May 2009
Preparing and Maintaining an Annual Procurement Plan
GOOD PROCUREMENT PRACTICE (GPP)
Executive Summary

*Preparing and Maintaining an Annual Procurement Plan* is a part of the Good Procurement Practice series published by the Department of Finance and Deregulation. This series aims to build on the Financial Management Guidance series to provide agencies with practical assistance on the application of procurement policy.

Annual Procurement Plans draw business’ early attention to potential procurement opportunities through a Strategic Procurement Outlook Statement, supported by details of planned procurements. Agencies are required to publish an Annual Procurement Plan by 1 July each year.

The booklet takes agencies through the process of preparing, publishing and updating Annual Procurement Plans, providing policy and guidance extracts which are complemented with good practice examples. For quick reference the booklet includes a check list that outlines each step and the issues to consider when preparing and publishing an Annual Procurement Plan.

The booklet provides practical guidance to assist agencies to produce Annual Procurement Plans that:

- provide potential suppliers with useful information about the agency and the environment in which it conducts procurement;
- provide early information about the agency’s intended procurements; and
- facilitate good procurement planning within the agency.

For agencies with no major planned procurements, the booklet also provides guidance on how they can best meet their obligations.

As well as the requirements of Annual Procurement Plans, specific issues dealt with in the booklet include advice on how agencies can:

- include procurements in an Annual Procurement Plan to reduce the time limits that apply when approaching the market;
- prepare a Strategic Procurement Outlook Statement;
- determine which procurements and details to include in the Annual Procurement Plan to ensure a consistent approach across the agency;
- describe the details of planned procurement to ensure the listing is properly understood and easy to use;
- use appropriate disclaimers to alert readers to the purpose of the Annual Procurement Plan and how the timing of planned procurements can change over time;
- publish Annual Procurement Plans on AusTender; and
- update Annual Procurement Plans and how changes should be presented.

A template is included in the booklet to assist officials with the preparation of Annual Procurement Plans.
The purpose of this series of Good Procurement Practice (GPP) booklets is to explain relevant procurement policies in practical terms and provide examples of good practice. The policy requirements are set out in the *Commonwealth Procurement Guidelines* (CPGs).

The Financial Management Guidance (FMG) publications, issued by the Department of Finance and Deregulation (Finance), provide guidance to agencies on the operational matters that flow from the CPGs.

This series of GPP booklets supports the CPGs and the relevant FMG publications. This series is not intended to be binding on agencies but rather to assist agencies by expanding on the guidance publications including through examples of sound procurement practice.

The booklets in this GPP series contain relevant extracts from legislation (e.g., *Financial Management and Accountability Act 1997*), regulations (e.g., Financial Management and Accountability Regulations 1997) and directions (e.g., Finance Minister’s (CAC Act Procurement) Directions 2004); policy (e.g., the CPGs); supporting guidance (e.g., FMG publications); and good practice examples.
1. Introduction
1.1 This booklet has been issued to assist officials involved in preparing, publishing or updating the Annual Procurement Plan (APP) for an agency. Australian Government agencies have been consulted in its preparation.

1.2 For further information about the matters in this booklet, officials should liaise with their Chief Financial Officer (CFO) Unit/Procurement Unit. Additional assistance is available from the Department of Finance and Deregulation (Finance) through agency CFO Units/Procurement Units by emailing procurementagencyadvice@finance.gov.au.

2. Checklist: Preparing and Maintaining Annual Procurement Plans

**Action Reference**

- Set timelines for the preparation of the APP Section 3
- Establish procedures and approval processes Section 5
- Appoint an APP Co-ordinator Section 5
- Set parameters for inclusion of planned procurements Section 5
- Identify sources of information Section 5
- Prepare Strategic Procurement Outlook Statement Section 6
- Prepare the detailed listing of planned procurements Section 7
- Make the listing easy to use Section 7
- Specify how to obtain request documentation Section 8
- Prepare disclaimer Section 8
- Obtain approvals Section 9
- Publish the APP on AusTender Section 9
- Update the APP as required Section 10
3. Annual Procurement Plan Requirements

POLICY

Commonwealth Procurement Guidelines

Annual Planning

7.15 Agencies must publish on AusTender, by 1 July each year, an Annual Procurement Plan (APP) to draw suppliers’ early attention to potential procurement opportunities.

7.16 The APP is to contain a short strategic procurement outlook for the agency supported by details of any planned procurement. The detail should include the subject matter of any planned procurement and the estimated date of the publication of the approach to the market.

GUIDANCE

Guidance on Procurement Publishing Obligations (FMG No. 15)

4.1 Policy

Australian Government policy requires agencies to publish an APP on AusTender by 1 July each year. An agency may publish its APP at an earlier date, but no earlier than 1 June. APPs may have an outlook that is greater than the mandatory 12 months as long as a new APP is published annually.

For relevant CAC Act bodies the requirement to publish an APP only applies to covered procurements.

If a covered procurement is published as a planned procurement in an APP, at least 30 days and not more than 12 months in advance, the CPGs allow an agency to reduce the submission time frame for that procurement to less than the standard 25 day time limit but no shorter than 10 days, provided reasonable time is still available for potential suppliers to prepare their submission.

Agencies that do not anticipate any covered procurements are still encouraged, as a matter of better practice, to establish an APP based on any other procurement that would benefit from the early notice provided by an APP.

If agencies have no significant procurements planned in the forthcoming year, they should provide either an APP with no detail of planned procurement or a notice on AusTender that they expect to have no significant procurements over the coming year.

4.2 Details to be Published

The APP should contain a short strategic procurement outlook for the agency, supported by details of any planned procurement. The detail should include the subject matter of any planned procurement, the estimated date of publication of the approach to market and how to obtain request documents.

3.2 Each year agencies subject to the CPGs are required to publish on AusTender, between 1 June and 1 July, an APP for the coming financial year unless:

a. the agency has no significant procurements planned and it publishes a notice on AusTender to this effect;
b. the agency is a body listed in the Commonwealth Authorities and Companies Regulations 1997 as subject to section 47A of the Commonwealth Authorities and Companies Act 1997 (relevant CAC Act body) with no covered procurements planned and it publishes a notice on AusTender to this effect; or
c. the Chief Executive of the agency has determined that the publication of an APP would pose a risk to essential security interests.

3.3 An APP has two key components:

a. an overview of the agency and its planned procurements - in the form of a Strategic Procurement Outlook Statement; and
b. a listing of planned strategic and key procurements.

3.4 Where an agency has no significant procurement planned for the coming financial year, it is good practice for an agency to publish an APP with a Strategic Procurement Outlook Statement that provides an overview of the agency and an indication of its general requirements.

GOOD PRACTICE

Example: APP for an agency with no major planned procurements
Agency A delivers specialised services within the health sector, across Australia. It has a network of 6 offices in State capital cities. Agency A has no major procurement initiatives planned for 20xx-yy. Minor supply opportunities may arise in the areas of corporate support and staff development. All open approaches to the market conducted by agency A are advertised at www.tenders.gov.au.
4. Annual Procurement Plans for Approaching the Market and Time Limits

POLICY

*Commonwealth Procurement Guidelines*

8.57 Agencies need to provide sufficient time for potential suppliers to prepare and lodge a submission in response to an approach to the market. **Time limits discussed in this section represent minimum periods and should not be treated as default time limits for potential suppliers to lodge submissions.**

8.58 The time limit for potential suppliers to lodge a submission must be at least 25 days from the date and time that an agency publishes a notice of an open approach to the market or invites potential suppliers to participate in a select tender process, except under the following circumstances where an agency may establish a time limit that is less than 25 days but no less than 10 days:

a. where the agency has published details of the procurement in an Annual Procurement Plan on AusTender, at least 30 days and not more than 12 months in advance, and these details include a description of the procurement, the estimated timing of the approach to the market, and the procedure to obtain request documentation.

GUIDANCE

*Guidance on Procurement Publishing Obligations (FMG No. 15)*

**The APP and Time Limits for the Approach to the Market**

...  

**Reduction in Time Limit**

3.17 The CPGs prescribe minimum time limits for submission periods of covered procurements of not less than 25 days.

3.18 If a procurement is published as a planned procurement in an APP, and the following relevant criteria are met, the CPGs allow for an agency to reduce the minimum submission time frame to not less than ten days in lieu of the standard 25 day minimum time limit, provided reasonable time is still available for potential suppliers to prepare their submissions.

3.19 The criteria that must be met are that:

- the procurement was detailed as a planned procurement in an APP, which was published more than 30 days and less than 12 months before the approach to the market; and

- the published detail includes:
  - a description of the procurement;
  - the estimated date of the approach to the market or the timeframe within which it will occur; and
- the procedure to obtain request documents.

**Reasonable Time Period**

3.20  Despite the capacity to reduce time limits provided in the CPGs, an agency is responsible for ensuring that procurement processes are transparent and that any shortened time frame does not detract from the open competition aspect of the procurement process, nor the outcome.

...
4.1 The *Commonwealth Procurement Guidelines* (CPGs) provide for the approach to market time frame to be reduced below the standard minimum 25 calendar days required for covered procurements where intended procurements have been published in the Annual Procurement Plan (APP).

4.2 This reduction in time frame can be invoked only if the procurement was included in an APP published more than 30 days and less than 12 months before the approach to the market. When a new version of an APP is published to reflect updated information, or a new APP is published for the next financial year, the following scenarios can arise:
   a. for procurements listed for the first time in the new or updated APP, the reduced time frame is available only after the new or updated plan has been published for 30 days;
   b. for procurements re-listed in the new or updated APP, the reduced time frame is available provided that the procurement was included in the previous APP and that APP had been published for more than 30 days and less than 12 months; or
   c. where a procurement has been listed for more than 12 months, the reduced time frame will be available provided the most recent APP was published or updated less than 12 months ago.

4.3 Where a major procurement is expected to occur shortly after the end of the financial year covered by the current APP, it is good practice for the agency to update the current APP with this planned procurement, particularly if it wishes to make use of the reduced time frame provisions.

4.4 Even where a reduced time frame is available, agencies must ensure that sufficient time is provided to allow potential suppliers to prepare and lodge their submissions.

5. Preparing the Annual Procurement Plan

5.1 This section outlines some practical issues to be considered when preparing an Annual Procurement Plan (APP), so that it is informative and helpful to potential suppliers.

5.2 A good APP should:
   a. provide potential suppliers with useful information about the agency and the environment in which it conducts procurement;
   b. provide early information about the agency’s intended procurements for the period covered by the APP; and
   c. facilitate good procurement planning within the agency.

A good APP may also allow other agencies to see where there may be synergies and scope for collaboration.

5.3 It is good practice for agencies to establish procedures for preparing, updating and publishing APPs. These could be included in the agency’s Chief Executive’s Instructions or operational guidelines on procurement. The APP procedures will reflect the nature of the agency and its procurement needs, and could include processes for:
   a. providing input to the APP;
b. drafting the APP;
c. approval of the APP;
d. publication of the APP; and
e. reviewing and updating the APP.

**APP Co-ordinator**

5.4 Agencies may wish to appoint an APP Co-ordinator. Appointing an APP Co-ordinator establishes the basis for a co-ordinated approach across the agency. The Co-ordinator can be responsible for collating information, drafting the APP, submitting the APP for approval, publishing the approved APP on AusTender and managing reviews and updates during the year.
A consistent approach to content

5.5 A key decision to be made when preparing an APP is which procurements should be included in the plan. It is important that a consistent approach is taken across the agency. Establishing clear principles for deciding which procurements to include in the APP will assist with this.

5.6 Where such principles are being established, it is good practice to consult widely across the agency and secure agreement from the executive of the agency.

Sources of information

5.7 Information for inclusion in the APP will need to be gathered from a number of sources. The range of sources and the information each source can provide will depend on the nature of the agency and its procurement operations and could include:
   a. line managers;
   b. corporate services managers (including facilities management, human resources);
   c. the Chief Financial Officer;
   d. the Chief Information Officer;
   e. contracts register (to identify contracts due to expire); and
   f. planning and reporting documents such as business plans, Portfolio Budget Statements, Portfolio Additional Estimates Statements and Annual Reports.

5.8 It is good practice to maintain good records of the process used to collect information for the APP. These records can assist with:
   a. obtaining clarifying or additional information;
   b. updating the APP; and
   c. preparation of APPs in future years.

6. Strategic Procurement Outlook Statement

GUIDANCE

Guidance on Procurement Publishing Obligations (FMG No. 15)

3.13 Details to be Published

Strategic Procurement Outlook Statement

Each agency must prepare a concise strategic procurement outlook statement for the forthcoming financial year. The statement should broadly discuss any key, major or strategic initiatives from which the agency expects procurements to arise. An agency may wish to prepare more than one strategic procurement outlook statement, for example along business lines or procurement activity, to enhance the effectiveness and usefulness of the plans for suppliers. For example, strategic procurement outlook statements could be prepared for each of corporate, legal, and Information and Communications Technology.

6.1 The purpose of the Strategic Procurement Outlook Statement is to give potential suppliers an overview of the agency and the context in which it conducts its procurement. Where an agency
has several major business units that each undertake significant procurement, a Strategic Procurement Outlook Statement may be prepared for each of those units.

6.2 It is good practice to include an agency profile and to use the Strategic Procurement Outlook Statement to explain how the Annual Procurement Plan (APP) is structured and how it will be updated.
Agency profile

6.3 Potential suppliers may be unfamiliar with the name, functions and locations of the agency. An agency profile can be used to describe the agency and its operations. This could include:
   a. an overview of the agency’s responsibilities;
   b. the location of offices;
   c. the number of staff in the agency;
   d. the website address; and
   e. how the agency undertakes its procurement.

6.4 Information about how the agency undertakes its procurement could include a brief statement about whether the agency uses a central, devolved or a combined model for conducting its procurement. It is also good practice to indicate whether there is any planned participation in clustering arrangements with other agencies.

GOOD PRACTICE

Example: An agency profile

Agency B has offices in all capital cities and total staff of 650 officers at the end of June 20yy. The Agency is responsible for the delivery of xxxx services to the Australian community. It undertakes this role by delivering a range of services with the majority of delivery channels making extensive use of advanced technologies. In 20yy-xx, the Agency will continue to develop and refresh its delivery arrangements. Procurement activity is decentralised, with each State office managing its own requirements through dedicated procurement units.

Strategic initiatives impacting on procurement

6.5 The Strategic Procurement Outlook Statement should include information about key procurement ‘drivers’, such as policy and programme initiatives, as these will have a significant influence on the agency’s procurement activities. This information can usually be found in the agency’s business plan, Portfolio Budget Statements and Annual Report. It is good practice for the information included in the APP to be consistent with that in other publicly available documents.

GOOD PRACTICE

Example: An agency Strategic Procurement Outlook Statement

This APP provides potential suppliers with an indication of likely procurements in the coming financial year to give potential suppliers advance knowledge of the Agency’s supply requirements. The Agency will continue to look for marketplace solutions that are innovative, effective and offer value for money. Agency C plans to acquire and implement a comprehensive Human Resource Management System. It also plans to establish standing offer panels for the provision of specialised technical services and legal advice. The APP will be reviewed and updated at the end of each quarter or if the Government changes the functions of the Agency.
7. Planned Procurement Details

GUIDANCE

Guidance on Procurement Publishing Obligations (FMG No. 15)

3.12 Details to be Published

... Agencies determine the level of information that they will include in their procurement plans to meet their disclosure requirements and encourage competition whilst maintaining the integrity of information. It is a matter of judgement, for agencies, as to what anticipated procurements to include.

... Detail of Planned Procurement

3.14 Each agency must prepare details of their planned procurements, including:
- Detail of the subject matter of the procurement;
- Estimated date of the approach to the market or the timeframe within which it will occur; and
- The procedure to obtain request documentation.

3.15 There are no value thresholds for inclusion of a procurement in an APP. It is a matter of judgement, for agencies, as to what anticipated procurements to include. The APP is intended to draw potential suppliers’ early attention to potential procurement opportunities, particularly major projects.

3.16 There are a number of factors an agency may wish to consider when deciding which procurements to publish in the APP. These may include:
- Information that would add value to the agency’s relationships with industry, suppliers and contractors;
- The level of meaningful information available;
- Whether the agency wishes to have the option to reduce time limits for submissions;
- The likely significance of the procurement;
- The likely value;
- The likelihood of the procurement actually occurring; and
- The method of procurement.

What should be listed?

7.1 An Annual Procurement Plan (APP) should list all planned major and strategic procurements for the forthcoming financial year. Agencies have discretion in deciding which procurements to include and how much information to provide in each entry. Establishing clear principles to be applied by officials in deciding which planned procurements to include in the APP will promote a consistent approach across the agency.
7.2 The matters to be taken into account will vary between agencies, depending on agency processes and procurement needs, but they could include a combination of the following:
   a. a minimum dollar threshold;
   b. major contracts due to expire in the coming year;
   c. all covered procurements;
   d. panels to be established or re-established;
   e. select tenders, where a multi-use list is to be used; and
   f. procurements involving clustering with other agencies.

**Details of the subject matter**

7.3 The subject matter of the procurement is described in the General Description column of the APP. The wording for the summary of the planned procurement should be short and in plain English.

7.4 When specifying details of a procurement, it is good practice to include information about:
   a. the likely scale or volume of the procurement;
   b. the delivery locations;
   c. the planned method of procurement including details of any intended panel arrangements; and
   d. the likely contract duration.

7.5 When listing planned procurements officials should avoid descriptions that:
   a. are too general or broad;
   b. give an inadequate indication of the scope of the procurement;
   c. use overly technical terms or jargon; or
   d. inadequately describe the type of property or services sought.

**GOOD PRACTICE EXAMPLES**

<table>
<thead>
<tr>
<th>Bad Description</th>
<th>Good Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT system <em>(too general)</em></td>
<td>Electronic records management system to maintain all official documents</td>
</tr>
<tr>
<td>Blueprint for expansion of mainstream electronic information dissemination strategy for publications encouraging improved knowledge and awareness of “Healthy Australians” programme <em>(too technical and obscure)</em></td>
<td>Design and development of a website for health promotion services</td>
</tr>
<tr>
<td>Telephones <em>(inadequate indication of size and scope)</em></td>
<td>Replacement of voice services to 1000 staff in all state and regional offices</td>
</tr>
<tr>
<td>Panel of service providers <em>(insufficient description of the service)</em></td>
<td>Panel of legal services providers</td>
</tr>
</tbody>
</table>
Estimated date of the approach to the market

7.6 Agencies are required to indicate the planned timing of the approach to the market in the Planned Procurement section of the APP. It is good practice to indicate the planned timing as specifically as possible by listing the month of the planned approach to the market, such as ‘January 20xx’. In cases where less certainty exists, indicate a range of months such as ‘March-April 20xx’ or ‘the second quarter of 20xx’.

7.7 Where additional information about timing is known, such as the expiry date of a current contract or details of the likely contract commencement date, it is good practice to include this information in the APP.

Making the listing easy to use

7.8 Where an agency has a number of significant procurements planned for the coming year, it is good practice to present the planned procurements in groupings under appropriate headings. It can be very difficult for potential suppliers to identify areas of interest among a long, unstructured list of planned procurements.

Potential suppliers often have an interest in select fields of procurement and they will be assisted by a well structured listing.

7.9 Procurements can be grouped in various ways:
   a. according to the organisational structure;
   b. by programme structure;
   c. by location;
   d. by volume; or
   e. by functional categories, for example:
      i. Information technology services;
      ii. Labour hire (contractors) services;
      iii. Market research;
      iv. Property services;
      v. Training services; and
      vi. Corporate services.

7.10 It is good practice to publish the details of planned procurements in date order, so that potential suppliers can readily identify procurements that will arise in the short term. Where procurements are grouped, the listings within each group can be placed in order of the estimated time of the approach to the market.

7.11 For very long listings, agencies may consider using a referencing system to assist potential suppliers to quickly identify areas of interest. Where such a system is used in the APP, an explanation of the system should be included.

8. Other Matters
Details of how to obtain request documentation

8.1 A requirement of Annual Procurement Plan (APP) listings is to advise suppliers how to obtain request documentation when a procurement opportunity is released to the market.

8.2 Where practicable, request documentation for covered procurements is to be made available electronically through AusTender. If AusTender will be used for electronic document distribution for all listed procurements, this can be stated in one place in the APP. Where another method is to be used to make documentation available for a procurement listed in an APP, this should be clearly specified.

GOOD PRACTICE

Example: Statement on how to obtain request documentation

All open approaches to the market will be advertised on AusTender at www.tenders.gov.au. Agency E also uses AusTender to electronically distribute request documentation to potential suppliers.
Disclaimer
8.3 It is good practice to include a disclaimer at the end of the APP listing to alert readers to the primary purpose of the APP and to advise that the timing of procurements could change over time. There will be occasions when a planned procurement is brought forward or delayed or when it does not eventuate.

GOOD PRACTICE

Example: A Disclaimer

All planned procurements are subject to revision or cancellation. The information in this Annual Procurement Plan is provided for planning purposes only and it does not represent a solicitation or constitute a request for proposal, nor is it a commitment by the Government to purchase the described property or services.

Acronyms and abbreviations
8.4 It is good practice to explain any acronyms or abbreviations used in the APP.

9. Publication of Annual Procurement Plans on AusTender

9.1 When the Annual Procurement Plan (APP) has been prepared and the final version approved in accordance with the agency’s processes, the APP should be promptly published on AusTender by 1 July each year.

9.2 The publishing procedures for AusTender are set out in the AusTender Agency User Guide provided to the Procurement Units of agencies by the AusTender Help Desk. The official responsible for AusTender publishing and administration in the agency will generally publish the APP.

10. Updating Annual Procurement Plans

GUIDANCE

Guidance on Procurement Publishing Obligations (FMG No. 15)

Updating the APP

3.21 Following the publication of an agency’s APP, it is prudent to insert detail of new planned procurements and amend or strike out inaccurate information to keep the APP current and to keep industry up to date.

... The strategic procurement outlook statement should reflect thinking at a point in time and, unless there are significant or fundamental changes within an agency, it would not be necessary to update within the year.
10.1 It is good practice for the Annual Procurement Plan (APP) to be kept up to date so that potential suppliers have the most up to date information available about intended procurements.
Frequency of updates

10.2 It is good practice for agencies to decide how often APPs will be reviewed and, if necessary, updated. Agencies could consider instituting monthly or quarterly reviews, depending on the extent of change likely to occur during the APP lifecycle.

10.3 An event of significance that impacts on an agency’s procurement planning may trigger an unscheduled, non-cyclical review and update. For instance, where the Government announces a change of functions or a new major policy initiative arises, it is likely that there will be a flow-on to the procurement plans of the agency.

Presentation of changes

10.4 When the APP is updated, it is good practice to include a brief explanation of the reason for each change on the AusTender listing of procurements. For example, ‘a major programme has been cancelled’ or ‘this is a routine update’.

10.5 Any update to the APP should be easily recognisable. It is good practice to annotate the front page of the APP by inserting version control information, with the date of the update clearly identified. New procurements should be identified along with any adjustments to listed procurements. This will allow potential suppliers to readily identify changes and additions.

10.6 For procurements that will not proceed, it is good practice to indicate this as a deletion in the plan, rather than simply removing the entry. Items removed from the APP could be indicated by striking a line through the relevant text or using an annotation to indicate that they will not proceed. Markers may be used to explain other changes, such as where procurements have been completed or the timing has changed.

10.7 Care should also be taken in the numbering of the listed items within the APP. When changes are made (including where a planned procurement is cancelled), it is preferable to retain the same reference numbers for each procurement throughout the course of the year to allow easy referencing.

10.8 When an update is published on AusTender, a brief reference to the update should be included in the Commentary/Strategic Procurement Outlook Statement box on the AusTender website.

GOOD PRACTICE

Example: Updated APP advice

The Annual Procurement Plan for the Department of F for the 20xx-yy financial year was updated on 8 October 20xx (version 3). Planned procurements that have been added are identified by their listing date and are highlighted in italics. Procurements that have been published on AusTender have been shaded out.

Procurements that were planned but have now lapsed have been marked as ‘removed’ with a line drawn through the entry. They remain in the listing for reference purposes only.
Attachment A - Annual Procurement Plan
Template

Annual Procurement Plan (year)

Agency Name:

Strategic Procurement Outlook Statement

[Describe the agency’s responsibilities and business activities, locations and staff numbers.]

[Describe the manner in which the agency undertakes procurement activities.]

[Summarise the major fields where procurement activity is expected.]

[Provide guidance on the frequency and approach to identifying changes in the APP, as the financial year progresses.
Sign how changes to the Planned Procurement listing will be reported – addressing new, tendered, deferred and deleted procurements.]

Planned Procurement

<table>
<thead>
<tr>
<th>Item Reference</th>
<th>Description</th>
<th>Estimated date of approach to market</th>
<th>Status/Comments</th>
</tr>
</thead>
</table>

[Provide details of how to obtain request documentation –

  e.g. All open approaches to the market will be advertised on AusTender at www.tenders.gov.au. Agency E also uses AusTender to electronically distribute request documentation to potential suppliers.]

[Include a disclaimer –

  e.g. All planned procurements are subject to revision or cancellation. The information in this Annual Procurement Plan is provided for planning purposes only and it does not represent a solicitation or constitute a request for proposal, nor is it a commitment by the Government to purchase the described property or services.]
References

• Financial Management Guidance No 1, Commonwealth Procurement Guidelines
• Financial Management Guidance No.15, Guidance on Procurement Publishing Obligations

These documents are available at www.finance.gov.au.

Contacts

• For information on publishing onto the AusTender website, contact:
  AusTender Help Desk
  Department of Finance and Deregulation.
  Phone: 1300 651 698
  Email: tenders@finance.gov.au.

• For information on the content of APPs, contact:
  Procurement Branch
  Department of Finance and Deregulation.
  Email: procurementagencyadvice@finance.gov.au.

Glossary

**APP**
Annual Procurement Plan. All agencies are required under the Commonwealth Procurement Guidelines (CPGs) to plan and publish on AusTender their proposed procurement for the forthcoming year. The APP should contain a short strategic procurement outlook for the agency and the details of any planned procurement.

**Approach to the market**
Any notice inviting potential suppliers to participate in a procurement. This may include a request for tender, request for expression of interest or request for application for inclusion on a multi-use list.

**AusTender**
AusTender is managed on behalf of the Australian Government by the Department of Finance and Deregulation. It is a system with components allowing agencies to publish Annual Procurement Plans (APPs), advertise business opportunities, make tender documentation available for electronic download and receive tender submissions electronically (depending on their level of access). It also enables agencies to report all contracts entered into over the relevant reporting thresholds ($10,000 for FMA agencies; and contracts arising from covered procurements for CAC Act bodies).

**CAC Act**
CAC Act body
A body subject to the Commonwealth Authorities and Companies Act 1997 (CAC Act) which is legally and financially separate from the Commonwealth and which is generally not subject to the CPGs. CAC Act bodies can be directed by the Finance Minister to apply the CPGs if they are listed in the Commonwealth Authorities and Companies Regulations 1997 (CAC Regulations) as subject to section 47A of the CAC Act (relevant CAC Act bodies). Relevant CAC Act bodies subject to section 47A of the CAC Act are referred to as ‘agencies’ for the purposes of this booklet.

Chief Executive’s Instructions (CEIs)
Issued by the Chief Executive of a FMA agency under the authority of section 52 of the Financial Management and Accountability Act 1997 (FMA Act) and Regulation 6 of the Financial Management and Accountability Regulations 1997 (FMA Regulations). These instructions provide operational guidance, focusing on the agency’s particular needs, in order to promote the efficient, effective and ethical use of Commonwealth resources.

Commonwealth Procurement Guidelines (CPGs)
These are issued by the Minister for Finance and Deregulation under Regulation 7 of the Financial Management and Accountability Regulations 1997 (FMA Regulations) and establish the core procurement policy framework and articulate the Government’s expectations for all departments and agencies subject to the Financial Management and Accountability Act 1997 (FMA Act) and their officials, when performing duties in relation to procurement.

Covered procurement
A procurement, other than one which is specifically exempt, where the value of the property or services being procured exceeds the relevant procurement threshold:

- $80,000 for property and services for agencies subject to the Financial Management and Accountability Act 1997 (FMA agencies);
- $400,000 for property and services for Commonwealth Authorities and Companies Act 1997 bodies that have been directed by the Minister for Finance and Deregulation to apply aspects of the Commonwealth Procurement Guidelines (CPGs) (relevant CAC Act bodies); and
- $9 million for construction services for FMA agencies and relevant CAC Act bodies.

Covered procurements must comply with the mandatory procurement procedures.

Finance
Department of Finance and Deregulation.

FMA Act

FMA Agency
An agency subject to the Financial Management and Accountability Act 1997 (FMA Act). All agencies governed by the FMA Act are referred to as ‘agencies’ for the purposes of this booklet.

FMG
Financial Management Guidance. A series of publications issued by Finance which provide guidance to agencies on the operational matters that flow from the Commonwealth Procurement Guidelines (CPGs).

**GPP**
Good Procurement Practice. A series of booklets being issued by Finance to explain relevant procurement policies in practical terms and provide examples of good practice.

**Mandatory Procurement Procedures (MPPs)**
These are outlined at Division 2 of the Commonwealth Procurement Guidelines (CPGs). They are a set of prescriptive rules and procedures which agencies must comply with when conducting any covered procurement.

**Multi-use list**
A list of suppliers, intended for use in more than one procurement process, where the suppliers have already satisfied certain conditions for inclusion on the list and from which a select tender can be conducted.
**Open tender process / open approach to the market**
An approach to all potential suppliers, usually in the form of an advertisement, seeking submissions from suppliers as to their ability to provide certain property or services. Must be on AusTender.

**Operational Guidelines**
The guidelines which outline an agency’s procurement processes and procedures, tailored to the agency’s needs, which agency officials need to follow in carrying out duties related to procurement.

**Panel**
A number of suppliers, usually selected through a single procurement process, who each have a contract or deed of standing offer with an agency to supply property or services to that agency, should the need arise, without further attracting the operation of the Mandatory Procurement Procedures (MPPs).

**Procurement threshold**
The monetary value above which a procurement, other than one which is subject to an exemption to the Commonwealth Procurement Guidelines (CPGs), should be treated as covered and conducted in accordance with the Mandatory Procurement Procedures (MPPs).

**Published**
Listed electronically on AusTender in accordance with Government policy, as stated in the Accountability and Transparency section of the Commonwealth Procurement Guidelines (CPGs).

**Request for expressions of interest**
A published notice inviting businesses to register an expression of interest in a procurement.

**Request for tender**
A published notice inviting businesses who satisfy the conditions for participation to submit a tender in accordance with requirements of the request for tender and other request documentation.

**Select tender process** A process where an agency selects which potential suppliers are invited to submit tenders. For covered procurements, a select tender process may only be conducted in accordance with certain procedures and circumstances set out in Division 2 of the Commonwealth Procurement Guidelines (CPGs).

**Standing offer**
Often referred to as deeds of standing offer, these arrangements set out the terms and conditions, including indicative pricing, under which a supplier agrees to supply specified goods or services to an agency for a specified period.