

# Choose Circular funding - Round 2

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## Expressions of interest applicant information for NSW Government agencies

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January 2025

### Introduction

The Choose Circular program is making it easier for NSW Government agencies to source and use recycled materials in procurement, driving market demand and leading the state towards a circular economy.

Up to \$3.2 million in funding will be available through round 2 of the Choose Circular program. This funding aims to stimulate innovation and demand for recycled materials through NSW Government purchasing, and support the transition to a circular economy.

We are seeking expressions of interest (EOIs) from NSW Government agencies for projects that will help increase their use of recycled materials. Choose Circular funding can be used for a broad range of projects and is open to NSW Government agencies that were successful in round 1 of the program, as well as agencies that are new to the program.

Successful round 1 projects included the development of recycled materials and circularity action plans or strategies, best practice circularity guidelines for office furniture and ICT equipment, and a review of medical equipment and consumables, among others. You can learn more about these and other previous projects [here](#).

EOIs open on 28 January 2025 and will close on 14 March 2025.

### Benefits for your agency

Choose Circular funding can provide NSW Government agencies with many benefits. With this funding your agency could:

- access tailored support and resources
- deliver corporate sustainability strategy and net zero plan objectives
- boost environmental sustainability and social outcomes
- identify potential cost savings

- stimulate local economies
- meet NSW Government policy commitments relating to environmentally sustainable procurement.

## Eligibility

You are eligible if you are a NSW Government agency:

A NSW Government agency is limited to an agency that fits within one or more of the following definitions:

- Public Service agency: an agency defined as a Department, or a Public Service executive agency (being an agency related to a Department) or a Separate Public Service agency (section 3 Government Sector Employment Act 2013)
- Statutory bodies: a statutory body being a statutory body representing the Crown (Government Sector Finance Act s 2.4(1)(i)).

Expectations of the funding include:

- Preference will be given to project activities that can be finalised by 30 June 2026. Longer project activities may also be accommodated, where the applicant can provide clarity and certainty on the timeframes.
- Commitment to allocate appropriate staff and resources to oversee project delivery.
- Executive (or other appropriate financial delegate) endorsement for the proposed project(s).

If your agency received funding in Round 1 you are eligible to apply again.

## Find out more and submit an EOI

Attend one of our information sessions to learn more about the process. Information sessions will be hosted on Tuesday 11 February 2025 and Thursday 20 February 2025. [Contact us](#) if you have not received an invitation.

To submit an EOI, complete [this form](#) and send [back to us](#) before 5 pm on 14 March 2025. We will review the EOI and contact you directly to discuss the opportunity.

## More about Choose Circular and the Circular Innovation Fund

Choose Circular is a program funded by the Circular Innovation Fund (CIF) that aims to stimulate innovation and demand for recycled materials through NSW Government procurement. It supports the commitment under the [NSW Waste and Sustainable Materials Strategy 2041](#) for agencies to preference products that contain recycled content on an 'if not, why not' basis – where there is no significant additional cost or negative impact on performance or the environment.

The CIF aims to support research into new technologies and uses for recycled material and provide opportunities to pilot them in government projects.

Other activities underway through the Choose Circular program include a recycled product directory, [guidance](#) and training on environmentally sustainable procurement and recycled materials, and support for research and specification development.

## NSW Government action on recycled materials

Choose Circular funding can help your agency meet policy commitments relating to recycled materials, including:

- The EPA and Infrastructure NSW's [Protection of the Environment Policy \(PEP\)](#) for sustainable construction. The proposed PEP will promote low-carbon design and construction, and increased use of recycled material in public infrastructure projects.
- Requirements to decarbonise infrastructure outlined in the [Decarbonising Infrastructure Delivery Policy](#). This Policy applies to all NSW Government building projects valued over \$50 million and linear infrastructure projects valued over \$100 million and recommends the use of recycled materials to reduce emissions.
- The [SME and Regional Procurement Policy](#), which requires agencies to include a non-price evaluation criteria of at least 15 percent for all procurement valued above \$3 million. This policy considers how potential suppliers will support the NSW Government's economic, ethical, environmental and social priorities.

## Priority recycled materials

Projects addressing priority recycled materials will be given preference. Priority recycled materials are:

- plastics
- paper/cardboard
- tyres

- food and garden organics
- coal combustion products (including fly ash and bottom ash)
- textiles
- materials derived from clean energy waste (for example from solar panels, wind turbines, batteries)
- materials derived from e-waste.

## Funded projects

Choose Circular funding can support a range of projects that increase the procurement of recycled materials by NSW Government agencies.

The funding can also support wider circularity goals if consideration of recycled materials is a significant focus of the project. This is to encourage best-practice decision making and a holistic approach regarding circular economy outcomes.

Agencies can submit EOIs for multiple projects. The funding can cover costs such as:

- consultancies
- staff resourcing
- cost differential to purchase recycled materials instead of virgin materials.

The funding can be used for the following types of projects:

- Documentation such as plans and strategies
- Research and development
- Capacity building
- Digital transformation and digital assets.

More examples are listed in the table below.

Table 1: Examples of potential projects that could be funded.

Project	Project description
Circularity and recycled materials action plan	The key outcome of this strategic document is to develop an agency action plan that can be taken to your agency’s executive for endorsement. You can

	<p>use a consultant for this piece of work if required, and we'll provide you with guidance and templates.</p> <p>Key outcomes will include:</p> <p><b>Current state of circularity</b> - analysing your agency processes, procurement spend and waste generation data.</p> <p><b>Risk and opportunity identification and assessment</b> - identifying key risks, analysing and scoring risks and recommending mitigation measures.</p> <p><b>Prioritisation of procurement categories</b> - prioritising procurement categories with KPIs to measure progress.</p> <p><b>Opportunity analysis</b> - identify criteria for multi-criteria analysis e.g. technical feasibility, economic viability and alignment with agency priorities.</p> <p><b>Action plan</b> - Develop actions for each high priority opportunity from your analysis. The plan will include items such as timeframe, governance, cost, monitoring and evaluation.</p>
Implementation of circularity and recycled materials action plans	<p>For agencies that have already undertaken a circularity and recycled materials action plan during round 1 of Choose Circular Funding, you can now apply for more funding to execute specific projects identified in your plan or strategy. This could include suggestions listed below, or something more specific to your project or agency.</p>
Business case development	<p>Detailed assessment that outlines the rationale and justification for using recycled materials in a project.</p>
Feasibility studies	<p>Comprehensive analysis and evaluation of the practicality, viability and potential success of a proposed project that incorporates recycled materials.</p>
Capacity building and training	<p>Circular procurement training for NSW Government agency staff. Educate teams and stakeholders to implement circular economy principles and procurement practices identified in agency plans/strategies.</p>
Behaviour change campaigns	<p>An opportunity for you to prepare your problem statement, talk to stakeholders and undertake analysis for the best way to incorporate behaviour change within your agency. This may complement any training that you might consider.</p>
Planning for recycled material procurement	<p>Undertake risk and opportunity assessment for high impact spend categories, engage market on material availability and pricing.</p> <p>Set environmental requirements based on this market sounding to inform procurement strategy and supplier sourcing strategy.</p>

Procurement of recycled materials	Offsetting the cost difference between recycled and virgin materials when purchasing recycled-content products.
Research, monitoring and quality assurance	Research, assessment and testing (for example, durability assessment) of products containing recycled materials to ensure they meet quality standards.  For example, monitoring the use of rubber crumb in footpaths using an agreed methodology.
Specification development	Facilitate the use of recycled material through new or updated specifications. This could include, but is not limited to: <ul style="list-style-type: none"> <li>- review of agency specifications and identification of opportunities for research</li> <li>- research for the development of new specifications</li> <li>- establishing new test methods/protocols</li> <li>- integration/piloting within agency processes and systems.</li> </ul>
Pilot and demonstration projects	Test and showcase innovative circular solutions, focusing on the integration of recycled materials into products, services or processes.
Case studies for recycled material	Develop case studies which showcase best practice applications of products containing recycled material.
Information and Communications Technology (ICT) infrastructure development	Funding to adapt or create ICT infrastructure to identify circular material flows, track expenditure of recycled materials and more.  For example, developing a digital twin for your construction project.

Your agency may propose a project not included in this list of examples.

Agencies are encouraged to [contact us](#) before submitting an EOI.

## What will not be funded

This funding does not apply to:

- agencies seeking to deal with waste management, waste audits, or waste diversion, e.g.: food and garden organics, recycling bins
- rebates for equipment such as shredders, balers, compactors etc
- recycling campaigns or advertising
- projects that duplicate guidance that is already in market or in development

- research and development already being undertaken for a priority material in a particular application.

## Evaluation criteria

Table 2: EOI responses will be evaluated against the following criteria.

Mandatory criteria	
<b>Strategic alignment</b> <ul style="list-style-type: none"> <li>- The project clearly supports the NSW Government’s commitment for agencies to preference recycled content.</li> </ul>	
Other criteria	Weighting
<b>Impact and scale</b> Potential impact and scale of the project. This could include: <ul style="list-style-type: none"> <li>- activities that will result in action (for example, is linked to an approved construction project or procurement process)</li> <li>- the project effectively addresses barriers to agency use and procurement of recycled materials</li> <li>- extent to which the project addresses recycled materials and innovation</li> <li>- the project is exploring new or innovative approaches to incorporate recycled materials</li> <li>- extent to which the project will encourage materials circularity and the highest value use of materials.</li> </ul>	30%
<b>Value for money</b> <ul style="list-style-type: none"> <li>- Demonstrates that the project is a worthwhile investment, delivering significant benefits in relation to its cost.</li> <li>- Demonstrates that the expenditure is justified by the scale, significance, and quality of the anticipated outcomes.</li> <li>- Clearly demonstrates why the chosen expenditure type(s) is the most appropriate and cost-effective option for achieving the project objectives (e.g. staff, consultancy).</li> </ul>	30%
<b>Expertise</b>	20%

- Can provide details of proven experience or ability to source relevant expertise.	
<b>Collaboration</b> <ul style="list-style-type: none"> <li>- Evidence of collaboration with relevant stakeholders.</li> <li>- Demonstrates mechanisms for knowledge-sharing, capacity building, or creating value for other NSW Government agencies.</li> <li>- Demonstrates potential for replication or broader application across other NSW Government agencies.</li> </ul>	10%
<b>Timeframe</b> <ul style="list-style-type: none"> <li>- Demonstrated ability to meet funding timeframe (project completion by 30 June 2026).</li> </ul>	10%
<b>Total</b>	<b>100%</b>

## Condition of EOI

The program team does not make any commitment to fund your project. EOI responses will be reviewed against the criteria and NSW Government agencies will be contacted to discuss next steps.

## Funding agreement

Funding will be provided via a Memorandum of Understanding (MoU). This template is available and can be provided to you upon request. This has been reviewed by DCCEEW Legal and is a standardised template across all agencies.

## Contact us

If you have any further questions, contact us at [choose.circular@environment.nsw.gov.au](mailto:choose.circular@environment.nsw.gov.au).

## Checklist before applying

I have read and understood the applicant information document.

Yes

No

I have attended an information session or spoken with the Circular Economy Markets team about my intended project.

Yes

No