Australian Government
Department of Finance

Commonwealth Procurement Rules

17 November 2025

Achieving value for money

Department of Finance (Commercial)

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Further information

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1. Foreword

I am pleased to release the Commonwealth Procurement Rules (CPRs) reflecting the Australian Government's policies and expectations for procuring officials.

The Commonwealth procurement framework (framework) plays a vital role in shaping Australia's economy. The CPRs are the foundation of that framework and support flexibility for Government entities to determine the best and most appropriate approach to procure the goods and services they need, with procurements undertaken to the highest standards of ethics and probity. These CPRs support open and fair competition and uphold strong local and international engagements between the Australian Government and businesses.

For the first time, the CPRs have introduced requirements to prioritise Australian businesses in procurements below the relevant procurement thresholds, and likewise prioritise procurement from Australian Small and Medium Enterprises (SMEs) for panels such as the Management Advisory Services Panel, People Panel and the Digital Marketplace. To support this, the definition of an Australian business, released earlier this year, has been incorporated into the CPRs. The CPRs have also lifted the non-construction procurement threshold for the first time in 20 years, increasing the number of procurement opportunities available exclusively for Australian businesses.

By using Commonwealth procurement to support Australian businesses and SMEs, including Indigenous businesses, the Government is building a strong economy supporting Australian ingenuity and innovation. The Australian Government is committed to seeking greater opportunities for Australian businesses in Commonwealth procurement consistent with our international obligations.

I have made these Commonwealth Procurement Rules under section 105B(1) of the *Public Governance, Performance and Accountability Act 2013*. The previous Commonwealth Procurement Rules 1 July 2024 (F2024L00627) are repealed when this instrument commences on 17 November 2025.

Katy Gallagher
Minister for Finance

Contents

2. Procurement framework

2.1 The Commonwealth Procurement Rules (CPRs) are issued by the Minister for Finance (Finance Minister) under section 105B(1) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

2.2 *Officials* from *non-corporate Commonwealth entities* and prescribed *corporate Commonwealth entities* listed in section 30 of the *Public Governance*, *Performance and Accountability Rule 2014* (PGPA Rule) **must** comply with the CPRs when performing duties related to *procurement*. These entities will collectively be referred to as *relevant entities* throughout the CPRs.

2.3 Rules that **must** be complied with in undertaking *procurement* are denoted by the term '**must**'. *Non-corporate Commonwealth entities* **must** report non-compliance with the rules of the CPRs through the Commonwealth's compliance reporting process. The term 'should' indicates good practice.

2.4 The CPRs are the core of the procurement framework, which also includes:

a. web-based guidance, developed by the Department of Finance (Finance) to assist entities to implement the procurement framework;
b. Resource Management Guides, which advise of key changes and developments in the procurement framework; and
c. templates, such as the Commonwealth Contracting Suite, which simplify and streamline processes, creating uniformity across Commonwealth *contracts* to reduce the burden on businesses when contracting with the Commonwealth.

2.5 An *Accountable Authority* may use Accountable Authority Instructions to set out entity-specific operational rules to ensure compliance with the rules of the procurement framework.

2.6 These CPRs do not apply to the extent that an *official* applies measures determined by their *Accountable Authority* (or an *official* to whom the *Accountable Authority* delegates the power to determine such measures) to be necessary for the maintenance or restoration of international peace and security, to protect human health, for the protection of essential security interests, or to protect national treasures of artistic, historic or archaeological value.[1 2]

1 Where such measures are applied, because Divisions 1 and 2 do not apply in full to the *procurement*, this has the effect that the *procurement* is not a covered procurement under the *Government Procurement (Judicial Review) Act 2018*; see section 6 of these CPRs.

2 Officials are reminded that where paragraph 2.6 is applied, obligations under the PGPA Act continue to apply in relation to the proper use and management of public resources.

Procurement

2.7 *Procurement* is the process of acquiring *goods* and services. It begins when a need has been identified and a decision has been made on the procurement requirement. *Procurement* continues through the processes of risk assessment, analysis of markets and their supply chains, seeking and evaluating alternative solutions and the awarding and reporting of a *contract*.

2.8 In addition to the acquisition of *goods* and services by a *relevant entity* for its own use, *procurement* includes the acquisition of *goods* and services on behalf of another *relevant entity* or a third party.

2.9 *Procurement* does not include:

a. grants (whether in the form of a contract, conditional gift or deed);[3]
b. investments (or divestments);
c. sales by tender;
d. loans;
e. *procurement of goods* and services for resale or *procurement* of *goods* and services used in the production or supply of *goods* and services for resale;
f. any property right not acquired through the expenditure of *relevant money* (for example, a right to pursue a legal claim for negligence);
g. statutory appointments;
h. appointments made by a minister using the executive power (for example, the appointment of a person to an advisory board);
i. the engagement of employees, such as under the *Public Service Act 1999*, the *Parliamentary Service Act 1999*, a *relevant entity's* enabling legislation or the common law concept of employment, or the secondment of employees between and within *Commonwealth entities* and from state, territory and local government entities; or
j. arrangements between *non-corporate Commonwealth entities* where no other *potential suppliers* were approached.

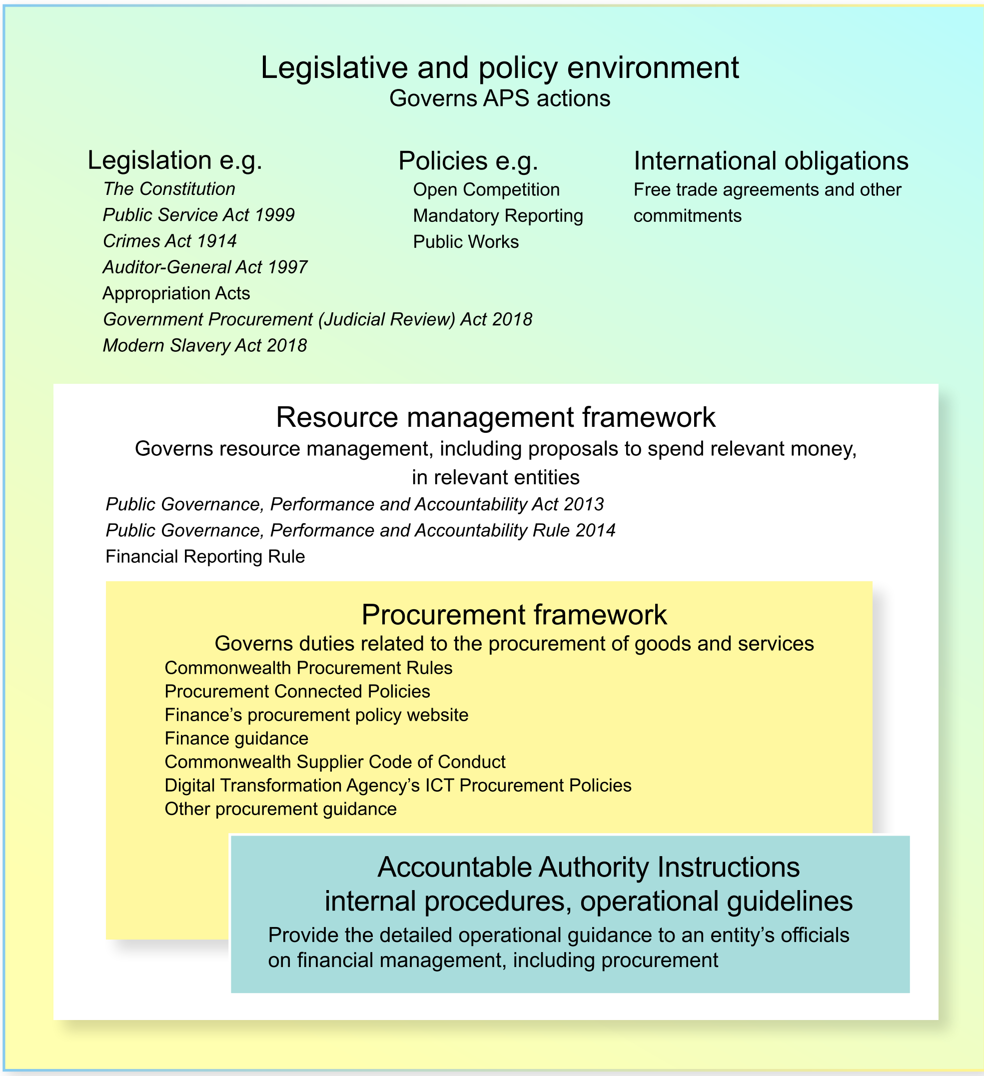
2.10 Following the awarding of the *contract*, the delivery of and payment for the *goods* and services and, where relevant, the ongoing management of the *contract* and consideration of disposal of *goods*, are important elements in achieving the objectives of the *procurement*.

3 As defined in the Commonwealth Grants Rules and Principles, available at **www.finance.gov.au/government/commonwealth-grants**.

Resource Management Framework

2.11 *Relevant entities* and *officials* operate in an environment of legislation and Commonwealth policy. Within that broad context, the Resource Management Framework consists of the legislation and policy governing the management of the Commonwealth's resources. Figure 1 sets out the main elements of this environment related to *procurement*.

Figure 1: Legislation and policy



2.12 The procurement framework is a subset of the Resource Management Framework related to the *procurement* of *goods* and services.

2.13 Section 16 of the PGPA Act outlines an *Accountable Authority's* duty to establish appropriate internal control systems for their *relevant entity*. The CPRs provide the necessary framework for *Accountable Authorities* when issuing Accountable Authority Instructions and operational requirements in relation to *procurement*. In the area of *procurement*, an *Accountable Authority* should provide a mechanism to:

a. apply the principles and requirements of the resource management and procurement frameworks, focusing on the *relevant entity's* operations; and

b. provide primary operational instructions to *relevant entity officials* in carrying out their duties related to *procurement*, in a way that is tailored to a *relevant entity's* particular circumstances and needs.

2.14 Non-compliance with the requirements of the Resource Management Framework, including in relation to *procurement*, may attract a range of criminal, civil or administrative remedies, including under the *Public Service Act 1999* and the *Crimes Act 1914*.

International obligations

2.15 Australia is party to a range of free trade arrangements. These arrangements are implemented domestically by legislation and/or Commonwealth policy. Relevant international obligations have been incorporated in these CPRs. Therefore, an *official* undertaking a *procurement* is not required to refer directly to international agreements.

3. How to use the Commonwealth Procurement Rules

3.1 The CPRs set out the rules that *officials* **must** comply with when they procure *goods* and services. The CPRs also indicate good practice. The CPRs have been designed to provide *officials* with flexibility in developing and implementing procurement processes that reflect their *relevant entity's* needs.

3.2 Except where required by law, it is the government's policy position that ministers will not:[4]

a. be involved in the conduct of procurement processes; or

b. direct *officials* about the conduct of procurement processes.

3.3 Where ministers are required to have a role in a procurement process, that role and any decisions arising from that role should be appropriately documented and these CPRs **must** be applied by *officials* to the maximum extent practicable.

a. With specific regard to where a *procurement* is a covered procurement under the *Government Procurement (Judicial Review) Act 2018*, all relevant CPR paragraphs (as identified in 6.11 and Division 2) **must** be applied.

3.4 Achieving value for money is the core rule of the CPRs. This requires the consideration of the financial and non-financial costs and benefits associated with *procurement*.

3.5 Further information and guidance on applying the CPRs are available on Finance's procurement policy website at www.finance.gov.au/procurement.

3.6 *Relevant entities* may have additional rules, guidance, templates or tools that apply when conducting *procurements*.

3.7 Where the CPRs refer to thresholds and values, these are inclusive of the *Goods and Services Tax* (GST).

4 Consistent with section 19 of the PGPA Act, an *Accountable Authority* may keep the minister informed about the conduct of procurement processes.

Compliance with the two divisions of the CPRs

3.8 *Officials* of *non-corporate Commonwealth entities* **must** comply with the 'rules for all procurements' listed in Division 1, regardless of the *procurement* value. *Officials* **must** also comply with the 'additional rules' listed in Division 2 when the estimated value of the *procurement* is at or above the relevant *procurement threshold* and when an Appendix A exemption does not apply.

3.9 *Officials* of *corporate Commonwealth entities* prescribed in section 30 of the PGPA Rule as having to comply with the CPRs **must** comply with the 'rules for all procurements' listed in Division 1 and the 'additional rules' listed in Division 2 when the expected value of the *procurement* is at or above the relevant *procurement threshold* and when an Appendix A exemption does not apply.

3.10 Despite being prescribed *corporate Commonwealth entities*, Australian Digital Health Agency, Australian Human Rights Commission, High Speed Rail Authority, National Portrait Gallery of Australia, Old Parliament House, and Regional Investment Corporation, **must** apply *a procurement threshold* and *reporting threshold* of $125,000 for *procurements* other than the *procurement* of *construction services*. They may opt-in to coordinated procurements and must only comply with those policies of the Commonwealth that specify compliance by *corporate Commonwealth entities*.

3.11 Despite being a *corporate Commonwealth entity*, the Commonwealth Superannuation Corporation, in regard to the administrative services that relate to the superannuation schemes it administers only, **must** apply a *procurement threshold* of $125,000 and a *reporting threshold* of $10,000 for *procurements* other than the *procurement* of *construction services*. They may opt-in to coordinated procurements and must only comply with those policies of the Commonwealth that specify compliance by *corporate Commonwealth entities*.

Using Appendix A exemptions

3.12 When an Appendix A exemption applies, the additional rules of Division 2 for *procurements* at or above the relevant *procurement threshold* do not apply to the *procurement*, but the *relevant entity* **must** still comply with the rules for all procurements (Division 1), excluding paragraphs 4.7, 4.8, 7.27 and 7.28. This does not prevent a *relevant entity* from voluntarily conducting the *procurement* for *goods* or services covered by an Appendix A exemption in accordance with some or all of the processes and principles of Division 2.

Division 1

Rules for all procurements

4. Value for money

Considering value for money

4.1 A thorough consideration of value for money begins by *officials* clearly understanding and expressing the goals and purpose of the *procurement*.

4.2 When a business requirement arises, *officials* should consider whether a *procurement* will deliver the best value for money. It is important to take into consideration:

a. stakeholder input;
b. the scale and scope of the business requirement;
c. the *relevant entity's* resourcing and budget;
d. obligations and opportunities under other existing arrangements;
e. relevant Commonwealth policies; and
f. the market's capacity to competitively respond to a *procurement*.

4.3 When a *relevant entity* determines that *procurement* represents the best value for money, these considerations will inform the development and implementation of the *procurement*.

Achieving value for money

4.4 Achieving value for money is the core rule of the CPRs. *Officials* responsible for a *procurement* **must** be satisfied, after reasonable enquiries, that the *procurement* achieves a value for money outcome. *Procurements* should:

a. encourage competition amongst *potential suppliers*;
b. use *public resources* in an efficient, effective, economical and ethical manner that is not inconsistent with the policies of the Commonwealth;[5]
c. facilitate accountable and transparent decision making;
d. encourage appropriate engagement with risk; and
e. be commensurate with the scale and scope of the business requirement.

4.5 Price is not the sole factor when assessing value for money. When conducting a *procurement*, an *official* **must** consider the relevant financial and non-financial costs and benefits of each *submission* including, but not limited to the:

a. quality of the *goods* and services;
b. fitness for purpose of the proposal;
c. *potential supplier's* relevant experience, performance history and ethical conduct;
d. flexibility of the proposal (including innovation and adaptability over the lifecycle of the *procurement*);
e. environmental sustainability of the proposed *goods* and services (such as energy efficiency, climate change impact, environmental impact, circularity of the *goods* and services and use of recycled materials);[6] and
f. whole-of-life costs.

5 See sections 15 and 21 of the PGPA Act.
6 Recognising the Australian Government's commitment to sustainable procurement practices, entities are required to consider the Australian Government's *Sustainable Procurement Guide* (available at **www.dcceew.gov.au/environment/protection/waste/sustainable-procurement/sustainable-procurement-guide**) where there is opportunity for increased environmental sustainability.

4.6 Whole-of-life costs could include:

a. the initial purchase price of the *goods* and services;
b. maintenance and operating costs;
c. transition out costs;
d. licensing costs (when applicable);
e. the cost of additional features procured after the initial *procurement*;
f. consumable costs; and
g. decommissioning, remediation and disposal costs (including waste disposal).

Broader benefits to the Australian economy

4.7 In addition to the value for money considerations at paragraphs 4.4 – 4.6, for *procurements* above $1 million (or $7.5 million for *construction services*) (except *procurements* covered by Appendix A and *procurements* from *standing offers*), *officials* are required to consider the economic benefit of the *procurement* to the Australian economy.

4.8 The policy operates within the context of relevant national and international agreements and *procurement* policies to which Australia is a signatory, including free trade agreements and the Australia and New Zealand Government Procurement Agreement.[7]

Procurement-connected policies

4.9 Procurement-connected policies are policies of the Commonwealth for which *procurement* has been identified as a means of delivery. *Non-corporate Commonwealth entities* and prescribed *corporate Commonwealth entities* **must** comply with a procurement-connected policy where the policy indicates that it is applicable to the procurement process. Finance maintains a list of procurement-connected policies at www.finance.gov.au/procurement.

4.10 Generally, procurement-connected policies are the responsibility of entities other than Finance. The relevant policy-owning entity is responsible for administering, reviewing and providing information on the policy as required.

Coordinated procurement

4.11 Coordinated procurement refers to whole-of-Australian-Government arrangements for procuring *goods* and services. A list of coordinated arrangements can be found at www.finance.gov.au/procurement.

4.12 *Non-corporate Commonwealth entities* **must** use coordinated arrangements. Exemptions from coordinated arrangements can only be granted jointly by the requesting *non-corporate Commonwealth entity's* portfolio minister and the Finance Minister when a *non-corporate Commonwealth entity* can demonstrate a special need for an alternative arrangement.[8] Prescribed *corporate Commonwealth entities* may opt-in to coordinated arrangements.

7 Available at: www.dfat.gov.au/trade/agreements/in-force/anzcerta/australia-new-zealand-closer-economic-relations-trade-agreement.

8 Or when the coordinated arrangement specifies an alternative approach for obtaining exemptions.

Cooperative procurement

4.13 Cooperative procurements involve more than one *relevant entity* as the buyer. *Relevant entities* can procure cooperatively by approaching the market together or by joining an existing *contract* of another *relevant entity*.

4.14 If a *relevant entity* intends to join an existing *contract* of another *relevant entity*, the initial *request documentation* and the *contract* **must** have already specified potential use by other *relevant entities*.

4.15 *Relevant entities* joining an existing *contract* **must** ensure that:

a. value for money is achieved;
b. the *goods* and services being procured are the same as provided for within the *contract*; and
c. the terms and conditions of the *contract* are not being materially altered.

Contract end dates

4.16 When a *contract* does not specify an *end date* it **must** allow for periodic review and subsequent termination of the *contract* by the *relevant entity*, if the *relevant entity* determines that it does not continue to represent value for money.

Third-party procurement

4.17 *Procurement* by third parties on behalf of a *relevant entity* can be a valid way to procure *goods* and services, provided it achieves value for money.

4.18 *Relevant entities* **must** not use third-party arrangements to avoid the rules in the CPRs when procuring *goods* and services.

5. Encouraging competition

5.1 Competition is a key element of the Australian Government's procurement framework.

5.2 Participation in *procurement* imposes costs on *relevant entities* and *potential suppliers.* Those costs should be considered when designing a process that is commensurate with the scale, scope and risk of the proposed *procurement*.

5.3 Subject to these *CPRs*, *potential suppliers* to government **must** be treated equitably based on their commercial, legal, technical and financial abilities.

Consideration of Australian businesses

5.4 For *procurements* with an expected value at or above $10,000 and below the relevant *procurement threshold*, excluding *procurements* from a *standing offer*, *non-corporate Commonwealth entities* **must** invite only *Australian businesses* to make *submissions*.

a. Where relevant, the requirements under the *Indigenous Procurement Policy* **must** first be satisfied, before an *Australian business* is approached.

b. If there are no *submissions*, or no *submissions* represent value for money, the procuring entity may undertake a *procurement* using a relevant procurement method.

c. An *official* responsible for a *procurement* may determine that approaching an *Australian business*, or *Australian businesses* is not appropriate for the *procurement* and that paragraph 5.4 does not apply. The basis for this decision **must** be documented.

5.5 For *procurements* with an expected value below $125,000 from the *Management Advisory Services Panel*, the *People Panel*, or any *standing offer* managed by the Digital Transformation Agency[9] (DTA), *non-corporate Commonwealth entities* **must** invite only *Small and Medium Enterprises* (SMEs) on the relevant *standing offer* to make *submission*s.

a. With respect to *standing offers* managed by the DTA, where relevant, the requirements under the *Indigenous Procurement Policy* **must** first be satisfied, before an *SME* is approached.

b. If there are no *submissions*, no *submissions* represent value for money, or the relevant *standing offer* does not include an *SME*, the procuring entity may invite other *suppliers* on the relevant *standing offer* to make *submissions*.

c. An *official* responsible for a *procurement* may determine that approaching an *SME*, or *SMEs*, is not appropriate for the *procurement* and that paragraph 5.5 does not apply. The basis for this decision **must** be documented.

9 For DTA *standing offers* refer to https://www.dta.gov.au/our-initiatives/buyict

Small and Medium Enterprises

5.6 To ensure that SMEs can engage in fair competition for Australian Government business, *officials* should apply procurement practices that do not unfairly discriminate against *SMEs* and provide appropriate opportunities for *SMEs* to compete. *Officials* should consider, in the context of value for money:

a. the benefits of doing business with competitive *SMEs* when specifying requirements and evaluating value for money;
b. barriers to entry, such as costly preparation of *submission*s, that may prevent *SMEs* from competing;
c. *SMEs'* capabilities and their commitment to local or regional markets; and
d. the potential benefits of having a larger, more competitive supplier base, including the disaggregation of large projects into smaller packages, where appropriate, that maximise competition.

5.7 The Australian Government is committed to *non-corporate Commonwealth entities* procuring at least 25 per cent of *contracts* by value from *SMEs*, for *contracts* with a value of up to $1 billion.

5.8 In addition, the government has a target of *non-corporate Commonwealth entities* procuring 40 per cent of *contracts*, by value from *SMEs*, for *contracts* with a value of up to $20 million.

5.9 The Australian Government recognises the importance of paying *suppliers* on time, particularly *SMEs*. *Non-corporate Commonwealth entities* **must** make all payments to *suppliers* within the maximum payment terms, following the acknowledgement of the satisfactory delivery of *goods* or services and the receipt of a correctly rendered invoice.[10]

6. Efficient, effective, economical and ethical procurement

6.1 The Australian Government promotes the proper use and management of *public resources*. Proper means efficient, effective, economical and ethical. For *non-corporate Commonwealth entities*, this would also include being not inconsistent with the policies of the Commonwealth.[11]

6.2 Efficient relates to the achievement of the maximum value for the resources used. In *procurement*, it includes the selection of a procurement method that is the most appropriate for the procurement activity, given the scale, scope and risk of the *procurement*.

6.3 Effective relates to the extent to which intended outcomes or results are achieved. It concerns the immediate characteristics, especially price, quality and quantity, and the degree to which these contribute to specified outcomes.

6.4 Economical relates to minimising cost. It emphasises the requirement to avoid waste and sharpens the focus on the level of resources that the Commonwealth applies to achieve outcomes.

6.5 Ethical relates to honesty, integrity, probity, diligence, fairness and consistency. Ethical behaviour identifies and manages conflicts of interests, and does not make improper use of an individual's position.

10 The Commonwealth's payment terms are set out in the government's *Supplier Pay On-Time or Pay Interest Policy*, available at www.finance.gov.au/resource-management-guide-417.
11 See sections 15 and 21 of the PGPA Act.

6.6 *Officials* **must** make reasonable enquiries that the *procurement* is carried out considering relevant regulations and/or regulatory frameworks, including but not limited to *tenderers'* practices regarding:

a. labour regulations, including ethical employment practices;
b. workplace health and safety; and
c. environmental impacts.

Ethical behaviour

6.7 In particular, *officials* undertaking *procurement* **must** act ethically throughout the *procurement*. Ethical behaviour includes:

a. dealing with *potential suppliers*, *tenderers* and *suppliers* equitably, including by seeking appropriate internal or external advice when probity issues arise;
b. carefully considering the use of *public resources*; and
c. complying with all directions, including *relevant entity* requirements, in relation to gifts or hospitality, the Australian Privacy Principles of the *Privacy Act 1988* and the security provisions of the *Crimes Act 1914*.

6.8 *Officials* undertaking *procurement* **must** seek to prevent corrupt practices by recognising and dealing with actual, potential and perceived conflicts of interest and not accepting inappropriate gifts or hospitality.

6.9 *Relevant entities* **must** not seek to benefit from supplier practices that may be dishonest, unethical or unsafe. This includes not entering into *contracts* with *tenderers* who have had a judicial decision against them (not including decisions under appeal) relating to employee entitlements and who have not satisfied any resulting order. *Officials* should seek declarations from all *tenderers* confirming that they have no such unsettled orders against them.

6.10 If a complaint about *procurement* is received, *relevant entities* **must** apply timely, equitable and non-discriminatory complaint-handling procedures, including providing acknowledgement soon after the complaint has been received. *Relevant entities* should aim to manage the complaint process internally, when possible, through communication and conciliation.

Judicial Review

6.11 For the purposes of paragraph (a) of the definition of relevant Commonwealth Procurement Rules in section 4 of the *Government Procurement (Judicial Review) Act 2018,* the following paragraphs of Division 1 of these CPRs are declared to be relevant provisions: paragraphs 4.18, 5.3, 6.8, 7.2, 7.10, 7.13 – 7.18, 7.20, and 9.3 – 9.6.

Commonwealth contracts

6.12 *Non-corporate Commonwealth entities* **must** use the Commonwealth Contracting Suite for *contracts* under $200,000. *Corporate Commonwealth entities* are encouraged to apply the suite of templates.[12]

6.13 *Relevant entities* **must** incorporate the Commonwealth Supplier Code of Conduct[13] into all Commonwealth forms of *contract*.

a. An *Accountable Authority* (or an *official* to whom the *Accountable Authority* delegates the power to determine such measures) may determine that a *contract* should not include the Commonwealth Supplier Code of Conduct, in part or in full, and document the basis for this decision.

12 Further information is provided in Resource Management Guide No. 420 – Mandatory use of the Commonwealth Contracting Suite for *procurement* under $200,000, available at **www.finance.gov.au/resource-management-guide-420**
13 Available at **www.finance.gov.au/supplier-code-of-conduct**.

7. Accountability and transparency

7.1 The Australian Government is committed to ensuring accountability and transparency in its procurement activities. Accountability means that *officials* are responsible for the actions and decisions that they take in relation to *procurement* and for the resulting outcomes. Transparency involves *relevant entities* taking steps to enable appropriate scrutiny of their procurement activity. The fundamental elements of accountability and transparency in *procurement* are outlined in this section.

Records

7.2 *Officials* **must** maintain for each *procurement* a level of documentation commensurate with the scale, scope and risk of the *procurement*.

7.3 Documentation should provide accurate and concise information on:

a. the requirement for the *procurement*;
b. the process that was followed;
c. how value for money was considered and achieved;
d. relevant approvals; and
e. relevant decisions and the basis of those decisions.

7.4 *Relevant entities* **must** have access to evidence of agreements with *suppliers*, in the form of one or a combination of the following documents: a written *contract*, a purchase order, an invoice or a receipt.

7.5 Documentation **must** be retained in accordance with the *Archives Act 1983*.

AusTender

7.6 *AusTender,*[14] the Australian Government's procurement information system, is a centralised web-based facility that publishes a range of information, including *relevant entities*' planned *procurements*, *open tenders* and key details of *contracts* awarded. It also supports secure electronic tendering to deliver integrity and efficiency for *relevant entities* and *potential suppliers*.

7.7 *AusTender* is the system used to enable *relevant entities* to meet their publishing obligations under the CPRs. It also enables *relevant entities* to monitor and review their AusTender-based *procurements*, including *approaches to market*, publication of *contracts*, and *amendments* to *contracts*.

Annual procurement plans

7.8 In order to draw the market's early attention to potential procurement opportunities, each *relevant entity* **must** maintain on *AusTender* a current procurement plan containing a short strategic procurement outlook.

7.9 The *annual procurement plan* should include the subject matter of any significant planned *procurement* and the estimated publication date of the *approach to market*. *Relevant entities* should update their plans regularly throughout the year.

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14 *AusTender* is available at www.tenders.gov.au.

Notifications to the market

7.10 *Relevant entities* **must** use *AusTender* to publish *open tenders* and, to the extent practicable, to make relevant *request documentation* available.

7.11 *Relevant entities* may use *AusTender* to publish *limited tender approaches to market* and make relevant *request documentation* available.

7.12 *Relevant entities* should include relevant *evaluation criteria* in *request documentation* to enable the proper identification, assessment and comparison of *submission*s on a fair, common and appropriately transparent basis.

7.13 In any additional notification through other avenues, such as printed media, the details selected for inclusion in the notification **must** be the same as those published on *AusTender*.

7.14 When a *relevant entity* provides *request documentation* or any other document already published on *AusTender* in any other form (for example, a printed version), that documentation **must** be the same as that published on *AusTender*.

7.15 The initial *approach to market* for a *multi-stage procurement* **must** include, for every stage, the criteria that will be used to select *potential suppliers*, and if applicable, any limitation on the number of *potential suppliers* that will be invited to make *submission*s.

Providing information

7.16 *Officials* **must**, on request, promptly provide to eligible *potential suppliers*, *request documentation* that includes all information necessary to permit the *potential supplier* to prepare and lodge *submission*s.

7.17 Following the rejection of a *submission* or the award of a *contract*, *officials* **must** promptly inform affected *tenderers* of the decision. Notification should be provided in writing, and **must** be provided in writing if requested by the *tenderer*. Debriefings **must** be made available, on request, to unsuccessful *tenderers* outlining the reasons the *submission* was unsuccessful. Debriefings **must** also be made available, on request, to the successful *supplier(s)*.

Reporting arrangements

7.18 *Relevant entities* **must** report *contracts* on *AusTender* within 42 *days* of entering into a *contract* when it is valued at or above the *reporting threshold*.[15] The *reporting thresholds* are:

a. $10,000 for *non-corporate Commonwealth entity contracts*
b. for prescribed *corporate Commonwealth entity contracts*
    i. $400,000 for *procurements* other than *procurement* of *construction services* or
    ii. $7.5 million for *procurement* of *construction services*.

7.19 *Relevant entities* **must** report *amendments* on *AusTender* within 42 *days* where:

a. a previously unreported *contract* is amended to be valued at or above, the relevant *reporting threshold*; or
b. an *amendment* increases or decreases the reported contract value by $10,000 or more; or
c. accumulated unreported *amendments* will vary the reported contract value by $10,000 or more.

15 Further information is provided in Resource Management Guide No. 423 – Procurement Publishing and Reporting Obligations, available at www.finance.gov.au/resource-management-guide-423.

7.20 All *standing offers* **must** be reported on *AusTender* within 42 *days* of the *relevant entity* entering into or amending such arrangements. Relevant details in the *standing offer* notice, such as *supplier* details and the names of other *relevant entities* participating in the arrangement, **must** be reported and kept current.

Subcontractors

7.21 *Relevant entities* **must** make available on request, the names of any subcontractor(s) engaged by a contractor in respect of a *contract*.

a. *Relevant entities* **must** require contractors to agree to the public disclosure of the names of any subcontractors engaged to perform services in relation to a *contract*.

b. Contractors **must** be required to inform relevant subcontractors that the subcontractor's participation in fulfilling a *contract* may be publicly disclosed.

Treatment of confidential information

7.22 When conducting a *procurement* and awarding a *contract*, *relevant entities* should take appropriate steps to protect the Commonwealth's confidential information. This includes observing legal obligations, such as those under the *Privacy Act 1988*, and statutory secrecy provisions.

7.23 *Submission*s **must** be treated as confidential before and after the award of a *contract*.

7.24 Once a *contract* has been awarded, the terms of the *contract*, including parts of the *contract* drawn from the *supplier's submission*, are not confidential unless the *relevant entity* has determined and identified in the *contract* that specific information is to be kept confidential in accordance with the 'confidentiality test' set out in the guidance on *Confidentiality throughout the Procurement Cycle* at www.finance.gov.au/confidentiality-throughout-procurement-cycle.

7.25 The need to maintain the confidentiality of information should always be balanced against the public accountability and transparency requirements of the Australian Government. It is therefore important for *officials* to plan for, and facilitate, appropriate disclosure of procurement information. In particular, *officials* should:

a. include provisions in *request documentation* and *contracts* that alert *potential suppliers* to the public accountability requirements of the Australian Government, including disclosure to the Parliament and its committees or other *Commonwealth entities* where it serves the Commonwealth's legitimate interests such as for policy development, research, compliance, regulatory and other non-commercial purposes;

b. when relevant, include a provision in *contracts* to enable the Australian National Audit Office to access contractors' records and premises to carry out appropriate audits; and

c. consider, on a case-by-case basis, any request by a *supplier* for material to be treated confidentially after the award of a *contract*, and enter into commitments to maintain confidentiality only when such commitments are appropriate.

7.26 When confidential information is required to be disclosed, for example, following a request from a parliamentary committee, reasonable notice in writing **must** be given to the party from whom the information originated.

Standard verification

7.27 For *procurements* valued at or above the relevant *procurement threshold*, where a *standard* is determined to be applicable for *goods* or services being procured, tender responses **must** demonstrate the capability to meet the *standard*, and *contracts* **must** contain evidence of the applicable *standard*s.

7.28 Where applying a *standard* for *goods* or services, *relevant entities* **must** make reasonable enquiries to determine compliance with that *standard* during the contract period, including:

a. gathering evidence of relevant certifications; and
b. periodic auditing of compliance by an independent assessor.

Other obligations

7.29 Other reporting and disclosure obligations apply to *officials* undertaking *procurement*, including:

a. disclosure of procurement information for *relevant entity* annual reporting purposes;
b. disclosure of non-compliance with the CPRs through the Commonwealth's compliance reporting process;
c. disclosure to the Parliament and its committees, as appropriate, in line with the Government Guidelines for *Official Witnesses before Parliamentary Committees and Related Matters*[16];
d. disclosure of information consistent with the *Freedom of Information Act 1982*;
e. disclosure of discoverable information that is relevant to a case before a court; and
f. reporting requirements under the *Modern Slavery Act 2018*.

16 Available at www.aph.gov.au/Parliamentary_Business/Committees/House/Guidelines_for_witnesses.

8. Procurement risk

8.1 Risk management comprises the activities and actions taken by a *relevant entity* to ensure that it is mindful of the risks it faces, that it makes informed decisions in managing these risks, and identifies and harnesses potential opportunities.[17]

8.2 *Relevant entities* **must** establish processes to identify, analyse, allocate and treat risk when conducting a *procurement*. The effort directed to risk assessment and management should be commensurate with the scale, scope and risk of the *procurement*. *Relevant entities* should consider risks and their potential impact when making decisions relating to value for money assessments, approvals of proposals to spend *relevant money* and the terms of the *contract*.

8.3 *Relevant entities* should consider and manage their procurement security risk, including in relation to cyber security risk, in accordance with the *Australian Government Protective Security Policy Framework*.[18]

8.4 As a general principle, risks should be borne by the party best placed to manage them; that is, *relevant entities* should generally not accept risk which another party is better placed to manage. Similarly, when a *relevant entity* is best placed to manage a particular risk, it should not seek to inappropriately transfer that risk to the *supplier*.

a. *Relevant entities* should limit insurance requirements in *contracts* by reflecting the actual risk borne by *suppliers* in contractual liability caps.
b. *Suppliers* should not be directed to take out insurance until a *contract* is to be awarded.

9. Procurement method

9.1 Australian Government *procurement* is conducted by *open tender* or *limited tender*. These methods are detailed in this section.

Requirement to estimate value of procurement

9.2 The expected value of a *procurement* **must** be estimated before a decision on the procurement method is made. The expected value is the maximum value of the proposed *contract*, including options, extensions, renewals or other mechanisms that may be executed over the life of the *contract*.

9.3 The maximum value of the *goods* and services being procured must include:

a. all forms of remuneration, including any premiums, fees, commissions, interest, allowances and other revenue streams that may be provided for in the proposed *contract*;
b. the value of the *goods* and services being procured, including the value of any options in the proposed *contract*; and
c. any taxes or charges.

9.4 When a *procurement* is to be conducted in multiple parts with *contracts* awarded either at the same time or over a period of time, with one or more *suppliers*, the expected value of the *goods* and services being procured **must** include the maximum value of all of the *contracts*.

9.5 A *procurement* **must** not be divided into separate parts solely for the purpose of avoiding a relevant *procurement threshold*.

9.6 When the maximum value of a *procurement* over its entire duration cannot be estimated the *procurement* **must** be treated as being valued above the relevant *procurement threshold*.

17 Department of Finance, Comcover *Commonwealth Risk Management Policy*, available at www.finance.gov.au/government/comcover/risk-services/management.
18 Available at www.protectivesecurity.gov.au.

Procurement thresholds

9.7 When the expected value of a *procurement* is at or above the relevant *procurement threshold* and an exemption in Appendix A is not applied, the rules in Division 2 **must** also be followed. The *procurement thresholds* are:

a. for *non-corporate Commonwealth entities*, other than for *procurements* of *construction services*, the *procurement threshold* is $125,000;
b. for prescribed *corporate Commonwealth entities*, other than for *procurements* of *construction services*, the *procurement threshold* is $400,000; or
c. for *procurements* of *construction services* by *relevant entities*, the *procurement threshold* is $7.5 million.

Procurement methods

Method 1 – Open tender

9.8 *Open tender* involves publishing an *open approach to market* and inviting *submission*s. This includes *multi-stage procurements*, provided the first stage is an *open approach to market*.

Method 2 – Limited tender

9.9 *Limited tender* involves a *relevant entity* approaching one or more *potential suppliers* to make *submission*s, when the process does not meet the rules for *open tender*.

9.10 For *procurements* at or above the relevant *procurement threshold*, *limited tender* can only be conducted in accordance with paragraph 10.3, or when a *procurement* is exempt as detailed in Appendix A.

9.11 When conducting a *limited tender* in accordance with paragraph 9.10, the relevant exemption or limited tender condition **must** be reported on *AusTender*.

Procurement from existing arrangements

Procurements from standing offers

9.12 *Procurements* from an existing *standing offer* are not subject to the rules in Division 2 of these CPRs. However, these *procurements* **must** comply with the rules in Division 1.

9.13 *Officials* should report the original procurement method used to establish the *standing offer* when they report *procurements* from *standing offers*.

9.14 To maximise competition, when a *standing offer* includes multiple *potential suppliers*, *officials* should approach multiple *potential suppliers*.

Division 2

Additional rules for procurements at or above the relevant procurement threshold

10. Additional rules

10.1 A *procurement*, except a *procurement* that is specifically exempt in accordance with Appendix A, is subject to the rules contained in Division 2 if the expected value of the *procurement* is at, or above, the relevant *procurement threshold*.

a. The rules set out in Division 2 are additional to those in Division 1 and **must** not be interpreted or applied in a manner that diminishes or negates Division 1.

Non-discrimination

10.2 Subject to these CPRs, *potential suppliers* to government **must** not be discriminated against due to their size, degree of foreign affiliation or ownership, location, or the origin of their *goods* and services.

Conditions for limited tender

10.3 A *relevant entity* **must** only conduct a *procurement* at or above the relevant *procurement threshold* through *limited tender* in the following circumstances:

a. when, in response to an *open approach to market*:

   i. no *submission*s, or no *submission*s that represented value for money, were received,

   ii. no *submission*s that met the *minimum content and format requirements* for *submission* as stated in the *request documentation* were received, or

   iii. no *tenderers* satisfied the *conditions for participation*,

   and the relevant entity does not substantially modify the essential requirements of the *procurement*; or

b. when, for reasons of extreme urgency brought about by events unforeseen by the *relevant entity*, the *goods* and services could not be obtained in time under *open tender*; or

c. for *procurements* made under exceptionally advantageous conditions that arise only in the very short term, such as from unusual disposals, unsolicited innovative proposals, liquidation, bankruptcy, or receivership, and which are not routine *procurement* from regular *suppliers*; or

d. when the *goods* and services can be supplied only by a particular business and there is no reasonable alternative or substitute for one of the following reasons:

   i. the requirement is for works of art,

   ii. to protect patents, copyrights, or other exclusive rights, or proprietary information, or

   iii. due to an absence of competition for technical reasons; or

e. for additional deliveries of *goods* and services by the original *supplier* or authorised representative that are intended either as replacement parts, extensions, or continuing services for existing equipment, software, services, or installations, when a change of *supplier* would compel the *relevant entity* to procure *goods* and services that do not meet requirements for compatibility with existing equipment or services; or

f. for *procurements* in a commodity market; or

g. when a *relevant entity* procures a prototype or a first good or service that is intended for limited trial or that is developed at the *relevant entity's* request in the course of, and for, a particular *contract* for research, experiment, study, or original development; or

h. in the case of a *contract* awarded to the winner of a design contest, provided that

   i. the contest has been organised in a manner that is consistent with these CPRs, and

   ii. the contest is judged by an independent jury with a view to a design *contract* being awarded to the winner.

10.4 A *procurement* at or above the relevant *procurement threshold* conducted by *limited tender* is not required to meet the rules in paragraphs 10.6 – 10.8 (*Request documentation*), 10.20 – 10.31 (Minimum time limits), or 10.35 (Awarding *contracts*).

10.5 In accordance with the general rules for accountability set out in these CPRs, for each *contract* awarded through *limited tender*, an *official* **must** prepare and appropriately file within the *relevant entity's* records management system a written report that includes:

a. the value and type of *goods* and services procured;

b. a statement indicating the circumstances and conditions that justified the use of *limited tender*; and

c. a record demonstrating how the *procurement* represented value for money in the circumstances.

Request documentation

10.6 *Request documentation* **must** include a complete description of:

a. the *procurement*, including the nature, scope and the quantity of the *goods* and services to be procured or, where the quantity is not known, the estimated quantity, and any requirements to be fulfilled, including any *specification*s, conformity certification, plans, drawings, or instructional materials;

b. any *conditions for participation*, including any financial guarantees, information and documents that *potential suppliers* are required to submit;

c. any *minimum content and format requirements*;

d. *evaluation criteria* to be considered in assessing *submission*s and, if applicable to the evaluation, the relative importance of those criteria;

e. the *relevant entity's* intention to conduct negotiations, where applicable;

f. any dates for the delivery of *goods* or supply of services, taking into account the complexity of the *procurement*; and

g. any other terms or conditions relevant to the *procurement*.

10.7 However, *relevant entities* are not obligated to release confidential information, information sensitive to essential security or information that may impede competition.

10.8 *Relevant entities* **must** ensure that *potential suppliers* and *tenderers* are dealt with fairly and in a non-discriminatory manner when providing information leading to, or following, an *approach to market*. *Relevant entities* **must** promptly reply to any reasonable request from a *potential supplier* for relevant information about a *procurement*, and when responding to such enquiries, **must** avoid a *potential supplier*, or group of *potential suppliers*, gaining an advantage in a competitive procurement process.

Specifications

10.9 A *relevant entity* **must** not use *specification*s or prescribe any conformity assessment procedure with the purpose or effect of creating an unnecessary obstacle to trade.

10.10 In prescribing *specification*s for *goods* and services, a *relevant entity* **must**, where appropriate:

a. set out the *specification*s in terms of performance and functional requirements; and

b. base *specification*s on international *standards*, when they exist and apply to the relevant *procurement*, except when the use of international *standards* would fail to meet the *relevant entity's* requirements.

10.11 A *specification* **must** not require or refer to a particular trademark or trade name, patent, copyright, design or type, specific origin, producer, or *supplier*, unless there is no other sufficiently precise or intelligible way of describing the requirement. In an exceptional circumstance when this type of *specification* is used, words such as ‘or equivalent’ **must** be included in the *specification*.

10.12 A *relevant entity* may conduct market research and other activities in developing *specification*s for a particular *procurement* and allow a *supplier* that has been engaged to provide those services to participate in *procurements* related to those services. *Relevant entities* **must** ensure that such a *supplier* will not have an advantage over other *potential suppliers*.

Modification of evaluation criteria or specifications

10.13 When, during the course of a *procurement*, a *relevant entity* modifies the *evaluation criteria* or *specification*s set out in an *approach to market* or in *request documentation*, or amends or reissues an *approach to market* or *request documentation*, it **must** transmit all modifications or amended or reissued documents:

a. to all the *potential suppliers* that are participating at the time the information is amended, if known, and, in all other cases, in the same manner as the original information; and
b. in adequate time to allow *potential suppliers* to modify and re-lodge their *submission*s, if required.

Conditions for participation

10.14 *Relevant entities* may specify *conditions for participation* that *potential suppliers* **must** be able to demonstrate compliance with in order to participate in a *procurement* or, if applicable, class of *procurement*. *Conditions for participation* **must** be limited to those that will ensure that a *potential supplier* has the legal, commercial, technical and financial abilities to fulfil the requirements of the *procurement*.

10.15 *Conditions for participation* may require relevant prior experience when that experience is essential to meet the requirements of the *procurement* but **must** not specify, as a requirement, that *potential suppliers* have previous experience with the *relevant entity* or with the Australian Government or in a particular location.

10.16 In assessing whether a *tenderer* satisfies the *conditions for participation*, a *relevant entity* **must**:

a. evaluate financial, commercial, and technical abilities on the basis of the *tenderer’s* business activities, wherever they have occurred; and
b. base its determination solely on the *conditions for participation* that the *relevant entity* has specified in either the *approach to market* or the *request documentation*.

10.17 A *relevant entity* may exclude a *tenderer* on grounds such as bankruptcy, insolvency, false declarations, or significant deficiencies in performance of any substantive requirement or obligation under a prior *contract*.

Negotiations

10.18 A *relevant entity* may conduct negotiations where:

a. the *relevant entity* has indicated its intent to conduct negotiations in the *request documentation*, as outlined in paragraph 10.6(e); or
b. following an evaluation, no single *tenderer* is assessed as providing best value for money, in accordance with the essential requirements and *evaluation criteria* specified in the *approach to market* and *request documentation*.

10.19 Where a *relevant entity* conducts negotiations, the *relevant entity* **must**:

a. ensure that any elimination of a *tenderer* participating in negotiations is carried out in accordance with the essential requirements and *evaluation criteria* specified in the *approach to market* and *request documentation*; and
b. provide a common deadline for the remaining participating *tenderers* to submit any revised tenders.

Minimum time limits

10.20 *Potential suppliers* **must** be required to lodge *submission*s in accordance with a common deadline.

10.21 *Relevant entities* **must** provide sufficient time for *potential suppliers* to prepare and lodge *submission*s in response to an *approach to market*. Time limits discussed in this section represent minimum time limits to lodge *submission*s and should not be treated as default time limits.

10.22 The time limit for *potential suppliers* to lodge a *submission* **must** be at least 25 *days* from the date and time that a *relevant entity* publishes an *approach to market* for an *open tender*.

10.23 The 25 *day* period referred to in paragraph 10.22 **must** be extended by five *days* for each of the following circumstances:

a. when a *relevant entity* does not make *request documentation* available electronically from the date that a *relevant entity* publishes an *approach to market*; and/or
b. when a *relevant entity* does not accept *submission*s electronically.

10.24 A *relevant entity* may establish a time limit that is less than 25 *days* but no less than 10 *days* under the following circumstances:

a. when the *relevant entity* has published details of the *procurement* in an *annual procurement plan* on *AusTender*, at least 40 *days* and not more than 12 months in advance, and those details include a description of the *procurement*, the timing of the *approach to market* and the procedure to obtain *request documentation*;
b. when the *relevant entity* procures *commercial goods and services* (unless the *relevant entity* does not accept the *submission*s electronically, in which case the minimum time limit **must** be no less than 13 *days*); or
c. when a genuine state of urgency renders the normal time limit impracticable.

10.25 In the case of a *multi-stage procurement*, each *approach to market* **must** comply with the time limits stated in paragraph 10.22 – 10.24.

10.26 When a *relevant entity* intends to specify *conditions for participation* that require *potential suppliers* to undertake a separate registration procedure, the *relevant entity* **must** state the time limit for responding to the registration in the *approach to market*. Any such *conditions for participation* **must** be published in sufficient time to enable all *potential suppliers* to complete the registration procedures within the time limit for the *procurement*.

10.27 When a *relevant entity* extends the time limit for registration or *submission*, the new time limit **must** apply equitably.

Late submissions

10.28 Late *submission*s **must** not be accepted unless the *submission* is late as a consequence of mishandling by the *relevant entity*. A *relevant entity* **must** not penalise any *potential supplier* whose *submission* is received after the specified deadline if the delay is due solely to mishandling by the *relevant entity*.

10.29 *Relevant entity* mishandling does not include mishandling by a courier or mail service provider engaged by a *potential supplier* to deliver a *submission*. It is the responsibility of the *potential supplier* to ensure that the *submission* is dispatched in sufficient time for it to be received by the *relevant entity* by the deadline.

10.30 Late *submission*s should be returned unopened to the *potential supplier* who submitted them, to:

a. ensure that they are not evaluated or compared with *submission*s which were submitted by the due time and date;
b. demonstrate to other *tenderers* that the process for receiving *submission*s is fair and impartial; and
c. eliminate scope for any suggestion that the *submission* was rejected for any reason other than because it was late.

10.31 It may be necessary to open a late *submission* if there is no return address or any indication of which *approach to market* the *submission* relates. When a *submission* has been opened under such circumstances the *potential supplier* should be advised that the *submission* was rejected due to lateness and advised of the reason it was opened.

Handling of submissions and additional information

10.32 Procedures to receive, open and handle *submission*s **must** guarantee fairness and impartiality and **must** ensure that *submission*s and additional information received from *tenderers* is treated in confidence.

10.33 When a *relevant entity* provides *tenderers* with opportunities to correct unintentional errors of form between the opening of *submission*s and any decision, the *relevant entity* **must** provide the opportunity equitably to all *tenderers*.

10.34 Further consideration **must** be given only to *submission*s that meet *minimum content and format requirements*.

Awarding contracts

10.35 Unless a *relevant entity* determines that it is not in the public interest to award a *contract,*[19] it **must** award a *contract* to the *tenderer* that the *relevant entity* has determined:

a. satisfies the *conditions for participation*;
b. is fully capable of undertaking the *contract*; and
c. will provide the best value for money, in accordance with the essential requirements and *evaluation criteria* specified in the *approach to market* and *request documentation*.

10.36 A *relevant entity* **must** not use options, cancel a *procurement*, or terminate or modify an awarded *contract*, so as to avoid the rules of Division 2 of these CPRs.

19 Public interest grounds generally arise in response to unforeseen events or new information that materially affects the objectives or reasons underlying the original procurement requirement as specified in the request document.

Appendices

Appendix A: Exemptions

Procurements of the following kinds of *goods* and services are exempt from the rules of Division 2 of the CPRs, and from paragraphs 4.7, 4.8, 7.27 and 7.28 of Division 1:

1. *procurement* (including leasing) of land, existing buildings or other immovable property or any associated rights (note: the *procurement* of *construction services* is not exempt);
2. *procurement* of *goods* and services from another *Commonwealth entity*, or a state, territory or local government entity;
3. *procurements* funded by international grants, loans or other assistance, when the provision of such assistance is subject to conditions inconsistent with this document;
4. *procurements* funded by grants and sponsorship payments from non-Commonwealth entities;
5. *procurement* for the direct purpose of providing foreign assistance;
6. *procurement* of *research and development* services, but not the *procurement* of inputs to *research and development*;
7. the engagement of an expert or neutral person, including engaging counsel or barristers, for any current or anticipated litigation or dispute;
8. *procurement* of *goods* and services (including construction) outside Australian territory, for consumption outside Australian territory;
9. acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions, and sale and distribution services for government debt;
10. *procurement* by the Future Fund Management Agency of investment management, investment advisory, or master custody and safekeeping services for the purposes of managing and investing the assets of the Future Fund;
11. *procurement* of blood plasma products or plasma fractionation services;
12. *procurement* of government advertising services;[20]
13. *procurement* of *goods* and services by, or on behalf of, the Defence Intelligence Organisation, the Australian Signals Directorate, or the Australian Geospatial-Intelligence Organisation;
14. *contracts for labour hire*;
15. *procurement* of *goods* and services from a business that primarily exists to provide the services of persons with a disability;
16. *procurement* of *goods* and services from an *SME* meeting the definition of an Indigenous Enterprise in the *Indigenous Procurement Policy*; and
17. *procurement* of *goods* and services valued up to $500,000 from an *SME* (note: the requirements under the *Indigenous Procurement Policy* **must** first be satisfied before this exemption is applied).

20 This includes information and advertising services for the development and implementation of information and advertising campaigns.

Appendix B: Definitions

The following definitions apply for the purposes of these CPRs:

Accountable Authority – as defined in section 8 of the PGPA Act.

Amendment – changes to a *contract*, including options that have been exercised, contract extensions, variations and renewals.

Annual procurement plan – a document published on *AusTender* through which *relevant entities* provide a short summary of their strategic procurement outlook for the coming year and information on significant *procurements* they plan to undertake.

Approach to market – any notice inviting *potential suppliers* to participate in a *procurement* which may include a request for tender, request for quote, request for expression of interest, request for information or request for proposal.

Note: the acronym 'ATM' is used on *AusTender* and other *procurement* documents to reference an *approach to market*.

AusTender – the central web-based facility for the publication of Australian Government procurement information, including business opportunities, *annual procurement plans* and *contracts* awarded.

Australian business –

- is a business, including any parent business, that:
  - has 50% or more Australian ownership, or is principally traded on an Australian equities market; and
  - is an Australian resident for tax purposes; and
- is a business that has its principal place of business in Australia.

For the purpose of paragraph 5.4 only, an *Australian business* also includes a *New Zealand business*.

Note: *Relevant entities* **must** apply the guidance at www.finance.gov.au/australian-business when applying this definition.

Commercial goods and services – *commercial goods and services* are of a type that are offered for sale to, and routinely purchased by, non-government buyers for non-government purposes, including any modifications common in the commercial marketplace and any minor modifications not common in the commercial marketplace.

Commodity market – a recognised exchange dealing in generic, largely unprocessed, *goods* that can be processed and resold.

Commonwealth entity – as defined in section 8 of the PGPA Act.

Conditions for participation – minimum conditions that *potential suppliers* **must** demonstrate compliance with, in order to participate in a procurement process or for *submission*s to be considered. This may include a requirement to undertake an accreditation or validation procedure.

Construction services – *procurements* related to the construction of buildings and *procurements* of works as defined by the *Public Works Committee Act 1969*.

Contract – an arrangement, as defined in section 23(2) of the PGPA Act, for the *procurement* of *goods* and/or services under which *relevant money* is payable or may become payable. Note: this includes *standing offers* and panels.

Contracts for labour hire – a *contract* under which a *relevant entity* engages an individual to provide labour, when the individual is engaged either directly or through a firm which primarily exists to provide the services of only that individual. This includes the appointment of an eminent individual to a special role by an *Accountable Authority*, or the appointment of a person or persons by an *Accountable Authority* to a governance committee (for example, an audit committee, ethics committee or steering committee), but does not include the engagement of consultants.

Corporate Commonwealth entities – as defined in section 8 of the PGPA Act.

Days – means calendar *days*.

End date (in a contract) – can be defined by reference to a specific date or by reference to a specific event.

Evaluation criteria – the criteria that are used to evaluate the compliance and/or relative ranking of *submission*s. *Evaluation criteria* **must** be clearly stated in the *request documentation*.

Goods – every type of right, interest or thing which is legally capable of being owned. This includes, but is not restricted to, physical *goods* and real property as well as intangibles such as intellectual property, *contract* options and goodwill.

Goods and Services Tax (GST) – the Goods and Services Tax, as defined by the *A New Tax System (Goods and Services Tax) Act 1999*.

Indigenous Procurement Policy – a procurement-connected policy as defined in paragraphs 4.9 and 4.10, available at: www.niaa.gov.au/resource-centre/indigenous-procurement-policy.

Limited tender – involves a *relevant entity* approaching one or more *potential suppliers* to make *submission*s, when the process does not meet the rules for open tender.

Management Advisory Services Panel – the whole-of-Australian-Government mandatory coordinated arrangement of the same name, managed by the Department of Finance, available at www.finance.gov.au/government/procurement/whole-australian-government-procurement/management-advisory-services-panel.

Minimum content and format requirements – criteria that a *tenderer's submission* is required to meet, when responding to an *approach to market*, to be eligible for further consideration in a procurement process.

Multi-stage procurement – involves an initial *approach to market* followed by one or more subsequent *approaches to market* (for example, inviting expressions of interest followed by a request for tender).

New Zealand business – as defined in New Zealand's Government Procurement Rules, available at www.procurement.govt.nz.

Non-corporate Commonwealth entities – as defined in section 8 of the PGPA Act.

Officials – as defined in section 8 of the PGPA Act.

Open approach to market – any notice inviting all *potential suppliers* to participate in a *procurement* which may include a request for tender, request for quote, request for expression of interest, request for information and request for proposal.

Open tender – involves publishing an *open approach to market* and inviting *submission*s. This includes *multi-stage procurements*, provided the first stage is an *open approach to market*.

People Panel – the whole-of-Australian-Government mandatory coordinated arrangement of the same name, managed by the Department of Finance, available at www.finance.gov.au/government/procurement/whole-australian-government-procurement/people-panel.

Potential supplier – an entity or person who may respond to an *approach to market*.

Procurement – refer to paragraphs 2.7 to 2.9.

Procurement thresholds – refer to paragraph 9.7.

Public resources – as defined in section 8 of the PGPA Act.

Relevant money – as defined in section 8 of the PGPA Act.

Relevant entity – *non-corporate Commonwealth entities* and prescribed *corporate Commonwealth entities* (listed in section 30 of the PGPA Rule) that **must** comply with the CPRs when performing duties related to *procurement*.

Reported contract – a *contract* published on *AusTender*.

Reporting threshold – the value at which any *contract* **must** be reported, either due to the initial value being at, or above, the *reporting threshold*, or as the result of contract *amendments* changing the value to be at, or above the *reporting threshold*.

Request documentation – documentation provided to *potential suppliers* to enable them to understand and assess the requirements of the procuring *relevant entity* and to prepare appropriate and responsive *submission*s. This general term includes documentation for expressions of interest, *open tender* and *limited tender*.

Research and development – research is described as systematic enquiry or investigation into a subject in order to discover facts or principles. Research includes surveys, market research, scientific research and educational research. Development applies to the function of creating/producing new and improved products, devices, processes or services. Development also extends to design, proof of concept and the production of prototypes.

Small and Medium Enterprises (SMEs) – an *Australian business* or *New Zealand business* with fewer than 200 full-time equivalent employees. When assessing the number of employees a business has, employees of any associated entities (as defined in s 50AAA of the *Corporations Act 2001*) to the business are included. Associated entities to a business include a business's parent company, a business's subsidiaries, and any related bodies corporate to the business.

Specification – a description of the features of the *goods* and services to be procured.

Standards – means a document approved by a recognised body such as Standards Australia, the International Organization for Standardization, the International Electrotechnical Commission or the International Telecommunication Union that provides for common and repeated use, rules, guidelines or characteristics for *goods* or services, or related processes and production methods, with which compliance is not mandatory, unless the *goods* or services are subject to regulation by government.

Standing offer – a Commonwealth arrangement setting out the terms and conditions, including a basis for pricing, under which a *supplier* agrees to supply specified *goods* and services to a *relevant entity* or entities for a specified period.

Submission – any formally submitted response from a *potential supplier* to an *approach to market*. *Submission*s may include tenders, responses to expressions of interest or responses to request for quote.

Supplier – an entity or person who has entered into a *contract* with the Commonwealth.

Tenderer – an entity or person who has responded with a *submission* to an *approach to market*.

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