



Australian Government

Department of Finance

The Treasury

PUBLIC RELEASE OF 2019 ELECTION COMMITMENT COSTING

Name of proposal costed: Australian Recycling Investment Fund	
Costing Identifier:	COA022
Summary of costing:	<p>The proposal is to establish a \$100.0 million Australian Recycling Investment Fund (the Fund) through the Clean Energy Finance Corporation (CEFC).</p> <p>The Fund will provide loans to support the manufacturing of lower emissions and energy-efficient recycled content products, such as recycled plastics and paper/pulp.</p> <p>The proposal will not have an impact on the Underlying Cash Balance as it will be funded from within the existing resources of the CEFC.</p>
Ongoing or Terminating (including date)^(a)	Ongoing
Person making the request:	Prime Minister
Date costing request received:	9 May 2019
Date of public release of policy:	3 May 2019
Date costing completed:	13 May 2019
Additional information requested (including date):	Not applicable
Additional information received (including date):	Not applicable

(a) Ongoing policies continue indefinitely (until a decision is made to cease or alter the program). Terminating measures end on a date set out in the initial policy and a further decision is required to continue the program beyond this date.

Financial implications (outturn prices)^(b)

Impact on	2018-19	2019-20	2020-21	2021-22	2022-23
Underlying Cash Balance (\$m)	0.0	0.0	0.0	0.0	0.0
Fiscal Balance (\$m)	0.0	0.0	0.0	0.0	0.0

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.

Where relevant, state that the proposal has been costed as a defined or specified amount.

The proposal has been costed as a specified amount.

Where relevant, include separate identification of revenue and expense components.

Not applicable.

Where appropriate, include a range for the costing or sensitivity analysis.

Not applicable.

Qualifications to the costing (including reasons for the costing not being comprehensive).

It is assumed that the proposal will be delivered by the CEFC and that the funding will be provided as loans in line with the *Clean Energy Finance Corporation Investment Mandate Direction 2018* (Investment Mandate).

The cost of the loans are assumed to be met from within the existing resources of the CEFC.

Where relevant, explain effects of departmental expenses.

Consistent with the costing request, the costing assumes that departmental funding will come from within the existing resources of the CEFC.

Where relevant, explain the reason for any significant differences between the assumptions specified in a party costing request and those used in a Treasury or Finance costing.

Not applicable.

Other comments (including reasons for significant differences between the estimated impact on the fiscal and underlying cash balances).

Where relevant, include an explanation of the medium term implications of the proposal^(c).

Not applicable.

(c) Information on the medium term implications will be provided if the cost of the policy is expected to be significantly different beyond the forward estimates period.

Background information

Costing methodology used:

Policy parameters

The policy has been costed on the assumption that loans will be provided in accordance with the CEFC's Investment Mandate. This includes consistency in the CEFC's approach to risk, limits on concessionality, limits on guarantees, and expected rates of return.

Behavioural assumptions used (as appropriate).

Not applicable.