capabilities and experience of the applicant (and any applicant partners) to deliver the project. The applicant must demonstrate that it:</p> <ul style="list-style-type: none"> <li>• can complete the project within the timeframe outlined in the submission;</li> <li>• has sufficient experience and capability in delivering projects of similar scale and complexity;</li> <li>• has appropriate resources, including financial resources, to successfully administer and deliver the project, and to sustainably maintain and operate the infrastructure into the future; and</li> <li>• will substantially commence the project within 6 months of grant funding being awarded.</li> </ul> <p>The applicant must demonstrate that they have a good record of compliance with environmental and land use planning laws by disclosing the details of any prior offences (including infringement notices) and any court findings that have been given in the last five years relating to environmental or land use planning laws.</p>
6.1.2	Project feasibility and viability	25%	<p>The project must be feasible, and viable and effective into the long term. The applicant must provide sufficient evidence to demonstrate:</p> <ul style="list-style-type: none"> <li>• the project is technically feasible;</li> <li>• the project has a high likelihood of successfully obtaining all necessary regulatory approvals and licenses;</li> <li>• the commercial sustainability and viability over the full operational life of the project; and</li> <li>• the existence of markets, or downstream demand.</li> </ul> <p>The applicant must demonstrate the quality of the project budget and financial planning, including the capacity to manage cost overruns, meet ongoing operational and maintenance costs, and any future financing costs. The applicant must demonstrate that they have the capacity to fund the balance of project expenditure.</p>

Reference	Criteria	Weighting	Requirements
6.1.3	Project impact	40%	The extent to which the project will provide increased capacity to support the national export ban on an ongoing basis, including: <ul style="list-style-type: none"> <li>• the increase in the quantity of waste plastic reprocessed in Tasmania; and</li> <li>• the increase in the value of new products produced from the processed waste plastic.</li> </ul>
6.1.4	Project value	10%	The extent to which: <ul style="list-style-type: none"> <li>• the project leverages grant support through applicant investment and other sources of funding. That is, the extent to which the level of co-funding is maximised;</li> <li>• the applicant demonstrates the proposed project will provide economic, environmental and social benefits for Tasmania. This includes the extent to which: <ul style="list-style-type: none"> <li>- Tasmanian businesses and organisations are utilised (including advanced manufacturers and professional consultancies);</li> <li>- Tasmanian labour is sourced; and</li> <li>- Tasmanian skills and capabilities are developed.</li> </ul> </li> </ul>
6.1.5	Risk assessment	10%	The quality of the applicant's project and financial risk assessment and mitigation strategies.
6.1.6	Community engagement	5%	The quality and extent of the community engagement strategy.

# 7. Applicant Funding Contribution Requirements

The combined grant funding provided by the Australian and Tasmanian Governments will not exceed two thirds (or 66.6 per cent) of the total project cost. Therefore, applicants must fund at least one third of the total project cost through their own funding channels. This funding contribution is required to ensure there is an appropriate level of financial commitment from the applicant in the success of the project.

Projects that involve a larger contribution by applicants over and above the "1:1:1" minimum requirement will be viewed favourably by the assessment panel, given that this is likely to demonstrate a lower risk profile from the perspective of the Australian and Tasmanian Government. The Recycling Modernisation Fund (Plastics) Grants Program will provide a total of \$11 million allocated across financial years to June 2024.

Applicants must submit a budget and financial model for the project, which includes a breakdown of all funding sources.

## 7.1 Eligible Funding Costs

The following costs are classified as eligible under the Waste Modernisation Fund (Plastics) Grants Program on which grant funding can be spent and claimed, as long as they are directly related to the project:

- Expenditure on plant, equipment and materials.
- Labour expenses.
- Site survey, engineering and civil works costs.
- Administrative expenses (including travel).

## 7.2 Ineligible Funding Costs

The following costs are classified as ineligible under the Waste Modernisation Fund (Plastics) Grants Program, and grant funding may not be claimed for the following:

- Costs not directly related to the project.
- Ongoing costs incurred after the project is completed (e.g. operating and maintenance costs).
- Retrospective payments or expenditure incurred prior to signing of funding agreement/s.
- GST payments.
- Site acquisition and site rehabilitation.
- Contingency allowances.
- Any costs incurred due to non-compliance with legislation.

# 8. Application Conditions

## 8.1 Contact Officer

All enquiries about the grants program and requests for clarification or additional information, must be directed to the contact officer in the first instance.

Contact Officer	Alasdair Wells
Position	Program Manager (Waste Initiatives)
Email:	<a href="mailto:Alasdair.Wells@dpipwe.tas.gov.au">Alasdair.Wells@dpipwe.tas.gov.au</a>
Phone:	03 6165 4536

## 8.2 Administration of Process

The Tasmanian Government reserves the right to administer the grants program in any manner as it sees fit, in line with these guidelines and the National Partnership Agreement.

The Tasmanian Government may modify, vary or amend these guidelines consistent with its rights under the administration of the Recycling Modernisation Fund (Plastics) Grants Program.

## 8.3 Method of Submission

Applications must be submitted online through the SmartyGrants portal provided by the Department of State Growth at <https://stategrowthtas.smartygrants.com.au/>. Links to the submission page will also be provided on the Department's page at <https://dpipwe.tas.gov.au/environmental-management-grants>.

During the submission process, within the SmartyGrants portal, applicants will be asked to submit electronic documents (e.g. financial statements) to support and demonstrate their claims against the eligibility and merit criteria.

If an application is inadequate, incomplete or unable to be read (including as a result of corruption or damage to electronic files), the assessment panel may exclude the application from consideration.

## 8.4 Eligibility

Applications must meet all eligibility criteria. Applications that do not meet the eligibility criteria may be excluded from consideration by the assessment panel.

The assessment panel may, in its absolute discretion, exclude from consideration any application from an applicant that has failed to comply with the requirements of these guidelines.

The Tasmanian Government reserves the right not to consider an application if it is not satisfied that adequate arrangements are in place to appropriately address and manage a perceived or actual conflict of interest that may arise from, or be associated with the application.

## 8.5 Assessment of Applications

Eligible applications will be assessed by the assessment panel in accordance with the merit criteria.

The Tasmanian Government is not obliged to accept any application. In its discretion, the Tasmanian Government may:

- Undertake its own due diligence activities into any application;
- Take into account any information from its own and other sources (including government agencies or advisors)
- Seek supplementary information, analysis or clarification on applications from any party considered relevant by the assessment panel;
- Accept or reject any application, having regard to the guidelines or any other matter or thing which the State considers relevant, including limitations on the funds available to the grants program;
- Allocate all, some or none of the available funding to applicants under these guidelines; and
- Accept any application in whole or in part.

## 8.6 Negotiation

During the evaluation process, the Tasmanian Government may:

- Negotiate with any applicant to vary its application;
- Work with applicants to facilitate collaboration, where doing so may assist in achieving the objectives of the funding program;
- Negotiate with one or more applicants to enter into financial support arrangements, including the terms of those arrangements.

## 8.7 Formation of Contract(s)

No contractual or other legal relations shall exist between any applicant for funding and the State of Tasmania (including any agent, agency, instrumentality or emanation of that State) unless and until a formal, legally binding agreement is entered into between them. Neither this document nor anything else shall create or give rise to legal or equitable rights or obligations in respect of financial support; such rights or obligations shall only come into being, if and when a formal legally binding agreement comes into existence.

## 8.8 Intellectual Property

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful owner of those intellectual property rights. Any part of an application considered to contain any intellectual property rights should be clearly identified by the applicant.

The applicant grants to the State of Tasmania (and will ensure that relevant third parties grant) a non-exclusive, irrevocable licence to use and reproduce the intellectual property for the purpose of administering the Recycling Modernisation Fund (Plastics) Grants Program, including the evaluation of any application.

## 8.9 Personal Information and Disclosure of Information in Application

All Tasmanian Government agencies are subject to the *Right to Information Act 2009* (TAS), which provides members of the public the right to obtain information contained in the records of the government and public authorities. Similar provisions apply to Australian Government agencies under the Freedom of Information Act (Cwlth).

Applicants are advised that information pertaining to the receipt of Tasmanian Government financial assistance will be tabled in the Tasmanian Parliament. This information could include the name of the successful applicant, the amount of the assistance, the name of the project and a brief description thereof. This could result in requests for more details to be released publicly. Applicants should clearly identify all commercial-in-confidence material, noting that project name, primary applicant's name, assistance provided through the funding program, total project cost and brief project description will be published for all successful proposals.

Successful applicants should be aware that their organisation's name, project name and assistance provided through the grants program will appear on State and Commonwealth government websites.

The assessment panel reserves the right to discuss an application with a third party if it is judged necessary to assist in assessing the application.

Tasmanian Government agencies are subject to legislative and administrative accountability and transparency requirements of the Tasmanian Government including disclosures to the Parliament and its Committees. As such, applicants should be aware that disclosure of some information outside of government agencies may occur if the release of the information is required by law. Similar provisions apply to Australian Government agencies.

## 8.10 Conditions and Obligations for Successful Applicants

### 8.10.1 Recycling Modernisation Fund (Plastics) Grants Program

The terms and conditions of funding, including milestone and payment schedules, will be negotiated with successful applicants.

Successful applicants will be required to enter into a funding agreement with the Tasmanian Government, prior to commencing the project and receiving funds.

### 8.10.2 Successful Applicant Reporting Requirements

Successful applicants must agree to provide the Tasmanian Government the following project information, at least annually, and before pre-negotiated dates as documented in any grant funding deed.

1. A statement of contributions made by the business towards the project for eligible project costs.
2. Details of the number of jobs created as a result of government investment into the applicant's project.
3. Details of the environmental benefits, economic benefits and contribution to the objectives of the Recycling Modernisation Fund (Plastics) Grant Program, being in this case the development of plastic processing capacity in Tasmania.



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[www.dpipwe.tas.gov.au/environmental-management](http://www.dpipwe.tas.gov.au/environmental-management)