



ProjectConnect
fast access to project opportunities

ProjectConnect News Update

21 September 2009

This Fortnight's Topics



The good, bad and ugly of local Industry participation.



Perth Industry Briefing - \$100 billion worth of defence supply opportunities.



241 new members list on ProjectConnect in last fortnight.



4 new projects added to ProjectConnect's tracking table.



30 new full package supply opportunities were listed during the fortnight ending 20 September.



Successful tenderer contact details have been provided for 7 awarded packages.



How to obtain additional information on award winners



35 supply opportunities are about to close for full package registrations.

The good, bad and ugly of local Industry participation

Over the years there have been numerous reports and policies released on what needs to be done to maximise Australian industry participation in major projects. They all have common themes that have provided the foundation for government, industry and unions to work together to support local suppliers. These include:

- Local industry participation initiatives and policies should not discriminate between resource developments and should not adversely affect the commercial viability of individual projects.
- Project developers should prepare and disseminate a detailed local Industry participation plan that sets out how they will include local industry in their project-wide engineering and procurement strategies.
- Managing a projects engineering and procurement functions from within Australia will maximise the opportunity for local suppliers to contribute to the realisation of the most competitive whole of life project outcomes

- Conducting a project's engineering and procurement overseas introduces potential barriers to maximising local industry participation outcomes. Where this option is pursued, additional strategies need to be adopted and resourced to ensure that opportunities for maximising local industry participation are not 'designed out' or inadvertently overlooked
- A project's procurement strategy needs to address tender preparation to ensure that tenders are packaged in a manner that optimises local industry participation opportunities without compromising project competitiveness.
- Projects need to provide transparent communication strategies that provides for early identification of opportunities for local industry participation and effective transfer of information on opportunities for local industry participation through all tiers of supply (eg. along sub-contracting chains)
- The measurement of rates of local industry participation needs to be based on a project's total capital cost and not include operational costs. The calculation of local supply percentages needs to focus on the location in which services are provided, materials are manufactured or where value adding takes place rather than the location through which an order is placed.

There are project developers that work very hard to support local industry engagement for all the right reasons. The local industry participation strategies of many projects, however, are driven by an arrangement they have with the Commonwealth government that allows them to import their plant and equipment into Australia without paying five percent customs duty.

In general, this arrangement with the Commonwealth asks projects to do everything possible to identify Australian manufacturers that can provide them with the goods they require. Unfortunately, if a project works very hard and finds an Australian supplier, then they may not be able to get duty exemption if they end up importing the item.

No wonder some projects have been bundling items into larger and larger contract packages until they get to a size where they can claim they have been unable to find an Australian manufacture that can do the work. What they sometimes forget to mention is that there is no single source manufacturer in the world that can supply the goods. The Commonwealth calls these bundled up packages functional units and generally allow the items that make them up to be imported into Australia duty free.

The projects that make significant efforts to find and work with local industry can be punished, via increased customs duty, if for sound commercial reasons the goods end up being imported. The projects that utilise every trick in the book to ensure they identify no Australian manufacturers get rewarded for their efforts, as long as they tick all the right bureaucratic boxes.

It is pleasing to learn that the Commonwealth seems to have finally acknowledged that its incentive scheme to assist local industry was actually doing the opposite. This month the Minister for Innovation, Industry,

Science and Resources, Senator the Hon Kim released a [consultation paper](#) on proposed changes to the scheme. Your written submission should be sent to epbsconsultation@innovation.gov.au by 9 October 2009.

Let's hope that this time around the projects that make genuine efforts to support local suppliers are the ones that get rewarded.

David Kobelke
Manager, ProjectConnect

Perth Industry Briefing

\$100 billion worth of defence supply opportunities

The Government's recently released Defence White Paper and Capability Plan offer Australian companies substantial opportunities to participate in the planned military upgrade with more than \$100 billion worth of spending over the next decade.

The Ai Group Defence Council, with the support of the Chamber of Commerce and Industry Western Australia (CCI), will be hosting an industry briefing in Perth on the Defence White on **Friday 16 October 2009**

The focus of the briefing will be to inform SME's of the opportunities for business arising from the Defence White Paper and the more recent release of the Defence Capability Plan. Defence currently spends about \$4.5 billion locally on the acquisition and sustainment of military equipment each year. This is expected to increase to \$5.7 billion per annum over the next five years.

The briefing will provide information on the new projects, and the wider Defence reform program including procurement.

This is an opportunity to interact with senior Defence officials and prime contractors first hand, while obtaining further information regarding the huge opportunities which will come from this renewed investment in Defence.

To download a copy of the registration form please [CLICK HERE](#)

Alternatively copy and paste the below address into your web browser

http://www.projectconnect.com.au/Documents/Newsletter%20attachments/Defence_Perth_Registration_Form.pdf

For assistance please contact the below at the Ai Group.

| | |
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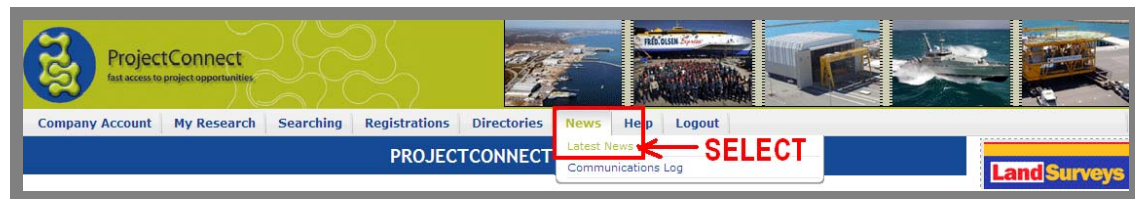
New Members - 7/09/2009 to 20/09/2009

141 Australian and New Zealand organisations listed their profiles on ProjectConnect in the last fortnight.

Project Tracker Table

The project tracker table provides links to project websites, supply opportunities and information.

You can access the complete table by logging into your company account and clicking on the News / Latest News menu.



Four projects were added to the project tracker table in the last fortnight. Web links to obtain additional information are provided for each project.

|  Project | Status | Estimated Completion | CAPEX |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------|---------|
| Mount Keith Talc Redesign Project | Project received go ahead 10 Sep 09 | Expected to start operating in 2011 | A\$177m |
| Macedon Domestic Gas Project | FEED awarded 13 Sep 09. | Production start could be as early as 2012 | A\$1b |
| Wheatstone LNG | 2011 FID target. 31/7/09 - FEED Awarded | Planned first gas 2016 | A\$25b |
| Weld Range. Iron Ore | Bank Feasibility Study due for completion July 2010 | 2013 Targeted | A\$810m |

NEW SUPPLY OPPORTUNITIES LISTED BETWEEN - 07/09/2009 and 20/09/2009

There have been 30 new full package supply opportunities listed on ProjectConnect by projects in the fortnight ending 20 September 2009.

| Project | New Packages Listed |
|--------------------------------|---------------------|
| Gorgon Project | 9 |
| Fiona Stanley Hospital | 16 |
| Karara | 1 |
| Sino Iron | 2 |
| Southern Seawater Desalination | 2 |

To easiest way for you to access and register your interest on these supply opportunities is by logging into **Your Company Account**, select the **Searching** menu and click on **Search Supply Opportunities**. This will open the below search engine.

1. Set the search engine **Package Status** to **New**
2. Set the **Date Range** from **07/09/2009 to 20/09/2009**
3. Set the **Filter by date** to **Listed date**
4. Press the **Search** button.

DUPLICATE THESE SEARCH ENGINE SETTINGS

The screenshot shows the search engine interface with the following settings and annotations:

- Project:** --- search all projects ---
- Keyword(s):** % **Search** ← 4. Press
- Search:** All Fields
- Search String:** Exact match Any keyword
- Package Status:** Full or Component Package Open Full Package Open Awarded packages New packages Closed packages
- Filter by date (Optional):** 7/9/2009 To: 20/9/2009 ← 2. Set dates
- Filter by date (Optional):** Closing date Listed date Awarded date ← 3. Select

To register your interest, check the boxes for the opportunities you are interested in and press the **Submit Interest** button at the bottom of the webpage.

You can view your registrations by selecting the Registrations menu and click on Active Registrations.

If you need some assistance with your company account login, using the opportunities search engine or checking your registrations please click on the HELP menu within your company account system.

You can also use the free Public system to find and register on these opportunities. For assistance click on the HELP menu and download the help desk guideline *"How to find and register for supply opportunities on the free public site"* .

SUPPLY OPPORTUNITIES AWARDED BETWEEN - 07/09/2009 and 20/09/2009

Over the last fortnight the below projects listed winner contact details on their awarded supply opportunities.

| Project | Packages listed as awarded | Winners contact details provided |
|--------------------------------|----------------------------|----------------------------------|
| Gorgon Project | 4 | YES |
| Southern Seawater Desalination | 3 | YES |

To easiest way for you to obtain the contact details of the successful suppliers that were awarded these packages is by logging into **Your Company Account**, select the **Searching** menu and click on **Search Supply Opportunities**. This will open the below search engine.

1. Set the search engine **Package Status** to **Awarded packages**
2. Set the **Date Range** from **7/9/2009** to **20/9/2009**
3. Set the **Filter by Date** to **Awarded Date**
4. Press the **Search** button.

DUPLICATE THESE SEARCH ENGINE SETTINGS

Search Supply Opportunities

This search engine allows you to interrogate and register interest on any open project opportunity that is currently listed on ProjectConnect.

You can search for specific opportunities such as pumps, motors, switchboards, etc. You can also search for recently listed opportunities.

Enter your keywords to find project packages

For further information hover your mouse over options labels below:

Project :

Keyword(s) : ← **4. Press**

Search : ← **1. Select**

Search String : Exact match Any keyword

Package Status : Full or Component Package Open Full Package Open Awarded packages New packages Closed packages

Filter by date : (Optional) To: ← **2. Set dates**

Closing date Listed date Awarded date ← **3. Select**

5. Click on the **Awarded Date** of each opportunity to open the contact details of the successful suppliers. See next picture.

| 309 Packages found | | | | | |
|----------------------------------------------------|-------------------------------------|---------|--------------------------|--------------------------|----------------|
| Project Name | Package Name | Closing | Full Package ? | Components of Package ? | Awarded Date ? |
| Gorgon - Downstream Procurement Offsite Facilities | Utilities API 650 Tanks (156.82 kb) | Awarded | <input type="checkbox"/> | <input type="checkbox"/> | 10/8/2009 |
| Gorgon - Downstream Procurement Offsite Facilities | Temporary Water Tankage (156.90 kb) | Awarded | <input type="checkbox"/> | <input type="checkbox"/> | 20/8/2009 |
| Gorgon - Downstream Procurement Offsite Facilities | Utilities Water Pumps (156.94 kb) | Awarded | <input type="checkbox"/> | <input type="checkbox"/> | 12/8/2009 |

Click on date to open supplier details →

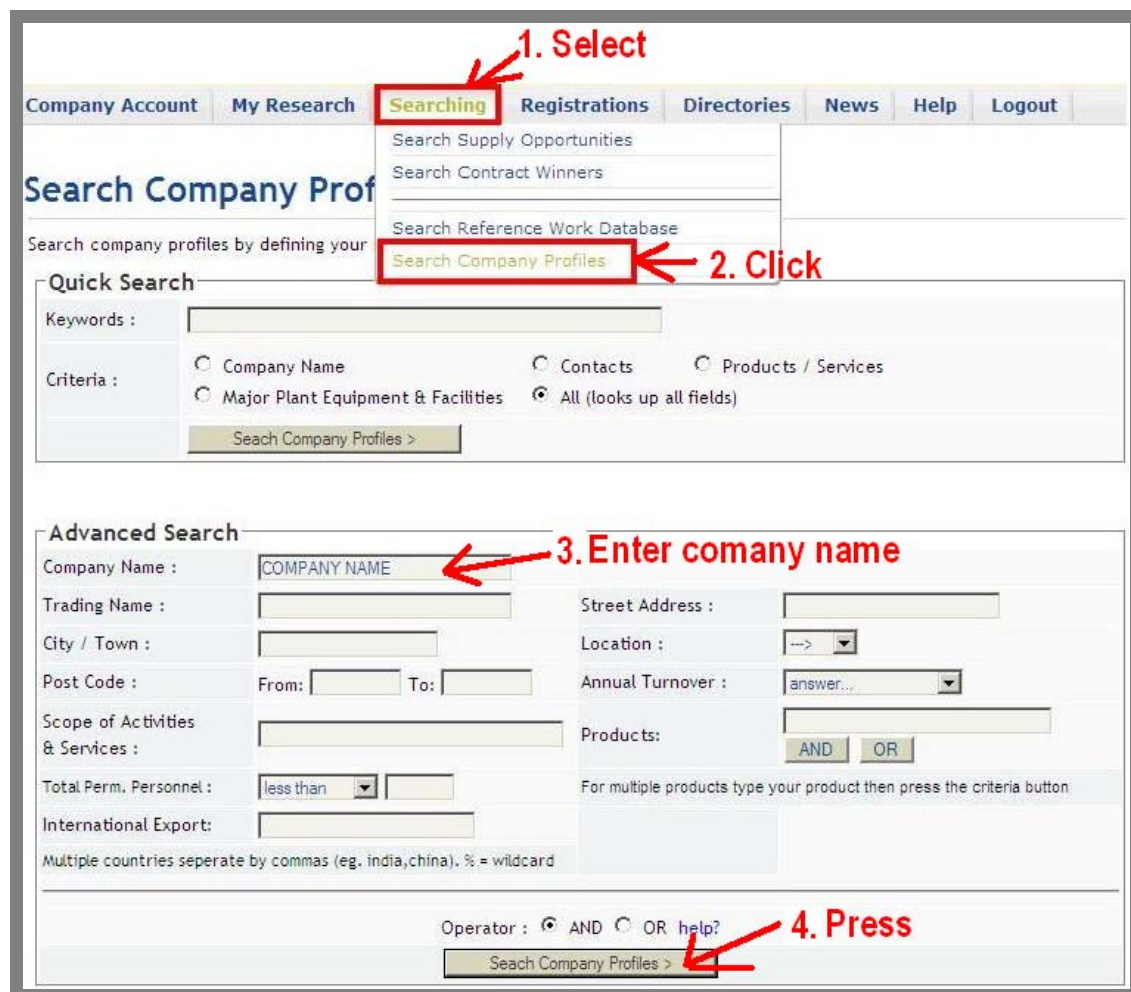
ADDITIONAL INFORMATION ON AWARD WINNERS

All suppliers listed as winners in the last fortnight have detailed company profiles stored on ProjectConnect. Undertaking some basic research on tender winners prior to making contact with them may give you an edge over your competitors. Who are their key contact personnel and their positions? How many employees do they have? What are their key products and services? What is their turnover, quality assurance, export markets? Are they local or international?



To access the profiles of winning companies login to **Your Company Account**.

1. Select the **Searching** menu
2. Click on **Search Supply Opportunities**.
3. Enter the winners name into the Advanced Search Engines company name enter box. Search Tip: Use just part of your company name. E.g. To find "Industry Capability Network Western Australia" just enter the words "Industry Capability" or just "Industry" or "Capability"
4. Press the **Search Company Profile** button.



The screenshot shows the ProjectConnect search interface with the following annotations:

- 1. Select**: A red arrow points to the **Searching** menu item in the top navigation bar.
- 2. Click**: A red arrow points to the **Search Company Profiles** option in the dropdown menu.
- 3. Enter company name**: A red arrow points to the **Company Name** input field in the **Advanced Search** section, which contains the text "COMPANY NAME".
- 4. Press**: A red arrow points to the **Search Company Profiles >** button at the bottom of the **Advanced Search** section.

The interface includes a top navigation bar with **Company Account**, **My Research**, **Searching**, **Registrations**, **Directories**, **News**, **Help**, and **Logout**. Below the navigation bar is a **Search Company Profile** section with a search bar and a dropdown menu. The **Quick Search** section has a **Keywords** input field and **Criteria** options: **Company Name**, **Major Plant Equipment & Facilities**, **Contacts**, **Products / Services**, and **All (looks up all fields)**. The **Advanced Search** section has multiple input fields for **Company Name**, **Trading Name**, **City / Town**, **Post Code**, **Street Address**, **Location**, **Annual Turnover**, **Scope of Activities & Services**, **Products**, **Total Perm. Personnel**, and **International Export**. It also includes an **Operator** section with **AND** and **OR** options.

SUPPLY OPPORTUNITIES CLOSING FOR REGISTRATIONS BETWEEN - 21/09/09 to 4/10/09

There are 35 supply opportunities closing for full package registration over the next fortnight on the below projects.

| Project | Packages about to close |
|------------------------|-------------------------|
| Gorgon Project | 2 |
| Fiona Stanley Hospital | 33 |

The easiest way for you to access and register your interest on these supply opportunities is by logging into Your Company Account, select the Searching menu and click on Search Supply Opportunities. This will open the below search engine.

1. Set the search engine Package Status to Full Package Open
2. Set the Date Range from 21/09/2009 to 4/10/2009
3. Set the Filter by date to Closing date
4. Press the Search button.

DUPLICATE THESE SEARCH ENGINE SETTINGS

The screenshot shows a search engine interface with the following elements and annotations:

- Project:** A dropdown menu with "-- search all projects --" selected.
- Keyword(s):** A text input field containing "%", followed by a "Search" button. A red arrow points to the button with the text "4. Press".
- Search:** A dropdown menu with "All Fields" selected.
- Search String:** Radio buttons for "Exact match" and "Any keyword". "Any keyword" is selected. A red arrow points to the "Any keyword" radio button with the text "1. Select".
- Package Status:** Radio buttons for "Full or Component Package Open", "Full Package Open", "Awarded packages", "New packages", and "Closed packages". "Full Package Open" is selected. A red arrow points to the "Full Package Open" radio button with the text "1. Select".
- Filter by date:** A section with two date input fields: "20/9/2009" and "4/10/2009". A red box highlights both fields, and a red arrow points to the right field with the text "2. Set dates". Below the date fields are radio buttons for "Closing date", "Listed date", and "Awarded date". "Closing date" is selected. A red arrow points to the "Closing date" radio button with the text "3. Select".

To register your interest, check the boxes for the opportunities you are interested in and press the Submit Interest button at the bottom of the webpage.

You can view your registrations by selecting the Registrations menu and click on Active Registrations.

If you need some assistance with your company account login, using the opportunities search engine or checking your registrations please click on the HELP menu within your company account system.

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