Resources Centre of Excellence

The Queensland Circular Economy (Industry-Research) Program

Grant Guidelines

21 March 2024 (v8)

ACKNOWLEDGEMENT OF COUNTRY

The Resources Centre of Excellence acknowledges the first and continuing custodians of the countries and the grounds upon which we collectively work, create, live and dream.

We recognise the unique and enduring relationship that exists between Indigenous Peoples and their traditional territories, and welcome their deep understanding of natural balance and 60,000 year history of circular wisdom. An understanding of interconnectedness and continual regeneration has long informed Indigenous cultures, and the opportunity exists for all organisations to benefit from an Indigenous understanding of living systems, the passing down of knowledge through communities and the key elements of circular economy practice.

We pay respect to the elders past and present of the Yuwibara, Koinmerburra, Barada Barna, Wiri, Ngaro, Gia and Juru peoples, and extend that respect to all First Nations peoples and their elders past and present.



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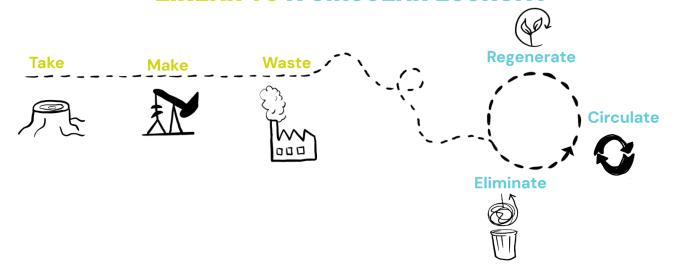
1. Overview of the Grant

The Queensland Circular Economy (Industry-Research) Innovation Grant (the Grant) aims to bolster industry-driven research and innovation to facilitate the shift from the conventional linear take-make-waste model towards a less wasteful circular economy approach.

Circular economy focuses on three core principles¹, driven by design:

- 1. **Eliminate** waste and pollution
- 2. Circulate products and materials at their highest value (for as long as possible); and
- 3. **Regenerate** natural systems

WE'RE TRANSITIONING FROM A LINEAR TO A CIRCULAR ECONOMY



Funding opportunities:

- Grants of up to \$50,000 (excluding GST) for an industry-driven research and innovation project to achieve a more sustainable and less wasteful circular economy model
- Inclusive of a minimum co-contribution of 20% of the amount of Grant requested (cash or in-kind)
- Entities with an ABN based in Greater Whitsunday Region

¹ The Ellen MacArthur Foundation



Proposals must be presented in the specified format before the deadline of 3pm AEST on 6 June 2024. Submissions after this deadline will not be considered, except under special circumstances. Each application will undergo a thorough and competitive evaluation process based on assessment criteria.

2. About the Grant

Background

In 2022, all Australian environment ministers agreed to work with the private sector to design out waste and pollution, keep materials in use, and foster markets to achieve a circular economy by 2030.

The circular economy is a bigger concept than simply switching one material for another or recycling better – it's about creating interconnected solutions to meet interconnected challenges such as climate change, biodiversity loss, waste, and pollution.

The RCOE works to connect the brightest minds in research, technology, education, mining and industry, and sees the circular economy as essential for building a resilient future, particularly in key Greater Whitsunday sectors of tourism, agriculture/aquaculture and mining.

Funds for these Grants have been provided by the Department of Environment, Science, and Innovation (DESI) to support industry and research collaborations and innovation for circular economy outcomes; and to assist Queensland in its journey towards becoming a zero-waste society, in line with the Queensland Waste and Resource Recovery Strategy.

Funding available

Grants of up to \$50,000 (excluding GST) plus dedicated circular economy mentoring and networking will be offered to successful applicants who have developed an innovative solution where waste is designed out of the regional economy. For example, an innovative process, technologies and/or application of a circular economy business model that addresses a business or regional problem.

Successful candidates will be required to progress their projects towards prototyping, piloting, trialling, pre-commercialisation or commercialisation within a 9-month period.

At the culmination of this 9-month period, participating projects will be showcased in a pitch event, presenting their innovations to key stakeholders and community.



2.1 Fund Objectives

The primary objective of the Queensland Circular Economy (Industry-Research) Innovation Grant Program is to stimulate and foster industry, government, research sector and other stakeholder connections, and facilitate collaborations to develop innovative solutions (processes, technologies, and business models) where waste is designed out of regional economies and materials are circulated at their highest value. Specifically it aims to:

- address pressing circular economy challenges in the Greater Whitsunday Region through focuses on three core principles², driven by design:
 - 1. Eliminate waste and pollution
 - Circulate products and materials at their highest value (for as long as possible);
 - 3. Regenerate natural systems
- promote collaborative efforts among industry professionals, academic researchers, key stakeholders, and the community to devise actionable and tailored regional solutions.
- advance the transition of circular economy projects from exploratory research or conceptual stages to applied stages.

Materials which are retained at their highest values possible, should be staying as high up the "R Ladder" as possible. There are two types of materials in the world; biological materials (like food, cotton, and wood), and technical materials (hard durables like steel, cement, and plastic). Each material type has different characteristics, and thus different management techniques. That is why there are two R ladders, one for each type of material.

Technical and Biological Materials "R Ladders"

TECHNICAL	BIOLOGICAL
Definition: Technical materials are hard durables manufactured by humans, such as concrete, plastic, aluminium, and steel.	Definition: Biological materials are materials derived from, or produced by, biological organisms like plants, animals, bacteria, fungi and other life forms. Biological materials include things like cardboard and other biodegradable packaging, timber, food, and office supplies.

² The Ellen MacArthur Foundation



Circular management approach: All flows should follow the technical R's below and be directed to restore nature, foster social equity and catalyse circular business models.

Circular management approach: Biological materials should be treated like nutrients for ecosystems, so that they can continue their ability to replenish and grow more renewable resources. Biological material management should follow the biological R's seen below.

R-ladder for technical materials:

R1. Refuse: Prevent raw material use

R2. Reduce: Decrease raw material use

R3. Renew: Redesign product in view of circularity

R4. Reuse: Use product again

R5. Repair: Maintain and repair product

R6. Refurbish: Revive product

R7. Remanufacture: Make new product from second

R8. Repurpose: Reuse product but with other

R9. Recycle: Salvage material streams with highest possible value

R10. Recover: Incinerate waste with energy recovery

R-ladder for biological materials:

R1: the optimal use of natural resources (e.g. soil, water and biodiversity). Another possibility is that of producing products that will replace those with a large environmental impact

R2: reduction in food waste

R5: the reuse of residual flows of food, feed, materials and fertiliser/compost.

R5.1 – Residual flow used in food products and animal feed

R5.2 – Residual flow used as a resource in industry

R5.3 - Residual flow used as fertiliser and compost

R6: the use of residual flows to generate energy.

3. Applying for the Grant

3.1 Who should apply?

Lead applicants

- You are an innovator, inventor, or change-maker whether you are part of an existing business, a start-up venture, a sole-trader, or a university researcher.
- You are targeting a specific and significant problem in the Greater Whitsunday region
- You have identified a circular economy concept or idea that you are passionate about and are ready to develop, test, and/or validate with collaborators.
- You are based in Greater Whitsunday Region (as defined the local government areas of Mackay, Isaac, and Whitsunday)
- You possess an Australian Business Number (ABN).



Organisations and their related entities are limited to one application per funding round. This provision is designed to ensure a fair and equitable distribution of resources and opportunities amongst potential applicants.

3.2 Innovation

The program is designed to spur **new** processes, business models, or technologies that can help catalyse a circular economy in the Greater Whitsunday region. This does not include funding projects that are continuations of existing circular activities without significant innovation.

3.3 Partnerships and collaborations

Successful circular economy initiatives often hinge on the strength of collaboration. Applicants wishing to maximise the effectiveness of their initiatives under the Queensland Circular Economy (Industry-Research) Innovation Grants must forge alliances with other stakeholders to deliver their projects.

- At least one collaborative partnership is required per project.
- Collaborators may include entities from varied sectors like industry, academic, government, First Nations collaborators, non-profit organisations, social enterprises, and more.
- Applicants must detail the roles and commitments of their Project Partners and
 Project Participants; elucidating how each collaborator contributes to the goals of the
 project. Support letters from these collaborators should be uploaded as part of the
 grant application.

By conveying a clear and strategic partnership structure, applicants will not only bolster their proposals but also enhance the prospects for sustainable success and regional economic growth.

3.4 Co-contributions

Co-contributions are a mandatory facet of the funding structure designed to amplify the invested efforts and commitments towards the robustness of the projects.

For every \$5 provided by the Grant, at least \$1 must be contributed by the Lead
Applicant or other involved parties, which can include Project Partners or Project
Participants. This equates to a contribution of an amount equalling at least 20% of
the Grant sum. This can be direct financial investment or in-kind contributions.



- Lead Applicants are responsible for clearly specifying both the nature and the value of any financial or in-kind contributions (this can be up to 100% of the co-contribution amount required). They must delineate how these contributions will directly aid the project's aims.
- In-kind support may encompass:
 - The allocation of staff time for project management and implementation tasks that utilise the Lead Applicant's existing internal resources.
 - Contributions made by volunteers, independent from the organisation's paid employees, dedicated to project-related activities.
 - Donations, subsidised, or discounted goods or services that are relevant to the project.

It is crucial to note that in-kind contributions do not cover operating expenses unrelated to the project's delivery or 'opportunity costs' such as staff downtime.

While there is no obligation for financial co-contributions, Applicants are urged to explore additional funding sources to bolster the scope and longevity of their projects.

3.5 What will be funded

Funding <u>CAN</u> be used to cover costs directly related to the project including:

- Projects that fit within the Queensland Waste Management and Resource Recovery
 Strategy's definition of the circular economy where: products and materials keep
 circulating within the economy at their highest value for as long as possible, through
 reuse, recycling, remanufacturing, delivering products as services, and sharing. Also
 included are initiatives which address avoiding the waste of products and materials.
- Projects that demonstrate collaboration and innovation to catalyse a circular economy
- Developing proof of concept, prototyping, and/or trialling activities
- Pre-commercialisation and commercialisation of project outputs
- Information sharing and communications related to the project.

Please note that this list is not exhaustive, and other expenses may be considered on a case-by-case basis at the discretion of the panel assessing applications. It is crucial to carefully review the eligibility criteria and plan how expenditure will contribute to the project's objectives and goals.



3.6 What will be not be funded

Funding from the Grant <u>CANNOT</u> be used for:

- Waste to energy projects
- Waste to biochar projects, unless there is a natural regeneration component
- Projects focussing solely on water or energy efficiency or waste minimisation (though these can be outcomes resulting from the broader project to circulate products at their highest value for as long as possible, and/or to reduce or avoid waste to landfill through design or innovation).
- Projects that are executed by a single entity
- Projects that are continuations of existing circular projects or businesses without a significant innovation. The program is designed to spur new processes, business models, or technologies that can catalyse a circular economy in the Greater Whitsunday region.
- Flights, accommodation, conference, and other travel expenses
- Capital works and/or physical infrastructure including any buildings, vehicles, telecommunications, and IT networks
- Venue hire
- Costs associated with securing and/or managing the Grant funding (eg Grant writers and bookkeeping costs)
- General business operating costs including but not limited to rent, rates, electricity, water, internet, insurance, software and accounting fees
- Business case development or feasibility studies
- FDA/TGA or other regulatory approval costs
- Costs associated with employee allowances, bonuses and fringe benefits
- Entertainment costs
- Ongoing compliance fees and licences
- Inventory and warehousing costs
- Wages or salaries for existing staff (although these can be in-kind contributions to the project)
- Project outcomes that are not directly attributable to this Grant funding
- Requests for retrospective funding, where projects are completed or have commenced prior to signing a funding agreement with the RCOE
- Purchase of vehicles (e.g. front-end loaders, fork lifts)
- Pre-construction (site preparation) such as site clearing, earthworks or site accessibility works.



- Litter or illegal dumping projects that solely focus on clean up and/or enforcement activities - it is expected that the focus of litter/illegal dumping projects is on litter prevention
- Infrastructure or assets owned and serviced by any entity that manages public land (e.g. local government, government organisation or business)
- Projects that are being undertaken in order to comply with regulation or a regulatory notice or order
- Projects that don't meet regulatory or planning requirements
- Projects that do not clearly demonstrate a need for government support
- Projects that do not demonstrate good value for money
- Purchase of land
- Routine or cyclical maintenance works
- Repair of facilities damaged by vandalism, fire or other natural disasters where the damage should be covered by insurance

3.7 How to apply?

Submitting applications:

- 1. Ensure your organisation is eligible to apply (see Section 4.1 on eligibility criteria)
- 2. Ensure your project meets the assessment criteria (see Section 4.3 Assessment Criteria)
- 3. Complete and Submit the Industry-Research Innovation Grant application using the instructions at https://www.rcoe.com.au/circular-economy-grant by 3pm 6 June 2024.

Post-application:

- You cannot make any changes to your application after it has been submitted.
- You will receive a confirmation message when the application is submitted.
- If you experience difficulties submitting your online application, contact the RCOE at events@rcoe.com.au prior to the deadline.



4. Assessment

4.1 Eligibility criteria

- Applicants must lodge their application in the required format by the closing date –
 3pm AEST Thursday 6 June 2024
- Have a current Australian Business Number (ABN)
- Deliver the project within the Greater Whitsunday Region
- Meet the requirements set out in Section 3 including innovation, partnerships & collaboration, and co-contribution requirements
- Not commence the project defined in the Grant application before signing the funding agreement
- Deliver tangible outcomes within 9 months of signing the funding agreement with a report on the project delivered to RCOE by 18 April, 2025.

4.2 Assessment criteria

The following assessment criteria will be used to evaluate the applications for the Grants.

What? (Weighting 45%)

Describe what you are going to do and how your project meets the Grant objectives and requirements:

- What is your proposed project and what specific regional circular economy challenge does your project address?
- What is the innovation in process, technology, or business model to solve the
 identified problem? (This could be the redesign of an existing product, service or
 process, or develop a new product, service, or process, that applies circular economy
 principles; and show that the innovation could be scalable)
- Describe how your proposal would introduce a **new** process, technology or business model that can help catalyse a circular economy in the Greater Whitsunday Region.
 [Note: funding does not extend to projects that are continuations of existing circular activities without significant innovation].



- What principles of the circular economy will your project incorporate? (Preference will be given to applicants addressing more than one principle of the circular economy)
- What are the measurable outcomes and objectives that will define a successful project (environmental, social, and economic)?

Who? (Weighting 25%)

Describe who will be leading, collaborating or participating on the project, demonstrate capability:

- Who is the lead applicant, and how are they positioned to deliver the project as a whole, including capability (skills and experience) and capacity (resources)?
- Who are the collaborators in this project, and what roles will they play within the
 industry-research collaboration? Provide evidence of their support for this project and
 willingness to be part of the project (e.g. a Memorandum of Understanding, letter of
 support or other agreement) by uploading with application.
- What are each of the participants' core capabilities required for this project; their level of commitment, and any financial or in-kind contributions?

How? (Weighting 30%)

Demonstrate how the project will be delivered and meet the project objectives, including:

- How will the project be delivered? (Please include the key stages and activities of the project and upload a project plan with budget).
- How will the project be monitored and evaluated?
- How will circular economy principles be incorporated into the project?
- How will the collaboration between entities be structured and managed?
- How will progress and success be measured and communicated to stakeholders?

4.3 Assessment Panel

The Assessment Panel will consist of 4-6 members drawn from industry, research, circular economy experts, and government.



5. Key dates

Information session: Wednesday, 20 March 2024, 11:30am - Recordings here

Applications open: Wednesday, 3 April 2024, 12pm

Applications close: Thursday, 6 June 2024, 3pm

Notification of outcome to applicants: Thursday, 4 July 2024

Funding agreements established: From mid-July 2024

Projects commenced: Upon signing the funding agreement with the RCOE

Project completed and report submitted: 18 April 2025 (approx 9 months)

6. Post-Grant requirements and description of benefits to Grant recipients

6.1 Benefits

- Up to \$50,000 in Grant funding
- Mentoring (equivalent to 3 hours of meetings) with circular economy specialists Coreo and local industry network specialists at the RCOE
- Network and access to events with industry and government
- Visibility and promotion of initiative

6.2 Requirements of successful grant applicants

Within 14 days of the grant success notification:

- Sign the RCOE funding agreement
- Agree to realistic evidence-based and performance-based milestone payments
- Provide insurance certificates of currency to the RCOE (this does not have to be in place in order to make the application)



• Provide a project plan

During the project:

- Comply with the funding agreement
- Deliver the project as outlined in the application
- Notify the RCOE immediately of any delays or change to the project scope
- Ensure that the financial and/or co-contribution requirements (as per Section 3.4) are upheld.
- Provide progress reports to RCOE at the agreed milestones
- Provide a final report on project outcomes by 18 April 2025
- Acknowledge funding source

After the project:

- Contribute to promotional activities such as video or publishable case studies and share learnings that may be published about the project
- Participate in and contribute to activities with the RCOE to distribute the findings to broader stakeholders (e.g. government and industry)

7. Notification of outcomes

Grant applicants will be notified of outcomes via email on 4th July, 2024. Information on next steps, such as Grant awards, funding agreements, and project check-ins will be included in the notification email to Grant recipients.

8. Declarations

Applicants will be asked to provide a declaration as part of the application submission.

Applicants (and their Related Entities and, if applicable, their Project Partners and Project Participants) should:



- Have had no environmental, safety or workplace breaches in the last five years, or if there was a breach, the RCOE can assess a satisfactory level of risk the applicant's breach poses
- Have not been the subject of an Enforceable Undertaking or successful litigation by the Fair Work Ombudsman for a breach of the Fair Work Act 2009 or a fair work instrument within the last five years
- Have, or will purchase, adequate insurance before the start of the project as outlined in the funding agreement and below:
 - o Public Liability \$5M minimum
 - Professional Indemnity \$250,000 minimum
 - WorkCover
- Have not failed to satisfactorily progress or complete previous projects funded by the Queensland Government within funding program timelines and without sufficient reason
- Manage any conflicts of interest adequately.

The RCOE may conduct due diligence checks on applications. The applicant must ensure that any Project Partners and Project Participant(s) agree to cooperate with this requirement and will provide information at the RCOE's request. The RCOE reserves the right not to award funding to applicants where the risk (including that of Project Partners and Project Participants) is unsatisfactory or not able to be managed.

9. More information

Information on the Grants, circular economy and opportunity for industry-research collaboration will be posted on the RCOE website at https://www.rcoe.com.au/aboutcirculareconomy

Have more questions? Email events@rcoe.com.au

10. Glossary of terms

Circular Economy: For the purpose of the Queensland Circular Economy (Industry-Research) program, initiatives supported should fit within the Queensland Waste Management and Resource Recovery Strategy's definition of the circular economy where: products and



materials keep circulating within the economy at their highest value for as long as possible, through reuse, recycling, remanufacturing, delivering products as services, and sharing. Also for inclusion are initiatives which address avoiding the waste of products and materials. In a practical sense that means the principal aim of initiatives or proposals will be around addressing waste and retaining value of materials and products; and any water and energy efficiency benefits will be seen as a bonus. We are looking for those initiatives that will contribute to Queensland being a zero-waste society by reducing material and products going to landfill.

Co-contribution: The applicant's required cash or in-kind contribution to the total project income.

Collaborative partnership: A relationship established between an Applicant and Project Partner for the purposes of meeting common project objectives and outcomes. Collaborative Partnerships should be demonstrated by an agreement between the partners that outlines their commitments, which may include aspects such as governance, financial and intellectual property arrangements and roles and responsibilities of each party.

Environmental, safety or workplace breach: An environmental or safety breach is any past or current prosecution, reportable incident, investigation, notice, penalty, warning, regulatory intervention, or enforcement action from the Environment Protection Authority (EPA), Queensland WorkCover Authority (WorkSafe) or Fair Work or failure to comply with any environmental, safety and workplace laws.

Environmental and safety laws: Environmental and safety laws are the Occupational Health and Safety Act 2004, Environment Protection Act 1970 or any other legislation, regulation, order, statute, by-law, ordinance or any other legislative or regulatory measure, code, standard or requirement relating to the protection and safety of persons or property or which regulate the environment including laws relating to land use planning, pollution of air or water, soil or groundwater contamination, chemicals, waste, the use, handling, storage or transport of dangerous goods or substances, greenhouse gas emissions, carbon trading, or any other aspect of protection of the environment.

Full-time equivalent employees (FTE): The hours worked by one employee on a full-time basis. Calculating FTE: The calculation is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. For example, you have three employees working the following – 40, 40 and 20 hours per week, giving you 100 hours per week in total. Assuming full-time hours are 40 hours per week, your full-time equivalent calculation is 100 hours divided by 40 hours which equals 2.5 FTE.



Indirect jobs: Jobs created by other businesses that come into existence due to the economic growth of your business.

In-kind contribution: An in-kind contribution is a contribution of a good or a service other than money. In-kind contributions may include, but is not limited to:

- time spent on project activities by volunteers (not paid employees of the organisation seeking funding)
- Donated goods or services related to the project
- Staff time to manage or deliver the project (project management and implementation costs that utilise existing internal resources).

The following activities cannot be considered in-kind contributions:

- Operating expenses that are not directly associated with delivering the project
- Opportunity costs such as staff 'downtime' during the prototype development or implementation of activities.

Project participants: means any organisation engaged or used by the applicant to assist in the delivery of the project. This might include product or equipment suppliers, service providers or other community based organisations or networks you will be using to promote your project.

Project partner: Project Partners are organisations in a Collaborative Partnership with the Applicant and have a critical role in the project and a commitment to delivering the support required to ensure the project's success. This role might include the provision of venues, equipment, access to land, access to community networks or digital platforms, specialist expertise, strategic partnerships, dissemination of information or promotion of events or services. Project Partnerships should be demonstrated by an agreement between the partners that outlines their commitments, which may include aspects such as governance, financial and intellectual property arrangements and roles and responsibilities of each party.

Related entities: Entities which are related to the applicant and includes:

- holding companies of the applicant
- subsidiaries of the applicant
- subsidiaries of holding companies of the applicant
- companies with common directors or shareholders as the applicant
- companies that are a beneficiary under a trust of which the applicant is a trustee
- trustees of a trust under which the applicant is a beneficiary



• companies that conduct business at the same address as the applicant, or the same address as the location of the activity for which the funding is sought.

Related persons: means a director, officer, employee, agent, board member or contractor of the applicant or a Related Entity.

Social enterprises: A social enterprise is an organisation that is driven by a public or community cause, be it social, environmental, cultural or economic. A social enterprise derives most of their income from trade, not donations or Grants, and uses the majority (at least 50%) of their profits to work towards their social mission.

Workplace laws: Workplace laws are the Fair Work Act 2009 (Cth), or any other legislation, regulation order, statute, by- law, ordinance or any other legislative or regulatory measure, code, standard or requirement relating to the provision of fair, relevant and enforceable minimum terms and conditions for all persons and to prevent discrimination against employees

