

Commonwealth Procurement Guidelines

This revision of the guidelines represents a change in the Government's policy with regard to procurement, including prescriptions for procurement processes which have not existed in the past. These prescriptions will enhance consistency of procurement practices across Australian Government agencies, providing increased certainty and access for our competitive small and medium enterprises. They also allow agencies to act in a manner consistent with the Australian Government's international agreements.

'Forward Commonwealth Procurement Guidelines'

The Commonwealth Procurement Guidelines are issued by the Minister for Finance. Administration under Regulation 7 of the Financial Management and Accountability Regulations 1997.

Commonwealth Authorised Companies Act 1997 bodies are generally not subject to Commonwealth Procurement Guidelines. However those subject to Section 47A of the Commonwealth Authorised Companies Act can be directed by the Finance Minister to apply the Commonwealth Procurement Guidelines.

Value for money is the core principle for procurement. This includes undertaking a cost benefit analysis of each proposal across the life of the procurement.

This is enhanced by:

- Encouraging competition
- Efficient effective and ethical use of resources
- Decisions which are accountable and transparent
- Cost is not the only determining factor in assessing value for money.
- Risk Management should be a part of the procurement process.

Agencies must maintain appropriate documentation for each procurement for a period of 3 years or for a longer period if required by legislation or other reason for a specific procurement.

Agencies are to plan their annual procurement requirements and must publicise on Aus Tenders by 1 July each year an Annual Procurement Plan (APP).

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