

Organics Market Development Grants

Round 3

Application Guidelines

Applications close 4pm, Thursday 22 November 2018



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Contents

Aims	2
Background	2
Organics Infrastructure Fund	2
Organics Market Development grants	3
Program objective	3
About the Organics Market Development grants	3
Eligibility criteria	3
Conditions of eligibility	4
Nominating an administrator	4
Partnership projects	4
Multiple applications	5
Partnerships and lead plus partnership	5
EPA support	5
Funding Agreements	5
Project duration	5
Funding available	6
Co-contribution	6
Funding from other sources	6
Items that will be funded	6
Items that will not be funded	7
Grant conditions	7
Proposed project variations	7
Accountability and reporting	7
Project duration	8
Project preparation	8
Assessment criteria	8
Application budget	10
GST	10
Application and submission process	10
Assessing applications	10
Successful applicants	11
Project promotion and copyright	11
Misleading or false information	11

Aims

The Organics Market Development grants aim 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.

They 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 2010-11, 45.3% of the average household red bin in NSW was food and garden organics. This made organics the largest part of municipal solid waste (MSW). Food is also a significant part 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 are therefore the waste types with the greatest opportunity to increase resource recovery in NSW. This will help achieve the NSW recycling target to divert 75% of all waste from landfill by 2021.

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 organics and one council offered a food only collection to some residents. Once the Organics Collection grant projects are fully rolled out, 70% of households in NSW will have access to kerbside organics services. Forty-two councils will offer weekly collection of food and garden organics and two councils will offer a food only collection service. Future opportunities are being pursued for organics infrastructure and collections tailored to multi-unit dwellings. Amalgamating councils will be 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 will result in more than 400,000 tonnes of extra 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 critical 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. The investment over the next four years aims to entrench sustainable, long-term market demand for the extra supply being generated by these other elements of the organics program.

Organics Infrastructure Fund

This grant program is part of the NSW Environment Protection Authority's (EPA) Waste Less, Recycle More extension, which is providing \$802 million from 2013-21 to reduce waste going to landfill in NSW and increase recycling. It sits under the \$105.5 million Organics Infrastructure Fund which is diverting both food and garden waste from landfill. This is 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 Round 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 of compost products per year. Under Stream One, six new tools and three new compost standards/specifications were developed. In Stream Two, eight projects were funded which directly engaged with 2,500 interested purchasers.

The Organics Market Development grants aim to transform the market for source separated recycled organics material from a supply-driven to a demand-driven model. This will mean robust, sustainable and well-distributed markets for recycled organics products across NSW.

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

Program aim and objectives

The aim of the Organics Market Development grants is to assist in the expansion of NSW markets for source separated recycled organics products by 70,000 tonnes by June 2021.

The objectives of the program are to achieve this expansion by:

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

About the Organics Market Development grants

These grants are administered by the EPA. A total of \$3 million is available to 2021, delivered over two contestable funding rounds. Round two allocated \$2.26 million to 13 projects. In Round Three grants of between \$20,000 and \$200,000 are available for projects that will develop new markets or expand existing markets for source separated recycled organics.

Approximately \$730,000 will be available for Round Three.

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 individuals. Applications are open to local councils, State government bodies, businesses, 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. This is 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 their capacity to deliver sustainable market development/expansion outcomes for recycled organics in NSW and how their projects will achieve them.

Not-for-profit organisations incorporated under the *Corporations Act 2001* – section 111K must comply with the ATO's definition and provide proof of their non-profit status. Details can be found on the Australian Taxation Office website.

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

Individuals and sole traders are not eligible.

Conditions of eligibility

Eligible organisations must also:

1. Complete the following documents:
 - application form
 - application budget.
2. Include the endorsement of a senior person in the organisation (e.g. General Manager, CEO, Chief Financial Officer) who can confirm 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 the project is aligned with the program aims and objectives and provides value for money.
5. Demonstrate that the time needed for all necessary planning and approvals has been considered.
6. Submit projects that will be completed by 1 January 2021
7. Submit projects that target markets in NSW.
8. Demonstrate capacity to complete the project and related administrative work by the required date.

Applications that do not satisfy all these conditions will be 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 preparing financial reports. An agreement should be reached between the grantee and the administrator regarding 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. They will also be responsible for submitting reports. It is expected that successful applicants will have reached an agreement between all partners regarding project management and reporting needs 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 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 project lead and a partner on another project. If supporting another project as a partner, an applicant must provide a written statement showing how they will manage to undertake both projects.

EPA support

Potential applicants are encouraged to contact the EPA Organics Unit for advice and more information before 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 proposals are appropriate and well developed before being submitted.

Grant applications are assessed by a Technical Review Committee (TRC) made up of independent technical experts. It is convened by the EPA and overseen by a probity officer. The TRC will consider the applications against the assessment criteria outlined on page ten of this document and make recommendations to the EPA Chair and CEO for consideration and approval.

Funding Agreements

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

Funds will be released according to the terms and conditions of 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. Detailed milestone reports, including financial statements will also form part of the reporting obligations and timeframes for those milestones identified in the application. A final evaluation report, factsheet, and 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 according to all applicable laws. This includes meeting Work Health and Safety requirements.

Project duration

Successful applicants will be notified early in 2019.

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 \$20,000 and \$200,000 are available.

Competition for funding is expected to be strong. Applications will be assessed by Technical Review Committee the against the assessment criteria, which includes value for money. Projects that demonstrate good value for money are therefore more likely to be successful.

Applicants detail the budget within categories in the budget template form. A separate tab to explain the reasoning behind the proposed expenditure for each category is a new feature for this round. Applicants are advised to take the opportunity to clearly explain the rationale for the amount requested for each category. The more information provided to explain the requested funding, the better the Technical Review Committee can determine whether the proposal represents value for money.

Co-contribution

No direct funding co-contribution is needed for this grant. However, applicants should show 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 show extra value in the project from their own contributions, the higher the project will rank in the 'value for money' criterion.

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

The budget spreadsheet form allows applicants to provide details of extra 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 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 aim and objectives to help expand 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 encourage applicants to be creative with their projects. Applicants must demonstrate how the activity will meet the program objectives, listed on page three.

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 which are 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 make sure the project is on track. Updates will be by monthly phone, email or face to face meetings with the EPA's Organics Unit. Detailed reports will be required at the milestone stages as well as a final written report, a Fact Sheet and project photos.

You must agree to the reporting process by ticking the box at question 11 of the application form.

Successful applicants will also agree to:

- sign and return the EPA's grant agreement after receiving an offer of funding
- 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, according to 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 the EPA in writing for approval. If a funded activity is cancelled, the EPA must be notified in writing and unspent funds returned.

Accountability and reporting

All successful applicants will need to sign 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 final financial and project acquittal reports.

Project duration

Successful applicants are expected to be notified early in 2019.

Projects will need to be completed no later than January 2021.

The project activities must begin within three months from signing the Funding Agreement with the EPA. Delays in the project starting may result in the withdrawal of the grant funding. Final payments will not be made until the final reports have been accepted.

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 Technical Review Committee (TRC) against the assessment criteria set out in the following table.

The panel will assess the application against these criteria based on information included in the application and budget form. It is critical, therefore, that the application explains how these criteria will be met and explains the capacity of the organisation to deliver the project successfully.

The Application form will help applicants provide the type of information the panel needs to decide whether the project meets the assessment criteria. The EPA's Organics Unit is also available to help applicants. Please contact us on (02) 9995 6874 or (02) 9995 6895 for any assistance.

Questions in the Application form should be answered in full. The three assessment criteria are set out in the tables below.

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"> • Is there a clear project concept? Is it clearly explained? • Does the project meet the objectives of the grant? • What is the market? Why this market chosen? What is known about this market? What are the current issues/barriers to market penetration? • How behaviour change be measured? How will increased market uptake be measured? • How will the audience be communicated with? Why have these methods been chosen? • Have clear objectives been identified? How will achieving objectives be measured? 	<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 the project be managed? Who will deliver it? What skills/experience do they have to do that? • What communication activities will be delivered? Describe the organisation’s skills/experience to ensure effective and successful delivery. • How will project timelines and deliver on milestones be ensured? • Show clear understanding of the regulations, if applicable. What other compliance issues would need to be considered? • Consider the risks associated with this project and identify how they will be managed. 	<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, showing good value for money</p> <ul style="list-style-type: none"> • Is the budget detailed and well costed? Are the project costs realistic and value for money when compared to the desired outcomes of the project? • Are extra resources being obtained for the project? Detail contributions designed to add value? • Are other grants being applied for this project? • How will ongoing benefits beyond the funding stage be leveraged? 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 will be totaled 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 needed 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 invalidate or compromise the application. Any queries can be directed to the EPA Organics Unit on (02) 9995 6874 or (02) 9995 6895.

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% 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 project.

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

Application and submission process

The application consists of two documents:

1. Application form
2. Budget form

Any supporting documents can be sent with the application as attachments. All the documents must be sent by 4pm, Thursday 22 November 2018 by: emailing organics.grants@epa.nsw.gov.au with the subject line: 'Your organisation name: Round 3 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 extra material sent electronically with the application must be less than 10 MB. Large attachments may not be forwarded to the Technical Review Committee.

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 told by phone and/or email whether they are successful or not and given the opportunity to seek feedback.

Successful applicants

Successful applicants will need to send the following information before the project starts.

1. An invoice made out to the EPA for the first milestone payment.
2. The 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 to sign a Funding Agreement. If the grant agreement is not signed within this period, the offer of funding may lapse.

Project promotion and copyright

Successful applicants will need to liaise with the EPA regarding all media or other promotion of the project. They will also need 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 needs for commercial or personal confidentiality.

Successful applicants must not promote their receipt of 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.

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

Misleading or false information

Applications that knowingly give misleading or false information will not be considered for funding. If the EPA learns of any misleading or false information after a grant has been awarded, it can withdraw the funding. Any EPA funds spent on the project may be required to be repaid.