



Australian Government

**Australian Industry
Participation Authority**

Australian Industry Participation plans

User Guide for developing an Australian Industry Participation plan

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Introduction

The Australian Industry Participation (AIP) plan template has been developed in accordance with the AIP plan rules detailed in the *Australian Jobs Act 2013* (the Act). The Act has applied since 27 December 2013.

The Act specifies that an AIP plan is required for a project valued at \$500 million or more to establish, expand, improve or upgrade a facility. An AIP plan deals with:

- The project phase of a major project; and
- If a major project involves establishing a new facility – the new facility’s initial operational phase.

The Act does not mandate the use of Australian entities. The key objective of an AIP plan is that Australian entities should have full, fair and reasonable opportunity to bid for:

- The supply of key goods or services for the project; and
- If the project involves establishing a new facility – the supply of key goods or services for the new facility’s initial operational phase.

Full, fair and reasonable opportunity is the key principle of the *Australian Industry Participation National Framework* (AIP National Framework). The AIP National Framework encourages a nationally consistent approach to maximising Australian industry participation in investment projects and significant public and private sector activity. The AIP National Framework was agreed between Commonwealth, state and territory governments in 2001 to promote, develop and maintain a sustainable Australian industry capability by encouraging competitive Australian industry participation in investment projects.

Further information on the Act, AIP Authority, AIP National Framework and other AIP initiatives can be found at www.industry.gov.au/aip.

About this User Guide

The *User Guide for developing an Australian Industry Participation plan* outlines the steps required to be taken by a project proponent and/or operator if they are required to provide an AIP plan to the AIP Authority under the Act. It includes guidance on how to prepare an AIP plan.

Project proponents and/or operators are encouraged to contact the AIP Authority early in the development of an AIP plan. When preparing an AIP plan project proponents and/or operators must use either of the approved AIP plan templates available from www.industry.gov.au/aip:

- Electronic AIP plan template
- Word version

All AIP plans submitted for approval must be in the form approved by the AIP Authority.

The *User Guide for developing an Australian Industry Participation plan* should be read in conjunction with the relevant *User Guide for developing a Compliance Report*. These User Guides, and associated documents and information may be updated from time to time. To ensure the most up to date versions of the User Guides are being used please visit www.industry.gov.au/aip.

For further guidance on AIP plans, please contact the AIP Authority by:

Email: aip@industry.gov.au

Phone: +61 2 6213 6404

What is an AIP plan?

An AIP plan outlines a project proponent and/or operator's actions to provide Australian entities with full, fair and reasonable opportunity to participate in a project and, in the case of a project to establish a new facility, the initial operations of the facility. AIP plans are specific to a project and the resulting facility. **Project proponents and operators may apply a consistent approach across multiple projects and facilities, however, a separate AIP plan must be submitted for each project and/or facility.**

In addition, the AIP plan will detail actions that the project proponent and/or operator will undertake to ensure that its procurement entities also provide Australian entities with full, fair and reasonable opportunity to participate in the project. Where a project proponent and/or operator is also acting as a procurement entity, these actions will also apply to it.

As detailed in the Act the key objective of an AIP plan is that Australian entities should have full, fair and reasonable opportunity to bid for:

- The supply of key goods or services for a project; and
- If the project involves establishing a new facility – the supply of key goods or services for the new facility's initial operational phase.

The concept of providing full, fair and reasonable opportunity to Australian entities is the core principle of the AIP National Framework. The definitions are as follows:

Full – Australian industry has the same opportunity afforded to other global supply chain partners to participate in all aspects of a project (e.g. design, engineering, project management, professional services and IT architecture).

Fair – Australian industry is provided the same opportunity as global suppliers to compete on projects on an equal and transparent basis, including given reasonable time in which to tender.

Reasonable – tenders are free from non-market burdens that might rule out Australian industry and are structured in such a way as to provide Australian industries the opportunity to participate in projects.

AIP plans must reflect planned events. This is best done by identifying *specific actions/strategies* that will be undertaken to encourage Australian industry participation.

An AIP plan must describe the actions and policies that will guide procurement processes. If approaches differ for different goods and services, this should be clearly stated in the AIP plan. The identified actions in an AIP plan can be part of existing strategies or new strategies specifically created for the AIP plan.

Consistent with Australia's international obligations, the requirements for AIP plans do not mandate the use of Australian entities, but rather aim to provide Australian entities with the opportunity to demonstrate their capabilities and tender if they are able to meet the procurement specifications.

Multiple project proponents and/or operators

Where there are multiple project proponents and/or operators for a project and/or facility the responsibility for developing an AIP plan can be discharged to a designated project

proponent and/or operator. The designated project proponent and/or operator will be responsible for engaging with the AIP Authority and developing an approved AIP plan. Once approved the AIP plan binds all project proponents and/or operators to comply with the obligations detailed in the AIP plan. In the event of non-compliance with the AIP plan by any project proponent and/or operator the consequences shall be applied to all project proponents and/or operators. Further detail on discharging the AIP plan development responsibility and the consequences of non-compliance can be found at www.industry.gov.au/aip.

How to prepare an AIP plan

An AIP plan outlines the actions a project proponent and/or operator will take to provide Australian entities with full, fair and reasonable opportunity to participate in a project and, in the case of a project to establish a new facility, the initial operations of the facility. The AIP plan must be on the approved form and meet the criteria outlined below.

If a project involves establishing a new facility the project proponent and/or operator must complete the following parts of the AIP plan:

1. Part A – Title
2. Part B – Project Phase
3. Part C – Initial Facility Operational Phase.

If a project does not involve establishing a new facility the project proponent must complete the following parts of the AIP plan:

1. Part A – Title
2. Part B – Project Phase

For more detailed guidance on how to address the AIP plan criteria see ‘Detailed AIP plan Criteria’ on page 13 of this User Guide.

An online form for developing an AIP plan is available at www.industry.gov.au/aip as well as an offline template.

AIP Plan Criteria

Part A – Title

A.1 – Project Proponent Details

Provide details of the designated project proponent for the project.

A.2 – Project Details

Provide details on the project for which the AIP plan is being developed.

A.3 – AIP plan authorised person declaration

Declare that the information contained in the AIP plan, together with any statement attached, is true, accurate and complete to the best of the project proponent’s knowledge.

Part B – Project Phase

B.1 – Contact Details

Provide the contact details of staff allocated responsibility for responding to enquiries from interested Australian entities or implementing the actions of the AIP plan.

B.2 – Opportunities to supply goods and services

Provide details on the opportunities which are likely to arise for Australian entities and/or non-Australian entities to supply the project. Information should be provided on the likely supply opportunities as well as how procurement entities will provide opportunities to Australian entities to supply key goods and services to the project.

B.3 – Publication of Opportunities

Provide details of where information on the project and contact details will be published.

B.4 – Communicating and Providing Opportunities

Provide details on communication strategies for the early identification of opportunities for Australian entities and effective transfer of information on opportunities for Australian entities, through all tiers of supply (e.g. from procurement entities to lower tier suppliers). This must include detail on how project proponents and procurement entities will actively seek information on Australian entities' capability and communicate opportunities to Australian entities and the measures undertaken to encourage this in all stages of the project (e.g. through design, procurement and construction).

B.5 – Facilitating Future Opportunities

Provide details on actions to assist longer-term participation by Australian entities, including how project proponents will work with Australian entities to encourage capability development and integration into global supply chains. Actions should detail how, by working with project proponents and procurement entities on this project, Australian entities will be better placed to access opportunities to supply key goods or services in future similar projects.

B.6 – Implementation Resources

Provide details on the resources and procedures in place within the project to effectively implement the actions outlined throughout Part B of the AIP plan.

Part C – Initial Facility Operations Phase

C.1 – Operator Details

Provide details of the designated operator of the facility.

C.2 – Contact Details

Provide the contact details of staff allocated responsibility for responding to enquiries from interested Australian entities or implementing the actions of the AIP plan.

C.3 – Opportunities to supply goods and services

Provide details on the opportunities which are likely to arise for Australian entities and/or non-Australian entities to supply the facility. Information should be provided on the likely supply opportunities as well as how procurement entities will provide opportunities to Australian entities to supply key goods and services to the facility.

C.4 – Publication of Opportunities

Provide details of where information on the facility and contact details will be published.

C.5 – Communicating and Providing Opportunities

Provide details on communication strategies for the early identification of opportunities for Australian entities and effective transfer of information on opportunities for Australian entities, through all tiers of supply (e.g. from procurement entities to lower tier suppliers). This must include detail on how operators and procurement entities will actively seek information on Australian entities' capability and communicate opportunities to Australian entities and the measures undertaken to encourage this in all aspects of the initial operations of the facility.

C.6 – Facilitating Future Opportunities

Provide details on actions to assist longer-term participation by Australian entities, including how operators will work with Australian entities to encourage capability development and integration into global supply chains. Actions should detail how, by working with operators and procurement entities on the initial operations of the facility, Australian entities will be better placed to access opportunities to supply key goods or services for the operations of future similar facilities.

C.7 – Implementation Resources

Provide details on the resources and procedures in place within the facility to effectively implement the actions outlined throughout Part C of the AIP plan.

How to address AIP plan questions

Each question in the AIP plan requiring project proponents and operators to describe or detail activities should be addressed through the development of an action/strategy specifying how the intent of the question will be achieved. An action/strategy should contain the following key components:

1. **What** action the project proponent and/or operator will undertake.
2. A statement outlining the **context** of when the action will be implemented.
3. **How** the action will be carried out.

All actions in the AIP plan should be phrased in an active manner and should not include qualifying statements such as *on an as needed basis, can, might or may* (e.g. "Project proponent *will* engage the services of industry associations to communicate opportunities" rather than "Project proponent *may* engage the services of industry associations to communicate opportunities").

When drafting actions for an AIP plan the key consideration should be whether the action will provide full, fair and reasonable opportunity to Australian entities through assisting Australian entities to gain knowledge of, or access to, an opportunity.

Submitting an AIP plan

Project proponents must provide the AIP Authority with a draft AIP plan at least 90 days before the trigger date for the project or if the AIP Authority specifies a later time – by written notice – before that later time. Further information on trigger dates can be obtained from www.industry.gov.au/aip or by contacting the AIP Authority.

AIP plans should be developed through the approved online form and submitted through the online system. Where a project proponent or operator is unable to utilise the online form an offline version can be developed using the approved template provided. AIP plans developed using the offline template can be submitted to the AIP Authority through:

Email: aip@industry.gov.au

Facsimile: +61 2 6276 1948

Mail: Yvonne Noordhuis
Acting AIP Authority
GPO Box 9839
CANBERRA ACT 2601

AIP plan assessment and approval

Project proponents must submit their draft AIP plan to the AIP Authority to gain approval. Upon receipt of a draft AIP plan the AIP Authority has 30 days to approve or refuse to approve the AIP plan. During this period the AIP Authority may contact project proponents to discuss the AIP plan and provide feedback.

A draft AIP plan will not be approved if the AIP plan does not comply with the AIP plan rules specified in the Act. Adequately addressing all mandatory obligations requested in the AIP plan template will assist project proponents and/or operators with complying with the AIP plan rules.

If a draft AIP plan is approved by the AIP Authority project proponents and/or operators will receive a written notice setting out the decision.

If the draft AIP plan is not approved by the AIP Authority, project proponents and/or operators will be required to develop a revised draft AIP plan which complies with the AIP plan rules. The revised AIP plan will be required to be provided to the AIP Authority within 30 days of receiving notification. Upon receipt of a revised draft AIP plan the AIP Authority has 30 days to approve the AIP plan.

Publication of AIP plan Summaries

Along with an AIP plan project proponents and/or operators are also required to develop an AIP plan Summary. The AIP plan Summary must be submitted at the same time as the draft AIP plan and is required to be published on the AIP Authority's website for a 15 day period beginning on the day after the summary was received by the AIP Authority.

The AIP plan Summary must be submitted on the approved template available at www.industry.gov.au/aip.

The AIP plan Summary must include details of actions under each of the AIP plan criteria, specifically incorporating:

- A description of the project and/or facility
- An indicative list of opportunities likely to arise in the project and/or the initial operations of the facility
- Details of websites where project and/or facility information can be found
- Standards to be used in the project and/or initial operations of the facility
- Summary of activities to be undertaken by the project proponent and/or operator
- Summary of activities to be undertaken by the procurement entities in the project and/or initial operations of the facility

AIP plan Summaries will not be required to include any commercially sensitive information.

Further information on developing an AIP plan Summary can be found in 'AIP plan Summary' on page 31 of this User Guide.

Duration of approved AIP plans

If a project involves establishing a new facility, an approved AIP plan for the project comes into force when the AIP Authority approves the AIP plan and continues until the end of the two year period beginning when the project is completed.

If a project does not involve establishing a new facility, an approved AIP plan for the project comes into force when the AIP Authority approves the AIP plan and continues until the project is completed.

Record Keeping

To assist project proponents and/or operators to report on the implementation of their AIP plans, it is important that project proponents and/or operators keep records demonstrating that the actions in the AIP plan have been implemented. Project proponents and/or operators are strongly encouraged to have systems in place to collect this information and evidence (e.g. databases recording the number, and description, of companies attending supplier information sessions). For further information see 'B.6 – Implementation Resources' on page 26 for the project phase or 'C.7 – Implementation Resources' on page 29 for the operations phase.

The project proponent and/or operator must keep such records as are reasonably necessary to enable the AIP Authority to ascertain compliance with Part B and/or Part C of the AIP plan, and retain those records for five years.

Replacing an AIP plan

Where a project has not yet been completed the project proponent may submit a draft AIP plan with the intention of replacing the approved AIP plan. This may occur in circumstances where the project has materially changed so that the approved AIP plan is no longer suitable or meets the new project requirements.

On completion of the construction phase of a project, the operator of the new facility may submit a new draft AIP plan in replacement of the AIP plan approved by the AIP Authority. Replacement of an approved AIP plan may be required if the operator has different

procurement practices and is unable to fulfil the steps from the project proponent that developed the original AIP plan.

A replacement AIP plan will undergo the same review and approval process as a draft AIP plan. Further information on replacing an approved AIP plan can be obtained by contacting the AIP Authority.

Annual Report

The AIP Authority will prepare and give to the Minister, for presentation to the Parliament, an annual report on the operations of the AIP Authority.

Detailed AIP plan Criteria

Part A – Title

Part A of the AIP plan is required to be completed for all projects developing an AIP plan in accordance with the Act.

A.1 – Project Proponent Details

Provide details of the designated project proponent responsible for developing the AIP plan for the project and the contact details of the relevant contact officer. The details of this contact officer will not be published and are for the AIP Authority's use only. The project contact person must be an employee of the project proponent and not an external person or agent.

In the case of a project with multiple project proponents the designated project proponent is the project proponent with overall responsibility for developing the AIP plan for the project on-behalf-of all project proponents.

Where applicable, details must also be provided for all other project proponents involved in the project which have discharged their AIP plan development responsibilities to the designated project proponent.

In addressing the question regarding **project proponent/s type** project proponents should consider the nature of the relationship between the project proponents for the project, i.e. single company, partnership, incorporated joint venture, unincorporated joint venture or public private partnership. Guidance to assist in determining the project proponent/s type can be found at **Attachment B**.

Project proponent/s corporate structure refers to the ownership structure of the project proponents, i.e. private company or public company.

A.2 – Project Details

Project name

Provide the name of the project.

Project location

Provide the location of the project.

Total estimated project value

Provide an estimate of the value of the project.

Project type

Indicate the type of facility which is being established/upgraded as part of the project. If the project involves the establishment/upgrade of multiple types of facilities please indicate all relevant types. This should align with the details provided at the project notification stage.

Project description

Provide a description of the project. This description should provide enough information for Australian entities to determine if they are suitable to provide goods and services to the project.

New/Upgrade project

Indicate whether the project involves the establishment of a new facility or is an upgrade of an existing facility.

If the project involves the establishment of a new facility project proponents and/or operators will be required to complete Parts A, B and C of the AIP plan. If the project involves the upgrade of an existing facility project proponents will be required to complete Parts A and B only.

A.3 – AIP plan authorised person declaration

The AIP plan authorised person declaration will need to be signed by an authorised person within the project proponent and/or operator prior to submission of the AIP plan to the AIP Authority. Signing of the AIP plan authorised person declaration binds the project proponent and/or operator to the requirement to implement the actions of the AIP plan.

If the project and/or facility involves multiple project proponents and/or operators the 'Other project proponents and/or operators declaration' will need to be completed and signed by an authorised representative of each project proponent and/or operator prior to submission of the AIP plan to the AIP Authority.

Part B – Project Phase

Part B of the AIP plan is required to be completed for all projects developing an AIP plan in accordance with the Act.

The key objective of Part B of the AIP plan is that Australian entities should have full, fair and reasonable opportunity to bid for the supply of key goods or services for the project.

B.1 – Contact Details

This criterion should provide the contact details of staff within the project proponent and procurement entities. The designated staff must be responsible for receiving enquiries from interested Australian entities or implementing the actions of the AIP plan. Strategies for requiring these activities within procurement entity operations must also be provided.

Details of the project proponent's contact officer

Project proponents must provide contact details for a contact officer so Australian entities have a central contact person. This officer's contact details will be published on the website detailed in question 1 of 'B.3 – Publication of Opportunities' and on the AIP Authority's website as part of the AIP plan Summary.

The contact officer for the project proponent does not necessarily have to be a sole person responsible for the entire project.

Details of the person responsible for implementing the AIP plan

Project proponents must provide contact details for the contact officer with responsibility for implementing the principles and actions of Part B of the AIP plan. It is important that this position is involved in the procurement decision making process (e.g. supply chain or procurement managers). This officer's contact details will not be published and are for the AIP Authority's use only. This may be the same person detailed in 'A.1 – Project Proponent Details'.

Details of procurement entity contact officers

Project proponents must detail how they will require procurement entities to appoint nominated contact officers for project opportunities and promote their contact details.

The contact officer for a procurement entity does not necessarily have to be a sole person responsible for the entire project.

B.2 – Opportunities to supply goods and services

This criterion examines the opportunities which are likely to arise for Australian entities and/or non-Australian entities to supply to the project. Information must be provided on the likely supply opportunities as well as how procurement entities will provide opportunities to Australian entities to supply key goods and services to the project. Details must also be provided on the requirements Australian entities may have to meet in order to access these opportunities.

Indicative list of opportunities likely to arise for the project

Project proponents must provide an indicative list of opportunities likely to arise in the project. Each opportunity should be accompanied by the expected source of supply (Australian or non-Australian entities). An example of the level of information is provided below:

Table 1: Example of a list of expected opportunities and their source of supply.

Expected opportunities	Opportunities for Australian entities	Opportunities for non-Australian entities
Goods		
Supply of stainless steel	No	Yes
Dump trucks	Yes	Yes
Conveyors	Yes	Yes
Earth moving equipment	Yes	Yes
Services		
Earthworks	Yes	No
Design	Yes	Yes
Electrical	Yes	No
Engineering	Yes	Yes

Opportunities not expected to be sourced from Australian entities.

Where a project proponent indicates that opportunities are not available for Australian entities, a short explanation of why the project proponent has made this assessment must be included.

This explanation could include that the items are not available from Australian entities or that goods from non-Australian entities are technologically superior to goods available from Australian entities. Evidence of how this conclusion was reached may be requested.

Ensuring procurement entities obtain and maintain a current understanding of the capabilities of Australian entities

This may involve procurement entities being contractually obligated to approach relevant industry networks and bodies and consult with Australian entities to gather information about the capability and capacity of certain industries and Australian entities to compete for work. Procurement entities must not solely rely on in-house knowledge but should keep themselves regularly informed of industry capability and capacity in relation to the project.

Ensuring use of Australian or international standards for key goods and services

This question is to be addressed in two parts:

1. The form of standards to be used on the project and Australian entities' ability to meet these standards.
 - This action must broadly outline the standards which will be applied in undertaking the project. Project proponents should ensure design specifications take Australian entities' capabilities and Australian standards into account and that Australian entities are not "designed out" of the project (i.e. tender documents cite Australian or international standards that Australian entities can meet). International standards mean International Organisation for Standardisation (ISO).
2. If Australian or international standards will not be used, why and what impact will this have on Australian entities?
 - If the project proponent is not using Australian or international standards for some goods it must indicate whether these standards can be met by Australian entities and what impact not using Australian or international standards may have on the ability of Australian entities to participate. In some sectors there are other broadly adopted international standards used in the design and engineering of new projects globally (e.g. the American Petroleum Institute standards in the oil and gas industry). To discuss potential other standards which could be specified please contact the AIP Authority.

B.3 – Publication of Opportunities

This criterion must provide the addresses (where known) of the various websites which will be used to communicate information about the project and supply opportunities which are likely to arise in the project. Strategies must also be outlined detailing how procurement entities will be required to maintain a website to communicate information to assist potential suppliers.

Project proponent and/or project web address

As a minimum, this answer must provide the address of a publically accessible website where details of the project will be published. This should include general information for suppliers and a link to project opportunities.

Project opportunities web address

As a minimum, this answer must provide the address of a publically accessible website where the details of opportunities expected to arise as part of the project will be published. Details published on this website must include a detailed breakdown of the key goods and services valued above \$1 million to be procured for the project. Each key good and service should be accompanied by the expected source of supply (Australian or non-Australian entities) and the procurement entity expected to purchase the key goods or services (where known).

The table below provides an example of the information which must be published on the website. The *Australian Jobs (Australian Industry Participation) Rule 2014* specifies that the key goods and services for the project must be broken down into categories that are the most reasonable and appropriate in the context of how the project proponent expects the goods and services to be acquired or supplied. These reasonable work packages must be published on the website.

This website can be hosted by the project proponent or a third party.

Table 2: Example of a list of key goods and services and their source of supply.

List of key goods and services to be acquired for the project	Opportunities for Australian entities	Opportunities for non-Australian entities	Procurement entity (where known)
Goods			
Supply of stainless steel	No	Yes	XYZ Ltd
Structural steel (supply and erection)	Yes	Yes	TBD
Modular buildings	Yes	Yes	TBD
Conveyor monitoring system	Yes	Yes	ABC Pty Ltd
Conveyor module	No	Yes	TBD

Services			
Earthworks, drainage and road works	Yes	No	LMN Inc.
Electrical services	Yes	No	TBD
Landscaping	Yes	No	TBD
Fitout works	Yes	No	RST Ltd

Procurement entity websites

Procurement entities must be required to maintain a publically accessible website which communicates the information below:

- Question 3 of 'B.1 – Contact Details'
- Question 4 of 'B.2 – Opportunities to supply goods and services'
- Question 3 of 'B.4 – Communicating and Providing Opportunities'

Where a procurement entity is already identified the web address of the publically accessible website which will communicate these details should also be provided here.

B.4 – Communicating and Providing Opportunities

This criterion must detail actions for communicating supply opportunities to Australian entities and providing them full, fair and reasonable opportunity to access these supply opportunities. Actions detailed in this criterion should include strategies for ensuring the effective transfer of information on opportunities for Australian entities through all tiers of supply (e.g. from procurement entities to lower tier suppliers) and in all stages of the project (e.g. through design, procurement and construction).

Activities to conduct awareness programmes for Australian entities

The AIP Authority's expectation is that in addressing this question project proponents will detail four separate and specific actions for conducting awareness programmes. Project proponents should identify specific methods and/or mediums they intend to use to communicate how Australian entities can find out about available opportunities to participate in the project.

Actions detailed for this question may include training, seminars, conferences and advertising by the project proponent, or through another network, to outline the opportunities that are, or will be, available in the project. Examples of potential actions include:

- Engagement with industry bodies
 - Consult with the relevant industry associations and local industry to help identify capable and competitive Australian entities suitable to supply goods or services to the project. These industry bodies can also distribute information to capable Australian entities. The distributed information should address all aspects of the project.
- Engagement with vendor identification agencies
 - Consult with vendor identification agencies to help identify capable and competitive Australian entities suitable to supply goods or services to the project. Project proponents should contact any vendor identification agencies before submitting the AIP plan to confirm that they are able to assist.
- Public information activities
 - Hold public/industry briefings, conferences and/or workshops to communicate the types of opportunities available to Australian entities and information on how Australian entities can respond to opportunities. Actions to conduct public briefings should detail how the briefings will be advertised and promoted for Australian entities to attend.
 - Publish media releases/statements through mainstream media (e.g. newspapers, industry magazines and/or business journals) detailing supply opportunities and how Australian entities can respond to these opportunities.
- Other activities
 - Develop and distribute a Supplier Information Guide that details the project proponent's expectations of Australian entities interested in supplying key goods and services for the project.

- Direct contact with Australian entities (e.g. letter or email) inviting tender responses or informing about opportunities and how to respond to these opportunities.
- Where closed tenders cannot be avoided, tenders should be circulated in a manner that enables Australian entities to be informed of the project. If a closed tender will be used, explain how those invited to tender will be selected and why a closed tender process is required.
- If only entities that are pre-qualified will be invited to tender, explain how Australian entities will be given the opportunity to pre-qualify. For example, this could involve information sessions on how to pre-qualify.
- Promotion of Australian industry participation in the early stages of the project including prefeasibility, feasibility and cost benefit analysis.
- Ensure Australian entities are not disadvantaged when designing the project. For example:
 - Ensure Australian entities have been given the opportunity to tender for the management of the project.
 - Communicate the advantages of designing the project in Australia.
 - If design is undertaken overseas, ensure that consideration is provided to potential Australian entities.

Training for procurement entities on AIP plan obligations

In answering this question project proponents must provide detail on how they will inform procurement entities of the AIP plan obligations for the project and provide training to employees of procurement entities to assist them in implementing the AIP plan obligations.

While some actions of the AIP plan must be undertaken by procurement entities the project proponent remains the responsible party for ensuring that these activities are undertaken satisfactorily. Examples of potential actions include:

- Hold workshops with procurement entities to outline the AIP plan obligations.
- Create, publish and distribute (within the project proponent and to any procurement entities) a policy detailing the project proponent's commitment to maximising opportunities for Australian entities to participate in the project.
- Develop and distribute an information guide that details the project proponent's expectations of procurement entities for the project.
- Standard contractual arrangements with procurement entities to outline their AIP obligations.
- Include a requirement in tender documents and contracts that procurement entities implement the project proponent's AIP policies and/or adopt specified AIP strategies.
- Require procurement entities to engage with and involve Australian entities.
- Provide endorsement and communication of the AIP plan and principles throughout the project (e.g. at information seminars, on project websites or through public announcements).

Publication of pre-qualification requirements by procurement entities

Project proponents must detail actions to require procurement entities to provide information on pre-qualification requirements for Australian entities at a reasonable time. Pre-qualification can form a separate process from the tendering of key goods and services. By detailing how pre-qualification can be achieved at a reasonable time this could encourage Australian entities potentially interested in supplying key goods and services to commence the process early in anticipation of future opportunities. Pre-qualification requirements can include evidence of company finances, history of track record in supply of similar goods and services, and demonstrated possession of relevant qualifications, accreditations and capabilities.

Project proponents could contractually require procurement entities to communicate the pre-qualification requirements for the project and encourage Australian entities to pre-qualify for opportunities. Examples of actions procurement entities could be required to implement include:

- Publish detailed information on the procurement entities' requirements for participation in the supply chain on their website (question 3 of 'B.3 – Publication of Opportunities').
- Undertake a rigorous supplier audit and improvement initiative to benchmark and publicise best practice.
- Conduct workshops that provide sector-specific information on how to prepare bids against tenders, including, if relevant, becoming e-procurement ready.

Provision of equal timeframes for opportunities by procurement entities

Project proponents and procurement entities often have existing global supply chains and/or suppliers they have worked with previously. The intent of this question is to require procurement entities to look beyond their existing supply chains and provide Australian entities equal access to opportunities. This includes ensuring that Australian entities are provided the same information at the same time with the same timeframes, as existing supply chain partners.

Project proponents could contractually require procurement entities to provide equal timeframes to Australian entities for responding to any opportunities in the project. Examples of potential actions procurement entities could be required to implement include:

- Make tender documents available to all possible suppliers at the same time.
- Allow equal and reasonable timeframes for Australian and non-Australian entities to respond to tenders.
- Structure tenders for Australian and non-Australian entities on the same basis (i.e. do not include different standards between the Australian and non-Australian entities).

B.5 – Facilitating Future Opportunities

This criterion must detail actions and strategies project proponents and procurement entities will undertake to provide access to longer-term opportunities for Australian entities. The concept of 'longer-term opportunities' refers to how, through working on this project, Australian entities will develop new skills and capabilities, increase their competitiveness and access opportunities in future similar projects. Longer-term opportunities should not be focussed solely on how Australian entities will be engaged on this project long-term.

Actions must include how project proponents and procurement entities will work with Australian entities to encourage capability development and integration into global supply chains. Project proponents can undertake the proposed activities at any stage of the project, for example, prior to approaching the market, once suitable Australian entities are identified, or if Australian entities are unsuccessful.

Encouragement of capability development

If a project proponent for the project has a global supply chain this action must detail activities the project proponent will undertake to facilitate capability development within Australian entities to increase access to global supply chain opportunities. Examples of actions to encourage capability development in Australian entities include:

- Recommend training courses which may be beneficial to Australian entities, such as:
 - Providing advice and assistance to Australian entities in meeting pre-qualification and technical requirements.
 - Providing training and certification that enhances the ability of Australian entities to obtain additional business domestically and overseas.
 - Offering Australian entities access to internal training programs or provide training on improvements in technology or process management.
- Provide market intelligence to Australian entities, including knowledge of international market and price trends, international and domestic market potential and sources of raw materials.
- Transfer product and process technology, and organisational know-how, to Australian entities to help them master new technologies.
- Encourage Australian entities to undertake research and development and innovative activities.
- Establish joint ventures with Australian entities to enable them to access new technology or larger markets.
- Undertake a rigorous supplier audit and improvement initiative to benchmark and disseminate best practice.
- Encourage overseas suppliers to use Australian offices to provide information to Australian entities about international procurement requirements, the types of goods, services and capabilities registered in their supplier databases, and the criteria by which suppliers are assessed for inclusion in these databases.

Integration of Australian entities into global supply chains

If a project proponent for the project has a global supply chain this action must detail activities the project proponent will undertake to facilitate the integration of Australian entities into global supply chains. Examples of actions to encourage integration of Australian entities into global supply chains include:

- Facilitate introductions to:
 - The project proponent's appropriate technical and purchasing decision makers.
 - The appropriate technical and purchasing decision makers within procurement entities.
 - Arrange for visits by Australian entities to the project proponents' and/or procurement entities' overseas facilities.
 - Other global companies, including the project proponent's customers and suppliers.
 - Australian entities for international procurement office staff to increase their awareness of Australian industry.
- Provide recommendations and/or training to selected Australian entities to assist in integrating into global supply chains (for example this might involve training to assist capable Australian entities to meet prequalification requirements).
- Advocate the utilisation of Australian entities across the operations of the project proponent and procurement entities.
- Facilitate strategic partnering, consortia building, joint ventures and clustering activities amongst Australian companies and/or between Australian and international organisations. This could be achieved by:
 - Making introductions between possible partners.
 - Arranging seminars to raise awareness of the benefits to Australian entities of entering into strategic alliances and how to enter into and manage such arrangements.
 - Making referrals to vendor identification agencies.
- Accredite Australian entities to work in other regions, thus opening new markets.
- Assist participation by Australian producers in local, regional or national trade fairs to build awareness of Australian capabilities.

Feedback, including on relevant training, skills, capability, and capacity development, from procurement entities for unsuccessful Australian entities

Project proponents must detail how they will ensure that procurement entities provide feedback to Australian entities which were unsuccessful in their bids to supply to the project. Feedback must include recommendations of training and skills development activities which Australian entities could undertake to increase their capabilities and capacity to access future projects. Feedback may be written or oral and outline the reasons why the bid was not successful. Oral feedback provided should be documented by the procurement entity, this will assist in meeting reporting requirements.

Project proponents could contractually require procurement entities to provide feedback to Australian entities unsuccessful in bids to supply to the project. Examples of potential actions procurement entities could be required to implement include:

- Provide feedback on the strengths and weaknesses of bids and how to improve competitiveness in future tenders.
- Develop supplier scorecards to evaluate supplier performance and provide feedback to Australian entities in respect of performance against critical dimensions.
- Support Australian entities to adopt world's best practice standards and, where appropriate, to gain international accreditation. Simply requiring specific standards/accreditations is not sufficient; procurement entities should outline how they will assist Australian entities in adopting the specific standards/accreditations.
- Provide feedback to unsuccessful Australian entities to encourage improved performance in future tenders. This could include referring eligible unsuccessful Australian entities to the Department of Industry and Science's Entrepreneurs' Infrastructure Programme or similar training.
- Provide training and certification that enhances the ability of Australian entities to obtain additional business domestically and overseas.
- Provide in-house training and certification that enhances the ability for Australian entities to obtain additional business domestically and overseas.
- Encourage adoption of ISO requirements or occupational health and safety (OH&S) qualifications. Undertake technical consultation with Australian entities to assist in mastering new technologies.
- Introduce a development programme for capable Australian entities that actively seeks out new local suppliers and provides training and technology transfer.

B.6 – Implementation Resources

The intent of this criterion is to ensure that project proponents have the appropriate resources and procedures in place within the project to effectively implement the actions outlined throughout the AIP plan. This must also include, where applicable, monitoring the obligations of procurement entities. Project proponents must describe the procedures and resources to implement the strategies to provide full, fair and reasonable opportunity to Australian entities and the internal procedures, resources and systems in place to monitor the implementation of the AIP plan.

The AIP plan and any associated policies should be committed to at a corporate/executive level to increase the likelihood of achieving substantial outcomes. It is important that they are recognised and incorporated in all aspects of the project. This is more likely to be achieved if adequate resources and procedures are in place. Furthermore, this should also support the collection of evidence for the project's subsequent Compliance Report.

The person detailed in response to question 2 of 'B.1 – Contact Details' will be the person responsible for ensuring the actions in response to the questions detailed below are undertaken.

Records and evidence of AIP plan compliance

Project proponents should provide examples of the types of evidence they are intending to collect throughout the project for use in demonstrating compliance with the AIP plan in subsequent Compliance Reports. Examples provided in this response are examples only and project proponents will not be penalised for producing different evidence if necessary at the Compliance Report stage. All evidence collected to demonstrate compliance with the AIP plan must be kept for five years.

Evidence can include screenshots of websites, database extracts and reports, newspaper advertisements, contractual arrangements, supplier lists, and seminar agendas and attendance lists.

Procedures and resources for ensuring AIP plan compliance

Project proponents should detail the procedures they will put in place to collect the records and evidence detailed in the question above. Details of records management systems which will be used for tracking evidence can be provided as well as details of personnel involved in the implementation and tracking of the AIP plan. These procedures and resources will be useful in preparing the subsequent compliance reports.

Examples of actions to ensure AIP plan compliance include:

- Develop systems and processes which embed corporate Australian industry participation policies in planning and decision making throughout the project (e.g. by developing goals, implementation targets and key performance indicators linked to the implementation of AIP policies).
- Develop systems to monitor and report on the extent of the participation by Australian entities in the project.
- Develop systems to identify inappropriate action under the AIP plan and to monitor/record the corrective action taken.

- Have a system in place to identify and report any variations in AIP plan activities internally and to the AIP Authority.
- Have a documented formal policy for Australian industry participation which addresses the preceding criteria.

Ensuring procurement entity compliance with the AIP plan

Project proponents must detail how they will ensure that procurement entities are undertaking the required activities to achieve the objective of the AIP plan. These activities should supplement the training detailed in 'B.4 – Communicating and Providing Opportunities'.

Project proponents could develop and implement standard contractual arrangements with procurement entities to give Australian entities opportunities to participate, this would contractually require procurement entities to comply with the AIP plan and provide the project proponent with evidence. This could include requiring procurement entities to maintain systems similar to the examples provided above.

Part C – Operations Phase

Part C of the AIP plan is only required to be completed for projects establishing a new facility which are developing an AIP plan in accordance with the Act.

The key objective of Part C of the AIP plan is that Australian entities should have full, fair and reasonable opportunity to bid for the supply of key goods or services for the new facility's initial operational phase.

Actions detailed in Part C will be required to be undertaken for the initial operations phase of the facility (two years). The questions comprising Part C are the same as those comprising Part B. Examples of actions which can be used to address the questions of Part C can be found in 'Part B – Project Phase' from page 15.

C.1 – Operator Details

Provide details of the designated operator responsible for developing the AIP plan for the facility's initial operational phase and the contact details of the relevant contact officer. The details of this contact officer will not be published and are for the AIP Authority's use only. The facility contact person must be an employee of the operator and not an external person or agent.

In the case of a facility with multiple operators the designated operator is the operator with overall responsibility for developing the AIP plan for the initial operations of the facility on-behalf-of all operators.

Where applicable, details must also be provided for all other operators involved in the initial operations of the facility which have discharged their AIP plan development responsibilities to the designated operator.

In addressing the question regarding **operator/s type** operators should consider the nature of the relationship between the operators of the facility, i.e. single company, partnership, incorporated joint venture, unincorporated joint venture or public private partnership.

Operator/s corporate structure refers to the ownership structure of the operators, i.e. private company or public company.

C.2 – Contact Details

This criterion should provide the contact details of staff within the operator and procurement entities. The designated staff must be responsible for receiving enquiries from interested Australian entities or implementing the actions of the AIP plan. Strategies for requiring these activities within procurement entity operations must also be provided.

Assistance on addressing the questions in this criterion can be found under 'B.1 – Contact Details' on page 15.

C.3 – Opportunities to supply goods and services

This criterion examines the opportunities which are likely to arise for Australian entities and/or non-Australian entities to supply to the initial operations of the facility. Information must be provided on the likely supply opportunities as well as how procurement entities will provide opportunities to Australian entities to supply key goods and services to the facility.

Details must also be provided on the requirements Australian entities may have to meet in order to access these opportunities.

Assistance on addressing the questions in this criterion can be found under 'B.2 – Opportunities to supply goods and services' on page 16.

C.4 – Publication of Opportunities

This criterion must provide the addresses (where known) of the various websites which will be used to communicate information about the facility and supply opportunities which are likely to arise in the initial operational phase. Strategies must also be outlined detailing how procurement entities will be required to maintain a website to communicate information to assist potential suppliers.

Assistance on addressing the questions in this criterion can be found under 'B.3 – Publication of Opportunities' on page 18.

C.5 – Communicating and Providing Opportunities

This criterion must detail actions for communicating supply opportunities to Australian entities and providing them full, fair and reasonable opportunity to access these supply opportunities. Actions detailed in this criterion should include strategies for ensuring the effective transfer of information on opportunities for Australian entities through all tiers of supply (e.g. from procurement entities to lower tier suppliers).

Assistance on addressing the questions in this criterion can be found under 'B.4 – Communicating and Providing Opportunities' on page 20.

C.6 – Facilitating Future Opportunities

This criterion must detail actions and strategies operators and procurement entities will undertake to provide access to longer-term opportunities for Australian entities. The concept of 'longer-term opportunities' refers to how, through working with this facility, Australian entities will develop new skills and capabilities, increase their competitiveness and access opportunities with future similar facilities. Longer-term opportunities should not be focussed solely on how Australian entities will be engaged with this facility long-term.

Actions must include how operators and procurement entities will work with Australian entities to encourage capability development and integration into global supply chains. Operators can undertake the proposed activities at any stage of their engagement with Australian entities, for example, prior to approaching the market, once suitable Australian entities are identified, or if Australian entities are unsuccessful.

Assistance on addressing the questions in this criterion can be found under 'B.5 – Facilitating Future Opportunities' on page 23.

C.7 – Implementation Resources

The intent of this criterion is to ensure that operators have the appropriate resources and procedures in place within the initial operations of the facility to effectively implement the actions outlined throughout the AIP plan. This must also include, where applicable, monitoring the obligations of procurement entities. Operators must describe the procedures and resources to implement the strategies to provide full, fair and reasonable opportunity to

Australian entities and the internal procedures, resources and systems in place to monitor the implementation of the AIP plan.

The AIP plan and any associated policies should be committed to at a corporate/executive level to increase the likelihood of achieving substantial outcomes. It is important that they are recognised and incorporated in all aspects of the initial operations of the facility. This is more likely to be achieved if adequate resources and procedures are in place. Furthermore, this should also support the collection of evidence for the facility's subsequent Compliance Report.

Assistance on addressing the questions in this criterion can be found under 'B.6 – Implementation Resources' on page 26.

AIP plan Summary

Along with an AIP plan project proponents and/or operators are also required to develop an AIP plan Summary. Once a project proponent and/or operator has submitted a draft AIP plan to the AIP Authority the AIP plan Summary is required to be published on the AIP Authority's website for a 15 day period beginning on the day after the summary was received by the AIP Authority.

AIP plan Summary Templates are available from www.industry.gov.au/aip. Project proponents upgrading an existing facility and completing only Parts A and B of the AIP plan will need to complete the *AIP plan Summary – Project Phase* template. Project proponents establishing a new facility and completing Parts A, B and C of the AIP plan will need to complete both the *AIP plan Summary – Project Phase* and *AIP plan Summary – Operations Phase* templates.

To develop an AIP plan Summary the following information will need to be provided.

Project Phase

Project Details

Project Proponent

Business name of the designated project proponent

Description of the project

Provide a description of the project including the project type, project name and whether the project is for a new facility or upgrade to an existing facility. This description should provide enough information for Australian entities to determine if they are suitable to provide goods and services to the project.

Estimated project value

Provide an estimate of the value of the project.

Project location

Provide the location of the project.

Link to project information

Provide the address for the project website. This should be the address provided at question 1 of 'B.3 – Publication of Opportunities'.

Project contact for procurement information

Provide the contact details for a position within the project that will be responsible for receiving enquiries on procurement opportunities. This should be the person detailed at question 1 of 'B.1 – Contacts Details'.

Other Project Proponents

Provide the business name of all other project proponents involved in the project.

Expected opportunities for industry participation

Complete the table of opportunities expected to arise for the project. This table should be completed with the same goods and services detailed in question 1 of 'B.2 – Opportunities to supply goods and services' (see example table at page 16).

Standards to be used in the project

This should summarise the information provided in response to question 4 of 'B.2 – Opportunities to supply goods and services'.

AIP activities undertaken by the project proponent

This should summarise the activities detailed in response to the following questions:

Criterion	Questions
B.3 – Publication of Opportunities	2
B.4 – Communicating and Providing Opportunities	1 and 2
B.5 – Facilitating Future Opportunities	1 and 2
B.6 – Implementation Resources	2 and 3

AIP activities to be undertaken by procurement entities

This should summarise the activities detailed in response to the following questions:

Criterion	Questions
B.2 – Opportunities to supply goods and services	3
B.3 – Publication of Opportunities	3
B.4 – Communicating and Providing Opportunities	3 and 4
B.5 – Facilitating Future Opportunities	3

Operations Phase

Facility Details

Operator

Business name of the designated operator

Link to facility information

Provide the address for the facility website. This should be the address provided at question 1 of 'C.4 – Publication of Opportunities'.

Project contact for procurement information

Provide the contact details for a position within the facility that will be responsible for receiving enquiries on procurement opportunities. This should be the person detailed at question 1 of 'C.2 – Contacts Details'.

Other Operators

Provide the business name of all other operators involved in the initial operations of the facility.

Expected opportunities for industry participation

Complete the table of opportunities expected to arise for the initial operations of the facility. This table should be completed with the same goods and services detailed in question 1 of 'C.3 – Opportunities to supply goods and services' (see page 28).

Standards to be used in the project

This should summarise the information provided in response to question 4 of 'C.3 – Opportunities to supply goods and services'.

AIP activities undertaken by the operator

This should summarise the activities detailed in response to the following questions:

Criterion	Questions
C.4 – Publication of Opportunities	2
C.5 – Communicating and Providing Opportunities	1 and 2
C.6 – Facilitating Future Opportunities	1 and 2
C.7 – Implementation Resources	2 and 3

AIP activities to be undertaken by procurement entities

This should summarise the activities detailed in response to the following questions:

Criterion	Questions
C.3 – Opportunities to supply goods and services	3
C.4 – Publication of Opportunities	3
C.5 – Communicating and Providing Opportunities	3 and 4
C.6 – Facilitating Future Opportunities	3

Compliance Reports

If an approved AIP plan for a project is in force the project proponent and, in the case of a project to establish a new facility, operator must comply with the actions of the AIP plan.

The project proponent and/or operator are required to develop a Compliance Report and submit it to the AIP Authority for every six month reporting period that the AIP plan is in force. The Compliance Report is required within three months after the end of each reporting period.

A reporting period can be altered by mutual agreement.

Further information on Compliance Reports can be found in the *User Guide for developing a Compliance Report for Project Proponents*, the *User Guide for developing a Compliance Report for Facility Operators* or by contacting the AIP Authority.

Attachment A

Abbreviations and Acronyms

Abbreviation/Acronym	Definition
ABN	Australian Business Number
ACN	Australian Company Number
Act	<i>Australian Jobs Act 2013</i>
AIP	Australian Industry Participation
AIP Authority	Australian Industry Participation Authority
AIP National Framework	<i>Australian Industry Participation National Framework</i>
AIP plan	Australian Industry Participation plan
ISO	International Organisation for Standardisation
OHS	Occupational Health and Safety
SME	Small and medium enterprise

Key Concepts and Definitions

In the definitions below 'person' refers to a 'company' or 'corporation' as defined by the Corporations Act 2001.

Approved AIP plan

Means an approved AIP plan under section 18, 19 or 20 of the *Australian Jobs Act 2013*.

Australian entity

Any entity with an ABN or an ACN.

Entity

Has the same meaning as in the *A New Tax System (Australian Business Number) Act 1999*.

Key goods or services

Means goods or services other than goods or services supplied, or to be supplied, under a low value-contract. Goods and services are key goods and services if, and only if, the goods or services are for use, wholly or partly, in connection with carrying out the project or the operation of a new facility during the two year initial operations phase.

Low-value contract threshold amount

Means a contract under \$1 million.

Non-Australian entity

Means an entity other than an Australian entity.

Operator

A person who has day to day management and control of the facility and its activities.

Procurement entity

Could include an Engineering, Procurement and Construction Management company or equivalent tier 1 contractor making procurement decisions on behalf of the project or facility. A procurement entity does not include sub-contractors which are responsible for supplying goods and services to a project or facility rather than purchasing goods or services.

Project proponent

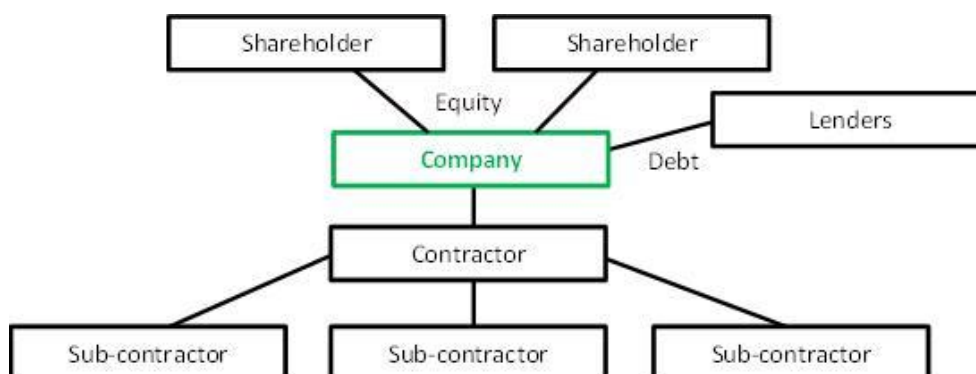
Is the person ultimately responsible for the project (see **Attachment B**).

Attachment B

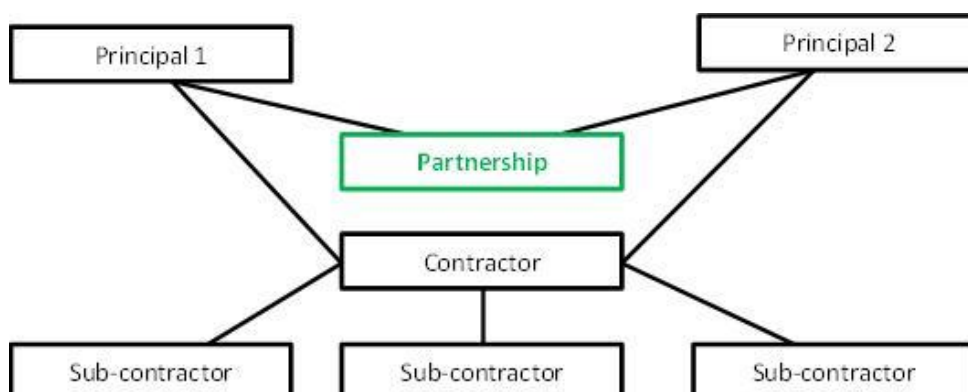
Project proponent/s type

Criterion 'A.1 – Project Proponent Details' requests that project proponents specify the project proponent/s type for the project proponents for the project. Examples of potential project proponent/s types are illustrated below. The project proponent in each example is indicated by the green box.

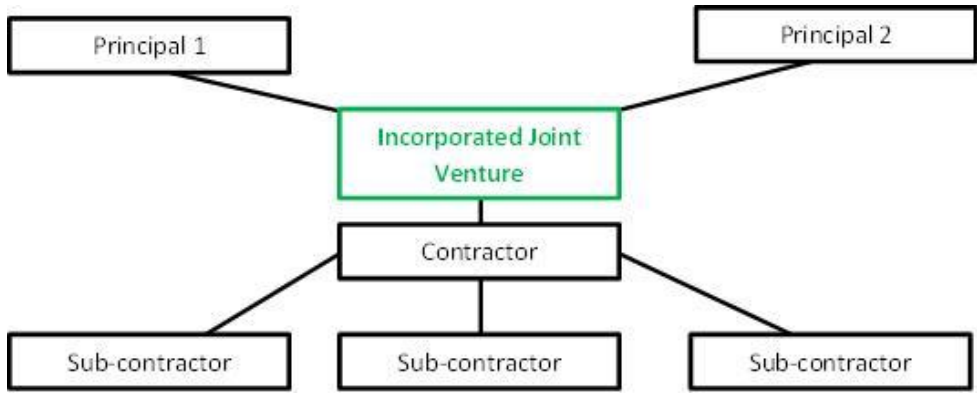
The below diagram is an example where a company is the project proponent:



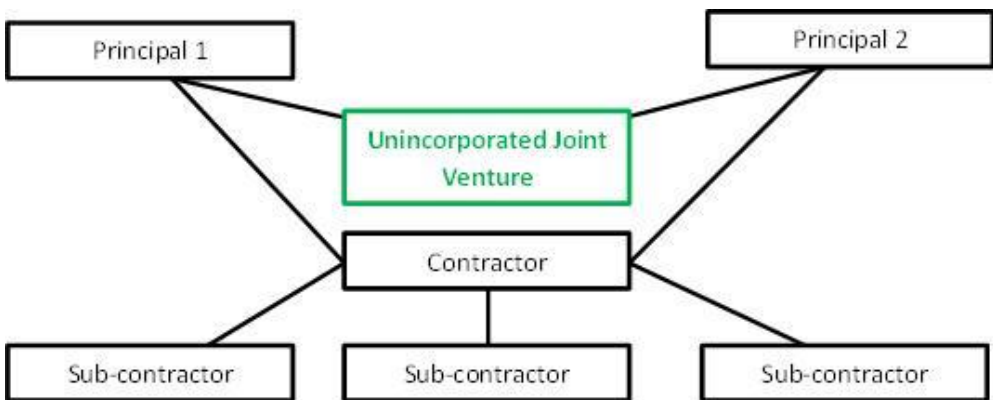
The below diagram is an example where a partnership is the project proponent:



The below diagram is an example where an incorporated joint venture is the project proponent:



The below diagram is an example where an unincorporated joint venture is the project proponent:



The below diagram is an example where a public private partnership vehicle is the project proponent:

