**2024-25** Grant Funding Guidelines

# Circular Business and Market Development Grants

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of South Australia

Green Industries SA

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# **Acknowledgement of Country**

Green Industries SA acknowledges and respects the Traditional Custodians whose ancestral lands we live and work upon, and pays respect to their Elders past, present and emerging.

We acknowledge and respect their deep spiritual connections, and the relationship that Aboriginal and Torres Strait Islander people have to Country.

We extend our respect to all Aboriginal and Torres Strait Islander peoples and their nations in South Australia, and across Australia.

# Submitting your application

All applications must:

- use the application form attached to these guidelines
- be submitted with a signed declaration
- be submitted with all supporting information (if any) and no more than 10MB
- be submitted electronically (Microsoft Word file or PDF) to <u>serena.yang@sa.gov.au</u> by **5pm Friday 31 January 2025**, with the subject heading 'Circular Business and Market Development Grant – application'.

#### **Further information**

Contact Manager, Policy and Evaluation Serena Yang on (08) 8429 8435 or at <u>serena.yang@sa.gov.au</u>.

# **About Green Industries SA**

Green Industries SA (GISA) is an enabler and driver of change, supporting the development of the circular economy through diverse collaborations which improve productivity, resilience, resource efficiency and the environment.

GISA works to transform how South Australians use and value resources, and the agency's objectives under the *Green Industries SA Act 2004* are to:

- promote waste management practices that, as far as possible, eliminate waste or its consignment to landfill
- promote innovation and business activity in the waste management, resource recovery and green industry sectors, recognising these areas present valuable opportunities to contribute to the state's economic growth.

Learn more about GISA

# South Australia's Waste Strategy

The Circular Business and Market Development Grant program supports implementation of South Australia's Waste Strategy 2020-2025.

South Australia's Waste Strategy 2020-25 is underpinned by the internationally recognised waste management hierarchy, which is a guiding principle of the *Green Industries SA Act 2004*. Its efforts focus on the highest levels of the hierarchy considering social, environmental and economic practicalities. A transition to a circular economy is also a priority and a guiding focus for the strategy.

The Circular Business and Market Development Grant program emphasises:

- the highest rungs of the waste management hierarchy avoid, reduce, reuse, and recycle – where unnecessary use of materials is avoided or reduced, materials are separated as close as possible to their point of generation, and safely used for their highest order purpose
- the principles of a circular economy reduced reliance on virgin materials by keeping materials circulating in the economy for as long as possible, at their highest value use, and thereby reducing waste and pollution, and harm to the environment.

# **Objectives of the Circular Business and Market Development Grant Program**

The Circular Business and Market Development Grant program aims to assist businesses, local authorities, industry groups, not-for-profit organisations, social enterprises and research institutions to accelerate transition to a more circular economy.

The objectives of the program are to:

- accelerate adoption of, and upscale circular design for, reuse and repair business models, solutions and practices that align with the circular economy principles of designing out waste, and reducing reliance on virgin materials by keeping the materials and products in use longer and at their highest value use
- increase duration of product and material lifecycles and value
- facilitate an ongoing increase in the quality, performance, market acceptance and demand for recycled content, refurbished, or repaired products
- create or expand market opportunities for circular business models, solutions and practices, or for recycled content, refurbished or repaired products
- improve the transparency (via traceability), quality and supply of waste feedstock for use in manufacturing recycled content products
- connect buyers with suppliers of circular economy-based solutions and practices, and recycled content, refurbished or repaired products.

The program encourages applications for circular business and market development projects that will contribute to achieving these objectives and provide economic, environmental and social benefits to South Australia.

# **Available funding**

The total annual budget allocated to the Circular Business and Market Development Grant program is outlined in <u>GISA's business plan</u>, and is subject to change.

Applications for up to \$100,000 (GST exclusive) per project are invited.

# **Co-contribution**

For for-profit, private sector business applicants, the program may contribute up to 50% of eligible project costs, and the applicant must at least match any funding awarded with their own funding. In-kind contributions from these businesses cannot be included in co-contribution calculations.

For industry associations, local government (councils), not-for-profit organisations, social enterprises and research institute applicants, the program may contribute up to 100% of eligible project costs. To receive more than a 50% contribution towards eligible project costs, the application must provide sufficient justification to demonstrate the need for a higher rate of funding. GISA will give consideration to the amount of "in-kind" contributions in these instances and may include it in calculations of applicant co-contribution.

# **Eligible applicants**

Applications will be accepted from:

- businesses
- local government
- industry associations
- not-for-profit organisations
- social enterprises
- research institutions.

That are seeking to:

- design, apply and scale-up innovative circular economy business models, solutions and practices
- produce, manufacture, sell or promote South Australian recycled content, refurbished or repaired products.

All applicants must be legally constituted entities.

Collaborative applications that demonstrate a strong partnership approach between industry associations, not-for-profit organisations, social enterprises, research institutions and/or representatives from targeted market segments or connecting relevant supply chain and end users are encouraged.

First Nations organisations are encouraged to apply, or partner with an eligible applicant for project delivery.

To be eligible for funding, the applicant must:

- implement a project whereby the primary focus and benefits are for, and remain within, South Australia
- be solvent and able to enter into a legally binding funding agreement with the South Australian Government
- hold a current Australian Business Number (ABN) and be registered for GST. Not-forprofit organisations must be registered with an appropriate Australian and/or state-based authority as a legal entity
- comply with all federal and state laws, regulations and any applicable Environment Protection Authority requirements
- have been operating for a minimum of 2 years and have operations in South Australia for the duration of the proposed project (that is, have an office or staff based in South Australia)
- ensure the project is focused on South Australia with more than 50% of project activities being undertaken in South Australia.

Applications from organisations that have been operating for less than 2 consecutive years may be considered if sufficient justification is provided to demonstrate continuity of business operations. This will be assessed on a case-by-case basis. Applications may be subject to additional information requests to undertake a risk assessment, and/or additional funding conditions may apply for organisations that have been operating for less than two consecutive year.

State and federal government entities are not eligible to apply.

Businesses that provide independent, specialist advisory services (consultants) are not eligible to apply for this grant funding<sup>1</sup>. A consultant with a project that aligns with the Circular Business and Market Development Grant guidelines will need to partner with an eligible business/organisation to apply for funding and should direct the partner business/organisation to contact GISA and apply.

Funds may be made available to previous recipients of a state government grant at the absolute discretion of GISA. In these cases, consideration will be given to previously funded projects and the level of satisfaction with associated project outputs and outcomes before deciding on any new funding application outcomes.

# **Eligible projects and activities**

Eligible activities must meet and contribute to the objectives of *South Australia's Waste Strategy 2020-2025* and provide a measurable economic, environmental and/or social benefit to South Australia.

Funds are not available retrospectively. The project activities must have not commenced prior to awarding of the funding and must have a clear implementation timeframe and project milestones.

Eligible projects must clearly demonstrate the need for government funding and support at least one of the 3 focus areas:

# Focus area 1: Circular economy business models, solutions and practices that prioritise circular design, waste avoidance and reduction, reuse, repair and repurposing

Identify, design, apply and/or scale-up innovative circular economy business models, solutions and practices.

This may include, but is not limited to:

- design-led changes to achieve circular outcomes
- implementation, trial, demonstration and scale up of circular economy business models, solutions and practices
- business case, feasibility studies, market research and analysis on achieving circular outcomes, including product stewardship schemes or extended producer responsibility support collaboration and capacity building activities, including training and development

#### Focus area 2: Refurbished/repaired and/or recycled content products

Validate and improve the transparency, quality and performance of local refurbished/repaired or recycled-content products.

This may include, but is not limited to:

- product quality testing with accredited testing organisations
- improve and/or develop product technical specifications and/or standards
- certification or accreditation processes linked to the product standards or specifications
- development of environmental declarations (such as EPDs) or ecolabels based on Australian (preferred)/international standards and independent verification

<sup>&</sup>lt;sup>1</sup> For eligible Circular Business and Market Development projects, the organisation that is the subject of the project (i.e. a client of a consultant) may apply for grant funding to cover the fees charged by the consultant.

- laboratory testing, field trials and demonstration for product mixes and/or performance etc that validate products, ensuring that they meet market requirements
- implementation of national framework for recycled-content traceability <sup>2</sup>
- support education, training and awareness raising activities.

#### Focus area 3: Market development

Develop new markets or expand existing markets for circular economy business models, solutions and practices, or refurbished/repaired or recycled-content products.

This may include, but is not limited to:

- communication and promotional activities that increase awareness and knowledge/understanding of its performance and benefits
- business case, market analysis, market development and implementation plans
- engagement activities that will connect suppliers with potential end markets
- development of circular procurement strategies, policies, targets, specifications, model practices, reporting and systems that encourages circular procurement models or increases and improve market demand for the use of refurbished/repaired and/or recycled-content products, including across supply chains
- market research identifying specific industry and/or market development barriers and opportunities for emerging and priority waste streams (as listed below).

# **Priority material streams**

Funding will prioritise projects that address the following material streams, noting that other material streams may also be considered at GISA's discretion:

- Plastics
- Textiles
- Food waste and organics
- E-waste
- Batteries (excluding used lead acid batteries)
- Tyres
- Emerging and/or other problematic waste materials (including solar PV panels, wind turbine blades and CCA treated timber)
- Paper and cardboard
- Glass
- Scrap metals

# What will not be funded

Funding will **not** be provided for:

- projects that are not consistent with the objectives of South Australia's Waste Strategy 2020-2025 or the Circular Business and Market Development Grants Program
- retrospective activities, that is, projects and project components that are completed prior to submitting a funding application, or are likely to commence prior to signing a funding agreement with Green Industries SA
- projects that have received full funding for the same activities from other sources

<sup>&</sup>lt;sup>2</sup> Australian Department of Climate Change, Energy and the Environment and Water, National Framework for Recycled-Content Traceability (2023), https://www.dcceew.gov.au/environment/protection/waste/recycled-content-traceability

- projects that focus on water and energy (these may be co-benefits)
- projects that do not clearly demonstrate a need for government support
- general organisational administration or operating costs, such as electricity, water and other utilities costs
- staff costs that are not directly related to project delivery
- travel expenses3
- capital purchases (such as infrastructure or equipment)
- equipment purchasing or leasing, unless it is for product testing and validation
- lease or purchase of land
- government permit, licensing and approval costs
- contingency costs
- standards testing for packaging, including alternatives to single-use plastics.

Applicants unsure about the eligibility of their projects are encouraged to contact Ms Serena Yang at Green Industries SA on (08) 8429 8435 or <u>serena.yang@sa.gov.au</u> to discuss the matter further.

# Assessment criteria

Eligible applications will be assessed against the criteria below.

#### Weighted criteria

Projects will be scored out of 100 points for each individual criterion (1, 2 and 3). An eligible project must score at least 50 points for each criterion to be considered for funding approval.

#### 1. Innovation and commercial solutions (25% weighting)

Demonstrates the degree of innovation in addressing market challenges or barriers and providing commercial solutions, why the innovation is better than other alternatives (if any), and how innovative the project is in leading the market.

#### 2. Market opportunity (25% weighting)

Demonstrates the target customer/market segments, how the project will address one or more identified market or systemic gaps and barriers, and explains the extent to which the project will lead to an increase in the value, size and/or diversity of markets (local, national or international).

#### 3. Environmental, Social and Economic benefits (30% weighting)

Demonstrates the extent to which the project will benefit South Australia's economy, environment and society. This can include increased local employment, increased circularity outcomes via waste avoidance and reduction, reuse/repairing/refurbishing, use of recycled content products, reduction in landfill disposal, increased duration of product/materials lifecycles and value, and greenhouse gas emissions reduction.

<sup>&</sup>lt;sup>3</sup> Travel costs billed to applicants by service providers engaged for project delivery may be covered at the absolute discretion of GISA. Applicants are encouraged to seek remote (online) facilitation from service providers based outside of South Australia whenever practical.

#### 4. Value for money (20% weighting)

Clearly demonstrates the need for government support, the extent that grant funding is leveraged with other funding, consideration of project costs and inputs compared to expected project outcomes (environmental, economic and social), and alignment to program objectives and government strategic priorities.

**Non-weighted criteria** – criterion 5, 6 and 7 must be assessed as sufficient for the application to be regarded as eligible for potential grant funding (also dependent upon meeting weighted criteria requirements).

#### 5. A clear and credible description of the proposed project activities

Applications must include a clear description of each major task to be performed, and demonstrate a clear link between project activities/tasks and the achievement of project goals/outcomes that align with the objectives of the Circular Business and Market Development Grant program.

#### 6. Capacity and capability to manage the project

Demonstrates applicant and project partners/sub-contractors (if applicable) capacity and capability to manage and deliver the project successfully. Consideration will be given to the level of commitment and experience (financial, organisational and industry support, and examples of experience undertaking similar projects), and the level of understanding and compliance with regulatory requirements (if applicable).

#### 7. Project risk management, measurement and evaluation

The main risks pertaining to the project must be clearly documented, along with appropriate mitigation measures. Key performance indicators (KPIs) along with their measurement, evaluation and data capture must also be clearly documented and relevant to project delivery.

The Evaluation Panel and Green Industries SA may consider other aspects of the application it regards as relevant, such as a focus on an industry need or alignment with program objectives and government strategic priorities. Applications that demonstrate potential benefits to an industry broader than the applicant or demonstrate strong strategic significance to South Australia will be considered favourably.

# Access to intellectual property

Applicants must be able to demonstrate they have access to any intellectual property necessary to carry out the project. It is expected that in most cases the successful applicant would assign Green Industries SA a non-exclusive, perpetual, royalty free licence to use any intellectual property created as part of the project.

#### Privacy and commercial-in-confidence considerations

All applications will be treated as commercial-in-confidence. Green Industries SA reserves the right to include third party evaluations as part of the assessment process and has the ultimate discretion in relation to publicity for successful applications. Applicants are not permitted to publicise their projects without the approval in the first instance of Green Industries SA.

#### Insurance

The applicant must hold and maintain Public Liability insurance and Professional Indemnity insurance (or equivalent) to the value of at least \$1 million per claim for the duration of the proposed project.

Applicants are encouraged to ensure all sub-contractor(s) or service provider(s) engaged for project delivery hold and maintain both Public Liability and Professional Indemnity insurance valued at a minimum of \$1 million per claim for the duration of the proposed project.

### **Application and assessment process**

- All applications must be delivered by email and will be acknowledged as 'received' via return email within 5 business days of the submission date. If an application is sent via email and not acknowledged withing that timeframe, please contact 08 8429 8435.
- Late applications will not be assessed without prior written extension granted by Green Industries SA. Green Industries SA has ultimate discretion in relation to management of late applications.
- Applications will be reviewed to confirm eligibility by Green Industries SA. Green Industries SA has ultimate discretion in eligibility assessment.
- All eligible applications will be assessed by an evaluation panel convened by Green Industries SA against program Assessment Criteria included in these guidelines. The evaluation panel will assess applications based on the information provided in the application form and supporting documentation provided by the applicant with their application. The evaluation panel may be comprised of Green Industries SA staff and/or external specialists.
- If required, additional written information and data may be requested from the applicant or others to assist with the assessment, including financial information if required. Failure to provide information requested by Green Industries SA in a timely manner may terminate the assessment process and the application may be deemed ineligible for funding.
- A site visit and/or interview with eligible applicants may also be required as part of the evaluation.

Green Industries SA may conduct due diligence checks on the project partners involved in project delivery. The applicant must ensure that project partners agree to cooperate with this requirement and provide information at Green Industries SA's request.

Green Industries SA reserves the right not to award funding to applicants where the due diligence risk (including that of project partners) is unsatisfactory or is not able to be effectively managed.

Green Industries SA has the ultimate discretion in relation to its funding decision and applicants should note that irrespective of eligibility and merit, there is no guarantee that an offer of funding will be made.

Should there be any changes to the applicant's entity (such as name, structure and type) during the assessment process, applicants should notify Green Industries SA of the changes immediately. Failure to notify Green Industries SA of the changes in a timely manner may terminate the assessment process and the application may be deemed ineligible for funding.

# Funding agreement

Successful applicants will be required to enter into a funding agreement with Green Industries SA. This agreement will set out the terms of the grant, conditions, payment schedules, project timing, key performance indicators, reporting and evaluation requirements and other matters.

A copy of a standard funding agreement can be provided on request.

The funding agreement must be signed within 30 days of receipt to guarantee the grant acceptance, or as otherwise negotiated and agreed by Green Industries SA.

# **Duration**

Grants may be provided for eligible project costs incurred for a period of 12 months from the date of execution of the funding agreement, or as otherwise negotiated and agreed by Green Industries SA.

# **Promotion and case studies**

The applicant is not permitted to publicise the project without gaining prior written approval from Green Industries SA. Green Industries SA has ultimate discretion about publicity of applications and projects and must be acknowledged in all media and promotional activities relating to successful projects.

All successful applicants must be willing to cooperate and participate in the development of case study or other public-facing materials based on funded projects (using information of a non-sensitive nature) if requested by Green Industries SA. Case study and other materials are usually made publicly available and may be used by successful applicants for their own promotional and/or educational purposes.

All successful applicants must, if requested, supply a high-resolution logo, and authorise its use on the Green Industries SA website and to be listed as a program participant. The value of grants will also be listed against the successful applicant's name on the GISA website, with a short description of the funded project.

# Reporting

Green Industries SA requires successful applicants to provide reporting on the project progress and outcomes. Details of reporting requirements will be specified in funding agreements and may vary on a case-by-case basis in accordance with project type and deliverables.