Australian Government
AusAID

ADDENDUM 4

Date: 30 September 2009 Pages: 3
Subject: Addendum 4 to the Cambodia Agricultural Value Chain Program (CAVAC) Operational Contractor Request for Tender of 15 August 2009.

Tenderers are advised of the following:

Questions raised by interested tenderers

1. **Question:** Can AusAID please confirm whether the type font of no less than 12 points refers to the 12 pages technical proposal only or also to the respective annexes of Tender Schedule A and Tender Schedule B?

   Answer: In accordance with Clause 7.16 of Part 5 of the RFT, all parts of the technical proposal, comprising the response to selection criteria in Clause 5.2 of Part 1 and the annexes referred to in Clause 5.3 of Part 1, should be in a type font of no less than 12 point on A4 paper.

2. **Question:** According to the Memorandum of Understanding between the Government of Australia and the Royal Government of Cambodia, Australian firms and Australian personnel will be exempted from income taxes or other similar taxes derived from activities performed in Cambodia. Can you confirm whether this exemption also applies to non-Australian firms working under a contract funded by AusAID?

   Answer: Tenderers are referred to Clauses 12 to 16 of the Memorandum of Understanding between the Government of Australia and the Royal Government of the Kingdom of Cambodia (Attachment 4 to Addendum 2 of the RFT). The exemptions contained in Clauses 12 to 16 of the Memorandum of Understanding apply to Australian firms only. However, a Memorandum of Subsidiary Arrangement is currently being negotiated between the Government of Australia and the Royal Government of Cambodia which will seek to achieve parity for non-Australian firms working under a contract funded by AusAID.

3. **Question:** In the case where non-Australian firms are not exempted from the above mentioned taxes, this will result in additional cost for the long term personnel. Can AusAID please indicate how to include these taxes in the financial proposal without turning into a cost/price disadvantage for non-Australian firms?

   Answer: Tenderers should submit Tender Schedule C with prices excluding Cambodian taxes. Tenderers must note in the Assumptions that prices are exclusive of Cambodian taxes under each Table and provide an explanation of the tax implications and impact on price if Cambodian taxes were applied.

4. **Question:** The Contractor has total fiduciary responsibility for the Imprest Account (Clause 12.4 of Part 2 of the RFT), yet under Clause 12.8 of Part 2 of the RFT, it is possible for both signatories to come from the Partner Government and thus control the release of funds from the Imprest Account. Is this AusAID's intent?

   Answer: In accordance with Clause 12.8 of Part 2 of the RFT, the Contractor has control over the appointment of signatories to the Imprest Account. It is expected that the Contractor will take into account its fiduciary responsibility under Clause 12.4 in appointing signatories to the Imprest Account.

5. **Question:** Where a procurement or application advertisement for an activity to be paid for from the Imprest Account is required, will the cost of the advertisement be paid from the Imprest Account or from the Contractor's management fee?

   Answer: Tenderers are referred to Clause 12.9 of Part 2 (Project Specific Contract Conditions) and to Clause 6.2 of Part 3 (Basis of Payment) of the RFT. Note that "The AWPs will identify priority areas to be addressed by the Program, together with budget requirements, implementation responsibilities, and component linkages.

6. **Question:** According to paragraph 43 of Addendum 2, the Team Leader, Contractor and ACIAR are required to collaborate to ensure that national staff for the Program are employed under similar terms. This seems to be at odds with the RFT requirement to price the cost of "Other Program Personnel" in Tender Schedule C. We also note that "Other Program Personnel" must be costed without any requirement to demonstrate the quality of personnel that can be employed for the tendered costs. Given that these costs will form a very significant proportion of the total Like for Like Assessment forming 15% of the total tender score, it is not clear how AusAID will ensure like for like assessment of the financial score. Will tenderers considered to have underpriced this section of the tender have their scores adjusted? Alternatively, would AusAID consider fixing an upper limit for these costs with specific costs to be determined during formal recruitment following consultation with the Team Leader and ACIAR?

   Answer: AusAID understands the concern expressed and requests tenderers to provide a price and list their Assumptions about the quality of personnel that will be supplied at that price under Tables 4(a) and 4(b) of Tender Schedule C.

7. **Question:** During the Inception Period of two months commencing from the date of contract signature, the Contractor is required to

mobilise, sub-contract a Fiduciary Risk Assessment, develop a Management Procedures Manual, develop a Procurement Manual and recruit staff. Whilst it is important to “get things moving quickly”, is this achieveable in two months?

Answer: Clause 3.10 of Part 3 (Draft Scope of Services) sets out the indicative timing of events expected to be completed by the Operational Contractor during the Inception Period. The precise timing of these events will be negotiated with the successful tenderer.

8. **Question:** The RFT refers to the Contractor placing ‘sub-contracts’, which would normally carry a formal contractual responsibility and liability for quality. Can AusAID clarify that the extent of the Contractor’s liability is that of an agent acting on behalf of AusAID and the RGC and in keeping with the administration and support-only nature of the Contractor’s role, or does legal liability for quality rest with the Contractor as the party with whom sub-contracts are signed?

   Answer: Tenderers are referred to Clause 3.10(f), 3.10(g)(i) and 3.10(g)(iv) in Part 3 (Scope of Services), Clause 7.1 of Part 2 (Project Specific Contract Conditions) and Clause 11 of Part 6 (Standard Contract Conditions) of the RFT. It is expected that where the Contractor engages sub-contractors, legal liability for the quality of sub-contractors engaged rests with the Contractor.

9. **Question:** Can you please clarify if recruitment of the team for the Project Management Office and the Provincial Coordination Offices can start as soon as the Contract is signed (in conjunction with the Team Leader) or do tenderers have to wait for the Management Procedures and Procurement Manuals to be finalised or until these manuals are approved? These last two options would lead to significantly later mobilisation of the PMO and PCO team members.

   Answer: Tenderers are referred to paragraph 6 of Addendum 3 to this RFT.

All other information as set out in the RFT dated 15 August 2009 remains unchanged.