Australian Government
AusAID

ADDENDUM 3

Date: 13 October 2009 Pages: 8
Subject: Addendum 3 to the "Strongim Pipol Strongim Nesen" RFT of 9 September 2009

Tenderers are advised of the following:

Clarifications to the RFT

1. Clause 9.2(a) in Section 1, Part 3 of the RFT is hereby amended as follows:

   "(a) be provided in accordance with the specifications under Standard Condition Clause 16."

2. Clause 3.2 in Section 1, Part 4 of the RFT is hereby amended as follows:

   "3.2 The Contractor shall provide a quarterly invoice for Reimbursable Operational Costs on the basis of actual expenditure in Accordance with the approved Annual Plan and budget for the period. Annex 1 to this Schedule 2 Basis of Payment provides details of the maximum amounts applicable to each category of Reimbursable Operational Costs."

3. With regards to Clarification 2 (above), Tenderers have already been provided with those details of the Reimbursable Operational Costs which AusAID is able to provide at this stage in Annex 1 to Section 1, Part 4 of the RFT. The limits to the Reimbursable Operational Costs not already detailed in Annex 1 to Section 1, Part 4 of the RFT will be determined on the basis of Tenderers' response to the RFT.

4. Table C in Tender Schedule C in Section 1, Part 1 of the RFT as reissued in Addendum 1 to the RFT is hereby revised as follows:

Table C - Fixed Contractor Management Fees and Costs – Contractor Corporate Support and Administration Costs						
Item	Cost in Year 1 (10 x monthly rate)	Cost in Year 2 (12 x monthly rate)	Cost in Year 3 (12 x monthly rate)	Cost in Year 4 (12 x monthly rate)	Cost in Year 5 (6 x monthly rate)	Total for 5 years
Contractor Corporate Support and Administration Costs	specify	specify	specify	specify	specify	specify
Total						**Total for like for like assessment**

NB: Tenderers must give a comprehensive and detailed breakdown of Contractor Corporate Support and Administration Costs as specified in Table C including profit, financing costs, administration, communications and utilities costs, the cost of the Unconditional Financial Undertaking and any other corporate costs

5. As advised in the response to Question 8 in Addendum 1, AusAID is able to provide the following details on the existing Management Information System (MIS) developed under DGTP:
    - The DGTP MIS consists of 5-6 different databases, which cover areas including HR, Assets/IT, CSO Partners, and financial reporting.
    - the CSO database system is linked to the finance database via a Grant Agreement Number, allowing information to be updated on both the finance and CSO database systems when new information is entered.

6. Further to Clarification 1 in Addendum 1, AusAID confirms that the final date for tenderer enquiries relating to the SPSN RFT is now 21 October 2009.

Questions raised by interested Tenderers:

1. Is Table B in Tender Schedule C in Section 1, Part 1 of the RFT to include all costs associated with the inputs of the Contractor Rep and SPSN PM, including accommodation, per diem, mobilisation, insurances, travel etc?

    Yes.

2. In Table E in Tender Schedule C in Section 1, Part 1 of the RFT the use of the term ‘pool’ indicates some flexibility with respect to the way short-term

advisers are used and the timing of their inputs. What scope will Tenderers have to vary the composition of short-term inputs detailed in Table E?

The inputs in Table E should reflect the manner in which Tenderers believe SPSN should be resourced in order to implement their approach to SPSN. The inputs may later be varied in accordance with Clause 10.9 in Section 1, Part 3 of the RFT.

3. Given that the Basis of Payment makes provision for reimbursing the cost of short-term personnel other than the Consultant Pool should Table E in Tender Schedule C in Section 1, Part 1 of the RFT include a fixed, nominal number of days inputs to enable a like-for-like comparison to be made in the tendering process?

   No. AusAID is interested in how Tenderers propose to resource SPSN, including staffing levels.

4. The revised Table E included in Addendum 1, asks for “up to 8 consultants” to be costed in Table E, yet the personnel required to be nominated states “8 consultants” – should the number to be nominated and costed be exactly 8 in order to allow for a true like-for-like assessment? Up to 8 consultants suggests some Tenderers may include less than 8 significantly reducing the costs.

   AusAID is interested in how Tenderers propose to resource SPSN, including staffing levels. Any advantage obtained from nominating fewer consultants for the purposes of the financial assessment may be counter-balanced by the scores for the technical assessment.

5. With regards to Annex 3 – Staffing Schedule and Team Member Inputs (Bar Chart) in Section 1, Part 1 of the RFT staffing to be shown in this annex are those staff nominated by Tenderers in Tables, B, D and E. Is this correct?

   No. Tenderers are to include all staff they require in order to implement their approach to SPSN in Annex 3 - Staffing Schedule and Team Member Inputs (Bar Chart). This is to be an indicative staffing schedule for the program as a whole and all personnel who would be required to implement the program should be included.

6. Tables H and I in Tender Schedule C in Section 1, Part 1 of the RFT specify that the cost ‘per field office’ should be shown. We assume that the costs to be shown in Table I should also be an average amount provided on a per office basis. Is this correct?

   Please refer to Question 9 in Addendum 2 to the SPSN RFT.

7. In Table C in Tender Schedule C in Section 1, Part 1 of the RFT – if “Contractor Corporate Support and Administration Costs” include all those items listed in the footnote to the table, what does “Personnel Management Fees” cover?

   Please refer to Clarification 4 above.

8. Can AusAID provide parameters for us to cost the Environmental Impact Assessments referred to in Tables G and I in Tender Schedule C in Section 1, Part 1 of the RFT?

   Please refer to Question 1 in Addendum 2 to the SPSN RFT.

9. Could the cost of the audit referred to in Clause 15.19 in Section 1, Part 2 of the RFT be paid out of the Imprest Account instead of being borne by the Contractor under its Management Fee?

   No.

10. Could AusAID clarify that any audit undertaken “by or on behalf of AusAID” as outlined in Clause 15.20 in Section 1, Part 2 of the RFT will be paid by AusAID and not out of the Payment to the Contractor for its SPSN services?

    Yes. Any audits required under Clause 15.20 in Section 1, Part 2 of the RFT will be paid for by AusAID.

11. Clause 10.9 in Section 1, Part 3 of the RFT states that the Contractor will propose positions and inputs of the Consultant Pool in each annual plan and may institute a selection process. For the purposes of Table E in Tender Schedule C, Section 1, Part 1 of the RFT does AusAID then wish Tenderers to assume that the short term advisers in the original Consultant Pool will be retained for the 52 months duration of SPSN?

    Yes. Tenderers should complete Table E as required to implement their approach to SPSN and on the assumption that the original Consultant Pool will be retained for the 52 months duration of SPSN.

12. With regards to Clause 3.2, Section 1, Part 4 of the RFT can AusAID change the “quarterly” invoice to “monthly” invoice for Reimbursable Operational Costs?

    No.

13. With regards to Clause 4.2(a) in Section 1, Part 4 of the RFT can AusAID change the “quarterly” payments to “monthly” payments for this 80% of Fixed Management Fees and Costs?

    No.

14. Addendum 1 to the RFT states that the Inception Plan must commence from the date the Contractor is mobilised. Can AusAID confirm that the date of mobilisation is the same as the effective start date of the contract and that the Inception Plan covers Months 1-6 of the contract?

    Yes. The date of mobilisation is the same as the effective start date of SPSN and the Inception Plan is to cover Months 1 – 6 of the Contract.

15. With regards to Clause 7.1 in Section 1, Part 2 of the RFT – can AusAID clarify whether the Annual Plan required by 1 July 2010 (3 months after the 1 March 2010 Start Date is for the 22 month project period of 2010 (Part) and 2011 – or is the Annual Plan required by 1 October 2010 only for the 10 month project period of 2010 and a second Annual Plan is required by 1 October 2010 for the 12 month period of 2011?

    The Annual Plan due on 1 July 2010 is for the 10 month project period of 2010. The second Annual Plan will be required by 1 October 2010 for the twelve month period of 2011.

16. Can AusAID confirm that the meetings referred to in Clause 9.1, Section 1, Part 2 of the RFT will be held in Canberra and not PNG where the Democratic Governance Unit resides?

    Clause 9.1 in Section 1, Part 2 of the RFT has been included to allow AusAID to request the Contractor for SPSN to attend meetings in Canberra in the event that they are required.

17. With regards to Clause 2.2 in Section 1, Part 3 of the RFT - have members of the Joint Governing Council been identified as yet? How often is it proposed that the Joint Governing Council will meet?

    Members of the Joint Governing Council have not yet been selected. The Joint Governing Council is expected to meet at least once every six (6) months, however this will vary depending on the progress of SPSN.

18. With regards to Clause 5.2 in Section 1, Part 3 of the RFT can AusAID provide details of the number and type of contracts/agreements that the Contractor will be required to accept as novated from ongoing DGTP activities?

    Yes, please refer to Attachment 1 to this Addendum.

19. Annex 1 to Section 1, Part 4 of the RFT suggests funding to 72 local training institutions over the duration of SPSN. Does AusAID intend that 72 separate institutions be funded or may some institutions receive funding more than once? If an institution is to receive funding over $100,000 over the life of SPSN, will AusAID expect a sub-contracting process to take place?

The figures in Annex 1 to Section 1, Part 4 of the RFT are indicative only. Institutions may be funded more than once and the size of the grants may vary. The mechanism for funding will also vary depending upon the circumstances, however funding could occur via either a grant agreement or a sub-contract.

20. Page 39 of the PDD proposes funds of $800 per individual for a minimum of 2200 individuals for capacity building activities. What costs do these funds cover?

    The $800 per individual is an approximate figure. These funds are intended to cover the operational costs (for example training fees and materials) associated with the capacity building framework which the Contractor will be required to develop in accordance with Clause 6.9(b) in Section 1, Part 3 of the RFT.

21. Clause 16.1 in Section 1, Part 2 of the RFT refers to a formula set out in Schedule 2 BoP (Section 1, Part 4 of the RFT) - could AusAID explain where this formula is located in Section 1, Part 4 of the RFT?

    Clause 16.1 in Section 1, Part 2 of the RFT refers to the formula detailed in Annex 2 to Section 1, Part 4 of the RFT.

22. With regards to the first sentence in the second paragraph in Section 1, Part 4 of the RFT– can AusAID confirm that the reference to "and give the Contractor an opportunity to respond and take action" refers to the "needs attention" rating, and should read "and the "needs attention" rating gives the Contractor an opportunity to respond and take action"?

    No, the first sentence in the second paragraph in Annex 2 to Section 1, Part 4 of the RFT is correct. The reference to "and give the Contractor an opportunity to respond and take action" refers to the "exception approach" as a whole. By categorising and rating each aspect of the Contractor's performance the "exception approach" highlights performance issues, thus giving the Contractor the opportunity to respond and take action prior to the next performance assessment.

23. With regards to the second paragraph to Annex 2 to Section 1, Part 4 of the RFT, does the Contractor have the right to dispute and respond to any "unsatisfactory" rating assigned by AusAID and, if so, what will this dispute process entail?

    The Contractor does not have the right to dispute the "unsatisfactory" rating assigned by AusAID but may provide a written response to AusAID if they wish.

24. Can AusAID clarify whether the "description of team composition" referred to in Clause 4.2(D) in Section 1, Part 1 of the RFT relates to (a) the

personnel nominated by bidders in Tender Schedules B and C or (b) the SPSN Indicative Staffing Profile provided in Annex 1 to Section 1, Part 3 of the RFT?

This refers to the SPSN indicative staffing profile provided in Annex 1 to Section 1, Part 3 of the RFT.

25. Does AusAID require Tenderers to include recruitment costs for (a) long term advisers and (b) administrative personnel in the Port Moresby and field offices? If so, under which Table should such costs be included?

    Yes, AusAID requires Tenderers to include recruitment costs for all personnel. These should be included in Table C in Tender Schedule C in Section 1, Part 1 of the RFT.

26. In Table G in Tender Schedule C in Section 1, Part 1 of the RFT AusAID requests Tenderers to include their office set-up costs for a Port Moresby office. As there is an incumbent with an established Port Moresby office already in place, how does AusAID intend to conduct a like-for-like assessment of Port Moresby office set-up costs?

    Whilst there is an existing provider for DGTP, there is no incumbent provider for SPSN as it is a new program. There is currently no arrangement for any of the assets of DGTP to be transferred into SPSN, hence all Tenderers will incur office set-up costs in establishing a Port Moresby office for SPSN.

27. Can AusAID advise if the Subsidiary Agreement between the governments of Australia and PNG has been signed to enable AusAID to enter into a contract for SPSN?

    The Government of Australia and the Government of Papua New Guinea are currently negotiating a Subsidiary Arrangement pertaining to SPSN and it will be finalised as soon as possible.

28. Can AusAID advise dates for the Technical Assessment Panel interviews?

    AusAID would expect these to be held in early to mid-December 2009.

Attachments to this Addendum:

- Attachment 1: Information on DGTP Agreements
- Statement from pre-tender briefing held on 21 September 2009 by Mr Simon Kunai, Acting Deputy Secretary, Admin and Support Services, Department of Provincial and Local Government Affairs

All other information as set out in the RFT dated 9 September 2009, Addendum 1 dated 1 October 2009 and Addendum 2 dated 2 October 2009 remains unchanged.