



Australian Government

AusAID

15 August 2009

Request for Tender

Cambodia Agricultural Value Chain Program (CAVAC)
Operational Contractor

REQUEST FOR TENDER

Cambodia Agricultural Value Chain Program (CAVAC)

AusAID is seeking proposals from organisations interested in providing services for the Cambodia Agricultural Value Chain Program (the “**Project**”). If your organisation chooses to lodge a proposal (the “**Tender**”) it must be submitted on the terms of this document and the attached Parts (together referred to as the “**Request for Tender**” or “**RFT**”). The required services (the “**Services**”) are described in detail in Part 3 - Scope of Services.

STRUCTURE OF THE RFT

The RFT is separated into two (2) Sections and several Parts. References in the RFT to Parts and Sections are to Parts and Sections of this RFT.

Section 1 details the Project Specific Tender Conditions (**Part 1**) and the Project Specific Contract Conditions (**Part 2**), the Scope of Services (**Part 3**), and the Basis of Payments (**Part 4**).

Section 2 details the Standard Tender Conditions (**Part 5**) and the Standard Contract Conditions (**Part 6**).

The two sections are designed to clearly identify standard clauses applicable to AusAID tenders and contracts and by extension to highlight particular requirements (either in tendering or the contract) that will apply for this particular Project.

The conditions (Tender and Contract) contained in this RFT apply to this stage of the procurement process and supersedes any earlier stage conducted by AusAID.

Tenderers are encouraged to fully inform themselves of the Contract Conditions (both Project Specific and Standard) when preparing their Tenders and to make any enquiries before the Tender enquiry closing time, referred to in **Clause 2, Part 5**.

It is AusAID’s intention to contract on the basis of the Contract Conditions provided in this RFT.

AusAID Contracts Charter

AusAID has published a Contracts Charter describing AusAID’s approach to contracting aid activities, expectations of contractors and what contractors may expect from AusAID. Tenderers are encouraged to access and inform themselves of the Charter which is available on URL: <http://www.ausaid.gov.au/business/pdf/charter.pdf>

SECTION 1 – PROJECT SPECIFIC TENDER AND CONTRACT CONDITIONS

PART 1 – PROJECT SPECIFIC TENDER CONDITIONS

1. TENDER PARTICULARS

Closing Time: (Clauses 1.11 and 1.15, Part 5)	2.00 pm local time in Canberra Australian Capital Territory, Thursday, 1 October 2009.
Mode of submission: (Clause 1.1, Part 5)	Electronically, via AusTender at https://tenders.gov.au before the tender Closing Time; <u>or</u> in hard copy, by depositing by hand in the Canberra Tender Box before the tender Closing Time.
Electronic Tender Lodgement Address: (Clause 1.11, Part 5 and Annex C, Part 5)	Via AusTender at http://tenders.gov.au Tenderers are advised to allow sufficient time to upload their tender documents.
Canberra Tender Box Address: (Clause 1.15, Part 5)	Tender Box, Ground Floor AusAID 255 London Circuit Canberra ACT 2601 AUSTRALIA.
Business Hours for hard copy lodgement: (Clause 1.15, Part 5)	Monday to Friday, 8.30 am to 5.00 pm local time in Canberra, Australian Capital Territory, excluding Public holidays.
File Format for Electronic Tenders: (Clause 4.3, Annex C to Part 5)	PDF (Portable Document Format)
Number of Copies of Tender: (Clause 1.6, Part 5)	<u>For electronic tender lodgement</u> The Tenderer's contact name, position and contact details (phone, email and fax) must be listed on the front cover of each Tender Schedule. Tenderer Declaration: One (1) electronic copy in a separate file. Tender Schedule A - Technical Proposal: One (1) electronic copy containing all parts and annexes. Tender Schedule B – Specified Personnel: One (1) electronic copy in a separate file. Tender Schedule C - Financial Proposal: One (1) electronic copy in a separate file. Tender Schedule D - Financial Assessment material: One (1) electronic copy in a separate file.

For hard copy tender lodgement

The Tenderer's contact name, position and contact details (phone, email and fax) must be listed on the front cover of each Tender Schedule.

Tenderer Declaration: One (1) signed original, to be included with the Financial Proposal.

Tender Schedule A - Technical Proposal: One (1) printed Original containing all parts and annexes.

Tender Schedule B – Specified Personnel: One (1) printed Original.

Tender Schedule C - Financial Proposal: One (1) printed Original in a separate, sealed envelope.

Tender Schedule D - Financial Assessment material: One (1) printed copy in a separate sealed envelope.

One CD, containing all the files specified as for electronic lodgment.

“Tender for the Cambodia Agricultural Value Chain Program.”

Endorsement of hard copy Tenders:
(Clause 1.17, Part 5)

Tender Validity Period:
(Clause 1.8, Part 5)

Contact Person:
(Clause 2.1, Part 5)

Catherine Ross
Fax: +612 6206 4885
Email address: cavac@ausaid.gov.au

Last date for tenderer enquiries:
(Clause 2.2, Part 5)

17 September 2009

Responses to tenderer enquiries will be issued no later than 24 September 2009 (ie 7 days prior to the **Closing Date** (Clause 2.3, Part 5))

Page limits:
(Clauses 7.15 and 7.17, Part 5)

Tender Schedule A: Technical proposal 12 pages plus annexes.
Tender Schedule B: Curriculum Vitae - 5 pages each, including declaration and signature.

Information:

The following documents are attached:

- Program Design Document;
- Tenderer Declaration Document (in Microsoft Word format); and
- Tender Schedule C (in Microsoft Word format).

The Request for Tender and any associated documents are available from the AusTender website <https://tenders.gov.au>

2. PRE-TENDER BRIEFING FOR INTERESTED TENDERERS

- 2.1 AusAID intends to hold a pre-tender briefing at the Australian Embassy, Villa 11, RV Senei Vannavaut Oum (St 254), Daun Penh District, Phnom Penh, Cambodia on Wednesday, 26 August 2009 from 10.00 am local time.
- 2.2 Tenderers planning to attend the pre-tender briefing are requested to send advanced notification to the Contact Officer by e-mail: cavac@ausaid.gov.au or facsimile (+612 6206 4885), indicating the name of the organisation and the number of people planning to attend by COB Friday **21 August 2009**.

Note to Tenderers: The Australian Embassy in Phnom Penh is a “secure building”. This means that all visitors must be signed in and out of the building and escorted while inside the building at all times.

3. ALTERNATIVE TENDERS

- 3.1 AusAID reserves the right to accept and consider alternative Tenders providing they:
- (a) are submitted with a conforming Tender;
 - (b) clearly identify the differences and improvements offered in the alternative Tender;
 - (c) are fully costed; and
 - (d) are clearly marked with the name of the Project and the words “Alternative Tender”.
- 3.2 Alternative Tenders will be considered only after completion of the technical assessment of conforming Tenders.
- 3.3 Only the alternative Tender of the preferred tenderer (following TAP assessment of conforming Tenders) will be assessed.
- 3.4 Alternative Tenders will be technically assessed against the selection criteria contained in this RFT.

4. SCORE WEIGHTINGS

- 4.1 The technical assessment of the proposal will account for **85%** of the overall score using the following formula:

$$\text{Technical Score} = \frac{\text{Tenderer's Weighted Technical Score (out of 100)}}{\text{Highest Weighted Technical Score (out of 100)}} \times 85\%$$

- 4.2 Following consideration of the technical merit of Tenders, a like-for-like price assessment will be undertaken by AusAID of the proposals that are assessed by the Technical Assessment Panel (TAP) as technically suitable.

- 4.3 The like-for-like price assessment will represent **15%** of the overall score. The following formula for the scoring and ranking of Tenders on the basis of price will be used:

$$\text{Price Score} = \frac{\text{Bid Price of Lowest Priced Technically Suitable Bid}}{\text{Tenderer's Bid Price}} \times 15\%$$

- 4.4 Following the final assessment and calculation of the final aggregate scores, confirmation of the Tenderer's financial capacity to meet the contractual obligations referred to in **Clause 8 of this Part** and consideration of other factors referred to in **Clause 7.8, Part 5**, a recommendation for further action will be made to the appropriate AusAID delegate. Tenderers should be aware that the delegate is not bound to accept the TAP recommendation and may direct that other action be taken in accordance with this RFT.

5. **TENDER SCHEDULE A – TECHNICAL PROPOSAL (RESPONSE TO SELECTION CRITERIA)**

- 5.1 **Tender Schedule A** of the Tender must contain all information required in the following format:

- (a) a technical proposal that substantively and individually addresses the selection criteria provided in **Clause 5.2 of this Part** taking into consideration “other factors” under **Clause 7.8, Part 5**; and
- (b) the required annexes included in **Clause 5.3 of this Part**.

5.2 **Selection Criteria**

- | | | |
|----------|---|-----|
| A | Approach | 30% |
| | <ul style="list-style-type: none"> • Demonstrated understanding of the development context, key linkages and stakeholders critical for the success of the Program. • Identification of key risks and management strategies to ensure sustainability of Program objectives. | |
| B | Management | 35% |
| | Demonstrated capacity and ability of the bidder (and consortium members, if any), to: | |
| | <ol style="list-style-type: none"> 1. recruit, retain and manage technical and administrative staff over the life of the Program; 2. manage fiduciary and procurement risks appropriate to this Program, including risks associated with use of an Imprest Account and Partner Government systems; and 3. provide logistical and administrative support to a large, geographically dispersed Program | |
| C | Personnel | 35% |
| | <ul style="list-style-type: none"> • General Manager (15%) • Procurement Manager (10%) • Monitoring and Evaluation Manager (10%) | |

5.3 Annexes

Annex 1 – Past Experience Form

Details of relevant activities or projects in which the Tenderer has been involved which demonstrate the Tenderer's ability to fulfil the objectives of the Project must be presented in the format outlined below. This annex must not contain more than four (4) examples and details of each activity must not exceed one (1) A4 page.

Tenderers must provide information in the Referees section of the Past Experience Forms in accordance with **Clauses 7.18 – 7.21, Part 5** of the RFT.

Past Experience Form

Activity Name:			
Activity Value:			
Activity Location(s):			
Activity Duration			
Client/Donor:			
Year Completed:			
Brief description of the activity and the Organisation's role:			
Brief description of activity outcomes:			
Statement of the similarities between this activity and the requirements of the activity currently being tendered and how this activity supports your statements addressing the Selection Criteria:			
Nominated Activity Referees:			
1. Name:		2. Name:	
Address:		Address:	
Email:		Email:	
Phone:		Phone:	

Annex 2 – Mobilisation Plan

A Mobilisation Plan of no more than two (2) pages for the first 6 months of the Program showing dependencies, eg. A Gantt Chart or Critical Path Method identifying resources, dependencies and milestones to establish Contractor operations. Dates referring to commencement or mobilisation are indicative only and may be varied by AusAID. For hard copy lodgement, this annex must be presented on A3 paper.

The Mobilisation Plan must include provision for:

- (a) establishment of communication channels with AusAID, the Australian Diplomatic Mission and Stakeholders;
- (b) a description of all obligations required to be performed by the Contractor to implement the Services, and their timing, including but not limited to;
 - (i) establishment of report preparation and delivery mechanisms;
 - (ii) establishment of financial control procedures;
 - (iii) establishment of all other management and administration requirements; and

any other matters specified in the Scope of Services, **Part 3** of this RFT.

Annex 3 – Risk Management Plan

A Risk Management Plan of no more than five (5) pages in tabular form that must identify:

- (a) all risks that the tenderer can reasonably anticipate;
- (b) the level of probability of the risk eventuating;
- (c) the impact on the project if the risk event occurs along with possible management strategies for ameliorating the risk;
- (d) the entity(s) responsible for managing the risk consistent with the PDD; and
- (e) the approach to be taken to mitigate any impact.

Annex 4 – Letters of Association and other details of other proposed sub-contractors

Clause 9.2, Part 5 requires that AusAID is provided with assurance of the Associate's corporate commitment and involvement in the Project in the form of a single page Letter of Association.

Clauses 9.4, Part 5 also requires that details are provided for other work to be sub-contracted and proposed sub-contractors, where these are reasonably known at the time of tender and who have made known their willingness to be involved with the Project limited to a single page per organisation.

Annex 5 – Commonwealth Government Policies Compliance

Tenderers are required to disclose in this annex if they are non compliant and/or have (or have had) issues associated with policies named in **Clause 17, Part 5**. It is not necessary to submit this annex unless the Tenderer is non-compliant or has or has had issues associated with these policies.

6. **TENDER SCHEDULE B – SPECIFIED PERSONNEL**

- 6.1 **Tender Schedule B** must contain all information on proposed Specified Personnel in the following format:
- (a) a list of proposed team members in the table (in landscape) format provided below and in accordance with the instructions included in **Clauses 6.2-6.3** below;
 - (b) a curriculum vitae for each proposed team member that conforms with the requirements outlined in **Clauses 7.16 and 7.17, Part 5**.
- 6.2 Tenderers must provide the information in the Referees column of the Specified Personnel table in accordance with **Clauses 7.18 - 7.21, Part 5**.
- 6.3 The Commitments column in the Specified Personnel table must include details of proposed team members' commitments to other projects (both AusAID and others) for the period of the Project. In addition to existing commitments, tenderers must detail potential commitments. Potential commitments include nominations in any contemporaneous AusAID or other tenders. Where a proposed team member has an existing commitment to another AusAID project, Tenderers must also detail the duration of the position in the other AusAID project as reflected in the AusAID contract for that project.
- 6.4 Tenderers are reminded of the requirements of **Clause 8, Part 6** particularly in relation to the availability of specified personnel. AusAID will consider as materially inaccurate, and will therefore reject, any Tender which does not disclose the fact that a proposed team member has an existing and continuing commitment to another AusAID project.
- 6.5 AusAID's strong preference is that individuals with conflicting commitments are not included in Tenders. Where team members with conflicting commitments are nominated, AusAID will assess on a case-by-case basis the impacts of the personnel changes and may require further information from the Tenderer in relation to managing the transition.
- 6.6 Tenderers are reminded of the requirements of **Clause 19.2, Part 5** particularly in relation to providing police clearance certificates for all Project Personnel nominated in the Specified Personnel table for positions specified as working with children.
- (a) Tenderers must request the required criminal record checks in sufficient time to ensure that police clearance certificates can be provided in accordance with **Clause 19.2, Part 5**.
 - (b) Tenderers should note that in Australia, national criminal record checks are available through the Australian Federal Police and take around 20 working days. The type of employment should be specified as 'overseas employment.' Overseas, different checking procedures apply in each country and may take six weeks or longer. Individuals need to give their consent to a criminal record check and should be informed of the purpose for which it will be used, including sighting by AusAID.

SPECIFIED PERSONNEL

None of these positions has been identified as working with children.

Position	Name	Total Inputs in person months	Referee Contact Details		Commitments
			#1	#2	
General Manager					
Procurement Manager					
Monitoring & Evaluation Manager					

7. TENDER SCHEDULE C - FINANCIAL PROPOSAL

7.1 **Tender Schedule C** - the financial proposal must contain the information required and in the format detailed in this clause. Tenderers must complete Table 1 which is a summary of costs detailed in Tables 2, 3 and 4. Tenderers must provide the assumptions used in preparing costs in respect of each table.

7.2 It must:

- (a) be a fully costed fixed price based on the outputs and/or inputs as specified in the Scope of Services, including:
 - (i) escalation and any allowance for foreign exchange rate variations;
 - (ii) necessary insurances required by the Contract Conditions and for the performance of the Services;
- (b) be expressed in Australian dollars; and
- (c) include detailed information on assumptions used in preparing the pricing.

7.3 Any escalators, foreign exchange rate variations, or other price risks, must be built into the fixed price proposal and separately disclosed. AusAID will not consider any “across the board” escalators subsequently applied to any rates or Project costs.

7.4 Information provided in the tables will be used for any financial assessment and for the like-for-like price assessment.

7.5 The Contractor will be paid according to the following categories of payments as detailed in Part 4 of the RFT:

- (a) A Profit and Management Fee (PMF) to be paid on AusAID acceptance of milestones;

- (b) Long Term Personnel fees, paid quarterly in arrears;
- (c) Other Program Personnel Costs, paid quarterly in arrears;
- (d) Administration, equipment and operational costs, paid on a reimbursable basis to a maximum of A\$3,355,490; and
- (e) Payments may be made to an Imprest Account to a maximum of A\$16,528,400.

Profit and Management Fee

- 7.6 These costs are defined in **Part 4** – Draft Basis of Payment and must be included in the Profit and Management Fee detailed in Table 2 of the financial proposal.
- 7.7 The Profit and Management Fee must also include the tenderer’s costs to provide an Unconditional Financial Undertaking to AusAID in respect of the Imprest account (if implemented).

Long Term Personnel Costs

- 7.8 Tenderers must detail in the financial proposal in Table 3, the leave entitlements of nominated Specified Personnel. Where annual recreation leave entitlements exceed 4 weeks per 12 month period, a justification must also be provided along with a narrative description of how the Tenderer will ensure, during Specified Personnel absences, the continued quality of Services. Tenderers should note that leave entitlements and the management strategy may be assessed by the TAP or AusAID as part of the technical assessment process.

Other Program Personnel Costs

- 7.9 Tenderers must provide indicative costs for the positions for Other Program Personnel in Table 4. The total cost will be used for the purposes of like-for-like assessment and to establish a financial limit for Other Program Personnel.

Reimbursable Administration, equipment and operational costs

- 7.10 These costs will be paid on a reimbursable basis as set out in Annex 4 of Part 4 Draft Basis of Payment, and will not be taken into consideration in the financial assessment.

8. TENDER SCHEDULE D – FINANCIAL ASSESSMENT

- 8.1 No Contract will be entered into unless AusAID has satisfied itself of the financial capacity of the Tenderer to undertake the contractual obligations. In this regard, AusAID requires that each Tenderer provide information on its financial status at Tender Schedule D. Two options are available.

Option 1

This option is mandatory for:

- (a) those Tenderers who have not been subject to a financial assessment by AusAID in the 12 months preceding the date of release of this Tender; or

- (b) those Tenderers who have been subject to a financial assessment by AusAID within the 12 months preceding the date of release of this Tender who have experienced a material change in financial position since the last financial assessment was completed by AusAID; or
- (c) those Tenderers who have finalised their latest annual financial statements since the Tenderers last financial assessment by AusAID.

Under this Option 1, Tenderers must provide details of the following:

- (a) the name of the tendering entity and its ultimate owner(s).
- (b) the names and financial relationships between the tendering entity, its parent entity (if relevant) and other related entities within the group.
- (c) the previous three years' annual financial statements for the tendering entity. These annual financial statements must be prepared in accordance with Generally Accepted Accounting Standards applicable to the Tenderers country of residence (audited if available). The annual financial statements for each year must include:
 - (i) a balance sheet;
 - (ii) a profit and loss statement; and
 - (iii) a cash flow statement.

each prepared on an accrual accounting basis. An auditor's statement of financial viability or short form financial statements are not acceptable.

- (d) contact name and telephone number of the Tenderer's financial accountant.
- (e) a statement detailing any other tendering opportunities being pursued by the tendering entity or the group and the likely impact of such tendering opportunities on the financial capacity of the Tenderer to discharge its contractual obligations to AusAID associated with this RFT.

Option 2

This option may be considered by a Tenderer where:

- (a) Tenderer has been subject to an AusAID financial assessment in the previous twelve months, except where the Tenderers latest annual financial statements have been finalised since the last financial assessment by AusAID; and
- (b) Tenderer can demonstrate to the satisfaction of AusAID that their financial circumstances have not materially changed since the time of the previous financial assessment.

Tenderers who consider that they may qualify for Option 2 must provide the following information:

- (a) the date of its most recent financial assessment and the name of the tender for which this assessment was undertaken;
- (b) an explanation of why a Tenderer believes a further financial assessment is not warranted; and
- (c) a statutory declaration declaring that the Tenderer's financial position has not altered materially since the date of the previous assessment.

Where a Tenderer considers itself exempt from the need to provide the full financial information (Option 1) and chooses instead to supply with the information in Option 2 AusAID reserves the right to subsequently require the Tenderer to provide the information required in Option 1.

A Tenderer must respond to either Option 1 or Option 2 to satisfy the requirements of this Tender.

Tenderers should be aware that AusAID may wish to contact the nominated financial accountant to obtain further information to assess the financial capacity of the Tenderer to undertake the Contract.

AusAID reserves the right to engage appropriate external expertise to assist with the analysis of the financial information. A report on the financial capacity of the Tenderer to undertake the Contract may be provided to either the delegate or the TAP.

The financial information of Tenderers will be treated confidentially.

TENDER SCHEDULE C

TABLE 1 – SUMMARY

	January 2010 – 30 June 2012 A\$	1 July 2012 – June 2014 A\$
Totals from Tables 2(a) and 2(b) – Profit and Management Fee		
Totals from Tables 3(a) and 3(b) – Long Term Personnel Costs		
Totals from Tables 4(a) and 4(b) – Other Program Personnel Costs		
Total for Like-for-Like Assessment		

TENDER SCHEDULE C

TABLE 2 – PROFIT AND MANAGEMENT FEE

	January 2010 – 30 June 2012	1 July 2012 – 30 June 2014
Item	A\$	A\$
All head office overheads (ie, any costs not covered under Annex 4 to Schedule 2 draft Basis of Payments)		
Financial management costs and financing costs, if any		
Unconditional Financial Undertaking for A\$5,000,000 in relation to Imprest Account funds.		
All management support costs for all Program personnel, including i. internationally and locally engaged long and short term Program Personnel and Technical Assistance as approved in Annual Work Plans to a maximum of 40 individuals (whether long term or short term) per annum; and ii. all head office management and administrative staff		
Costs associated with all personnel briefings in-country		
Security costs for all Program personnel, including the Team Leader and all internationally and locally engaged long and short term Technical Assistance		
Insurance costs (including but not limited to, professional indemnity, health, medivac, worker's compensation, public liability, indemnity and any other insurances as required under the Contract or deemed necessary by the Contractor) in accordance with Clauses 33 and 34 of Part B (Standard Contract Conditions) of the Contract		
Taxation, as applicable		

	January 2010 – 30 June 2012	1 July 2012 – 30 June 2014
Item	A\$	A\$
Costs of complying with the Program's reporting and liaison obligations under the Contract		
All escalators for PMF costs for the Term of the Contract, including allowances for risks and contingencies		
All other costs not specifically identified as Reimbursable Personnel Costs and Reimbursable Program Administration and Equipment Costs		
All aspects of profit, including commercial margins/mark-up for all personnel		
TOTAL		

Assumptions

TENDER SCHEDULE C

TABLE 3(a) – LONG TERM PERSONNEL COSTS (January 2010 to 30 June 2012)

Position	Name	Monthly Fee A\$	Inputs (Months)	Mobilisation Costs A\$	Demobilisation Costs A\$	Annual Leave Entitlement (Weeks)	Financial Limitation A\$
General Manager			30				
Procurement Manager			30				
Monitoring and Evaluation Manager			6				
TOTAL							

TABLE 3(b) – LONG TERM PERSONNEL COSTS (1 July 2012 to 30 June 2014)

Position	Name	Monthly Fee A\$	Inputs (Months)	Mobilisation Costs A\$	Demobilisation Costs A\$	Annual Leave Entitlement (Weeks)	Financial Limitation A\$
General Manager			24				
Procurement Manager			24				
Monitoring and Evaluation Manager			4				
TOTAL							

Assumptions

TENDER SCHEDULE C

TABLE 3(a) – OTHER PROGRAM PERSONNEL COSTS (January 2010 to 30 June 2012)

		Number	Cost/unit	Inputs (person months)	Total
Program Management Office					
	Deputy Team Leader (to be engaged in accordance with RGC MBPI scheme)	1		30	
	Agribusiness Development Manager/VC Development Specialist	1		27	
	Rice Value Chain Development Specialist	1		30	
	Horticultural (fruit/vegetable) Value Chain Development Specialist	1		30	
	Irrigation/Water Management Specialist/Manager	1		30	
	Irrigation/Water Management Specialist (National)	2		60	
	Business Enabling Environment Manager/Specialist	1		30	
	Monitoring and Evaluation Specialist (ST)	1		5	
	Monitoring and Evaluation Officer	1		30	
	Monitoring and Evaluation Assistants	2		60	

		Number	Cost/unit	Inputs (person months)	Total
	Procurement Officer	1		30	
	Finance Officer	1		30	
	Administrative Assistants	2		60	
Provincial Coordination Offices					
	Provincial Team Leader	3		90	
	Agribusiness Coordinator	3		90	
	Irrigation/Water Management Coordinator	3		90	
	Administrative Assistants	6		180	
TOTAL					

TABLE 3(b) – OTHER PROGRAM PERSONNEL COSTS (1 July 2012 to 30 June 2014)

		Number	Cost/unit	Inputs (person months)	Total
Program Management Office					
	Deputy Team Leader (to be engaged in accordance with RGC MBPI scheme)	1		24	
	Agribusiness Development Manager/VC Development Specialist	1		21	
	Rice Value Chain Development Specialist	1		24	
	Horticultural (fruit/vegetable) Value Chain Development Specialist	1		24	
	Irrigation/Water Management Specialist/Manager	1		24	
	Irrigation/Water Management Specialist (National)	2		48	
	Business Enabling Environment Manager/Specialist	1		24	
	Monitoring and Evaluation Specialist (ST)	1		3	
	Monitoring and Evaluation Officer	1		24	
	Monitoring and Evaluation Assistants	2		48	
	Procurement Officer	1		24	

		Number	Cost/unit	Inputs (person months)	Total
	Finance Officer	1		24	
	Administrative Assistants	2		48	
Provincial Coordination Offices					
	Provincial Team Leader	3		72	
	Agribusiness Coordinator	3		72	
	Irrigation/Water Management Coordinator	3		72	
	Administrative Assistants	6		144	
TOTAL					

Assumptions

PART 2 - PROJECT SPECIFIC CONTRACT CONDITIONS

Note to Tenderers: These Project Specific Contract Conditions are presented as **Part 2** of this RFT and will appear as Part A in the consolidated contract.

PART A – PROJECT SPECIFIC CONTRACT CONDITIONS

In addition to the Standard Conditions detailed in Part B the following Project Specific Contract Conditions apply.

1. INTERPRETATION

1.1 Definitions

In this Contract, unless the context otherwise requires:

"Changed Tax" means a new tax imposed or a change in an existing Commonwealth, State or Territory Government or Partner Country tax after the commencement of this Contract described in **Clause 2 (Term of Contract) below**. ***Only include if you have the Government Taxes, Duties & Charges clause.***

"Independent Auditor" means an auditing firm that does not have any affiliations with, and is not currently engaged by, the Contractor in any manner.

"Long Term Adviser" or "LTA" means an adviser working continuously for **six** months or longer on the Project. ***Amend the period if required/appropriate.***

"Partner Country" means the country/countries in which the services are to be delivered in, as specified in Schedule 1.

"Payment Milestone" means a milestone identified in **Annex 1 to Schedule 2 (Milestone Payments Table)** and for which the Contractor is entitled to receive a payment in accordance with the Contract.

"General Manager" means the specified person nominated in **Annex 2 to Schedule 2 (Specified Personnel)**.

"Related Corporation" has the meaning set out in section 50 of the *Corporations Act 2001*.

"Schedule of Rates" means ***Annexes 2 and 3 to Schedule 2 or the clause in the BoP.***

"Short Term Advisers" or "STA" means advisers working on the Project for less than **six** months continuously.

"Stakeholders" means any body, institution, organization or governmental authority in the Partner Country or non-government organization having any interest in the Project.

"Team Leader" means the person contracted directly by AusAID for the Project.

"Third Party Issues" means any issues or events which may affect the Services and which are clearly within the control of a party other than AusAID, the Australian Diplomatic Mission in or having responsibility for the Partner Country or the Contractor.

2. TERM OF CONTRACT

- 2.1 The term of this Contract commences upon execution by both parties, being the date indicated at the front of this Contract, and continues until all obligations under this Contract have been fulfilled or earlier notice of termination under this Contract.
- 2.2 The Contractor must commence the Services in the Partner Country no later than [**Services Start Date**] and must complete the Services by **30 June 2012** unless the option in **sub-clause 2.3** below of this **Part A** of this Contract is exercised by the Commonwealth.
- 2.3 The Contractor grants to the Commonwealth an option to extend the period of the Services for a period of up to **two (2) years**. The option must be exercised by notice in writing to the Contractor prior to the date of completion of the Services as specified in **sub-clause 2.2** above of this **Part A** of this Contract. If this option to extend is exercised, the Contractor shall continue to provide the Services for the extended period on the terms and conditions contained in this Contract, except that this **sub-clause 2.3** shall no longer apply.

3. ACCOUNTS AND RECORDS

- 3.1 The statement of Project expenditure referred to in Standard Conditions **Clause 15.1(e)** (Accounts and Records) must be provided on a 6 monthly basis and must indicate:
- (a) total expenditure of the Project to date;
 - (b) disaggregated expenditure for the Project to date identifying all categories of expenditure including the Fees component and Reimbursable items;
 - (c) total expenditure for the period of 6 months; and
 - (d) forward expenditure and expenses by category for the period of 6 months.

4. NOTICES

- 4.1 For the purposes of Standard Conditions **Clause 40** (Notices), the address of a Party is the address set out below or another address of which that Party may from time to time give notice in writing to each other Party:

AusAID

To:	Section/Branch Name
Attention:	Agreement Manager Name
Postal Address:	Australian Agency for International Development GPO Box 887 CANBERRA ACT 2601 AUSTRALIA
Street Address:	255 London Circuit CANBERRA ACT 2601 AUSTRALIA

Facsimile:	Fax
Contractor:	
To:	Contractor's Name
Attention:	
Postal Address:	Postal Address
Street Address:	Street Address
Facsimile:	Fax

5. MID-TERM REVIEW AND SECTOR MONITORING REVIEW GROUP

5.1 AusAID may establish a Sector Monitoring Group (the “SMG”) whose purpose is to provide AusAID with independent technical and other advice on any aspects of the Project and to assist AusAID to assess the performance of the Services.

5.2 The Contractor must:

- (a) attend and participate in those SMG meetings which AusAID directs it in writing to attend;
- (b) when required by AusAID, consult with the SMG on matters related to the Project including:
 - (i) progress and performance of the Services;
 - (ii) any matters, circumstances or events which may be affecting or impacting upon the Contractor's relationship with the Partner Country, Stakeholders, AusAID or the SMG and suggest actions to avoid or counteract any adverse effects on the relationships;
 - (iii) any matters, circumstances or events which may affect the Project and if there are anticipated or contingent problems or difficulties, suggestions to avoid or counteract those problems or difficulties; and
 - (iv) any issues or concerns which the Contractor may want to raise with AusAID.
- (c) co-operate with and assist in any way requested by the SMG in the performance of its monitoring and review;
- (d) co-operate with and assist the SMG by providing all necessary information and Contractor Personnel and ensuring its Contractor Personnel are available and willing to assist in answering inquiries or requests for information in respect of the performance of the Services; and
- (e) provide to the SMG copies of all reports, notices, information or other Project material which the SMG reasonably requires to fully and

efficiently perform its monitoring and review as soon as practicable after such material is produced or received by the Contractor.

6. ANNUAL WORK PLAN

- 6.1 The Contractor must provide to AusAID, within two (2) months of the Project Start Date, and by 31 October in each following year of the Project, an Annual Work Plan (AWP) covering the following Cambodian financial year (1 January to 31 December). Before the AWP is implemented, it must be approved by the National Steering Committee (NSC).
- 6.2 The AWP should be prepared in accordance with directions provided in writing by AusAID, must be consistent with this Contract and must include the following matters:
- (a) the Contractor's plan for performance of the Services required for the period of the Annual Work Plan;
 - (b) the Contractor's proposed strategy for coordinating any Third Party Issues and for providing the Services in a flexible manner as is appropriate;
 - (c) a detailed budget for the period of the AWP;
- 6.3 The Contractor must make amendments to the AWP as reasonably requested by AusAID.
- 6.4 Within 30 days of receipt of the AWP in accordance with **Clause 6.1 above** AusAID shall notify the Contractor in writing when a decision is likely to be made to reject or accept the AWP. If such AWP has not been approved or rejected within the stated period of 30 days AusAID shall give fair and reasonable consideration to granting an extension of time to the Contractor in respect of the performance of the Services.
- 6.5 Acceptance by AusAID of an AWP does not represent a change to the Contract. The Contract may only be varied in accordance with the Standard Conditions **Clause 12** (Contract Amendments). *(See Part 6 of the RFT)*

7. SUB-CONTRACTING

- 7.1 In addition to the Standard Conditions **Clause 11** (Sub-Contracting) the following conditions apply to sub-contracts entered into by the Contractor:
- (a) the Contractor must obtain the prior written approval of AusAID to sub-contracts with any party, except Specified Personnel, to the value of A\$100,000 or more. In granting its approval AusAID may impose such conditions, which in AusAID's opinion are appropriate, in relation to a proposed sub-contract; and
 - (b) if AusAID objects to the Contractor's recommended sub-contractor, or AusAID nominates a particular sub-contractor, the Contractor must enter into an agreement with such other sub-contractor as directed by AusAID on the basis of remuneration approved by AusAID and provide AusAID with a copy of the executed sub-contract.

7.2 Standard Conditions **Clauses 11.1** (Sub-contracting) **(d)** and **(e)** (*with respect to Deeds of Novation and Substitution*) will only apply to sub-contracts valued at A\$100,000 or more.

7.3 The Contractor must not enter into any contract for the procurement of any Supplies or services from any Related Corporation without AusAID's prior approval.

8. MEETINGS

8.1 The General Manager must attend meetings in Phnom Penh or in Canberra to review or discuss the Contract including the following matters:

- (a) the general progress of the Project;
- (b) matters arising from the Contractors reports to AusAID;
- (c) any issues arising as a result of communication by either Party with Stakeholders;
- (d) any other Third Party Issues and the Contractor's proposal for resolution of any issue referred to in **(c) above**;
- (e) any variations proposed to the Project including in relation to timing, whether or not any such variations have been agreed to by AusAID;
- (f) Contract performance matters;
- (g) the accuracy of invoices; and
- (h) such other matters in relation to which either Party provides five (5) Business Days' notice in writing to the other Party.

8.2 AusAID may require an implementation briefing in Canberra prior to mobilisation. The General Manager who is included in the Specified Personnel must attend this meeting. AusAID may also require the General Manager and other Specified Personnel to attend a meeting at the Australian Diplomatic Mission in-country or having responsibility for the Partner Country before commencement of implementation.

8.3 The Contractor acknowledges and agrees that the costs of any meetings under this clause are included in the Fees. AusAID may determine the length of the meetings required, but AusAID expects that such meetings shall be for approximately 8 hours (excluding meal breaks).

9. RIGHT OF AusAID TO RECOVER MONEY

9.1 Without limiting AusAID's rights under any provision of the Contract, any payment or debt owed by the Contractor to AusAID in relation to the Contract may be deducted by AusAID from the amount of payment of any claim for Fees, including Reimbursable Costs or from any other moneys payable or due to the Contractor or may be recovered in any court of competent jurisdiction.

9.2 AusAID may review any payments made to the Contractor at any time and:

- (a) if the total of the amount paid to the Contractor is greater than AusAID determines by review to be payable under the Contract, then AusAID must notify the Contractor in writing of the amount of refund it has determined to be repayable;
- (b) the Contractor must within 28 days after receipt of AusAID's notification:
 - (i) refund the excess to AusAID; or
 - (ii) provide AusAID with evidence supporting the Contractor's opinion concerning the amount of the refund;
- (c) failure by the Contractor to provide evidence as required in **Clause 9.2(b)(ii) above** will, in the absence of payment in full of the refund claimed, be deemed to be evidence of the Contractor's acceptance that the amount of refund is correct and payable to AusAID on demand or deductible from subsequent payments due under the Contract; and
- (d) AusAID must, within 28 days of receipt after the Contractor's evidence supporting its opinion concerning the amount of the refund, consider the Contractor's evidence and give the Contractor written notice either:
 - (i) calling for payment within 28 days of the refund determined by AusAID's review; or
 - (ii) calling for payment within 28 days of the refund as re-determined following its consideration of the Contractor's evidence; or
 - (iii) of AusAID's agreement that there is no refund payable.

9.3 If the Contractor fails within the relevant time to make a refund to AusAID of an overpayment determined under **Clause 9.2**, or pay any amount due to AusAID, the amount of the refund or payment is recoverable by AusAID from the Contractor by deducting the amount from subsequent payments owed to the Contractor or in any court of competent jurisdiction as a debt due and payable to AusAID by the Contractor.

9.4 Where AusAID deducts the amount of a debt or payment in accordance with this clause, it must advise the Contractor in writing that it has done so.

10. GOVERNMENT TAXES, DUTIES AND CHARGES

10.1 Except to the extent referred to in this clause and Standard Conditions **Clause 21** (Goods and Services Tax), each Party must bear and is responsible for its own costs in connection with the preparation, execution, and carrying into effect of the Contract.

10.2 Except where the Contract, the Treaty between Australia and the Partner Country or the Record of Understanding provides otherwise, all taxes:

- (a) imposed or levied in Australia or overseas during the term of the Contract in connection with the performance of the Contract; and
- (b) which are not already included in the Fees payable by AusAID under the Contract,

must be paid by the Contractor.

10.3 The Contractor must bear and is responsible for all stamp duty and other fees, whether levied in Australia or in the Partner Country, on or in respect of:

- (a) the Contract, the Project, and any sub-contracts entered into for the performance of the Services;
- (b) the sale, purchase, lease, assignment, licence or transfer of any property under the Contract;
- (c) the obtaining of any approvals, consents or authorisations in respect of the Project; and
- (d) any instrument or transaction contemplated by or necessary to give effect to the Contract.

10.4 Subject to **Clause 10.8 below** if any new or existing government tax, duty or charge (“Changed Tax”) levied in Australia or the Partner Country in connection with the performance of the Services under this Contract is introduced, increases, decreases or is removed in its entirety and this affects the cost to the Contractor of providing the Services, the Contractor must give AusAID:

- (a) written notice of the increase, decrease or removal;
- (b) written notice of the net effect of the Changed Tax on the cost of supplying the Services; and
- (c) in the case of a decrease or a removal, any supporting evidence of the change and an explanation of its effect on the Fees,

as soon as practicable after the change in the Changed Tax is announced or the Contractor becomes aware of the increase, decrease or removal.

10.5 An increase in the Fees under **Clause 10.4 above** shall not be approved and AusAID is not obliged to pay the amount claimed to be attributable to the change in the Changed Tax unless and until the Contractor provides AusAID with evidence of the net effect of the change in the Changed Tax on the cost of supplying the Services and AusAID is satisfied that:

- (a) the claimed increase is actually attributable to that Changed Tax and takes into account reductions in any other Changed Tax; and
- (b) the net change in the Changed Tax has affected the Fees for supplying the Services,

and the increase shall take effect from the date on which the Changed Tax became effective.

- 10.6 A decrease in Fees under **Clause 10.4 above** shall take effect from the date on which the change in the Changed Tax becomes effective.
- 10.7 The Contractor may claim a Changed Tax adjustment only once in respect of any change.
- 10.8 **Clause 10.4 above** does not apply to income tax, taxes on turnover or revenue or similar taxes imposed on or in respect of income, turnover or revenue.

11. INSURANCES

- 11.1 In addition to the Contractor's obligations regarding insurance detailed in Standard Conditions **Clause 34** (Insurance) the Contractor must ensure that:
 - (a) AusAID is notified immediately the Contractor becomes aware of any actual, threatened or likely claims under all of the insurances required by this Contract or any act or omission by the Contractor which could materially reduce the available limit of indemnity;
 - (b) AusAID is notified in writing whenever the insurer gives the Contractor a notice of cancellation of project-related insurances;
 - (c) in respect of public liability insurance and property insurance that:
 - (i) all insurance agreements and endorsements (with the exception of limits of liability) name, and operate as if there was a separate policy of insurance covering, AusAID, the Contractor and sub-contractors; and
 - (ii) failure by any insured to observe and fulfil the terms of the policy does not prejudice the insurance of any other insured;
 - (d) where AusAID is a joint insured under an insurance policy, the insurer waives all rights, remedies or relief to which it might become entitled by way of subrogation against AusAID; and
 - (e) all premiums are promptly paid.
- 11.2 The Contractor undertakes that it shall use its best endeavours to ensure that it commits no act or omission which renders any of the insurances required by this Contract to be effected by it, null and void or of less value.
- 11.3 In respect of the public liability insurance, Standard Conditions **Clause 34.1(a)** is amended as follows: the Contractor must ensure that the limit for each and every claim is \$20 million.

12. IMPREST ACCOUNT

- 12.1 AusAID may require the Contractor to establish an Imprest Account in accordance with this **Clause 12**.
- 12.2 If AusAID requires the Contractor to establish an Imprest Account in accordance with Clause 12, the Contractor must undertake a selection process in order to recommend a commercial banking institution which represents value for money for AusAID approval, with which to establish the separate Imprest Account.
- 12.3 The Imprest Account, if established will be titled ***Cambodia Agricultural Value Chain Program Imprest Account***. In correspondence with AusAID the Imprest Account will be referred to by title.
- 12.4 Any money in the Imprest Account is the money of the Contractor and is not held by the Contractor on trust for AusAID or as agent for AusAID.
- 12.5 The Contractor agrees that any money in the Imprest Account is to be used solely for the purpose of funding approved Project activities in accordance with the Annual Work Plan. No money paid into the Imprest Account, or paid to the Contractor for the purposes of the Imprest Account shall be intermingled with the Contractor's other money.
- 12.6 If an Imprest Account is established, the Contractor will be responsible for the management of (including scheduling, acquittal and disbursement) and reporting on the Imprest Account.
- 12.7 If AusAID requires the establishment of an Imprest Account, the Contractor must produce and submit to AusAID for approval within **2 months** of the Project Start Date a Manual of Operations which details the management arrangements and operational procedures for the Imprest Account. Where appropriate the Manual of Operations must be developed in consultation with counterparts using counterpart systems, forms and processes as much as possible.
- 12.8 The Contractor in consultation with the Partner Government, where appropriate, will appoint two personnel from one or both of their respective organisations as principal signatories to the Imprest Account. In the case of the Contractor, the personnel shall be Specified Personnel. Both are to sign withdrawals. In circumstances where one of the principal signatories is absent from the Project, a third approved nominee may act as an alternative signatory to the Imprest Account. All principal and alternative signatories will be named in the Manual of Operations for the Imprest Account and approved by AusAID. AusAID personnel must not be a signatory to the Imprest Account.
- 12.9 The funds held in the Imprest Account shall be used solely for the purpose of funding activities agreed to in the AWP.

- 12.10 Bank charges relating to the Imprest Account shall be paid with monies from the Imprest Account and acquitted in the same way other expenditure is acquitted.
- 12.11 Interest earned on the Imprest Account shall remain in the Imprest Account and shall be used for Project purposes and acquitted to AusAID as such.
- 12.12 The Contractor must provide AusAID prior to the deposit by AusAID of monies into the Imprest Account, financial security in accordance with **Clause 13**.
- 12.13 Subject to **Clause 12.14** and **12.15** below, monies for the Imprest Account will be paid by AusAID to the Contractor on a three (3) monthly basis.
- 12.14 The first payment is payable following AusAID approval of the Manual of Operations and each subsequent payment is payable following AusAID approval of the Contractor's:
- (a) acquittal of the previous payment; and
 - (b) cash-flow projection of funds required for each subsequent payment, over the next twelve month period.
- 12.15 Amounts payable in accordance with **Clause 12.13** above, will be paid within 30 days of notification received by AusAID's Finance Section.
- 12.16 The balance of the Imprest Account must be reported as at 30 March, 30 June, 30 September and 31 December each year, within 10 days of the end of each period, to the AusAID officer specified for the purposes of Standard Conditions **Clause 40** (Notices), with a copy of the balance provided to AusAID's Chief Finance Officer by:

Email: accountsprocessing@ausaid.gov.au

Post: AusAID
Attention: Chief Finance Officer
GPO Box 887
Canberra ACT 2601
Australia

- 12.17 On every anniversary of the Commencement Date, an audit of the Imprest Account and all documentation relating to the Imprest Account for the previous twelve months must be conducted by an independent external auditor. The audit must be completed within 28 days of each anniversary of the Commencement Date and three copies of each audit report sent to AusAID within seven (7) days of the Contractor's receipt of the audit report. One copy must be sent to the relevant AusAID officer specified for the purposes of Standard Conditions **Clause 40** (Notices), one copy must be sent to the Director, Audit and the third copy sent to the Chief Finance Officer at the following address:

AusAID

Attention: Director, Audit / Chief Finance Officer (delete as appropriate)
GPO Box 887
Canberra ACT 2601
Australia

- 12.18 A final independent audit of the Imprest Account and all documentation relating to the Imprest Account must be provided with the Project Completion Report for the period since the last independent audit provided in accordance with **Clause 12.17** above.
- 12.19 The cost of an audit conducted in accordance with **Clauses 12.17 and 12.18** is included in the fees payable to the Contractor, and the cost of any corrections or remedial work required to the Imprest Account pursuant to audit findings is to be borne by the Contractor.
- 12.20 The Imprest Account and all documentation relating to the Imprest Account, including documentation related to the use of the Imprest Account funds may be subject to audit by or on behalf of AusAID at any time and from time to time.
- 12.21 If, upon the premature termination of the Contract or at the end of the Contract, money remains in the Imprest Account, the Contractor shall pay to AusAID an amount equal to the total amount of money (including any accrued interest) remaining in the Imprest Account.
- 12.22 In the event that AusAID becomes aware that any money cannot be accounted for by the Contractor in the Imprest Account including upon premature termination of the Contract, AusAID has the right to recover the amount in question (plus interest equal to the interest that would have been earned on the funds had they remained in the Imprest Account) from monies due and owing to the Contractor under this Contract or as a debt due to the Commonwealth **or by calling in the Unconditional Financial Undertaking referred to in Clause 13**, whichever AusAID in its absolute discretion considers appropriate.
- 12.23 This clause shall survive expiration or termination of this Contract.

13. UNCONDITIONAL FINANCIAL UNDERTAKING

Inclusion of this clause is subject to negotiation with the preferred tenderer.

- 13.1 The Contractor must, on or before the Project Start Date, provide to AusAID a performance security in respect of the Services in the form of an unconditional and irrevocable financial undertaking from a financial institution authorised to carry on banking business under the *Banking Act 1959* (Cth) in Australia and approved by AusAID.
- 13.2 The performance security provided must be in the form appearing in **Schedule 6** and must be provided at the Contractor's cost, for the maximum aggregate sum of A\$5,000,000 and be available for the term of the Contract.

- 13.3 AusAID is not obliged to make any payments under the Contract, whether or not such payments are due, prior to receipt of the performance security duly executed and, where applicable, stamped, in accordance with **Clause 13.1 above**.
- 13.4 If AusAID becomes entitled to exercise all or any of its rights to recover moneys under or in relation to the Contract, AusAID may exercise all or any of its rights under the performance security.

14. **PERFORMANCE GUARANTEE**

Inclusion of this Clause is subject to negotiation with the preferred tenderer.

- 14.1 The Contractor must, at its expense, provide to AusAID; within 10 Business Days of the Project Start Date, a performance guarantee executed by a guarantor delivered to AusAID, guaranteeing the performance by the Contractor of its obligations under the Contract, which must be substantially in the form appearing in **Schedule 7**.

PART 3 – DRAFT SCOPE OF SERVICES

Note to Tenderers: This Part 3 of the RFT will appear as Schedule 1 in the consolidated contract.

DRAFT SCHEDULE 1 – SCOPE OF SERVICES

CAMBODIA AGRICULTURAL VALUE CHAIN PROGRAM OPERATIONAL CONTRACTOR

1. BACKGROUND

- 1.1 The Cambodia Agricultural Value Chain Program (CAVAC) (the Program) aims to increase farmer incomes in the rice based farming systems of Cambodia through accelerating the value of agricultural production. A description of the CAVAC Program is attached at Annex 1 to this Scope of Services.
- 1.2 This Scope of Services describes the services that the Contractor will perform as Operational Contractor for the Program until June 2014. AusAID will conduct an independent Mid Term Review (MTR) of the Program at the end of 2011. This review will focus on management performance, progress-to-date against annual targets, alignment with Royal Government of Cambodia (RGC) policies and programs, harmonisation with other donor-funded activities, and the need for design modifications (including expansion to additional value chains (VC) and/or provinces). The MTR will form the basis for a recommendation on whether to proceed with the fourth and fifth years of Program implementation. If a decision is made not to continue the Program the Contractor shall complete the Services no later than **30 June 2012**.
- 1.3 CAVAC follows a value chain approach applied to rice based farming systems. The value chains of targeted agricultural products provide the core and unifying basis for Program support. CAVAC is initially focused on the rice value chain and fruit and vegetable (F&V) value chain in three provinces (Kampong Thom, Kampot, and Takeo). Expansion to other value chains and other provinces will be considered on the basis of the results from the initial value chains and provinces. The Program attempts to stimulate rice-based farming system value chains so that smallholder incomes are improved on a sustainable basis by addressing key constraints. Four main constraints have been identified which provide the strategic focus for the Program:
 - (a) Weakness of agribusinesses within rice-based farming system throughout the length of the value chain from smallholder to final market;
 - (b) Poor water management, holding back smallholder farmers from graduating from mainly subsistence to the production of high-value crops for commercial markets due to the inherent risk of doing so in the absence of water control certainty;

- (c) Research and extension weaknesses which are currently constraining the generation of information to farmers on best practices and seed availability for crop diversification and market based production; and
 - (d) Business enabling environment issues that impact on the above three constraints as well as more systemic issues associated with national policy and program development.
- 1.4 CAVAC has an ‘open architecture’ design that is flexible enough to meet changing conditions and needs. While the expected higher level development outcomes are clearly stated, the most effective means of achieving these outcomes will be developed through an iterative ‘learning by doing’ process.

2. **MANAGEMENT ARRANGEMENTS**

- 2.1 Responsibility for implementation of the Program is shared between the Team Leader, the Operational Contractor, and the Australian Centre for International Agricultural Research (ACIAR) under the direction of AusAID. AusAID is responsible for managing the head contracts (ie, AusAID’s legal agreements with the Team Leader, Operational Contractor and ACIAR) associated with delivery of the program.
- (a) The Team Leader is responsible for the achievement of quality program outputs and outcomes.
 - (b) The Operational Contractor is responsible for logistic, financial management and administrative support to the Team Leader. The oversight and/or management of all Program procurement and grants administration for Components 1, 2 and 4 is also the responsibility of the Operational Contractor. The Operational Contractor is also responsible for providing limited logistic, financial, administrative and procurement support related to the *management* of Component 3 in accordance with requirements specified in the approved Annual Work Plan.
 - (c) ACIAR is responsible for the implementation of the Research and Extension Component (Component 3) under the leadership of the Team Leader. ACIAR is also responsible for management of procurement directly associated with the *implementation* of the research and extension activities under Component 3.
- 2.2 Governance arrangements for the Program are described in Schedule 1 Annex 1, Clause 4.

3. **SERVICES**

- 3.1 The Contractor shall perform the following Services in accordance with the terms and conditions of this Contract and under the guidance and direction of the Team Leader.
- 3.2 The Contractor will establish management systems that meet Australian Government requirements for procurement, financial management and accounting, personnel and physical assets management and performance

monitoring and evaluation. This will include the development of guidelines and procedures that will apply to Program management of CAVAC components 1, 2 and 4 and procurement under Component 3. These guidelines and procedures will be documented in the CAVAC Management Procedures Manual.

- 3.3 The Contractor will also be required to produce a Manual of Operations for the Imprest Account, if implemented, in accordance with Clause 12 in Part A of the contract.
- 3.4 The Contractor will provide:
- (a) secretariat, administrative and logistical support to the National Steering Committee and the Provincial Coordinating Committees;
 - (b) all transport, accommodation, security, and logistical support to the internationally-recruited program personnel, in accordance with the CAVAC Management Procedures Manual.
 - (c) recruit Program positions as set out in 3.10(g)(iv) below and technical assistance (TA) as specified in the approved Annual Workplan and in accordance with the manual developed at 3.10(d) below.
- 3.5 Where officials of the Royal Government of Cambodia (RGC) are to be engaged directly in Program activities, the Contractor will engage them in accordance with the RGC's Sub Decree on the Establishment and Operations of Priority Mission Group or the RGC's Sub Decree on the Implementation of Merit Based Performance Incentive.
- 3.6 Under the direction of the Team Leader, manage the performance of sub-contractors and personnel recruited under the Program.
- 3.7 The Contractor will provide general administrative support (eg. assistance with travel arrangements) to all Program personnel (including the Team Leader and Component 3 personnel).
- 3.8 The Contractor will resource and facilitate the participation of its program personnel, particularly nationally recruited personnel and RGC counterparts, in relevant training courses and workshops in-country or in the region in order to build their capacity to effectively implement the program activities. All training for program personnel must be approved by the Team Leader prior to their participation in a training program and be highly relevant to their direct Program responsibilities and identified capacity building needs.
- 3.9 The Contractor will provide all necessary administrative and logistic support to the Sector Monitoring Group and independent Mid Term Review team.

Inception Period (two months commencing from the date of contract signature)

- 3.10 During the inception period, the Contractor shall:
- (a) Establish a Program Management Office (PMO) located within the Ministry of Agriculture, Forestry and Fisheries (MAFF) in Phnom Penh.

- (b) Furnish the PMO and Provincial Coordination Offices (PCO) (including facilities outside of government offices for Components 1 and 4) and ensure that all office facilities including computers, printers, scanners, mobile phones and vehicles are procured and all necessary communications, management, administration, logistics, transport and financial systems are in place and all required administrative staff engaged. Personnel associated with Components 1 and 4 will be located outside government offices to preserve an autonomy and independence from other Program activities that is necessary for an effective relationship with the private sector.
- (c) Establish Provincial Coordination Offices (PCOs) in each province. The location of the PCOs will be assessed and determined by the Team Leader in consultation with the RGC. For the purposes of this Contract, personnel recruited under Component 3, including ACIAR appointees, will be located within and be an integral part of the PMO and PCOs.
- (d) Develop a CAVAC Management Procedures Manual that will document guidelines and procedures for Program management including:
 - (i) recruitment processes;
 - (ii) grants administration processes (see 3.10(i) below);
 - (iii) procurement processes (see 3.10(g) below; and
 - (iv) processes to prepare budgets and reports for the Annual Work Program.
- (e) Assist the Team Leader to develop the management and operational guidelines for the Agribusiness Innovation Fund.
- (f) Under the direction and oversight of the Team Leader, sub-contract a Fiduciary Risk Assessment and Procurement Risk Assessment for CAVAC. The Terms of Reference for this assessment must be submitted to AusAID for approval. AusAID will provide guidance to the Contractor to assist in developing the Terms of Reference.
- (g) Following receipt of the Assessments described in (f) above, develop a Procurement Manual which will be submitted to the Team Leader for endorsement and AusAID for approval. This will detail the systems and procedures for all program procurement and recruitment, including of technical assistance, services, goods and works and ensure that these systems and procedures are consistent with the requirements of the Australian Commonwealth Procurement Guidelines (CPGs), taking into consideration recommendations contained in the Fiduciary and Procurement Risk Assessments.
 - (i) The Procurement Manual will: detail the procedures for the development of Terms of Reference for procurement; and detail the procedures to be undertaken for the selection of Component

Managers, Specialists and other sub-contractors. The Contractor will develop the Procurement Manual in consultation with the Team Leader. The Manual will explain the principles and standards to be applied to all sub-contracting and will incorporate relevant recommendations from the assessments carried out under (f) above. In addition, the Contractor will ensure in the promotion of all contracts that there is a requirement to support equity in employment in terms of gender and disability by identifying and removing employment barriers and assisting in the hiring and retention of a workforce that reflects the representation of women and persons with disabilities as they exist in the general population.

- (ii) If it is determined feasible by the Procurement Risk Assessment, procurement may be implemented through RGC systems under the oversight of the Contractor. The Procurement Manual will therefore also document risk mitigation and capacity building measures the Contractor will implement to manage the risks associated with such procurement.
- (iii) In implementing procurement or grants making, the Contractor must ensure that conflict of interest situations are avoided. Therefore, under the terms of this Contract, the Contractor is prohibited from bidding for implementation of any further Program activities. It is also expected that ACIAR and the TL will declare any real or perceived conflicts of interest in any bidding or sub-contracting activities.
- (iv) It is expected that activity sub-contracting will generally be output based with reporting requirements that meet the Program's Monitoring and Evaluation requirements as well as AusAID's quality reporting requirements.
- (h) Manage the recruitment, engagement, contracting and management of the following personnel under the direction of the Team Leader:

Program Management Office

- Deputy Team Leader (already appointed by MAFF and agreed by AusAID)
- Agribusiness Development Manager
- Agribusiness Development Specialist (rice);
- Agribusiness Development Specialist (fruit/vegetables)
- Irrigation/Water Management Manager
- Irrigation/Water Management Specialist;
- Business Enabling Environment Specialist;
- Monitoring and Evaluation Specialist;
- Procurement Officer;
- Finance Officer;
- Administrative Assistants.

Provincial Coordination Offices (for each province)

- Provincial Team Leader;
 - Agribusiness Coordinator;
 - Irrigation/Water Management Coordinator;
 - Administrative Assistants.
- (i) Manage the administration of grants to local partners consistent with the CGGs to deliver services and/or implement projects under the Program.
- (j) Develop a Security Plan that addresses the safety and security of Program personnel and property. The Contractor shall provide a copy of the final Security Plan to AusAID within one (1) month of mobilisation. The Contractor shall fully brief all Program personnel on the Security Plan, which must incorporate prevention strategies and response plans, including urgent protection plans and/or evacuation plans where appropriate.
- (k) Provide all logistical and sub-contracting support to the Team Leader to: assess the viability of the in kind/cash contributions from farmers and other targeted beneficiaries; develop a sustainability strategy; and develop Gender, Environmental Management and Anti Corruption Strategies and Action Plans and their sequencing.
- (l) Provide support to the Team Leader in developing the first Annual Work Plan (AWP).

4. COMPONENT IMPLEMENTATION

4.1 The Contractor will be responsible for providing, under the direction of the Team Leader, all administrative, procurement and logistical functions necessary for implementation of the Program, including:

- (a) contract management of experts and any other sub-contracting of works, goods and services. In undertaking this contract management, the Contractor will act under the direction of the Team Leader in matters pertaining to the satisfactory performance and quality of works. However, the Contractor is not responsible for the quality of outputs.
- (b) development of AWP. The Contractor will be responsible for providing estimated budget details and procurement strategies for implementing the AWP as approved by the National Steering Committee. The development of the AWP will be a collaborative effort between the Contractor, the Team Leader and ACIAR, with the Team Leader bearing final responsibility for the AWP and its submission to the National Steering Committee for approval.
- (c) any necessary acquittal of Imprest Account funds for the TL's endorsement and submission to AusAID in accordance with Clause 12, Part A (Project Specific Contract Conditions).

Component 1 Agribusiness Development

4.2 Under the direction of the Team Leader, the Contractor shall:

- (a) Provide all logistic and sub-contracting support necessary for the implementation of Component 1 in accordance with the AWP.
- (b) Provide logistic and sub-contracting support to identify constraints in strategic value chains and holding of stakeholder workshops to disseminate the results of the value chain analysis.
- (c) Provide all administrative and logistic support to allow the Agribusiness Innovation Fund to function effectively. This may include advertising for proposals, support for screening and selection of applicants, and provision of advice to the Team Leader on fiduciary matters pertaining to the Fund.
- (d) Provide all administrative and logistic support to allow the Program (through the approved AWP) to work with traders to develop increased capacity to provide farmers with technical skills and information through embedded services. This may include sub-contracting rapid surveys of traders, sub-contracting the training of traders, arranging study visits, and conducting training reviews.
- (e) Provide the necessary logistical and management support, including sub-contracting, to enable the Program (through the approved AWP) to improve communication between market stakeholders so that farmers have better information on market requirements and demands.
- (f) Provide logistical and management support, including sub-contracting, to allow the Program (through the approved AWP) to plan and construct key infrastructure to address value chain bottlenecks. This will include conducting feasibility studies and incorporating social and environmental impact assessments for any infrastructure construction undertaken by the Program.

Component 2 Water Management

4.3 Under the direction of the Team Leader, the Contractor shall:

- (a) Sub-contract a suite of training for selected Ministry of Water Resources and Meteorology (MOWRAM) and Provincial Departments of Water Resources and Meteorology (PDWRAM) officials in order to enhance their capacity to design, operate and maintain irrigation schemes with the participation of all relevant stakeholders. Preference shall be given to MOWRAM's Technical Service Centre, subject to an assessment of its capacity to deliver appropriate training. Training will be in the following indicative areas:
 - i. Specialised irrigation design
 - ii. Construction Supervision

- iii. Guidance to Farmer Water User Communities (FWUCs) in operation and maintenance, water management and basic irrigation planning, including provision (under sub-contract) of appropriate training.
- (b) Develop arrangements for financial support to specified FWUCs of up to an amount of A\$30 per hectare per year for two years for urgent repair of irrigation infrastructure, subject to relevant recommendations contained in the Fiduciary Risk Assessment (see Clause 3.10 above).
- (c) In accordance with the AWP, support the rehabilitation of selected irrigation systems. This will include supporting the preparation of feasibility studies incorporating social and environmental impact assessments, including an analysis of likely impact on other water users in the same river basin, and the management and oversight of sub-contracting rehabilitation works.
- (d) Provide logistical and management support, including sub-contracting, to implement a series of pilot programs to assess and demonstrate approaches to improved water management in rain-fed areas.
- (e) Provide logistical and management support, including sub-contracting, to support the collection, management and evaluation by MOWRAM of hydrological data in target provinces.

Component 3 Research and Extension

- 4.4 Under the direction of the Team Leader, the Contractor shall provide administrative, logistical and procurement support to ACIAR for the management of Component 3 in accordance with AWP.
- 4.5 The Contractor will manage procurement related to the management (i.e., not implementation) of Component 3 (eg. office facilities, computers, mobile phones, vehicles) (see Clause 3.2 above);
- 4.6 The Contractor will manage the administrative and financial arrangements (including disbursements) for the smaller, non-program defined research programs funded under AusAID's Record of Understanding with ACIAR, known as "Pool A" research programs.

Component 4 Business Enabling Environment

- 4.7 Under the direction of the Team Leader the Contractor shall:
 - (a) Provide the necessary logistical and administrative support, including sub-contracting, to undertake strategic studies and trials to inform the development of policies that have direct relevance to CAVAC's targeted value chains;
 - (b) Provide the necessary logistical and administrative support, including sub-contracting, to support the provision of training of government officials to enhance their capacity to develop and implement good policy. Such

training could include structured training, regional study tours, and learning by doing;

- (c) Support the dissemination of information to improve the understanding of stakeholders of relevant policies, laws and regulations affecting the targeted value chains. Notional activities will include the sub-contracting of mass information campaigns and the use of the mass media;
- (d) Support activities that increase opportunities for Public Private Dialogue. This will include logistical and administrative support for workshops, sub-contracting of external convenors and appropriate training and research;
- (e) Provide logistical and management support to enhance the capacity of industry representative organisations and to encourage joint public private investment models; and
- (f) Provide the required administrative, logistic and contracting support to the Policy Support Facility under this Component 4 and subject to AusAID's strategic direction. Activities under this Component will be funded from the Imprest Account in accordance with the AWP. The Contractor will be responsible for contracting consultants and providing grants according to guidelines developed by the Team Leader under the direction of AusAID. The broad guidelines for the Policy Facility will be consistent with Strategy for Agriculture and Water priorities.

5. PROGRAM COMMUNICATION

- 5.1 The Contractor, under direction of the Team Leader, will develop a CAVAC website that will provide public access to information on the goal and objectives of the Program and progress towards achieving the component outputs and outcomes. The Contractor will post information on all recruitment, procurement (including tenders and contract awards), and funding opportunities on this website. The CAVAC website will also provide a facility for public comment and response.

6. REPORTING REQUIREMENTS

- 6.1 Under the direction of the Team Leader, the Contractor must coordinate the collation of information and preparation of draft reports for final edit by the Team Leader by the date, in the format and the number of copies indicated in the CAVAC Management Procedures Manual:
 - (a) Annual Work Plans (AWP);
 - (b) Six Monthly Progress Reports incorporating Six Monthly Financial Reports;
 - (c) Six Monthly Procurement Reports
 - (d) Activity Completion Reports;
 - (e) Monthly Exception Reports; and

- (f) Program Completion Report.

Annual Work Plans

- 6.2 AWP will be the key planning and budgeting mechanism for the Program, particularly for activities to be funded through the Imprest Account. The AWP will identify priority areas to be addressed by the Program, together with budget requirements, implementation responsibilities, and component linkages. The AWP will guide Program implementation and monitoring.
- 6.3 The initial AWP must be submitted to AusAID and the National Steering Committee (NSC) through the Team Leader two months after the mobilisation of the Contractor and will include an interim work plan for the remainder of 2009 in addition to the AWP for 2010. Subsequent AWP will be submitted to AusAID through the Team Leader by 31 October of each year of the Program and cover the following Cambodian financial year January - December.
- 6.4 The first AWP must include the following annexes:
- (a) A Security Plan, to be updated annually by the Contractor;
 - (b) A Risk Management Plan, to be updated annually by the Contractor;
 - (c) A Monitoring and Evaluation Framework, to be updated by the Contractor from the Framework set out in Annex 4 of the Program Design Document (PDD);
 - (d) A Communications Plan detailing core activities for effectively communicating with:
 - Members of the National Steering Committee and the Provincial Coordination Committees.
 - Implementation Partners including Farmer Water User Communities and Civil Society Groups.
 - (e) In accordance with AusAID policies and guidelines, also include the following strategies
 - (i) A Gender Strategy;
 - (ii) Anti Corruption Strategy; and
 - (iii) Disaster Risk Reduction and Environmental Management Strategies.

Six Monthly Progress Reports

- 6.5 Six monthly progress reports will analyse progress from January to June and July to December. They must be submitted to AusAID through the Team Leader by 31 July and 31 January of each year.
- 6.6 The six monthly progress reports must report against the Program's Logical Framework and the current AWP and will:

- (a) report achievements against outputs and outcomes specified in the AWP;
 - (b) identify any risks, issues, problems and delays encountered in implementing the current AWP;
 - (c) contain an analysis of activities in terms of their contribution to key outcome indicators with an assessment of associated impacts;
 - (d) outline options and recommend remedial strategies including for improving future design and implementation of the Program.
 - (e) provide an updated list of Program staffing, procurement, training and reports;
 - (f) highlight major successes in a form that can be easily incorporated into public relations material; and
 - (g) provide the Contractor's assessment of overall activity performance and independent evaluation of selected activities as approved in the Annual Plan or as nominated by the NSC (subject to funding approval for such independent evaluation if not already contained within the AWP).
- 6.7 The six monthly reports will provide information to AusAID to allow updating of the Cambodia Development Committee database.

Planning and Review Meetings

- 6.8 The Team Leader will arrange six monthly planning and review meetings with major implementation partners and stakeholders drawn from both national and provincial levels as part of the preparation of the six monthly progress reports and annual work plan. The Contractor will provide logistical and administrative support to these meetings.

Six Monthly Procurement Reports

- 6.9 The Contractor must provide AusAID with six monthly Procurement Reports that detail all procurement carried out in the previous period, planned procurement, and any issues pertaining to the procurement. These reports are to be submitted to AusAID in July and January of each year.

Program Completion Report

- 6.10 The Program Completion Report will be submitted to AusAID two months prior to Program completion. It will evaluate the extent to which Program objectives have been achieved. The format of the Report will be in accordance with AusAID requirements.

Miscellaneous Reports

- 6.11 For activities sub-contracted in accordance with AWP's and activities funded through grants from the Agribusiness Innovation Fund, the Contractor must

produce brief Activity Completion Reports within one month of the completion of the Activity that summarise results achieved.

- 6.12 The Contractor must submit to AusAID Exception Reports of one to two pages at the end of each calendar month highlighting any significant issues that have arisen and how they were addressed. If no issues arise, an e-mail to this effect can be sent to the Agreement Manager.

Reporting Standards

- 6.13 All reports must:

- (a) be provided in accordance with the specification under Standard Conditions Clause 7 (Reports);
- (b) be accurate and not misleading in any respect;
- (c) be prepared as directed in writing by AusAID;
- (d) allow AusAID to properly assess progress under the Program;
- (e) be provided in the format, number and on the media approved or requested by AusAID;
- (f) not incorporate either the AusAID or the Contractor's logo; and
- (g) incorporate sufficient information to allow AusAID to monitor and assess the success of the Services in achieving the objectives of AusAID's Gender, Disability, Environment and Disaster Risk Reduction Policies.

Table 1: Summary of Reporting Requirements

Name of Report / Reporting Obligation	Reference	Due Date
Annual Work Plans (AWPs), including all annexes.	Schedule 1, Clauses 6.1(a), 6.2 to 6.4	Initial Plan – two months after mobilisation Subsequent AWPs – by 31 October annually
Security Plan	Schedule 1, Clause 3.10(j)	Within one month of mobilisation, updated annually as an annex to the AWP.
Six Monthly Progress Reports	Schedule 1, Clauses 6.5 - 6.7.	31 July and 31 January annually
Six Monthly Procurement Reports	Schedule 1, Clause 6.9	July and January annually

Name of Report / Reporting Obligation	Reference	Due Date
Program Completion Report	Schedule 1, Clause 6.10	Two months prior to Program completion
Activity Completion Reports	Schedule 1, Clause 6.11	Within one month of completion of Activity
Exception Reports		End of each calendar month as required.

ANNEX 1 to SCHEDULE 1– CAVAC PROGRAM DESCRIPTION

1. BACKGROUND

- 1.1 Cambodia has made considerable economic progress in the past decade following an extended period of conflict that destroyed most of the educated middle class and key economic, judicial, and social service delivery institutions. Growth in rural areas has lagged behind urban areas due to low agricultural productivity. Since 1997, agriculture has experienced the slowest growth rate in the economy of all sectors. Recent (small) increases in production are attributed more to favourable climatic conditions than increased productivity. These growth differentials have led to considerable changes in the structure of the economy. Agricultural share of GDP has declined from 46 percent in 1994 to 32 percent in 2005. Despite these trends the proportion of the economically active population primarily engaged in agricultural activities has remained constant at about 70%. Considering the much lower economic growth performance of the agricultural sector *vis-à-vis* other sectors, rural poverty is likely to become increasingly entrenched with the 2015 Millennium Development Goals target for poverty reduction unlikely to be met unless the underlying issue of low agricultural productivity is addressed.

Agricultural Sector

- 1.2 Rice-based farming systems are the backbone of Cambodia's agriculture, providing a livelihood for over 80% of the rural population. Rice-based farming systems include all agricultural primary or value added commodities produced in association or rotation with rice. This includes vegetables, legumes, some fruits (generally non-paddy), and livestock. Crop production accounts for about 44 percent of the total agricultural sector, followed by fisheries (32 percent) and livestock (16 percent). Rice production is by far the predominant activity accounting for 2.4 million ha or over 90% of the total planted area, and about half of gross value-added from crops.
- 1.3 Cambodia has been a small net rice exporter since 1999 with exports slowly increasing to an estimated 2 million MT of paddy per year (export of milled rice is minor). Most unmilled paddy is exported through informal channels, mainly to Vietnam and Thailand. As Vietnam and Thailand are two of the world's major rice exporters, a substantial portion of Cambodia's paddy exports to these countries is in fact re-exported to Cambodia in value-added form. This provides significant opportunities as well as competitive pressures for Cambodia.

Governance

- 1.4 The Royal Government of Cambodia's (RGC's) scorecard on economic policy reforms and general management of the economy has improved steadily over recent years. However, Transparency International's 2006 Corruption Perceptions Report on transparency of government processes ranked Cambodia 162 out of 180 countries. The civil service is under-paid relative to both living costs and prevailing salary levels in the private sector. Government employees must therefore find other means of supplementing their incomes. Another direct

consequence of low remuneration in the civil service is the rent-seeking behaviour that is evident at all levels of Government. The World Bank Doing Business 2008 Report ranked Cambodia 145 out of 178 countries for ease of doing business, citing policy uncertainty, poorly protected property rights and a weak judiciary as major concerns.

RGC Policy

- 1.5 The RGC fully recognises that the engines of growth since the early 1990s (garments, tourism, and construction) need to be complemented with other sources of growth that are more rural, broad-based, and pro-poor. The second phase of the Rectangular Strategy continues to highlight agricultural productivity and diversification, rural infrastructure, land reform and mine clearance as key to accelerating economic growth. The current National Strategic Development Plan (NSDP) (2006-10) also emphasises:
- i. good government;
 - ii. enhancing the agricultural sector;
 - iii. rehabilitation and construction of physical infrastructure (including water);
 - iv. private sector development and employment; and
 - v. capacity building and human resource development (with 60% of resources to be invested into the rural sector).

Strategy for Agriculture and Water

- 1.6 The Strategy for Agriculture and Water (SAW) was approved by RGC in March 2007. The vision of SAW is to ‘ensure enough, safe and accessible food and water for all people, reduce poverty, and contribute to economic growth while ensuring the sustainability of natural resources’. Its Goal is to contribute to poverty reduction, food security and economic growth by:
- i. enhancing agricultural productivity and diversification; and
 - ii. improving water resources development and management.

The SAW strategy is to be implemented through five national development programs:

- i. institutional capacity building and management support program for agriculture;
- ii. food security support program;
- iii. agricultural and agri-business (value-chain) support program;
- iv. water resources, irrigation and land management program; and
- v. agricultural and water resources research, education and extension program.

While considerable progress has already been made in developing the overall SAW framework, its successful implementation will require the development of effective administrative mechanisms taking into account the implications of public financial management, human resource and decentralisation reforms.

Gender Policy

- 1.7 Recognising the dominant role of women in agricultural production, the Ministry of Agriculture, Forestry and Fisheries (MAFF) has established a Policy and Strategy for Gender Mainstreaming. This policy is designed to ensure that gender equality is addressed in every strategy, program and plan concerning the delivery of agricultural services.

Australia-Cambodia Development Cooperation Strategy

- 1.8 The Australia-Cambodia Development Cooperation Strategy 2008-2015 goal is to assist Cambodia reduce poverty and achieve sustainable development. A strategy component is focussed on reducing rural poverty through agricultural development. The Objectives of this component are to increase the value of agricultural production and smallholder income in targeted provinces and to improve the quality and use of rural infrastructure.

2. PROGRAM GOAL AND OBJECTIVE

- (a) The Goal of the Cambodian Agricultural Value Chain Program is: reduced rural poverty in targeted provinces.
- (b) The Objective of the Program is: accelerated growth in the value of agricultural production and smallholder income in the rice based farming systems of targeted provinces.

3. COMPONENT DESCRIPTIONS AND OBJECTIVES

Component 1: Agribusiness Development

Intermediate Outcome: Agribusiness contributes to the strengthening of selected value chains and equitably shares benefits.

- 3.1 This will be achieved through the following Component 1 Outcomes:
 - i. Critical constraints to strategic value chains identified and developed for business action.
 - ii. Agribusiness partnerships supported to innovatively address constraints through an Agribusiness Innovation Fund (AIF).
 - iii. Enhanced farmer services embedded within agribusiness practices through working with traders to develop increased capacity to provide farmers with technical skills and information through 'embedded' services.

- iv. Improved availability and communication of market information between value chain stakeholders with traders having increased capacity to impart improved information on market requirements and market demand to farmers.
 - v. Participatory planning and construction of key infrastructure to address value chain bottlenecks.
- 3.2 This component will focus on improving the operation of target VCs by improving agribusiness capacity and strengthening linkages between various VC participants. Development activities supported will be progressively identified and implemented in partnership with agribusiness enterprises including larger established enterprises, traders and farmer organisations. Activities could potentially be focussed at any point of the VC where the value of returns is highest, from input supply to production, post-harvest handling, processing, distribution, and marketing.

Component 2: Water Management

Intermediate Outcome: Sustainable increase in the area and yield of irrigated crops.

- 3.3 This will be achieved through the following Component 2 Outcomes:
- i. Improved capacity of the Ministry of Water Resources and Meteorology (MOWRAM) and the Provincial Departments of Water Resources and Meteorology (PDWRAM) to participatively design, develop, operate and maintain irrigation schemes.
 - ii. Improved capacity of Farmer Water User Communities (FWUCs) to efficiently and effectively operate and maintain their irrigation systems.
 - iii. Selected systems rehabilitated and transferred to effective FWUCs.
 - iv. Improved models of water management adopted in rainfed areas.
 - v. Increased use of hydrological data in the planning and management of irrigation systems.
- 3.4 This component will focus on improving the management of water on both irrigated and rain-fed farms which has the potential to significantly improve productivity. More effective partnership models of water management, the rehabilitation of key infrastructure, and transfer of management responsibilities to effective water user groups are central to the more efficient use of a key production resource. Provincial authorities have pre-identified 75 province-managed medium-scale irrigation schemes¹ for support under the Program, with a total command area of around 45,000 hectares.

¹ Defined as schemes where the province is nominally responsible for the operation and maintenance of reservoirs, headworks and primary and secondary canals; with farmers being responsible for the operation and maintenance of tertiary canals.

Component 3: Research and Extension

Intermediate Outcome: Farmer and service provider capacity increased and key value chain constraints alleviated.

- 3.5 This will be achieved through the following Component 3 Outcomes:
- i. Priority research and extension activities address constraints in selected value chains.
 - ii. Enhanced capacity of formal and informal extension providers to transfer improved technologies and information to farmers.
 - iii. Partnership program linking researchers, extensionists, farmers and agribusiness developed and implemented.
 - iv. Operational capacity of the Cambodian Agricultural Research and Development Institute (CARDI) sustained through the provision of budgetary support.
- 3.6 This component will focus on providing farmers with the best available information on which to base their management in order to enhance increased productivity. Emphasis will be on a two-way exchange of knowledge between farmers, extensionists, agribusiness and researchers. This transfer is designed to achieve a sharper focus on real, highest priority problems by researchers, coupled with effective communication of research and development outcomes to intended end-users. This implies the need for a particularly strong operational linkage between this component, and CAVAC's agribusiness and water management components.

Component 4: Business Enabling Environment

Intermediate Outcome: Improved business enabling environment facilitates the development of selected value chains.

- 3.7 This will be achieved through the following Component 4 Outcomes:
- i. Improved research and understanding of the enabling environment surrounding key value chains.
 - ii. Increased opportunity for public private dialogue around key enabling environment issues.
 - iii. Strengthened industry representative organisations.
 - iv. Increased use of Public Private Partnership investment model (for the construction and/or management of value chain infrastructure).
- 3.8 This component will focus on the ensuring that the business enabling environment is conducive to increased investment and participation by all private sector partners which will be key to ensuring the competitiveness and sustainability of rice-based farming systems into the future.

4. GOVERNANCE ARRANGEMENTS

National Steering Committee

- 4.1 The National Steering Committee (NSC) will provide high level coordination and guidance for CAVAC. The NSC will meet twice each year. The NSC will be co-chaired by MAFF and MOWRAM. Additional Committee members will include representatives from the target provincial governments and AusAID. ACIAR will have observer status on the NSC. Other representatives from RGC, the private sector and other stakeholders may be invited to attend meetings. The CAVAC Team Leader and Deputy Team Leader will attend NSC meetings. Secretariat services will be provided by the Operational Contractor.
- 4.2 An Executive Committee consisting of the two co-chairs and AusAID may meet as required to make timely decisions in relation to the Program.
- 4.3 Terms of Reference for the NSC and Executive Committee will be developed by the Team Leader during the inception stage of the Program.

Provincial Coordinating Committees

- 4.4 The Team Leader, in consultation with RGC, will establish Provincial Coordinating Committees (PCC) for each target province. PCCs will be responsible for mobilising provincial resources and ensuring coordination between CAVAC and other government and donor-funded activities. Terms of Reference for the PCCs will be developed by the Team Leader during the inception stage of the Program.

PART 4 – DRAFT BASIS OF PAYMENT

Notes to tenderers:

1. This Part 4 of the RFT will appear as Schedule 2 in the consolidated contract.
2. This Draft Basis of Payment is for the period January 2010 to June 2014, ie for the full possible period of the contract, including the option period as set out in Clause 2.3 in Part 2 of this RFT.

SCHEDULE 2 - DRAFT BASIS OF PAYMENT

CAMBODIA AGRICULTURE VALUE CHAIN PROGRAM

OPERATIONAL CONTRACTOR

1. FINANCIAL LIMITATION

- 1.1 The Financial Limitation for the Contract for the period January 2010 to 30 June 2012 will be \$XXX. In the event that AusAID takes up the option (see Clause 2.3 in Part A of the Contract, the Financial Limitation for the Contract will be \$XXX.
- 1.2 The total amount payable by the Commonwealth to the Contractor for the Cambodia Agriculture Value Chain Program (CAVAC) shall not exceed the sum of \$XXX plus GST, if any, up to a maximum of \$XXX.
- 1.3 AusAID shall not be liable for any Costs or expenditure incurred by the Contractor in excess of this amount.
- 1.4 The maximum amount payable by AusAID into the Cambodia Agriculture Value Chain Program Imprest Account as referred to in Clause 8 of this Schedule 2 is \$16,528,400 including 10% GST if any.

2. PAYMENT STREAMS

- 2.1 For the performance of the Services described in the Contract, AusAID shall pay the Contractor as follows:
 - (a) Fixed Profit and Management Fee (PMF) in accordance with Clauses 3 of this Schedule 2, payable as Milestones in accordance with Clause 3.2 of this Schedule 2 (up to a maximum total amount of \$XXX); and;
 - (b) Reimbursable Costs, comprising the following Reimbursable Payments:
 - (i) *Long Term Personnel Costs* in accordance with Clause 4 of this Schedule 2 (up to a maximum of \$XXX);
 - (ii) *Other Program Personnel Costs* in accordance with Clause 5 of this Schedule 2 (up to a maximum of \$7,528,000)
 - (iii) *Program Administration and Equipment Costs*, in accordance with Clause 6 of this Schedule 2 (up to a maximum of \$3,355,490).
- 2.2 Any payments to the *Imprest Account* under Clause 12, Part 2 (Project Specific Contract Conditions) shall only be made as approved in the Annual Plan up to a maximum amount of A\$16,528,400.

3. PROFIT AND MANAGEMENT FEE (PMF)

3.1 The PMF of \$XXX will comprise (but will not be limited to):

- (a) All aspects of profit, including commercial margins/mark-up for all personnel;
- (b) All head office overheads;
- (c) Financial management costs and financing costs, if any (note that costs associated with establishing and managing the CAVAC Program Imprest Account are to be deducted from the Imprest Account);
- (d) Cost of an Unconditional Financial Undertaking, if any;
- (e) All personnel costs (except for nominated Personnel costs as per Annexes 2 and 3 to this Schedule, which shall be separately reimbursable in accordance with Clauses 4 and 5 of this Schedule 2);
- (f) All management support costs for all Program personnel, including:
 - (i) internationally and locally engaged long and short term Program Personnel and Technical Assistance as approved in Annual Work Plans to a maximum of 40 individuals (whether long term or short term) per annum; and
 - (ii) all head office management and administrative staff.
- (g) Costs associated with all personnel briefings in-country;
- (h) Security costs for all Program personnel, including the Team Leader and all internationally and locally engaged long and short term Technical Assistance;
- (i) Insurance costs (including but not limited to, professional indemnity, health, medivac, worker's compensation, public liability, indemnity and any other insurances as required under the Contract or deemed necessary by the Contractor) in accordance with Clauses 33 and 34 of Part B (Standard Contract Conditions) of the Contract;
- (j) Taxation, as applicable;
- (k) Costs of complying with the Program's reporting and liaison obligations under the Contract;
- (l) All escalators for PMF costs for the Term of the Contract;
- (m) Allowances for risks and contingencies e.g. currency fluctuations; and
- (n) All other costs not specifically identified as Reimbursable Personnel Costs and Reimbursable Program Administration and Equipment Costs.

3.2 The PMF is fixed for the term of the Contract and will be billed on a pro rata basis to AusAID on acceptance of Six Monthly Procurement Reports as per Clause 6 of Schedule 1.

4. REIMBURSABLE PAYMENTS: LONG TERM PERSONNEL COSTS

4.1 AusAID shall reimburse the Contractor up to a maximum of \$XXX for Long Term Personnel Costs as stipulated in Annex 1 of this Schedule 2.

- 4.2 For each Long Term Personnel, AusAID shall pay the Contractor, quarterly on a reimbursable basis in arrears, an all-inclusive Professional Fee in accordance with the relevant rate(s) detailed in Annex 2 to this Schedule 2.
- 4.3 Long Term Personnel costs cover costs for those Contractor personnel identified in Annex 2 to this Schedule 2.
- 4.4 The all-inclusive Professional Fee shall be:
- (a) Based on a 5 day working week for in-Cambodia inputs;
 - (b) Based on 20 days per month (when a fee is required to be pro rated to a daily basis at the start or end of the Contract);
 - (c) *Inclusive* of all personnel-related taxes and levies incurred in Cambodia and Australia, with the exception of GST for Services performed in Australia [refer to Clause 21 of the Standard Contract Conditions (Goods and Services Tax)];
 - (d) *Inclusive* of superannuation levy, if any, as appropriate;
 - (e) *Inclusive* of paid annual leave allowances of up to four (4) weeks per annum, to accrue on a pro rata basis per twelve months' continuous engagement on the Program (noting that leave allowances cannot be carried over from one twelve month period to another and must be taken in the twelve month period in which they fall due), including all leave costs such as one annual airfare to and from Cambodia;
 - (f) *Inclusive* of housing accommodation, utilities and private transport costs;
 - (g) *Inclusive* of all escalators for the full period of the Program;
 - (h) *Inclusive* of any language training costs for international personnel; but
 - (i) *Exclusive* of any profit, overheads, administration or management fee, or any other mark-up/margins on the part of the Contractor.
- 4.5 In addition to items listed under Clause 4.4 above, the following item only will be reimbursable at cost (subject to reasonableness) in arrears:
- (a) Mobilisation/Demobilisation costs including airfares up to the maximum amount per Long Term Personnel as detailed in Annex 2 to this Schedule 2.
- 4.6 Where Contractor leave entitlements for Personnel exceed one annual airfare or a total of 4 weeks per twelve month period, a satisfactory justification must be provided to AusAID of how the Contractor will ensure, during Specified Personnel absences, the continued quality of the Services. AusAID will not reimburse leave costs in excess of those specified at Clause 4.4(e) of this Schedule.

5. REIMBURSABLE PAYMENTS: OTHER PROGRAM PERSONNEL

- 5.1 AusAID shall reimburse the Contractor up to a maximum of \$7,528,000 for Other Program Personnel Costs as set out in Annex 3 of this Schedule 2.
- 5.2 The Fees shall be:
- (a) Based on a five day working week for in-Cambodia inputs;

- (b) Based on 20 days per month (when a fee is required to be pro rated to a daily basis at the start or end of the Contract);
 - (c) *Inclusive* of all personnel-related taxes and levies incurred in Cambodia and Australia, with the exception of GST for Services performed in Australia [refer to Clause 21 of the Standard Contract Conditions (Goods and Services Tax)];
 - (d) *Inclusive* of superannuation levy, if any, as appropriate;
 - (e) *Inclusive* of paid annual leave allowances of up to four (4) weeks per annum, to accrue on a pro rata basis per twelve months' continuous engagement on the Program (noting that leave allowances cannot be carried over from one twelve month period to another and must be taken in the twelve month period in which they fall due), including all leave costs such as one annual airfare to and from Cambodia;
 - (f) *Inclusive* of housing accommodation, utilities and private transport costs for international personnel;
 - (g) *Inclusive* of any language training costs for international personnel; but
 - (h) *Exclusive* of any profit, overheads, administration or management fee, or any other mark-up/margins on the part of the Contractor.
- 5.3 In addition to items listed under Clause 5.2 above, the following item only will be reimbursable at cost (subject to reasonableness) in arrears:
- (a) Mobilisation/Demobilisation costs, subject to AusAID agreement.
- 5.4 Where Contractor leave entitlements for Other Program Personnel exceed one annual airfare or a total of 4 weeks per twelve month period, a satisfactory justification must be provided to AusAID of how the Contractor will ensure, during Specified Personnel absences, the continued quality of the Services. AusAID will not reimburse leave costs in excess of those specified at Clause 5.2(e) of this Schedule.
- 6. REIMBURSABLE PAYMENTS: PROGRAM ADMINISTRATION AND EQUIPMENT COSTS**
- 6.1 AusAID shall reimburse the Contractor up to a maximum upper limit of \$3,355,490 for Program Administration and Equipment Costs.
- 6.2 Program Administration and Equipment Costs shall be reimbursable in arrears on a quarterly basis in accordance with the items listed in Annex 2 to this Schedule 2 and the financial limit. This Contract does not provide for the inclusion of any other Program Administration and Equipment Costs categories or items other than those explicitly included as Program Administration and Equipment Costs in Annex 4 to this Schedule 2.
- 6.3 The Contractor will be entitled to reimbursement for expenses incurred in respect of Reimbursable Program Administration and Equipment Costs detailed at Annex 2 to this Schedule 2, subject to details of the items purchased or expenses incurred, or salaries paid, contained in quarterly invoices.
- 6.4 The Contractor must maintain a Register of Assets in the format described in Annex 5 to this Schedule 2.

- 6.5 When expenditure reaches 80% of the category limits specified in Annex 4 of this Schedule 2, the Contractor must advise AusAID of the remaining commitments and whether the upper limits are likely to be exceeded, and, if so, provide justification.
- 6.6 The Contractor may vary the values assigned against individual line items within a Category and the values assigned against each Category in Annex 4 to this Schedule 2 up to 10 percent without seeking AusAID approval. The Contractor must not vary these values by greater than 10 percent without the prior written approval of AusAID. Such changes will not require a contract variation.

7. PROGRAM IMPREST ACCOUNT

- 7.1 The Contractor may be required by AusAID to establish and manage an Imprest Account in accordance with Clause 12, Part 2 of this Contract for the purpose of funding approved activities described in the Annual Work Plan. Where an Imprest Account is established, the funds in the Imprest Account will not be reallocated for any other purpose under this Basis of Payment.
- 7.2 Where an Imprest Account is established, AusAID will make payment into the Imprest Account on a quarterly basis. The first payment will be made following the approval by AusAID's Chief Finance Officer of the Manual of Operations for the Imprest Account. The amount of each payment will be determined by consideration of the approved forward financial projections provided by the Contractor in the Annual Program Expenditure Statement/Detailed Financial Plan and the balance of the Imprest Account. The Contractor will acknowledge receipt of the funds immediately upon their receipt.
- 7.3 The money in the Imprest Account may be used for:
- (a) the implementation of approved Program activities. It includes all costs associated with the procurement of goods, services and works specified in the Annual Work Plans approved by the National Steering Committee;
 - (b) Technical Assistance (TA) for the positions approved in the AWP and for whom the Team Leader has prepared Terms of Reference; and
 - (c) grants to local partners made in accordance with the CAVAC management Procedures Manual.

8. CLAIMS FOR PAYMENT

- 8.1 The Contractor's claims for payment shall be submitted when due pursuant to this Schedule 2 in accordance with the Standard Contract Conditions clause headed Payment in the Contract, and shall be submitted in a form identifiable with the Services.
- 8.2 Invoices involving foreign exchange transactions must be made in the equivalent Australian dollar amount, converted at the exchange rate applicable on the actual date of the foreign exchange transaction.
- 8.3 All claims for payment shall be made to:

Chief Financial Officer
Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601

- 8.4 Tax invoices should be sent to the above address. Alternatively AusAID will accept electronic tax invoices. These can be sent to accountsprocessing@ausaid.gov.au.
- 8.5 Invalid invoices will be returned to contractors. Information on what constitutes a valid tax invoice can be found at <http://www.ato.gov.au/businesses/content.asp?doc=/content/50913.htm>.

ANNEX 1 TO SCHEDULE 2 – MILESTONE PAYMENTS TABLE

Number	Milestone	Due Date	Value
	TOTAL		

ANNEX 2 TO SCHEDULE 2 – LONG TERM PERSONNEL COSTS
January 2010 – 30 June 2012

Position Title	Personnel Name	Total inputs (months)	Monthly billing					Total cost of Mobilisation and Demobilisation	TOTAL (AUD)
			Fees as a monthly rate	Allowances as a monthly rate	Housing and utilities as a monthly rate	Total annual leave costs as a monthly rate	Total monthly billing rate		
General Manager		30							
Procurement Manager		30							
Monitoring and Evaluation Manager		6							
TOTAL									

ANNEX 3 TO SCHEDULE 2 – OTHER PROGRAM PERSONNEL COSTS
January 2010 – 30 June 2012

		Number	Cost/unit	Inputs (person months)	Total
Program Management Office					
	Deputy Team Leader (to be engaged in accordance with RGC MBPI scheme)	1		30	
	Agribusiness Development Manager/VC Development Specialist	1		30	
	Rice Value Chain Development Specialist	1		30	
	Horticultural (fruit/vegetable) Value Chain Development Specialist	1			
	Irrigation/Water Management Specialist/Manager	1		30	
	Irrigation/Water Management Specialist (National)	2		60	
	Business Enabling Environment Manager/Specialist	1		30	
	Monitoring and Evaluation Specialist (ST)	1		6	
	Monitoring and Evaluation Officer	1		30	
	Monitoring and Evaluation Assistants	2		60	
	Procurement Officer	1		30	
	Finance Officer	1		30	
	Administrative Assistants	2		60	
Provincial Coordination Offices					
	Provincial Team Leader	3		90	
	Agribusiness Coordinator	3		90	
	Irrigation/Water Management Coordinator	3		90	
	Administrative Assistants	6		180	
TOTAL					

ANNEX 4 TO SCHEDULE 2 – REIMBURSABLE PROGRAM ADMINISTRATION AND EQUIPMENT ITEMS
January 2010 to 30 June 2014

	Unit	Unit cost (A\$)	Quantity	Total (A\$)
Fixed Assets				
Vehicle - 4WD passenger vehicle	units	38,000	2	76,000
Vehicle - 4WD double cab pickups	units	25,000	8	200,000
Motorcycles	units	1,600	8	12,800
Desktop/laptop computer/UPS	sets	1,900	19	36,100
Printer	units	1,250	9	11,250
Video camera	units	1,000	1	1,000
GPS	units	800	2	1,600
Digital camera	units	600	2	1,200
Projector & screen	units	2,700	1	2,700
Software	Lump sum	1,000	23	23,000
Fixed phones and installation-PP	Lump sum	2,000	1	2,000
Fixed phones and installation (provinces)	Lump sum	1,500	3	4,500
Photocopier/fax/scanner	sets	3,500	5	17,500
Network installation-PP	ls	8,000	1	8,000
Network installation (provinces)	ls	2,700	3	8,100
Mobile phones	units	140	41	5,740
Office furniture/misc eqpmt/fit-out-PP	Lump sum	15,000	1	15,000
Office furniture/misc eqpmt/fit-out (provinces)	Lump sum	10,000	3	30,000
Drivers (10p)	person month	400	600	240,000
Cleaners (4p)	person month	200	240	48,000
Security (12p)	person month	250	720	180,000
TOTAL FIXED ASSETS				924,490
Training				
Training resources for management staff training (Schedule 1, Clause 3.8)	Lump sum	20,000	5	100,000
TOTAL TRAINING				100,000

	Unit	Unit cost (A\$)	Quantity	Total (A\$)
Office Costs				
PMO in Phnom Penh				
Office rental PP	month	1,500	60	90,000
Office operating costs (stationery, equipment O&M etc)	month	2,000	60	120,000
Telecommunications	month	1,800	60	108,000
Printing/photocopying	month	300	60	18,000
Vehicle O&M (4 vehicles plus motorbikes)	month	3,100	60	186,000
Local travel	month	1,500	60	90,000
Power & water	month	700	60	42,000
Sub-Total Phnom Penh				654,000
Provinces (3 Offices)				
Office rental	month	750 per office	180	135,000
Office operating costs (stationery, equipment O&M etc)	month	1,200 per office	180	216,000
Telecommunications	month	900 per office	180	162,000
Printing/photocopying	month	300 per office	180	54,000
Vehicle O&M (2 vehicles per office plus motorbikes)	month	1,800 per office	180	324,000
Local travel	month	700 per office	180	126,000
Power & water	month	350 per office	180	63,000
Sub-Total Provinces				1,080,000
TOTAL OFFICE COSTS				1,734,000
TOTAL REIMBURSABLE EXPENSES				2,758,490

ANNEX 5 TO SCHEDULE 2 - ASSETS REGISTER

Identification Number	Description of Asset	Purchase Reference	Purchase Date	Purchase Price	Date & Location Received	Remarks – including disposal action & price received

ANNEX 6 TO SCHEDULE 2 – LONG TERM PERSONNEL COSTS
1 July 2012 – 30 June 2014 (Option Period)

Position Title	Personnel Name	Total inputs (months)	Monthly billing					Total cost of Mobilisation and Demobilisation	TOTAL (AUD)
			Fees as a monthly rate	Allowances as a monthly rate	Housing and utilities as a monthly rate	Total annual leave costs as a monthly rate	Total monthly billing rate		
General Manager		24							
Procurement Manager		24							
Monitoring and Evaluation Manager		4							
TOTAL									

ANNEX 7 TO SCHEDULE 2 – OTHER PROGRAM PERSONNEL COSTS
1 July 2012– 30 June 2014 (Option Period)

	Number	Cost/unit	Inputs (person months)	Total
Program Management Office				
Deputy Team Leader (to be engaged in accordance with RGC MBPI scheme)	1		24	
Agribusiness Development Manager/VC Development Specialist	1		24	
Rice Value Chain Development Specialist	1		24	
Horticultural (fruit/vegetable) Value Chain Development Specialist	1		24	
Irrigation/Water Management Specialist/Manager	1		24	
Irrigation/Water Management Specialist (National)	2		48	
Business Enabling Environment Manager/Specialist	1		24	
Monitoring and Evaluation Specialist (ST)	1		4	
Monitoring and Evaluation Officer	1		24	
Monitoring and Evaluation Assistants	2		48	
Procurement Officer	1		24	
Finance Officer	1		24	
Administrative Assistants	2		48	
Provincial Coordination Offices				
Provincial Team Leader	3		72	
Agribusiness Coordinator	3		72	
Irrigation/Water Management Coordinator	3		72	
Administrative Assistants	6		144	
TOTAL				

SECTION 2 – STANDARD TENDER CONDITIONS AND STANDARD CONTRACT CONDITIONS

PART 5 – STANDARD TENDER CONDITIONS

Bolded words are defined in the Tender Particulars in **Part 1** of this RFT.

1. DOCUMENTS THAT MUST BE LODGED

1.1 Tenders must be lodged either:

- (a) Electronically, via AusTender at <https://tenders.gov.au> before the **Closing Time** and in accordance with the tender lodgement procedures set out in **Annex D to this Part** and on AusTender; or
- (b) Physically, by depositing by hand in the Canberra Tender Box before the **Closing Time**.

1.2 AusAID's preference is for electronic lodgement of Tenders. However, if electronic lodgement is not possible, you may lodge a hard copy of your Tender instead.

1.3 For both electronic and hard copy Tender lodgement, you must submit the following documents as part of your Tender:

- (a) the technical proposal which includes:
 - (i) **Tender Schedule A** addressing the selection criteria and including the required annexes in the form specified in **Part 1**; and
 - (ii) **Tender Schedule B** providing details of Specified Personnel in the form specified in **Part 1**;
- (b) The financial proposal in the form specified in **Part 1 Tender Schedule C**. For electronic submissions, **Tender Schedule C** must be submitted as a separate file, and for hard copy submissions, **Tender Schedule C** must be submitted in a separate sealed envelope;
- (c) The financial assessment material in the form specified in **Part 1 Tender Schedule D**. For electronic submissions, **Tender Schedule D** must be submitted as a separate file, and for hard copy submissions, **Tender Schedule D** must be submitted in a separate sealed envelope; and
- (d) The completed and signed Tenderer Declaration in the form specified in **Annex B of this Part**.
- (e) The completed and signed Tenderer's Submission Checklist in the form specified in **Annex C of this Part**.

- 1.4 All documentation submitted as part of the Tender must be in English.
- 1.5 Tenderers must include all information specified in this RFT in their Tender. Tenderers accept that their failure to provide all information required, in the format specified will result in their Tender being considered as a non-conforming Tender and liable to rejection.
- 1.6 The Tenderer must submit the number of copies specified in the Tender Particulars (**Part 1 Clause 1** of this RFT). Different numbers of copies may be required for hard copy lodgement and for electronic lodgement.
- 1.7 Tenders submitted by facsimile or email will not be considered.
- 1.8 It is a condition of this RFT that each Tender must remain valid and available for acceptance by AusAID for the **Tender Validity Period** specified in the Tender Particulars (**Part 1 Clause 1** of this RFT).
- 1.9 A person or persons having authority to lodge the Tender and enter into a contract on behalf of the Tenderer must sign the Tenderer Declaration (**Annex B of this Part**).
- 1.10 AusAID may extend the **Closing Time** at its sole and absolute discretion, and will issue an Addendum notifying any decision to extend.

Conditions Applying to Electronic Tender Lodgement

- 1.11 Electronic tenders must be lodged electronically via the Australian Government Tender System, AusTender, at <https://www.tenders.gov.au> before the **Closing Time** and in accordance with the tender lodgement procedures set out in **Annex D of this Part** and on AusTender.
- 1.12 Where there is any inconsistency between the tender lodgement procedures set out on AusTender and those set out in this RFT, this RFT will prevail.
- 1.13 Tenders not submitted in accordance with **Clause 1.11** will be excluded from evaluation.
- 1.14 It is the responsibility of tenderers to ensure that their infrastructure including operating system and browser revision levels meet the minimum standards as defined on AusTender. Neither AusAID nor the Commonwealth takes any responsibility for any problems arising from tenderers' infrastructure and/or Internet connectivity.

Conditions Applying to Hard Copy Tender Lodgement

- 1.15 For hard copy lodgement, the Tenderer is responsible for the delivery of their Tender. The Tender must be placed in AusAID's **Canberra Tender Box**. The Tender must be delivered during **Business Hours** by the **Closing Time**. Failure to submit a Tender in accordance with this clause may render the Tender liable to rejection.

- 1.16 The Original Tender document and any copies requested should be bound using a plastic comb binding, and should contain no plastic page separators.
- 1.17 The Tender should be endorsed with the name of the Project and marked: “Tender Box: Attention **Contact Person**.” The Tenderer’s postal address and fax number should be provided on the outside of the Tender.

2. **TENDERER ENQUIRIES**

- 2.1 Any enquiries that Tenderers may have must only be directed to the **Contact Person** specified in the Tender Particulars.
- 2.2 If a Tenderer:
- (a) finds any discrepancy, error or omission in the terms and conditions of the RFT, including of the Contract Conditions; or
 - (b) wishes to make any enquiry, including seeking clarification, of the RFT, including of the Contract Conditions,

the Tenderer must notify the **Contact Person** in writing, which notice may be sent by means of facsimile transmission or email, as soon as possible and not later than 14 days prior to the **Closing Time**.

- 2.3 AusAID will respond to any Tenderer enquiries no later than 7 days prior to the **Closing Time**.
- 2.4 AusAID reserves the right to issue or publish answers to any Tenderer enquiries to all Tenderers.

3. **LATE TENDERS**

Conditions Applying to Tenders Lodged Electronically

- 3.1 A Tender lodged electronically is a **Late Tender** in accordance with the conditions specified in **Clause 6, Annex D of this Part** and will be excluded from evaluation.
- 3.2 For tenders submitted electronically, the time displayed on AusTender is deemed to be the correct time and will be the means by which AusAID will determine whether Tenders lodged electronically have been lodged by the **Closing Time**.
- 3.3 The judgement of AusAID as to the time a Tender has been lodged electronically will be final.

Conditions Applying to Tenders Lodged in Hard Copy

- 3.4 A hard copy Tender lodged after the **Closing Time** is a late Tender.
- 3.5 AusAID will admit to evaluation a Tender that was received late solely due to AusAID mishandling. AusAID mishandling does not include mishandling by a courier or mail service provider engaged by a Tenderer to deliver their Tender. It

is the responsibility of tenderers to ensure that their Tender is dispatched in sufficient time for it to be received by AusAID by the **Closing Time**.

- 3.6 Late Tenders that are rejected by AusAID will be returned to tenderers unopened, except in cases where a Tender must be opened to identify the return address of the Tenderer or to establish which tender process the Tender was for.
- 3.7 If a Tender is taken to be late, the Tenderer may be asked to provide explanatory evidence in an appropriate form to the **Contact Person** specified in the Tender Particulars.

4. **NON-CONFORMING TENDERS**

- 4.1 Subject to **Clause 3 (Late Tenders) of this Part**, Tenders will be regarded as non-conforming if they fail to conform with one or more of the requirements of the RFT.
- 4.2 AusAID reserves the right to seek clarification of non-conforming Tenders in accordance with **Clause 5 of this Part**.
- 4.3 Subject to **Clause 3 (Late Tenders) of this Part**, AusAID may, at its absolute discretion, assess or reject a non-conforming Tender.
- 4.4 AusAID will not enter into correspondence about a decision to assess or reject a non-conforming Tender.

5. **CLARIFICATION OF TENDERS**

- 5.1 AusAID reserves the right to seek clarification of any Tender. Tenderers must:
- (a) respond to any request for clarification within the time period specified by AusAID;
 - (b) ensure that additional information provided answers AusAID's enquiry and is fully consistent with the Tender submitted by the Tenderer; and
 - (c) not seek to change any aspect of their Tender by providing additional information to AusAID.
- 5.2 Clarifications are provided on the terms of the RFT.
- 5.3 Failure to supply clarification to the satisfaction of AusAID may render the Tender liable to rejection.

6. **AMENDMENT OF THE RFT**

- 6.1 AusAID may amend the RFT at any time by issuing an Addendum. All conditions of this RFT will apply to Addenda.

7. **ASSESSMENT OF TENDERS**

- 7.1 Tenders will be assessed on the following basis:

- (a) technical, which includes the other factors described in **Clause 7.8 of this Part** which in AusAID's opinion may impact upon the suitability of any Tenderer including the financial viability of any Tenderer; and
- (b) financial

to achieve the best value for money outcome.

- 7.2 Tenderers should note that value for money determinations are made on a whole-of-life basis and that AusAID is not bound or required to accept the lowest priced Tender or any Tender.

Technical Assessment

- 7.3 The technical assessment will be undertaken by the Technical Assessment Panel (the “**TAP**”) comprising AusAID representative(s) and independent specialists appointed at AusAID’s sole discretion. Representatives of the Partner Government may also participate. The TAP will assess Tenders based on the technical selection criteria specified in **Part 1**.
- 7.4 AusAID may invite a Tenderer (shortlisted or otherwise) to give AusAID a short presentation and be interviewed by the TAP. Specified Personnel, such as the proposed in-country team leader and the project director, will be required to attend at the presentation. If Specified Personnel are unable to attend, a teleconference presentation may be arranged. Specified Personnel will be required to answer any questions asked by the TAP. The TAP will be convened in Canberra and the costs of the Tenderer's (and its personnel's) attendance must be borne by the Tenderer.
- 7.5 Tenderers should note that failure by a Tenderer or proposed Specified Personnel to attend the presentation (either in person or via teleconference) may disadvantage the Tender.
- 7.6 TAP members are required to maintain the “commercial-in-confidence” nature of the proceedings of the TAP meeting. TAP members must not discuss matters relating to the technical assessment of any tender with any party. Tenderers must not make contact with any members of the TAP, outside any TAP meeting, and any such contact will be considered a breach of confidentiality and may result in AusAID rejecting the tender of the Tenderer concerned.
- 7.7 AusAID reserves the right to take into account in the assessment of this Tender the past performance of the Tenderer or any proposed personnel contained in the Tender in accordance with **Annex A of this Part**.
- 7.8 In making its assessment the TAP or AusAID may have regard to other factors relevant to the suitability, capacity and qualifications of a Tenderer including but not limited to:
- (a) the Tenderer's ability to comply with AusAID policies referred to in this RFT and the Tenderer's ability to comply with the **Contract Conditions**;
 - (b) the resourcing of Tenders;

- (c) information obtained from any source which is relevant to the capacity of the Tenderer or any proposed personnel to perform the Services and achieve the Project goals and objectives. Such information may be the result of inquiries made by AusAID; and
- (d) the Tenderer's demonstrated understanding of the cultural environment of the Project.

These other factors have not been allocated any specific weightings.

- 7.9 TAP members may adjust technical scores as a consequence of the presentation, interview and consideration of past performance.

Goods and Services Tax

- 7.10 All Tenderers should be aware that under *A New Tax System (Goods and Services Tax) Act 1999 (GST Act)*, AusAID is treated as a taxable enterprise. To allow a like-for-like price assessment, the financial proposal must state the value of the supplies exclusive of the GST.

Insurances

- 7.11 The financial proposal must be inclusive of all necessary insurances required by the Contract Conditions and for the performance of the Services. Notwithstanding the requirements of the Contract AusAID strongly recommends that all Tenderers seek advice on and consider arranging professional indemnity insurance as a matter of prudent commercial practice. Where such insurance is arranged, AusAID recommends that it be maintained for the duration, plus a further 3 years, of the full Term of the Contract or earlier termination.

Project Vehicles

- 7.12 For the purposes of this clause, "Project Vehicles" are defined as vehicles paid for by AusAID, remain the responsibility of the Contractor for the term of the Project and that are provided primarily for Contractor Personnel use for Project activities. Vehicles purchased by the Project, but handed over to the Partner Country immediately (where maintenance and insurance are Partner Country responsibilities and Contractor Personnel do not use the vehicles or only use them on an exceptional basis) are not considered Project Vehicles for the purposes of requiring a financial contribution by the Contractor.
- 7.13 In consideration of the Contractor being entitled to use Project Vehicles for non-project use the Contractor must contribute \$250.00 for each Project Vehicle for each month of the Project. The contribution will be deducted by the Contractor and must be clearly identified on the Contractor's invoices.
- 7.14 The Contractor must abide by the following requirements with regards to Project Vehicles:
- (a) Project demands must always take precedence over private use;

- (b) the Contractor must ensure that any persons driving the Project Vehicle must have a current valid international or Partner Country drivers license for the class of Project Vehicle;
- (c) the Contractor is responsible for ensuring Project Vehicles are appropriately insured;
- (d) the Contractor is responsible for ensuring that seat belts are fitted and must make every effort to ensure that they are worn at all times by drivers and all passengers;
- (e) the Contractor is responsible for any costs incurred in the event of an accident while the Project Vehicle is being privately used; and
- (f) the Contractor must ensure that Project Vehicles are serviced in accordance with manufacturer's requirements.

Tenderers Note: compliance with the requirements detailed in **Clause 7.13 above** may be subject to a review undertaken by or on behalf of AusAID under the **Standard Conditions** clause of the Contract titled **Reviews**.

Technical proposal format

7.15 The technical proposal must:

- (a) indicate the Tenderer's nominated contact person and contact details on the cover page;
- (b) be in a type font of no less than 12 point on A4 paper;
- (c) have left and right page margins of no less than 2.5 cm, and top and bottom page margins of no less than 3 cm, excluding headers, footers and page numbers;
- (d) not have the AusAID logo or any other representation or mark which may indicate that the Tenderer is in any way related to or connected with AusAID; and
- (e) be no longer than the page limit detailed in the Tender Particulars (inclusive of tables, diagrams or graphs), but exclusive of required annexes.

Curricula vitae

7.16 The curriculum vitae for team member must include the following information:

- (a) name and personal contact details (this can be an email address or phone number);
- (b) nationality and if relevant permanent resident status;
- (c) professional qualifications, including institution and date of award; and

- (d) details of recent relevant professional and development work experience, including the duration and extent of inputs.
- 7.17 CVs must be no longer than the page limit detailed in the Tender Particulars, must be signed and dated by the proposed team member, and must include the following certification:

“I, **[insert name]**, declare that:

- (a) the information provided in this CV is accurate and hereby authorise the Commonwealth to make whatsoever inquiries it may consider reasonable and necessary to undertake in the course of the Tender assessment in relation to the information I have provided in this CV or any other matter which may relate to my suitability for the position for which I have been nominated; and
- (b) I am available to participate in the Project in the role in which I have been nominated in the Tender for the period or periods indicated in the Tender”.
- (c) I have not been convicted of an offence of, or relating to, bribery of a public official, nor am I subject to any proceedings which could lead to such a conviction.

While an original signature on CVs is preferred, copies are allowed. However, Tenderers are reminded of their warranties (**paragraphs 3.3 and 3.4**) and the potential consequences to their Tender (**paragraph 3.5**), as detailed in the Tenderer Declaration (**Annex B of this Part**).

Referees

- 7.18 Tenderers must nominate at least two (2) referees who can provide an objective assessment of the quality of relevant and recent work performed by the organisation (if the Annex titled Past Experience Forms is used) or the proposed team member (regarding Tender Schedule B). Referees who can supply character references only are not sufficient.
- 7.19 Tenderers must ensure that nominated referees do not have an actual or potential conflict of interest when acting as a referee. In particular, Tenderers must ensure that referees:
- (a) are not an employee of, or the holder of a current executive office (or similar position) within the organisation of, or do not have a business in association with, the Tenderer or a subsidiary organisation of the Tenderer;
 - (b) are not included in the Tender as proposed team members; and
 - (c) are not AusAID employees.
- 7.20 Tenderers must further ensure that nominated referees:
- (a) are available to be contacted in the 3 week period after the **Closing Time**; and

(b) are able to provide comments in English.

- 7.21 AusAID reserves the right to check with nominated referees and with other persons as AusAID chooses, the accuracy of the information and quality of work performed.

8. JOINT VENTURES AND CONSORTIUMS

- 8.1 AusAID intends to contract with a single legal entity.
- 8.2 In the case of a joint venture or consortium that does not constitute a single legal entity, AusAID will contract with the lead joint venture or consortium member that is required to be nominated by the tenderer.
- 8.3 Tenders by a joint venture or consortium must be submitted on the basis that details on the activities to be performed and responsibility assumed by each party of the joint venture or consortium must be clearly specified in the body of the text in **Tender Schedule A**.
- 8.4 AusAID may require parent company guarantees from the parent companies of parties to a joint venture or consortium.

9. ASSOCIATES AND OTHER SUB-CONTRACTORS

- 9.1 Tenders involving two or more parties who have not formed a single legal entity will only be accepted if the Tender is submitted on the basis that one party, the Tenderer, is intended to act as the prime contractor and any other party becomes a sub-contractor known as an “Associate”.
- 9.2 Tenders involving Associates will be assessed on the basis of that arrangement. Tenders must include:
- (a) details on the activities to be performed and responsibilities assumed by each party where Associates are involved must be described in the body of the text of **Tender Schedule A**; and
 - (b) assurance to AusAID from an authorised representative of the Associate of their corporate commitment to and involvement in the Project in the form of a single page Letter of Association in a separate annex to **Tender Schedule A**.

Details of Associate responsibilities, if any, will be included in the Contract.

- 9.3 In addition to Associates, Tenderers are required to include detailed information on other work to be sub-contracted (excluding Specified Personnel) and proposed sub-contractors, where these are reasonably known at the time of the Tender and have expressed their willingness to be involved in the Project. These details must also be included in a separate annex to **Tender Schedule A** in the form described in **Clause 9.4 below**.
- 9.4 Letters in which organisation’s express their willingness to be involved with the Tenderer in the Project as a sub-contractor must be limited to a single page per

organisation and include details on the broad skills or areas in which the organisation may add value.

- 9.5 Tenderers note: AusAID contracts assign full responsibility for all sub-contracted Services to the contractor.

10. OWNERSHIP OF TENDERS AND RFT

- 10.1 All Tenders become the property of AusAID on lodgement.
- 10.2 Such intellectual property rights as may exist in the information contained in each Tender will remain the property of the Tenderer.
- 10.3 The Tenderer authorises AusAID to copy, adapt, amend, disclose, including to AusAID contractors and advisers, or do anything else necessary, in AusAID's sole discretion, to all materials including that which contains intellectual property rights of the Tenderer or other parties contained in the Tender.
- 10.4 Copyright in the RFT is reserved to AusAID.

11. CONFLICT OF INTEREST

- 11.1 Tenderers must:

- (a) identify any actual or potential conflict of interest; and
- (b) the procedures they intend to implement for dealing with, any actual or potential conflicts of interest,

which may arise in connection with the submission of their Tender or the conduct of the Services described in this RFT. Tenders should include details of any known circumstances that may give rise to either an actual conflict or potential of conflict of interest in relation to the Project.

- 11.2 If any actual or potential conflicts of interest arise for a Tenderer before entering into a Contract for the Services, AusAID may:

- (a) enter into discussions to seek to resolve such conflict of interest; or
- (b) disregard the Tender submitted by such a Tenderer; or
- (c) take any other action that AusAID considers appropriate.

12. TENDERING CONDUCT

- 12.1 Each Tenderer warrants that it has not engaged in collusive or anti-competitive practices with any other Tenderer in the preparation of its Tender.
- 12.2 If a Tenderer is found to have made false or misleading claims or statements, or receives improper assistance or improperly obtains confidential information, AusAID reserves the right to reject at any time, any Tender lodged by or on behalf of that Tenderer.

13. INELIGIBILITY TO TENDER

- 13.1 A Tenderer is ineligible to tender where the Tenderer or any subcontractor of the Tenderer is listed by the World Bank in its “Listing of Ineligible Firms” or “Listings of Firms, Letters of Reprimand” posted at www.worldbank.org (the “**World Bank List**”).
- 13.2 Tenderers warrant by submitting a tender that the Tenderer, and any subcontractor of the Tenderer, are not listed on a World Bank List. Tenderers must also state in their tender whether the Tenderer or any subcontractor of the Tenderer is listed on any similar list maintained by any other donor of development funding (“**Relevant List**”) or are subject to any proceedings which could lead to listing on a World Bank List or listing on any Relevant List. Tenderers must also immediately notify AusAID where the Tenderer or any of their subcontractors becomes listed on a World Bank List or Relevant List, or subject to proceedings which may lead to such a listing, after the tender is submitted to AusAID.
- 13.3 AusAID will exclude any tender where the Tenderer is in breach of the warranty, or does not disclose any circumstance required under **Clause 13.2**. AusAID also reserves the right to exclude any tender, where the Tenderer or a subcontractor of the Tenderer becomes listed on a World Bank List or Relevant List, or is subject to proceedings which could lead to such a listing.
- 13.4 Tenderers should note that if they tender in breach of this **Clause 13**, or are subsequently listed on a World Bank List or Relevant List, AusAID may terminate any contract subsequently entered into with that Tenderer.
- 13.5 For the purpose of this **Clause 13**, a reference to a Tenderer or a subcontractor of a Tenderer, includes any company in the same group as the Tenderer or the subcontractor (including but not limited to, related bodies corporate of the Tenderer or subcontractor within the meaning of the *Corporations Act 2001*) and parties with whom the Tenderer or subcontractor is associated in respect of this Tender.

14. AusAID’s RIGHTS

- 14.1 As a Commonwealth Government agency, all AusAID procurement is subject to the Commonwealth Procurement Guidelines. The core principle of Commonwealth procurement is to achieve value for money. AusAID is also bound to conduct its procurement in an ethical, accountable, transparent, efficient and effective manner.
- 14.2 AusAID reserves the right to:
- (a) seek Tenders from any organisation;
 - (b) accept or reject any Tender;
 - (c) terminate, extend or vary its procurement process for the Services;
 - (d) request clarification in relation to a Tender;

- (e) seek information or negotiate with any organisation that has not been invited to submit a Tender;
- (f) terminate negotiations with the preferred Tenderer and commence negotiations with any other Tenderer;
- (g) evaluate Tenders as AusAID sees appropriate; and
- (h) negotiate with any one or more Tenderers.

15. TENDERER'S ACKNOWLEDGEMENT

15.1 A Tender is submitted on the following basis:

- (a) no legal obligation or agreement whatsoever is intended to be or is created between AusAID and any Tenderer by virtue of the tender process (including but not limited to statements contained in this RFT) unless and until contract negotiations are completed and a formal written agreement acceptable to AusAID is entered into and executed by an authorised officer of AusAID and by the successful Tenderer, if any;
- (b) the Tenderer acknowledges and agrees that AusAID, its employees, agents and advisers are not, and will not be responsible, or liable for the accuracy or completeness of any information contained in this RFT; and
- (c) the Tenderer is responsible for all costs of and incidental to the preparation and delivery of the Tender, including obtaining this RFT, or any subsequent stage of the procurement process, including answering any queries and providing any further information sought by AusAID.

16. DEBRIEFING OF TENDERERS

- 16.1 If requested, AusAID will provide Tenderers with a written debriefing on the results of the assessment of their Tender, including reasons why the tender was not successful.
- 16.2 AusAID will not enter into discussion or communications on the content of the tender debrief once it has been completed.

17. COMPLIANCE WITH LAWS, GUIDELINES AND POLICIES

17.1 Freedom of Information

- (a) The *Freedom of Information Act 1982* gives members of the public rights of access to official documents of the Australian Government and its agencies. The *Freedom of Information Act 1982* extends, as far as possible, the right of the Australian community to access information (generally documents) in the possession of the Australian Government, limited only by considerations of the protection of essential public interest and of the private and business affairs of persons in respect of whom information is collected and held by departments and public authorities.

- (b) Tenderers should obtain, and will be deemed to have obtained, their own advice on the impact of the *Freedom of Information Act 1982* on their participation in this RFT process and any subsequent contract.

17.2 Privacy

- (a) The *Privacy Act 1988* establishes a national scheme providing, through codes of practice adopted by private sector organisations and the National Privacy Principles, for the appropriate collection, holding, use, correction, disclosure and transfer of personal information by private sector organisations.
- (b) The Draft Contract provides that the Contractor will comply with the *Privacy Act 1988*, including the Information Privacy Principles and the National Privacy Principles whether or not the Contractor is an organisation subject to the *Privacy Act 1988*.
- (c) The Tenderers acknowledge that the *Privacy Act 1988* reflects the principles of the International Covenant on Civil and Political Rights and OECD Guidelines, in particular, the OECD Guidelines on the Protection of Privacy and Transborder Flows of Personal Data.
- (d) Tenderers should obtain, and will be deemed to have obtained, their own advice on the impact of the *Privacy Act 1988* on their participation in this RFT process and any subsequent contract.

17.3 Access by Australian National Audit Office

- (a) Attention of Tenderers is drawn to the *Auditor-General Act 1997* which provides the Auditor-General, or an authorised person, with a right to have, at all reasonable times, access to information, documents and records.
- (b) In addition to the Auditor-General's powers under the *Auditor-General Act 1997*, the Draft Contract provides that the Contractor will provide the Auditor-General, or an authorised person, access to information, documents, records and agency assets, including those on the Contractor's premises. Such access will apply for the term of the contract and for a period of seven years from the date of expiration or termination.
- (c) Tenderers should obtain, and will be deemed to have obtained, their own advice on the impact of the *Auditor-General Act 1997* on their participation in the RFT process and any subsequent contract.

17.4 Access by Ombudsman

- (a) Attention of Tenderers is drawn to the *Ombudsman Act 1976* which gives Australians access to a government officer, known as an ombudsman, who investigates complaints from the public about government agencies and their operations and decisions, and reports on ways in which they may be resolved.

- (b) In addition to the ombudsman's powers under the *Ombudsman Act 1976*, the Draft Contract provides that the Contractor will provide the ombudsman, access to information, documents, records and agency assets, including those on the Contractor's premises. Such access will apply for the term of the contract and for a period of seven years from the date of expiration or termination.
- (c) Tenderers should obtain, and will be deemed to have obtained, their own advice on the impact of the *Ombudsman Act 1976* on their participation in the RFT process and any subsequent contract.

17.5 Equal Employment Opportunity for Women in the Workplace Act 1999.

- (a) Australian Government policy prevents AusAID from entering into contracts with suppliers who are currently named as non compliant under the *Equal Employment Opportunity for Women in the Workplace Act 1999* (EEO Act).
- (b) AusAID will exclude from consideration any Tender from a Tenderer who is named or whose subcontractor is named as not complying with the EEO Act.

17.6 United Nations Act, Criminal Code Act 1995 and World Bank List

- (a) AusAID will exclude from consideration any Tender from a Tenderer who is listed:
- (b) by the Minister for Foreign Affairs under the *Charter of the United Nations Act 1945* and/or listed in regulations made under Division 102 of the *Criminal Code Act 1995* (Cth). Further information about listed persons and entities is available from the Department of Foreign Affairs and Trade website at www.dfat.gov.au/icat/UNSC_financial_sanctions.html and from <http://www.nationalsecurity.gov.au/>
- (c) by the World Bank on its "Listing of Ineligible Firms" or "Listings of Firms, Letters of Reprimand" posted at www.worldbank.org (the "World Bank List") and/or any similar list maintained by any other donor of development funding.

17.7 Other Australian Government and AusAID Policies

- (a) Tenderers should familiarise themselves with AusAID policies including:
 - (i) the policy *Gender Equality in Australia's Aid Program – Why and How* (March 2007). This document is available on AusAID's website at <http://www.ausaid.gov.au/publications/default.cfm>;
 - (ii) The strategy 'Development for All: Towards a Disability-Inclusive Australian Aid Program 2009-2014', and in particular the strategy's six guiding principles, located at

[http://www.aid.gov.au/publications/pdf/FINAL%20AusAID_Di
sability%20for%20All.pdf](http://www.aid.gov.au/publications/pdf/FINAL%20AusAID_Di%20sability%20for%20All.pdf);

- (iii) AusAID's policy on the environment as set out in the *Environmental Management Guide for Australia's Aid Program*. This document is available on AusAID's website at <http://www.aid.gov.au/keyaid/envt.cfm>.
- (iv) AusAID's *Child protection policy*, in particular the child protection compliance standards at Attachment 1 to the policy. This document is available on AusAID's website at <http://www.aid.gov.au/publications/default.cfm>.
- (v) any other policies published from time to time on <http://www.aid.gov.au> or as otherwise notified to Tenderers.

18. FURTHER REQUIREMENTS

- 18.1 Tenderers should be aware that current employees of AusAID cannot be included in Tenders for AusAID projects. Former AusAID employees may be included in Tenders if doing so does not represent a breach of conflict of interest.
- 18.2 Tenderers should note that the Commonwealth Procurement Guidelines require that Commonwealth agencies must not enter into agreements with suppliers who have had a judicial decision against them (not including decisions under appeal) relating to employee entitlements and who have not paid the claim. AusAID will reject submissions from tenderers in this position.
- 18.3 Tenderers must keep any discussions or contact with AusAID in connection with the Tender, the RFT and any contract negotiations confidential. Any unauthorised approach by a Tenderer to an AusAID officer or discussion of matters pertaining to the procurement process will be considered a breach of confidentiality.

19. CONTRACT NEGOTIATIONS

- 19.1 AusAID may select, as preferred Tenderer, the Tenderer(s) who best meet the requirements of the RFT on the basis of the tender assessment process.
- 19.2 The preferred Tenderer(s) must within 14 days of written notification from AusAID that it has been selected as preferred Tenderer, provide AusAID with originals of Police Clearance Certificates for all Personnel nominated in their Tender in positions specified in the Specified Personnel Table (**Clause 7, Part 1**) as working with children.
 - (a) Police Clearance Certificates must be provided for each country in which the individual has lived for 12 months or longer over the last five years, and for the individual's country of citizenship;
 - (b) Police Clearance Certificates must be dated no earlier than 12 months before the Tender Closing Time;

- (c) If any required Police Clearance Certificates are not provided to AusAID in accordance with **Clause 18.2** above, AusAID may exercise its right, specified at **Clause 14.2** above, to terminate negotiations with the preferred Tenderer and commence negotiation with any other Tenderer. AusAID recognises that in limited instances it may prove impossible to obtain a reliable Criminal Record Check, and will take non-provision of a Criminal Record Check into account upon request;
 - (d) AusAID reserves the right to require the preferred Tenderer(s) to replace any Personnel whose Police Clearance Certificate shows conviction of criminal offences of, or relating to, child abuse where AusAID, in its absolute discretion, considers that the Personnel poses an unacceptable risk to children's safety or well-being. Nominated replacement Personnel must have qualifications and experience equal to or better than those of the personnel being replaced, and must be acceptable to AusAID.
- 19.3 It is AusAID's intention to contract on the basis of the Contract Conditions contained in this RFT. Following the selection of a preferred Tenderer AusAID may enter into negotiations with the preferred Tenderer in respect of the Scope of Services and the Basis of Payments of the contract. Such negotiations will be strictly limited to matters of detail rather than substance.
- 19.4 If the Scope of Services is reduced as a result of constraints imposed on AusAID before or after the **Closing Time**, AusAID and the preferred Tenderer must negotiate, in good faith, a proportionate reduction, if necessary, to the fixed price quote.
- 19.5 Enhancements to the Scope of Services included in the Tender in accordance with the selection criteria should be costed into the fixed price quote for the purposes of the like-for-like price assessment. Where AusAID has instructed that the like-for-like price assessment is to be based on indicative values, the Tenderer must clearly specify all cost implications of enhancements proposed in the Tenderer's technical proposal.
20. **CONTRACT PLANS**
- 20.1 The preferred Tenderer may be required to convert the Technical Proposal submitted in its Tender into appropriate schedules for the Contract based on the Contract Conditions. The Tenderer must take into account the outcome of any negotiations and give effect to amendments agreed with AusAID.
21. **APPLICABLE LAW**
- 21.1 The laws of the Australian Capital Territory apply to the RFT and the RFT process.

ANNEX A - AUSAID USE OF PERFORMANCE INFORMATION

1. AusAID reserves the right to take into account in the assessment of this Tender the past performance, in previous AusAID and non-AusAID activities, or activities of:
 - (a) any Tenderer; and
 - (b) any member of the proposed personnel,in its capacity as:
 - (c) contractor, consultant or sub-contractor;
 - (d) an associate or employee of a contractor, consultant or sub-contractor; or
 - (e) a joint venture partner.
2. AusAID may:
 - (a) include in the assessment any contractor performance information contained in any internal AusAID contractor performance reporting systems in relation to performance of the Tenderer or proposed management, administrative and Project personnel on previous AusAID activities, providing the contractor has seen the report and has had reasonable opportunity to comment; and
 - (b) take into account relevant performance information provided by external referees in relation to a Tenderer or proposed personnel member obtained by AusAID as a result of inquiries made within the previous 12 months.
3. AusAID reserves the right to use any relevant information obtained in relation to a Tenderer or proposed personnel member obtained either during the Tender period or within the previous 12 month period by providing it to the Technical Assessment Panel (TAP) or to any other relevant person for the purposes of Tender assessment, and such information may be taken into account in the course of assessment of the Tender by the TAP and AusAID. Where information has been received in accordance with paragraph 2 (a) above, this may also be introduced into the TAP process.
4. AusAID may, at any time, make independent inquiries of:
 - (a) any person or entity which it reasonably believes to have actual knowledge of the performance of the Tenderer or proposed personnel member/s on a previous project or activity, whether or not that person or entity is nominated in the Tender as a referee for the Tenderer or proposed personnel member; and
 - (b) any Commonwealth Government department, agency or other government entity in Australia whether Commonwealth or State, or any other country,

including law enforcement agencies in relation to a person who is proposed for inclusion in a Tender or a Tenderer.

5. AusAID may request a Tenderer to provide additional or clarifying information in relation to information obtained during the assessment process following the **Closing Time** for the purpose of assessment of the Tender.
6. Information obtained as a result of inquiries made by AusAID in relation to performance on previous activities will be sought on a confidential basis and AusAID shall not be obliged to disclose the content or source of prior performance information about a Tenderer or individual to any person.
7. AusAID shall not be liable upon any claim, demand, proceeding suit or action by any Tenderer or any proposed personnel member in relation to any matter, thing or issue arising out of or in any way in relation to the collection of information from any source or the use of any information collected pursuant to this Annex in the Tender assessment process.

ANNEX B – TENDERER DECLARATION

I, *[name, address and corporation of person making the declaration]*, do solemnly and sincerely declare that:

1. DEFINITIONS

1.1 In this declaration:

“**AusAID**” means the means the Australian Agency for International Development and represents the Commonwealth of Australia;

“**Services**” means Services to be performed by the Contractor in the *[enter Project name]*;

“**Tenderer**” means *[list name, address and ABN and ACN if appropriate. Note, Tenderers must provide their ABN if they have one. Moreover, if you are a Company and your ACN is not included in your ABN, you must also provide your ACN]*; and

“**Tender Price**” means the total amount excluding Reimbursable Expenses indicated by a Tenderer as being the lowest amount for which that Tenderer is prepared to undertake the Services.

2. BASIS OF DECLARATION

2.1 I hold the position of *[managing director or other title]* of the Tenderer and am duly authorised by the Tenderer to make this declaration.

2.2 I make this declaration on behalf of the Tenderer and on behalf of myself.

3. THE OFFER

3.1 The Tenderer tenders to perform the Services for the Tender Price set out in the Tender, which is submitted as a separate file (for electronic submissions), or in a separate sealed envelope (for hard copy submissions).

3.2 The Tenderer undertakes, if this Tender is accepted and a Contract acceptable to AusAID is executed by both parties, to commence the provision of the Services and to perform them in accordance with the Contract.

3.3 The Tender is accurate in every respect. In particular, I warrant that the information and certification included in each CV submitted in the Tender is accurate, that the proposed team members have been approached and confirmed their availability and that AusAID has the authority to make the inquiries referred according to the CV certification.

3.4 I acknowledge that if the Tenderer is found to have made false or misleading material claims or statements in the Tender or in this declaration, or to have used confidential information, or received improper assistance, AusAID will reject at any time any Tender lodged by or on behalf of the Tenderer.

- 3.5 I acknowledge and agree to the matters specified in **Clauses 14** (AusAID's Rights) and **15** (Tenderer's Acknowledgement) of **Part 5**.
- 3.6 I agree:
- (a) that the Tenderer will be bound by this Tender for the Tender Validity Period of 180 days after the **Closing Time**; and
 - (b) that this Tender may be accepted by AusAID at any time before the expiration of that period or any additional period to which we may agree.
- 3.7 I acknowledge that this Tender will not be deemed to have been accepted except as specified in the RFT.
- 3.8 I understand that AusAID is not bound to accept the lowest priced or any Tender.
- 3.9 I warrant that in preparing the Tender for the Services the Tenderer did not act in any way which did or could have had the effect of reducing the competitiveness of the tender process for the Services. In particular I warrant that the Tenderer did not engage in:
- (a) any discussion or correspondence with other tenderers concerning the amount of the Tender;
 - (b) any collusive tendering or other anti-competitive practices with any of the other Tenderers or any other person; or
 - (c) any conduct or have any arrangement or arrive at any understanding with any of the other Tenderers.
- 3.10 **[This clause applies to government owned Tenderers only.]** I warrant that in preparing the Tender, the Tenderer has complied with the principles of competitive neutrality.
- 3.11 I warrant that the Tenderer, and any subcontractor of the Tenderer are not:
- (a) listed on a World Bank List as referred to in **Clause 13** (Ineligibility to Tender) of **Part 5** of this RFT;
 - (b) listed on any similar list maintained by any donor of development funding (Relevant List), or;
 - (c) subject to any proceedings which could lead to listing on a World Bank List or listing on a Relevant List.
- 3.12 Neither the Tenderer nor any of its employees, agents or contractors have been convicted of an offence of, or relating to bribery of a public official, nor are they subject to any proceedings which could lead to such a conviction.
- 3.13 I undertake that the Tenderer will not permit any of its employees, agents or contractors, to work with children if they pose an unacceptable risk to children's safety or well being.

- 3.14 No employees of the Tenderer, or its agents or contractors, who have been nominated in Project positions that involve working with children, have been convicted of a criminal offence relating to child abuse, nor are they subject to any proceedings which could lead to such a conviction.
- 3.15 Neither the Tenderer nor any of its agents or contractors has an unsettled judicial decision against it relating to employee entitlements.
- 3.16 Neither the Tenderer nor any of its employees, agents or contractors had knowledge of the technical proposal or the Tender Price for the Services of any other tenderer prior to the Tenderer submitting its Tender for the Services.
- 3.17 Neither the Tenderer nor any of its employees, agents or contractors disclosed the technical proposal or the Tender Price for the Services submitted by the Tenderer to any other tenderer who submitted a tender for the Services or to any other person or organisation prior to the **Closing Time**.
- 3.18 Neither the Tenderer nor any of its employees, agents or contractors provided information to any other tenderer, person or organisation, to assist another tenderer for the Services to prepare a tender known in the building and construction industry as a “cover bid”, whereby the Tenderer was of the opinion or belief that another tenderer did not intend to genuinely compete for the Contract.
- 3.19 The Tenderer is genuinely competing for the Contract and its Tender is not a “cover bid”.
- 3.20 Prior to the Tenderer submitting its Tender for the Services neither the Tenderer nor any of its employees, agents or contractors entered into any Contract, agreement, arrangement or understanding that the successful Tenderer for the Services would pay any money, or would provide any other benefit or other financial advantage, to or for the benefit of any other tenderer who unsuccessfully tendered for the Tender.
- 3.21 I acknowledge that each party constituting the Tenderer is bound jointly and severally by this Tender.

4. **ADDENDA TO TENDER DOCUMENTS**

I acknowledge receipt of the following Addenda, the terms of which are incorporated in the Tender:

Number _____ Dated _____ Number _____ Dated _____

Number _____ Dated _____ Number _____ Dated _____

5. **ADDRESS OF TENDERER**

Address or Registered Office of Tenderer

Address for service of notices (NOT PO. BOX)

Telephone Number: Fax Number:

SIGNED for and on behalf of *insert*)
organisation/ company name ABN (and)
ACN if applicable) by:

)

insert name and title

Signature

ANNEX C – TENDERER’S SUBMISSION CHECKLIST

This checklist is to be included with all proposals. Tenderers are to confirm that their proposal complies with the requirements of the Request for Tender (RFT) by initialling the box where appropriate.

This checklist is provided to Tenderers in order to assist in the submission of a proposal which conforms with the requirements of the RFT, however it is not an exhaustive list of these requirements. It is incumbent on Tenderers to ensure that proposals comply with the terms of the RFT. It should be considered that all requirements detailed in the RFT are mandatory and that failure to comply with any of the requirements detailed in the RFT may lead to a Tenderer’s proposal being deemed non-conforming.

	Checked
Tenderer’s Declaration	
Has the Tenderer’s Declaration been completed and signed?	
For electronic lodgement has one (1) electronic copy in a separate file been submitted?	
For hard copy lodgement, has one (1) printed original been submitted?	
Tender Schedule A: Technical Proposal and Annexes	
Is the Technical Proposal within the specified page limit?	
Does the Technical Proposal address each of the selection criteria individually?	
Does the Technical Proposal indicate the Tenderer’s nominated contact person and contact details on the cover page?	
Are the required annexes included and within the specified page limit(s)?	
If the Past Experience Annex is used have at least two (2) referees been nominated and has it been confirmed that they are: a) not an employee of, or the holder of a current executive office (or similar position) within the organisation of, or do not have a business in association with the Tenderer or a subsidiary of the Tenderer? b) not included in the Tender as proposed team members? c) not AusAID employees?	

	Checked
Are both the Technical Proposal and annexes: a) in a type font of no less than 12 point on A4 paper? b) formatted with left and right page margins no less than 2.5cm and top and bottom page margins no less than 3cm, excluding headers, footers and page numbers? c) absent of AusAID's logo or any representation or mark which indicates that the Tenderer is in any way related to or connected with AusAID?	
For electronic lodgement, has one (1) electronic copy containing all parts and annexes been provided?	
For hard copy lodgement, has one (1) printed original containing all parts and annexes been provided?	
Tender Schedule B: Specified Personnel	
Are the CV's within the specified page limit and certified and signed by the nominated personnel?	
Do the CV's include the name and personal contact details of the nominated personnel?	
Do the CV's include the nationality and, if relevant, permanent residency status of the nominated personnel?	
Do the CV's include details of the professional qualifications of nominated personnel (if relevant), including institution and date of award?	
Do the CV's include details of recent relevant professional and development work experience, including the duration and extent of inputs?	
Have at least two (2) referees been nominated on each of the CV's and has it been confirmed that they are: a) not an employee of, or the holder of a current executive office (or similar position) within the organisation of, or do not have a business in association with the Tenderer or a subsidiary of the Tenderer b) not included in the Tender as proposed team members? c) not AusAID employees?	

	Checked
For electronic lodgement, has one (1) electronic copy been provided in a separate file?	
For hard copy lodgement, has one (1) printed original been provided?	
Tender Schedule C: Financial Proposal	
Is the financial proposal in the required format?	
Is the financial proposal a fully costed schedule of rates expressed in Australian dollars and based on the inputs as specified in the Scope of Services, including: (a) escalation? (b) necessary insurances required by the Contract Conditions and for the performance of the Services? (c) detailed information on assumptions used in preparing the pricing?	
For electronic lodgement has one (1) electronic copy been provided in a separate file?	
For hard copy lodgement has one (1) printed original been provided in a separate, sealed envelope?	
Tender Schedule D: Financial Proposal (Option 1 or 2 is to be selected by Tenderers in accordance with the terms detailed in the RFT).	
Option 1	
Have the names of the tendering entity and its ultimate owners been provided?	
Have the names and financial relationships between the tendering entity, its parent entity (if relevant) and other related entities within the group been provided?	

	Checked
Have the previous three (3) years annual financial statements for the tendering entity been provided including: (a) a balance sheet? (b) a profit and loss statement? (c) a cashflow statement? (d) contact name and telephone number of the Tenderer's financial accountant? (e) a statement detailing any other tendering opportunities being pursued by the tendering entity or the group and the likely impact of such tendering opportunities on the financial capacity of the Tenderer to discharge its potential contractual obligations to AusAID under this RFT ?	
For electronic lodgement, has one (1) electronic copy been provided in a separate file?	
For hard copy lodgement, has one (1) printed copy been provided in a separate sealed envelope?	
Option 2	
Has the date of the most recent financial assessment and the name of the Tender for which this assessment was undertaken been provided?	
Has an explanation of why the Tenderer believes a further financial assessment is not necessary been provided?	
Has a statutory declaration declaring that the Tenderer's financial position has not altered materially since the date of the previous assessment been provided?	
For electronic lodgement, has one (1) electronic copy been provided in a separate file?	
For hard copy lodgement, has one (1) printed copy been provided in a separate sealed envelope?	

ANNEX D – CONDITIONS FOR USE OF AUSTENDER, THE AUSTRALIAN GOVERNMENT ONLINE TENDER SYSTEM

1. AUSTENDER, THE AUSTRALIAN GOVERNMENT ONLINE TENDER SYSTEM

- 1.1 AusTender is the online tendering system for Australian Government Agencies. AusTender allows tenderers to download tender documentation and upload tender responses. Tenderers must first register with AusTender at <https://www.tenders.gov.au>.
- 1.2 Access to and use of AusTender is subject to terms and conditions. Tenderers must agree to comply with those terms and conditions and any applicable instructions, processes, procedures and recommendations as advised on AusTender.
- 1.3 It is the responsibility of tenderers to ensure that their infrastructure including operating system and browser revision levels meet the minimum standards as defined on AusTender. Neither AusAID nor the Commonwealth take any responsibility for any problems arising from tenderers' infrastructure and/or Internet connectivity.
- 1.4 Tenderers must inform themselves concerning all security measures and other aspects of the AusTender technical environment. Tenderers must make their own assessment of the AusTender system prior to using it for any matter related to this RFT and no responsibility will be accepted by AusAID arising in respect of any use or attempted use by any party of AusTender.

2. REGISTERED TENDERERS AND NOTICES

- 2.1 In the event that AusAID elects to vary or supplement this RFT or change the conditions of tender, it will make reasonable efforts to inform tenderers in accordance with this **Clause 2**.
- 2.2 Tenderers may be informed by notices and other information issued as addenda posted on the webpage for this RFT on AusTender.
- 2.3 Tenderers who have registered and downloaded the tender documentation will be notified by AusTender via email of any addenda issuance. It is in the interest of tenderers to ensure they have correctly recorded their contact details prior to downloading tender documentation. If tenderers have not recorded their details correctly, they should amend their details and download the tender documentation again.
- 2.4 Tenderers are required to log in to AusTender and collect addenda as notified.
- 2.5 The Commonwealth will accept no responsibility if a tenderer fails to become aware of any addendum notice which would have been apparent from a visit to the AusTender page for this RFT.

- 2.6 If a tenderer has obtained tender documentation other than from AusTender, they must visit AusTender, register as a user and download the tender documentation for this RFT.

3. **AUSTENDER HELP DESK**

- 3.1 All queries and requests for technical or operational support must be directed to:

AusTender Help Desk
Telephone: 1300 651 698
Email: tenders@finance.gov.au

The AusTender Help Desk is available between 9am and 5pm Canberra Time, Monday to Friday (excluding ACT and national Australian public holidays).

4. **PREPARING TO LODGE A TENDER ELECTRONICALLY**

Virus Checking

- 4.1 In submitting their tenders electronically, tenderers warrant that they have taken reasonable steps to ensure that tender response files are free of viruses, worms or other disabling features which may affect AusTender and/or AusAID computing environment. Tenders found to contain viruses, worms or other disabling features will be excluded from the evaluation process.

Tender File Formats, Naming Conventions and Sizes

- 4.2 Tenderers must lodge their tender in accordance with the requirements set out in this **Clause 4** for file format/s, naming conventions and file sizes. Failure to comply with any or all of these requirements may result in the tender not uploading successfully and/or may eliminate the bid from consideration.
- 4.3 AusAID will accept tenders lodged in the **File Formats for Electronic Tenders** specified in the Tender Particulars (**Clause 1 of Part 1** of this RFT).
- 4.4 The tender file name/s must:
- (a) incorporate the tenderer's company name
 - (b) reflect the various parts of the bid they represent, where the tender comprises multiple files;
 - (c) not contain \ / : * ? " < > | characters. Check your files and re-name them if necessary; and
 - (d) not exceed 100 characters.
- 4.5 Tender files:
- (a) must not exceed a combined file size of 5 megabytes per upload;

- (b) should be uploaded from a high level directory on a tenderer's desktop, so as not to impede the upload process; and
 - (c) should be zipped (compressed) together for transmission to AusTender.
- 4.6 AusTender will accept up to a maximum of five files in any one upload of a tender. Each upload should not exceed the combined file size limit of 5 megabytes. If an upload would otherwise exceed 5 megabytes, the tenderer should either:
 - (a) transmit the tender files as a compressed (zip) file not exceeding 5 megabytes; and/or
 - (b) lodge the tender in multiple uploads ensuring that each upload does not exceed 5 megabytes and clearly identify each upload as part of the tender.
- 4.7 If a tender consists of multiple uploads, due to the number of files or file size, tenderers should ensure that transmission of all files is completed before the **Closing Time**.
- 4.8 Tenders must be completely self-contained. No hyperlinked or other material may be incorporated by reference.

Scanned or Imaged Material, including Statutory Declarations

- 4.9 Scanned images of signed and/or initialled pages within the tender, including Statutory Declarations and Deeds of Confidentiality, where they are required, are permitted so long as the total file size does not exceed the 5 megabyte limit. The use of scanned or imaged material, where it expands the tender file size beyond the 5 megabyte limit per upload, is prohibited.

5. ELECTRONIC LODGEMENT PROCESS

- 5.1 Before submitting an electronic tender, tenderers must:
 - (a) ensure their technology platform meets the minimum requirements identified on AusTender;
 - (b) refer to AusTender's Help guidance, if required, on uploading tenders;
 - (c) take all steps to ensure that the tender is free from anything that might reasonably affect useability or the security or operations of AusTender and/or AusAID computing environment;
 - (d) ensure that the tender does not contain macros, script or executable code of any kind unless that specific material has previously been approved in writing by AusAID; and
 - (e) ensure that the tender complies with all file type, format, naming conventions, size limitations or other requirements specified in **Clause 4** above or otherwise advised by AusAID or required by AusTender.

- 5.2 Tenderers must allow sufficient time for tender lodgement, including time that may be required for any problem analysis and resolution prior to the **Closing Time**.
- 5.3 Tenderers should be aware that holding the “Lodge a Response” page in the web browser will not hold the electronic tender box open beyond the **Closing Time**. An error message will be issued if the lodgement process is attempted after the **Closing Time**.
- 5.4 Tenders lodged through AusTender will be deemed to be authorised by the tenderer.
- 5.5 If tenderers have any problem in accessing the AusTender website or uploading a tender they must contact AusAID via the nominated **Contact Person (Clause 1 of Part 1)** or the AusTender Help Desk (**Clause 3.1** above) **prior to the Closing Time**. Failure to do so will exclude a tender from consideration.

6. **LATE TENDERS, INCOMPLETE TENDERS AND CORRUPTED FILES**

- 6.1 Any attempt to lodge a tender electronically after the **Closing Time** will not be permitted by AusTender. Such a tender will be deemed to be a Late Tender.
- 6.2 Where electronic submission of a tender has commenced prior to the **Closing Time** but concluded after the **Closing Time**, and upload of the tender file/s has completed successfully, as confirmed by AusTender system logs, the tender will not be deemed to be a Late Tender. Such tenders will be identified by AusTender to AusAID as having commenced transmission prior to, but completed lodgement after, **Closing Time**.
- 6.3 Where a tender lodgement consists of multiple uploads, due to the number and/or size of the files, tenderers must ensure that transmission of all files is completed and receipted before the **Closing Time** and **Clause 6.2** above will only apply to the final upload.
- 6.4 Late Tenders, incomplete tenders, including those with electronic files that cannot be read or decrypted, tenders which AusAID believes to potentially contain any virus, malicious code or anything else that might compromise the integrity or security of AusTender and/or AusAID’s computing environment, will be excluded from evaluation.

7. **PROOF OF LODGEMENT**

- 7.1 When a tender lodgement has successfully completed, an official receipt is provided on screen. The on-screen receipt will record the time and date the tender was received by AusTender and will be conclusive evidence of successful lodgement of a tender. It is essential that tenderers save and print this receipt as proof of lodgement. A separate email confirming receipt of the tender will also be automatically dispatched to the email address of the registered user whose details were recorded at login.

- 7.2 Failure to receive a receipt means that lodgement has not completed successfully. Where no receipt has been issued by AusTender, the attempted lodgement will be deemed to have been unsuccessful. Tenderers should refer to **Clauses 5.2 and 5.5** above.

8. **AUSTENDER SECURITY**

- 8.1 Tenderers acknowledge that although the Commonwealth has implemented the security measures described on AusTender, the Commonwealth does not warrant that unauthorised access to information and data transmitted via the Internet will not occur.
- 8.2 Tenderers acknowledge that:
- (a) lodgement of their tender on time and in accordance with these conditions of tender is entirely their responsibility; and
 - (b) AusAID will not be liable for any loss, damage, costs or expenses incurred by tenderers or any other person if, for any reason, a tender or any other material or communication relevant to this RFT, is not received on time, is corrupted or altered or otherwise is not received as sent, cannot be read or decrypted, or has its security or integrity compromised.

PART 6 - STANDARD CONTRACT CONDITIONS

Note to Tenderers: These Standard Contract Conditions are presented as **Part 6** of this RFT and will appear in the consolidated Contract Conditions as **Part B Standard Contract Conditions**.

Note to Tenderers: This Part 6 of the RFT will appear as Part B of the consolidated contract.

PART B – STANDARD CONTRACT CONDITIONS

1. INTERPRETATION

1.1 Definitions

In this Contract, unless the context otherwise requires:

"APS Code of Conduct" refers to the code of conduct of the Australian Public Service (for details visit the Internet website address: www.apsc.gov.au).

"APS Values" refers to the values of the Australian Public Service (for details visit the Internet website address: www.apsc.gov.au).

"Associates" means an organisation or organisations whom the Contractor identified in its tender for the Project as an associate or joint venturer or consortium member to provide the Services.

"Auditor-General" has the meaning set out in the *Auditor-General Act 1997*.

"AusAID Confidential Information" means information that:

- (a) is designated by AusAID as confidential; or
- (b) the Contractor knows or ought to know is confidential;
- (c) is comprised in or relating to the Contract Material, the Data, any Intellectual Property of AusAID or third parties where the third party Intellectual Property is made available by or on behalf of AusAID, or the internal management and structure of the Department of Foreign Affairs and Trade, AusAID or the Commonwealth of Australia;
- (d) is personal information under the *Privacy Act 1988*, but does not include this Contract or information which:
- (e) is or becomes public knowledge other than by breach of this Contract or any other confidentiality obligation; or
- (f) has been independently developed or acquired by the Contractor, as established by written evidence.

"AusAID Eligibility Criteria" means the criteria organisations wishing to tender for AusAID contracts must satisfy. Details are available at <http://www.ausaid.gov.au/business/contracting/eligibility.cfm>.

"Business Day" means a day on which AusAID is open for business.

"Commonwealth" means Commonwealth of Australia or AusAID, as appropriate.

"Commonwealth Procurement Guidelines" means the guidelines issued by the Minister for Finance and Administration that governs purchasing by Commonwealth agencies and

departments. Details are available at:

http://www.finance.gov.au/procurement/procurement_guidelines.html.

"Contract" means this agreement including all Parts, the Schedules and any annexes.

"Contract Conditions" means the provisions contained in Part A **"Project Specific Conditions"** and Part B **"Standard Conditions"** of the Contract excluding the Schedules and any annexes.

"Contract Material" means all material created or required to be developed or created as part of, or for the purpose of performing, the Services, including documents, equipment, information and data stored by any means.

"Contractor Personnel" means personnel either employed by the Contractor or Associates, engaged by the Contractor or Associates on a sub-contract basis, including the Specified Personnel, or agents of the Contractor or Associates engaged in the provision of the Services.

"Control" has the meaning given to that term in the *Corporations Act 2001*.

"Cost" or **"Costs"** means any actual costs or expenses.

"Criminal Record Check" means a check of an individual's criminal history record, conducted by the police or other authority responsible for conducting such checks.

"Data" includes any information provided to the Contractor under this Contract from any source, or collected or created by the Contractor in connection with the Services, whether in magnetic, electronic, hardcopy or any other form.

"Director of Equal Opportunity for Women in the Workplace" means the person so named in section 9 of the *Equal Opportunity for Women in the Workplace Act 1999*.

"Dispute Notice" means a notice of dispute given by one Party to the other Party under this Contract.

"Document" includes:

- (a) any paper or other material on which there is writing or printing or on which there are marks, figures, symbols or perforations having a meaning for persons qualified to interpret them; and
- (b) a disc, tape or other article, or any material, from which sounds, images, writings or messages are capable of being reproduced with or without the aid of any other article or device.

"Encumbrance" means any lien, mortgage, charge or third party right or interest.

"Fees" means the fees for the Services set out in **Schedule 2**, including Reimbursable Costs.

"Force Majeure Event" means any of the following where they are beyond the reasonable control of the Contractor or AusAID and where they make it impossible to perform the Contract obligation:

- (a) acts of God, lightning strikes, earthquakes, floods, storms, explosions, fires and any natural disaster;

- (b) acts of war (whether declared or not), invasion, acts of foreign enemies, mobilisation, requisition, or embargo;
- (c) acts of public enemies, terrorism, riots, civil commotion, malicious damage, sabotage, rebellion, insurrection, revolution, or military usurped power, or civil war; and
- (d) contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosion, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly.

"**GST**" means the goods and services tax imposed by *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

"**Intellectual Property**" means business names, copyrights, patents, trade marks, service marks, trade names, designs, and similar industrial, commercial and intellectual property.

"**Loss**" or "**Losses**" means any loss, losses, damage, liability, cost or expense including legal expenses on a solicitor and own client basis.

"**MOU**" or "**Treaty**" (if any) means the Memorandum of Understanding or treaty in relation to development cooperation, including any related "**Subsidiary Arrangement**" entered into between AusAID and the government of the Partner Country which deals with a number of governmental arrangements relevant to this Contract.

"**NAA**" means National Archives of Australia.

"**Partner Government**" means the Government of the Partner Country.

"**Party**" means AusAID or the Contractor.

"**Personal Information**" means information or an opinion (including information or an opinion forming part of a database), whether true or not and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion, as set out in section 6 of the *Privacy Act 1988* (Cth).

"**Police Clearance Certificate**" means the certificate showing the results of a "**Criminal Record Check**", issued by the police or other authority responsible for conducting such checks.

"**Privacy Commissioner**" means the person so named in section 19 of the *Privacy Act 1988* (Cth).

"**Prior Material**" means all material developed by the Contractor or a third party independently from the Services whether before or after commencement of any Services.

"**Project Administration and Equipment**" means goods and services, such as office furniture, computers, vehicles, communications, utilities and office rent required by the Contractor for the day-to-day administration of the Project.

"**Project Specific Conditions**" means Contract Conditions in Part A of this Contract.

"Project Start Date" means the date specified in the Project Specific Conditions **Clause 2** (Project Commencement) as the date by which the Contractor must commence the Services.

"Project Supplies" means goods provided to the Partner Country by the Contractor during the course of the Project as required by this Contract.

"Reimbursable Costs" means any costs incurred by the Contractor for which AusAID shall reimburse the Contractor as specified in **Schedule 2**.

"Relevant List" means any similar list to the World Bank List maintained by any other donor of development funding.

"Services" means the services described in **Schedule 1** together with any supplies or materials incidental to the services.

"Specified Acts" means classes or types of acts or omissions performed by or on behalf of AusAID which would infringe an author's right of attribution, or integrity, of authorship but does not include those which would infringe an author's right not to have authorship falsely attributed.

"Specified Personnel" means the Contractor Personnel who are identified in **Schedule 1**.

"Standard Conditions" means Contract Conditions in Part B of this Contract.

"Supplies" means Project Supplies and Project Administration and Equipment purchased by the Contractor for use in this Project.

"Tax" means any income tax, capital gains tax, recoupment tax, land tax, sales tax, payroll tax, fringe benefits tax, group tax, profit tax, interest tax, property tax, undistributed profits tax, withholding tax, goods and services tax, consumption tax, value added tax, municipal rates, stamp duties and other fees, levies and impositions, assessed or charged, or assessable or chargeable by or payable to any governmental taxation or excise authority and includes any additional tax, interest, penalty, charge, fee or other amount imposed or made on or in relation to a failure to file a relevant return or to pay the relevant tax.

"Working With Children" means working in a position that involves regular contact with children, either under the position description or due to the nature of the work environment.

"World Bank List" means a list of organisations maintained by the World Bank in its "Listing of Ineligible Firms" or "Listings of Firms, Letters of Reprimand" posted at: <http://web.worldbank.org/external/default/main?theSitePK=84266&contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK=64148984>

General

In this Contract, including the recitals, unless the context otherwise requires:

- (a) the contractual obligations of the Parties must be interpreted and performed in accordance with the Contract as a whole;
- (b) Contract clause headings are for convenience only and shall not be taken into consideration in the interpretation or construction of the Contract;

- (c) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any statutory instrument issued under, that legislation or legislative provision;
- (d) a word denoting the singular number includes the plural number and vice versa;
- (e) a word denoting an individual or person includes a corporation, firm, authority, body politic, government or governmental authority and vice versa;
- (f) a word denoting a gender includes all genders;
- (g) a reference to a recital, clause, Schedule or annexure is to a recital, clause, Schedule or annexure of or to this Contract;
- (h) where used in the Contract the words “including” or “includes” will be read as “including, without limitation” or “includes, without limitation” (as the case may be);
- (i) a reference to any contract or document is to that contract or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (j) “shall” and “must” denote an equivalent positive obligation;
- (k) a reference to any Party to this Contract, or any other document or arrangement, includes that Party’s executors, administrators, substitutes, successors and permitted assigns; and
- (l) a reference to "dollars" or "\$" is to an amount in Australian currency.

1.2 Counterparts of the Contract

This Contract may be executed in any number of counterparts and by the different Parties on different counterparts, each of which constitutes an original Contract. In the event of any discrepancy between the Parties’ versions of the Contract, the Contract held by AusAID as the original will prevail.

1.3 Contract prevails

If there is any inconsistency (whether expressly referred to or to be implied from the Contract or otherwise) between the Contract Conditions and the provisions in the Schedules, the Schedules are to be read subject to the Contract Conditions and the Contract Conditions prevail to the extent of the inconsistency.

1.4 Inconsistency

If there is any inconsistency (whether expressly or to be implied from the Contract or otherwise) between the Project Specific Conditions and the Standard Conditions, the Project Specific Conditions are to be read subject to the Standard Conditions and the Standard Conditions prevail to the extent of the inconsistency, unless explicitly amended in the Project Specific Conditions.

2. **SCOPE OF CONTRACT**

- 2.1 The Contract sets out the terms and conditions on which the Contractor agrees to secure the aims and objectives of the Project supplying, or procuring the supply of, the provision of the Services.
- 2.2 The activities to be performed and responsibilities assumed by the Contractor are detailed in **Schedule 1**.
- 2.3 Neither the Contractor, nor Contractor Personnel or Associates, shall by virtue of this Contract be, or for any purpose be deemed to be, and must not represent themselves as being, an employee, partner or agent of AusAID.

3. **AUSAID'S OBLIGATIONS**

- 3.1 AusAID must:
 - (a) make payments to the Contractor in accordance with the Contract; and
 - (b) perform, fulfill, comply with, submit to and observe the terms and conditions of the Contract, which are to be performed, fulfilled, complied with, submitted to or observed by AusAID.

4. **NON-EXCLUSIVITY**

- 4.1 The Contractor may not be the exclusive provider of services to AusAID similar to those provided under this Contract.
- 4.2 The Contractor must cooperate with any other service provider appointed by AusAID to ensure the integrated and efficient carrying on of the Project and must provide such reasonable assistance to other service providers as AusAID may reasonably request.

5. **PROVISION OF SERVICES**

- 5.1 In providing the Services, the Contractor must:
 - (a) perform the Services as described in **Schedule 1** for the term of the Contract, unless the Contract is terminated earlier;
 - (b) accept and implement AusAID's reasonable directions in relation to the management of the Project;
 - (c) use its best endeavours to ensure the spirit and intent of the Project are fully met by the Services, including acting within the spirit and intent of the Treaty, MOU or Subsidiary Arrangement;
 - (d) liaise and cooperate with AusAID, with the stakeholders, and the Australian Diplomatic Mission in or having responsibility for the Partner Country especially in relation to security, personal safety and welfare matters;
 - (e) subject to any flexibility permitted in the Contract, ensure all timing obligations included in the Contract are fully met;
 - (f) within the term of the Contract assist AusAID in the maintenance and ongoing implementation of the Services, including monitoring and evaluating the Services to

ensure results accord with the aims of the Project, and provide necessary handover assistance to any subsequent service provider and to the Partner Country;

- (g) ensure that the Services are provided to a standard which shall promote Australia's international reputation and standing as a source of skill and expertise in the provision of international assistance;
- (h) perform the Services in a manner which, as far as possible, establishes and maintains a harmonious, cooperative and effective working relationship with stakeholders and any personnel from the Partner Country involved in the Project;
- (i) if a Risk Management Plan for the Project has not been prepared prior to the Project Start Date, the Contractor must prepare a Risk Management Plan within 30 days after the Project Start Date. If requested by AusAID, the Contractor will make the Risk Management Plan available to AusAID;
- (j) whether a Risk Management Plan is prepared under paragraph (i) above, or was prepared prior to the Project Start Date (for example, as part of the Contractor's tender for the Project or as part of the Project Design Document or similar document), the Contractor must maintain and update the Risk Management Plan, as necessary, to ensure that at all times it adequately reflects Project risks and includes risk-minimisation strategies. The Contractor must promptly advise AusAID of any significant risks in accordance with **Clause 6 below**. The Contractor must also ensure the Risk Management Plan contains provisions for advance notification of AusAID of risks that may lead to disruption or delay of the Project;
- (k) liaise with, and obtain all necessary consents, approvals and authorisations from any public and other authorities in the Partner Country;
- (l) provide adequate support resources to secure the aims and objectives of the Project;
- (m) be responsive to the changing needs and environment of the Partner Country; and
- (n) seek to improve the quality, effectiveness and efficiency of the Services at every opportunity.

5.2 Without limiting its other obligations and liabilities under this Contract, the Contractor must remedy at its cost any failure to comply with its obligations to perform the Services in accordance with this Contract as soon as practicable after becoming aware of the failure.

5.3 The Parties recognise that the performance of the Services may be affected by changes to relevant policy in the Partner Country, and that some flexibility in the performance of the Services shall be required.

6. EARLY NOTIFICATION

6.1 The Contractor must report immediately, and in any event within seven (7) days, to AusAID on any actual, perceived or anticipated problems or risks that may have a significant effect on the achievement of the aims and objectives of the Project, on the cost to AusAID or on the delivery or operation of the Services. If the report is first given orally, the Contractor must promptly confirm the report in writing to AusAID. The Contractor must recommend to AusAID options to prevent or mitigate the impact of problems on the Project.

7. CONTRACTOR PERSONNEL

- 7.1 The Contractor must ensure that Contractor Personnel are aware of, and must use its best endeavours to ensure Contractor Personnel comply with, the requirements of the Contract.
- 7.2 The Contractor must use its best endeavours to ensure that all Contractor Personnel conduct themselves in a manner consistent with the *Public Service Act 1999*, and in accordance with *APS Values* and the *APS Code of Conduct*.
- 7.3 The Contractor must use its best endeavours to ensure that no Contractor Personnel or their accompanying family members:
- (a) become involved in the political affairs of the Partner Country (unless citizens of the Partner Country);
 - (b) interfere in the religious affairs of the Partner Country (unless citizens of the Partner Country); or
 - (c) share information known as a result of their work on, or relationship to, the Project, in a way that a reasonable person could foresee may be detrimental to the relationship between the Australian and Partner Governments.
- 7.4 The Contractor must not employ a currently serving Commonwealth employee in any capacity in connection with the Services without the prior written approval of AusAID.
- 7.5 The Contractor must ensure that media advertisements placed by the Contractor for personnel to fill a Project position acknowledge that the Project is funded by AusAID as part of the Australian Government's official overseas aid program.
- 7.6 AusAID may give notice to the Contractor requiring the Contractor to remove any Contractor Personnel from work in respect of the Services. The Contractor must promptly arrange for the removal of such Contractor Personnel from work in respect of the Services and their replacement (if required) with Contractor Personnel acceptable to AusAID.
- 7.7 The Contractor must advise AusAID promptly in writing of any change in the circumstances of any Contractor Personnel that, in the Contractor's reasonable opinion, is likely to affect AusAID's assessment of the person under the Contract.
- 7.8 The Contractor must advise AusAID immediately in writing if any Contractor Personnel is arrested for, or convicted of, criminal offences relating to child abuse, or for accessing or possessing child pornography. AusAID may require Contractor Personnel under formal investigation in relation to such criminal offences to be suspended from duty or transferred to other duties during the investigation.
- 7.9 AusAID may give notice to the Contractor requiring the Contractor to temporarily suspend from duty, or transfer to other duties, any Contractor Personnel who are under criminal or internal investigation in relation to child abuse or accessing or possessing child pornography. The Contractor must comply promptly with any such notice.

8. SPECIFIED PERSONNEL

- 8.1 The Contractor must provide all Specified Personnel for the Project and for the minimum periods specified in **Schedule 1**.

- 8.2 During the minimum periods specified in **Schedule 1**, the Long Term Advisers included in the Specified Personnel must be exclusively dedicated to the Project and only perform the duties required under this Contract unless otherwise agreed in writing by AusAID.
- 8.3 The Contractor must use its best endeavours to ensure that persons nominated as Specified Personnel:
- (a) are of good fame and character;
 - (b) are properly qualified for the tasks they are to perform;
 - (c) are certified as fit and healthy by a legally qualified medical practitioner to work in the Partner Country, and have received the necessary medical advice, including that on vaccinations and other preventive medical assistance allowing them to undertake work in-country in a safe manner;
 - (d) are adequately briefed and understand the environment and culture of the Partner Country; and
 - (e) act in a fit and proper manner while they are carrying out work or performing duties under the Contract.
- 8.4 The Contractor must use its best endeavours to secure the availability of Specified Personnel for the term of the Contract. If a change to Specified Personnel is required the Contractor must provide AusAID with not less than 3 months prior written notice of such change except where circumstances beyond the reasonable control of the Contractor make the giving of such notice impracticable. Any proposed change to the Specified Personnel must only be made after written consent from AusAID and in accordance with the procedure set out in **Clause 8.8 below**.
- 8.5 Subject to **Clause 8.4 above**, Specified Personnel may be temporarily absent from the Project. Where Specified Personnel are unavailable for work in respect of the Contract, for any period in excess of 2 weeks, the Contractor must notify AusAID in writing immediately and, if requested, must provide replacement personnel acceptable to AusAID and the Partner Government at no additional charge and at the earliest opportunity and for the duration of the absence.
- 8.6 The costs incurred by the Contractors in providing temporary substitute personnel due to the absence of Specified Personnel are the responsibility of the Contractor.
- 8.7 The Contractor must advise AusAID promptly in writing of any change in the circumstances of any Specified Personnel that, in the Contractor's reasonable opinion, is likely to affect AusAID's assessment of the person under the Contract.
- 8.8 Before appointing Specified Personnel to the Project, the Contractor must obtain AusAID's written approval. In seeking approval of proposed Specified Personnel the Contractor must provide to AusAID:
- (a) the full names, dates of birth, and nationalities of proposed personnel and their accompanying dependants;
 - (b) a statement demonstrating that the proposed personnel has the demonstrated skills and capacity to undertake the job specification of the position and duration of the proposed appointment;

- (c) a copy of the proposed person's curriculum vitae certified as accurate by the person and showing recent and relevant experience and formal qualifications including dates of award; and
- (d) assurances that the nominated personnel has no existing commitments (defined in relation to the commitments of the position and not the individual's commitment to a particular organisation), to other AusAID projects that will suffer detriment if accepted on this Project. If this is not the case AusAID may require further information before assessing the individual's suitability.

8.9 If the Contractor is unable to provide acceptable replacement Specified Personnel with equivalent qualifications and experience AusAID may seek a reduction in fees.

8.10 This clause is a fundamental term of the Contract, such that breach shall entitle AusAID to terminate the Contract in accordance with **Clause 31** and sue for damages.

9. **PROJECT VEHICLE CONTRIBUTION**

9.1 For the purposes of this clause, "Project Vehicles" are defined as vehicles paid for by AusAID, remain the responsibility of the Contractor for the term of the Project and that are provided for Project activities. Vehicles purchased by the Project, but handed over to the Partner Country immediately (where maintenance and insurance are Partner Country responsibilities and Contractor Personnel do not use the vehicles or only use them on an exceptional basis) are not considered Project Vehicles for the purposes of requiring a financial contribution by the Contractor.

9.2 In consideration of the Contractor being entitled to use Project Vehicles for non-project use the Contractor must contribute \$250.00 for each Project Vehicle for each month of the Project. The contribution will be deducted by the Contractor and must be clearly identified on the Contractor's invoices.

9.3 The Contractor must abide by the following requirements with regards to Project Vehicles:

- (a) Project demands must always take precedence over private use;
- (b) the Contractor must ensure that any persons driving the Project Vehicle must have a current valid international or Partner Country drivers license for the class of Project Vehicle;
- (c) the Contractor is responsible for ensuring Project Vehicles are appropriately insured;
- (d) the Contractor is responsible for ensuring that seat belts are fitted and must make every effort to ensure that they are worn at all times by drivers and all passengers;
- (e) the Contractor is responsible for any costs incurred in the event of an accident while the Project Vehicle is being privately used; and
- (f) the Contractor must ensure that Project Vehicles are serviced in accordance with manufacturer's requirements.

10. **PROCUREMENT SERVICES**

10.1 In procuring all Supplies, the Contractor must:

- (a) determine what Supplies are required for proper implementation of the Services and advise AusAID;
 - (b) keep AusAID informed of ongoing requirements for Supplies in connection with the Project;
 - (c) implement procedures so that procurement is undertaken in a manner that is consistent with the Commonwealth Procurement Guidelines, in particular, observing the Core Principle of achieving value for money and the supporting principles;
 - (d) maintain complete and accurate records documenting the procedures followed in procuring, and the particulars of Supplies; and
 - (e) use its best endeavours to ensure Supplies are maintained including taking appropriate steps to ensure that manufacturers' warranties of Supplies are secured and warranty conditions followed.
- 10.2 The Contractor shall bear the loss or damage in respect of Supplies until handover of Supplies to the Partner Government.
- 10.3 The Contractor must use its best endeavours to ensure all Supplies are free from defects in design, material, manufacture or workmanship. The Contractor must replace defective Supplies under warranty provisions or at its own cost.
- 10.4 The Contractor shall establish and maintain a Register of Assets which shall record any non-consumable Supplies valued at \$2,000 or more, which at a minimum contains the following information: reference identification number (which may be for example, a serial number, engine number or chassis number); description of the asset; date of procurement; cost; location; current status; and disposal or handover details.
- 10.5 The Register of Assets and associated documentation such as import documents, invoices and warranties shall be subject to audit by or on behalf of AusAID at any time and from time to time.
- 10.6 The Contractor must use the Supplies for purposes permitted under this Contract only and must ensure that the Supplies at all times remain free from any Encumbrance.

11. SUB-CONTRACTING

- 11.1 The Contractor may not sub-contract the whole of the Services. The sub-contracting of parts or elements of the performance of the Services is subject to compliance with the following requirements:
- (a) the sub-contracting of any of the Services shall not relieve the Contractor from any responsibility under this Contract;
 - (b) the Contractor must implement procedures that are consistent with the principles of the Commonwealth Procurement Guidelines for the engagement of all sub-contracting of the Services, with the exception of Associates;
 - (c) the Contractor must ensure that sub-contracts include equivalent provisions regarding the Contractor's relevant obligations under this Contract. In particular sub-contractors must:

- (i) comply with relevant and applicable laws, regulations and development policies, including AusAID's *Child protection policy* (<http://www.ausaid.gov.au/publications/pubs.cfm?Type=PubPolicyDocument>) and child protection compliance standards (Attachment 1 to the policy), both in Australia and in the Partner Country;
 - (ii) be insured to at least the minimum of their statutory obligations and that they carry all commercially prudent insurances for the activities to be undertaken as part of the Services;
 - (iii) be bound by the same obligations regarding **Clauses 15** (Accounts and Records), **18** (Audits), **19** (Access to Premises), **26** (Privacy), and **35.4** (Anti-corruption) **below** and as required by Project Specific Conditions **Clause 3** (Accounts and Records) as the Contractor; and
 - (iv) be bound by appropriate obligations in relation to ongoing software licensing, computer maintenance requirements and handover arrangements to the Partner Country;
- (d) if requested by AusAID, the Contractor must provide to AusAID an executed Deed of Novation and Substitution in the form at **Schedule 4** (Deed of Novation), contemporaneously with or within 10 Business Days of execution of the sub-contract by the Contractor;
 - (e) the sub-contract must include the right of AusAID, in the event of AusAID issuing a notice of substitution under the Deed of Novation at **Schedule 4** (Deed of Novation), to further novate the sub-contract to another contractor;
 - (f) the Contractor must maintain up-to-date records of the names of all sub-contractors engaged by the Contractor to perform part of the Services. If requested by AusAID, the Contractor must, within five (5) working days, provide to AusAID a copy of the records of sub-contractors' names, in the format specified by AusAID. The sub-contract must include the right of AusAID to disclose the name of the sub-contractor, in accordance with **Clause 27 (AusAID Use of Contract Information) below**;
 - (g) the Contractor must maintain records as to the performance of each of the sub-contractors engaged by the Contractor including details of any defects in such performance and the steps taken to ensure compliance with the Contract and provide to AusAID if requested; and
 - (h) if requested by AusAID, the Contractor must provide to AusAID a copy of any proposed or executed sub-contract.

11.2 The obligations of **Clause 11.1 above** apply equally to Associates.

11.3 Despite any consent or approval given by AusAID, the Contractor shall remain at all times responsible for ensuring the suitability of Associates and sub-contractors and for ensuring that the Services are performed in accordance with the Contract.

12. **CONTRACT AMENDMENT**

12.1 The Contractor must not do anything that amounts to a variation of this Contract in whole or in part otherwise than in accordance with this clause.

- 12.2 Changes to the Contract shall not be legally binding upon either party unless agreed in writing and signed by both Parties in the form of a “Deed of Amendment”.
- 12.3 AusAID or the Contractor may propose an amendment to the manner of providing the Services or changes to the Project, at any time for the purpose of improving the delivery of the Services or, the efficiency, cost-effectiveness and development impact of the Services.
- 12.4 The Contractor must prepare an “Amendment Proposal” for any change sought by AusAID, or the Contractor, at no extra cost to AusAID and this must be submitted to AusAID in a timely manner.
- 12.5 The Amendment Proposal must include specific identification of the proposed change, associated cost implications, a cost/benefit and risk analysis, including of developmental impact improvements, a general plan for implementation of the change and a projected time schedule.
- 12.6 AusAID may, at its sole discretion, accept or reject the Amendment Proposal submitted by the Contractor.

13. EXTENSION OF TIME

- 13.1 Subject to **Clause 13.6 below** neither AusAID nor the Contractor shall be in breach of the Contract to the extent that performance of their Contract obligations is prevented by any of the following causes (“**Relevant Causes**”) that arise during the term of the Contract:
- (a) a Force Majeure Event;
 - (b) a significant change in circumstances beyond the control of the Contractor;
 - (c) an Australia-wide or Partner Country-wide industrial dispute; or
 - (d) a change in the laws of Australia or the Partner Country that directly impacts on the provision of the Services.
- 13.2 Where in the Contractor’s reasonable opinion there is likely to be a delay in the Contractor’s discharging an obligation under the Contract because of a Relevant Cause the Contractor must:
- (a) immediately notify AusAID in writing when the Contractor considers any event or circumstance may cause a delay and the estimated period of delay or likely period of delay;
 - (b) give details of the likely effect on the Project and any Contractual implications;
 - (c) take all reasonable steps to mitigate the effects of any delay and make written recommendations of additional strategies to avoid or mitigate the effects of the event;
 - (d) request in writing an extension of time which the Contractor considers reasonable in all the circumstances in the form of an Amendment Proposal in accordance with **Clause 12.5 above**; and
 - (e) use its best endeavours to continue to perform its obligations under the Contract.

- 13.3 AusAID must give consideration to the Contractor's recommendations and request for an extension of time and as soon as practicable after receiving the request notify the Contractor in writing whether it has determined that a Relevant Cause has occurred and whether all or part of the request has been granted. AusAID's approval of a request may be granted subject to conditions.
- 13.4 If AusAID approves in writing a request, the extension of time and any approved changes to the Contract will be documented in a "Deed of Amendment". The Contract shall be deemed to have been varied once the Deed of Amendment is signed by both the Contractor and AusAID.
- 13.5 Even if the Contractor has not given notice under **Clause 13.2 above**, where AusAID considers that a delay has arisen, in whole or in part, because of an act or omission on the part of AusAID, its employees or agents, AusAID may, by notice in writing to the Contractor, extend the time for performance of the relevant obligation of the Contractor.
- 13.6 Where AusAID has determined that a Relevant Cause has occurred, and the Contractor's inability to perform its obligations due to a Relevant Cause exceeds 45 Business Days, AusAID may:
- (a) notify the Contractor that the Contract is suspended for a specified period of time; or
 - (b) delete part of the Services; or
 - (c) immediately or thereafter terminate the Contract in whole or in part by providing notice in writing to the Contractor.
- 13.7 A notice of suspension, deletion or termination of the Contract under **Clause 13.6 above** takes effect on the date that the notification is received by the Contractor.
- 13.8 In the event of suspension, deletion or termination of Services or the Contract under **Clause 13.6 above** the Contractor may claim, Fees for Services performed as payable under **Schedule 2**, prior to the date of suspension, deletion or termination, on a pro rata basis and Costs that are reasonably and properly incurred by the Contractor in connection with the Contract to the extent to which those Costs are unavoidable as a direct consequence of the suspension, deletion or termination of the Contract in accordance with this clause. Any Cost must be substantiated to AusAID and must not include loss of profits or any other form of expectation loss.
14. **HANDOVER**
- 14.1 The Contractor must within 12 months of the Project Start Date draft a Handover Plan which includes all the functions to be performed to hand over the Project to the Partner Country in a manner which ensures the Partner Country is able to continue the Project and in particular to manage ongoing maintenance requirements as well as any other matters specified in **Schedule 1** and provide a copy to AusAID.
- 14.2 The Contractor must make changes to the Handover Plan as reasonably requested by AusAID and update the Handover Plan as necessary during the Project but at least annually and 6 months before the end of the Contract.
- 14.3 The Contractor must ensure that a finalised Handover Plan is provided to AusAID within seven (7) days of any early termination of the Project, or one month prior to the expected completion of the Project.

- 14.4 The Contractor must provide all reasonable assistance and cooperation necessary to, on expiration or termination of the Contract, facilitate the provision of the Services by AusAID or an alternative service provider. In particular the Contractor must:
- (a) deliver to AusAID or its nominee complete copies of all the Data, in a form and on a media approved by AusAID, and any other AusAID property including the Supplies held or used by the Contractor;
 - (b) either destroy or deliver to AusAID all copies of AusAID Confidential Information as required by AusAID;
 - (c) if requested by the Partner Country, facilitate the assignment to the Partner Country of sub-contracts relating to Supplies, including for licensing and support of information technology and any construction work maintenance;
 - (d) vacate the Project Office where this has been supplied by AusAID or the Partner Country;
 - (e) co-operate with AusAID and, if requested, AusAID's nominee, and provide reasonable assistance relating to the transfer of any contracts to AusAID, its nominee or the Partner Country;
 - (f) provide all information necessary for an alternative service provider to assume provision of the Services;
 - (g) continue the provision of the Services for as long as reasonably requested by AusAID on the terms and conditions of the Contract;
 - (h) cooperate with AusAID and any other service provider in the ongoing provision of services similar to the Services; and
 - (i) allow AusAID to audit compliance with this clause.

15. ACCOUNTS AND RECORDS

- 15.1 The Contractor must at all times maintain full, true, separate and up-to-date accounts and records in relation to the Fees, Supplies and the Services. Such accounts and records must:
- (a) record all receipts and expenses in relation to the Supplies and Services, including those involving foreign exchange transactions;
 - (b) be kept in a manner that permits them to be conveniently and properly audited;
 - (c) enable the extraction of all information relevant to this Contract;
 - (d) contain details of the disposition of Supplies as agreed to by AusAID such as replacement, write-off or transfer to the Partner Country; and
 - (e) the Contractor shall provide to AusAID a statement of Project expenditure on a regular basis for the duration of the Project. The details of the timing and content of the statement of expenditure are defined in Part A Project Specific Contract Conditions.
- 15.2 Accounts and records must be provided for inspection by AusAID immediately upon the request of AusAID.

- 15.3 The accounts and records must be held for the term of this Contract and for a period of seven (7) years from the date of expiry or termination of this Contract.
16. **REPORTS**
- 16.1 The Contractor must ensure that all reports required in accordance with **Schedule 1**, provide the information required and conform with the quality and format requirements specified.
- 16.2 The Contractor is responsible for any extra costs occasioned by any clarifications, discrepancies, errors or omissions in reports provided to AusAID or other information supplied in writing by the Contractor, provided such discrepancies, errors or omissions are not due to inaccurate information supplied in writing to the Contractor by AusAID.
- 16.3 AusAID may reject and withhold payment of Fees for any report which does not conform to the requirements of the Contract until the Contractor rectifies the report.
17. **REVIEWS**
- 17.1 For the purpose of ensuring that this Contract is being properly performed, AusAID may itself, or may appoint an independent person or persons to assist in the performance of, or to perform, a review of this Contract at the frequency and in relation to any matter specified by AusAID.
- 17.2 The Contractor must participate cooperatively in any reviews conducted by AusAID or its nominees. In addition the Contractor must respond in writing to any draft review report within 28 days after the date of receipt by the Contractor of the draft report unless otherwise agreed in writing by AusAID.
- 17.3 Reviews may be conducted of:
- (a) the efficiency and effectiveness of the Contractor's operations in relation to the provision of the Services, including procurement and risk management procedures;
 - (b) the accuracy and reliability of the Contractor's financial management systems;
 - (c) the Contractor's compliance with their obligations under the Contract in relation to foreign exchange transactions;
 - (d) the accuracy of the Contractor's reports in relation to the provision of the Services;
 - (e) the Contractor's compliance with AusAID's *Child protection policy* and child protection compliance standards (Attachment 1 to the policy);
 - (f) the Contractor's compliance with its Contractor Personnel, confidentiality and privacy obligations; or
 - (g) any other matters relevant to the performance of any Services including user satisfaction.
- 17.4 Each Party must bear its own costs of any such reviews conducted by or on behalf of AusAID.
- 17.5 The requirement for, and participation in, reviews does not in any way reduce the Contractor's responsibility to perform its obligations in accordance with this Contract.

18. AUDITS

- 18.1 Where AusAID has reasonable concerns regarding the Contractor's financial management systems AusAID must provide the Contractor with written notification of those concerns and what action is required of the Contractor. This may include:
- (a) that the Company Director must provide a Statutory Declaration confirming that they have sighted the necessary supporting documentation and confirm the veracity of the claim for payment;
 - (b) providing AusAID with additional documentation to support the claim for payment; or
 - (c) a direction that the Contractor engage an independent, suitable organisation to undertake an audit of those financial management systems, including invoicing procedures and practices.
- 18.2 The Contractor must respond to any notice received under **Clause 18.1 above** within 14 days.
- 18.3 Where the Contractor does not respond within 14 days, or the response does not alleviate AusAID's concern, AusAID reserves the right, if it has not already done so, to direct the Contractor to provide AusAID with certification from an independent auditor as described in **Clause 18.1(c) above**.
- 18.4 If AusAID directs the Contractor to undertake an independent audit under this clause:
- (a) the terms of reference must be agreed in writing by AusAID;
 - (b) the audit must be undertaken according to the standards of the professional body relevant to the particular audit and those standards must be detailed in the terms of reference;
 - (c) the Contractor will bear the total cost of the audit; and
 - (d) AusAID will not make any further payments owed to the Contractor pending certification of the reliability of the Contractor's financial management systems and the veracity of the invoicing procedures and practices.

19. ACCESS TO THE CONTRACTOR'S PREMISES, DATA AND RECORDS

- 19.1 The Contractor must grant AusAID and/or its nominees (including the Auditor-General or the Privacy Commissioner or their delegates), access to the Contractor's premises, the Data, records, accounts and other financial material or material relevant to the Services, however and wherever stored, in the Contractor's or its sub-contractors' custody, possession or control, for inspection and copying.
- 19.2 Such access must be available to AusAID and its nominees:
- (a) during the hours of 9 am and 5 pm on a Business Day;
 - (b) except in the case of a breach of this Contract, subject to reasonable prior notice; and
 - (c) at no additional charge to AusAID.

- 19.3 In the case of documents or records stored on a medium other than in writing, the Contractor must make available on request such reasonable facilities as may be necessary to enable a legible reproduction to be created at no additional cost to AusAID.
- 19.4 This clause applies for the term of this Contract and for a period of seven (7) years from the date of its expiration or termination.
20. **PAYMENT**
- 20.1 AusAID must make payment of the Fees within 30 days of:
- (a) AusAID's acceptance of the satisfactory completion of the Services or relevant Payment Milestone as specified in **Schedule 2**; and
 - (b) receipt of a correctly rendered invoice.
- 20.2 It is AusAID corporate practice to inform Contractors as soon as reasonably possible, and in any case within 30 days of receipt of notice of the completion of an identified output or provision of a report whether or not that output or report is accepted.
- 20.3 The Fees are fixed for the term of the Contract unless varied in accordance with the Contract.
- 20.4 The Contractor must make all foreign exchange transactions at arms length and at commercially competitive rates. Supporting documentation must be retained in accordance with Standard Conditions **Clause 15.1** (Accounts and Records) and may be audited by AusAID in accordance with Standard Conditions **Clause 17** (Reviews).
- 20.5 Where the Contractor is entitled to reimbursement for expenditure in a currency other than Australian dollars under this Contract, the Contractor must invoice AusAID for the equivalent Australian dollar amount as recorded by the Contractor in their general ledger converted at an exchange rate which is calculated in accordance with appropriate accounting standards.
- 20.6 No invoice for any period is to be submitted before the provision of any reports required by the Contract for the relevant period.
- 20.7 Subject to the Contract AusAID shall pay Reimbursable Costs within 30 days of receipt of a correctly-rendered invoice.
- 20.8 An invoice is correctly rendered if:
- (a) the invoice details all Services provided against the Fees and records the amount payable in respect of each category of Services described in the Contract;
 - (b) the invoice details the Contractor's monthly contribution toward Project Vehicles in accordance with **Clause 9.2**;
 - (c) the invoice is based upon the calculation of Fees referred to in **Schedule 2**; and
 - (d) a company director of the Contractor, or their delegate has certified that the invoice:
 - (i) has been correctly calculated;

- (ii) that the Services included in it have been performed in accordance with this Contract; and
- (iii) in the case of Reimbursable Costs that these costs have been paid.

- 20.9 If an invoice is found to have been rendered incorrectly, any underpayment or overpayment shall be recoverable by or from the Contractor, as the case may be and, without limiting recourse to other available remedies may be offset against any amount subsequently due from AusAID to the Contractor.
- 20.10 A payment by AusAID is not an admission of liability. In the event that AusAID makes a payment for the completion of a Payment Milestone or the procurement of Supplies or inputs that AusAID subsequently learns have not been completed to the quality or performance specifications required or provided as required, the payment shall be deemed an overpayment and recoverable from the Contractor. Without limiting recourse to other available remedies, the overpayment may be offset against any amount subsequently due to the Contractor.
- 20.11 AusAID need not pay an amount that is disputed in good faith by AusAID until the dispute is resolved.
- 20.12 AusAID need not pay any amount due to the Contractor until the Contractor delivers to AusAID a written statement which satisfies the requirements of section 127 of the *Industrial Relations Act 1996* (NSW) or the requirements of similar State or Territory legislation, in relation to the payment of employees or sub-contractors of the Contractor who were engaged in the performance of the Contract.
- 20.13 Except as otherwise specified in this Contract, the Fees are inclusive of all costs, expenses, disbursements, levies and taxes and the actual costs and expenses incurred by the Contractor in providing the Services.
- 20.14 If the Contractor does not have an Australian Business Number (ABN), AusAID, in accordance with the relevant provisions of the Pay as You Go (PAYG) legislation, shall be required to withhold a prescribed proportion of the amount payable to the Contractor under the Contract, unless the exceptions under Division 12 of the PAYG legislation apply.
- 20.15 AusAID will make all amounts payable to the Contractor under this Contract into a bank account nominated by the Contractor. The Contractor must provide AusAID with the necessary details as soon as possible following execution of this Contract. Requests to change bank account must be provided to AusAID with 45 days notice.

21. GOODS AND SERVICES TAX

- 21.1 Except as provided by this clause, all taxes, duties and charges imposed or levied in Australia in connection with the performance of this Contract shall be borne by the Contractor or its sub-contractor(s), as the case requires.
- 21.2 The amount shown against each item in **Schedule 2** is the 'value' of the 'periodic supplies' to be made under this Contract, as these terms are used in the *A New Tax System Act 1999* (Cth).
- 21.3 The amount payable under the Contract for each supply listed in **Schedule 2** is the value of that supply plus any GST payable by the Contractor under the GST legislation. Payment by AusAID to the Contractor of the GST shall be subject to the Contractor providing AusAID

with a valid Tax Invoice issued in accordance with the relevant provisions of the GST legislation and regulations.

- 21.4 The total amount of GST payable by the Contractor, and for which the Contractor seeks payment from AusAID, in respect of any supply shall be shown as a separate item on the Tax Invoice.
- 21.5 AusAID shall not pay to the Contractor any amount referable to GST, except as provided in this clause.

22. **INTELLECTUAL PROPERTY RIGHTS**

- 22.1 Subject to **Clause 22.2**, the title to all Intellectual Property rights in or in relation to Contract Material shall vest upon its creation in AusAID. If required by AusAID, the Contractor must bring into existence, sign, execute or otherwise deal with any document which may be necessary to enable the vesting of such title or rights in AusAID.
- 22.2 **Clause 22.1** does not affect the ownership of Intellectual Property in any Prior Material incorporated into the Contract Material, but the Contractor grants to AusAID a permanent, irrevocable, royalty-free worldwide, non-exclusive licence to use, reproduce, adapt and otherwise exploit such Prior Material in conjunction with the Contract Material. The licence granted under this **Clause 22.2** includes the right of AusAID to sub-licence any of its employees, agents or contractors to use, reproduce, adapt and otherwise exploit the Prior Material incorporated into the Contract Material for the purposes of performing functions, responsibilities, activities or services for, or on behalf of, AusAID.
- 22.3 The Contractor must ensure that the Contract Material is used, copied, supplied or reproduced only for the purposes of this Contract.
- 22.4 The Contractor must deliver all Contract Material to AusAID or to the Partner Government counterpart agency as may be directed in writing by AusAID.

23. **INTELLECTUAL PROPERTY RIGHTS INDEMNITY**

- 23.1 The Contractor must at all times indemnify AusAID, its employees and agents and the Partner Country ("**those indemnified**") from and against any Loss or liability whatsoever incurred by any of those indemnified or arising from any claim, demand, suit, action or proceeding by any person against any of those indemnified where such Loss or liability arose out of an infringement, or an alleged infringement, of the Intellectual Property rights of any person, which occurred by reason of the performance or use of the Services.

24. **MORAL RIGHTS**

- 24.1 The Contractor warrants or undertakes that the author of any Contract Material, other than Prior Material, has given or will give a written consent to the Specified Acts (whether occurring before or after the consent is given) which extends directly or indirectly for the benefit of AusAID in relation to such material used, reproduced, adapted and exploited in conjunction with the other Contract Material.

25. **CONFIDENTIALITY**

- 25.1 Subject to this clause, the Contractor must not, without the prior written approval of AusAID, make public or disclose to any person any AusAID Confidential Information. In giving written approval, AusAID may impose such terms and conditions as in AusAID's opinion are appropriate.

- 25.2 The Contractor must take all reasonable steps to ensure Contractor Personnel do not make public or disclose the AusAID Confidential Information and must promptly notify AusAID of any unauthorised possession, use or disclosure of AusAID Confidential Information.
- 25.3 The Contractor must ensure that any Contract Personnel who will have access to AusAID Confidential Information complete a written undertaking in the form set out at **Schedule 3**, relating to the non-disclosure of that information.
- 25.4 The Contractor may disclose AusAID Confidential Information:
- (a) to its legal advisers in order to obtain advice in relation to its rights under this Contract, but only to the extent necessary for that purpose;
 - (b) to the extent required by law or by a lawful requirement of any government or governmental body, authority or agency having authority over the first-mentioned party; or
 - (c) if required in connection with legal proceedings,
- but in the case of (b) and/or (c) above, subject to the Contractor giving AusAID sufficient notice of any proposed disclosure to enable AusAID to seek a protective order or other remedy to prevent the disclosure.
- 25.5 The Contractor must not transfer AusAID Confidential Information outside Australia, except to the Partner Country, or allow parties outside Australia to have access to it, without the prior approval of AusAID.
- 25.6 The Contractor must use AusAID Confidential Information held, acquired or which the Contractor may have had access to in connection with this Contract only for the purposes of fulfilling its obligations under this Contract. Upon expiry or earlier termination of this Contract the Contractor must either destroy or deliver to AusAID all AusAID Confidential Information, as required by AusAID.
- 25.7 This clause shall survive expiration or termination of this Contract.

26. **PRIVACY**

- 26.1 This clause applies only where the Contractor deals with Personal Information when, and for the purpose of, providing the Services.
- 26.2 In this clause, the terms ‘agency’, ‘Information Privacy Principles’ (IPPs), and ‘National Privacy Principles’ (NPPs) have the same meaning as they have in section 6 of the *Privacy Act 1988*.
- 26.3 The Contractor acknowledges that it is a ‘contracted service provider’ within the meaning of section 6 of the *Privacy Act 1988* (the Privacy Act), and agrees in respect of the provision of the Services:
- (a) to use or disclose Personal Information obtained during the course of providing the Services, only for the purposes of this Contract;
 - (b) not to do any act or engage in any practice that would breach an IPP contained in section 14 of the Privacy Act, which if done or engaged in by an agency, would be a breach of that IPP;

- (c) to carry out and discharge the obligations contained in the IPPs as if it were an agency under that Act;
- (d) to notify individuals whose Personal Information the Contractor holds, that complaints about acts or practices of the Contractor may be investigated by the Privacy Commissioner who has power to award compensation against the Contractor in appropriate circumstances;
- (e) not to use or disclose Personal Information or engage in an act or practice that would breach section 16F of the Privacy Act (direct marketing), a NPP (particularly NPPs 7 to 10) where that section or NPP is applicable to the Contractor, unless:
 - (i) in the case of section 16F – the use or disclosure is necessary, directly or indirectly, to discharge an obligation under this Contract; or
 - (ii) in the case of a NPP – where the activity or practice is engaged in for the purpose of discharging, directly or indirectly, an obligation under this Contract, and the activity or practice which is authorized by this Contract is inconsistent with the NPP;
- (f) to disclose in writing to any person who asks, the content of the provisions of this Contract (if any) that are inconsistent with a NPP binding a party to this Contract;
- (g) to immediately notify AusAID if the Contractor becomes aware of a breach or possible breach of any of the obligations contained in, or referred to in, this clause, whether by the Contractor or any sub-contractor;
- (h) not to transfer such information outside Australia, except to the Partner Country, or to allow parties outside Australia or the Partner Country to have access to it, without the prior approval of AusAID; and
- (i) to ensure that any employee of the Contractor who is required to deal with Personal Information for the purposes of this Contract is made aware of the obligations of the Contractor set out in this clause.

26.4 The Contractor agrees to ensure that any sub-contract entered into for the purpose of fulfilling its obligations under this Contract contains provisions to ensure that the sub-contractor has the same awareness and obligations as the Contractor has under this clause, including the requirement in relation to sub-contracts.

26.5 The Contractor agrees to indemnify AusAID in respect of any loss, liability or expense suffered or incurred by AusAID which arises directly or indirectly from a breach of any of the obligations of the Contractor under this clause, or a sub-contractor under the sub-contract provisions referred to in **Clause 26.4 above**.

26.6 This clause shall survive expiration or termination of this Contract.

27. **AusAID USE OF CONTRACT INFORMATION**

27.1 AusAID may disclose matters relating to the Contract, including the Contract and the names of sub-contractors as specified in **Clause 11.1 (f) above**, except where such information may breach the *Privacy Act 1988*, to Commonwealth governmental departments and agencies, Commonwealth Ministers and Parliamentary Secretaries, and to the Commonwealth Parliament, including responding to requests for information from Parliamentary committees or inquiries.

27.2 This clause shall survive termination or expiration of the Contract.

28. **PUBLICITY**

28.1 The Contractor must identify and implement appropriate opportunities for publicising the Project.

28.2 The Contractor must not make any press, media or other announcements or releases relating to this Contract and the Services without the prior approval of AusAID Public Affairs Group as to the form, content and manner of the announcement or release.

28.3 The Contractor must only use the Australian Government/AusAID logo (in-line version) to denote association with Australia, the Australian Government or AusAID in any publicity or other project related materials. The Contractor must comply with the “AusAID Logo Guidelines for Managing Contractors” at all times, including when advertising for sub-contractors or personnel. The Guidelines are available from the AusAID Business website.

28.4 The Contractor shall, if appropriate, erect a sign at each Project site that acknowledges the contributions of the Australian and Partner Governments. Such signs shall in all cases be discussed and agreed between AusAID and the Partner Government. Signs should use the Australian Government/AusAID logo (in-line version). No independent project or program logos or emblems are to be used. Contractor signs may also be displayed, but not in greater number or prominence than acknowledgments to either the Australian or Partner Governments.

29. **WARRANTIES**

29.1 The Contractor represents and warrants that it has made its own assessment of all information made available to the Contractor in respect of the Services and sought appropriate professional advice concerning:

- (a) any information, statements or representations;
- (b) the regulatory regime applicable to the delivery of the Services both in Australia and in the Partner Country;
- (c) the assumptions, uncertainties and contingencies which may affect the future business of the Services; and
- (d) the impact that a variation in future outcomes may have on any Services.

29.2 Subject to any law to the contrary, and to the maximum extent permitted by law, AusAID, its employees, agents and advisers each disclaim all liability for any Losses (whether foreseeable or not) suffered by any other person acting on any part of the information made available to the Contractor in respect of the Service, whether or not the loss arises in connection with any negligence, default or lack of care on the part of AusAID, its employees, agents or advisers or any other person or any misrepresentation or any other cause.

29.3 The Contractor warrants that it shall have full corporate power and authority to enter into, perform and observe its obligations under this Contract and that the execution, delivery and performance of this Contract shall be duly and validly authorised by all necessary corporate action.

30. **PERSONNEL SECURITY**

- 30.1 The Contractor is responsible for the security of Contractor Personnel and for taking out and maintaining appropriate insurances in respect of Contractor Personnel.
- 30.2 The Contractor is responsible for the immediate development and implementation of a Security Plan to ensure the safety and security of Contractor Personnel. The Security Plan should incorporate prevention strategies and response plans, including evacuation plans where appropriate. The Contractor shall submit a copy of the Security Plan to AusAID prior to mobilisation in the Partner Country. The Contractor shall review and update the Security Plan whenever considered necessary by the Contractor and shall submit the revised document to AusAID.
- 30.3 The Contractor must keep abreast of the security situation in the Partner Country including where relevant having regard to travel advisories and notices including those issued by the Australian Department of Foreign Affairs and Trade. The Australian advisories and notices are available at: www.dfat.gov.au
- 30.4 The Contractor acknowledges and confirms that, notwithstanding any other provisions of the Contract:
- (a) it is not the function or responsibility of AusAID or any person acting or purporting to act on behalf of AusAID, to comment on or approve the Contractor's Security Plans; and
 - (b) the Contractor has not entered the Contract based on any representation, statement or assurance by AusAID or any person acting or purporting to act on behalf of AusAID, in respect of the safety or security of the Contractor, Contractor Personnel or any person acting on behalf of the Contractor, in the Partner Country or in any other location.

31. **TERMINATION FOR CONTRACTOR DEFAULT**

- 31.1 In addition to any other rights or remedies it has at law or in equity or under this Contract, AusAID may, by notice in writing to the Contractor terminate this Contract, with effect from the date in the notice, if the Contractor:
- (a) commits a breach of this Contract and:
 - (i) that breach is not capable of remedy;
 - (ii) fails to remedy that breach within **[10]** Business Days (or such further time as AusAID may, in its absolute discretion, specify), after receiving a notice from AusAID requiring the Contractor to remedy the breach; or
 - (iii) does not commence to remedy that breach, within a reasonable time (having regard to the nature of the breach) after being given notice by AusAID requiring the Contractor to remedy the breach;
 - (b) becomes, or in AusAID's reasonable opinion is likely to become, bankrupt, insolvent or otherwise financially unable to fulfil its obligations under this Contract;
 - (c) becomes subject to one of the forms of external administration provided for in Chapter 5 of the *Corporations Act 2001*;

- (d) is wound up by resolution or an order of the court;
- (e) ceases to carry on business;
- (f) makes an assignment of its estate for the benefit of creditors or enters into any arrangement or composition with its creditors or has a receiver and manager appointed on behalf of debenture holders or creditors;
- (g) suffers any execution against its assets having, or which in AusAID's reasonable opinion is likely to have, an adverse effect on its ability to perform this Contract;
- (h) ceases to hold any licence, qualification, approval, authority or consent required for the Contractor to comply with its obligations under this Contract (except to the extent that this is outside the Contractor's reasonable control);
- (i) assigns its rights otherwise than in accordance with the requirements of this Contract;
- (j) suffers a change in Control which in AusAID's reasonable opinion may adversely affect the Contractor's ability to perform the Services under this Contract;
- (k) is in breach of the warranty, regarding listing on a World Bank List or Relevant List, given in the Tenderer Declaration submitted by the Contractor with its tender leading to this Contract;
- (l) is, during the term of this Contract, listed on a World Bank List or Relevant List;
- (m) is in breach of the warranty, regarding convictions or proceedings relating to an offence of, or relating to, bribery of a public official, given in the Tenderer Declaration submitted by the Contractor with its tender leading to this Contract;
- (n) is in breach of the warranty, regarding unsettled judicial decisions relating to employee entitlements, given in the Tenderer Declaration submitted by the Contractor with its tender leading to this Contract;
- (o) is, during the term of this Contract, convicted of an offence of, or relating to, bribery of a public official. In this Clause 31.1(o) the Contractor includes Contractor Personnel; or
- (p) is in breach of the warranty, regarding convictions or proceedings relating to an offence of, or relating to, child abuse, given in the Tenderer Declaration submitted by the Contractor with its tender leading to this Contract.

31.2 If this Contract is terminated under this Clause 31:

- (a) subject to this Contract, the parties are relieved from future performance of this Contract, without prejudice to any right of action that has accrued at the date of termination;
- (b) subject to this Contract, all licences and authorisations granted to the Contractor by AusAID under this Contract terminate immediately despite anything to the contrary contained in the relevant licence or authorisation;

- (c) the AusAID Confidential Information, Supplies and any other property supplied or given to the Contractor by AusAID pursuant to this Contract must be immediately returned to AusAID;
- (d) AusAID is not obliged to make any further payments (including the payment of Fees) to the Contractor. However, AusAID may, in its absolute discretion, consider making a payment to the Contractor in such amount and upon such terms as AusAID determines is appropriate in the circumstances; and
- (e) the Contractor will indemnify and hold AusAID harmless against any Losses, costs and expenses arising out of or in connection with the termination or any breach of this Contract by the Contractor (including those arising from affected sub-contracts).

32. TERMINATION FOR CONVENIENCE

32.1 In addition to any other rights or remedies it has at law or in equity or under this Contract, AusAID may, by notice in writing to the Contractor, terminate or reduce the scope of this Contract from the time specified in the notice (and without the need to give further notice) and, in that event, AusAID may give to the Contractor such directions as it thinks fit in relation to subsequent performance of this Contract.

32.2 Where notice is given under **Clause 32.1** the Contractor must:

- (a) comply with all directions given by AusAID;
- (b) cease or reduce (as applicable) the performance of work under the Contract; and
- (c) immediately do everything possible to mitigate its Losses, and all other loss, costs (including the costs of its compliance with any directions) and expenses in connection with the termination (including those arising from affected sub-contracts) arising in consequence of termination of this Contract under this **Clause 32**.

32.3 In the event of termination or reduction in scope under this **Clause 32**, subject to **Clause 32.4**, AusAID will only be liable to the Contractor for:

- (a) Fees, as payable under **Schedule 2**, for Services performed prior to the termination, on a pro rata basis; and
- (b) Costs that are:
 - (i) directly attributable to the termination or reduction in scope of this Contract; and
 - (ii) in AusAID's opinion, reasonably and properly incurred by the Contractor in connection with the Contract,

to the extent that such Costs are substantiated to AusAID.

32.4 AusAID is not liable for any loss of profits or any other form of expectation loss arising out of, or in connection with, the termination or reduction in scope of this Contract under this **Clause 32**.

33. **INDEMNITY**

- 33.1 The Contractor must at all times indemnify AusAID, its employees, agents and contractors (except the Contractor) ("**those indemnified**") from and against any Loss or liability whatsoever suffered by those indemnified or arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such Loss or liability was caused or contributed to in any way by any wilfully wrongful, unlawful or negligent act or omission of the Contractor, or any Contractor Personnel in connection with this Contract.
- 33.2 The Contractor agrees that AusAID may enforce the indemnity in favour of the persons specified in **Clause 33.1 above** for the benefit of each of such persons in the name of AusAID or of such persons.
- 33.3 The indemnity in this clause is reduced to the extent that the Loss or liability is directly caused by AusAID, its employees or contractors (except the Contractor), as substantiated by the Contractor.
- 33.4 The Contractor is responsible for all risks associated with the Data, the Supplies and any AusAID property while in the possession or control of the Contractor.
- 33.5 This indemnity shall survive termination or expiration of this Contract.

34. **INSURANCE**

- 34.1 The Contractor must arrange and maintain for the duration of the Contract unless otherwise specified:
- (a) public liability insurance with a limit of at least \$5 million for each and every claim which covers:
 - (i) loss of, or damage to, or loss of use of any real or personal property; or
 - (ii) personal injury to, illness (including mental illness) or death of any person arising from the performance of the Contract;
 - (b) motor vehicle third party property damage insurance;
 - (c) workers' compensation insurance:
 - (i) which fully insures the Contractor for any amount it becomes liable to pay under any statute relating to workers' or accident compensation or for employer's liability at common law;
 - (ii) to be effected in the Partner Country as well as every state or territory in Australia where the Contractor Personnel normally reside or in which their contract of employment was made; and
 - (iii) which, where possible at law extends to indemnify AusAID as principal for AusAID's liability to persons engaged by the Contractor.

Where there is no workers compensation legislation in force in the Partner Country the Contractor should arrange adequate personal accident and illness insurance (accidental death and weekly benefits) for any Contractor Personnel not otherwise covered for the duration of the Contract;

- (d) property insurance covering any Contract Material, Supplies and the reinstatement of any Data while in the care, custody or control of the Contractor for its full replacement value;
 - (e) professional indemnity insurance to cover the Contractor's obligations under this Contract. The Contractor's professional indemnity policy must respond to claims arising under the *Trade Practices Act (Cth)* 1974, in regard to this Contract. The Contractor may obtain the insurance on an annual basis if necessary, but must maintain the necessary insurance each year until the expiration of three (3) years after the full Term of the Contract or earlier termination of the Contract;
 - (f) adequate medical and dental insurance for Contractor Personnel who are engaged to operate outside their country of permanent residence; and
 - (g) adequate insurance for medical evacuation and evacuation resulting from an insured event for all Contractor Personnel.
- 34.2 The Contractor must, within 14 days after a request by AusAID, provide for any insurance policy: a certificate of currency, a list of exclusions; and the amount of excess payable.
- 34.3 Neither the effecting of insurance nor any failure to effect such insurance shall in any way limit, reduce or otherwise affect any of the obligations, responsibilities and liabilities of the Contractor under the other provisions of this Contract or at law.
- 34.4 In the event of an insurance claim any deductible/excess payable shall be the responsibility of the Contractor.

35. CONFLICT OF INTEREST

Conflict of Interest

- 35.1 The Contractor warrants that, at the date of signing this Contract, no conflict of interest exists or is likely to arise in the performance of its obligations under this Contract.
- 35.2 The Contractor must use best endeavours to ensure that a situation does not arise which may result in a conflict of interest. The Contractor must not engage in any activity, subject to **Clause 35.3 below**, that may result in a conflict of interest arising or continuing.
- 35.3 Where a conflict of interest arises in the performance of the Contractor's obligations under this Contract, the Contractor must notify AusAID immediately, and may request permission from AusAID to undertake the work despite that conflict of interest.

Anti-Corruption

- 35.4 The Contractor warrants that the Contractor shall not make or cause to be made, nor shall the Contractor receive or seek to receive, any offer, gift or payment, consideration or benefit of any kind, which would or could be construed as an illegal or corrupt act, either directly or indirectly to any party, as an inducement or reward in relation to the execution of this Contract. In addition, the Contractor shall not bribe public officials and shall ensure that all Contractor Personnel comply with this provision. Any breach of this clause shall be grounds for immediate termination of this Contract under Standard Conditions **Clause 31** (Termination for Contractor Default) by notice from AusAID.

36. FRAUD

- 36.1 For the purpose of this clause, 'fraudulent activity' or 'fraud' means: Dishonestly obtaining a benefit by deception or other means.
- 36.2 The Contractor and its sub-contractors must not engage in any fraudulent activity.
- 36.3 The Contractor must prepare a fraud risk assessment and zero tolerance fraud control strategy. These must contain appropriate fraud prevention, detection, investigation and reporting processes and procedures that comply with the *Commonwealth Fraud Control Guidelines*.
- 36.4 The Contractor is responsible for preventing and detecting fraud including fraud within those functions outsourced / performed by a sub-contractor or under any other arrangement established by the Contractor relating to the management or administration of AusAID provided funds. The Contractor is responsible for ensuring that its staff and its subcontractors' staff are responsible and accountable to the Contractor for preventing and reporting any fraud or suspected fraud as part of their routine responsibilities.
- 36.5 The Contractor must report in writing within 5 working days to AusAID any detected, suspected, or attempted fraudulent activity involving AusAID provided funds. Where a matter is reported in writing to AusAID by a Contractor, the advice must provide where known:
- (a) the name of the Project under which AusAID funding is being provided;
 - (b) name of any personnel or subcontractors involved;
 - (c) the allegation(s), including a chronological account of the facts giving rise to the allegation(s);
 - (d) the names of the suspected offender(s) (where known);
 - (e) details of witnesses;
 - (f) copies of relevant documents;
 - (g) references to any relevant legislation;
 - (h) a nominated contact officer;
 - (i) any other relevant information (eg, political sensitivities, any other party or agency that has been informed, involved or that can assist with investigations); and
 - (j) the current status of any inquiries commenced by the Contractor.
- 36.6 The Contractor must, in consultation with AusAID, develop and implement a strategy to investigate the detected, suspected or attempted fraud based on the principles set out in the *Australian Government Investigations Standards* which are available from AusAID when a demonstrated need to distribute them exists. The Contractor will be responsible for the conduct of the investigation. Any investigator appointed by the Contractor should possess the minimum qualifications specified in the *Commonwealth Fraud Control Guidelines*. Before engaging a qualified investigator, the Contractor may consult with AusAID regarding the appointment and may request assistance from AusAID in meeting the actual costs of a qualified investigator. Provided that the Contractor has consulted with AusAID before engaging an investigator, AusAID may in its absolute discretion agree to meet some or all of those costs.
- 36.7 AusAID reserves the right to appoint its own investigator, conduct the investigation, conduct a concurrent investigation or refer the allegations to the appropriate law

enforcement agencies or any other person or entity AusAID deems appropriate in Australia or in the partner countries for investigation. In this instance the Contractor shall provide all assistance that may be required at the Contractor's sole expense.

- 36.8 Following the conclusion of an investigation, where the investigation finds the Contractor, an employee of the Contractor or a subcontractor of the Contractor has acted in a fraudulent manner, the Contractor shall:
- (a) where money has been misappropriated, pay to AusAID or the project the full value of the AusAID funds that have been misappropriated; or
 - (b) where an item of property has been misappropriated, either return the item to AusAID or the project or if the item cannot be recovered or has been damaged so that it is no longer usable, replace the item with one of equal quality.
- 36.9 Following the conclusion of an investigation, where the investigation finds that a party other than the Contractor, an employee of the Contractor or a subcontractor of the Contractor, has acted in a fraudulent manner, the Contractor shall at the Contractor's cost:
- (a) make every effort to recover any AusAID funds or funded property acquired or distributed through fraudulent activity, including without limitation, one or both of the following:
 - (i) taking recovery action in accordance with recovery procedures, including civil litigation, available in the Partner Country. Before commencing any recovery action, the Contractor may consult with AusAID regarding the proposed course of action and may request assistance from AusAID in meeting the costs of the recovery action. Provided that the Contractor has consulted with AusAID before commencing recovery action, AusAID may in its absolute discretion agree to meet some or all of those costs.
 - (ii) referring the matter to the relevant Partner Country police or other authorities responsible for prosecution of fraudulent activity.
 - (b) keep AusAID informed, in writing, on a monthly basis, of the progress of the recovery action.
- 36.10 If the Contractor considers that after all reasonable action has been taken to recover the funds or funded property and full recovery has not been achieved or recovery has only been achieved in part, the Contractor may seek approval from AusAID that no further recovery action be taken. The Contractor must provide to AusAID all information, records and documents required by AusAID to enable the AusAID delegate to make a decision on whether to approve non-recovery of funds or funded property.
- 36.11 In the event that any investigation finds that the contractor, an employee of the Contractor or a subcontractor of the Contractor has been involved in any fraudulent activity, or in the event that AusAID discovers that a suspected, attempted or detected fraud has not been reported to AusAID, AusAID, at AusAID's sole discretion, reserves the right to:
- (a) Terminate the Contract with the Contractor, in which event, AusAID shall not be liable to the Contractor for any claim, demand, proceeding suit or action by the Contractor, and the Contractor shall indemnify, defend and hold harmless AusAID from any claim, demand, proceeding suit or action from any party or individual resulting from such termination; and / or.

- (b) Not enter into any further agreement with the Contractor until such time as AusAID is satisfied that any recommended changes to the Contractor's management and procedures have been made in order to prevent any further fraudulent activity from occurring and to ensure timely reporting of suspected, attempted or detected fraud to AusAID.

36.12 **Clauses 36.6, 36.7, 36.8, 36.9 and 36.10**, shall survive expiration of this Contract in relation to:

- a) any fraud detected by the Contractor before the date of expiry of this Contract but the Contractor had not commenced an investigation under **Clause 36.6** before that date,
- b) any investigation commenced by the Contractor under **Clause 36.6**, but not completed, before the date of expiry of this Contract, and
- c) any investigation commenced by AusAID under **Clause 36.7**, but not completed, before the date of expiry of this Contract.

37. **COMPLIANCE WITH LAWS, GUIDELINES AND POLICIES**

37.1 The Contractor must at all times have regard to and comply with, and use its best endeavours to ensure that all Contractor Personnel comply with, the laws in Australia, the Partner Country and applicable laws of other countries.

37.2 A list, as amended from time to time, of Australian laws that may apply to the delivery of developmental aid to foreign countries can be found on the AusAID website: <http://www.ausaid.gov.au/business/contracting.cfm>.

This list is not exhaustive and is provided for information only. The provision of this list does not relieve the Contractor from complying with the obligations contained in **Clause 37.1**.

37.3 The Contractor and all Contractor Personnel must at all times have regard to and operate in accordance with relevant guidelines, as amended from time to time, and listed on the AusAID website: <http://www.ausaid.gov.au/business/contracting.cfm>.

37.4 The Contractor must notify AusAID of any material breach by the Contractor or Contractor Personnel of a law or guideline referred to in this **Clause 37**.

37.5 On becoming aware of a material breach by the Contractor or Contractor Personnel of a law or guideline, whether or not such a breach is notified to AusAID by the Contractor, AusAID may, in addition to any other rights available to AusAID, terminate this Contract under **Clause 31**.

37.6 The Contractor must in carrying out its obligations under this Contract comply with those laws in relation to organisations and individuals associated with terrorism, including 'terrorist organisations' as defined in Division 102 of the *Criminal Code Act 1995 (Cth)* and listed in regulations made under that Act and regulations made under the *Charter of the UN Act 1945 (Cth)*. The Contractor must ensure that funds provided under this Contract do not provide direct or indirect support or resources to organisations and individuals associated with terrorism. If, during the course of this Contract, the Contractor discovers any link whatsoever with any organisation or individual associated with terrorism it must inform AusAID immediately.

- 37.7 The Contractor must when providing any Services and procuring the Supplies have regard to and operate in accordance with Australian policies on developmental aid to foreign countries including:
- (a) the policy Gender Equality in Australia's Aid Program – Why and How (March 2007);
 - (b) The strategy 'Development for All: Towards a Disability-Inclusive Australian Aid Program 2009-2014', and in particular the strategy's six guiding principles, located at http://www.aisaid.gov.au/publications/pdf/FINAL%20AusAID_Disability%20for%20All.pdf;
 - (c) Child protection, in particular the child protection compliance standards at Attachment 1 to AusAID's *Child protection policy*;
 - (d) Environment. AusAID is bound by the Commonwealth's *Environment Protection and Biodiversity Conservation Act 1999*, which applies to all aid activities. The Contractor must:
 - 1. ensure that environmental requirements specified in the Scope of Services are implemented, monitored and reported;
 - 2. comply with AusAID's Environmental Management System outlined in the *Environmental Management Guide for Australia's Aid Program*, including:
 - a. assess and manage all actual or potential environmental impacts, both direct and indirect, to avoid or mitigate negative impacts and promote positive impacts;
 - b. report regularly on any such impacts as required by the Scope of Services; and
 - 3. comply with all relevant environmental laws and regulations of the Partner Country.

The *Environmental Management Guide for Australia's Aid Program* can be found at: <http://www.aisaid.gov.au/keyaid/envt.cfm>.

38. INVESTIGATION BY THE OMBUDSMAN

- 38.1 In carrying out the Services, the Contractor, and an employee or subcontractor of the Contractor, may be a "Commonwealth service provider" under section 3BA of the Ombudsman Act 1976.
- 38.2 The Contractor must use its best endeavours, and must ensure that employees and subcontractors of the Contractor use their best endeavours, in undertaking the Services, not to engage in conduct that:
- (a) would, if the Contractor or an employee or subcontractor were an officer of AusAID, amount to a breach of duty or to misconduct; or
 - (b) should be brought to the attention of the principal officer of AusAID.

- 38.3 If the Commonwealth Ombudsman commences an investigation of conduct of the Contractor, as a Commonwealth service provider, the Contractor, at the cost of the Contractor, must cooperate with the investigator including:
- (a) providing all documentation required by the investigator,
 - (b) making Contractor Personnel available to assist the investigator and
 - (c) allowing the investigator, at any reasonable time of the day, to enter a place occupied by the Contractor and carry on the investigation at that place.
- 38.4 If the Ombudsman brings evidence to the notice of AusAID concerning the conduct of the Contractor, or of an employee or subcontractor of the Contractor, the Contractor must, at the cost of the Contractor, take whatever remedial action is required by AusAID or by the Ombudsman to rectify the situation.
- 38.5 The Contractor must ensure that any subcontract entered into for the purpose of fulfilling its obligations under this Contract contains provisions to ensure that the subcontractor has the same awareness and obligations as the Contractor has under this clause, including this requirement in relation to subcontracts.
- 38.6 The Contractor agrees to indemnify AusAID in respect of any loss, liability or expense suffered or incurred by AusAID, due to conduct of the Contractor or of an employee or subcontractor, which arise directly or indirectly, as a result of an investigation carried out by the Ombudsman.
- 38.7 This clause shall survive expiration or termination of this Contract.

39. RESOLUTION OF DISPUTES

- 39.1 The Parties undertake to use all reasonable efforts in good faith to resolve any disputes which arise between them in connection with this Contract. Subject to **Clause 20.11** (Payment) and unless otherwise agreed by the Parties, the Parties shall at all times during the dispute proceed to fulfil their obligations under this Contract.
- 39.2 A Party may give the other Party a notice of dispute ("**dispute notice**") in connection with this Contract. Following the giving of a dispute notice, the dispute must be referred to a senior officer of AusAID and a senior officer of the Contractor, who must use reasonable endeavours to resolve the dispute within 20 Business Days or such other period as is agreed by the Parties.
- 39.3 If the Parties have not been able to resolve the dispute in accordance with **Clause 39.2 above**, then the Parties may agree on a process for resolving the dispute through means other than litigation or arbitration, including by mediation or conciliation.
- 39.4 In the event that the dispute, controversy or claim has not been resolved within 50 Business Days (or such other period as agreed between the Parties in writing) after the dispute notice has been received in accordance with clause headed 'Notices' in Part B (Standard Contract Conditions) of this Contract, then either Party is entitled to treat the mediation process as terminated and may, if it wishes, commence legal proceedings.
- 39.5 Nothing in this clause prevents either Party from seeking urgent injunctive relief.

40. **NOTICES**

40.1 A notice required or permitted to be given by one Party to another under this Contract must be in writing and is treated as having been duly given and received:

- (a) when delivered (if left at that Party's address);
- (b) on the third Business Day after posting (if sent by pre-paid mail); or
- (c) on the Business Day of transmission (if given by facsimile and sent to the facsimile receiver number of that Party and no intimation having been received that the notice had not been received, whether that intimation comes from that Party or from the operation of facsimile machinery or otherwise).

41. **MISCELLANEOUS**

41.1 **Waiver**

The failure, delay, relaxation or indulgence on the part of any Party in exercising any power or right conferred upon that Party by this Contract does not operate as a waiver of that power or right, nor does any single exercise of any power or right preclude any other or further exercise of it or the exercise of any other power or right under this Contract.

41.2 **Liability of Party**

If any Party to this Contract consists of more than one person then the liability of those persons in all respects under this Contract is a joint liability of all those persons and a separate liability of each of those persons.

41.3 **Entire agreement**

This Contract constitutes the sole and entire agreement between the Parties and a warranty, representation, guarantee or other term or condition of any nature not contained or recorded in this Contract is of no force or effect.

41.4 **Severance**

If any provision of this Contract is invalid and not enforceable in accordance with its terms, other provisions that are self-sustaining and capable of separate enforcement with regard to the invalid provision, are and continue to be valid and enforceable in accordance with their terms.

41.5 **Assignment**

No Party may assign or transfer any of its rights or obligations under this Contract without the prior consent in writing of the other Party.

41.6 **Governing Law and Jurisdiction**

This Contract is governed by, and is to be construed in accordance with, the law of the Australian Capital Territory and the Parties submit to the exclusive jurisdiction of the courts of the Australian Capital Territory and any court hearing appeals from those courts.

41.7 **Contra Proferentem**

No rule of construction shall apply in the interpretation of this Contract to the disadvantage of one Party on the basis that such Party put forward or drafted this Contract or drafted any provision of this Contract.

41.8 False and Misleading Information

The Contractor acknowledges that it is aware that, in relation to section 137.1 of the *Commonwealth Criminal Code*, giving false or misleading information is a serious offence.

SCHEDULE 3 - DEED OF CONFIDENTIALITY

THIS DEED POLL is made on the _____ day of _____ []

in favour of **COMMONWEALTH OF AUSTRALIA** represented by the Australian Agency for International Development ("**AusAID**") which is part of the Department of Foreign Affairs and Trade.

BY [Insert name and address of Recipient] (the "**Recipient**").

RECITALS

- A. AusAID and **Contractor's Name** (the "**Contractor**") have entered into a Contract for the purpose of a project in **Country**.
- B. The Recipient has been engaged by the Contractor to work on the project.
- C. The Recipient will, in carrying out that work, be given access to Confidential Information.
- D. AusAID requires the Recipient to enter into this Deed in relation to use of Confidential Information.

THE RECIPIENT DECLARES AS FOLLOWS:

1. INTERPRETATION

In this Deed:

"**Confidential Information**" means information that:

- (a) is designated by AusAID as confidential; or
 - (b) the Recipient knows or ought to know is confidential,
and includes to the extent that it is confidential:
 - (c) information comprised in or relating to any Intellectual Property of AusAID or third parties where the third party Intellectual Property is made available by or on behalf of AusAID;
 - (d) information relating to the internal management and structure of the Department of Foreign Affairs and Trade, AusAID or the Commonwealth of Australia;
 - (e) the Data; and
 - (f) personal information under the *Privacy Act 1988*;
- but does not include information which:

- (g) is or becomes public knowledge other than by breach of this Deed or other obligation of confidentiality; or
- (h) has been independently developed or acquired by the Recipient as established by written evidence.

"Data" includes any information provided to the Contractor under this Contract from any source, or collected or created by the Contractor in connection with the Services, whether in magnetic, electronic, hardcopy or any other form.

2. NON DISCLOSURE

- 2.1 The Recipient must not copy, reproduce or disclose any of the Confidential Information without the prior written consent of AusAID, which consent AusAID may grant or withhold in its absolute discretion.

3. RESTRICTION ON USE

- 3.1 The Recipient must use the Confidential Information only for the purpose of the Services.

4. DELIVERY UP OF DOCUMENTS

- 4.1 AusAID may, at any time and without notice, demand, either orally or in writing, the delivery to AusAID of all documents in the possession or control of the Recipient which contain the Confidential Information.

5. SURVIVAL OF OBLIGATIONS

- 5.1 The obligations in this Deed are perpetual.

EXECUTED as a deed poll.

SIGNED, by the Recipient in the presence)
 of:) Signature of

.....
 Signature of witness

.....
 Name of witness
(Print)

SCHEDULE 4 – DEED OF NOVATION AND SUBSTITUTION

This **DEED OF NOVATION AND SUBSTITUTION** made the day of

BETWEEN:

COMMONWEALTH OF AUSTRALIA represented by the Australian Agency for International Development of the Department of Foreign Affairs and Trade (“**AusAID**”)

AND:

[ABN of] (the
“**Subcontractor**”) of the second part;

AND:

Contractor's Name ACN# of **Contractor's Address** (the “**Contractor**”) of the third part.

WHEREAS:

- A. AusAID is concerned to ensure that the Services under the Contract are properly delivered.
- B. The Subcontractor is a subcontractor to the Contractor for the Services.
- C. The Subcontractor and Contractor have agreed with AusAID to novate the Subcontract to AusAID in the event that AusAID exercises its right under **Clause 31** and **32** of the Contract.
- D. The Subcontractor agrees that AusAID may novate the Subcontract to another Contractor at its sole and absolute discretion in the event that AusAID has exercised its right under **Clause 31** and **32** of the Contract.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. **DEFINITIONS**

“**Business Day**” means a day on which trading banks are open for business in Canberra;

“**Commencement Date**” has the same meaning as in the Contract;

“**Contract**” means the Contract for the provision of Services between AusAID and the Contractor dated on or about [];

“**Deed**” means this Deed of Novation;

“**Services**” means the services to be provided by the Contractor to AusAID under the Contract;

“**Party**” means AusAID, the Subcontractor or the Contractor;

“**Subcontract**” means the contract between the Contractor and the Subcontractor for the provision of the Subcontractor Services; and

“**Subcontractor Services**” means the services that the Subcontractor is obliged to provide to the Contractor under the Subcontract.

2. **APPLICATION OF DEED**

The Contractor and the Subcontractor agree that:

 this Deed is entered into for the benefit of AusAID; and

 AusAID may exercise the rights granted to it under this Deed.

This Deed commences on the Commencement Date of the Subcontract.

3. **NOVATION**

AusAID may issue a notice of substitution to the Subcontractor if AusAID is entitled to exercise its rights under **Clauses 31 or 32** of the Contract.

The Parties agree that on and from the date of issue of a notice of substitution:

 AusAID is substituted for the Contractor under the Subcontract in respect of the Subcontractor Services as if AusAID was originally the Party to the Subcontract instead of the Contractor, and all references in the Subcontract to the Contractor are to be read and construed as if they were references to AusAID;

 AusAID is to pay any amount due to the Subcontractor under the Subcontract to the Subcontractor and the receipt of the Subcontractor shall be full and sufficient discharge for any such payments;

 subject to paragraph (a), AusAID is bound by, and must fulfil, comply with and observe all the provisions of the Subcontract and enjoys all the rights and benefits of the Contractor under the Subcontract; and

 the performance by the Subcontractor of services under the Subcontract, is instead of, and not in addition to, any performance by the Contractor of its obligations under that Subcontract.

If AusAID exercises its rights of novation under this deed, AusAID may further novate the Subcontract by substituting a new contractor in place of the Contractor on the terms of this deed with appropriate alterations. In the event of such novation, the rights and obligations of the Subcontractor with respect to the Contractor shall become the rights and obligations of the Subcontractor with respect to the new contractor.

4. **RELEASE**

Except in relation to payment due from the Contractor to the Subcontractor under the Subcontract but unpaid on the date of issuing of the notice of substitution referred to in **Clause 3** of this Schedule, the Contractor releases and discharges AusAID from any and all claims, actions, proceedings, obligations and liabilities (whether based in negligence or any other form of legal liability) in respect of or in any way arising from the Subcontract prior to the date of the notice of substitution in respect of the Subcontractor Services.

5. **FURTHER ASSURANCES**

Each Party must take such steps, execute all such documents, and do all such acts and things as may be reasonably required by the other Party to give effect to any of the transactions contemplated by this Deed.

6. **DISCHARGE**

Neither the Subcontractor nor the Contractor are discharged or released or excused from this Deed by an arrangement made between the Contractor and the Subcontractor prior to the

issue of a notice of substitution with, by any change to the Subcontract, or by any forbearance whether as to payment, time or otherwise.

The Contractor undertakes to notify AusAID of any alterations to the Subcontract or other matter referred to in **Clause 3** of this Schedule. A failure of the Contractor to notify AusAID under this clause does not alter the Subcontractor's obligations under this Deed.

This Deed by the Subcontractor for AusAID to assume the obligations of the Contractor is discharged in relation to the Subcontract only on completion by the Subcontractor of all its obligations under the Subcontract in respect of the Subcontractor Services, or, in the event of the issue of a notice of substitution, on the due and proper performance of the Subcontract by the Subcontractor.

The obligations of AusAID under this Deed in its application to the Subcontract must not exceed the obligations of the Contractor under the Subcontract.

7. **NOTICES**

A notice required or permitted to be given by one Party to another under this Deed must be in writing and is treated as being duly given and received:

when delivered (if left at that Party's address);

on the third Business Day after posting (if sent by pre-paid mail); or

on the Business Day of transmission (if given by facsimile and sent to the facsimile receiver number of that Party and the facsimile machine provides an affirmation of a successful transmission).

Address of Party

For the purposes of this clause, the address of a Party is the address set out below or another address of which that Party may from time to time give notice to each other Party:

AusAID

To: **Desk Name**

Attention: Country Program Manager

Address: Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601

Facsimile: **Desk Fax**

Contractor

To: **Contractor's Name**

Attention:

Address: **Contractor's Address**

Facsimile: **Contractor's Fax**

Subcontractor

To:

Attention:

Address:

Facsimile:

8. **LAWS**

This Deed is subject to and construed in accordance with the laws in force in the Australian Capital Territory.

9. **WARRANTY**

The Subcontractor and the Contractor each warrant and represent to AusAID that at all times:

the execution and delivery of this Deed has been properly authorised by all necessary corporate action of the Subcontractor and the Contractor respectively;

the Subcontractor and the Contractor respectively each has full corporate power and lawful authority to execute and deliver this Deed and to consummate and perform or caused to be performed its obligations under this Deed;

this Deed constitutes a legal, valid and binding obligation of the Subcontractor and the Contractor respectively, enforceable in accordance with its terms by appropriate legal remedy; and

to the best of each of the Subcontractor's or the Contractor's knowledge, there are no actions, claims, proceedings or investigations pending or threatened against or by the Subcontractor or the Contractor respectively that may have a material effect on the ability of the Subcontractor or the Contractor respectively to perform its obligations under this Deed.

10. **GENERAL**

Counterparts

This Deed may be executed up to three (3) counterparts and all of those counterparts taken together constitute one and the same instrument.

Attorneys

Where this Deed is executed on behalf of a Party by an attorney, that attorney by executing declares that the attorney has no notice of the revocation of the power of attorney under the authority of which the attorney executes this Deed on behalf of that Party.

Further Assurance

Each Party must do, sign, execute and deliver and must procure that each of its employees and agents does, signs, executes and delivers all deeds, documents, instruments and acts reasonably required of it or them by notice from another Party effectively to carry out and give full effect to this Deed and the rights and obligations of the Party under it.

Assignment

No Party may assign or transfer any of its rights or obligations under this Deed without the prior consent in writing of the other Parties. AusAID may withhold its consent in its absolute discretion.

EXECUTED as a Deed.

SIGNED, for and on behalf of the)
COMMONWEALTH OF)
AUSTRALIA in the presence of:)
) Signature

.....
Signature of witness

.....
Name of witness
(*Print*)

SIGNED for and on behalf of)
[*Subcontractor*] by:)
)
.....)
Director Director/Secretary
Name of Director Name of Director/Secretary
(*Print*) (*Print*)

SIGNED for and on behalf of)
[*Contractor*] by:)
)
.....)
Director Director/Secretary
Name of Director Name of Director/Secretary
(*Print*) (*Print*)

SCHEDULE 5 - UNCONDITIONAL FINANCIAL UNDERTAKING

THIS DEED POLL made

20

BY:

[]
(the “Guarantor”)

FOR THE BENEFIT OF:

COMMONWEALTH OF AUSTRALIA (represented by the Australian Agency for International Development of the Department of Foreign Affairs and Trade (“**AusAID**”).

RECITALS:

- A. AusAID and **[to be inserted]** (hereinafter called the “**Contractor**”) have agreed to enter into a contract for the provision of services in [] (“the Contract”).
- B. The Contractor has agreed to provide to AusAID prior to execution of the Contract a performance security in respect of the services to be performed by the Contractor in accordance with the executed Contract.
- C. The Contractor has agreed that the performance security shall be in the form of an unconditional and irrevocable financial undertaking of [to be inserted] for the period of [to be inserted] (“the Undertaking”).
- D. The Guarantor has signed this Deed Poll at the request of the Contractor and in consideration of AusAID accepting the Undertaking.
- E. AusAID shall enter into the Contract with the Contractor on condition that the Contractor provides the Undertaking and the Guarantor signs this Deed Poll.

THE GUARANTOR DECLARES as follows:

- 1. The Guarantor unconditionally undertakes and covenants to pay to AusAID on demand without reference to the Contractor and notwithstanding any notice given by the Contractor to the Guarantor not to pay same, any sum or sums which may from time to time be demanded in writing by AusAID to a maximum aggregate sum of [].
- 2. The Guarantor’s liability under this Undertaking shall be a continuing liability and shall continue until payment is made under this Undertaking of the said maximum aggregate sum or AusAID notifies the Guarantor that this Undertaking is no longer required.
- 3. This Undertaking shall be governed by and construed in accordance with the laws for the time being in force in the Australian Capital Territory.
- 4. The Guarantor may at any time pay to AusAID the maximum aggregate sum or such lesser sum remaining after any part payment or payments, which payment shall discharge this Undertaking.

EXECUTED as a deed poll.

SIGNED, for and on behalf of **the**
GUARANTOR, **by:**

Signature of Director

Signature of Director/Secretary

Name of Director
(Print)

Name of Director/Secretary
(Print)

OR

SIGNED, for and on behalf of **the**
GUARANTOR **under power of attorney in**
the presence of:

Signature of attorney

Signature of witness

Name of attorney
(Print)

Name of witness
(Print)

Date of power of attorney

SCHEDULE 6 – PERFORMANCE GUARANTEE

THIS DEED OF GUARANTEE is made the day of 20
BETWEEN COMMONWEALTH OF AUSTRALIA represented by the Australian Agency for
International Development (**'AusAID'**)
AND [] ABN []
('Guarantor')

RECITALS

- A. AusAID wishes to procure certain services.
- B. **Contractor's Name** ('**Contractor**') has agreed to supply the services to AusAID under the annexed Contract (the '**Contract**').
- C. The Guarantor agrees to provide the guarantees and indemnities appearing in this Deed.

AGREEMENT

1. The Guarantor guarantees to AusAID the performance of the obligations undertaken by the Contractor under the Contract on the conditions set out in this Deed.
2. If the Contractor (unless relieved from the performance of the Contract by AusAID expressly or by statute or by a decision of a tribunal of competent jurisdiction) fails to execute and perform its obligations under the Contract, the Guarantor shall, if required to do so by AusAID, complete or cause to be completed the obligations set out in, and in accordance with the conditions of, the Contract. If the Contractor commits any breach of its obligations, and such breach is not remedied by the Guarantor under this Deed and the Contract is then terminated for default, the Guarantor shall indemnify AusAID against losses, damages, costs and expenses directly incurred by reason of that default.
3. The Guarantor shall not be discharged or released or excused from this Deed by an arrangement made between the Contractor and AusAID with or without the consent of the Guarantor, or by any alteration, amendment or variation in the obligations assumed by the Contractor or by any forbearance whether as to payment, time, performance or otherwise. The guarantee by the Guarantor in this Deed to assume the obligations of the Contractor shall continue in force and effect until completion of all the Contractor's obligations under the Contract or until the completion of the undertakings under this Deed by the Guarantor.
4. The undertakings of the Guarantor under this Deed shall not exceed the obligations of the Contractor under the Contract. Any liability of the Guarantor shall be coextensive, but not in excess of any liability of the Contractor to AusAID under the Contract. The Guarantor shall be entitled to all rights, privileges and defences otherwise available, to the Contractor with respect to any such liability, including without limitation all provisions of the Contract relating to the limitation of liability and the resolution of disputes.
5. This Deed is subject to, and is to be construed in accordance with, the laws in force in the Australian Capital Territory and the parties agree that the courts of that Territory have jurisdiction to entertain any action in respect of, or arising out of, this Deed and the parties submit themselves to the jurisdiction of those courts.
6. For the purpose of this Deed, where an obligation of the Contractor under the Contract has not been performed, the Contractor shall be taken to have failed to perform that obligation notwithstanding that the Contractor has been dissolved or is subject to external administration procedures under chapter 5 of the *Corporations Law* or any other law.

7. The guarantee in this Deed is a continuing guarantee to AusAID until the obligations and liabilities of the Contractor under the Contract have in all respects been performed, observed and discharged.
8. The following notice arrangements apply:
 - (a) notice or other communication which may be given to or served on the Guarantor under this Deed shall be deemed to have been duly given or served if it is in writing, signed on behalf of AusAID and is either delivered by hand, posted or faxed or a copy transmitted electronically to the Guarantor or its agent at any registered office of the Guarantor or posted to the Guarantor's address set out above or such other address as is notified in writing to AusAID from time to time;
 - (b) a notice or other communication which may be given to or served on AusAID under this Deed shall be deemed to have been duly given or served if it is in writing, signed by or on behalf of the Guarantor and is either delivered by hand, posted or faxed or a copy transmitted electronically to AusAID at the address set out above or such other address as is notified in writing to the Guarantor from time to time;
 - (c) a notice sent by post shall be deemed to have been given at the time when, in due course of transmission, it would have been delivered at the address to which it is sent; and
 - (d) a notice sent by facsimile transmission or transmitted electronically shall be deemed to have been given when the machine on which the notice is sent reports that the notice has been transmitted satisfactorily.

SIGNED, for and on behalf of the)
COMMONWEALTH OF)
AUSTRALIA by:)

In the presence of:
..... Name and Position
Signature of witness **(Print)**

.....
Name of witness (print)

SIGNED, for and on behalf of)
[Guarantor] by:)
)

.....
Director Director/Secretary
Name Name
(Print) **(Print)**