



Australian Government

AusAID

27 February 2009

Request for Tender

**Indonesia Australia Forest Carbon Partnership Facility
(IAFCP Facility)**

REQUEST FOR TENDER

Indonesia Australia Forest Carbon Partnership Facility (IAFCP Facility)

AusAID is seeking proposals from organisations interested in providing services for the Indonesia Australia Forest Carbon Partnership Facility (IAFCP Facility) (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 1.14, Part 5)

2.00 pm local time in Canberra
Australian Capital Territory, **14 April 2009**

Mode of submission:

(Clause 1.1, Part 5)

Either:

- Electronically, via AusTender at <https://tenders.gov.au> before the tender **Closing Time**;

or

- 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)

Via AusTender at <https://tenders.gov.au>

Canberra Tender Box Address:

(Clause 1.14, 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)

For electronic tender lodgement

Technical Proposal: One (1) electronic copy.

Financial Proposal: One (1) electronic copy in a separate file.

Financial Assessment material: One (1) electronic copy in a separate file.

For hard copy tender lodgement

Technical Proposal: One (1) printed Original and two (2) copies.

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

Financial Assessment material: One (1) printed Original copy in a separate sealed envelope.

CD: Tenderers are to provide one CD which includes the Technical Proposal, Financial Proposal and Financial Assessment material as three (3) separate files in .pdf format.

Endorsement of hard copy Tenders:

(Clause 1.16, Part 5)

“Tender for the ”Indonesia Australia Forest Carbon Partnership Facility (IAFCP Facility).”

Tender Validity Period:

(Clause 1.8, Part 5)

180 days

Contact Person:

(Clause 2.1, Part 5)

Contact Person: Byron Singline

Email address: iafcptender@ausaid.gov.au

Page limits:

(Clauses 7.15 and 7.17, Part 5)

Technical proposal 12 pages plus annexes.

Curriculum Vitae 4 pages maximum each

Information:

The following documents are attached:

1. The Indonesia Australia Forest Carbon Partnership Facility (IAFCP Facility) Design Document (dated 17 December 2008)
2. KFCP Design Framework Design Mission Final Draft Report (dated 15 September 2008)
3. General Advice to Bidders on KFCP

The Request for Tender and any associated documents are available from the AusTender website

<https://tenders.gov.au>

2. **PRE-TENDER BRIEFING**

- 2.1 AusAID intends to hold a pre-tender briefing at the Aryaduta Hotel, Jakarta, at **10am** on **Wednesday 11 March 2009**.
- 2.2 Tenderers planning to attend the pre-tender briefing are requested to send advanced notification by email, indicating the name of the organisation and names and number of people planning to attend, to **Byron Singline**, iafcptender@ausaid.gov.au, by COB **Friday 6 March 2009**.

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 Technical Assessment Panel (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. **ELIGIBILITY TO TENDER**

- 4.1 Eligibility to tender is unrestricted and open to the international market.

5. **ASSESSMENT**

- 5.1 Tenderers will be assessed on both the Technical and Financial components of their Proposal. The Technical Proposal, comprising Tender Schedules A (Response to Selection Criteria) and B (Key Personnel), and specified annexes as outlined in **Clause 6.3** of this **Part 1** will be assessed by the TAP. The Financial component, comprising Tender Schedules C (Financial Proposal) and D (Financial Assessment) will be assessed by AusAID.
- 5.2 Once Tenders are received and verified as conforming to the specifications of AusAID’s Request for Tender, an assessment will be undertaken by the TAP which may recommend a short listing of Tenders for further assessment and interview. Only Tenders that demonstrate their capability to undertake and run the Facility successfully will be considered for short listing, and subsequent interview. The nominated Facility Manager, KFCP Coordinator and Monitoring and Evaluation (M&E) Specialist as well as a

Contractor Representative will be required to participate in the interview. Tenderers may wish to have an observer attend the interview. This observer will not participate in the interview.

- 5.3 Following the TAP assessment of the short listed Tenders, interviews, and the calculation of final aggregate technical scores, AusAID will conduct a separate overarching Value for Money assessment of technically suitable Tenders, which will consider the:
- (i) technical ranking of Tenders;
 - (ii) overall cost of the Tenderers bids;
 - (iii) Tenderers' financial proposals, including an assessment of any risks associated with the structure of the financial proposal;
 - (iv) Overall past performance of the Tenderers';
 - (v) Tenderers' ability to undertake the work at the price tendered; and
 - (vi) Tenderers' financial capacity to meet its contractual obligations in accordance with **Clause 11** (Tender Schedule D – Financial Assessment) of this Part, as well as also considering other factors referred to in **Clause 7.8, Part 5**.
- 5.4 AusAID may subject all Financial Proposals from short listed Tenderers to independent examination by a financial analyst, to ensure completeness and accuracy of costed proposals against the RFT documentation, and to identify any risks likely to impact costs over the life of the Facility.
- 5.5 Following the Technical and Value for Money assessments, 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.
6. **TENDER SCHEDULE A – TECHNICAL PROPOSAL (RESPONSE TO SELECTION CRITERIA)**
- 6.1 **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 6.2 of this Part** taking into consideration “other factors” under **Clause 7.8, Part 5**; and
 - (b) the required annexes included in **Clause 6.3 of this Part**.
- 6.2 Selection Criteria
- (A) PERSONNEL** **Weighting 40%**
- (i) Appropriate qualifications and experience of proposed personnel, and their ability to work with diverse partners to achieve outcomes.

(B) ORGANISATION**Weighting 30%**

- (ii) The Capacity of the organisation / consortia to provide the range of administrative, managerial, procurement and technical skills required to implement the IAFCP Facility, and their track record and experience of implementing complex programs and facilities.

(C) PROGRAM UNDERSTANDING AND APPROACH Weighting 30%

- (iii) Understanding and proposed approach to implementing the IAFCP Facility, with specific consideration of the approach to policy, and readiness activities, and reducing emissions from deforestation and forest degradation (REDD) demonstration activities.

6.3 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 5 examples and details of each activity must not exceed one (1) A4 page.

Tenderers must provide information in the Referees section of each Past Experience Form 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 – Work Plan

A detailed work plan including a comprehensive mobilisation plan for the first ten (10) months of the facility, showing dependencies, eg. a Gantt Chart or Critical Path Method identifying resources, dependencies and milestones. Dates referring to commencement or mobilisation are indicative only and may be varied by AusAID. This annex must be presented on A3 paper and be no more than 2 pages.

Annex 3 – Risk Management Plan

With consideration of (but not limited to) the risks and performance framework outlined in the Facility Design Document (FDD) prepare a detailed Risk Management Plan of up to 6 pages that must identify at a minimum:

- (a) all risks that can be reasonably anticipated;
- (b) the level of probability of the risk eventuating;
- (c) the impact on the project if the risk eventuates along with possible options 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 5 – 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 6 – 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**.

Annex 7 – Advertising Survey

Tenderers are requested to complete the table below and submit with their tender response (on a separate pull-out page). The information collected by this survey is for internal AusAID purposes only and does not form part of the tender assessment.

Tender:

Tenderer's Name:

Which category below best describes the Tenderer's entity type?

Company / Partnership / Trust ☐

Individual / Sole Trader ☐

In which publication or website below did the tenderer first see this tender advertised?

Publication		Please tick
Newspapers	The Weekend Australian	☐
Websites	AusTender (Australian Government Tender System)	☐
	dgMarket (Development Gateway Foundation)	☐
	OECD DAC (Development Assistance Committee)	☐
	UNDB (United Nations Development Business)	☐
	DevelopmentAid.org	
Other	If you were made aware of the tender by other means (e.g. word of mouth/Annual Procurement Plan/AusTender email) please specify below and tick which of the above publications/websites you then went to for further information. Please specify:.....	

7. TENDER SCHEDULE B – SPECIFIED PERSONNEL

7.1 **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 and in accordance with the instructions included in **Clauses 7.2-7.3** below;

- (b) a skills matrix providing a summary illustration of the skills of the proposed Project team as a whole (broken down by individual team members) in the key skill areas required for the Project's implementation; and
 - (c) a curriculum vitae for each proposed team member that conforms with the requirements outlined in **Clauses 7.16 and 7.17, Part 5**.
- 7.2 Tenderers must provide the information in the Referees column of the Specified Personnel table in accordance with **Clauses 7.18 - 7.21, Part 5**.
- 7.3 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.
- 7.4 Tenderers are reminded of the requirements of **Clause 8, Part 6** particularly in relation to the availability of specified personnel. AusAID may 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.
- 7.5 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.
- 7.6 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.

Table 1: Specified Personnel

Position	Name	Total Inputs in person months	Referee Contact Details		Commitments
			#1	#2	
Facility Manager		36 + 24*			
Monitoring and Evaluation (M&E) Specialist		36 + 24*			
KFCP Coordinator		36 + 24*			

Notes to Tenderers:

a) *Additional inputs for Years 4-5 apply only in the event that AusAID exercises its Option to Extend under **Clause 2 of Part 2** to this RFT.

b) None of these positions have been identified as working directly with children.

8. TENDER SCHEDULE C - FINANCIAL PROPOSAL

8.1 **Tender Schedule C** - the financial proposal must contain the information required and in the format detailed in this clause.

8.2 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.

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

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

FACILITY MANAGEMENT FEES

- 8.3 The Facility Management Fees apply to the delivery of the program activities as detailed in **Part 3** (draft Scope of Services) of this RFT.
- 8.4 The Facility Management Fees are set for the term of the Contract and paid against the successful completion of Milestones set out in **Annex 2** of **Part 4** (draft Basis of Payment) to this RFT.
- 8.5 Note that the details of the breakdown of the Facility Management Fees are included in **Clause 5 of Part 4** (draft Basis of Payment) of this RFT. Tenderers should note that these do not represent an exhaustive list of cost items which could be included in the calculation of the Facility Management Fees and should be careful to outline any additional costs they deem necessary specifically as part of the required cost breakdown.
- 8.6 Tenderers must complete the required Facility Management Fees values in Table 2 below:

Table 2 (Facility Management Fee)

	Escalator	Year 1	Year 2	Year 3	Year 4*	Year 5*	Total (A\$)
Facility Management Fee	X% (please specify)						VALUE A
<i>For example: Fixed Fees Per Annum inclusive of escalation factor</i>	2%	\$1,000	\$1,000 (x 1.02) = \$1,020	\$1,020 (x 1.02) = \$1,040	\$1,040 (x 1.02) = \$1,061	\$1,060 (x 1.02) = \$1,082	\$5,203

*Note to Tenderers: Years 4-5 apply only in the event that AusAID exercises its option to extend under **Clause 2** of **Part 2** (Project Specific Contract Conditions) to this RFT.

- 8.7 Tenderers **must** also provide a **comprehensive and detailed cost breakdown** of the Facility Management Fees as specified in **Table 2** above, including identifying separately any potential costs relating to the Unconditional Financial Undertaking (**Clause 14 of Part 2**) and the Performance Guarantee (**Clause 15 of Part 2**).

REIMBURSABLE COSTS

- 8.8 Reimbursable Costs will be paid quarterly in arrears based on actual costs paid by the Contractor and be inclusive of Personnel Costs and Facility Operating Expenses.

Personnel Costs

- 8.9 Tenderers must detail in the following Table 3 the costs of all required Personnel in the format provided. These costs must include consideration of all factors of pay, including leave entitlement, as outlined in **Clause 2** of **Part 4** (draft Basis of Payment).

Table 3 –Personnel Costs

Position	Input months	Monthly Rate Year 1	Monthly Rate Year 2	Monthly Rate Year 3	Monthly Rate Year 4*	Monthly Rate Year 5*	Maximum Amount Payable (A\$)
Facility Manager	36 + 24*						
Monitoring and Evaluation Specialist	36 + 24*						
KFCP Coordinator	36 + 24*						
Admin/Support Staff							
Total							VALUE B

*Note: Years 4 and 5 apply only in the event that AusAID exercise its option to extend under **Clause 2 of Part 2** (Project Specific Contract Conditions) to this RFT.

- 8.10 Where annual recreation leave entitlements exceed 2 trips or a total of 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.

Facility Operating Expenses

- 8.11 Facility Operating Expenses will be reimbursed up to a maximum of **A\$1,864,000** for the initial 36 months of the Contract in accordance with **Annex 3** of **Part 4** (draft **Basis of Payment**) to this RFT.

9. FINANCIAL PROPOSAL SUMMARY

- 9.1 Tenderers must complete the Summary Table below inserting Values A and B from Tables 2 and 3 respectively.

Table 4: Financial Proposal Summary

Item	Maximum Amount Payable (A\$)
Facility Management Fees	(Value A)
Personnel Costs	(Value B)
Total	(A)+(B)

10. TENDER SCHEDULE D – FINANCIAL ASSESSMENT

- 10.1 No Contract will be entered into unless AusAID has satisfied itself of the financial capacity of the Tenderer to undertake the obligations specified under the Contract.
- 10.2 For this RFT, AusAID is trialling an alternative approach to financial assessment, and has appointed an independent financial assessor to evaluate Tenderers' financial capacity.
- 10.3 The Tenderer should be prepared to provide the financial assessor with details of relevant financial data and other relevant information concerning the Tenderer, if so requested by the financial assessor. Financial data and other information requested may include, but not be limited to:
- (a) complete annual financial statements for the last three financial years, with all supporting notes;

- (b) descriptions of any recent changes of substance in the Tenderer's financial position that are not reflected in the most recent financial information provided under clause 9.3(a) above;
- (c) details of any other tendering opportunities currently being pursued by the tendering entity or related entities within the group; and
- (d) details of any significant events, matters or circumstances that may significantly affect the Tenderer's capacity to perform the Services.

10.4 To facilitate the financial assessment process, Tenderers must provide the following details in Tender Schedule D:

- (a) The name, telephone number and email address of the tendering entity's nominated contact point for the financial assessment.

10.5 The financial assessor's report on the financial capacity of the Tenderer to undertake the Contract may be provided to either the delegate or the TAP.

10.6 The financial information of Tenderers will be treated confidentially.

10.7 Failure by a Tenderer to provide financial information when requested by the financial assessor may result in the tender not being assessed further.

PART 2 - PROJECT SPECIFIC CONTRACT CONDITIONS

Note to Tenderers: Although these Project Specific Contract Conditions are presented as **Part 2** of this RFT, in the consolidated Contract Conditions they will appear as **Part A**.

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** (Project Commencement) **below**.

"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 (6) months or longer on the Project.

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

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

"RPP" means the Rolling Prioritisation Plan.

"Schedule of Rates" means the **Annex 1 to Schedule 2**.

"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.

"Tender" means the tender submitted by the Contractor together with accompanying documentation as an offer to undertake the Services.

"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. PROJECT COMMENCEMENT

2.1 The Contractor must commence the Services no later than xx July 2009 (actual date to be confirmed), which date will be referred to as the Project Start Date.

2.2 The term of this Contract is deemed to have begun on the Project Start Date and continues until the final payment is made or earlier notice of termination under the Contract.

- 2.3 AusAID may in accordance with the terms of this Contract and at its sole discretion, exercise an option to extend the Services for a period of up to two (2) years in accordance with **Clause 7 to Schedule 1(Scope of Services)**.

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 three (3) 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 three (3) months; and
 - (d) forward expenditure and expenses by category for the period of three (3) 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: AusAID Jakarta

Attention: Program Manager, Climate Change

Postal/Street Address: Australian Embassy
Jl. H.R. Rasuna Said Kav. C15-16
Jakarta 12940, Indonesia

Facsimile: +62 21 392 7274

Contractor:

To: Contractor's Name

Attention: Contact Person

Postal Address: Contractor's Postal Address

Street Address: Contractor's Head Office Street Address

Facsimile: Contractor's Fax

5. MANAGEMENT SERVICES

- 5.1 The Contractor must provide all Management Services necessary for the provision of the Services. In addition to the other requirements specified by the Contract, at a minimum the Contractor must provide the following Management Services:
- (a) provide pre-mobilisation briefings to Contractor Personnel covering, amongst other things: security, medical/health situation; cultural environment; detail on project objectives; and relevant contract obligations;

- (b) decision-making within the Contractor's organisation and the advising of AusAID of decisions required by AusAID;
- (c) pro-actively identifying and rectifying problems or recommending strategies to AusAID on how to rectify problems, which may arise in, or during the performance of, the Services;
- (d) managing those risks which are the Contractor's responsibility under the Contract in accordance with the Risk Management Plan including in relation to Supplies after delivery and before their incorporation into the Project;
- (e) attendance at briefings with AusAID and status reporting to AusAID on progress at the times required by AusAID;

6. **MONITORING REVIEW GROUP**

6.1 AusAID may establish a Monitoring Review Group (the “MRG”) 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.

6.2 The Contractor must:

- (a) attend and participate in those MRG meetings which AusAID directs it in writing to attend;
- (b) when required by AusAID, consult with the MRG 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 MRG 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 MRG in the performance of its monitoring and review;
- (d) co-operate with and assist the MRG 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 MRG copies of all reports, notices, information or other Project material which the MRG 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.

7. **ROLLING PRIORITISATION PLAN (RPP)**

- 7.1 The Contractor must provide to AusAID on a six-monthly basis its portion of the RPP in accordance with **Clause 4.38 of Schedule 1(Scope of Services)**.
- 7.2 The Contractor's portion of the RPP should be prepared in accordance with directions provided by the Partnership Office (PO), and 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 RPP;
 - (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 RPP;
- 7.3 The Contractor must make amendments to the RPP as reasonably requested by AusAID.
- 7.4 Within 30 days of receipt of the RPP in accordance with **Clause 7.1 above** AusAID shall notify the Contractor in writing when a decision is likely to be made to reject or accept the RPP. If such RPP 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.
- 7.5 Acceptance by AusAID of an RPP does not represent a change to the Contract. The Contract may only be varied in accordance with the Standard Conditions **Clause 12** (Contract Amendments and Variation).

8. **SUB-CONTRACTING**

- 8.1 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\$100,000.00 or more. In granting its approval AusAID may impose such conditions, 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.
- 8.2 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\$100,000.00 or more.
- 8.3 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.

9. **MEETINGS**

- 9.1 The Facility Manager must attend meetings at AusAID Jakarta at time determined by AusAID, 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.

9.2 AusAID may require an implementation briefing in Jakarta or Canberra prior to mobilisation. The Facility Manager who is included in the Specified Personnel must attend this meeting.

9.3 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).

10. **RIGHT OF AusAID TO RECOVER MONEY**

10.1 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.

10.2 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 10.2(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.

10.3 If the Contractor fails within the relevant time to make a refund to AusAID of an overpayment determined under **Clause 10.2**, 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.

10.4 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.

11. GOVERNMENT TAXES, DUTIES AND CHARGES

11.1 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.

11.2 Except where the Contract, the Treaty between Australia and the Partner Country or the MOU 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.

11.3 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.

11.4 Subject to **Clause 11.8 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.

11.5 An increase in the Fees under **Clause 11.4 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.

11.6 A decrease in Fees under **Clause 11.4 above** shall take effect from the date on which the change in the Changed Tax becomes effective.

11.7 The Contractor may claim a Changed Tax adjustment only once in respect of any change.

11.8 **Clause 11.4 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.

12. INSURANCES

12.1 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.
- 12.2 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.
- 12.3 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.
- 13. **IN COUNTRY MANAGEMENT**
- 13.1 The Contractor acknowledges that management of this contract will be by AusAID Jakarta. The Contractor shall deal with AusAID Jakarta in relation to the management of this Contract.
- 14. **IMPREST ACCOUNT**
- 14.1 The Contractor shall establish an Imprest Account in accordance with this **Clause 14**.
- 14.2 The Contractor must undertake a selection process in order to recommend an authorised deposit-taking institution which represents value for money for AusAID approval, with which to establish the separate Imprest Account.
- 14.3 The Imprest Account will be titled **IAFCP Facility Imprest Account**. In correspondence with AusAID the Imprest Account will be referred to by title.
- 14.4 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.
- 14.5 The Contractor agrees that the money in the Imprest Account is to be used for the purpose of funding approved Project activities. 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.
- 14.6 The Contractor is responsible for the management of (including scheduling, acquittal and disbursement) and reporting on the Imprest Account.
- 14.7 The Contractor must produce and submit to AusAID for approval within 30 days of the Project Start Date a Financial Manual of Operations and draft Procurement Guidelines which will contain details of the management arrangements and operational procedures for the Imprest Account. Where appropriate the Financial Manual of Operations must be developed in consultation with counterparts using counterpart systems, forms and processes as much as possible.
- 14.8 The Contractor will appoint two Specified Personnel as principal signatories to the Imprest Account. 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.

- (a) The funds deposited into the Imprest Account by AusAID shall be used solely for the purpose of funding activities approved in accordance with **Clause 4** of **Schedule 2**.

- 14.9 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.
- 14.10 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.
- 14.11 The Contractor must provide AusAID prior to the deposit by AusAID of monies into the Imprest Account, financial security in accordance with **Clause 15**.
- 14.12 Subject to **Clause 14.14** and **14.15** below, monies for the Imprest Account will be paid by AusAID to the Contractor on a quarterly basis.
- 14.13 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) cashflow projection of funds required for each subsequent payment, over the next twelve month period.
- 14.14 Amounts payable in accordance with **Clause 14.12** above, will be paid within 10 days of notification received by AusAID's Finance Section.
- 14.15 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 37** (Notices), with a copy of the balance provided to AusAID's Chief Finance Officer by:

Email (Preferably): accountsprocessing@ausaid.gov.au

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

- 14.16 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 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 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

- 14.17 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 **14.16** above.
- 14.18 The cost of an audit conducted in accordance with Clauses **14.16** and **14.17** 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.
- 14.19 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.
- 14.20 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.
- 14.21 In the event that AusAID becomes aware that any money cannot be accounted for by the Contractor in the Imprest Account, 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 15**, whichever AusAID in its absolute discretion considers appropriate.

15. UNCONDITIONAL FINANCIAL UNDERTAKING

Tenderers should note that this Clause may be required following completion of the financial assessment and should be costed separately as part of Tender Schedule C.

- 15.1 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.
- 15.2 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\$1.5 million and be available for the term of the Contract.
- 15.3 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 15.1** above.
- 15.4 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.

16. **PERFORMANCE GUARANTEE**

Tenderers should note that this Clause may be required following completion of the financial assessment and should be costed separately as part of Tender Schedule C.

- 16.1 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**.

SCHEDULE 1 – SCOPE OF SERVICES

Indonesia Australia Forest Carbon Partnership Facility (IAFCP Facility)

Note to Tenderers: The draft Scope of Services presented here as Part 3 of this RFT will appear as Schedule 1 in the consolidated Contract.

1. BACKGROUND

- 1.1 The 2007 Bali Climate Change Conference (13th Conference of the Parties or COP13) of the United Nations Framework Convention on Climate Change (UNFCCC) launched a comprehensive process for moving forward on measures to address climate change issues. It also set the agenda for work leading up to the crucial 15th Conference of Parties in Copenhagen (COP15) in late 2009. At Copenhagen, decisions will be made on the inclusion of reducing emissions from deforestation and forest degradation in developing countries (REDD) in a post-2012 global climate change outcome.
- 1.2 Efforts to mitigate climate change include measurement, reporting and verification of greenhouse gas emissions and their reduction. They also include the development of market mechanisms that will allow emission reductions to be converted into carbon credits. In particular there is a need to demonstrate that REDD can contribute significantly to reduction in greenhouse gases and to the emerging carbon market.
- 1.3 Indonesia is playing a leading role among developing countries in establishing the necessary policy, technical and legal systems and frameworks for REDD and to engage in emerging international carbon market for forest carbon emission reductions. The Indonesia-Australia Forest Carbon Partnership (IAFCP), signed in June 2008 by the leaders of Indonesia and Australia, has committed both nations to partnership in this endeavour. It is also supported by the Roadmap for Access to International Carbon Markets that was agreed by Indonesian and Australian Ministers in November 2008. Australia and Indonesia are working to support international efforts on REDD through the UNFCCC. Practical activities under the IAFCP aim to establish the necessary systems and financial mechanisms to address technical and methodological issues and ensure long term emission reductions. A decision at COP15 to include REDD as part of a post-2012 international climate change outcome will be a crucial next step in supporting international efforts on REDD.
- 1.4 Australia's contribution to the global effort on REDD is the International Forest Carbon Initiative (IFCI). IFCI aims to demonstrate that reducing emissions from deforestation and forest degradation in developing countries can be part of an equitable and effective international outcome on climate change. A central element of work is the development of practical REDD demonstration activities in Indonesia and Papua New Guinea. Planning and delivery of the IFCI involves a whole-of-government effort, led by the Australian Agency for International

Development (AusAID) and the Australian Government Department of Climate Change (DCC).

- 1.5 The IAFCP has been articulated as the component of IFCI that focuses on bilateral cooperation between Indonesia and Australia, as distinct from other components of IFCI. As agreed between the President of the Republic of Indonesia and the Prime Minister of Australia, “the Partnership will build upon, and provide clearer goals for, existing cooperation between Indonesia and Australia in three key areas:
 - (a) policy development and capacity building to support participation in international negotiations and future carbon markets;
 - (b) technical support for Indonesia to develop its national forest carbon accounting and monitoring system; and
 - (c) the further development of demonstration activities, and the provision of related enabling assistance, to trial approaches to reducing emissions from deforestation and forest degradation”.
- 1.6 The Indonesia-Australian Forest Carbon Partnership Facility (IAFCP Facility) is the implementation mechanism for the Indonesia-Australia Forest Carbon Partnership. It is funded through the Australian Agency for International Development (AusAID) and the Department of Climate Change (DCC) and will run from mid-2009 until 30 June 2012. Reviews of the programme are expected after COP15 of the UNFCCC, which takes place in December 2009, and in 2012.

2. **FACILITY GOAL AND PURPOSE**

- 2.1 The goal of the IAFCP Facility is to support the demonstration through the IAFCP that reducing emissions from deforestation and forest degradation in developing countries can be part of an equitable and effective post-2012 global outcome on climate change under the UNFCCC.
- 2.2 The purpose of the IAFCP Facility is to support the Partnership Office (PO) to deliver scientifically rigorous policy and technical solutions for the IAFCP, to support the development of Indonesia and Australia’s national positions on REDD and to inform international negotiations on REDD.

3. **FACILITY COMPONENTS AND OUTPUTS**

3.1 *Component 1: IAFCP Support*

- (a) Objective: Under IAFCP direction, support policy and readiness activities of the Partnership.
- (b) Output 1.1: As instructed through the Partnership Office, administrative, logistical, financial and procurement requirements of the Partnership

Office, the IAFCP Steering Committee and all subsidiary groups met in a timely and cost effective manner.

- (c) Output 1.2: As instructed through the Partnership Office, administrative, logistical, financial and procurement requirements of IAFCP-related activities implemented in Indonesia and Australia in a timely and cost effective manner.
- 3.2 *Component 2: REDD Demonstration Activities*
- (a) Objective: Under the direction, guidance and supervision of the Partnership Office, design, implement, manage and report upon high quality REDD demonstration activities.
 - (b) Output 2.1: The Kalimantan Forests and Climate Partnership (KFCP) implemented, managed and monitored according to the agreed design, as updated from time to time.
 - (c) Output 2.2: Further REDD demonstration activities designed, implemented and monitored as per IAFCP instructions.
4. **FACILITY MANAGEMENT STRUCTURE AND MECHANISMS**
- 4.1 Overall authority for managing the Partnership Office and the IAFCP Facility rests with AusAID (GOA) and BAPPENAS (GOI) as the designated Coordinating Authorities of the respective governments and as Co-Chairs of the IAFCP Steering Committee. The roles of the key actors in the Facility management structure and the core management mechanisms are outlined below.
- IAFCP Steering Committee**
- 4.2 The IAFCP Steering Committee guides and oversees the implementation of IAFCP. The Steering Committee is co-chaired by the BAPPENAS Deputy Minister responsible for Natural Resources and Environment and by the AusAID Assistant Director-General of the Sustainable Development Group, and includes other members:
- (a) A representative of the Department of Climate Change, GOA;
 - (b) A representative from AusAID Jakarta, GOA;
 - (c) Three representatives of the Ministry of Forestry, GOI;
 - (d) A representative of the Ministry of Environment, GOI; and
 - (e) A representative of the Ministry of Foreign Affairs, GOI;

- 4.3 The following act as observers on the IAFCP Steering Committee:
- (a) A representative of the Department of Foreign Affairs & Trade, GOA;
 - (b) A representative of the Department of Agriculture, Forestry & Fisheries, GOA;
 - (c) A representative of the IAFCP Partnership Office;
 - (d) A representative of the Contractor; and
 - (e) Local government and other implementing agencies and donors may also be invited to act as observers.
- 4.4 GOI and GOA may review the membership of the IAFCP Steering Committee.
- 4.5 The IAFCP Steering Committee nominates Task Groups and their composition on the advice of the Partnership Office and in conjunction with stakeholder organisations.
- 4.6 The IAFCP Steering Committee will at minimum meet formally at six-monthly intervals to deal with all major IAFCP issues. In this regard it provides a coordination point for GOI and GOA for cooperative REDD activities and policy developments. It will
- (a) review overall progress of IAFCP activities as presented by the Partnership Office with support from the IAFCP Facility; and
 - (b) provide strategic guidance and approval for a Rolling Prioritisation Plan (RPP) for the Partnership Office and the IAFCP Facility and its associated budget as formulated by the Partnership Office in consultation with the Contractor.
- 4.7 The IAFCP Steering Committee may hold additional meetings related to IAFCP as appropriate.

BAPPENAS

- 4.8 BAPPENAS as the GOI Coordinating Authority will co-chair the Steering Committee and help ensure smooth and effective implementation.

Ministry of Forestry

- 4.9 The Forestry Planning Agency (Baplan) in the Ministry of Forestry is the GOI Executing Agency for the IAFCP and will be the GOI contact point for day-to-day IAFCP planning and implementation.

AusAID

- 4.10 AusAID as GOA Executing Authority (jointly with DCC) will co-chair the Steering Committee. It will engage manage, monitor and assess the performance of the Contractor; exercise financial oversight, including through the right of final approval of detailed activity designs, expenditure budgets and procurement decisions.

Department of Climate Change

- 4.11 The DCC has joint lead with AusAID within the GOA on the IFCI and the IAFCP.

Partnership Office (PO)

- 4.12 The PO supports and advises the Steering Committee on all aspects of IAFCP operation and Facility implementation. The PO acts as advisor to the two Governments and will be assisted by the Contractor in the formulation and submission of the six-monthly Rolling Prioritisation Plan (RPP) (see Clause 4.38). The PO will also advise the Steering Committee on the formation and membership of Task Groups (see Clause 4.17) as the need arises.
- 4.13 The PO directs implementation of all work within the IAFCP. In this regard, and reflecting the directions of the Steering Committee, it instructs the Contractor to
- (a) resource all IAFCP activities and groups (including the PO, Steering Committee, Task Groups and Technical Panel as per Component 1); and
 - (b) design, implement and monitor REDD demonstration activities as per Component 2.
- 4.14 The PO supports Task Groups to define terms of reference for work to be undertaken by the IAFCP Facility and where applicable the PO itself. It has the responsibility to convene and facilitate Task Group meetings and to ensure that their results are communicated to the Steering Committee and to the Facility. The PO also has the responsibility to call for and manage high-level advice or appraisal from the Technical Panel (see **Clause 4.20-4.22**) as and when this is required.
- 4.15 The PO is headed by a GOA-appointed Coordinator, appointed by and contracted to GOA, and a GOI-appointed Coordinator, appointed on the advice of GOI and contracted to the Contractor. The Coordinators are assisted by a team of Forest and Climate Specialists and a number of administrative staff who will be novated to the Contractor.
- 4.16 All communications and reporting on matters regarding the operations of the Facility will be through the GOA-appointed Coordinator of the PO.

Task Groups

- 4.17 The Task Groups will be from relevant stakeholder organisations and may include a representative from the Contractor and the PO. Members will have specific expertise and professional interest in the various aspects of activities that will be implemented under IAFCP. They are to be formed and disbanded as required to deal with technical issues as the need to program activities arises.
- 4.18 Task Groups will:
- (a) Develop broad terms of reference (TOR) for activities implemented under IAFCP, including by the PO and the Facility. TOR will clearly establish objectives, timeframe, quality assurance and monitoring requirements and the cost framework;
 - (b) Review and agree on detailed designs for IAFCP activities prepared with the support of the IAFCP Facility prior to implementation;
 - (c) Maintain a watching brief from a technical perspective as activity implementation progresses; and
 - (d) Receive and review reports on the activities under their remit to ascertain whether implementation has been undertaken in accordance with the TOR. If the Tasks Groups are satisfied with results, outcomes and achievements are reported through the PO to the Steering Committee.
- 4.19 The planned KFCP Management Committee will be re-designated the KFCP Task Group and will undertake Task Group activities in regard to KFCP.

Technical Panel

- 4.20 GOA and GOI will form a Technical Panel of recognised experts in REDD and related technical matters. The Panel members will be called upon from time to time and as required by IAFCP through the PO.
- 4.21 The aim of the Technical Panel is to ensure a very high level of scientific rigour in the design and implementation and interpretation of results of all IAFCP technical activities. The Panel will provide critical appraisal for IAFCP activities as directed by the PO.
- 4.22 The Technical Panel will provide the following services:
- (a) provide independent high level technical advice to the two governments on REDD and related technical matters; and
 - (b) appraise activity TOR and activity results.

IAFCP Facility Contractor

- 4.23 Day-to-day responsibility for managing the implementation of the IAFCP Facility will be vested in the Contractor.
- 4.24 The duties of the Contractor will include to:
- (a) manage the facility and deliver agreed outputs for all activities and tasks;
 - (b) oversee detailed design (such as logistics, specific timing of inputs), contracting, supervision and reporting of all activities implemented through the IAFCP Facility;
 - (c) oversee all administrative, logistic, procurement, contracting and recruitment for:
 - (i) the Steering Committee, PO, Task Groups and Technical Panel, and
 - (ii) the work of other groups engaged to implement activities under IAFCP.
- 4.25 The Contractor will communicate with and report to AusAID Jakarta on contractual, financial reporting and invoicing issues. The Contractor will be subject to regular independent audit.
- 4.26 The Contractor will communicate with and report to the GOA-appointed Coordinator of the PO on all issues regarding activity management, including but not limited to implementation, monitoring, quality assurance, programming and establishment of budgets.

Activities and Contracting Parameters

- 4.27 Activities are the basic building blocks for the delivery of technical assistance and other services under IAFCP. Activities are coherent tasks, with well defined objectives, outputs and inputs. Implementation of the program will be driven by the PO. Activities may be implemented through one or more contracts, directly by the Contractor or the PO or by a combination of both. The RPP (see Clause 4.39) will at any time comprise many activities that contribute to the goal, purpose and objectives of Facility.
- 4.28 The PO will ensure that any activity that has a value of A\$3 million or more will be subject to appropriate quality control processes that reflect AusAID's Quality At Entry criteria.
- 4.29 The GOA-appointed Coordinator, appointed by AusAID, will be responsible for coordination of all activities and implementation of those activities implemented under the PO. The GOA-appointed Coordinator will work in synergy and close consultation with the GOI-appointed Coordinator.

- 4.30 Activities that are implemented, either by sub-contract or directly by the Contractor (where permissible in accordance with **Clause 4.36(b)**), will be accountable to the PO and relevant Task Group (as appropriate).
- 4.31 The Contractor is required to develop Procurement Guidelines for approval by AusAID. This guideline shall document the Contractor's processes for procuring activities under Components 1 and 2, is to ensure the proposed processes are in accordance with the principles of the Commonwealth Procurement Guidelines (CPGs).

Procurement under Component 1

- 4.32 Activities under Component 1 (Output 1.2, IAFCP support) will be implemented by sub-contractors appointed through a process to be managed by the Contractor and funded from the Facility's Imprest Account.
- 4.33 Instructions for the procurement of Component 1 activities will come from the PO. Procurement of activities under Component 1 will be undertaken in accordance with the Procurement Guidelines developed by the Contractor and approved by AusAID.
- 4.34 Component 1 activities will be implemented under the oversight and direction of the PO.

Procurement under Component 2

- 4.35 Activities under Component 2 will be implemented by sub-contractors appointed through a process to be managed by the Contractor shall follow an open and competitive process and be conducted in accordance with the approved Procurement Guidelines and be funded from the Facility's Imprest Account.
- (a) In limited cases (detailed at Clause 4.36 below) the Contractor may implement activities directly.
- 4.36 The Contractor may implement activities under Component 2, where the Contractor can demonstrate to the PO that it can provide competent services acceptable to AusAID and the counterpart agency, subject to the following:
- (a) written approval must be obtained from AusAID before any activities are implemented by the Contractor;
- (b) requests for approval must be carefully justified, demonstrate clear value for money and provide documentary evidence that the rates for the nominated personnel are in line with market rates and rates that these personnel have received for comparable assignments over the previous two years, and that these rates do not include a management fee for staff hired to undertake specific self-implemented activities; and
- (c) that total specific activity costs are not more than A\$250,000.

(see **Clause 8 Part 2 Project Specific Contract Conditions** for further details on implementation by the Contractor).

- 4.37 Where there is a continuation or follow-up activity on request of the partner agency, a sub-contractor may be allowed to continue to provide that service or input with clear justification. Requests for roll-over contracts must be approved in advance by AusAID and the relevant counterpart agency.

Rolling Prioritisation Plan (RPP)

- 4.38 The RPP is the key planning document for the IAFCP Facility. The GOA and GOI coordinators will assemble the RPP every six months for submission to the Steering Committee. The Contractor will be responsible for formulating those parts of the RPP that relate to activities implemented through the IAFCP Facility. This input will be submitted to the PO at least three weeks prior to the formal six-monthly Steering Committee meeting and by the PO to the Steering Committee at least one week prior to each formal meeting of the Steering Committee. Input to the RPP will include:

- (a) A succinct review of progress and achievements during the preceding six-month period based on the Contractor's ongoing monitoring and evaluation, together with information on any important issues arising and related remedial actions taken or needing to be taken;
- (b) proposed overall strategy for the following 12 months of the plan;
- (c) a forward work plan including proposed program outputs and budget for IAFCP activities (including IAFCP Facility costs) for the coming 12 months.

Monitoring and Evaluation

- 4.39 Importance is placed on effective monitoring and evaluation (M&E) of the IAFCP Facility and the overall IAFCP. The M&E framework will have two focus areas:
- (a) On-going M&E: This will be conducted by the Contractor in conjunction with the PO to inform the Steering Committee and to feed into the continuous improvement of strategies, work plans, activity designs, and activity delivery as well as to meet requirements for development effectiveness reporting. Ongoing M&E for which the Contractor is responsible is responsible in accordance with **Clauses 5.13 to 5.15** below;
 - (b) Contractor Performance Assessment: This will be conducted annually by AusAID to determine the extent to which the Contractor is delivering the IAFCP Facility in an efficient, effective and accountable manner. The Performance Assessment will substantially be in the format provided at Annex 2 to this Schedule and the specific criteria are to be determined jointly between AusAID and the Contractor for the following 12 months. GOI counterparts will be invited to participate in these discussions.

5. SCOPE OF THE CONTRACTOR'S SERVICES

5.1 The Contractor is required to perform the following services in accordance with this Contract and in accordance with the Contractor's Technical Proposal dated xx/xx/xx):

- (a) Establish/maintain an office in Jakarta and an office in Palangka Raya in central Kalimantan and field sub-offices to service field elements of the KFCP, and other offices as required on the direction of PO. The Jakarta office is currently being established and will accommodate AusAID forests and climate specialists, Government of Indonesia staff assigned to work on the IAFCP, consultants engaged for interim program activities and the Contractor's staff. The PO and the IAFCP Facility will thus be co-located in this premises after the Contractor has been appointed.
- (b) provide administrative, logistical, procurement, financial, contracting and recruitment services for all aspects of the IAFCP as instructed by the GOA-appointed Coordinator of the PO (see **Clauses 5.3 - 5.7**);
- (c) design, implement, manage and report on all IAFCP REDD demonstration activities (see **Clauses 5.8 - 5.11**), and other activities as directed by the PO;
- (d) staff the IAFCP Facility with suitable personnel in accordance with the requirements described in **Clause 8**;
- (e) after novation (if required) from AusAID and HK Logistics, manage existing personnel contracts for the three (3) Forest and Climate Specialists who will work for the PO, and the KFCP Field Project Coordinator and Administration Officer. This may include the novation to the Contractor of existing office leases, service agreements, insurances and personnel; and
- (f) enter into an agreement with LandGate for the FireWatch Project, if the project is expanded or extended beyond its current scope and end date of 30 June 2009.

[Note: Tenderers should be aware that HK Logistics has been appointed as an interim contractor for the IAFCP with an end date of 30 June 2009, and is currently engaged in implementing preparatory program activities, as directed by the Partnership Office.]

5.2 As directed by the PO in consultation with DCC, the Contractor shall, based on operations undertaken through the IAFCP Facility, provide relevant information to enable GOA and GOI to set out a case at international climate change negotiations for the inclusion of REDD in a post-2012 global outcome on climate change under the UNFCCC.

Support for the Indonesia Australia Forest Carbon Partnership (Component 1)

- 5.3 The Contractor shall, under the direction of the PO, support policy and readiness tasks and activities required by GOA, GOI or other groups under IAFCP. This will include the provision of logistical, administrative, financial, recruitment and procurement support.
- 5.4 Included in support for the IAFCP are logistical and procurement requirements of the PO, the IAFCP Steering Committee and all subsidiary groups. In particular the Contractor shall:
- (a) Resource the Steering Committee of the IAFCP. The Contractor shall:
 - (i) Provide secretariat services to the Steering Committee including through the organisation and hosting of meetings, venues, keeping of minutes and the circulation of Steering Committee papers a minimum of a week prior to Steering Committee meetings;
 - (ii) Prepare Steering Committee minutes for distribution within two weeks of the meeting in consultation with the PO, including on decisions, instructions and guidance provided to PO, Tasks Groups, and Technical Panel members; and
 - (iii) Provide logistics services for Steering Committee members involved in travel for IAFCP purposes as directed by the PO.
 - (b) Resource the PO of the IAFCP. The Contractor shall:
 - (i) Provide all office services for the PO;
 - (ii) Provide contracting, payment, logistics, travel and support services for all PO staff – including the GOI-appointed Coordinator, GOI Secondees and the three Forests and Climate Specialists (as novated under Clause 5.1(e)), and for all administrative and other support staff as instructed by the GOA-appointed Coordinator; but
 - (iii) This does not include contracting and payment for the GOA-appointed Coordinator, who is contracted directly by AusAID.
 - (c) Resource the Task Groups of the IAFCP. The Contractor shall:
 - (i) Support Task Groups meetings; assist with the preparation of terms of reference for all IAFCP activities including those undertaken through the IAFCP Facility and undertake peer review of results obtained through all implemented activities;
 - (ii) Provide general administrative, financial management and secretarial support services for the Task Groups; and

- (iii) Provide logistics and travel services for members of the Task Groups involved in travel for IAFCP purposes as directed by PO.
 - (d) Resource the Technical Panel of the IAFCP. The Contractor shall:
 - (i) Contract all members of the Technical Panel as instructed by the PO;
 - (ii) Provide administrative, logistical, financial and travel services for Technical Panel members in the execution of their tasks.
 - (e) Establish and resource other groups as deemed essential by the IAFCP Steering Committee.
- 5.5 Also included in support for the IAFCP are logistical and procurement requirements of IAFCP-related activities implemented in Indonesia and Australia. These activities are:
- (a) The Forest Resource Information System and the related National Carbon Accounting System for Indonesia;
 - (b) The GOA commitments for the multi-lateral Indonesia Forest Climate Alliance (IFCA);
 - (c) Research-oriented activities to support REDD including peat science research and any other research activities deemed necessary by the IAFCP Steering Committee;
 - (d) Work on the Roadmap for Access to International Carbon Markets as deemed necessary by the IAFCP Steering Committee;
 - (e) The work of the FireWatch Project under clause 5.1(f); and
 - (f) Any other subsidiary project of IAFCP to be implemented by other groups in Indonesia and Australia as directed by the IAFCP Steering Committee through the PO.
- 5.6 Support from the Contractor for Component 1 activities will be in the form of:
- (a) Sub-contracting of activities on behalf of IAFCP, as agreed with the PO and on the advice of relevant Task Groups;
 - (b) Direct implementation of activities, subject to those conditions as outlined in Clause 4.36; and
 - (c) Provision of administrative, financial management, logistic, procurement, contracting and recruitment services to groups in Indonesia and Australia undertaking work on behalf of IAFCP as agreed with the PO.

- 5.7 The Contractor shall not be responsible for the quality and timeliness of work undertaken by any other group it resources under the provisions for Component 1 beyond the requirement to provide resources in a timely and cost effective manner.

REDD Demonstration Activities (Component 2)

- 5.8 The Contractor shall, under the direction and leadership of the PO, design, implement and monitor, and be accountable for the delivery of high quality REDD demonstration activities.
- 5.9 The KFCP is included within the planned REDD demonstration activities. KFCP will be managed and monitored by the Contractor according to the KFCP Design Framework Design Mission Final Draft Report (dated 15 September 2008) and according to the future detailed design. The Contractor shall:
- (a) Negotiate and agree tasks for KFCP on the advice of the KFCP Task Group as defined in Clause 4.17;
 - (b) Prepare detailed designs, work and monitoring plans for each KFCP task and submit them through the PO for review by the KFCP Task Group;
 - (c) Implement, sub-contract and manage KFCP tasks as directed by the PO; and
 - (d) Report on KFCP tasks through the PO for review by the KFCP Task Group.
- 5.10 Other REDD demonstration activities are to be designed, implemented and monitored as per IAFCP instructions. The Contractor shall at minimum:
- (a) On the instructions of the PO, prepare designs for additional demonstration activities;
 - (b) Negotiate and agree additional demonstration activities with the PO on the advice of the relevant Task Group(s);
 - (c) Prepare detailed designs, work and monitoring plans for each additional demonstration activity and submit them through the PO for review by the relevant Task Group(s);
 - (d) Implement additional demonstration activity tasks as approved by the PO; and
 - (e) Report on additional demonstration tasks through the PO for review by the relevant Task Group(s).
- 5.11 The Contractor shall be responsible for performance and quality of work undertaken under the provisions for Component 2.

Financial Management

5.12 The Contractor is required to:

- (a) establish and implement a financial management system that supports quarterly financial reporting in a format acceptable to AusAID and document this system in the Financial Operations Manual;
- (b) establish an Imprest Account in accordance with Clause 16 of Part A (Project Specific Contract Conditions);
- (c) provide an acquittal of expenditures against the budget, and a forward projection of funding, on a six-monthly basis for inclusion in the RPP; and
- (d) ensure that payment to sub-contractors is completed within thirty (30) days of submission of a correctly rendered invoice and confirmation of satisfactory delivery of the sub-contracted work.

Monitoring and Evaluation (M&E)

5.13 The Contractor is required to:

- (a) Develop a Monitoring and Evaluation (M&E) plan for ongoing monitoring and evaluation for the IAFCP Facility that:
 - (i) is in synchronisation with the RPP;
 - (ii) includes a Performance Assessment Framework (see draft at Annex 3 to this Schedule) against which the IAFCP Facility performance will be measured; and
 - (iii) includes an associated Risk Management Framework to be developed in accordance with advice from AusAID.
- (b) Implement the IAFCP Facility M&E plan and revise it as and when requested by AusAID;
- (c) Assist the PO to establish and implement an overall M&E Plan for all IAFCP activities, which contributes to the IFCI Performance Assessment Framework; and
- (d) Together with the PO provide input to assist AusAID in the preparation of the IFCI Performance Assessment Framework for which AusAID has responsibility.

5.14 The M&E system so developed shall:

- (a) provide sufficient information on a regular basis to AusAID for it to be able to meet its reporting obligations;

- (b) provide sufficient information to the Steering Committee to enable it to make sound decisions about where to engage and whether to continue engagements and activities;
 - (c) set out how M&E information shall be reported, recorded and made available;
 - (d) provide summary M&E and risk management information for inclusion in six-monthly RPP;
 - (e) provide other information as requested for input into reviews being undertaken by AusAID and DCC; and
 - (f) Contribute to reporting of learning of lessons from REDD activities under the IAFCP to inform Indonesia and Australia's national positions on REDD and UNFCCC negotiations, as coordinated by the PO.
- 5.15 The Contractor shall be responsible for ensuring that the M&E system fully covers M&E needs at the activity level for activities which are implemented through the IAFCP Facility. In this regard the Contractor shall be responsible for:
- (a) developing templates that enable systematic reporting against the performance measures (output and intermediate outcome indicators) defined in activity and engagement proposals and designs, work plans, and terms of reference;
 - (b) monitoring delivery of outputs by sub-contractors to ensure they are in accordance to the terms of reference and contract;
 - (c) monitoring and evaluating the results of activities and using the findings to further improve the effectiveness of IAFCP;
 - (d) establishing an M&E database to record all relevant activity information required for each activity, including budget and expenditure, nature of the services, indicator measures, strategies and status;
 - (e) ensuring that lessons learnt are discussed in appropriate forums to improve the selection, design and delivery of activities;
 - (f) confirming the assessment of the delivery of activities with the partner agencies, and in consultation with the partner agency, assign scores for:
 - (i) satisfactory completion/progress of the activity;
 - (ii) contribution to progress towards IAFCP Facility objectives;
 - (iii) compliance with AusAID guiding principles.

- (g) assigning responsibilities to ensure that:
 - (i) all activities, designs and work plans clearly state the performance measures that need to be reported on; and
 - (ii) all reports are completed on time, and reflect a sound and unbiased assessment of achievement.

Other management activities

5.16 The Contractor is required to:

- (a) procure and maintain, as required, an IT system and network that meets the needs of IAFCP Facility and the PO;
- (b) liaise with partner agencies and other agencies where activities are located to ensure the provision of adequate office space and furniture and where needed procure any necessary office furniture, including computer hardware and software, and telecom connections as approved by the PO for the specific activity;
- (c) ensure all staff and sub-contractors are briefed and remain up to date on security and emergency procedures; and
- (d) provide a pre-commencement briefing for all new staff and sub-contractors on:
 - (i) the objectives of the Facility, the IAFCP and the IFCI, and relevant GOI REDD policies;
 - (ii) the need to forge relationships with all involved agencies from the two Governments and with other agencies including other donors;
 - (iii) the importance of understanding and respecting local cultural values and norms; and
 - (iv) the support available from the Contractor and the avenues for raising any technical or logistical issues that arise.

5.17 All sub-contractors should receive a briefing package setting out this information including 24 hour contact numbers.

Reporting

5.18 The Contractor must also provide the following reports by the date, in the format and the number of copies indicated:

- (a) Prior to commencing operations, the Contractor should prepare a plan to take over existing work from HK Logistics, which has been appointed as an interim contractor for the IAFCP and is currently engaged in implementing preparatory program activities;
- (b) A Security Plan in accordance with **Clause 30.2** of the Standard Contract Conditions to be submitted to AusAID and the Partnership Office (PO) prior to the Contractor mobilising in-country;
- (c) A Financial Operations Manual and Procurement Guidelines are to be submitted to the Partnership Office for approval within thirty days of the Facility Start Date including the following:
 - (i) The Procurement Guidelines will detail the planned procurement arrangements to be followed in order to obtain the services of sub-contracted staff, including the establishment of a pre-approved list of consultants, if this is desired; and
 - (ii) A draft activity template for use by the Task Groups and the PO to provide instructions to the Contractor to implement activities.
- (d) A provisional Monitoring and Evaluation Plan (M&E Plan) for the IAFCP Facility, to be submitted within 30 days of Facility Start Date, and a fully elaborated M&E Plan to be submitted within four months of the Contractor commencing. A draft RPP to be developed for the first Steering Committee meeting after the Contractor commences operations;
- (e) Financial Reports in accordance with **Clause 3** of the Project Specific Contract Conditions to be submitted quarterly;
- (f) The Contractors portion of the Rolling Prioritisation Plan (RPP) to be developed under the direction of the PO and submitted to the PO three weeks prior to each six-monthly Steering Committee meeting. The PO will then provide comments on the RPP within one week, allowing one week for amendments to be made by the Contractor. The PO will then submit the RPP to the six-monthly Steering Committee meeting at least one week in advance of the meeting being held (as detailed at Clause 4.38 and attaching brief progress reports on each funded activity);
- (g) Completion Reports, including a Task Group Completion Report for each funded activity and a final Facility Completion Report, to be submitted as a draft three months before the end of the Contract and as a final by one month before the end of the Contract incorporating any comments provided by the Steering Committee and the PO; and
- (h) Contribute to reporting of lessons learned from REDD activities under the IAFCP to inform Indonesia and Australia's national positions on REDD and UNFCCC negotiations, as coordinated by the PO.

6. COMMENCEMENT, PHASING, AND COMPLETION OF SERVICES

- 6.1 The Contractor will commence the Services on xx, July 2009 (actual date to be confirmed), for an initial period of three years. The Contractor will complete the services by 30 July 2012, and be subject to review after COP15 (which takes place in December 2009) and in 2012.
- 6.2 During the period up to COP15 the IAFCP work will focus on early progress on capacity building and demonstration activities with the aim of supporting international negotiations and agreement for REDD to be included in a post-2012 global climate change outcome. Depending on the outcomes of international negotiations on REDD, post-COP15 it is likely, subject to the review, for the focus to be more on the needs of longer-term institutional strengthening for REDD.
- 6.3 Subject to the provision of the review in Clause 6.2 above, the completion of services will occur on 30 June 2012.

7. OPTION TO EXTEND

- 7.1 AusAID may, in accordance with the terms of this Contract and at its sole discretion, exercise its option to extend the Services for a period of up to two years.
- 7.2 AusAID will notify the Contractor in writing of its decision in relation to the option to extend at least ninety (90) days before the end of the Contract. Prior to being advised of AusAID's decision, the Contractor is to reflect the possible extended contract period in planning but should not commit Facility funds into any years beyond the end date of 30 June 2012.
- 7.3 If this option is exercised, any extension will be conditional on AusAID's agreement of the Scope of Services and Basis of Payment. The rates for Facility Management Fees and Long Term Personnel costs for the extension period are set out in the Basis of Payment.

8. PERSONNEL

- 8.1 The Contractor shall staff the following long term positions in the IAFCP Facility Management Team:
- (a) Facility Manager.
 - (b) Monitoring & Evaluation Specialist; and
 - (c) KFCP Coordinator.

The required competencies and experience for the personnel at Claus 8.1 above are described in Annex 1 to this Schedule and the Contractor must ensure that personnel work to accepted best practice standards.

- 8.2 The Contractor shall also provide an office / finance manager position(s) and for administrative support in the PO.
- 8.3 Minimal numbers of international personnel should be employed by the Facility.
- 8.4 The Contractor shall determine the number and duration of administrative and financial management personnel responsible for the day-to-day management activities; and ensure that the responsibility for managing tasks under this Scope of Services is carried out satisfactorily.
- 8.5 Personnel must be mobilised within Twenty One (21) days from the Facility Start Date.

ANNEX 1

TERMS OF REFERENCE FOR SPECIFIED POSITIONS

1. FACILITY MANAGER

Position Description

The Facility Manager will be a full-time position responsible for the design, contracting, supervision and reporting of work components, as well as contracting technical advisers and support for the Steering Committee, the Partnership Office and the Task Groups. The Facility Manager will report to the GOA-appointed IAFCP Coordinator and will be by the Managing Contractor. The position will be based in Jakarta, with frequent travel to project areas.

Qualifications and experience

The Facility Manager should be qualified in a discipline related to natural resource management and/or business and management. It is particularly important that this individual is able to demonstrate 10 years of progressive experience in managing and administering large-scale development assistance programmes, particularly aspects relating to procurement and contracts management. S/he should be able to demonstrate experience of working in partnerships with a range of organisations including government, the private sector and civil society, and facilitating outcomes in collaborative activities between these different groups. Previous experience of working in Indonesia and knowledge of Bahasa Indonesia would also be an advantage.

Terms of Reference

- Manage the IAFCP Facility contract, oversee planning and reporting, finance and physical resource management, human resource management for staff engaged through the IAFCP Facility contract, and ensure accounting and reporting standards are met;
- Provide leadership, guidance and direction to staff under supervision and to sub-contractors to ensure that all activities contribute to IAFCP objectives, reflect GOA and GOI policies, and provide useful inputs to UNFCCC negotiations;
- In consultation with the GOA-appointed Coordinator, prepare the Managing Contractor's contribution to the Rolling Prioritisation Plan on a six-monthly basis, or as required;

- Contract and support technical advisers requested through the Partnership Office by the Steering Committee, the Partnership Office itself or the Task Groups; contract and support the members of the Technical Panel, as requested by the Partnership Office;
- Support Task Group activities, including through the provision of support to develop TORs, agree activity objectives, performance indicators and mechanisms to measure performance; preparation of indicative budgets and timelines; and sub-contracting of activities; supervise implementation of activities, monitor progress and support final reporting;
- Procure the implementation of activities in accordance with Commonwealth Procurement Guidelines or implement directly after obtaining approval from the GOA-appointed Coordinator.

2. MONITORING AND EVALUATION SPECIALIST

Position Description

The Monitoring and Evaluation Specialist will be a full-time position responsible for monitoring, evaluation and continuous learning within the IAFCP Facility. The primary responsibility of the position will be to enhance quality, timeliness and focus of the work components. This involves providing strategic advice and oversight for the development and refinement of performance measurement mechanisms, monitoring and evaluation systems and continuous learning strategies. Overall requirements for M&E in the IAFCP and the IAFCP Facility are outlined in section 4.5 of the Facility Design Document. The position will be based in Jakarta with frequent travel to project areas, and will report to the Facility Manager.

Qualifications and experience

The M&E Specialist should hold a post-graduate degree that has included a research dissertation component, or be able to demonstrate evidence of training in advanced research or evaluation design, conduct and management.

In addition, s/he should be able to demonstrate practical experience in research or evaluation design, conduct, and management. This experience should reflect expertise in developing a fully elaborated design of an M&E system which includes the design approach, articulation of M&E questions, development of sound methods and tools, conduct of data collection activities, analysis of data (or supervision of such), interpretation and dissemination of results and report preparation.

An ability to communicate complex concepts simply with a range of stakeholders in multi-cultural settings, ability to develop and deliver M&E capacity building activities for implementation teams, and facilitation of learning from M&E findings should also be demonstrated.

Experience in the delivery of development projects, on-going membership of a domestic or international evaluation society would also be desirable, experience of Indonesia and fluency in Bahasa Indonesia would also be desirable.

Terms of Reference

- Conduct an Evaluability Assessment at a time when the implementation team and partners are ready and able to clearly articulate the outcomes of initiatives;
- Using a participatory approach, design a monitoring and evaluation plan that facilitates continuous lesson-learning within the IAFCP and generates useful and timely input for UNFCCC negotiations on REDD. The monitoring and evaluation plan should reflect AusAID and international standards of practice. AusAID standards are available from program managers, while international standards could include the DAC Evaluation Quality Standards, or the Joint Committee Standards;

- Identify where the Partnership Office, IAFCP Facility, Technical Panel and Task Groups will require on-going M&E technical support, and where they will be expected to implement the M&E plan themselves;
- Assist the Partnership Office to design and implement an M&E plan for the IAFCP, and help to ensure that M&E information generated from activities in Indonesia contributes to the IFCI performance assessment framework;
- Identify what capacity is required by the IAFCP (including sub-contractors) to implement the M&E plan, and develop a simple capacity building plan to develop relevant skills, and to ensure that there is an enabling environment in place to implement the M&E plan;
- Provide regular support to the implementation of the M&E Plan. The focus ought to be on the on-going design of M&E activities; assuring the quality of the M&E system implementation; and providing technical support for the analysis and interpretation of data;
- Supervise the compilation of initiative progress reports that meet the requirements of AusAID. An evidence-based, timely contribution to the Quality at Implementation Reports and Activity Completion Reports should be prepared. Negotiation of suitable content and presentation of reports should be part of the Evaluability Assessment outlined above. Reports must reflect an analytical contribution where the implications of findings are explored, not simply reported;
- Working as a facilitator, support the implementation team and other relevant stakeholders to interpret and respond to M&E findings over the life of the initiative; and
- In consultation with AusAID and the contractor, develop the methodology for the collection and analysis of data on the contractor performance indicators (see draft at **Annex 3 to Part 3** (draft **Scope of Services**)).

3. KFCP Coordinator

Position Description

The KFCP Coordinator will be responsible for all aspects of the operations and outputs of the Kalimantan Forests and Climate Partnership (KFCP), whether implemented directly by the Managing Contractor, by sub-contractors, or by partners. S/he will manage partnerships to ensure AusAID's obligations to partners are met, that partners achieve agreed results and that conditions conducive to open, trustworthy, and reliable working relationships are maintained. The post will be based in Palangka Raya, Central Kalimantan. A full description of the KFCP is provided in the KFCP Framework Design Document, which is available as part of the background information provided for this tender. The position will report to the Facility Manager.

Qualifications and experience

The KFCP Coordinator should hold an advanced degree in a subject relevant to the sustainable management of natural resources and / or have demonstrated experience of managing complex development programmes and partnerships. The post requires a blend of managerial, communications and facilitation skills. Some technical knowledge of forests and climate change would also be considered an asset. The post carries a specific emphasis on working in conjunction with multiple partners, including local governments and non-governmental organisations, and the candidate should also be able to demonstrate the skills and experience necessary for this type of collaboration. Fluency in Bahasa Indonesia will be necessary for this position.

Terms of Reference

- Manage and oversee the implementation of the Kalimantan Forests and Climate Partnership (KFCP), as tasked by the Partnership Office.
- Liaise with and provide support to KFCP partner organisations to ensure their effective contribution to the goals of the project and the IAFCP.
- Establish and convene a KFCP management coordination group to coordinate activity planning and implementation among partners and assure the timely delivery of results guided by the KFCP Design Document.
- Work with the Monitoring and Evaluation Specialist to ensure that M&E systems meet specified standards of quality and performance, delivering relevant, accurate and reliable data needed for adaptive management and knowledge-based results; ensure that KFCP activities learn and adapt in response to monitoring and evaluation findings.

- Provide advisory support to the Partnership Office, the KFCP Secretariat and the Central Kalimantan REDD Working Group, a multi-stakeholder group set up to support readiness activities in the province.
- Develop training and capacity-building plans for local government agencies to enable them to fulfil their commitments as partners.
- Plan and coordinate all short-term technical assistance and monitoring missions by GoA, GoI, and partners, to ensure these missions are effective and achieve the intended results.
- Execute tasks assigned to KFCP by the Partnership Office and deliver outputs from these tasks.

ANNEX 2**CONTRACTOR PERFORMANCE ASSESSMENT FRAMEWORK**

(To be used annually to assess Contractor Performance. The “SPECIFIC” Performance Assessment Criteria are to be determined between AusAID and Contractor during the first three (3) months, and are to be updated annually in advance.)

Name:	Address:
Project:	Contract No:
Country:	Activity Manager (AM):
Date of this Annual Performance Review File Discussion: / / Number:.....	
Date of Next Annual Discussion / / / Related Documents:	
Project/Activity Duration: From / / / To / / /	

Performance Criteria	Rating
GENERIC: THESE CRITERIA REMAIN CONSTANT FOR THE PERIOD OF THE CONTRACT	
1. Project Director / key team personnel performance; overall management performance	E / A / U
2. Responsiveness to AusAID requests and instructions; standard of communication with AusAID (including accuracy, quality and timeliness of written reports and expenditure estimates and reporting)	E / A / U
3. Quality of relationships with stakeholders	E / A / U
4. Demonstrated risk management and problem solving performance (including timely identification of Potential and actual risks/problems)	E / A / U
5. Efforts in promoting project objectives.	E / A / U
6. Program established and fully operational, including offices established, financial and administrative systems and procedures in place, and suitable personnel recruited and mobilised.	E / A / U
SPECIFIC: THESE CRITERIA WILL RELATE TO ACTIVITIES FORESHADOWED IN THE ROLLING PRIORITISATION PLAN (RPP) AND BE AGREED BETWEEN CONTRACTOR AND AUSAID	

This Section is completed by the AM at each performance meeting. IAFCP Facility RFT – Part 3

1. Factors Affecting Performance

AM to record any special events or considerations affecting performance. This may include changes to work priorities and key tasks during the review period, and significant events.

2. Summary of Partner Government Comments

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Summary of Independent Monitors Comments (as appropriate)

3. Performance Against Tasks/Results

Joint discussion on the extent to which performance has met the requirements of key tasks/results.

4. Assessment of Overall Performance against the requirements of the contract (for the Activity Manager to complete).

☐ Effective (E) ☐ Adequate (A) ☐ Unsatisfactory (U)

ANNEX 3

PERFORMANCE INDICATORS FOR THE IAFCP FACILITY

(Provides a summary of performance indicators for consideration and further development by the M&E specialist in monitoring and evaluating the overall performance of the IAFCP Facility.)

Outcome 1	Indicators
PO operates in an effective and efficient manner.	1. Logistical, administrative, financial and procurement support provided in a timely manner (as assessed by the PO) 2. There are neither duplications nor contradictions between the policy support and readiness activities by the PO and those undertaken as part of the KFCP and other REDD demonstrations
Outputs	Indicators
As instructed through the Partnership Office, administrative, logistical, financial and procurement requirements of the Partnership office, the IAFCP Steering Committee and all subsidiary groups met in a timely and cost effective manner	1. 85% of requests from the PO are met to their satisfaction 2. Audit of procurement procedures indicates compliance with Australian procurement guidelines 3. Overall performance evaluation of recruited staff (selected through open recruitment as opposed to those recruited after selection by the PO. The latter will be considered administrative requests.) 4. Positive Value for Money review and unqualified financial audit 5. Operational manuals, standard operating procedures and supporting

	documents are available and used consistently by the Contractor
As instructed through the Partnership Office, administrative, logistical, financial and procurement requirements of IAFCP related activities implemented by other groups in Indonesia and Australia met in a timely and cost effective manner	1. Total number of requests from the PO 2. Total number of requests delivered to the satisfaction of the PO 3. Total number of requests delivered on time 4. Unqualified audit of procurement procedures 5. Overall performance evaluation of recruited staff (selected through open recruitment as opposed to those recruited after selection by the PO. The latter will be considered administrative requests.) 6. Positive Value for Money review 7. Unqualified financial audit 8. Operational manuals, written standard operating procedures and complete set of reports and supporting documents are available
Outcome 2	Potential Indicators
REDD demonstrated as directed by the IAFCP Partnership Office (PO)	1. REDD conceptual challenges as defined by the PO resolved 2. That 85% of tasks set by Task Groups are met to their satisfaction
Outputs	Potential Indicators
The Kalimantan Forests and Climate Partnership managed and monitored according to the agreed design	1. Final design of KFCP approved and being implemented 2. Subcontracting and design in accordance with Commonwealth Procurement Guidelines 3. Implementation in accordance with design, achieving the outcomes as defined in the design

	4. Results reported as stipulated in the design 5. Identification and analysis of specific policy issues 6. Promotion of results and recommendations at national and international levels 7. Achievement of cross cutting indicators
Further REDD demonstration activities designed, implemented and monitored as per IAFCP instructions	1. Design for further REDD demonstrations approved by the Steering Committee 2. Subcontracting and design in accordance with Commonwealth Procurement Guidelines 3. Implementation in accordance with design, achieving the outcomes as defined in the design 4. Results reported as stipulated in the design 5. Identification and analysis of specific policy issues 6. Promotion of results and recommendations at national and international levels 7. Achievement of cross cutting indicators

SCHEDULE 2 - BASIS OF PAYMENT

Indonesia Australia Forest Carbon Partnership Facility (IAFCP Facility)

Note to Tenderers: The draft Basis of Payment presented here as Part 4 of this RFT will appear as Schedule 2 in the consolidated Contract.

1. TOTAL AMOUNT

- 1.1 The total amount payable by AusAID to the Contractor shall not exceed the sum of **A\$XXXX** plus GST, if any to a maximum of **A\$XXXX**.
- 1.2 AusAID shall not be liable for any costs or expenditure incurred by the Contractor in excess of this amount.
- 1.3 The total amount payable is summarised in Table 1 below.

Table 1: Total Contract Value

Item	Total amount payable A\$
Long Term Personnel Costs (Clause 2 and Annex 1)	
Facility Operating Expenses	1,864,000
Imprest Account (Clause 3)	25,000,000
Maximum Facility Management Fee - Milestone Payments (Clauses 4 & 5 and Annex 2)	
TOTAL AMOUNT PAYABLE	

2. LONG TERM PERSONNEL COSTS

- 2.1 AusAID shall reimburse the Contractor up to a maximum of **A\$XXXX** for Long Term Personnel Costs as per Annex 1 of this Schedule.
- 2.2 For each Long Term Personnel, AusAID shall pay the Contractor, quarterly on a reimbursable basis in arrears, an all-inclusive Monthly Professional Fee detailed in Annex 1 to this Schedule 2. Actual costs paid by the Contractor to or on behalf of Long Term Personnel shall be reimbursed by AusAID up to the limit specified and paid within thirty (30) days of AusAID's receipt of a correctly rendered invoice.
- 2.3 All Long Term Personnel are considered to be Contractor Personnel under the terms of this Contract and include:

- (a) Staff appointed by the Contractor including administrative support staff;
- (b) Staff novated from AusAID to the Contractor under AusAID contract numbers, 46055, 45843, 45842, and Partnership Office administrative staff; and
- (c) The GOI-appointed Coordinator.
- (d) GOI Seconded to the program.

2.4 The all-inclusive Monthly Professional Fee shall be:

- (a) **Inclusive** of all personnel-related taxes, levies and insurances incurred in Indonesia and Australia, with the exception of GST for Services performed in Australia [refer to Clause 21 (Goods and Services Tax) of Part 6 (Standard Contract Conditions)];
- (b) **Inclusive** of superannuation levy, if any, as appropriate;
- (c) **Inclusive** of paid annual leave allowances of up to four (4) weeks per annum (see Clause 2.5 below), to accrue on a pro rata basis per twelve months' continuous engagement on the Facility (noting that leave allowances cannot be carried over from one twelve month period to another and must be taken in the twelve (12) month period in which they fall due), including all leave costs such as airfares to and from Indonesia;
- (d) **Inclusive** of up to fourteen (14) public holidays per annum as designated by the Australian Embassy in Jakarta, which includes a mixture of Australian and Indonesian holidays;
- (e) **Inclusive** of housing accommodation, utilities and private transport costs;
- (f) **Inclusive** of Mobilisation/Demobilisation costs including airfares; Mobilisation/demobilisation costs shall include all reasonable one-off costs associated with mobilisation and demobilisation including: any necessary medical clearances and inoculations; uplift of effects; passport and visa costs; and storage;
- (g) **Inclusive** of all escalators for the full period of the Facility;
- (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.

2.5 Where Contractor leave entitlements for Personnel exceed 1 trip 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 2.3 (c) and (d) of this Schedule.

2.6 If any of the Long Term Personnel are absent for any period, aside for the periods of leave permitted in Clause 2.3 (c) and (d) of this Schedule 2, the Monthly Rate Payable will be adjusted in accordance with the following formula:

Adjustable Monthly Rate = Number of Days Worked x Monthly Rate

30

- 2.7 Leave accrued during the assignment for long term personnel shall be deemed to be taken in the year it falls due and cannot be accumulated or paid out.
- 2.8 If AusAID decides, at its sole and absolute discretion, to extend the Contract, the long term personnel rates for the Option period will be negotiated using the fee rates specified in Annex 1 as the basis of negotiation.

3. **FACILITY OPERATING EXPENSES**

- 3.1 AusAID shall reimburse the Contractor up to a maximum total of **A\$1,864,000** for Facility Operating Expenses.
- 3.2 For the purposes of this Contract, Facility Operating Expenses means goods and services such as any equipment and utilities and office rent required by the Contractor for the day-to-day administration of the Facility.
- (a) All costs associated with the efficient and effective operation of the Partnership Office (the Contractor will be co-located with the Partnership Office, and the including goods and services such as:
- (i) security;
 - (ii) office rent and fit-out;
 - (iii) utilities;
 - (iv) office furniture;
 - (v) computers;
 - (vi) communication costs;
 - (vii) ground transport hire for the duration of the Facility (taxis and vehicles hire when travelling for business within and outside Jakarta);
 - (viii) flights and transfers relating to effective management of the IAFCP Facility;
 - (ix) associated accommodation and per diem for Partnership Office and IAFCP Facility personnel when away from their permanent base for project purposes;
 - (x) office supplies/stationery;
 - (xi) recurrent office costs (phone, fax, printers, papers, photocopier and software);
 - (xii) IAFCP and the Facility related promotional events; and
 - (xiii) seminars and activities.

- 3.3 The Contractor will be reimbursed on the basis of the actual cost incurred for items identified as reimbursable, up to the maximum costs listed in Annex 4 to this Schedule 2 within thirty (30) days of AusAID's receipt of a correctly rendered invoice. Reimbursement is subject to:
- (a) details of the items purchased or expenses incurred contained in a monthly payment invoice prepared in accordance with Clause 10 (Procurement Services) of Part 6 (Standard Contract Conditions); and
 - (b) original receipts and invoices retained to substantiate any claim.
- 3.4 The actual cost will be exclusive of any procurement costs, all profits, all overheads, administration or Facility management fee, or any other commercial margins/mark-up on the part of the Contractor, as these costs are assumed to be covered by the Facility Management Fee detailed in Clause 5 below.
- 3.5 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.
- 3.6 The Contractor may vary the sums assigned against individual line items within a Category in Annex 4 to this Schedule 2, subject to AusAID approval. Such changes will not require a contract variation.
- 3.7 The Contractor must not vary the value allocated against Categories within Annex 4 without the prior written approval of AusAID. Such changes will not require a contract variation.
- 3.8 The Contractor must maintain a Register of Assets in accordance with Clause 10 (Procurement Services) of Part 6 (Standard Contract Conditions) in the format described in Annex 4 to this Schedule 2.

4. **IMPREST ACCOUNT PAYMENTS**

- 4.1 The total amount payable in Imprest Account payments by AusAID to the Contractor shall not exceed the sum of **A\$25,000,000**, subject to annual Parliamentary appropriation.
- 4.2 The Contractor will establish and manage the Imprest Account for the purpose of funding Approved Activities and Implementation Support under the Facility in accordance with Clause 14 of Part A. These funds will not be reallocated for any other purpose under this Basis of Payment, except where otherwise agreed by AusAID in writing.
- (a) Approved Activities are those Activities implemented by the Facility whose implementation is approved by the GOA-appointed Coordinator.
 - (b) Implementation Support is procurement undertaken to support the implementation of Approved Activities.
- 4.3 AusAID will make payment into the Imprest Account on a three (3) monthly basis following approval of cash flow projections for the coming period and satisfactory acquittal of the previous payment. The first payment will be made following the approval by AusAID of the Financial Operations Manual and an initial Imprest Account request for payment from the Contractor. The Contractor will acknowledge receipt of the funds immediately upon their receipt.

4.4 All payments made from the Imprest Account will be made at the cost incurred by the Contractor.

4.5 The Imprest Account will be used for payment of:

(a) Component 1 activities:

- (i) Costs of activities contracted and implemented under Component 1 (IAFCP Support);
- (ii) All costs associated with the efficient and effective operation of the Steering Committee, Task Groups and Technical Panel, including, where required costs associated with: meetings and logistics; communications, seminars, travel and transport, where this is not covered already under Clause 3;
- (iii) Other costs incurred in implementation of activities as directed in writing by the GOA-appointed Coordinator;
- (iv) All costs related to the logistical and procurement requirements of IAFCP activities, including the following, which have the indicative financial limitations shown in Annex 4:
 - (A) The Forest Resource Information System and the related National Carbon Accounting System for Indonesia
 - (B) Policy support and engagement, including the Indonesia Forest Climate Alliance (IFCA) and other enabling assistance
 - (C) The Roadmap for Access to International Carbon Markets
 - (D) Any other subsidiary project of IAFCP to be implemented by other groups in Indonesia and Australia as directed by the IAFCP Steering Committee
 - (E) Other activities deemed necessary by the IAFCP Steering Committee

(b) Component 2 activities:

- (i) The costs arising from activities under Component 2 (REDD Demonstration Activities).

4.6 Payments for Activities undertaken under Component 2 are to be made in the following fashion:

(a) Regular implementation payments:

- (i) Will form up to 75% of the cumulative cost of the individual Activity.

(b) Completion payments:

- (i) Will amount to the remaining 25% of the total cost of the individual Activity.

- (ii) Completion payments will only be made to the Contractor when the GoA-appointed Coordinator determines that the Activity has been undertaken in accordance with its Terms of Reference.

5. **FACILITY MANAGEMENT FEE (FMF)**

- 5.1 AusAID shall reimburse the Contractor up to a maximum total of **A\$XXXX** for the Facility Management Fee (FMF).
- 5.2 The FMF is provided to meet all:
 - (a) profits, including commercial margins/mark-up for all personnel (excluding specific staff to carry out self-implemented activities, which are not to have a management fee included in their costs, in accordance with Clause 4.36 (b) of **Schedule 1**(Scope of Services);
 - (b) overhead costs;
 - (c) financial management costs and financing costs, if any;
 - (d) costs of Contractor administrative and head office staff;
 - (e) security costs;
 - (f) insurance costs (including but not limited to, professional indemnity, worker's compensation, public liability, and any other insurances as required under the Contract or deemed necessary by the Contractor) in accordance with Clause 33 (Indemnity) and Clause 34 (Insurance) of Part 6 (Standard Contract Conditions) of the Contract;
 - (g) taxation, as applicable;
 - (h) costs of complying with the Contractor's reporting and liaison obligations under the Contract;
 - (i) costs associated with all personnel briefings in Australia or in Indonesia;
 - (j) costs associated with any subcontracting and procurement of goods;
 - (k) costs associated with personnel recruitment, other procurement and subcontracting any services;
 - (l) costs of administering the Imprest Account and any other Imprest Accounts established, but excluding required annual audits which are included as Facility Operating Expenses;
 - (m) costs, including domestic and international travel, accommodation, per diems, and local transport costs where required for all Contractor Head Office personnel (*other* than those listed as Long Term Personnel costs at Clause 2 of this Schedule 2);
 - (n) All escalators for the Term of the Contract; and
 - (o) Allowances for risks and contingencies.

5.3 The Facility Management Fee is as follows in Table 2:

Table 2 Facility Management Fee

	Year 1	Year 2	Year 3	Total (A\$)
Facility Management Fee				

5.4 If AusAID decides, at its sole and absolute discretion, to extend the Contract, the Facility Management Fee for the Option period will be the rates in accordance with Table 2b below.

Table 3 (Facility Management Fee – Year 4 and 5

	Year 4	Year 5	Total (A\$)
Facility Management Fee			

6. MILESTONE PAYMENTS

- 6.1 AusAID shall pay the FMF in equal instalments known as Milestone Payments, subject to the satisfactory completion of the Milestones set out in Annex 2 of this Schedule 2.
- 6.2 The Milestone Payments payable to the Contractor will be paid progressively, within thirty (30) days of AusAID's acceptance of the satisfactory completion of the Milestone and a correctly rendered invoice.
- 6.3 Notwithstanding anything above, AusAID reserves the right to monitor achievement of Milestones and consult the Steering Committee and the Partnership Office on their achievement prior to acceptance of that Milestone.
- 6.4 Where a Milestone Payment is to follow acceptance of a report or reports, AusAID shall not be obliged to make payment until all of the outputs to be achieved by the Contractor in the period covered have been satisfactorily achieved.
- 6.5 It is AusAID corporate practice to inform Contractors as soon as reasonably possible, and in any case within thirty (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.
- 6.6 In the event that AusAID learns, by any means, that a Milestone for which AusAID has already made a payment, has not been achieved to the specifications required by this contract, the amount paid for that Milestone will become an overpayment, recoverable in accordance with Clause 10 (Right of AusAID to Recover Money) of Part A.

7. CLAIMS FOR PAYMENT

7.1 The Contractor's tax invoice must be submitted when due pursuant to this Schedule in a form identifiable with the Services.

7.2 All tax invoices must include a certification by a Company director of the Contractor, or their delegate:

- (a) that the invoice has been correctly calculated;
- (b) that the Services included in it have been performed in accordance with the Contract; and
- (c) that all amounts claimed for reimbursement have been expended.

7.3 All claims for payment must be made out to:

Chief Finance Officer

Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601

cc. Program Manager, Climate Change, AusAID Jakarta

7.4 Tax invoices should be sent to the above address. Alternatively, AusAID will accept electronic tax invoices. These can be sent to:

accounts.processing@ausaid.gov.au

7.5 Invalid tax 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 – LONG TERM PERSONNEL COSTS

Job Title	Name	Input (months)	Monthly Professional Fee (AUD, all inclusive)	Maximum Amount Payable (AUD)
<i>Staff nominated by bidders</i>				
Facility Manager	TBC	36		
M&E Specialist	TBC	36		
KFCP Coordinator	TBC	36		
Partnership Office administrative staff ¹	TBC	TBC		
<i>Existing and pre-identified staff</i> ²				
Forest and Climate Specialists	TBA	108	To be confirmed (tbc)	tbc
KFCP Field Project Coordinator	TBA	36	tbc	tbc
GOI-appointed IAFCP Coordinator	TBA	36	tbc	tbc
GOI Seconded	TBA	72	tbc	tbc
Administrative staff	TBA	72	tbc	tbc
Total				

1 Includes all staff required for the effective management of the IAFCP Facility.

2 Existing staff will be novated or recontracted by the Contractor from contracts currently managed by HK Logistics. Pre-identified staff, such as the GOI-appointed IAFCP Coordinator, are expected to be engaged prior to the Contractor commencing.

Table 1a) - LONG TERM PERSONNEL COSTS (Years 4 and 5*)

Job Title	Name	Input (months)	Monthly Professional Fee (AUD, all inclusive)	Total (AUD)
<i>Staff nominated by bidders</i>				
Facility Manager	TBC	24*		
M&E Specialist	TBC	24*		
KFCP Coordinator	TBC	24*		
Partnership Office administrative staff	TBC	TBC		
<i>Existing and pre-identified staff</i>				
Forest and Climate Specialists	TBA	72*	tbc	tbc
KFCP Field Project Coordinator	TBA	24*	tbc	tbc

GOI-appointed IAFCP Coordinator	TBA	24*	tbc	tbc
GOI Seconddees	TBA	24*	tbc	tbc
Administrative staff	TBA	24*	1,050	75,600
Total				

Note: Year 4 and Year 5 rates and inputs will apply only in the event that AusAID exercises the Option to Extend under Clause 2 of Part 2.

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ANNEX 2 - MILESTONE PAYMENTS ¹

Milestone	Due Date	Deliverables; to a standard acceptable by AusAID
1	15 October 2009	Acceptance in writing by AusAID of RPP 1 (Final draft to be provided to Partnership Office prior to 20 September 2009 for comment)
2	1 March 2010	Acceptance in writing by AusAID of RPP2 (Draft to be provided to Partnership Office no later than 1 February 2009)
3	1 September 2010	Acceptance in writing by AusAID of RPP3 (Draft to be provided to Partnership Office no later than 1 August 2010)
4	1 March 2011	Acceptance in writing by AusAID of RPP4 (Draft to be provided to Partnership Office no later than 1 February 2010)
5	1 September 2011	Acceptance in writing by AusAID of RPP5 (Draft to be provided to Partnership Office no later than 1 August 2011)
6	1 March 2012	Acceptance in writing by AusAID of RPP6 (Draft to be provided to Partnership Office no later than 1 February 2011)
7	1 June 2012	Acceptance in writing by AusAID of Activity Completion Report

ANNEX 3 - FACILITY OPERATING EXPENSES

Inputs	Unit	Unit Cost (\$)	No.	No. of years	Total (A\$)
<i>Establishment Costs (Year 1)</i>					
IT and communications systems	Lump Sum	200,000	1	1	200,000
Office fit-out and furnishing	Lump Sum	50,000	1	1	50,000
<i>Operating Costs</i>					
Office rental *	per year	110,000	1	3	330,000
Auditing of Imprest Account	per year	25,000	1	3	75,000
IT administration and support	per year	15,000	1	3	45,000
Security	per year	24,000	1	3	72,000
Travel within Indonesia	person trips	800	30	3	78,000
Telephone, fax, internet	per month	2,500	12	3	90,000
Translation and interpretation	per year	50,000	1	3	150,000
Office supplies	per month	1,500	12	3	54,000
Communications and outreach	per year	50,000	1	3	150,000
Event hosting and entertainment	per year	50,000	1	3	150,000
Steering Committee and honoraria	Lump sum	15,000	1	3	45,000
Transport (hire and / or purchase and maintenance of vehicle(s); use of taxis)	Lump Sum	25,000	1	3	75,000
Contingency	Lump Sum	100,000	1	3	300,000
TOTAL REIMBURSABLE COSTS					A\$1,864,000

Note 1: Vehicle(s) provided are to be a shared resource between the Partnership Office and the Managing Contractor.

Note 2: Estimates exclude cost escalation

Note 3: Additional Year 4 and Year 5 amounts will be made available in the event that AusAID exercises its Option to Extend under Clause 2 of Part 2.

* Reimbursable Costs will be adjusted if AusAID manages the lease for office accommodation / rental for the Contractor.

ANNEX 4 - INDICATIVE FINANCIAL LIMITATIONS OF IAFCP ACTIVITIES

REDD - Indonesia Forest Climate Alliance	252,997
REDD - Policy & Pilot Concept Development	3,000,000
Peat Carbon Assessment	1,159,160
Kalimantan Forests & Climate Partnership	28,630,927
Forest Resources Information System / NCASI	1,357,504
REDD Demonstration No. 2	TBC

Note: The above figures are existing unexpended allocations against the above activities as at January 2009. Further expenditure from these allocations will have been made by the time the Contractor assumes responsibility for activity administration in mid-June 2009.

ANNEX 5 - ASSETS REGISTER

[illegible]

SECTION 2 – STANDARD TENDER AND CONTRACT CONDITIONS

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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 C 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**.

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 C 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 C of this Part**. Late tenders that have been lodged electronically 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 this must be for each Past Experience Form) 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. **AUSTRALIAN GOVERNMENT AND AUSAID LAWS 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 Contractor acknowledges 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) 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.ausaid.gov.au/keyaid/envt.cfm>.
 - (iii) 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.ausaid.gov.au/publications/default.cfm>.
 - (iv) any other policies published from time to time on <http://www.ausaid.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. See AusAID’s Frequently Asked Questions website for further information: www.ausaid.gov.au/business/frequent.cfm.
- 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.
- 3.22 The Tenderer hereby consents to and authorises the Commonwealth, its officers, employees, agents or advisers to undertake the necessary probity and/or financial checks by comparing information contained in the Tender with, or obtaining additional information from:
- (a) other Commonwealth agencies such as the Australian Securities and Investments Commission;
 - (b) State or Territory agencies;
 - (c) law enforcement agencies;
 - (d) courts or tribunals; or
 - (e) any other appropriate organisation or person reasonably required as part of these checks.

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 – 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.

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PART B – STANDARD CONTRACT CONDITIONS

Note to Tenderers: Although these Standard Contract Conditions are presented as **Part 6** of this RFT, in the consolidated Contract Conditions they will appear as **Part B**.

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:

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

- (g) 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;
- (h) a word denoting the singular number includes the plural number and vice versa;
- (i) a word denoting an individual or person includes a corporation, firm, authority, body politic, government or governmental authority and vice versa;
- (j) a word denoting a gender includes all genders;
- (k) a reference to a recital, clause, Schedule or annexure is to a recital, clause, Schedule or annexure of or to this Contract;
- (l) 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);
- (m) 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;
- (n) “shall” and “must” denote an equivalent positive obligation;
- (o) 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
- (p) 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=PubPolicyDocuments>) 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 5** (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 5** (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 AMENDMENTS AND VARIATION**

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.

Contract Amendment

- 12.2 Changes to Contract Conditions shall not be legally binding upon either party unless agreed in writing and signed by both Parties in the form of a Deed of Contract Amendment.

Contract Variation

- 12.3 AusAID or the Contractor may propose variations 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. These changes shall be subject to a “Variation Order” as described below.
- 12.4 The Contractor must prepare a “Variation Proposal” for any variation 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 Variation 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 No proposed variation must take effect unless it is in writing, titled a “Variation Order” and signed by AusAID. A summary of changes effected by Variation Orders will be maintained in the form set out in **Schedule 4B** (Variation Summary Schedule).

Costing Variations

- 12.7 If AusAID approves the Contractor’s Variation Proposal including any increase or decrease in the amount payable, implementation shall be effected by issuing a Variation Order in the form of **Schedule 4A** and the Contractor must promptly perform the variation.
- 12.8 If AusAID does not approve the Contractor’s cost estimate in the Variation Proposal and appropriate rates on which to cost the variation are not included in **Schedule 2**, the Parties undertake to negotiate a fair and reasonable amount within 20 Business Days.
- 12.9 In the event that the Parties cannot resolve a reasonable amount within 20 Business Days, either Party may seek to have an independent third party appointed pursuant to **Clause 39** (Resolution of Disputes), to determine a reasonable amount and the Parties agree that they shall be bound by that determination.
- 12.10 If AusAID does not approve the Contractor’s cost estimate in the Variation Proposal and there are appropriate rates included in **Schedule 2**, AusAID may nevertheless issue a Variation Order requiring the Contractor to carry out the variation in the form of **Schedule 4A** and subject to the appropriate rates and fees detailed **Schedule 2**.
- 12.11 Where no agreement can be reached, AusAID reserves the right to perform itself, or engage another service provider to perform, the services which were the subject of the Variation Proposal.

Omission of Services

- 12.12 AusAID may issue a Variation Order omitting any part, though not the whole, of the Services. AusAID shall notify the Contractor in writing of its determination in respect of the valuation of the omitted services. The value of the omitted Services will be determined in accordance with **Schedule 2** having regard to:

- (a) the Services omitted from the Contract;
- (b) any particular Payment Milestone affected by the omission;
- (c) other relevant payments; and
- (d) the extent of the work and/or inputs already performed or provided by the Contractor in respect of any such Payment Milestones.

12.13 AusAID will not be liable upon any claim by the Contractor as a result of any part of the Services being omitted, whether or not AusAID performs the omitted Services itself, or engages another service provider to carrying out the omitted Services.

12.14 If the Contractor disagrees with AusAID's determination of the value of the omitted Services, based on the rates included in **Schedule 2**, the Parties undertake to negotiate fair and reasonable amount within 20 Business Days.

12.15 In the event that the Parties cannot resolve a reasonable amount within 20 Business Days, either Party may seek to have an independent third party appointed pursuant to **Clause 39** (Resolution of Disputes), to determine a reasonable amount and the Parties agree that they shall be bound by that determination.

Suspension and rescheduling of Services

12.16 AusAID may issue a Variation Order directing the Contractor to:

- (a) suspend for such time as AusAID thinks fit, the progress of the whole or any part of the Services; or
- (b) reschedule the performance of Services to a time determined by AusAID.

AusAID does not have a duty to exercise this right for the benefit of the Contractor.

12.17 If the suspension or rescheduling is due to:

- (a) an act, default or omission of the Contractor or Contractor Personnel, the Contractor will not be entitled to any Costs or Losses arising from the suspension; or
- (b) any other cause:
 - (i) the Contractor will be entitled to be paid any extra reasonable Costs incurred by it as a result of the suspension subject to the Contractor taking reasonable steps to mitigate the extra Costs incurred;
 - (ii) AusAID's liability under the payments provisions of **Schedule 2** shall, in the absence of an agreement to the contrary, abate proportionately to the reduction in the Services.

12.18 Upon receipt of a Variation Order suspending part or all of the Services, the Contractor must:

- (a) stop work as specified;
- (b) take all reasonable steps to minimise any Loss resulting from the suspension and to protect Supplies and Contract Material; and

- (c) continue work on any part of the Services not affected by the suspension.

12.19 The Contractor must promptly recommence the performance of the Services when so directed by AusAID.

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 a Variation 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 approval should be titled a “Variation Order” and recorded in the Variation Schedule, **Schedule 4B** (Variation Summary Schedule). The Contract shall be deemed to have been varied accordingly.

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 or accounts 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 accounts 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 paragraph (n) 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.

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) Child protection, in particular the child protection compliance standards at Attachment 1 to AusAID's *Child protection policy*;
 - (c) 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.ausaid.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 Parties have attempted to agree on a process, or the appointment of the mediator or conciliator, 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 1 – SCOPE OF SERVICE

PLEASE REFER TO PART 3 OF THIS RFT.

SCHEDULE 2 – BASIS OF PAYMENT

PLEASE REFER TO PART 4 OF THIS RFT.

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 4A – VARIATION ORDER PRO FORMA

**VARIATION ORDER NO. [Insert Number]
FOR CONTRACT [Insert Number]**

between

COMMONWEALTH OF AUSTRALIA

represented by

**The Australian Agency for International Development
(AusAID)
ABN 62 921 558 838**

and

**[Insert CONTRACTOR'S NAME]
ABN [Insert ABN Number]**

in relation to

[INSERT CONTRACT TITLE]

VARIATION ORDER No. [Insert Number] FOR
CONTRACT [Insert Number]

TO: **[Insert CONTRACTOR NAME]**

FROM: AusAID

1. The Contract Schedule 1 and/or Schedule 2 is varied as follows:
*< EITHER detail the variation under headings 2.1 or 2.2; OR where the variation requires a reissue of Schedules 1 and/or 2, use paragraphs 2.3 and/or 2.4 as appropriate. NOTE that where you are deleting or replacing clauses you must reference the clause numbers in a clearly identifiable manner to avoid inconsistencies, eg, "Delete Clause X and replace with new Clause X as follows: X. [text of the new clause.....] " **DELETE this text and any headings / paragraphs between 2.1 and 2.4 you do not use** >*
 - 1.1 Schedule 1
<enter details if applicable>
 - 1.2 Schedule 2
<enter details if applicable>
 - 1.3 Delete Schedule 1, Scope of Services and replace with the attached Scope of Services.
 - 1.4 Delete Schedule 2, Basis of Payment and replace with the attached Basis of Payment.
2. There will be *< enter "an increase of \$ x,xxx.xx," "a decrease of \$ x,xxx.xx" or "no change" as required >* in the financial limit of this Contract for the performance of these Services.
3. In all other regards you are required to carry out the Services as described in the Contract.

Yours sincerely,

.....
FMA Act s.44 Delegate Signature

.....
Date

.....
Name and Designation

NOTE TO USER:

It is not necessary for the Contractor to sign the Variation Order. However, you must act in good faith by ensuring that the Contractor agrees to the changes before issuing the Variation Order. As with Amendments, Variation Orders must be cleared by the Director Procurement Management Group (PMG) and if required by the Director, an AusAID Legal Adviser before being issued. See 'Clearance Minute for Amendment or Variation' on the Rules and Tools AusAID Intranet Page.

The delegate must sign two originals of the Variation Order. One original is sent to the Contractor. One copy needs to be made. The copy must be retained by the Agreement Manager (Canberra or Post). The AusAID original copy is sent to RMC for inclusion on the original Contract File. (DELETE this note before issuing the Variation Order).

**SCHEDULE 4B - VARIATION SUMMARY SCHEDULE
CONTRACT [INSERT NUMBER]**

The Contract has been varied in accordance with Standard Condition clause headed **Contract Amendments and Variation** of the Contract on the following dates relating to:

[illegible]

SCHEDULE 5 – 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:

- (a) this Deed is entered into for the benefit of AusAID; and

(b) 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:

- (a) 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;
- (b) 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;
- (c) 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
- (d) 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.

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.

4. 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.

5. 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.

6. 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:

7. **LAWS**

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

8. **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.

9. **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 6 - UNCONDITIONAL FINANCIAL UNDERTAKING

THIS DEED POLL made

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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

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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)**