



Date: 26 March 2009 Pages: 1
Subject: Addendum 4 to the Request for Tender (RFT) for the **Indonesia
Australia Forest Carbon Partnership Facility (IAFCP Facility)** of 27 February
2009.

Tenderers are advised of the following:

Further information about the Tender Process

1. Interested parties are advised that as advertised in Addendum 2, AusAID has held a tender briefing on 12 March 2009 in Jakarta. All briefing materials including presentations are made available as attachments to this Addendum for any parties that were unable to attend. Additionally the answers to all questions asked at the briefing are available below.

Amendments to the RFT

1. Insert a new heading "Probity Adviser" after the clause regarding "Information" in Clause 1 (Tender Particulars) of Part 1 as follows:

"Probity Adviser: Keith Lingard
Stantons International Pty Ltd
Level 1
1 Havelock Street
West Perth WA, Australia
Email: klingard@stantons.com.au
Phone: +61 8 9481 3188
Fax: +61 8 9321 1204

Prospective Tenderers may contact Mr Lingard at any point throughout the tender process to discuss any issues or concerns relating to the procurement."

2. Delete existing Clause 5.3 (vi) of Part 1, and replace with new Clause 5.3 (vi) of Part 1 as follows:
"5.3 (vi) Tenderer's financial capacity to meet its contractual obligations in accordance with **Clause 10** (Tender Schedule D – Financial Assessment) of this Part, as well as also considering other factors referred to in **Clause 7.8, Part 5.**"
3. Delete existing Clause 8.2 of Part 1, and replace with new Clause 8.2 as follows:
"8.2 Information provided in the tables will be used for any financial assessment and for the value for money assessment."

4. Delete existing Clause 5.18 (d) of Part 3, and replace with new Clause 5.18 (d) as follows:
 "A provisional Monitoring and Evaluation Plan (M&E Plan) for the IAFCP Facility, to be submitted within thirty (30) days of Facility Start Date, and a fully elaborated M&E Plan to be submitted within four (4) months of the Facility Start Date."
5. Delete existing Table 1: Total Contract Value, of Part 4, and replace with new Table 1: Total Contract Value as follows:

Table 1: Total Contract Value

Item	Total amount payable (A\$)
Long Term Personnel Costs (Clause 2 and Annex 1)	
Facility Operating Expenses	1,864,000
Imprest Account (Clause 3)	25,000,000
Maximum Facility Management Fee - Milestone Payments (Clauses 5 & 6 and Annex 2)	
TOTAL AMOUNT PAYABLE	

6. Delete existing Clause 2.3 (b) of Part 4, and replace with new Clause 2.3 (b) as follows:
 "2.3 (b) Staff novated to the Contractor as required by AusAID, and Partnership Office administrative staff; and"
7. Add new sub-clause (a) (xiv) to Clause 3.2 of Part 4 as follows:
 "3.2 (a) (xiv) annual audits of the imprest account."
8. Change Clause reference in body of Clause 4.2 of Part 4 to the following:
 "Clause 14 of Part 2."

Questions asked at Tender Briefing and Clarification Answers (References to Parts, are to Parts of the RFT)

Question 1: What is the difference between experience of a firm and versus experience of an individual in terms of whether it should be in Annex 1 or in submitted CV?

Answer: Details of previous experience and projects in which a firm or a member of a consortium has been involved with should be detailed in Annex 1 of Part 1 of the RFT. Experience and qualifications of an individual should be included in the information required under Clause 7 (Tender Schedule B – Specified Personnel) of Part 1 of the RFT.

Question 2: What standard operating procedures do we need to follow in relation to procurement should we be successful tenderer and run the Facility?

Answer: The successful tenderer and any consortia members are required to conduct Facility procurement in accordance with the principles of the Commonwealth Procurement Guidelines, in accordance with Clause 4.31 of Part 3.

Question 3: Who will assess the standard operating procedures of the managing contractor?

Answer: AusAID and the Partnership Office (PO).

Question 4: Who retains intellectual property rights?

Answer: See Clause 22 of Part 6, Intellectual property rights in or in relation to Contract Material shall vest in AusAID.

Question 5: What happens to project assets at completion of Facility contract?

Answer: In accordance with Clause 14, Handover, Part 6 of the RFT, all Facility assets will be handed over to the partner government at contract completion to ensure the partner government is able to continue the Facility. AusAID approves the handover plan which is prepared by the Contractor and updated through the contract period, and ensures the handover method is in accordance with existing inter-governmental agreements.

Question 6: How detailed should the financial proposal be, and is it set for the whole contract time?

Answer: Clause 8 of Part 1 of the RFT provides full details of what must be contained and submitted in the Financial Proposal (Tender Schedule C). The Financial Proposal is used as the basis for the contract Basis of Payment and is to be a fully comprehensive fixed price for the life of the contract.

Question 7: Are tenderers required to adhere to page limits given the detail required to be provided in a tender submission?

Answer: Yes.

Question 8: Does the tenderer have to be an Australian company or linked with an Australian company to be awarded the bid?

Answer: No, there are no eligibility restrictions.

Question 9: Is there a weighting of scores given to Indonesian bidders?

Answer: No.

Question 10: In addition to the weightings afforded to selection criteria under Clause 6.2 of Part 1, are there any sub weightings given to any annexes required to be submitted pursuant to Clause 6.3 of Part 1? If not how are they assessed by the TAP?

Answer: No, the Annexes are considered to be part of the Technical Proposal response and will be assessed in conjunction with the Selection Criteria responses.

Question 11: Under selection Criterion A: Personnel; should team balance be considered a sub weighting when answering and providing staff? Does it mean 'balance in Facility' or in 'Program at large', and is there a requirement for the 3 positions to be international consultants?

Answer: Selection Criterion A assesses appropriate qualifications and experience of proposed personnel and includes their ability to work with diverse partners to achieve outcomes, so the balance of the proposed personnel should be considered both in terms of the Facility, and the structure of the overarching program. There is no requirement for the 3 key positions to be international.

Question 12: With regards to Schedule D Financial Assessments, who within the company should be the contact to provide this info? Should it be the company accountant?

Answer: A Tenderer's' nominated contact point should be someone who is able to comment on the financial history and situation of the company, such as the chief financial officer or company accountant.

Question 13: What is the difference between commencement date and facility start date?

Answer: These both reflect the same date, which is the date the services commence.

Question 14: What is the frequency of Steering Committee (SC) meetings, and how many have been held so far?

Answer: Every six (6) months and four (4) meetings have been held to date.

Question 15: Who is open to financial assessment under Schedule D, is it just the lead firm in a consortia, or are all firms associated with the bid open to it?

Answer: The lead entity will be assessed but if deemed necessary by the independent financial assessor, information may be sought from associated firms in the consortia.

Question 16: Does AusAID's policy of working to children apply specifically to this RFT?

Answer: Yes, the Child Protection policy applies to all AusAID activities.

Question 17: Does the RFT prescribe a legal structure for consortia?

Answer: No, however AusAID will only contract with the lead firm which must be a legal entity. See Clause 8, Joint Ventures and Consortiums, of Part 5.

Question 18: Is the program/facility focused on Kalimantan? It says it's a national program but seems focused on Kalimantan?

Answer: The overarching IAFCP Program of which the IAFCP Facility is an integral part, is a national program in Indonesia with a large initial REDD demonstration activity in central Kalimantan. Further field sites will be identified in other locations through Indonesia in due course.

Question 19: What's the value of IAFCP?

Answer: The current budget of the program is up to A\$40 million.

Question 20: With regard the 5 components in the objective tree for the Kalimantan forest and climate partnership (from the briefing presentation slides), do these components refer to the whole program or just to one province? Does the RFT allow a bid for one of more of the components alone, rather than all 5?

Answer: This tree has 5 components that summarize the objectives of the KFCP. Tenderers need to bid for all aspects of the IAFCP Facility in entirety as detailed in Part 3 (draft Scope of Services) and the Program Design Document.

Question 21: Should the Facility Management Fee include the costs of administering the imprest account?

Answer: Yes, with the exception of costs associated with annual audits which are included as a Facility Operating Expense, as expressed in Clause 5.2 (I) of Part 4 of the RFT. (See also detail in Annex 3 to Part 4 of the RFT outlining Facility Operating Expenses)

Question 22: Can tenderers who are contracted as the Facility Manager provide downstream services via approved activities under Component 1 and Component 2 of the Scope of Service (Part 3), and can consortia members provide this downstream work also?

Answer: Yes, in accordance with the requirements of Clauses 4.31 and 4.36 (a) and (b) of Part 3, the Contractor may implement activities under Component 2 provided that it obtains prior written approval from AusAID, that the request can be clearly justified in accordance with the principles of the Commonwealth Procurement Guidelines (CPGs), that it provides value for money, and where total specific activity costs are not more than A\$250,000.
See also Clause 11 of Part 6, Sub-Contracting.

Question 23: Is there any expertise lacking currently in PO which it may be advantageous for the Specified Personnel of the Facility to have?

Answer: The ToRs for key personnel are included at Annex 1 to Part 3 of the RFT.

Question 24: How will the KFCP Coordinator interact with the Partnership Office's (POs) 3 advisors who designed and finalised the KFCP?

Answer: The KFCP Coordinator will be responsible for the day to day management of the KFCP, the PO specialists will maintain close involvement and oversight of the activity.

Question 25: When will the KFCP design be released?

Answer: The draft KFCP design document was released on AusTender as Addendum 3 on 12 March 2009.

Question 26: Please clarify the role of the Department of Climate Change (DCC) in this program?

Answer: The IAFCP involves a whole of government effort led by AusAID and DCC. DCC represents Australia at high level international meetings and negotiations for REDD and has a close interest in activities on the ground in Indonesia. DCC are represented on the Steering Committee and have visited the program in Indonesia and KFCP site, and provide regular input into the design and programming of activities.

Question 27: Is it a specific role of the Facility Manager to undertake relationship building with external stakeholders?

Answer: No. While this is not a specific responsibility of the Facility Manager given the large number of external stakeholders with an interest in the program, it is a function that every member of the team will be involved with to a certain extent. However, this aspect of the program will be managed and led by the Partnership Office (PO).

Question 28: In relation to the second REDD demonstration activity, when is it planned and what is the budget?

Answer: A concept for the second demonstration activity will be identified in mid 2009, and a detailed design will be developed thereafter, and scaled up in 2010. No budget has been allocated for this activity currently however it is currently anticipated it will be in the same order of magnitude as the KFCP.

Question 29: Is the Facility Manager required to provide policy advice?

Answer: No, there is not a specific requirement for the Facility Manager to provide policy advice.

Question 30: Please clarify paragraph 10.3 c), Part 1 regarding tendering opportunities – when do they have to advise AusAID, when they have signed a contract or when they have bid on something? And is this only AusAID work?

Answer: All other current tendering opportunities that have been submitted by the tenderer need to be advised, for both AusAID and non-AusAID work.

Question 31: What services for IT are currently in existing offices, and other equipment?

Answer: Current Assets for each office are listed in Attachment 3 to this Addendum 4.

Question 32: Are tenderers required to provide CVs of nominated personnel other than those set out in table 1, Clause 7?

Answer: No.

Question 33: Can further details be provided on roadmap to Forest Carbon Market?

Answer: This piece of work is being led by DCC and no specific activities associated with this are being run by the IAFCP at present.

Question 34: Can AusAID provide numbers of current staff in program that AusAID wants to be novated to the Facility Contractor, and any other positions that may need to be novated? Can AusAID also provide additional detail about the existing contract conditions?

Answer: Clarifications to these questions and issues will be provided as soon as possible in a subsequent Addendum.

Question 35: Will the facility be responsible for the payment of Gol counterpart salaries and secondees, and will the Facility manager have input into selection of these secondees, and how many?

Answer: Yes, these costs are to be included as part of Long Term Personnel Costs in Clause 2.3 of Part 4. No process for the recruitment of either the Gol

representative and the two (2) secondees has been defined and it is envisaged the PO and the Facility Manager will consult on this issue.

Question 36: Has Bappenas declared KFCP as a priority, and have they put it in 'blue book'?

Answer: The Indonesian Ministry of Forestry, as the program executing agency, is responsible for registering the IAFCP according to Indonesian government procedures. KFCP is an activity under the IAFCP, and Bappenas who co-chairs the IAFCP Steering Committee is co-signatory to the IAFCP MOU along with the Ministry of Forestry to represent the Government of Indonesia. The KFCP site is within the Ex-Mega Rice Project (EMRP) area in Central Kalimantan. The rehabilitation of the EMRP area is now a national priority, as described in Presidential Instruction No. 2/2007 (INPRES 2/2007), which calls for relevant government departments to undertake a five-year program with a strong focus on the rehabilitation, conservation and sustainable development of the area.

Question 37: Who does the Gol Rep report to?

Answer: The Gol Representative will report to the Gol.

Question 38: How fixed are the indicative fixed limits in Annex 4 of Part 4?

Answer: These figures are fixed at the present time.

Question 39: What is the awareness of work plans by the Steering Committee, and given they meet only bi-annually, and with attending members likely to change from meeting to meeting, what meaningful input can they have to assist the program?

Answer: Tenderers should assume the Steering Committee is fully aware of the workplans and will provide meaningful input.

Question 40: Will the 3 advisors be novated to Facility Contractor, will they take direction from and who will they report to and manage them?

Answer: The 3 advisers will be novated to the Facility Contractor and will report to the Facility Contractor but will take direction from the GoA Coordinator within the Partnership Office. The Facility Contractor will not be responsible for performance management of the 3 advisers, this task will be carried out by the Partnership Office (PO).

Question 41: Do tenderers need to budget for the KFCP support office?

Answer: Yes, refer to Clause 3 of Part 4 of the RFT.

Question 42: For the existing positions to be novated, can AusAID provide further detail on the cumulative severance pay and who is responsible for providing it?

Answer: There is no requirement for severance payment in the current contracts. The tenderer may wish to propose the cost related to this payment if and when they want to extend the contracts for the novated positions which at the moment appears to be relevant to only 2 positions, the field project coordinator and admin officer in Palangka Raya.

Question 43: What is the level and nature of the support (ie. administrative or technical) that the Facility will need to provide to the tasking groups, and how many tasking groups are there likely to be?

Answer: The nature of support will vary depending on the task group and specific issue. At a minimum secretarial and logistical support will be required, and in some cases additional technical inputs may also be necessary and required. The number of task groups is currently unknown as this is dependent on future activities undertaken by the IAFCP Facility. One currently identified is for overseeing the KFCP tasking group, and the KFCP coordinator is expected to be part of. Future task groups may be supported by existing Facility staff or through specific short term expertise brought in as required and funded through the imprest account as an approved activity.

Question 44: What does the word 'design' mean with respect to the Facility Contractor? Does it mean 'procurement design' or design of 'technical inputs'?

Answer: Some input on the technical design demonstration activities (REDD) will be expected from the Facility Contractor. The Facility Contractor will also be required to ensure procurement is conducted in accordance with appropriate rules and to assist the needs of the IAFCP program.

Question 45: Who will resource the Palangka Raya office, and any other field office? How many field offices does the Facility have to setup and manage?

Answer: The Facility Contractor will resource the Palangka Raya field office as well as the Jakarta office in accordance with Clause 3 of Part 4 of the RFT. These costs will be Facility Operating Expenses. Any other potential offices are up to the tenderer and their chosen approach to the Facility role.

Question 46: Please distinguish between the role of the technical panel and the task groups.

Answer: The technical panel is to provide scientific rigor to the overarching IAFCP program, whilst the task groups will oversee specific approved activities. The number of technical panels and task groups will vary throughout the contract in accordance with program needs.

Question 47: How many existing staff are in the Palangka Raya office?

Answer: There are two (2) existing staff; a field project coordinator and an administrative officer.

Question 48: Who will the Gol secondees report to?

Answer: Reporting Lines will depend upon the specific arrangement made and the circumstances of each individual secondment. They may report to task groups or the Coordinators.

Question 49: Who pays for the remuneration of Gol staff and what are their terms and conditions?

Answer: Gol staff will be paid for in accordance with Clause 2 of Part 4 of the RFT, and as detailed in Annex 1 to Part 4.

Question 50: Is the required financial proposal to include all GoA and Gol taxes, including VAT?

Answer: Yes tenderers are required to include all relevant taxes in their submitted financial proposal in accordance with Clause 5.2 of Part 4. The General Agreement on Development Cooperation (GADC) between the Government of Australia (GoA) and the Government of Indonesia (Gol) explains the treatment of Gol taxes. A copy of the GADC can be found at [http://www.austlii.edu.au/cgibin/sinodisp/au/other/dfat/treaties/1999/13.html?query=title\(indonesia\)](http://www.austlii.edu.au/cgibin/sinodisp/au/other/dfat/treaties/1999/13.html?query=title(indonesia))

Question 51: What is the current framework for M&E, and what systems are arranged?

Answer: There is no current system in place for M&E and the IAFCP Facility will have responsibility for designing an appropriate M&E system. See Clause 4.39 and Clause 5.13 of Part 3 of the RFT.

Question 52: Please detail the current and expected ongoing role of HK Logistics once the Facility Contractor is in place?

Answer: HK are currently engaged on an interim basis to deliver some of the services required under IAFCP however this arrangement will cease following the appointment of the successful tenderer. It is anticipated that there will be a maximum one (1) month overlap for handover. The scope of their current work is logistics and procurement services as tasked by the PO.

Question 53: Where in the tenderers response can any suggestions for improvement to the design be articulated?

Answer: In response to Selection Criterion C (Approach) this can be identified. Tenderers are also advised they also have the right to submit an alternative tender, as well as a conforming tender, in accordance with Clause 3 of Part 1.

Other questions on the IAFCP RFT received via email:

Question 54: Our company is an environmental services company specialising in providing a range of design, development, implementation and commercialisation of carbon abatement projects, and we are currently involved in a number of opportunities in Indonesia that are funded by the private sector, of which some are hoped to become official REDD demonstration projects endorsed by the Indonesian Government.

We have been approached to be part of a consortium to bid for the IAFCP Facility. Can you advise would our participation in such a consortium prevent or restrict our ability to undertake demonstration REDD/AFOLU projects in the future? Or does our existing participation in AFOLU/REDD projects preclude us from eligibility under any conditions of the IAFCP Facility RFT?

Answer: Existing participation in any REDD demonstration projects does not preclude you from taking part in a bid for the IAFCP Facility RFT. Similarly being part of a bid or consortium would not necessarily prevent you from undertaking work on any future sub-contracted demonstration activities, as long as such decisions are made by the Facility Manager in accordance with the principles of the Commonwealth Procurement Guidelines (CPGs), and provide value for money. See the answer to **Question 22** above.

Attachments to this Addendum

- Attachment 1 *Briefing Agenda, Company Attendance List, Information Interview Session List 12 March09*
- Attachment 2 *Briefing Presentations 12 March09*
- Attachment 3 *List of Existing Office Assets*
- Attachment 4 *Roadmap for Access to International Carbon Markets*

All other information as set out in the RFT dated 27 February 2009 remains unchanged.

