



Australia Indonesia Partnership

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Australia-Indonesia Partnership: An Overview

Pre-tender Briefing - AIPD

by Niken Wardhani

Program Manager, Local Government Unit

Decentralisation Section, AusAID

Jakarta, 9 February 2010



Australia Indonesia Partnership

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AIP – Australia Indonesia Partnership

- AIP launched in June 2008
- \$2.5 billion over 5 years
- Five priority provinces – Aceh, NTT, NTB, Papua and Papua Barat
- Goal of the AIP: to work in partnership with the government of Indonesia to achieve a more prosperous, democratic and safe Indonesia



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Sub-national governance

- A theme across all sectoral programs
- Improved sub-national governance will support better service delivery
- Australia's aim in improving sub-national governance is to unlock the GoI's own resources, and respond to community needs
- Strategy of Australian engagement addressing sub-national governance



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Australia's engagement at sub-national level

- AUD 380 M for the next five years including national program PNPM
- Importance of cohesion across the programs



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Aid Effectiveness Principles

- 1. Ownership**
- 2. Alignment**
- 3. Harmonisation**
- 4. Managing for results**
- 5. Mutual accountability**



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Jakarta Commitment

- **Strengthening country ownership over development**
(using government systems, improve international governance of aid, strengthening south to south cooperation)
- **Building more effective and inclusive partnership for development**
(increase ownership, donor dialogue and coordination)
- **Delivering and accounting development**
(strong framework for measuring and monitoring, joint review by Gov of Indonesia and development partners)



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Thank you!



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Australia Indonesia Partnership for Decentralisation

Pre-tender Briefing
9 February 2010



Lessons from ANTARA

- Investing in government relationships
- Engaging with national level partners
- Investing in the management model
- Understanding government systems
- Maximizing use of local expertise/TA
- Increasing engagement with DPRD
- Presenting a unified AusAID face to local counterparts
- Identifying and supporting strong local leaders
- Recognizing the value of performance-based contracts as opposed to grant agreements



Investing in government relationships

- We need to recognize the critical importance of building trust with our provincial and local government counterparts
- To achieve this we need to be ready and willing to allocate sufficient resources (both human and financial) to build strong and enduring relationships
- Effective relationship-building often takes place outside formal office hours



Engaging with national level partners

- An identified weakness of the ANTARA design was that there were no structured linkages to the national level
- This has been rectified in the AIPD design and it is envisaged that strong relationships will be built with three key ministries – Ministry of Home Affairs, BAPPENAS and Ministry of Finance
- Information channels between local, provincial and national levels of government need to be established so lessons learned from the field can feed into national policy dialogue



Investing in the management model

- The management model differs from the conventional model of a contractor Team Leader reporting to a Jakarta-based AusAID activity manager
- The AusAID-contracted Program Director and Deputy Program Directors are responsible for the strategic directions of the program and report to senior management in Jakarta
- Critical to the success of the program will be the relationship established between the Program Director (PD) and the Contractor Representative (CR)
- The relationship needs to be mutually-supportive and based on a very high degree of trust



Understanding
government
systems

- ANTARA collaborate with the World Bank in public expenditure analysis (PEA) and other planning and budgeting instruments, using public finance management (PFM) as the entry point to improve provincial and local government performance in order to deliver better services
- Experience showed that to achieve this, the program team needed to have a deep understanding of government systems, especially in the area of PFM
- The program also found to be effective it needed to strengthen and use these systems including government M&E systems etc.



Maximizing
use of local
expertise
(TA)

- ANTARA, where possible, used local technical assistance
- This had the added advantage of building local capacity able to provide sustained inputs to government and other institutions
- Ideally and where possible, ANTARA contracted local institutions, rather than individuals, in order to strengthen these institutions in order to provide sustained inputs



Increasing
engagement
with DPRD

- Another identified weakness of the ANTARA design was the lack of engagement with provincial and local parliaments
- This, too, has been rectified in AIPD which recognizes the pivotal role that parliamentarians play in budget discussions and allocations
- AIPD will work with local parliaments, especially the commissions responsible for the three key sectors - health, education and infrastructure



Presenting a
unified
AusAID face
to local
counterparts

- ANTARA's experience showed that there is much confusion at the local level with multiple AusAID investments
- AIPD will be tasked to draw these various investments together and provide a unified Australian aid program face to local counterparts
- This "cohesion" agenda will likely be achieved incrementally, but will be progressed by bringing the various investments under one roof in the first instance



Identifying
and
supporting
strong local
leaders

- ANTARA found that a deep understanding of local political economies was a critical factor in success
- Progressive leaders need to be supported and we need to recognize that supporting districts with weak leaders will achieve little in the way of results
- However, we also need to recognize that in Papua and West Papua we might have to make compromises, especially if we want to focus on indigenous communities in remote areas



Recognizing
the value of
performance-
based contracts
as opposed to
grant-making

- The overwhelming experience of ANTARA showed that performance-based contracts were far more effective than traditional grant agreements
- The main advantages of performance-based contracts are (a) increased accountability and (b) focus on results
- Moving NGOs and other institutions from grants to contracts often requires additional training to enhance their financial and M&E systems etc., but resources invested in these activities are well spent and pay dividends



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Thank you!



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Australia Indonesia Partnership for Decentralisation (AIPD) 2010 - 2015

Pre-tender Briefing for AIPD

By Jeremy Stringer
Manager, Local Government Unit
Decentralisation Section, AusAID
Jakarta, 9 February 2010

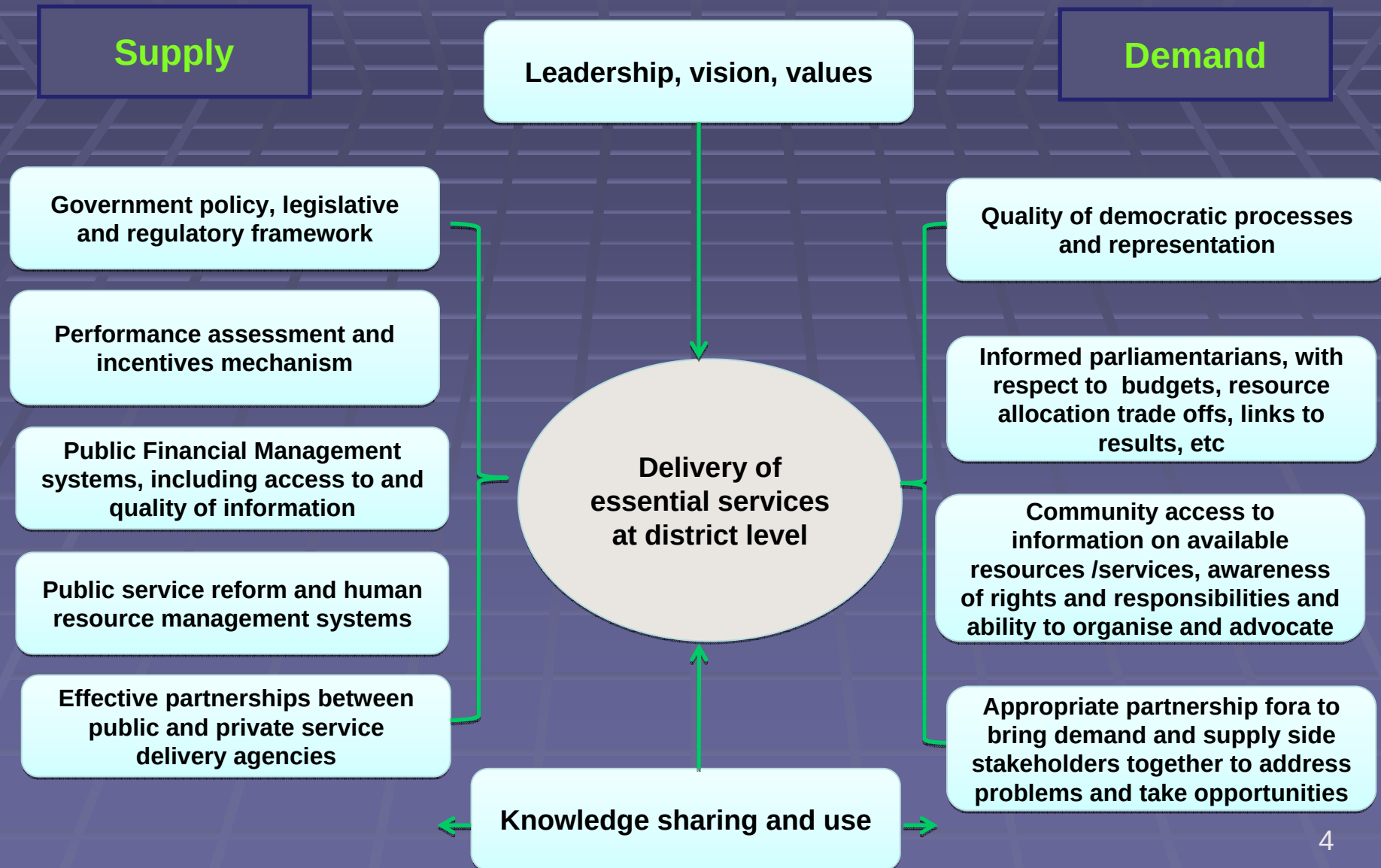
Background

- Decentralisation legislation in 1999, reforms starting in 2001, first direct elections at sub-national level in 2005
- Districts taking on responsibility for delivery of key services
- Clear link between limited capacity and incentives to effectively manage available resources at sub-national level, and poor service delivery
- Clear link between access to key public services (e.g. health, education and infrastructure) and low HDI
- Key role of service users / civil society in improving the delivery of key services (demand)
- Key role of reform minded and active local leadership
- Failure of 'traditional' donor programs/projects to deliver sustainable results, as reflected in the Paris and Jakarta Declarations on improving aid effectiveness

Geographic Coverage

- Nusa Tenggara Timur (NTT)
- Nusa Tenggara Barat (NTB)
- Papua
- Papua Barat
- Gorontalo – to pilot test incentives mechanism
- One additional province in western part of Indonesia

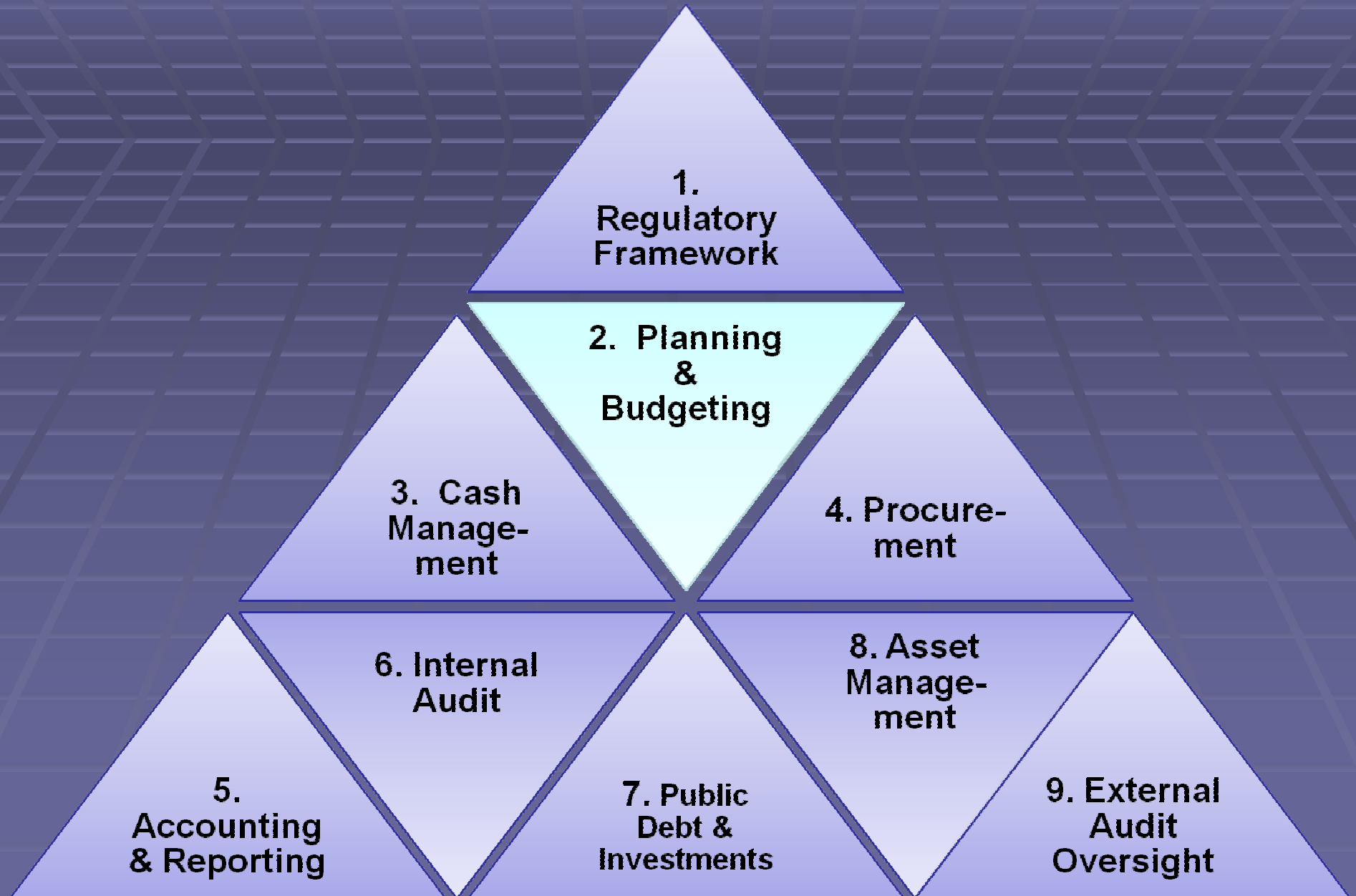
Key factors impacting district-level service delivery



Rationale for PFM as a core element of AIPD

- Significant resources are available to sub-national governments but are not being optimally allocated and disbursed
- Improved PFM is a 'public good' – it supports systemic improvements that impact all sectors
- It is a key platform for good governance – including transparency and accountability
- Both supply and demand side stakeholders can be engaged in the issues
- It directly supports the aid/development effectiveness agenda
- There is a clear capacity building need

Main elements of PFM



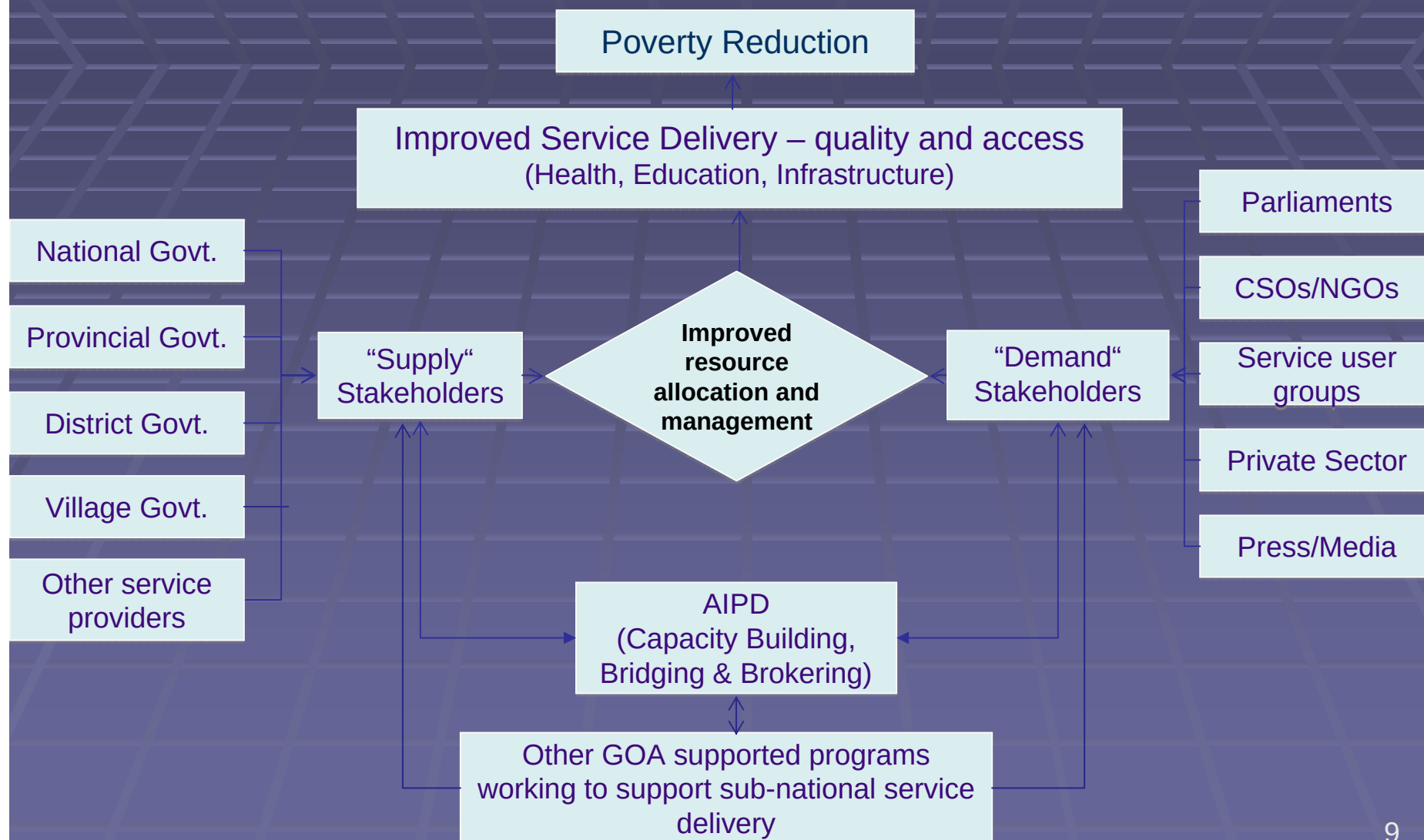
Which elements of PFM to focus on?

- Recognition that all elements of PFM are important
- However, AIPD needs to focus attention/resources on priority areas with the highest likely returns in terms of improved service delivery
- Lack of strategic resource allocation across sectors, poor spending prioritisation within sectors, low absorption rates, and lack of sound planning/management information are key constraints (as shown by PEAs) - rather than the availability of financial resources as such
- AIPD's initial focus will therefore be on supporting improvements in planning and budgeting (resource allocation/spending mix) and establishing a clearer link to service delivery priorities and targets. This will include support to improving access to relevant planning/management /service delivery information (for both government and community)
- Where there is demonstrated need/demand, AIPD will also be responsive to strengthening other PFM areas

Principles for AIPD engagement

1. Consistency with Paris Declaration principles, Jakarta Commitment and AusAID's Framework for sub-national engagement
2. Promote a gender and poverty inclusive approach through all supporting actions
3. Take a long-term perspective – engagement for 10 years + in supporting decentralisation
4. Engage at national level to support systemic improvements that can be replicated across provinces and districts
5. Support provincial/district governments to improve their service provision, rather than AIPD directly providing services
6. Work with legislators as well as the executive, given their key role in resource allocation decisions and establishing the policy/regulatory framework
7. Be flexible – to respond to diverse contexts and needs (e.g. between provinces and districts) and changing political and policy environments
8. Be able to scale up, or scale down, depending on progress being made, opportunities identified and constraints encountered
9. Test and prove approaches/tools that can be replicated across provinces/districts
10. AIPD should not present itself as a 'new' program, but as a support mechanism for decentralisation, which builds on the ANTARA experience

AIPD's overall objectives and key stakeholders



AIPD results hierarchy

Impact
Improved Service Delivery – Quantity/Quality and Access
(with specific focus on Health, Education, Infrastructure)

Outcome
Improved resource allocation and management

Menu of outputs
Improved policies/regulations, plans/budgets, systems/mechanisms, knowledge/skills and partnerships

**"Supply-side"
outputs**

1. Clear mechanisms applied for improved allocation of funds both *between* different levels of government and *within* provincial and district governments
2. Performance-based incentive mechanisms piloted for improved service delivery
3. P/LG (internal) information management systems improved for planning, budgeting and monitoring
4. Knowledge and skills of PFM improved within provincial and district governments

**Knowledge
sharing
outputs**

1. Information and research results shared on key/common decentralisation issues, including lessons learned and good practices
2. Peer to peer learning opportunities provided and strategic partnerships on decentralisation/reform established or strengthened
3. Improved LG-led donor coordination and information sharing mechanisms established
4. Enhanced coherence and coordination of AusAID support to decentralisation/governance capacity building

**"Demand-
side" outputs**

1. Improved LG public information programs and mechanisms established
2. CSO networks/alliances strengthened (which focus on improving government service delivery)
3. Enhanced mechanisms / fora established for multi-stakeholder dialogue on budget preparation process, execution and monitoring
4. Knowledge and skills of DPRD members enhanced on resource allocation and management issues

Indicative activities for AIPD support

- Supply side -

Output 1 – Mechanisms for allocation of funds

- Public Expenditure Analysis, Improvement of budget preparation mechanism (e.g. MKPP+), Integration of CDD processes (including PNPM) into district planning and budgeting

Output 2 – Performance-based incentive mechanisms

- Development and piloting of institutionally based performance incentive mechanism(s), performance monitoring, access to learning & training opportunities

Output 3 – P/LG (internal) information systems

- Support for developing management information systems

Output 4 – Knowledge and skills in PFM

- PFM assessments and discussion of results/implications, inclusion of 4 provinces in the MoF/Universities finance network (capacity building and training delivery), support for implementation of general PFM reforms

Indicative activities for AIPD support

- Demand side -

Output 1 – Improved LG public information programs

- Identification of priority public information needs, establishment/strengthening of public information centre/unit in LGs, support for provincial transparency commissions (law 14/2008)

Output 2 – Strengthened CSO networks/alliances

- Facilitation of establishment or strengthening CSO networks to advocate for specific public service delivery improvements/reform agendas, development of district-level CSO capacity on budget issues

Output 3 – Enhanced mechanisms for multi-stakeholder dialogue

- Strengthening fora/mechanisms (e.g. *Forum SKPD*, Budget Forum at DPRD, DPRD commissions on health and education) to allow stakeholders (mainly CSOs, local executive and legislative) to discuss and agree on specific reform agendas

Output 4 – DPRD knowledge and skills enhanced

- Through/with the DPRD Secretariat, capacity building support for regulation drafting, understanding planning and budgeting processes/tools, etc

Indicative activities for AIPD support

- Knowledge sharing -

Output 1 – Information generated, shared and applied

- Support to BaKTI or similar organisation as core mechanism to deliver knowledge products
- Identification of key research topics relevant to improving service delivery, provision of grants for appropriate action-based research, dissemination and utilisation of findings
- Production and dissemination of contextually appropriate and user friendly publications (including “plain” Indonesian/English publications of P/LG plans and reports, guides to P/LG planning and budgeting systems, etc)

Output 2 – Peer to peer learning and strategic partnerships

- Support to BaKTI or similar organisation as the core mechanism to organise and deliver peer to peer learning opportunities and develop/promote strategic partnerships on decentralisation and reform
- Promote/support media engagement (e.g. AJI) in promoting public awareness and monitoring of service delivery issues

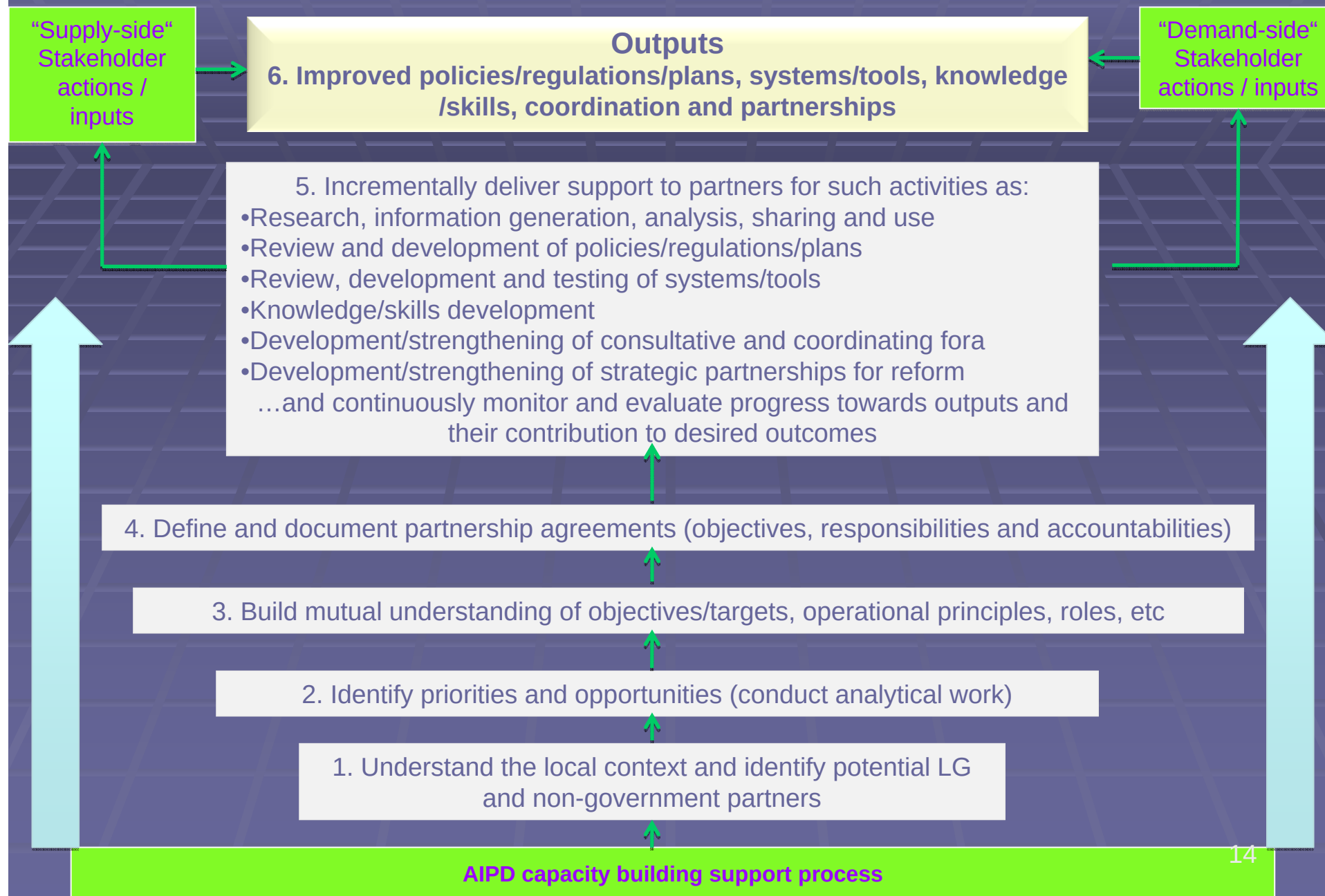
Output 3 – Improved LG-led donor coordination mechanisms

- Support for strengthening P/LG donor coordination units (e.g. Joint Secretariats), including their access to information about donor programs/activities

Output 4 - Enhanced coherence and coordination of AusAID support at P/LG level

- Provision of information/guidance to AusAID sectoral programs
- Development of a common results framework for measuring effectiveness of P/LG engagement/capacity building (‘horizontal’ indicators)

'How' AIPD will provide support for output delivery



Differentiating the focus of AIPD engagement and support for decentralisation at different levels

National level

Policy dialogue, technical support for policy/regulations and systems review/development/improvement, piloting incentive mechanisms, knowledge sharing between national and sub-national stakeholders

Provincial level

Capacity building support for PFM systems, skills development, coordinating and monitoring district development, providing technical/management support to districts, for knowledge sharing and developing strategic partnerships

District level

Capacity building support for PFM systems, skills development, monitoring service delivery, promoting a service culture in government, public information provision, knowledge sharing and developing strategic partnerships

'Community' level

Supporting civil society/service user groups/networks to develop reform agendas & advocate for better services, promoting multi-stakeholder forums, supporting access to information on government services

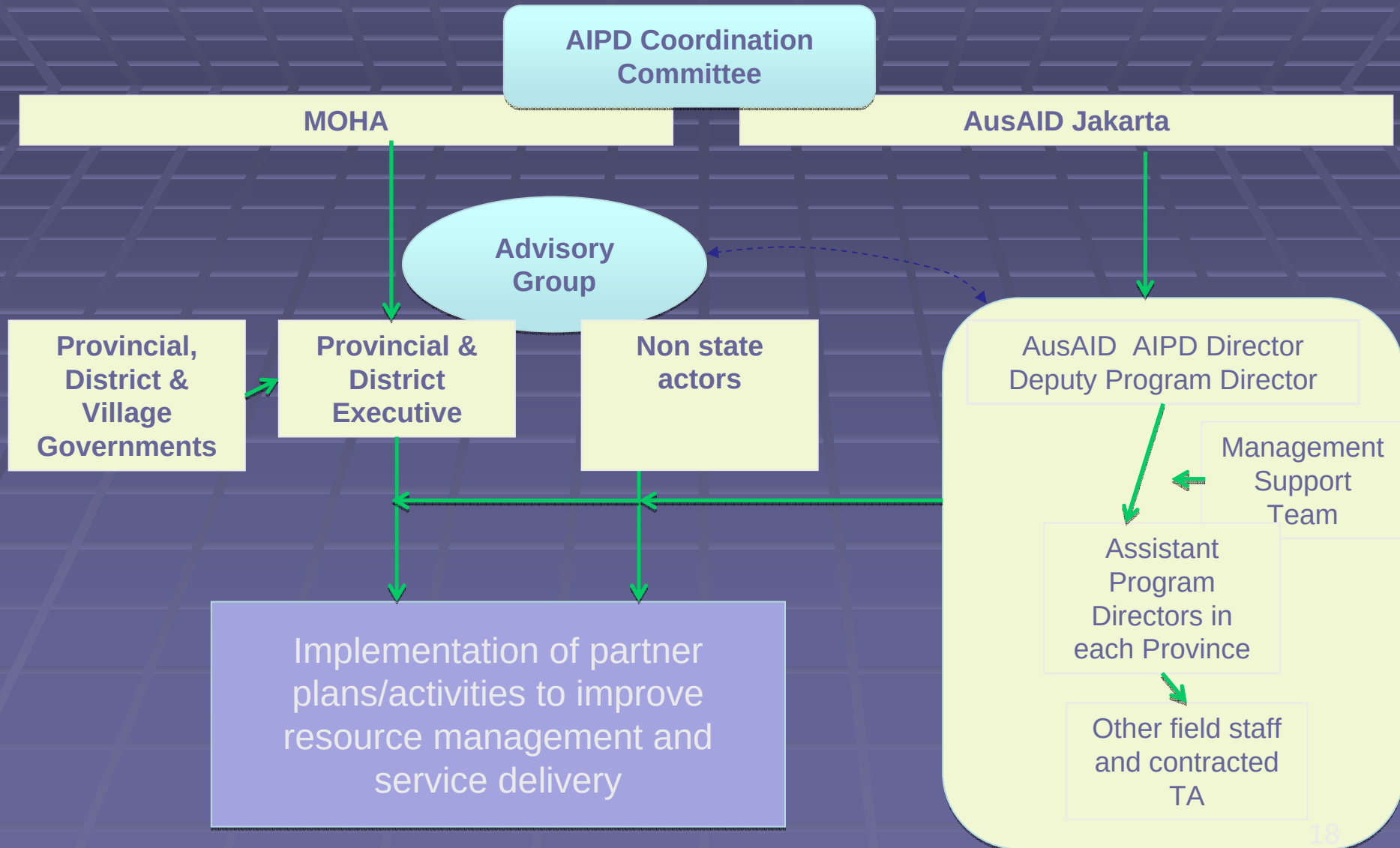
Criteria for selecting districts for AIPD targeted support

1. Have a satisfactory PFM score
2. Commitment to service delivery reform by the Bupati, Sekda, Bappeda and district parliament
3. Commitment to more responsive and transparent government, including through engagement with NGO/CSOs and through making their budget and budget implementation report publically available
4. Commit to providing counterpart resources from their own district budget
5. Sign letter of agreement clearly articulating service delivery improvement objectives and respective responsibilities/commitments
6. Self-nomination may also be trialed

AIPD approach to the use of Technical Assistance

- Use of TA must be based on demonstrated need and local demand
- TA should focus on institutional, rather than individual, capacity building, and generally play a facilitating/mentoring role
- Prioritise use of local expertise from within targeted provinces and Indonesia, as part of the overall capacity building and sustainability strategy
- Use local institutions as a source of TA (e.g. GOI agencies, universities, businesses, NGOs) to help build sustainable partnerships
- Develop the terms of reference for TA with local partners (the 'clients' of the services), and ensure TA is accountable to local partners for the quality of their product/services
- Support the development of local partner capacity to manage TA effectively (e.g. District governments)
- Only use expatriate expertise where it is clear (and agreed with local partners) that this is appropriate and cost effective

AIPD governance and implementation arrangements



Providing a 'platform' for more coherent support from GoA at P/LG levels

AIPD's role would be to:

- Support development of the P/LG 'platform' for better resource allocation and management (improved PFM capacity), specifically at the district level
- Provide a source of lessons and guidance to AusAID on how it can better design and manage its 'sectoral' programs (primarily regarding **who** should be engaged and **how**), so they are supportive of decentralisation policies and local capacity building
- Help establish what the basic 'parameters' are (or conditions) for providing effective support to improved decentralised service delivery
- Support development of a common results framework for all AusAID programs working at the P/LG level (set of 'horizontal indicators')
- Provide a central point(s) of contact in the four targeted provinces (and targeted districts) for other AusAID sectoral programs (to link into/engage with P/LG governments in a more coordinated / coherent manner)
- Help ensure provincial and district authorities in the 4 targeted provinces are better informed about AusAID's overall program of support

Approach to Monitoring and Evaluation

- Build on ANTARA's experience and the elements that have worked
- Ensure shared partner ownership of M&E through joint evaluability assessments (EA) of AIPD supported activities ('quality at entry')
- Take a capacity building approach – specifically for district and provincial governments to improve their access to and use of PFM related information
- Monitor and evaluate quality of processes , outputs and outcomes
- Periodically assess/evaluate 'contribution ' to service delivery outcomes
- Link to the knowledge management strategy / research agenda
- Aim to answer key 'research' type questions, not just tracking of quantitative indicators
- Use M&E results to inform future plans and resource allocation
- Support development of a common results framework for all AusAID programs working at P/LG levels on improving service delivery
- Keep it simple – with the needs of information users always in mind
- Adequately resource

Cross-cutting issues

- Anti-corruption
- Gender
- Environment
- Partnerships
- Donor harmonisation
- Harmonisation with other AusAID activities
- Child protection
- Disability
- Disaster risk reduction



Thank You

POINTERS
KEPALA PUSAT AKLN DEPDAGRI PADA
"PRE TENDER BRIEFING
AUSTRALIA INDONESIA PARTNERSHIP FOR DECENTRALIZATION"

Bima Room, MNC Tower Jakarta, 9 February 2010

1. Pertama-tama saya ucapkan terima kasih atas undangan untuk menghadiri Pre tender Briefing AIPD yang diselenggarakan oleh AusAID dan mohon maaf karena kegiatan yang sangat padat pada hari ini maka kami tidak dapat menghadiri pertemuan yang penting ini. Kami juga menyampaikan penghargaan kepada Pemerintah Australia atas dukungan Pemerintah Australia terhadap pelaksanaan Desentralisasi di Indonesia.
2. Pengumuman tender Proyek *Australia Indonesia Partnership for Decentralization* (AIPD) telah dilaksanakan pada tanggal 23 Januari 2010 melalui media surat kabar, Jakarta Post dan Kompas dan tender akan ditutup pada tanggal 9 Maret 2010. Pada pertemuan kali ini kita akan berdiskusi mengenai proses tender untuk Proyek (AIPD) yang dirasa sangat penting mengingat berawal dari Pre Tender ini, segala kelancaran implementasi pelaksanaan program AIPD berkonsekuensi terhadap kesuksesan Desentralisasi khususnya pelayanan dan pembangunan bagi masyarakat di Daerah dan bagi pembangunan Indonesia umumnya.
3. Mengenai AIPD sebagai bantuan hibah Pemerintah Australia untuk dukungan agenda desentralisasi pada tingkat regional dan lokal di Indonesia yang merupakan tindak lanjut dari Strategi Kerjasama Pembangunan Indonesia - Australia akan diimplementasikan melalui Komite yang dipimpin bersama DEPDAGRI dan AusAID dengan melibatkan DEPKEU, BAPPENAS dan Pemerintah Daerah.
4. Kedepan diharapkan Program Kemitraan Australia dan Indonesia melalui AIPD dapat berjalan sesuai dengan RPJM dan bekerja melalui sistem pemerintah RI untuk menciptakan rasa memiliki sehingga ide dan gagasan yang ada bisa berjalan berkelanjutan sebagaimana prinsip-prinsip yang tertuang dalam MDGs serta *Paris Declaration on Aid Effectiveness*.
5. Demikian disampaikan, atas perhatian dan kerjasamanya diucapkan terima kasih.

KEPALA PUSAT
ADMINISTRASI KERJASAMA LUAR NEGERI

**Speech of Bapak Drs Nuryanto, MPA
Head, Centre for Management of Overseas Cooperation
Ministry of Home Affairs (MoHA)
Pre-Tender Briefing
Australia Indonesia Partnership for Decentralisation (AIPD) –
Management Support Team (MST)**

Bima Room, MNC Tower, Jakarta, 9 February 2010

1. First of all we would like to thank you for the invitation to attend the AIPD MST pre-tender briefing held by AusAID. We apologize for being unable to come to this important meeting due to my very dense activity today. We also would like to express appreciation to the Government of Australia for their support to the implementation of Decentralization Programs in Indonesia.
2. The advertisement of AIPD-MST was announced in the Jakarta Post and Kompas newspapers and the tender will close on 9 March 2010. At this meeting we will discuss the tendering process for the Australia Indonesia Partnership for Decentralisation which is considered very important as the Pre-Tender Briefing is the start to the smooth implementation of the program's success. AIPD would contribute to the success of decentralisation, especially for service delivery to and development of local communities and development in Indonesia in general.
3. AIPD as the Australian Government grants to support the decentralization agenda at regional and local levels in Indonesia, is a follow-up of the Strategy for Development Cooperation Indonesia – and will be implemented through a Committee co-chaired by AusAID and Ministry of Home Affairs involving Ministry of Finance, BAPPENAS (National Planning Agency) and local government.
4. It is expected that the Australia Indonesian Partnership through the AIPD program could be implemented in accordance with the RPJM / *Rencana Pembangunan Jangka Menengah* (Mid Term Development Plan) and working through the government systems of Indonesia, to create a sense of belonging so that the ideas could be a sustained, as the principles embodied in the MDGs and the Paris Declaration on Aid Effectiveness.
5. Thank you for your attention and cooperation.

**Head
Centre for Management of Overseas Cooperation**

**Australia Indonesia
Partnership for
Decentralisation (AIPD) –
Management Support Team**

TENDER PROCESS

9 February 2010



Australian Government
AusAID

AusAID Tenders

- Untied Aid

www.ausaid.gov.au/business/untied.cfm

- AusAID Contracts Charter

www.ausaid.gov.au/business/pdf/charter.pdf

- Commonwealth Procurement Guidelines

www.finance.gov.au/publications/fmg-series/procurement-guidelines/index.html

- Request for Tender (RFT)

www.tenders.gov.au



Electronic Lodgment

- Requirements: One (1) copy of each schedule in separate files
- Address: AusTender www.tenders.gov.au
- Format: PDF (Portable Document Format)
- Terms & Conditions: Annex D of Part 5 of the RFT *and* AusTender website www.tenders.gov.au
- Closing Time: Tenders must be received by AusTender by the Closing Time



Hard copy Lodgment

- Requirements: One (1) original of each schedule plus four (4) copies of the Technical Proposal and a CD containing each schedule in separate files
- Endorsement: 'Tender for the AIPD – Management Support Team'
- Address: Tender Box
Ground Floor, AusAID House
255 London Circuit
Canberra ACT 2601
- Business Hours: 8.30am to 5.00pm (local time)
Monday to Friday (excluding Public holidays)
- Format: Print double sided



Enquiries

- Contact Person: Rebecca Clack
Email address: AIPDtender@ausaid.gov.au
Fax: +61 2 6206 4885
- Deadline for enquiries: 23 February 2010
- Deadline for response: 2 March 2010
- AusTender Help Desk
Phone (within Australia): 1300 651 698
Phone (outside Australia): +61 2 6215 1558
Email: tenders@finance.gov.au



Tender Assessment

- Conformity
- Technical Assessment Panel (TAP)
 - ◆ Written assessment
 - ◆ Interviews
- Like-for-like price assessment
- Overall recommendation of Value for Money



Tender Proposal

Tender Schedule A – Technical Proposal

- Response to Selection Criteria
 - Annex 1 – Past Experience Forms
 - Annex 2 – Narrative Work Plan
 - Annex 3 – Dependency Work Plan
 - Annex 4 – Team Member Inputs (Bar Charts)
 - Annex 5 – Mobilisation Plan
 - Annex 6 – Letters of Association and other details of other proposed sub-contractors
 - Annex 7 – Commonwealth Government Policies Compliance

Page limits: Please note page limits specified in the RFT must be strictly adhered to.



Tender Proposal

Tender Schedule B – Specified Personnel

- Specified Personnel:
 - ◆ Contractor Representative
 - ◆ PFM Specialist
 - ◆ M&E Specialist
- Tender Schedule B must include:
 - ◆ Table 1: Specified Personnel
 - ◆ Skills Matrix
 - ◆ Curriculum vitae for each specified personnel

Page limits: Please note page limits specified in the RFT must be strictly adhered to.



Tender Proposal

Tender Schedule C – Financial Proposal

- The financial proposal must be:
 - ◆ fully costed
 - ◆ fixed-price
 - ◆ based on the Scope of Services
 - ◆ in AUD
- And must include:
 - ◆ escalation
 - ◆ any allowances
 - ◆ any insurances
 - ◆ assumptions



Tender Proposal

Tender Schedule C – Financial Proposal

- The financial proposal consists of four (4) tables:
 - ◆ Table 2: Fixed Management Fee
 - ◆ Table 3: Performance Payment – Nominated Base Rate
 - ◆ Table 4: Long-term Personnel*
 - ◆ Table 5: Summary Table

*Novated Personnel



Australian Government
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Tender Proposal

Tender Schedule C – Financial Proposal

■ Performance Payments

Rating		Percentage of Nominated Base Rate (%)	Six-monthly Performance Payment (AUD)
			Year 1 (etc...)
Best Practice		120	xx
Effective Performance (Nominated Base Rate)		100	xx
Unsatisfactory Performance	1 criterion	90	xx
	2 criteria	80	xx
	3 criteria	70	xx
	4 criteria	60	xx
	5 criteria	0	0



Tender Proposal

Tender Schedule C – Financial Proposal

- Like-for-like price assessment

$$\text{Technical Score} = \frac{\text{Tenderer's Technical Score (out of 100)}}{\text{Highest Technical Score (out of 100)}} \times 90$$

$$\text{Price Score} = \frac{\text{Bid Price of Lowest Priced Technically Suitable Bid}}{\text{Tenderer's Bid Price}} \times 10$$

- Value for Money



Tender Proposal

Tender Schedule D – Financial Assessment

- Independent Financial Assessor
 - ◆ nominate a contact point
 - ◆ provide financial data and other information as requested
- All financial information will be treated confidentially



Feedback on Tenders

- Written Debriefs are available on request.



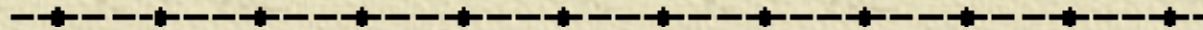
Key Dates

- Deadline for enquiries: 23 February 2010
- Closing time: 2.00pm (Canberra time)
Tuesday, 9 March 2010
- Interviews: April 2010
- Outcome: May 2010
- Mobilisation: July 2010

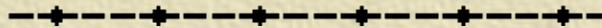




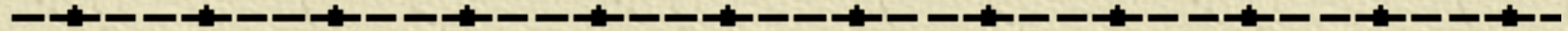
Australia Indonesia Partnership for Decentralisation (AIPD)



Pre-Tender Briefing
9 February 2010



PROBITY PRINCIPLES



- 1.1 Best Value for Money
- 1.2 Encouraging Competition
- 1.3 Efficient Effective and Ethical use of
Commonwealth Resources
- 1.4 Accountability and Transparency
- 1.5 Confidentiality & Impartiality

Commonwealth Procurement Guidelines ¹

Legislative & Policy Framework

Governs Australian Public Service

Financial Management Framework

Governs financial management, including proposals to spend public money

Procurement Policy Framework

Governs duties related to the procurement of property or services

¹ Department of Finance & Deregulation – Financial Management Guidance No. 1

1. PROBITY PRINCIPLES

1.1 Value for Money

- Core principle underpinning the procurement
- Cost is only one element in assessing VFM

1.1.1 Whole of life value for money assessment

- Fit for purpose
- Performance history of the supplier
- Relative risk of each proposal
- Flexibility to adapt to change

1. PROBITY PRINCIPLES (Cont'd)

1.2 Encouraging Competition

- Potential suppliers should have an equal opportunity

1. PROBITY PRINCIPLES (Cont'd)

1.3 Efficient Effective and Ethical use of Commonwealth Resources - requirement of S44 of the Financial Management & Accountability Act 1997

1.3.1 Efficiency – the selection of the procurement process in terms of transparency and fairness.

1.3.2 Effectiveness – accuracy in the specification, rigor in the evaluation process and contract negotiations, and management of the contract.

1.3.3 Ethics – moral boundaries underpinning the procurement process, eg. honesty, consistency, integrity

1. PROBITY PRINCIPLES (Cont'd)

1.4 Accountability & Transparency

- Prime consideration throughout the procurement process.
- Documentation of the procurement process to facilitate scrutiny.

1. PROBITY PRINCIPLES (Cont'd)

1.5 Confidentiality & Impartiality

- Proposals are treated as Commercial in Confidence
- TAP members are required to sign Confidentiality and Conflict of Interest declarations
- Proposals are only assessed on responses to the selection criteria



2. Probity Advisor

2.1 Advisor vs Auditor

2.2 Probity Audit Opinion