

Application guidelines

Organics Market Development

grants Round 2

Applications close 5pm Wednesday 28 March 2018

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The Organics Market Development grants are part of the larger Organics Market Development Program which is investing in education, training, behaviour change and research initiatives to support organics market development.

Aims

The Organics Market Development grants program aims to support the development and expansion of markets for source separated recycled organics by increasing knowledge and awareness, supporting improvements in product quality and supporting projects that will assist in the development of new and innovative markets.

The Organics Market Development grants are part of the larger Organics Market Development Program which is investing in education, training, behaviour change and research initiatives to support organics market development.

Background

In NSW 2010-11, 45.3% of the average household red bin was food and garden organics, making organics the largest component of municipal solid waste (MSW). Food is also a significant component of commercial and industrial (C&I) waste, accounting for more than 470,000 tonnes each year across NSW. Municipal and C&I food and garden organics therefore represent the waste type with the greatest opportunity to significantly increase resource recovery in NSW to achieve the NSW 2021 recycling target to divert 75% of all waste from landfill.

In 2010-11, only 56% of households in NSW had access to kerbside organics services, nine councils offered weekly kerbside collection of food and garden and one council offered a food only collection to some residents. Once the Organics Collection grant projects funded to date are fully rolled out, 70% of households in NSW will have access to kerbside organics services. Twenty-three councils will offer weekly collection of food and garden organics and two councils will offer a food only collection service to residents. Future opportunities are being pursued for organics infrastructure and collections tailored to multi-unit dwellings and amalgamating councils upgrading and/or standardising kerbside services across new local government areas. There are also opportunities to expand source separated organics collection services for businesses.

Increased collections rely on increased processing capacity. Once completed, the Organics Infrastructure grant projects funded to date will result in more than 400,000 tonnes of additional and improved processing capacity, with more than 50% of this capacity addressing the Sydney market.

Support for the development and expansion of markets for recycled organics is a critical element for the overall success of the fund. Increased processing capacity and supply relies on healthy markets to buy the recycled organics product. Gaining the confidence and engagement of markets in the use of recycled organics products is a key objective of this program, with the investment over the next four years aiming to entrench sustainable, long-term market demand for the additional supply being generated by these other elements of the organics program.

Organics Infrastructure Fund

This grant program is part of the NSW EPA's Waste Less, Recycle More extension, which is providing \$337 million from 2017-21 to increase the amount of waste diverted from landfill in NSW. It sits under the \$35.5 million Organics Infrastructure Fund which is diverting both food and garden waste from landfill by funding food waste avoidance education, kerbside organics collections, processing and food donation infrastructure and organics market development.

The Organics Market Development Program includes this grants program and funding for education, training, behaviour change and research initiatives.

Organics Market Development grants

The Organics Market Development grants support activities that will improve the demand for recycled organics.

The first tranche of the Organics Market Development grants opened in 2015. A total of 19 projects were supported with \$2.5 million to expand the market by an estimated 92,000 tonnes per year. An independent evaluation found that the first round of grants was both successful and highly compliant with the NSW Department of Premier and Cabinet's Good Practice Guide to Grant Administration. Under Stream one, six new tools and three new compost standards/specifications were developed at an average of \$26,438 per tool. In Stream two, eight projects were funded which directly engaged with 2,500 interested purchasers.

The Organics Market Development grants program aims to facilitate the transition of a supply-driven market for source separated recycled organics material to a market demand model whereby there are robust, sustainable and well-distributed markets for recycled organics products across NSW.

It supports other programs under Waste Less Recycle More that will be increasing supply of recycled organics.

Program objectives

The objectives of the Organics Market Development grants are to facilitate the expansion of the NSW markets for source separated recycled organics products by an additional 70,000 tonnes by June 2021 by:

- increasing knowledge and awareness
- supporting the improvement in the quality of products produced
- supporting the development of new and innovative market niches.

About the Organics Market Development grants

These grants are administered by the NSW Environment Protection Authority (EPA). A total of \$3 million is available to 2021, expected to be delivered over two contestable funding rounds. Grants of between \$30,000 and \$300,000 are available for projects that will develop new markets or expand existing markets for source separated recycled organics.

Approximately \$2 million will be available for this round (Round 2), with the remaining funding expected to be made available through a third round planned for early 2019.

Projects will address new supply and market barriers by:

- delivering communication and/or marketing initiatives that increase awareness and knowledge of compost to an identified market, overcoming barriers to uptake and increasing demand
- connecting potential markets with supplies, resulting in ongoing sustainable increase or expansion in demand
- increasing demand for compost in a particular industry sector, through increasing knowledge of the benefits of compost and strengthening relationships, leading to long-term sustainable increase in demand.

Eligibility criteria

All applicants must be legally constituted entities. Grants under this program are made to organisations, not to individuals. Applications are open to local councils, public and private sector organisations, industry associations and community organisations.

Projects that demonstrate a strong partnership approach connecting potential customers through the supply chain are encouraged.

Companies that process recycled organics are not eligible to apply directly for funding, but may partner with eligible applicants to deliver projects. All applicants commit to open and transparent sharing of information about all grant activities and findings, in the interests of providing opportunities for others to tap into the learnings and apply them to new market development opportunities.

All applicants must demonstrate the capacity to deliver sustainable market development/expansion outcomes for recycled organics in NSW and demonstrate how their projects will achieve that.

Not-for-profit organisations must comply with the ATO's definition. Not-for-profit organisations incorporated under the *Corporations Act 2001 – Sect 111K* must provide proof of their non-profit status, details of which can be found on the ATO website.

Community organisations, including community groups, must also be an incorporated association under the *NSW Associations Incorporation Act 1984*. Community groups which are not incorporated are eligible to apply, but only if they arrange for the grant to be administered by a council or other incorporated non-profit organisation on their behalf.

Individuals and sole traders are not eligible to apply.

Conditions of eligibility

Eligible organisations must also meet the following conditions to qualify for funding:

1. Complete the following documents:
 - Application Form
 - Application Budget.
2. Include in the application the endorsement of a senior person in the organisation (e.g. General Manager, CEO, Chief Financial Officer) who can attest to the accuracy of the information within the application.
3. Submit the application by the closing date and time. Late applications will not be accepted.
4. Demonstrate that your project is aligned with the program aims and objectives and provides value for money.
5. Demonstrate that the time required for all necessary planning, regulatory or other approvals have been considered and the project is planned, taking these factors into account.
6. Submit projects that will be completed by 1 January 2021.
7. Submit projects that target markets in NSW.
8. Have the means or support available to complete the project and related administrative work by the required date.

Applications that do not satisfy all the above conditions will be deemed ineligible and will not be assessed.

Nominating an administrator

Not-for-profit organisations may nominate another organisation to administer grant funds on their behalf.

The administrator must be a legal entity and funding agreements are prepared in the name of the administering body. Grant payments are made payable to the administrator who is responsible for dispersing funds on the grantee's behalf and the preparation of financial reports. An agreement should be reached between the grantee and the administrator in relation to project management. It is expected that the project will be led by the applicant and not the administrator.

Partnership projects

A host organisation must be appointed to act as the project lead and grant applicant who will sign the grant agreement and will be responsible for submitting reports. It is expected that successful applicants will have reached an agreement between all partners in relation to project management and reporting requirements before signing the Funding Agreement with the EPA. This should be in the form of a

Memorandum of Understanding (MOU) signed by the Board of each partner organisation or a letter from each partner detailing their roles, responsibilities and commitments. The applicant will be responsible for the performance of the partner organisations participating in the project.

Multiple applications

Applicants can submit multiple applications.

Applicants submitting multiple applications must also provide an overarching plan, detailing what each project proposes, arrangements on how they will be managed and details on the organisation's capacity to deliver multiple projects.

Partnerships and lead plus partnership

Applicants can be both a lead applicant on an application and a partner on another project. If you will be supporting another project as a partner, you must provide a written statement showing how you will be able to undertake both projects if both applications are successful. Alternatively, applicants can prioritise projects and show which project would take priority if multiple applications are recommended for approval.

EPA support

Potential applicants are encouraged to contact the EPA Organics Unit for advice and more information prior to submitting an application. The EPA is seeking high quality and effective projects that will deliver on the program objectives, and is keen to work with applicants to ensure that proposals are appropriate and well developed before they are submitted.

Grant applications are assessed by an Independent Assessment Panel (IAP) comprising of independent technical experts, convened by the EPA and overseen by a probity officer. The IAP will consider the applications against the assessment criteria outlined on page nine of this document and make recommendations to the EPA Chair and CEO for consideration and approval.

Funding Agreements

All successful applicants approved for funding will be required to enter into a Funding Agreement with the EPA.

Funds will be released according to the terms and conditions set out in the Funding Agreement.

All grantees must submit a final financial acquittal report.

The grantees will be required to provide monthly project updates to the EPA by phone, face to face or email. Detailed milestone reports, including financial statements will also form part of the reporting obligations and timeframes for those milestones identified by the applicant in the application. A final evaluation report, factsheet, and a photographic record will also be required.

If the project involves hiring staff, salaries are expected to be in line with industry standards. It is also expected that staff working conditions will be in accordance with all applicable laws. This includes meeting Work Health and Safety requirements.

Project duration

Following the assessment and approval process, applicants are expected to be notified as to whether they are successful in mid-2018.

The grant funding will be distributed in milestone payments. Payments will be dependent on the successful grantee meeting the milestones, which will be detailed in the Funding Agreement.

All funded activities must be finished and evaluated by 1 January 2021. The Draft Final Report should be submitted for approval no later than 1 November 2020.

Funding available

Grants of between \$30,000 and \$300,000 are available.

Applicants can determine how the budget will be allocated to different activities tailored to their individual project.

Competition for funding is expected to be strong. Applications will be assessed by the Independent Assessment Panel against the assessment criteria, which includes value for money. Projects that demonstrate good value for money will rank more highly and are therefore more likely to be successful.

Co-contribution

No direct funding co-contribution is required for this grant. However, applicants should demonstrate how they will also be contributing to the project. This may include use of resources owned by the applicant, volunteer time, or cash contributions. The more an applicant can demonstrate additional value in the project from their own contributions, the higher the project will rank in the 'value for money' criterion.

Additional contributions from other sources will also reflect wider support for your project, which is likely to improve chances of success.

The budget spreadsheet form allows applicants to provide details of additional contributions as well as the project elements for which grant funding is requested.

Funding from other sources

Applicants can seek other grant funding to supplement their delivery of this project. This will improve value for money and leverage for the EPA funding. Applicants must detail the funding source and how the other funds will be used. Please refer to questions 14 and 15 of the Application form.

Items that will be funded

The aim of the Organics Market Development grants is to build and expand the market for source separated recycled organics in NSW. Applicants must demonstrate how the project will deliver on the program objectives to facilitate the expansion of the NSW recycled organics market, encourage organics recycling and change practices and behaviours around the use of recycled organics.

Funding is available for a wide range of activities to enable applicants to be creative with their projects. Applicants must demonstrate how the activity for which they are requesting funding will meet the program objectives, listed on page four.

Examples of activities that will be funded include, but are not limited to:

- detailed market development and communication plan preparation
- communication and promotion activities
- development of partnerships to build new customer groups
- engagement activities that will connect supplies with markets
- technology that will measure benefits of compost or reach new customers
- project management and administration expenses.

Items that will not be funded

Grant funds are not available for:

- projects that are not consistent with Organics Market Development grants objectives
- projects for non source separated organics outputs

- projects which do not actively share information
- projects which are research only
- general organisational administration that is not directly related to the Organics Market Development grant project
- projects that have already received funding from another source for the specific items in the grant application
- work conducted outside NSW or projects sourcing organics materials from outside NSW
- activities that have already started or are carried out before the grant is offered and accepted.

If you are unsure whether an item or activity is eligible for funding, please contact the NSW EPA Organics Unit on 02 9995 6874 or 02 9995 6895 before submitting your application.

Grant conditions

Successful applicants will be required to provide regular updates to the EPA to ensure the project is on track. The reporting process for these grants will require applicants to commit to and hold monthly phone, email or face to face update meetings with the EPA's Organics Unit. Detailed reports will be required at the milestone stage. A final written report will be required, which must also include a Fact Sheet and project photos.

You must agree to the reporting process by ticking the box at question 11 of the application form, confirming your commitment to these milestones reporting and meeting requirements.

Successful applicants will also be required to agree to the following:

- after receiving an offer of funding, signing and returning the EPA's grant agreement
- hold appropriate insurance and public liability coverage
- acknowledge the support of the funding source on all publications, externally distributed reports, websites and publicity materials including brochures, signage, advertising and invitations relating to the project, in accordance with the funding agreement
- invite a NSW Government representative to any launch or public event associated with this funding
- regularly engage with the EPA's Organics Unit and report on agreed milestones.

Proposed project variations

Any changes to the project expenditure and activities must be submitted to EPA in writing for approval.

In the event of cancellation of a funded activity, the EPA must be notified in writing and unspent funds returned.

Accountability and reporting

All successful applicants will be required to enter into a grant agreement with the EPA.

Funds will be released according to the terms and conditions set out in the funding agreement.

All grantees must submit final financial and project acquittal reports.

Project duration

Following the assessment and approval process, applicants are expected to be notified as to whether they are successful in mid 2018.

Projects will need to be completed by January 2021. Projects may finish earlier than this.

The project activities must begin within three months from signing the Funding Agreement with the EPA. Delays in the project starting once the agreement has been signed may result in the withdrawal of the grant funding. Final payments will not be made until project acquittal requirements have been completed.

Project preparation

All new resources (including promotional materials) developed by grantees will need to:

- be approved by the EPA before release
- include acknowledgement of the funding source
- meet with the EPA branding requirements.

Assessment criteria

These grants will be assessed by the Independent Assessment Panel (IPA) against the assessment criteria set out in the following table.

The panel will assess your application against these criteria based on the information you include in your application and budget form. It is critical, therefore, that you ensure your application addresses these criteria and explains how your project will meet them.

The panel members may not know much about you or what you want to do, so make sure you provide the information they need to demonstrate your project meets the criteria and you have the capability to successfully deliver it.

The Application form is designed to help you and guide you to providing the type of information the panel needs to assess whether the project meets the assessment criteria. The EPA's Organics Unit is also available to help you prepare a considered and complete application. Please contact us on 02 9995 6874 or 02 9995 6895 if you need any assistance.

Questions in the Application form should be answered in full. The three assessment criteria, and some of the considerations you should take into account to ensure you address them, are set out in the tables below. The second column shows which questions in the application form provide the opportunity for you to explain how you meet that criterion.

1. Project preparation – (35% of the assessment score)	Section of application form
<p>Demonstration of clear project understanding and alignment with grant objectives</p> <ul style="list-style-type: none"> • Do you have a clear concept of your project? Have you explained it clearly? • Does your project meet the objectives of the grant? • What is your market? Why have you chosen this market? What do you know about this market? What is the current issues/barrier to market penetration? • How will you measure behaviour change? How will you measure increased market uptake? • How will you communicate with your audience? Why have you chosen this/these methods? • Have you identified clear objectives? How will you measure them? 	<p>Refer to questions 1 to 6</p>

2. Capacity to deliver – (35% of the assessment score)	Section of application form
<p>Demonstration that the project will be delivered to a high standard</p> <ul style="list-style-type: none"> • How will you manage the project? Who will deliver it? What skills/experience do they have to do that? • What communication activities will you deliver? Can you demonstrate the skills/experience to ensure it is effective and successful? • How will you ensure you meet project timelines and deliver on milestones? • Have you demonstrated clear understanding of the regulations, if applicable? What other compliance issues would you need to take into account? • Have you considered the risks associated with this project and identified how you will manage them? 	<p>Refer to questions 7 to 10</p>

3. Value for money – (30% of the assessment score)	Section of application form
<p>Clear demonstration of budget and resources, illustrating good value for money</p> <ul style="list-style-type: none"> • Is your budget detailed and well costed? Are the project costs realistic and value for money when compared to the desired outcomes of the project? • Are you securing additional resources for the project? What are you contributing to add value to the project? • Are you applying for other grants for this project? • How will you leverage ongoing benefits beyond the funding stage? How will the project be sustainable and markets maintained? 	<p>Refer to questions 11 to 15 of the application form, plus Excel Budget Form</p>

Application budget

The Budget form is an Excel document, separate from the Application form. It can be downloaded from the EPA website.

The project Budget form should not include Goods and Services Tax (GST) unless your organisation IS NOT registered for GST.

Do not cut and paste data into the document as this can alter the formatting and cause errors.

When you populate the budget spreadsheet, the figures you enter will be totalled automatically.

Enter the data manually and submit the completed form as an Excel document so that it can be uploaded directly into the EPA database. **DO NOT PDF.**

Although no co-contribution is required for this grant, applicants are encouraged to show how they (or others) will contribute to the project in the form of in-kind or cash contributions.

An incorrect or incomplete Budget form may render your application ineligible and/or reduce the review panel's confidence in your capacity to deliver the project and manage the finances. If you have reviewed the application guidelines in full and are still unclear about what is eligible and ineligible for grant funding or how to complete the Budget form, contact the EPA Organics Unit for advice on 02 9995 6874 or 02 9995 6895.

Taxation – Goods and Services Tax (GST)

Organisations administering a grant who are registered for GST are not to include any GST in the application budget. The EPA will add 10 per cent GST to the grant payment.

Organisations administering a grant that are NOT registered for GST must include in the application budget any GST that will be incurred during the life of the project.

A tax invoice is required for the amount of each milestone payment of the grant/project. The invoice will include GST as a separate component if applicable.

Application and submission process

The application consists of two documents:

1. Application form
2. Budget form.

Any supporting documents can be submitted with your application as attachments.

All the documents must be submitted by 5pm Wednesday 28 March 2018 by:

- emailing: organics.grants@epa.nsw.gov.au with the subject line: 'Your organisation name: Round 2 Organics Market Development Grant Application'.

For any enquiries, email organics.recycling@epa.nsw.gov.au or phone 02 9995 6874 or 02 9995 6895.

Any additional material submitted electronically with the application must be less than 10 MB. Large attachments may not be forwarded to the Independent Assessment Panel.

Any application that is late, incomplete or ineligible will not be considered.

Assessing applications

No applicant can be guaranteed funding, nor can any applicant be guaranteed to receive the full amount requested. There is no appeal process.

Applicants will be advised by phone and/or email whether they are successful or not and given the opportunity to seek feedback.

Successful applicants

The EPA will endeavour to notify successful applicants within three months of the close of applications. Successful applicants will be required to submit the following information before the project starts.

1. Invoice made out to the Environment Protection Authority for the first milestone payment.
2. Signed Funding Agreement.
3. For partnership projects, a Memorandum of Understanding signed by the board of all participating project partners (if not included in the initial application).

Successful applicants will have up to 30 days from the date of formal notification of the offer of funding to sign a Funding Agreement. If the grant agreement is not signed within the specified period, the offer of funding may lapse.

Project promotion and copyright

Successful applicants will be required to liaise with the EPA in relation to all media or other promotion of the project and will be required to acknowledge the funding source made by the EPA through Waste Less, Recycle More.

The EPA reserves the right to publish articles about the project on its website and in publications. Applications must state their requirements for commercial or personal confidentiality.

Successful applicants must not promote their receipt of Organics Market Development grant funding until the project has been formally announced.

The successful applicant must agree to share any grant related documents and information with other grantees or applicants for future rounds.

EPA holds the copyright for all the resources produced under the funded project.

Misleading or false information

Applications that knowingly provide misleading or false information will not be considered for funding. If the EPA is made aware of any issues relating to misleading or false information after a grant has been awarded, it can withdraw funding from the grantee. In addition, any EPA funds spent on the project may be required to be repaid.