

Circular Economy Northern Territory Grant Program

Terms and Conditions

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1. Introduction

The **Circular Economy NT (CENT)** grant program is a Territory Government initiative to improve recycling outcomes in the Northern Territory ('Territory') by offering funding support to capital infrastructure projects that address critical gaps in the Territory's waste management and resource recovery system.

The \$1.5 million competitive grant program aims to attract private sector investment to develop transformational recycling infrastructure and strengthen the circular economy industry as a contributor to the Territory's vision to achieve a \$40 billion economy by 2030.

The competitive grant program offers funding support to businesses, local governments and waste management companies for large scale projects involving significant capital expenditure on;

- equipment
- technology
- processes to divert recyclable waste materials from landfill for re-use, recycling or remanufacturing to convert them into high-value products.

2. Background

In 2018, all Australian States and Territories developed the National Waste Policy based on circular economy principles to reduce waste, increase the use of waste as a resource, and minimise impact on the environment. This included a target of increasing the national recycling rate to 80%.

To meet the Territory's responsibilities under the National Waste Policy, NT Circular Economy Strategy 2022-27 was launched in April 2022 wherein the Territory Government committed to work in partnership with industry, local government and communities to address existing waste challenges and realise new economic opportunities.

Waste generated in the Territory is largely comprised of construction and demolition (C&D) waste (32%), commercial and industrial (C&I) waste (30%) and municipal solid waste (MSW) (38%).

The Territory's waste recycling rate is relatively low (19%) compared to national recycling rate (63%) and well below the 80% target. Limited waste management facilities and lack of commercial incentives to recycle or recover materials are considered as key reasons for low waste recycling in NT.

The grant program aims to address these challenges by providing funding support to projects that create or improve reuse, recycling or remanufacturing of one or more waste streams generated in the Territory.

The Department of Industry, Tourism and Trade ('DITT') is responsible to administer the **Circular Economy NT (CENT)** grant program.

3. Program objectives and outcomes

Objective

The **Circular Economy NT (CENT)** program aims to strengthen the circular economy sector in the Territory by offering funding support for the development of projects that address critical gaps in the Territory's waste diversion, recycling, reprocessing and remanufacturing capacity.

Outcome

The key outcome of the CENT program is the acceleration of projects that will facilitate greater resource recovery by:

- (a) increasing the capacity for domestic recycling and manufacturing of waste materials;
- (b) creating offtake markets for recycled materials - preferably in NT; and
- (c) increasing the supply of quality recycled materials available for re-use.

The objectives and outcomes will be achieved by investment in projects that add value to waste materials and retain them as resources, where possible within local economies. The projects will also support sustainable job creation, business growth and industry development, particularly in the regional and remote areas.

The CENT program is focused on:

- (a) attracting private sector investment in new infrastructure to address waste streams generated in the Territory including but not limited to the following waste streams:
 - **construction and demolition (C&D)**
 - **food organics and garden organics (FOGO)**
 - **commercial and industrial (C&I)**
 - **electronic waste (E-waste) including PV Solar panels**

Priority will be given to projects that target:

- 1) C&D waste; and
- 2) FOGO waste
- (b) improving recycling, remanufacturing and reuse of waste
- (c) facilitating waste avoidance, landfill diversion (including stockpile diversion / reduction), recycling and manufacturing activities
- (d) creating economic development opportunities and job development opportunities, particularly in regional areas
- (e) building a stronger onshore recycling and manufacturing industry by developing new domestic markets for recycled materials
- (f) addressing the Northern Territory's regional and remote waste challenges where possible.

Definitions

Eligible Project is described in Section 4.2.

Applicant means an eligible organisation applying for funding under the CENT;

Application means an application (or relevant part of an application) made under the CENT and includes the application form and any other supporting or additional information in whatever form provided by the applicant to the Department in connection with its application at any stage of the assessment process;

Auditable means able to be audited. In this document it refers to project costs to be maintained in a format that allows an auditor to examine records or financial accounts to check their accuracy.

Eligible organisation means an entity that satisfies the following criteria:

- (a) is an incorporated legal entity. Entities may be for profit or not-for-profit.; and
- (b) holds a valid Australian Business Number and has been operating under that ABN for at least one year at date of application submission; and
- (c) can evidence that it has the financial capacity* and the authority to commit co-funding of at least 50% of the total eligible project costs ; and
- (d) has a history of compliance** with all legislative requirements including but not limited to environmental compliance, its governing legislation, and is fully compliant with all relevant laws as at date of application submission.

Examples of entities that may be eligible organisations are,, companies, incorporated Associations, local government councils and aboriginal organisations noting that they must meet all the criteria outlined above.

**Financial capacity- evidence that confirms project proponent's financial capability must be submitted with the application. Examples of acceptable evidence can be found in the application form.*

***Compliance – Environmental compliance will be checked through NT EPA (NT Environment Protection Authority)*

Excluded organisations are public and private educational institutions, government agencies, statutory corporations and government owned or controlled bodies that are not local government councils.

CENT means the Circular Economy NT grant program;

Panel means the grant assessment panel appointed for the purpose of assessing applications.

Terms and conditions refers to these CENT grant program terms and conditions, as amended from time to time;

The Department means Department of Industry, Tourism and Trade (responsible to administer CENT on behalf of the Northern Territory Government).

Website means www.nt.gov.au/CENT

4. Applicant and Project Eligibility

4.1 Organisation eligibility

Only an eligible organisation or a consortium of eligible organisations may apply.

Where the application is made up of two or more organisations, one eligible organisation must be the lead applicant, and if the application is successful the funding agreement shall be made between the Department and the lead applicant only.

4.2 Eligible Projects

CENT is focused on attracting private sector investment into new infrastructure for projects that address the program outcomes listed above (section 3).

Projects likely to receive favourable consideration will facilitate waste avoidance and landfill diversion (including stockpile diversion/reduction) through recycling activities.

Projects should create economic development opportunities and build a stronger onshore recycling industry through developing new domestic markets for recycled materials or new products made from recycled materials.

A proposed project **must** meet **all** of the following criteria:

- The main recycling infrastructure and operations is to be located wholly in the Territory and must continue to be operated in the Territory for a period of at least five (5) years from the date on which it becomes operational.
- Develops a solution that deals with waste materials generated in the Territory that are currently being landfilled or recovered to low value outlets
- Increases the capacity for domestic recycling, reuse and/or remanufacturing of materials
- Delivers new or improved resource recovery, recycling and remanufacturing infrastructure
- Demonstrates a long term return (minimum 5 years) on investment to the Territory in improving recycling, reprocessing and/or remanufacturing
- Be completed and operational by 30 June 2025.

The following proposed projects **will not** be considered:

- Energy-from-waste projects
- Landfill projects - construction of new landfills or landfill cells, improvement of existing landfills, new landfill equipment, capping of landfills or rehabilitation of legacy landfills
- Projects which result in wastes stored for greater than 2 years without an end-use
- Projects that have already commenced or are planned to commence regardless of financial support from government, for example:
 - your organisation is already contracted to provide the resource recovery infrastructure or service that is proposed, or to supply the recovered resources that are proposed to be produced by the project
 - funding has been approved and committed to the project regardless of the financial incentive offered under the CENT

- construction has commenced or contracts have been executed for supply / construction of the facility
- Projects not directly resulting in new infrastructure investment, for example education and behaviour change programs, market development, strategy development, and feasibility studies
- Projects that have received Territory Government funding or support for the same activities from other sources
- Requests for retrospective funding, where the project has commenced / committed to or been completed before signing a funding agreement

4.3 Eligible project costs

The applicant is encouraged to demonstrate that local suppliers and contractors will be engaged in accordance with the **Buy Local Plan** of the Territory Government. Where significant expenditure outside of the Territory is required and unavoidable (e.g. purchase of specialised equipment not available in the Territory), this should be identified and explained in the application. It is mandatory to seek confirmation from Industry Capability Network, Northern Territory (ICN NT) for interstate or international procurement and the confirmation must be uploaded as part of the application.

Eligible project costs must be in auditable form and must be capital costs for project specific investments such as for new, upgraded or expanded resource recovery facilities, large-scale technologies or for the purchase and installation of fixed plant and equipment required to fully commission new infrastructure.

The following items **will not be funded** and should be excluded from the estimate of eligible project costs for co-funding:

- Project development costs such as options analyses, feasibility studies, application development and due diligence
- Legal costs
- Any expenditure incurred prior to the project commencement date
- Development approvals and environmental licence application costs, including any impact assessment studies that may be required
- Compliance with regulation and licence conditions costs
- Civil works outside the direct project site such as road and drainage upgrades
- Site acquisition costs such as purchase or lease costs and any site rehabilitation costs
- Foregone profits or revenues due to the need to undertake modifications or upgrades to existing facilities for the project
- Leased equipment
- Operations and maintenance costs, including working capital
- Legal and financing costs and costs related to making, monitoring and administering the grant application (including for consultants)
- Existing plant and equipment which may be utilised in the new project
- Costs associated with general business operations such as rent, salaries and wages, leases and overheads and other operating costs like rent, electricity, water and other utilities or maintenance works.

- Operational project costs such as travel (including for professional consultants), marketing, promotion and advertising, education and information campaigns and internal staff costs
- Contingency allowances (it is considered prudent for these to be included in the total project budget)
- Lease or purchase of land and costs of acquisition of property, people or assets from related entities
- Purchase of motorised vehicles (for example, front-end loaders, forklifts)

5. Funding arrangements for successful projects

The funding available to eligible organisations to undertake the approved projects under CENT will be on a 1:1 co-contribution basis with minimum funding amount of \$50,000 (excluding GST).

The CENT will reimburse up to a maximum of 50 percent of actual expenditure on eligible project costs.

Applicants must be able to self-fund the balance of eligible project costs not funded by the CENT and all ineligible project costs required to complete the project in its entirety.

The applicant's co-contribution may be obtained from internal funds as well as any funding sources (including bank or internal sources of finance).

Applicants are required to provide a project budget identifying all project costs by line item. **All eligible and ineligible project costs should be included.** The project budget must include sufficient detail to show:

- that each item included as an eligible project cost meets the CENT criteria as eligible
- the eligible and ineligible costs incurred for each deliverable
- the total costs for the overall project, including forecast operational costs for five (5) years following commencement of the operation.

Applications must be supported by written evidence, such as supplier quotations, (no older than three months) to verify and confirm projected project costs.

Applications will be assessed by the Panel against the criteria set out in Section 7 of these terms and conditions. If an application is successful, the applicant will receive a written offer from the Department that will be on the standard NT Government Capital Grant General Terms and conditions available at [insert website] and include any special conditions required by the Department. All funding payments will link to completion of milestones set out in the funding agreement.

Applicants should note that funding agreements will contain a requirement that the funded project remain operational in the Northern Territory for a period of at least five years following completion of construction, including a requirement that all funded fixtures, fittings, equipment and vehicles (if relevant) remain located in the Northern Territory.

Applicants must nominate their required payment milestones and timeline noting the following:

- a) Project payment milestones and timing will be ultimately determined by the Department under the funding agreement.
- b) An initial milestone payment of up to 10 per cent payment of the total approved grant amount may be requested prior to the funding agreement being executed and will be subject to preconditions as determined by the Department.

c) Funding will then be provided in instalments and paid in arrears upon verified, successful and timely completion of agreed project deliverables and evidence of expenditure.

Eligible organisations that are funded will be required to provide progress reports to the Department to demonstrate that the project is being delivered on schedule and within budget. A completion report including financial acquittal will be required within 60 days of project completion. Annual project reports shall be provided to the Department up to five years following the conclusion of the Funding Agreement to ensure compliance with the requirement to remain operational for a period of at least five years following completion of the project.

The Department reserves the right to undertake an audit of the project to monitor progress and / or appoint an independent advisor to undertake an audit of approved projects at any time during the term of the funding agreement.

6. Application and panel assessment process

Applications must be made by completing the application process set out on the website. Applications will open on Monday 25 October 2023 at 10:00am (ACST) and close on Monday 15 January 2024 at 5:00pm (ACST). Late submissions will be excluded from the first round of assessments, however additional assessment round/s may be offered if the grant funding pool is not completely committed from assessment of first round applications. Any information in that regard will be published on the website.

There is a two stage assessment process:

Stage 1 Applications undergo an initial due diligence process (determination of eligibility of both organisation and project). Applicants will be notified if their application will proceed to Stage 2.

Stage 2 Applications deemed eligible in Stage 1 will be referred to the Panel for competitive assessment using the criteria set out in Section 7.

Once applications have been assessed by the Panel (Stage 2), recommendation/s will be made by the Panel to the Department and reviewed by the CEO, after which a decision will be made by the Department. Projects may be made public by the Department.

The decision conveyed to the applicant is final and binding at every Stage and no further discussions will be entered into.

All projects must be completed and operational by 30 June 2025.

The Department reserves the right to offer grant funding in a different amount to that requested and upon such terms and conditions of the funding agreement that it determines in its absolute discretion.

7. Assessment Criteria

Proposals will be assessed by the Panel against the following criteria at the assessment stage. The information required to respond to each criteria will be included in the application form.

Criterion #	Criteria	Weighting
1	Increase in processing capacity and use of one or more waste materials including: <ul style="list-style-type: none">increasing the value of new products produced from the processed or remanufactured wastedevelopment of waste industry supply chain and secondary markets	30%

	<ul style="list-style-type: none"> • access to offtake markets similarly demonstrated through Heads of Agreement, Letters of Support, Memorandums of Understanding or similar 	
2	<p>Benefits of project in creating a circular economy and supporting the NT Circular Economy Strategy 2022-27 including:</p> <ul style="list-style-type: none"> • acceleration of private sector investment • demonstrated long-term sustainability of the new operation • the contribution to transitioning the NT towards a circular economy. 	25%
3	<p>Capability, capacity and resources and experience to deliver the project including:</p> <ul style="list-style-type: none"> • corporate and financial stability of applicant and satisfactory history of good governance • access to feedstocks demonstrated through Heads of Agreement, Letters of Support, Memorandum of Understanding or similar • access to secure and confirmed financial resources to deliver the project • ability to secure all necessary planning and environmental approvals and other licences / permits as required within a reasonable timeframe • demonstrated experience and capability in delivering similar projects • comprehensive project plan • well considered risk identification and management plan • demonstrating regulatory compliance • demonstrated recording and reporting systems to measure outcomes 	25%
4	<p>Benefits to the NT economy including Value for money, employment and small business including:</p> <p>Value for money</p> <ul style="list-style-type: none"> • Government investment per tonne of waste diverted • amount of private sector investment compared to government investment <p>Local employment and support to small businesses</p> <ul style="list-style-type: none"> • local benefits particularly local employment in the project location or regional and remote areas • support offered to small businesses • consideration of community and broader social impacts • community perception of project and organisation 	20%

8. Advice and support

For enquiries about these Terms and conditions, please contact the Department of Industry, Tourism and Trade (DITT) by email at CENT.DITT@nt.gov.au

For any concerns about the assessment process undertaken by the Panel at Stage 2, please contact CENT.DITT@nt.gov.au in the first instance.

The Northern Territory Government is committed to the highest standards of probity in the assessment of applications of grants in a competitive environment and the Department will conduct an internal review where concerns are raised. If an applicant is aggrieved once that review has been undertaken it may contact the Ombudsman at <https://www.ombudsman.nt.gov.au>

9. Confidentiality

The Department will maintain controls in relation to the management of confidential information provided by applicants and all internal documentation produced in relation to the administration of the CENT.

Eligible organisations must keep confidential any dealings with the Department about their application, including any funding offered, but may make disclosures to advisors who are under an obligation of confidentiality or if required by law.

The Northern Territory Government reserves the right to publicly disclose the names of applicants, information about funding granted and details about the anticipated economic outcomes and benefits of projects to the Territory.

The Northern Territory Government shall disclose all information on the project including confidential information provided by applicants:

- if required to be disclosed by law;
- to its advisors, consultants and contractors.
- to any government agency and to Parliament and any Minister of the Parliament of the Northern Territory.

10. Relationship

The Department's obligations regarding the application process are limited to those expressly stated in these guidelines.

No contractual or other legal relationship exists between the Department and an applicant in connection with the CENT, these guidelines or the application process. No legally binding agreement will be formed between the parties until a funding agreement is executed by both parties.

An applicant must not, in relation to the Department:

- a) hold itself out or engage in any conduct or make any representation which may suggest to any person that the applicant is for any purpose an employee, agent, partner or engaged in a joint venture; or
- b) represent to any person the named entities that are a party to or involved in the proposed project (other than as a potential funder, subject to the application process and confidentiality obligations detailed in these guidelines).

11. Participation at applicant's cost

Each applicant participates in the CENT at its own cost and risk.

To the extent permitted by law, no applicant will have any claim of any kind whatsoever against the Department (whether in contract, tort (including negligence), equity, under statute or otherwise) arising from or in connection with:

- a) any costs, expenses, losses or liabilities suffered or incurred by the applicant in preparing and submitting its application (including any amendments, requests for further information by the Department attendance at meetings or involvement in discussions) or otherwise in connection with the CENT;
- b) the Department, at any time exercising or failing to exercise, in its absolute discretion, any rights it has under or in connection with the CENT; or
- c) any of the matters or things relevant to its application or the CENT in respect of which the applicant must satisfy itself, including under these guidelines.

Without limiting the foregoing, if the Department cancels or varies the CENT at any time or does not select any applicant following its assessment of the applications, or does (or fails to do) any other thing referred to under these terms and conditions, no applicant will have any claim against the Department arising from or in connection with any costs, expenses, losses or liabilities incurred by the applicant in preparing and submitting its application or otherwise in connection with or in relation (whether directly or indirectly) to the CENT.

12. Intellectual property

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful third party 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 and where a third party or parties hold any intellectual property rights in any part of an application the applicant warrants to the Department that it is authorised by that third party to use and disclose that intellectual property for the purposes of the making of and the management of the application until such time as a funding agreement is executed.

The applicant grants to the Department (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 CENT. The funding agreement will contain specific provisions about intellectual property.

13. Privacy

All participants acknowledge that the Department will, in addition to anything specifically referred to in these Terms and Conditions, conduct such due diligence enquiries as it sees fit throughout the participation process and through the term of any agreement, in order to ensure the integrity of the CENT and that the allocated funding is to be used strictly for the purpose stated in the application/agreement. Such enquiries may include (but are not necessarily limited to) company, association and business name searches on a Business, title and other searches for the Premises, searches of the courts and/ or the Trustee in Bankruptcy, credit checks, and enquiries of private businesses or institutions as the Department sees fit, together with any enquiries as to matters contained in its application.

All Participants must be solvent at the time of participating in the CENT and must have no reason to believe that they may become insolvent during the period of their participation in the CENT. If a Participant has an external administrator or liquidator appointed or the Department receives other

evidence of insolvency then the Department may (but is not obliged to) terminate participation by the insolvent entity (acting reasonably having regard to the circumstances).

All Participants in the CENT acknowledge and accept that the Department will seek from, and share, information with other Northern Territory Government agencies, as well as such external professional advisers as it may need to do in order to assess eligibility, such as conveyancers/ solicitors.

Personal information may be collected as part of the application process and will be used to assess your eligibility for the CENT, including conducting due diligence, and if approved, subsequent CENT management and administration.

The Department has a legal obligation under the *Information Act 2002 (NT)* not to disclose personal information other than for the primary purpose for which it was collected, unless otherwise agreed to or authorised by law.

The Department will handle your personal information in accordance with its [Privacy Policy](#) which outlines how you can access or seek to correct your personal information, or lodge a complaint about a breach of the Northern Territory's Privacy Principles.

In addition to the Privacy Laws, the Department is subject to, and may do anything in connection with the CENT that may be required for compliance with the *Public Interest Disclosure Act 2008 (NT)* or the *Independent Commissioner against Corruption Act 2017 (NT)*.

The Department reserves the right to conduct an audit of a Participant (including inspecting records of expenditure of funding or attending at a Participant's place of business to inspect progress through all stages of the CENT) at any time during the period of participation or within 12 months after the conclusion of the Applicant's participation in the CENT or the expiry or termination of a funding agreement, at its discretion.

14. Compliance with Laws

By applying to participate and as a continuing obligation throughout any period of participation in the CENT, all Participants must comply with all laws relevant to their participation in the CENT including, without limitation, the *Independent Commissioner Against Corruption Act 2017*.

Participants warrant to the Department that they have read, understood and fully accept CENT terms and conditions and fully release and indemnify the Department against any loss or damage he / she / it / they may suffer of any nature whatsoever (including without limitation personal injury or death) caused or contributed to by their participation in the CENT.

15. Program duration and changes

The program will end when the allocated funding is fully committed. Timelines applicable to each Stage will be published.

The Department reserves the right to:

- vary these CENT Terms and Conditions, the eligibility requirements or any other documented rule, procedure or information relating to the CENT at any time without notice, whether retrospectively or otherwise;
- accept or reject any application for participation in any stage of the CENT in its absolute discretion;
- cease the CENT at any time should Territory Government policy change or the budget allocation for the CENT be re-prioritised or reduced.