GREEN INDUSTRIES SA

Business Sustainability Program

AIM Grants

For businesses and not-for-profits that AIM for a more economically and environmentally sustainable future

2022-23 Guideline

[September 2022 release]



Government of South Australia

Green Industries SA

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About Green Industries SA (GISA)

Green Industries SA (GISA) is a statutory corporation established under the Green Industries SA Act 2004 with objectives to (a) promote waste management practices that, as far as possible, eliminate waste or its consignment to landfill; and (b) promote innovation and business activity in the waste management, resource recovery and green industry sectors, recognising that these areas present a valuable opportunity to contribute to the state's economic growth.

GISA is guided by the principles of Circular Economy; the waste management hierarchy; ecologically sustainable development; and best practice methods and standards in waste management and efficient use of resources.

Vision

Creating a sustainable future through a green economy, focusing on the value of materials in a circular economy and providing economic, social and environmental benefits.

Purpose

GISA is a leader in the circular and green economy through innovation, collaboration and excellence. We are improving our environment and wellbeing, creating prosperity and increasing economic growth, and valuing our resources and reducing pollution and waste.

For more information visit greenindustries.sa.gov.au

About GISA's Business Sustainability Program

GISA's Business Sustainability Program [the Program] fills an information gap, providing expertise as a basis for informed decision-making and implementation of sustainable change.

It aims to expand South Australia's green industry sector by supporting a range of businesses, organisations, and industries to apply sustainability and circular economy principles in the commercial production of goods and delivery of services.

By identifying and prioritising better practice materials and resource efficiency, waste management and resource recovery, carbon emissions management, and implementing circular economy principles, AIM Grant participants can improve profitability, productivity, and environmental performance. They can also build accountability and transparency into environmental reporting, giving participants a competitive advantage [by leveraging from environmental reporting], and savings that can be reinvested for continuous improvement and economic growth.

For more information visit greenindustries.sa.gov.au/BSP-overview

Grant Funding Overview

Assess-Implement-Monitor (AIM) Grants

Delivered as part of GISA's Business Sustainability Program

FOR:

Businesses, not-for-profits, Australian companies

Assistance to build their business case or develop strategies to improve sustainability, resource efficiency, emissions management and/or circular economy business models.

Applicants must be using commercial waste collection services, and have been operating in South Australia for at least 2 years.

TO:

Assess options and build a business case to support more environmentally sustainable and/or circular business operations

Implement recommendations made through an AIM-Grant-funded assessment

Monitor progress and report outcomes, using the assessment as a basis for continuous improvement

Up to \$15,000 is available as a subsidy – delivered in two components

ASSESS	Up to \$10,000 for independent and impartial expert advisory services [consultancy or similar] to assess and report on current practice and opportunities for improvement in one or more of the following areas:
	Materials efficiency and waste management
	Resource efficiency [energy, water, trade waste]
	• Greenhouse gas emissions, net zero strategies [scope 1, 2 & 3 emissions]
	Sustainable or circular procurement
	Circular economy business models / practices
	Assessments must contribute to the development of a business case for investment in one or more of the areas listed above; or development of sustainability, circular economy, or net zero emissions strategy, policy, plans and/or targets.
	Co-contribution 2:1 [GISA : Applicant]
	Energy-only assessments/audits 1:1 [GISA : Applicant]
IMPLEMENT	Following successful completion of a GISA-funded assessment
	Up to \$5,000 is available to implement recommendations that:
	have a payback greater than 2 years
	• will reduce materials or resource intensity for the production of goods / delivery of services; and, or increase total waste diversion from landfill
	• will reduce reliance on virgin materials (within or external to the applicant site)
	Co-contribution 1:1 [GISA : Applicant]
	Energy-related initiatives are <u>not</u> eligible for implementation funding

MONITOR: Successful applicants are expected to remain in contact with GISA staff, monitor progress and report outcomes. Following completion of projects, GISA staff will be in touch to see how the assessment and/or implementation [if applicable] has progressed. This allows for achievements to be celebrated; challenges and barriers acknowledged, along with plans made to address them; and knowledge to be shared.

Charitable organisations and social enterprises that already form part of SA's circular economy may be eligible for a full subsidy on assessments costs – please contact staff to discuss.

Examples of acceptable assessment project types and components:

Materials efficiency and waste management assessments

- Review and report quantities and costs of material inputs and/or waste generation, with recommendations for avoiding and reducing waste, and optimising use of material inputs (reducing material intensity of products/services).
- Must include cost/benefit analysis of recommendations, and prioritisation of actions enabling development of an implementation plan.
- Recommendations must be based on better practice waste management (moving practices up the waste management hierarchy) and circular economy principles.

Resource efficiency assessments

- Review and report quantities and costs of multiple resources any combination of energy, water, trade waste/wastewater, waste, greenhouse gas emissions and recommend ways to prevent unnecessary use and waste, improve efficiency, reduce loss, and sustainable sourcing [e.g. recycled water, non-fossil-fuel-derived power].
- Must include cost/benefit analysis of recommendations, and prioritisation of actions enabling development of an implementation plan.
- Recommendations must prioritise efficiency / reduced consumption/loss over substitution.

• Greenhouse gas emissions management and/or development of net zero emissions strategies

- Review and report sources and quantities of greenhouse gas emissions, with recommendations for reduction and ongoing management.
- All emission scopes [1, 2 and 3] should be included.
- Assessment that focus on scope 1 and 2 only will be regarded as an 'energy assessment, and therefore funded 1:1 with no implementation funding available.
- Assessments that lead to development of net zero emissions targets, strategy and action plan (or similar) will be considered favourably.

Sustainable or circular procurement reviews, development of policies

- Review of procurement policies and practices, recommending improvements that align with the principals of circular economy and lead to a reduction in waste and/or materials intensity for the applicant.
- Developing sustainable / circular procurement policies to enable more environmentally conscious purchasing decisions, and to support South Australia's green economy.
- Review of current suppliers and identification of more environmentally sustainable and local options.

• Review of circular economy business models / practices, and recommended improvements

- Research and design of new or revised production methods / service delivery, accompanied by business case based on cost-benefit analysis.
- Pilot projects (trials) to test implementation of circular economy practices.

Other projects that align with Program aim, objectives and outcomes may also be considered.

Funding to IMPLEMENT may be provided for activities such as:

- Purchase and installation of equipment or infrastructure that is new to the site.¹
- Upgrade or modernise existing equipment or infrastructure.
- More in-depth, detailed design/research/analysis required prior to purchase of equipment or infrastructure; or to provide additional detail that will further develop the business case for investment.

Conditions of Funding

Eligibility

Applications for AIM Grants will be accepted from registered businesses, not-for-profits, and Australian companies operating within South Australia that require expert advice to inform next steps in their sustainability or circular economy improvement journey.

Assessment projects must be delivered in partnership with a suitably qualified and capable, independent and impartial service provider [a specialist advisory consultant, or equivalent].

To be eligible for implementation funds, activities must be undertaken by a suitably qualified and capable, external contractor or service provider with relevant skills and experience facilitating similar implementation works. Funds are not available to cover applicant salary/wages.

Applicants must:

- Have been operating under the same (or similar) business model for a minimum of two years in South Australia.
- Be using commercial waste collection services (in addition to, or instead of kerbside services provided by local council).
- Allocate staff to ensure the project is delivered as expected, giving access to data and information required by service providers for effective project delivery.
- Be solvent, and able to enter into a legally binding funding agreement with the South Australian Government (via Green Industries SA).
- Hold a current Australian Business Number (ABN) and be registered for GST; not-for-profit organisations must be registered with an appropriate Australian and/or State-based authority as a legal entity.
- Hold and maintain Public Liability Insurance to the value of at least \$1 million for the duration of the proposed project.²
- Comply with all federal and state laws, regulations, and any applicable Environment Protection Authority requirements.
- Contribute the appropriate portion of funds to cover all remaining assessment / implementation costs.

Projects must:

- Be new, not already commenced or completed at the time of application (funds are not available retrospectively). Consideration may be given to assessments that build upon, or provide updated information from a previous assessment at the discretion of GISA.
- Be 'business-led': applicants must discuss their project with Program staff prior to applying for funding, and provide explanation of the reason/need for the project.
- Take place within South Australia for the benefit of South Australians.
- Have a clear timeframe and project milestones.
- Be tailored to address the needs of the applicant (not provide generic advice).
- Focus on holistic solutions, taking into consideration how recommended activities may affect multiple aspects of the applicant's operations.
- Compare current practice to a range of alternative activities/technologies/solutions [not focus on a single solution].
- Focus on activities that are in addition to meeting minimum regulatory compliance.
- Meet and contribute to the program aim, objectives and outcomes, including clear links to driving a more sustainable and circular economy in South Australia; targeting activities prioritised higher on the waste management hierarchy than current practice; best practice materials and resource efficiency.

What will NOT be funded

The following organisations are **not eligible** to apply for AIM grant funding:

- Government entities
- Schools and community groups
- Organisations that provide and/or represent the interests of waste management service providers, such as commercial recyclers, landfill operators, waste transport operators and waste transfer station operators.

Businesses that provide advisory, consultancy, training and/or education services, and can deliver projects that meet the eligibility criteria, may partner with an eligible organisation. The eligible organisation must be willing to apply for funding and take responsibility for project management, engagement and communication. A condition of funding is that the potential applicant contact Program staff to discuss the project and their options.

AIM grant funds are not available for projects that focus on:

- solutions prioritised lower on the waste management hierarchy than current practice
- gaining development approval
- achieving certification or meeting regulatory standards (such as NABERS ratings, environmental protection standards or licencing conditions)
- solutions for waste managed through kerbside systems [council-provided services]
- community-focused initiatives such as repair cafes and tool libraries.

AIM grant funds are **not available** for:

- Implementation of energy-related initiatives / improvements, including but not limited to:
 - Solar and wind power systems and components
 - Lighting replacement, repair and upgrade
 - Power factor correction, HVAC systems
 - Other recommendations made through an energy audit (or assessment).
- Applicant travel costs, wages, salaries, and other operating costs (such as rent, electricity, water, waste and other utilities).
- Subscription, lease or licensing fees (consideration may be given to funding these elements if they are required as part of a fundedtrial or pilot program, and the applicant is willing to accept ongoing future costs if the trial/pilot is successful).
- Vehicle purchase, hire, lease, and/or repair.
- Fees associated with the protection or patenting of intellectual property.
- Fees for legal and accounting services.
- Fees associated with any insurances held in relation to a grant application, whether such costs are required by the funding agreement or otherwise.
- Any project that GISA deems to be inconsistent with the Program aim, objectives and outcomes.
- Any project deemed more appropriate to fit under an alternative grant funding program administered by GISA or another organisation.

Funding Availability

The total annual budget allocated to the *Business Sustainability Program* is outlined in 'Green Industries SA Business Plan' which is published on the GISA website for each financial year, and is subject to change. The total budget incorporates all costs required to the run the Program including [but not limited to] LEAP and AIM grants, development and publishing of case studies and other resources, staff [salaries and wages] and administrative costs.

Allocation of funds is at the absolute discretion of GISA, and GISA may set a limit on the amount of funding approved per applicant. GISA may vary the amount of financial co-contribution to be supplied from an applicant, particularly in cases where the applicant is, or has been responsible for more than one project.

How to apply

Before an application form is supplied, you must contact program staff and discuss key elements of the project including:

- Reason for the project (motivating factors, key drivers, benefits etc.).
- Project scope, methodology, and resourcing (including how service providers will be engaged, whether this is through a selection process or direct engagement).
- Project deliverables (outcomes and outputs) and anticipated timeframes.
- Level of contribution from the applicant and GISA (in-kind and financial).

Following discussion and any subsequent refinements to project scope (if requested by GISA), if it is determined that the applicant and project are likely to be eligible, the applicant will be invited to apply for a grant and an application form will be issued (via email).

Details of arrangements between the applicant and their chosen service provider [consultant, or equivalent] must be enclosed with the application. This includes the relevant project proposal from the service provider[s], and if available, written confirmation for the project to proceed [agreement between the applicant and service provider may be subject to successful grant application].

PROJECT PROPOSALS FROM SERVICE PROVIDERS MUST INCLUDE (AS A MINIMUM):

- Date the proposal was prepared/provided to the client.
- Project scope, methodology, and milestones.
- Deliverables (outputs) clearly documented (included as a list, or in bold font).
- Anticipated timing of delivery [based on availability and client/applicant needs, including adequate time for GISA review of draft assessment report and associated report revisions].
- Breakdown of project costs by activity and related hours/personnel (refer to FAQs for additional information).
- Sufficient information indicating the minimum reporting requirements will be met. Simply copying minimum reporting requirements from this guideline is unacceptable the methodology and proposed report structure should align with minimum reporting requirements.
- Evidence of relevant knowledge, experience and capability to deliver the project (relevant staff CVs and examples of similar work completed).

Assessment Process

Applications must be delivered by email and will be acknowledged as 'received' [via return email] within 10 working days of receipt. Applications are reviewed to confirm eligibility, and evaluated for alignment with the Assessment Criteria [below]. Consideration will be given to the level of funds remaining in the Program budget to determine which applicant[s] are provided a Grant Offer.

During the assessment process, additional information may be requested to clarify aspects of the application. Failure to provide the information requested by GISA in a timely manner may terminate the assessment of the application.

The duration of the assessment process varies depending on the nature of the project, the completeness of the application, and GISA staff availability. As a guide, the duration between the submission of the application and any additional supporting information requested by GISA [if applicable] and the decision regarding funding approval should take no longer than 20 working days [four weeks].

All applications will be treated as commercial-in-confidence. GISA reserves the right to include other government agency evaluations as part of the assessment process. GISA has the ultimate discretion in relation to publicity for successful applications.

Assessment Criteria

In addition to meeting the *Conditions of Funding*, AIM Grant applications must be assessed as sufficient in the following areas to be considered for funding approval:

- A clear and credible:
 - reason for undertaking the project
 - reason for selecting the proposed service provider
 - explanation as to how the applicant intends to implement recommendations arising from assessment project
 - description of the proposed project, including a succinct and clear description of each major task (activity) to be performed, with associated budget for each; and clearly defined outputs (deliverables).
- Evidence of the service provider(s) relevant knowledge, experience and capability to deliver the project (typically included as part of the service provider's project proposal).
- Capability and capacity of the applicant to manage the project (considering relevant experience in grant and/or project management), and sufficient level of commitment to deliver the project in partnership with GISA and their chosen service provider.
- Appropriate project risk management identification of the main risks associated with the project and the proposed mitigation measures.
- Appropriate measurement, evaluation and data capture to achieve project objectives.

GISA may take into account other aspects of the application it regards as relevant when evaluating assessment criteria and the following preferential criteria.

Preference may be given to applications that meet one or more of the following:

- Clearly demonstrates applicability of the project to other sites owned / operated by the applicant, or to other businesses / industry sectors.
- Clearly demonstrates applicant's commitment to implementing circular economy practices and/or environmental sustainability [such as evidence of existing policies, strategies and/or targets].
- Assessment results likely to be a useful foundation (or evidence-base) that the applicant can use to leverage funds from other sources (such as other State or Commonwealth grant programs).
- Provides satisfactory explanation why the project would not go ahead without grant funding.

Funding Agreement

Successful applicants will be required to enter into a funding agreement (provided as a *Grant Offer*) with Green Industries SA. This agreement will set out the term of the grant, conditions, payment schedules, project deliverables, key performance indicators, reporting requirements and related matters. A copy of a standard funding agreement can be provided on request.

Timeframe

GISA aims to be flexible with regard to timeframes for project delivery and funding periods. Grant funds may be provided for eligible project costs incurred for up to 24 months from the date of execution of the funding agreement, or as otherwise negotiated and agreed by GISA.

As a guide, assessment projects usually take a minimum of 3 months (covering project inception, data collection and analysis, report drafting and finalisation, and project close), and may take as long as 12 months depending on staff and data availability. Timing of implementation projects vary.

Reporting

GISA requires successful applicants to report on project progress and outcomes in response to requests by Program staff. Requirements of reporting will also be specified in the *Grant Offer*, and may vary on a case by case basis in accordance with project type and deliverables.

Assessment reports should be provided to the Grantee by the service provider (consultant or similar), and copies must be provided to GISA in draft (for review and feedback) and again when finalised. A minimum of two weeks should be allowed for GISA review of draft reports. Assessment reports are considered final when all reasonable feedback from GISA and the Grantee has been incorporated to the satisfaction of Program staff.

TO BE DEEMED SATISFACTORY, ASSESSMENT REPORTS MUST INCLUDE THE FOLLOWING, AS A MINIMUM

- summary of:
 - project methodology and timeframe
 - any key assumptions made during data analysis or report preparation
 - data sources (appropriately referenced)
- · baseline data that includes quantities and costs for a minimum of 12 consecutive months
- prioritised list of all improvement opportunities identified, clearly indicating how prioritisation was applied
- estimated capex, opex (per annum), annual savings (financial and material), and simple payback (years) for key recommendations; along with any other information deemed necessary as part of the business case for investment (such as additional opportunities, benefits, barriers and challenges; how the recommendation is likely to impact other aspects of operations such as labour, maintenance, replacement timeframes, staff training requirements etc.

Case Studies and Promotion

Applicants are not permitted to publicise their projects without the written approval in the first instance of Green Industries SA. GISA has ultimate discretion about publicity of applications.

All successful applicants must be willing to cooperate and participate in the development of case study materials based on funded projects [using information of a non-sensitive nature] if requested by GISA. The purpose of case studies is to encourage other organisations to undertake similar initiatives, and may be used as an educative resource by GISA and/or the successful applicant. Case study materials are usually made publicly available via the GISA website and may be used by successful applicants for their own promotional and/or educative purposes.

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

Frequently Asked Questions (FAQs)

Please visit greenindustries.sa.gov.au/aim-grants-fags for the latest list of FAQs on:

- Applicant eligibility
- Project eligibility
- How to apply
- What to include in an application
- The assessment process
- Funding agreements
- What to include in consultant proposals

Contact us

For further information about the Business Sustainability Program, and to discuss your AIM project, please contact one of the following Program staff:

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Other resources and support

Green Industries SA provides more resources & support for businesses to improve their circularity and sustainability. Visit <u>Tools & Guides from Green Industries SA</u>.



Green Industries SA