

Queensland Charter for Local Content

Opening opportunities for industry

Best Practice Guidelines for Agencies

June 2016

The Department of State Development

The Department of State Development exists to drive the economic development of Queensland.

The department brings together the functions of the Coordinator-General, economic and regional development, major project delivery, and government land management into a strong central agency.

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Note

The Department of State Development (DSD) is available to assist project proponents with any questions they may have regarding:

- the Queensland Charter for Local Content
- the development of a supply market analysis
- the development of a Statement of Intent
- the support programs which may assist in meeting the objectives of this charter
- how project proponents intend to provide local industry with full, fair and reasonable opportunity.

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1. Introduction

The Queensland Charter for Local Content (the charter) provides a framework for encouraging government agencies to apply best practice in local content procurement while minimising the compliance burden on government agencies¹ and contractors and ensuring full, fair and reasonable opportunity for local suppliers.

The charter has the core objective of maximising local content through greater participation of capable local industry in major government procurement activities. In addition, other objectives of the charter are:

- encouraging more effective and adaptive approaches to maximising local content
- applying greater transparency in the expenditure of government funds
- providing greater certainty for government agencies in the engagement of local content
- adopting an efficient and effective tracking and review process for local content outcomes.

The charter does not mandate that government agencies must use local suppliers; rather it is about providing a mechanism for government agencies to be able to effectively and efficiently give consideration to a wide range of potential suppliers when making procurement decisions.

The charter supports government agencies embedding local content principles within their procurement practices and procedures. The benefits this include:

- supporting the Queensland Government's objective of value for money in major procurements by enabling purchasers to consider a wider range of potential suppliers and encouraging greater competition
- providing market opportunities for local companies
- demonstrating equivalence with private sector best practice.

These guidelines are designed to highlight the features of the charter and assist government agencies to support local industry involvement in major procurements. These guidelines should be read in association with the charter.

The Department of State Development (DSD) is responsible for administrative oversight of the charter, provides advisory services for proponents and facilitates industry development support to assist suppliers to improve their capability and capacity to effectively tender for government projects where the market does not otherwise provide these services.

¹ In accordance with the [Queensland Industry Participation Policy Act 2011](#). Section 11 'Agencies, GOCs and rail government entities to comply with local industry policy'.

Government agencies are encouraged to consult with DSD on:

- the application of local content principles within their procurement procedures
- how industry development support programs may enhance local content outcomes and project objectives.

2. Principles

The charter seeks to promote industry capability and maximise local industry participation in major procurement opportunities. The following principles underpin the policy.

Principle 1: Full, fair and reasonable opportunity

Government agencies are encouraged to maximise local industry participation in major procurement opportunities by providing local industry with full, fair and reasonable opportunity to tender.

The principle of full, fair and reasonable opportunity can be achieved by:

- considering the project's whole-of-life from design to completion and ongoing maintenance
- ensuring at the tender preparation stage that tenders are packaged in a manner that optimises local industry opportunities while enhancing project competitiveness and value for money
- undertaking a supply market analysis to identify potential local suppliers
- using Australia and New Zealand (ANZ) standards and codes 'or equivalent' in the formulation of specifications, tenders and the letting of contracts, wherever it is practicable to do so
- providing early notice to the market of a planned upcoming major procurement
- encouraging contractors and sub-contractors to support and report against the charter principles
- using the services of local content specialists and supporting the use of these specialists by contractors and sub-contractors.

The outcome from the application of the principle of full, fair and reasonable opportunity is expected to be either the awarding of a contract to a local supplier or an explanation to the supplier as to why they were unsuccessful.

Principle 2: Value for money

Government agencies are encouraged to apply the principle of achieving value for money in government procurement as described in the **Queensland Procurement Policy**.

Value for money is defined as giving consideration to more than price alone. It requires an assessment of cost and non-cost factors as well as the overall aims of government, the procurement, the category and the outcomes being sought.

Government agencies are encouraged to consider the case for the unbundling of projects to:

- achieve better value for money outcomes and competition in the market
- increase the number of eligible bids
- gain cost savings through accessing innovative, capable and competitive solutions.

In addition, government agencies should consider value for money on a whole-of-life basis including:

- technical quality
- proximity to project site
- ease of communication
- access to a technologically literate and skilled workforce
- after-delivery support and maintenance.

Note: The Procurement Transformation Division in the Department of Housing and Public Works offers guidance material on evaluating offers in purchasing and the meaning of value for money in purchasing. Guidance on supporting local suppliers, regional development and employment is embedded throughout the Queensland Procurement Policy and associated documents. The material can be found at <http://www.hpw.qld.gov.au/>.

Principle 3: Regional and industry development

Government agencies are encouraged to work in partnership with regional communities to develop industry capability and capacity, and secure broader societal benefits, as appropriate.

Using government procurement processes to ‘pull’ innovative and competitive solutions from local suppliers has the potential to achieve more cost-effective procurements and increase growth in the local industry base, for which the public sector is a particularly important market.

The involvement of regional suppliers can have proportionately higher economic benefits to a region in the form of jobs growth/retention, population growth, new investment and additional economic activity. Government agencies should consider strategies to increase input from Queensland regional suppliers, where appropriate.

To better enable regional industries to gain every opportunity to achieve maximum benefit from a major procurement opportunity, government agencies may wish to consider:

- holding a public briefing which will provide timely information to the regional business and industry on the services, material supplies and commercial support requirements of a major procurement during its various phases

- cooperating with the regional economic development bodies to facilitate the communication of the procurement and logistics requirements for goods, services, and commercial support between the project contractors and suppliers
- ensuring that procurement requirements are advertised in local media to provide timely and equitable access to supply opportunities
- giving consideration to local joint ventures who bid on tender packages
- encouraging contractors and sub-contractors to maximise the use of local business as sub-contractors when contracts are awarded outside the region
- identifying opportunities for local industry innovation
- working with contractors and sub-contractors to identify all opportunities for local value-add.

DSD's Regional Services are available to support these activities.

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Principle 4: Transparency of process

The **Queensland Procurement Policy** requires that all stages of the procurement decision making process from planning to award and contract management are defensible and documented. Accordingly, Queensland Government agencies should develop clear policies, processes and criteria regarding access by local industry to major procurement opportunities.

One way for government agencies to enhance transparency is the provision of early visibility of project opportunities. This could include public briefings covering the following topics:

- the separate packages of goods and services that are proposed to go out to tender
- the requirements local suppliers must demonstrate when bidding for work
- opportunities to form local alliances in tendering for goods and services
- training opportunities for subcontractors on the preparation of bids
- additional support mechanisms available through government agencies.

Government agencies should ensure that public briefings are coordinated with other partners and should also seek the involvement of relevant government agencies and industry bodies in these briefings to highlight the additional support that is available to local suppliers.

Principle 5: Compliance with international obligations

Government agencies are to comply with Australia's international obligations, including those under free trade agreements. Queensland is currently a party to three international agreements which impact on procurement:

- Australia-New Zealand Government Procurement Agreement (ANZGPA)
- Australia-United States Free Trade Agreement (AUSFTA)
- Australia-Chile Free Trade Agreement (ACI-FTA).

The objective of the ANZGPA is to create and maintain a single ANZ government procurement market in order to maximise opportunities for competitive ANZ suppliers and reduce the cost of doing business for both government and industry.

Compliance with the ANZGPA fosters competitiveness and provides local suppliers with access to the full economic benefits associated with major projects and other market opportunities throughout Australia and New Zealand.

The fundamental objective of the AUSFTA and ACI-FTA is the same as the ANZGPA, in creating an environment of non-discrimination against suppliers from trading partners and opening up access to overseas markets for Queensland suppliers. These agreements apply only to certain procurements known as 'covered procurements.' The document *International trade obligations and government procurement*² is available through the Department of Housing and Public Works. It sets out the circumstances in which Queensland Government agencies must comply with international obligations and also sets out the exclusions to international obligations, including those relating to small and medium-sized enterprises (SMEs).

² <http://www.hpw.qld.gov.au/SiteCollectionDocuments/ProcurementGuideInternationalTrade.pdf>

3. Support to increase local content

The Queensland Government aims to optimise local content by maximising participation of capable local industry and to minimise the compliance burden on project proponents and their contractors.

DSD can provide early engagement with government agencies to assist in formulating an approach to promoting local content in relation to procurement and to help identify those goods and services that could potentially be supplied by capable local companies.

The government partners with ICN Qld to provide a suite of services to support government agencies to meet their local content obligations. These include:

- encouraging project proponents establish a Gateway listing including goods and services as a forward procurement tool
- providing early visibility of project opportunities to local suppliers through Gateway and targeted briefing sessions
- helping increase competition by providing access to a wider range of capable local industry that can deliver value for money.

As a part of the ICN national network across Australia and New Zealand, ICN Qld has access to a comprehensive capability data base (www.gateway.icn.org.au) of more than 45 000 ANZ companies, particularly in the manufacturing, construction and related services sector.

4. Procurements subject to the charter

The charter does not mandate that government agencies must use local suppliers, rather it is about providing a mechanism for government agencies to be able to effectively and efficiently give consideration to a wide range of potential suppliers when making procurement decisions.

Taking this into account, the following procurement categories are captured under the charter:

- procurements with a total Queensland Government contribution of \$5 million and above (exclusive of GST), or \$2.5 million and above (exclusive of GST) in regional Queensland, excluding information and communications technology (ICT) products and services³
- any Public Private Partnerships (PPP) for projects and capital asset acquisitions with a Queensland Government capital value contribution of \$5 million (exclusive of GST) or greater
- strategically significant procurements as determined by the procuring government agency
- standing offer arrangements where expenditure is projected to exceed \$5 million (exclusive of GST) over the life of the arrangement
- Queensland Government grants greater than \$2.5 million (exclusive of GST) and
- large infrastructure projects where funding of over \$20 million is provided by the Commonwealth through the Queensland Government.

4.1 Procurements \$5 million and above, or \$2.5 million and above in regional Queensland

Government agencies are encouraged to apply the charter to all procurements with a total Queensland Government contribution of \$5 million and above (exclusive of GST), or \$2.5 million and above (exclusive of GST) in regional Queensland, excluding ICT products and services.

³ Note: ICT procurement is excluded from the Queensland Charter for Local Content. Information Standard 13 sets out the ICT SME Participation Scheme and details the local industry participation requirements for Queensland Government procurement of ICT products and services. Details can be found at <http://www.qgcio.qld.gov.au/products/qgea-documents/3212-ict-sme-participation-scheme-policy>

4.2 Public Private Partnerships

The charter is applicable to eligible Public Private Partnership (PPPs) in line with the [Project Assessment Framework](#).

4.3 Strategically significant procurements

Government agencies should give serious consideration to applying the principles of the charter to procurements that are of strategic significance to Queensland, regardless of the value. Examples include:

- infrastructure projects, such as a road, ambulance or police station, school, public housing, hospital/health centre extension in a rural town or regional centre, and
- procurement in an area of high unemployment or an area affected adversely by economic or other events such as a natural disaster.

The following questions provide government agencies with a guide to determining whether a procurement is of strategic significance:

- Will it have a significant employment and business impact for a regional economy?
- Will it support significant regional development for communities in the project's proximity?
- Is there potential for it to have a significant positive impact on local industry's long-term international competitiveness?
- Will it promote local value-adding activities?
- Will it drive research and development, innovation and improved productivity for businesses located in close proximity to the procurement?

Government agencies should consult with DSD in determining whether a project might be of strategic significance. When undertaking a Request for Proposal (RFP) process or formulating agreement, agencies should also consider how opportunity for suppliers to engage with shortlisted proponents will be demonstrated during this time.

To assist with this an Early Supplier Engagement Plan (ESEP) has been developed for completion by proponents or the agency at the start of the process. Completed ESEPs for the project can then be used to communicate supplier engagement until the formal procurement strategy is put in place. The ESEP is available from DSD on request.

4.4 Standing offer arrangements

The charter is applicable to goods and services procured through a standing offer arrangement where the value of the procurement is greater than \$5 million for the

period of the standing offer arrangement. Agencies are encouraged to incorporate the charter's principles into a standing offer arrangement as they mature.

4.5 Treatment of grants (Queensland Government)

In this case, it is recommended that the adoption of local procurement policies and procedures is made as a clear recommendation of the grant contract between the state and the grant recipient, including completion of a Statement of Intent (SOI) where deemed appropriate (see Section 5.2). Government agencies should consult DSD for guidance on the application of the charter to their grant programs.

4.6 Treatment of grants (Australian Government)

The Australian Government may require an Australian Industry Participation (AIP) plan for projects where Commonwealth funding of \$20 million or more is provided through the states and territories.

In some circumstances the SOI developed under this charter will satisfy Australian Government requirements. Government agencies should confirm arrangements through DSD and the relevant Australian Government agency. DSD can liaise with the Australian Government on addressing AIP requirements on behalf of agencies, where requested.

It should also be noted that privately funded projects with a capital expenditure of \$500 million or more may be required to prepare an AIP plan to meet the obligations of the Australian Government's *Australian Jobs Act 2013*.

4.7 Local government procurement

Local government procurement is excluded from the charter, but the requirements for developing competitive local business and industry in the contracting and procurement activities of local governments are provided for in the *Local Government Act 2009*.

5. Addressing local content obligations

The charter has adopted five principles to promote industry capability and maximise local industry participation in eligible Queensland Government procurement.

Generally, these principles should be embedded as part of a government agency's procurement policies and procedures particularly at the business case, supply market analysis, tender and contract stages of the procurement as per the **Queensland Procurement Policy** (QPP). The QPP can be accessed here www.hpw.qld.gov.au.

Reference material:

- Appendix 1 – Process flowchart

5.1 Procurement Notification and Forward Procurement Plans

Through the QPP, agencies are required to prepare Forward Procurement Plans (FPPs). To supplement the FPP and to provide greater detail, government agencies are asked to advise DSD about procurements that are eligible under the charter when the supply market analysis is being undertaken using the Procurement Notification template.

In the case of an eligible grant program, government agencies are requested to advise DSD when establishing the grant program.

The Procurement Notification template is available online here: www.statedevelopment.qld.gov.au/local-content.

Project details can be emailed to: gclc@dsd.qld.gov.au.

5.2 Demonstrating local content opportunities in significant procurements

Where a government agency determines that a project is strategically significant it has the option of preparing an SOI to demonstrate how local content opportunities will be addressed.

As per QPP guidance material, government agencies are asked to complete a supply market analysis as part of their significant procurement plan. This identifies work packages for which there are capable local suppliers and assists with determining the level of opportunity for local procurement.

Based on this level of opportunity, the government agency can make a determination as to whether an SOI could be beneficial.

5.3 Purpose of the Statement of Intent

The purpose of an SOI is for government agencies or tenderers to outline their expectations and reporting outcomes for the project in relation to the principles of the charter. The SOI assists an agency to articulate or identify how local industry will be provided full, fair and reasonable opportunity to tender for work, particularly in relation to the contestable goods and services in the project.

The SOI can provide the agency with information for inclusion in tender documentation regarding local content, to assist project proponents to evaluate tender responses and demonstrate local content opportunities and outcomes.

The SOI can also allow government agencies to capture the commitments of tenderers in a form which may be used as the basis for the contractual obligations of the successful tenderer.

The agency should be able to clearly advise prospective tenderers how the SOI will be used in assessing tender applications through weighting criteria or other methods adopted by the agency to ensure full consideration of the local content principles.

5.4 Preparing and applying a Statement of Intent

For maximum effect, the SOI is best prepared following a supply market analysis. This will enable an agency to be well-positioned when putting an eligible procurement out to tender to:

- include the charter's five principles in the tender documentation
- have local content as one of their general evaluation criteria
- stipulate desired local content outcome reporting requirements for the procurement
- identify:
 - the economic benefits to Queensland arising from activities proposed in the SOI in quantifiable and qualitative terms
 - how the proposed project will actively support the principles of the charter.

The SOI may be applied in different ways based on the procurement and what is aimed to be achieved by the agency applying the charter:

- (1) where a good or service is being procured directly by an agency, the SOI is best completed by the agency and stipulated as a requirement of the tender
- (2) where a tender is for a managing contractor, the SOI may be passed onto tenderers by the agency through tender documentation to gain understanding of how they will meet the principles of the charter when appointing sub-contractors. The Tenderer Guidelines and SOI should be used in this scenario.

In the case of projects of strategic significance, the agency may find it beneficial to complete an SOI at both the agency and tenderer levels of the project.

On receipt of the completed SOI, DSD is able to offer advice and support to agencies regarding consistency with the local content principles.

5.5 Project Outcome Report

Project Outcome Reports are to be completed by managing contractors or agencies to provide data on the value of contracts awarded to local industry. Reports can be provided at the end of a project or, in the case of larger projects, at appropriate intervals, as agreed with DSD. It is the project's procurement manager's responsibility to ensure this reporting is submitted to DSD as specified in the project agreement.

To ensure contractors and subcontractors are aware of the requirement to complete the Project Outcome Report, a clause can be added to contracts as follows.

THE QUEENSLAND CHARTER FOR LOCAL CONTENT (CHARTER) CONTRACT SPECIAL CONDITION CLAUSE

The Contractor must, and must ensure its subcontractors, in carrying out the work under the Contract:

- (a) comply with the principles of the Queensland Charter for Local Content (Charter) and any requirements under the Contract in this regard;
- (b) comply with any Statement of Intent or equivalent local content statement under the Contract;
- (c) complete and submit a Queensland Charter for Local Content – Project Outcome Report (available from www.dsd.qld.gov.au/local-content) to the Principal at practical completion and at such other times as reasonably requested by the Principal, with a copy to qclc@dsd.qld.gov.au.

SCREENSHOT OF QUEENSLAND CHARTER FOR LOCAL CONTENT - PROJECT OUTCOME REPORT TEMPLATE

(found at www.dsd.qld.gov.au/local-content)

QUEENSLAND CHARTER FOR LOCAL CONTENT - PROJECT OUTCOME REPORT

Information provided is Commercial-in-Confidence

Background and tips for using this workbook:

By completing the Outcome Report, Government Agencies are able to demonstrate their delivery of the Queensland Charter for Local Content principles and local content outcomes. The Charter and associated documents can be found at www.dsd.qld.gov.au/local-content

- Project Outcome Reports can be submitted to qclc@dsd.qld.gov.au
- Information regarding goods and services should be sourced from invoices paid. Please avoid duplication of information.
- Only white cells can be filled
- Refer to Cell Comments for more tips on filling this template (Hover mouse on the cells with little red flags for comments to become visible)

Project title (or contract number)			
Estimated total cost of project			
Proponent Name			
Contractor Name	XYZ Pty Ltd		
Previous Report Submission Date (dd/mm/yyyy)			
Name of organisation completing this form			
Progressive reporting	Report date from	Report date to	Project completed
	01-Apr-15	30-Jun-15	0%

LOCATION OF SUPPLY			NUMBER	VALUE
South East Queensland			1	1,000,000
Regional Queensland			0	0
Rest of Australia & NZ			0	0
Outside of Australia & NZ			0	0
Total			1	1,000,000

NUMBER AND VALUE OF CONTRACTS PLACED FOR THE PROJECT

Please provide information relating to SUPPLIERS OF GOODS and SERVICES contracts awarded for the Project
(Please use one line per product / service / supplier)

GOODS / SERVICES SUPPLIED	SUPPLIER BUSINESS NAME	SUPPLIER LOCATION	POST CODE ON INVOICE	TOTAL AMOUNT INVOICED IN PREVIOUS REPORTING PERIOD (GST exclusive)	AMOUNT INVOICED FOR THIS REPORTING PERIOD (GST exclusive)	TOTAL VALUE (GST exclusive)	HAS THE SUPPLIER HAD PRIOR DEALINGS WITH
CCTV (example only)	Fred's Security	SE Queensland	4000		\$1,000,000.00	\$1,000,000.00	No
						\$0.00	

For assistance in using this spreadsheet please email qclc@dsd.qld.gov.au or phone 07 3452 7259

Contracts by Source of Supply (\$M)

\$1,000,000

■ South East Queensland
 ■ Rest of Australia & NZ

Contracts by Source of Manufacture

30% 0% 70%

■ South East Queensland
 ■ Rest of Australia & NZ

For each of the CONTESTABLE goods & services listed please indicate, by percentage of expenditure, where manufacturing (including all labour) was undertaken.

South East Queensland	Regional Queensland	Rest of Australia & NZ	Outside of Australia & NZ	Total
70%	0%	30%	0%	100%

It should be noted that this clause exists as an opt-in special conditions of contract clause in the Department of Housing and Public Works contract templates.

5.6 Templates and Guides

The following support documents are available at www.statedevelopment.qld.gov.au/local-content:

- Statement of Intent template - Agencies
- Statement of Intent template - Tenderers
- Queensland Charter for Local Content - Agency Guidelines
- Queensland Charter for Local Content - Tenderers Guidelines
- Project Outcome Report template
- Special Conditions of Contract Clause.

6. Reviewing local content outcomes

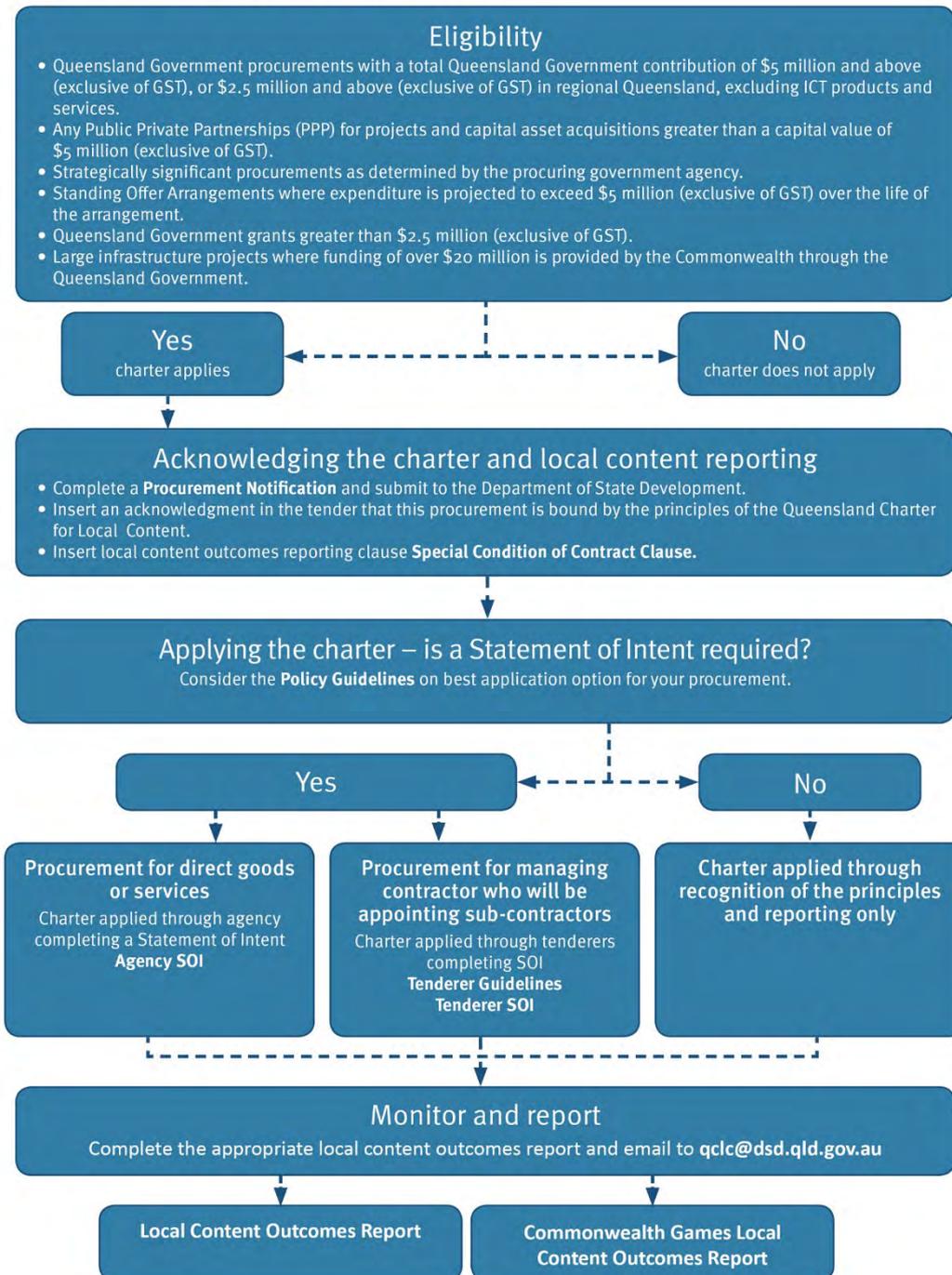
Government agencies are responsible for demonstrating their delivery of the charter principles and the local participation outcomes of projects they deliver or sponsor.

DSD will undertake an annual review of local content in government procurement. The purpose of the review will be to ensure that the charter achieves its objectives and provides baseline data on the level of local content in Queensland Government procurement.

DSD will also provide feedback to agencies about achievement of local content outcomes using the specific procurement reporting data that is made available through agencies' application of the charter.

Appendix 1 Process Flowchart

Queensland Charter for Local Content



Abbreviations

ACI-FTA	Australia-Chile Free Trade Agreement
AIP	Australian Industry Participation
ANZ	Australia and New Zealand
ANZGPA	Australia-New Zealand Government Procurement Agreement
AUSFTA	Australia-United States Free Trade Agreement
DSD	Department of State Development
ESEP	Early Supplier Engagement Plan
FPP	Forward Procurement Plan
GOC	Government-owned corporation
GST	Goods and Services Tax
ICN Qld	Industry Capability Network Queensland, a Division of QMI Solutions
ICT	Information and communications technology
IEP	Indigenous Employment Policy
PPP	Public Private Partnerships
QPP	Queensland Procurement Policy
SME	Small and medium-sized enterprise
SOI	Statement of Intent
TOR	Terms of Reference

Glossary

Government agency	Government agencies including departments, GOCs, statutory authorities and special purpose vehicles where they are the proponents of any infrastructure or other projects funded by the state government with a value greater than \$5 million, including projects funded by government grants or \$2.5 million in regional Queensland.
Business matching	The process of identifying potential local suppliers with the capacity and capability to meet the requirements of the work packages identified for a particular project.
Contestable goods and services	<p>The goods and/or services included in, or may potentially be included in, contracts for a project that can be potentially supplied from any of the following locations:</p> <ul style="list-style-type: none"> • geographically close to the project • Queensland • other locations within Australia or New Zealand • outside Australia and New Zealand (ANZ). <p>It excludes goods and/or services which are, in normal circumstances, highly likely to be supplied from sources geographically close to the project, or goods and/or services that are, in normal circumstances, highly likely to be supplied from locations outside ANZ because they are not currently manufactured or provided by ANZ suppliers.</p>
Early Supplier Engagement Plan	Defines supplier engagement strategies prior to contracted policy requirements being in place. This provides earlier visibility for suppliers and a consistent communication mechanism for early phase supplier engagement strategies in such projects.
Full, fair and reasonable opportunity	<p>The provision of equitable opportunity for capable local industry to participate in the procurement activity by ensuring:</p> <ul style="list-style-type: none"> • Full: Local industry has the same opportunity as other potential suppliers to participate in all aspects of a project from design through to completion, in all supply and ongoing maintenance. • Fair: Local industry is provided the same opportunity as other potential suppliers to compete for investment projects and other market-based contracts on an equal and transparent basis. • Reasonable: Tenders are free from any unreasonable specifications or requirements that could rule out local industry and are structured in such a way as to provide local industry the opportunity to participate. <p>This definition is consistent with the Australian Industry Participation National Framework.</p>
Gateway	<p>ICN Gateway is an online tool that enables:</p> <ul style="list-style-type: none"> • project proponents to list their projects and work packages • potential suppliers to register their interest in supplying goods and services for those projects.

Goods and services	Includes goods alone, services alone, or goods and services conjointly and includes construction and related services.
Grant recipient	The recipient of a grant greater than \$2.5 million (exclusive of GST) from the Queensland Government for an eligible project.
Head contractor	The appointed managing contractor, prime contractor or constructor responsible for delivering the project.
ICN Qld	Part of the national ICN network which aims to identify products, services and capabilities to assist clients in the acquisition of goods and/or services to replace imports and retain opportunities for local industry. ICN Qld's office is located in Brisbane.
Local content	Comprises components, materials and services that are procured from a local source for a given project.
Local industries	Defined as Australian or New Zealand small and medium-sized enterprises (SMEs).
Procurement	Procurement is the entire process by which all classes of resources (human, material, facilities and services) are obtained. This can include the functions of planning, design, standards determination, specification writing, selection of suppliers, financing, contract administration, disposals and other related functions.
Project	<p>A project is a temporary activity designed to produce a unique product, service or result. A project is temporary in that it has a defined beginning and end in time and defined scope and resources.</p> <p>A project is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. The development of software for an improved business process, the construction of a building or bridge, the relief effort after a natural disaster—all are projects.</p>
Project proponent	<p>The government agency responsible for funding and delivery of a project, including through a grant.</p> <p>The private sector business entity that enters into a formal undertaking with the Queensland Government for a grant for an eligible project.</p> <p>The entity that enters into a formal undertaking with the Queensland Government for a significant Queensland Government contribution for an eligible project.</p>
Regional Queensland	Encompasses those areas within the state of Queensland outside the Brisbane, Gold Coast and Sunshine Coast statistical divisions with the postcodes 4306-4499, 4522-4550 and 4576-4999.
Significant Queensland Government contribution	<p>Direct financial outgoings other than a grant, for example for the provision of infrastructure, and/or revenues forgone as incentives to facilitate an eligible project proposal.</p> <p>If the total financial contribution by the Queensland Government exceeds \$2.5 million (exclusive of GST), then it is deemed to be significant and the project proponent is encouraged to develop an SOI.</p>
Small and medium-sized enterprise (SME)	An Australian or New Zealand firm with fewer than 200 full time equivalent employees.

South East Queensland	Encompasses those areas in the Brisbane, Gold Coast and Sunshine Coast statistical divisions with the postcodes 4000-4305, 4500-4521 and 4551-4575.
Statement of Intent (SOI)	A statement of how the project proponent intends to encourage local industry involvement in the project. Each plan should detail the level of local industry participation expected in projects and the benefits that would flow to Queensland in industry development, technology transfer, job creation and skills development.
Suppliers	Those members of the supply/value chain that provide goods and/or services to a procurement.
Supply market assessment	A technique used to identify market characteristics for specific goods or services. It provides information that is critical to developing effective procurement strategies, in the context of planning for significant procurement.
Value-added	Refers to the substantial transformation of goods and a minimum of 50 percent of production costs incurred in Queensland, Australia and/or New Zealand. Project proponents should note the principles of Part V of the <i>Australian Made, Australian Grown Logo Code of Practice July 2011</i> .
Value for money	Is as defined in the <i>Queensland Procurement Policy</i> and is not restricted to price alone. The policy requires that the following factors be considered when assessing value for money: <ul style="list-style-type: none"> • overall objective of the procurement and outcome being sought • cost-related factors including up-front price, whole-of-life costs and transaction costs associated with acquisition, use, holding, maintenance and disposal • non-cost factors such as fitness for purpose, quality, delivery, service, support and sustainability impacts.
Work package	Work packaging occurs when all aspects of a project are broken down into well-defined manageable pieces (a work package) that can be executed, budgeted, measured and controlled.

Resources

The following support documents are available at www.statedevelopment.qld.gov.au/local-content:

- Statement of Intent template - Agencies
- Statement of Intent template - Tenderers
- Queensland Charter for Local Content - Agency Guidelines
- Queensland Charter for Local Content - Tenderers Guidelines
- Project Outcome Report template
- Special Conditions of Contract Clause.

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