



Government of **Western Australia**
Department of **Finance**

Western Australian Procurement Rules

Procurement Direction 2021/02

Effective Date 1 June 2021

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General Procurement Direction

Purpose:

The State government's essential services to the Western Australian community are supported by substantial procurement activities. Achieving best value for money in procurement supports quality outcomes and stretches public expenditure further.

These Western Australian Procurement Rules harmonise the State's approach to procurement, and in doing so:

- (1) promote the delivery of added sustainable economic, social and environmental benefits for Western Australians;
- (2) reduce barriers to small and medium business participation;
- (3) strengthen integrity measures, to promote ethical and accountable practices; and
- (4) enables coordinated whole-of-government procurement leadership, with localised accountability and decision making.

General Procurement Direction: 2021/02 – Western Australian Procurement Rules

This procurement direction is issued under section 21 of the *Procurement Act 2020* by the Department CEO as delegate of the Minister for Finance to all State agencies as defined in section 5 of that Act.

This procurement direction applies on and from 1 June 2021.

Overview

Who and What do the Procurement Rules Apply to?

This General Procurement Direction sets out the Western Australian Procurement Rules and is referred to in this document as the **Rules**.

The Rules apply to the **Procurement** of goods, services or works, including associated **Procurement Activities**, by all **State agencies** as defined in the *Procurement Act 2020* (WA).

The Rules do not apply to the Procurement of Government Office Accommodation leases by the Department of Finance, or other leases of real property by other State agencies.

The Rules prescribe the minimum requirements that State agencies and their **Officers** **must** follow to avoid non-compliance.

Definitions and Guidance

1. Defined Terms are listed in Appendix 1: Defined Terms and form part of the Rules.
2. The Rules are supported by practice material which describes actions a State agency **should** consider taking to apply best procurement practice. Practice notes are available alongside the Rules at www.wa.gov.au.

Structure of the Rules

Part A - Rules that apply to practitioners and State agencies	
Sections A and B	General procurement requirements
Section C	Planning
Section D	Market approach and contract formation
Section E	Contract management
Part B - Rules relating to State agency governance	
Section F	State agency level obligations
Appendices	
Appendices	<ul style="list-style-type: none">• Appendix 1: Defined Terms• Appendix 2: Approvals and Exemptions• Appendix 3: Excluded Covered Procurement• Appendix 4: List of Covered State Agencies

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| | <ul style="list-style-type: none"> • Appendix 5: Rules applicable to procuring under the Market-led Proposals Policy |
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How do these Rules interact with Free Trade Agreements?

The Rules incorporate the measures implemented by the Western Australian Government in respect of the Government Procurement Chapters of the relevant Free Trade Agreements, which apply to **Covered Procurement** by **Covered State agencies** (Appendix 4 also indicates whether a State agency is a Covered State agency).

Officers procuring in accordance with the Rules do not need to separately refer to the Government Procurement Chapters of the Free Trade Agreements.

A Covered Procurement is a Procurement by a Covered State agency, where the **Total Estimated Value**:

- (a) is equal to or exceeds the monetary value in the table below:

Type of Procurement	Covered Procurement Threshold
Goods and Services	\$680,000
Works	\$9,584,000
Note: These values are inclusive of GST	

or

- (b) in all instances where the Total Estimated Value cannot be estimated; and
- (c) where the Procurement does not fall within an excluded category of Procurement, as listed in Appendix 3: Excluded Covered Procurement.

Modified Requirements

For Covered Procurements, some Rules are replaced and/or contain additional requirements. This includes where:

- (a) a Covered Procurement rule replaces the general requirement for non-Covered Procurements. Covered State agencies should only apply the 'Covered Procurement' requirement, ignoring the 'General Rule' content. These modifications are only found in **Rule C5.2**, **Rule D2.4**, and **Rule D2.5**, and **Rule D4**; and
- (b) the Covered Procurement rule **must** be followed in addition to the general rule. These include **Rule D2.6** and **Rule D5.1**.

The rules contain specific further instructions. The Covered Procurement replacement or additional rules look like this:

COVERED PROCUREMENT RULE

- (1)

A. Achieve Value for Money

Rule A1 Achieve Value for Money

- (1) State agencies **must** seek the best value for money outcome for Procurements, taking into consideration, where relevant:
 - (a) Government's social, economic and environmental priorities;
 - (b) cost; and
 - (c) other relevant non-cost factors.
- (2) State agencies **must** consider value for money outcomes at all stages of the Procurement lifecycle, especially during planning and decision making.

B. Act Ethically – With Integrity and Accountability

Rule B1 Act Ethically and with Integrity

- (1) Officers **must** act ethically and with integrity, including by:
 - (a) performing their Procurement duties without favouritism, bias, or personal gain;
 - (b) treating all **Suppliers** fairly, including by providing adequate, accessible, consistent and timely information;
 - (c) not seeking and/or accepting gifts and benefits that affect, could affect, or could be perceived to affect, their ability to impartially carry out their duties; and
 - (d) not seeking to benefit or benefitting from practices that are dishonest and/or unethical.

Rule B2 Declare and Manage Conflicts of Interest

- (1) Officers with a conflict of interest (whether actual, potential or perceived) relating to Procurement Activities which they are involved with, or connected to, **must** declare that interest to their State agency and the Officer leading the Procurement Activity.
- (2) Officers **must** take all reasonable and necessary steps to manage the conflict as soon as it is known, following their State agency's conflict of interest procedures.

Rule B3 Keep Adequate Records

- (1) State agencies **must** maintain a level of documentation commensurate with the scale, scope, value and risk of the Procurement, capturing evidence of agreements made with Suppliers, including during contract management activities.

C. Procurement Planning

Rule C1 Involve the Department of Finance

- (1) State agencies **must** involve the **Department of Finance** in Procurements from planning activities onwards, in accordance with the table below:

Goods and Services (excluding Delivering Community Services in Partnership Policy Procurements)	All Procurements with a Total Estimated Value at \$250,000 and above, unless: (a) otherwise specified in an Agency Specific Procurement Direction; or (b) purchasing from Standing Offers , except where the Buying Rules require the Department of Finance's involvement.
Works	All Procurement, unless: (a) The State agency is listed below and is undertaking works Procurement authorised by statutory powers in their agency's administered enabling legislation and/or legislation for which the agency may principally be assisting the Minister: <ul style="list-style-type: none">• Animal Resources Authority;• Burswood Park Board;• Department of Biodiversity, Conservation and Attractions:<ul style="list-style-type: none">◦ Botanic Gardens and Parks Authority;◦ Rottnest Island Authority;◦ Zoological Parks Authority;• Department of Communities – Housing Authority;• Department of Planning, Lands and Heritage:<ul style="list-style-type: none">◦ Western Australian Planning Commission;◦ Heritage Council of Western Australia;• Department of Transport;• Department of Water and Environmental Regulation;• Main Roads WA (Commissioner of Main Roads);• Metropolitan Cemeteries Board;• Metropolitan Redevelopment Authority;• Perth Theatre Trust;

	<ul style="list-style-type: none"> • Public Transport Authority of Western Australia; • Racing and Wagering Western Australia; • The National Trust of Australia (W.A.); • Western Australian Greyhound Racing Association; • Western Australian Sports Centre Trust (VenuesWest); and • WorkCover Western Australia Authority. <p>(b) The State agency is authorised to undertake certain works without Finance's involvement, in accordance with their Agency Specific Procurement Direction.</p>
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Rule C2 Plan Procurements

C2.1 Undertake Appropriate Procurement Planning

- (1) State agencies **must** undertake research, analysis and planning in line with the risk, locality, value and strategic importance of the Procurement.
- (2) When choosing the Procurement method, State agencies **must** consider the nature of the market, desired outcomes, complexity, risk, process efficiency and the costs imposed on Suppliers by participating in the Procurement.
- (3) State agencies **must** consider whether the Procurement aligns with and is able to further any of Government's social, economic and environmental policy objectives or strategies.

C2.2 Purchase from Available Standing Offers

- (1) State agencies **must** purchase from mandatory Common Use Arrangements and mandatory State agency led **Standing Offers** (in accordance with the relevant Buying Rules), where an arrangement meets their purchasing requirements, except where:
 - (a) the State agency seeks to procure from:
 - (i) a **registered Australian Disability Enterprise**; or
 - (ii) a **Registered Aboriginal Business**; or
 - (b) in the case of CUAs:
 - (i) an **Authorised Officer** from the Department of Finance approves alternative arrangements; or
 - (ii) an Authorised Officer from the State agency approves purchasing outside the CUA to respond to an **Emergency Situation**, and records this decision in their exemption register (see Rule F4);

- (c) in the case of State agency led Standing Offers, an Authorised Officer from that State agency approves alternative arrangements.

C2.3 *Maximum Contract Terms*

- (1) Contract service terms **must not** be set to exceed five years when establishing the contract (i.e. five years from the day the services commence, or Standing Offer commences operation).
- (2) However, a State agency is not required to comply with paragraph (1) where an Authorised Officer determines that a business need informs a requirement to exceed five years, in which case, the State agency **must**:
 - (a) demonstrate that at least one of the following applies:
 - (i) significant benefits will be delivered to the State; or
 - (ii) there are sound technical, commercial or operational reasons for doing so; and
 - (b) have the Authorised Officer approve the term in a written record; and
 - (c) record the decision in the State agency's exemption register.
- (3) A State agency is not required to comply with paragraph (1) when conducting a Procurement in accordance with the Delivering Community Services in Partnership Policy.

C2.4 *Seek Approval for Cooperative Procurements*

- (1) State agencies seeking to establish a Cooperative Procurement Arrangement (as defined and provided for in [Part 5 of the Act](#)) **must** seek approval from the Department of Finance in accordance with the table below.

Model	Option	Department of Finance Approval Required*
Multi-User Arrangement	Developing a new contractual arrangement	Approval is required when establishing the Standing Offer arrangement, but not for subsequent purchases.
	Accessing an existing contractual arrangement	Approval would have been sought when the arrangement was developed. It is not required for this subsequent purchase as a customer contract.

		Approval is required before the Standing Offer can be varied in this manner.
Distributor Model	Lead agency distribution model	If only Agencies are participants - No If one or more Authorised Bodies are participants - Yes
Group Buying Arrangement	Single Request process with individual customer contracts for each participant	If only Agencies are participants - No If one or more Authorised Bodies are participants - Yes
* Note: Approval is not required where the arrangement is authorised by a written law or procurement direction.		

C2.5 *Standing Offer Arrangements with Regional Impact*

- (1) State agencies **must** have the approval of their **Accountable Authority** before establishing State-wide **Standing Offers** that are mandatory outside the Metropolitan region.
- (2) When establishing Standing Offers with delivery points outside the Perth Metropolitan region, State agencies **must**:
 - (a) make best endeavours to invite regional businesses to participate in the Procurement;
 - (b) consider the feasibility of making the Standing Offer non-mandatory in areas where there is no representation from businesses operating within the region; and
 - (c) where a Standing Offer, or category of Procurement under a Standing Offer, has only Western Australian businesses, implement Buying Rules that encourage the use of local regional Suppliers with operational offices near to the contract delivery point.

C2.6 *Manage Risk*

- (1) State agencies **must** establish processes to identify, analyse, allocate and manage risk when conducting Procurement Activities, commensurate with the scale, scope and risk of the Procurement.

Rule C3 Develop a Procurement Plan (\$5 million and above)

- (1) State agencies **must** undertake and document their procurement planning for Procurements with a Total Estimated Value of \$5 million and above, in accordance with the table below.

Type of Procurement	Procurement Planning Requirements
Goods and Services (<u>including Delivering Community Services in Partnership Policy procurements</u>)	Procurement plan
Works	Include procurement planning information within relevant project documentation, such as in a: <ul style="list-style-type: none">• Procurement plan;• Project definition plan;• Project management plan; and/or• Works category plan (outlining a common procurement approach for pre-defined type of works (e.g. Construct Only)).

- (2) State agencies **must** also undertake appropriate assurance and review of their procurement planning documentation required under paragraph (1) by:
- for goods and services (including Community Services) Procurements, submitting the procurement planning documentation to the **Relevant Review Committee**; and
 - for works Procurements, by applying documented assurance and review measures established by the State agency, unless:
 - the State agency and the Department of Finance agree under Rule F8 to use a Relevant Review Committee; or
 - an agency specific procurement direction requires the State agency to submit the procurement planning documentation to a Relevant Review Committee.
- (3) If a State agency is required to have documents reviewed by the Relevant Review Committee under paragraph (2), the State agency is not required to submit procurement planning documentation where:
- the Procurement has been exempted by the Relevant Review Committee as part of their agency's Strategic Forward Procurement Planning process under Rule F7; or

- (b) the State agency submits an exemption request outlining circumstances that justify an exemption, and the Deputy Director General – Advisory Services, Department of Finance approves that request.
- (4) An exemption under paragraph (3) **must** be in writing and recorded in the State agency's exemption register.

Rule C4 Procurement Method

C4.1 Use the Appropriate Procurement Method

- (1) State agencies **must** use the minimum competitive requirement corresponding with the values specified in the table below, unless:
 - (a) using an exception within Rule C4.2 'Exceptions to Procurement Methods'; or
 - (b) where granted an exemption under Rule C5.2 'Exemption from Appropriate Procurement Method'.
- (2) The monetary value is based on the Total Estimated Value of the Procurement, which includes any extension options and GST.

Monetary Value	Minimum Competitive Requirements
Up to \$50,000	<i>Direct Sourcing</i>
Between \$50,000 and \$250,000	<i>Limited Sourcing</i>
\$250,000 and above	<i>Open Advertisement</i>

- (3) A Procurement **must** not be divided into separate parts for the dominant purpose of avoiding the relevant minimum competitive requirement.

C4.2 Exceptions to Procurement Methods

- (1) The minimum competitive requirements in Rule C4.1 does not apply when:
 - (a) purchasing from a Common Use Arrangement or a State agency led Standing Offer in accordance with the Buying Rules;
 - (b) purchasing from a Registered Aboriginal Business or Australian Disability Enterprise; or
 - (c) where the direct negotiations or the preferred service provider provisions of the Delivering Community Services in Partnership Policy are applied.
- (2) All other applicable Rules and processes that correspond with the value of the Procurement **must** still be followed.

Rule C5 Exemption from Appropriate Procurement Method

C5.1 *Obtain Advice from Finance Before an Exemption is Approved*

- (1) Where the Department of Finance is involved in the Procurement (under Rule C1), State agencies **must** first obtain written advice from the Department of Finance, before seeking an exemption from the appropriate procurement method under Rule C5.2.
- (2) The requirement to obtain advice does not apply in Emergency Situations.

C5.2 *Exemption from Appropriate Procurement Method*

C5.2.A *General Rule*

This Rule only applies where the Procurement is **not** a Covered Procurement.

- (1) A State agency is not required to comply with Rule C4.1 'Use the Appropriate Procurement Method', if:
 - (a) an Authorised Officer determines that the specified procurement method is not appropriate for the relevant Procurement; or
 - (b) an Emergency Situation arises.
- (2) In both situations above, the decision and justification for the decision **must** be recorded in writing.

C5.2.B *Covered Procurement*

Where the Procurement is a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE

- (1) For Covered Procurements, a Covered State agency is not required to comply with Rule C4.1 'Use the Appropriate Procurement Method' if an Authorised Officer determines and records in writing that any of the circumstances listed below apply:
 - (a) In response to a previous Request:
 - (i) no responses were received;
 - (ii) no conforming responses were received; or
 - (iii) the responses submitted were collusive; andthe Covered State agency does not substantially modify the Request;
 - (b) There is a **Bona Fide Sole Source of Supply**;
 - (c) An Emergency Situation arises;
 - (d) The goods are purchased on a commodity market;

- (e) A Covered State agency procures a prototype in the course of a contract for research, experiment, study or original development;
 - (f) There is a need to integrate with an existing contract, project or standard operating environment and an alternative is not suitable;
 - (g) An existing works requires, due to unforeseeable circumstances, additional works, in order to complete the existing works contract, where the additional works are within the objectives of the original Request documentation and do not exceed 50 per cent of the value of the original contract;
 - (h) Purchases are made under exceptionally advantageous conditions, such as from unsolicited innovative proposals; or
 - (i) A contract is awarded to the winner of a design contest, provided the contest has been run in a manner that is consistent with free trade agreement obligations.
- (2) Where an exemption has been granted under paragraph (1), a brief description of the circumstances justifying the use of the exemption **must** be published on **Tenders WA**.
- (3) State agencies **must not** use an exemption from the minimum procurement method to discriminate against domestic or international suppliers.

C5.3 *Record in Exemption Register*

- (1) State agencies **must** record exemptions from Rule C4.1 in their exemption register.

C5.4 *No Discriminatory Exemptions*

- (1) State agencies **must not** use an exemption from the minimum procurement method for the dominant purpose of avoiding competition.

D. Request Development and Contract Formation

Rule D1 Use an Appropriate Market Approach and Form of Contract

D1.1 *Minimum Approach to Market Requirements*

- (1) State agencies **must** use, as a minimum, the method and/or documentation to approach the market, in accordance with the corresponding value in the table below.
- (2) This Rule does not apply when conducting a Procurement in accordance with the Buying Rules of a Standing Offer.

Monetary Value	Minimum Approach to Market Requirements
Up to \$50,000	Verbal quotation.
\$50,000 and above	Written approach to market documentation, in the form of a Request , appropriate to the procurement being undertaken (whether a request for quote, request for tender, expression of interest, etc.).

D1.2 *Form of Contract*

- (1) State agencies **must** use, as a minimum, the form of contract described in the following table for Procurements equal to or less than the relevant thresholds, unless the value, risk, complexity and/or type of Procurement requires a different form of contract.

Type of Procurement	Threshold	Form of Contract
Goods and Services	Less than \$50,000	Very Simple Contract Terms, unless purchasing with a Purchasing Card.
	\$50,000 up to, but less than \$250,000	Simple Contract Terms
	\$250,000 and above	General Conditions of Contract
Delivering Community Services in Partnership Policy Procurements	All	General Provisions for the Purchase of Community Services
Works	All	No prescribed form of contract. See Department of Finance standard form templates if guidance is required.

Rule D2 Request Specifications

D2.1 Promote Competition

- (1) Requests (including specifications) **must** promote open and fair competition.

D2.2 Performance and Functional Requirements

- (1) Where appropriate, Request specifications **must** be set out in terms of performance and functional requirements, rather than design or descriptive characteristics.

D2.3 Specification by Example

- (1) Products **must** be specified generically.
- (2) Subject to Rule D2.4, where naming a **Proprietary Product** is necessary to describe a requirement of the Procurement, it **must** specify a Western Australian product where appropriate, and be used as an example only, with Suppliers able to offer an equivalent alternative.

D2.4 Approval to Specify Proprietary Products

D2.4.A General Rule

This Rule only applies where the Procurement **is not** a Covered Procurement.

- (1) An Authorised Officer may give approval to specify a Proprietary Product for a Procurement where no equivalent alternative will be considered.
- (2) This approval **must** be recorded in writing.

D2.4.B Covered Procurement

Where the Procurement **is** a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE

- (1) A State agency seeking to specify a Proprietary Product in a Covered Procurement without allowing equivalent alternatives **must** seek advice from the Department of Finance before doing so.

D2.5 Industry Standards

D2.5.A General Rule

This Rule only applies where the Procurement **is not** a Covered Procurement.

- (1) Where appropriate, Request specifications that need to reference a standard **must** apply an Australian standard.

D2.5.B *Covered Procurement*

Where the Procurement **is** a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE

- (1) Where appropriate, Request specifications **must** apply an international standard, except where the use of the international standards would fail to meet the State agency's requirements.
- (2) If no appropriate international standard exists, Request specifications should be based on Australian technical regulations, standard or building codes, as is appropriate in the circumstances.

D2.6 *Additional Covered Procurement Rule – Barriers to Participation*

This Rule applies **only** to Covered Procurements:

COVERED PROCUREMENT RULE

- (1) Specifications **must not**:
 - (a) create unnecessary obstacles to trade with Free Trade Agreement partner countries; and
 - (b) impose a condition requiring Suppliers to have been previously awarded a contract in Australia.

Rule D3 Use Tenders WA to Approach the Market

D3.1 *Approach to Market*

- (1) State agencies **must** use Tenders WA to advertise Requests that are issued as Open Advertisements under Rule C4.1.

D3.2 *Modification of Request*

- (1) Where a State agency modifies information published as part of an Open Advertisement (including, but not limited to, the evaluation criteria or specification), they **must** publish all amended information on Tenders WA, with enough time to allow potential Suppliers to modify and submit relevant documents. This may require extending the closing time.

Rule D4 Observe Minimum Advertising Time Limits

D4.1.A General Rule

This Rule only applies where the Procurement **is not** a Covered Procurement.

- (1) Requests issued as Open Advertisements **must** be advertised for a minimum of 14 **Days**, except:
 - (a) in Emergency Situations; or
 - (b) where purchasing from a Standing Offer in accordance with the relevant Buying Rules.
- (2) For market approaches other than Open Advertisements in Rule C4.1, State agencies **must** provide Suppliers **Sufficient Time** to respond.

D4.1.B Covered Procurement

Where the Procurement **is** a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE

D4.1.B.1 Additional Defined Terms Used in this Rule

- (1) **Early Tender Advice** means a public notice of an intended procurement by a Covered State agency, published on Tenders WA at least 40 Days, but no more than 12 months, in advance of the Request, and includes:
 - (a) a description of the Procurement;
 - (b) the estimated timing of the approach to market;
 - (c) the estimated time limit for the submission of offers; and
 - (d) the procedure to obtain Request documentation.
- (2) **Multi-Use List** means a list of Suppliers that satisfy the conditions for participation in that list, that a Covered State agency maintains and intends to use more than once.

D4.1.B.2 Provide Sufficient Time

- (1) Covered State agencies **must** provide Sufficient Time for suppliers to submit a response to a Request.
- (2) The minimum advertising time limits discussed below only form part of considering whether Sufficient Time is provided. Covered State agencies **must** add further time to the minimum stated period if required to give Sufficient Time.

D4.1.B.3 Open Advertisement: Minimum Time Period

- (1) Subject to paragraph (2), Covered State agencies **must** advertise Requests issued as Open Advertisements, at a minimum, for:
 - (a) 14 days - if an Early Tender Advice has been published on Tenders WA; or

- (b) 25 days - if an Early Tender Advice has not been published on Tenders WA.
- (2) However, 5 days **must** be added to the minimum time period in paragraph (1) for each instance of the following criteria being met:
 - (a) the Request is not published electronically;
 - (b) the Request documentation is not available electronically at the date the Request is issued; and/or
 - (c) the Covered State agency does not accept electronic responses to the Request.

D4.1.B.4 Restricted Process: Minimum Time Period

- (1) Where, as part of a multi-stage procurement process, an initial approach to market as an Open Advertisement leads to a subsequent restricted procurement process amongst fewer eligible Suppliers, a Covered State agency **must** apply the Open Advertisement rule above for the restricted process.
- (2) Other than provided for in paragraph (1), where conditions of participation apply to restrict the eligible Suppliers in a Procurement, a Covered State agency **must** advertise the Request for at least 25 days.

D4.1.B.5 Limited Sourcing: Minimum Time Period

- (1) Covered State agencies undertaking a Procurement by Limited Sourcing **must** give Suppliers Sufficient Time to submit a response.

D4.1.B.6 Time Period May Be Reduced in State of Urgency

- (1) The advertising period for a Request may be reduced to not less than 10 days in circumstances where an Authorised Officer of a Covered State agency determines and records in writing that a situation has arisen whereby it is impracticable to comply with the required time period.

D4.1.B.7 Procurement Under Standing Offer Arrangements

- (1) Where a Covered State agency is conducting a Covered Procurement under a Standing Offer, it **must** provide Suppliers with Sufficient Time to submit a response and conduct the Procurement in accordance with the Buying Rules.

D4.1.B.8 Multi-Use Lists

- (1) Where a Covered State agency is establishing a Multi-Use List, such as a prequalification scheme, it **must** provide Suppliers with Sufficient Time to submit a response.

Rule D5 Evaluation of Offers

- (1) Assessment of offers **must** be:
 - (a) undertaken in a manner appropriate to the value, risk and complexity of the Procurement; and
 - (b) conducted in accordance with the evaluation criteria and process documented in the Request.

D5.1 Additional Covered Procurement Rule – Evaluating Business Activities

This Rule applies **only** to Covered Procurements:

COVERED PROCUREMENT RULE

- (1) When a Covered State agency is evaluating a Supplier's financial capacity, commercial and technical abilities, that evaluation **must** be based on that Supplier's business activities both inside and/or outside of Australia, where such information is provided in the Supplier's offer, and is capable of verification.

Rule D6 Negotiations

D6.1 Conducting Negotiations

- (1) State agencies **must** only conduct negotiations during the evaluation of offers if:
 - (a) the right to negotiate was included in the Request; or
 - (b) no offer obviously represents the best value for money, and the Request documentation does not preclude negotiation.
- (2) Elimination of Suppliers participating in the negotiation process **must** only occur in accordance with the Request process and/or any process outlined in a negotiation plan (if applicable).
- (3) If during, or at the conclusion of negotiations, any new or revised tender information is required from Suppliers, a common deadline for providing that information **must** be afforded to all remaining participating Suppliers.

D6.2 Negotiate Fairly

- (1) Negotiations **must** be conducted in a manner that is consistent with probity obligations.
- (2) The negotiation process and outcome **must** be documented.

Rule D7 Prepare Evaluation Reports

- (1) An evaluation report **must** be developed for all Procurements valued \$50,000 and above.
- (2) The detail of an evaluation report **must** be commensurate with the value, risk and complexity of the Procurement.
- (3) Where the Total Estimated Value of a Procurement is \$5 million or above, State agencies **must** also undertake appropriate assurance and review of the procurement evaluation report by:
 - (a) for goods and services (including Community Services) Procurements, submitting the procurement evaluation report to the Relevant Review Committee; and
 - (b) for works Procurements, by applying documented internal review and assurance measures established by the State agency, unless:
 - (i) the State agency and the Department of Finance agree under Rule F8 to use a Relevant Review Committee; or
 - (ii) an agency specific procurement direction requires the State agency to submit the procurement evaluation report to a Relevant Review Committee.
- (4) If a State agency is required to have Procurement documentation reviewed by the Relevant Review Committee under paragraph (3), the State agency is not required to submit procurement evaluation reports where:
 - (a) The Procurement has been exempted by the Relevant Review Committee as part of the Strategic Forward Procurement Planning process; or
 - (b) The State agency submits an exemption request outlining circumstances that justify an exemption, and the Deputy Director General – Advisory Services, Department of Finance approves that request.
- (5) An exemption under paragraph (4) **must** be in writing and recorded in the State agency's exemption register.

Rule D8 Contract Award Details

D8.1 Publish Contract Award Details on Tenders WA

- (1) Where the contract (including Standing Offers) is valued \$50,000 or more, State agencies **must** publish all contract award details on Tenders WA, including:
 - (a) the name of the State agency;
 - (b) a description of the goods, services or works procured;
 - (c) the contract commencement date, and contract expiry date (if applicable);
 - (d) the estimated contract value;
 - (e) the name and address of the successful Supplier; and

- (f) the procurement method used.
- (2) These details **must** be published:
 - (a) after the successful Supplier(s) have been notified; and then
 - (b) as soon as practicable, but no later than 30 Days after the award of the contract.
- (3) Rule D8.1(1) and (2) do not apply to contracts awarded under an existing Standing Offer, unless the Buying Rules of that Standing Offer specifically require the contract award information to be published.

D8.2 *Exemption from Release of Award Details*

- (1) A State agency is not required to comply with the requirements of Rule D8.1 where an Authorised Officer determines and justifies in writing that the release of those contract details would present a ***Significant Operational Risk***.
- (2) This decision **must** be recorded in the State agency's exemption register.

Rule D9 Debrief Suppliers

- (1) Where a Request has been used:
 - (a) the State agency **must** provide unsuccessful Suppliers with the name and total or estimated contract value of the successful Supplier; and
 - (b) unsuccessful Suppliers that request a debriefing **must** be provided one.

E. Contract Management

Rule E1 Develop a Contract or Project Management Plan

- (1) Contract management or project management plans **must** be developed for all Procurements with a Total Estimated Value of \$5 million and above.
- (2) Provided a Procurement is not classified as high risk, an Authorised Officer can provide an exemption from developing the relevant plan by determining and justifying in a written record that the relevant plan would be of limited value due to the nature of that Procurement.
- (3) A determination not to develop a relevant plan **must** also be recorded in the State agency's exemption register.

Rule E2 Apply Rigour to Contract Variations

E2.1 Seek Advice from Finance on Variations

- (1) Before a **Variation** is approved under Rule E2.2, if the Department of Finance was involved in the Procurement under Rule C1, then State agencies **must** seek written advice from the Department of Finance if the Variation(s) individually or cumulatively:
 - (a) are valued at \$250,000 or above; or
 - (b) propose to extend the contract by 6 or more months past its final expiry date.
- (2) In providing advice under paragraph (1), an Authorised Officer of the Department of Finance may approve alternative criteria to those specified in paragraph (1) for when the State agency is required to seek subsequent advice.
- (3) When seeking advice for Procurements valued over \$5 million - where preparing a Contract Management Plan was not exempted under Rule E1 - the original and current contract management plan **must** be provided to the Department of Finance.
- (4) Paragraph (1) does not apply to the Department of Finance, where the Department of Finance is principal to the contract for and on behalf of another State agency.

E2.2 Approval of Contract Variations

- (1) Variations to the contract **must** be approved by an Authorised Officer.
- (2) For Community Services Procurements only, Variations, valued at over \$5 million, extending the original contract term to a preferred service provider, using a restricted approach in accordance with the Delivering Community Services in Partnership Policy, **must** be submitted to the Relevant Review Committee.

E2.3 Record Details of Variations

- (1) Variations to the contract **must** be:

- (a) recorded; and
 - (b) captured in relevant project or contract management plan documentation, electronic system, or other means of recording contract Variations.
- (2) A State agency **must** ensure the contract register is updated in accordance with Rule F5.

Rule E3 Update Contract Expenditure Information

E3.1 *Publish Updated Contract Management Information on Tenders WA*

- (1) State agencies **must** publish on Tenders WA:

Type of Contract	Publication Details
Standing Offers	<ul style="list-style-type: none"> (a) The number of Variations to; and the actual expenditure under, the Standing Offer on an annual basis, within two months of the anniversary of the commencement date of the Standing Offer; and (b) The actual expenditure under the Standing Offer within 30 Days of final completion of the Standing Offer.
Contracts awarded under a Standing Offer	<p>Where the Buying Rules require contract award information to be published under Rule D8.1 (3):</p> <ul style="list-style-type: none"> (a) the number and value of Variations to the contract on an annual basis, within two months of the anniversary of the contract commencement date; and (b) the actual expenditure under the contract within 30 Days of final completion.
All other contracts	<ul style="list-style-type: none"> (a) the number and value of Variations to the contract on an annual basis, within two months of the anniversary of the contract commencement date; and (b) the actual expenditure under the contract within 30 Days of final completion.

E3.2 *Exemption from Publishing Expenditure Update*

- (1) A State agency is not required to comply with the requirements of Rule E3.1 where:
- (a) an Authorised Officer determines and justifies in writing that the release of the updated information would present a **Significant Operational Risk**; or

- (b) an exemption has already been granted under D8.2 to exempt the requirement to publish the contract award details.
- (2) A decision made under this Rule **must** be recorded in the State agency's exemption register.

Rule E4 Disposal of Goods

- (1) State agencies **must** dispose of goods in a manner that is ethical, equitable, efficient, and, where practical, maximises a value for money outcome for government.

Western Australian Procurement Rules: Agency Obligations

The Rules in Section F apply to State agencies at an organisational level. These include processes, procedures and obligations that the State agency must comply with.

F. Agency Obligations

Rule F1 Establish and Maintain Internal Processes

- (1) State agencies **must** maintain internal processes and procedures to support compliance with the Procurement Rules.

Rule F2 Assign Responsibilities to Appropriate Officers

- (1) State agencies **must** assign responsibility for Procurement and contract management activities to Officers, with skills commensurate to the value, risk and complexity of the activity.

Rule F3 Establish and Maintain a Delegation and Authorisation Register

- (1) A State agency's Accountable Authority **must** establish a register of the position titles and/or classifications authorised or delegated the authority to make procurement decisions on behalf of the Accountable Authority.
- (2) The register **must** set out the details (including any conditions or limitations) of the delegated or other authority to:
 - (a) award contracts;
 - (b) approve contract Variations;
 - (c) give an approval or exemption required by these Rules; and
 - (d) make other procurement decisions, as determined by the Accountable Authority of a State agency.
- (3) The register may be a standalone document, or it can be incorporated into another register maintained by the State agency.

Rule F4 Establish and Maintain an Exemption Register

- (1) State agencies **must** establish and maintain an exemption register, to contain details of all relevant exemptions specified in these Rules.

Rule F5 Establish and Maintain a Contracts Register

- (1) A State agency's Accountable Authority **must** require a contract register to be maintained.
- (2) The contract register **must** be in a searchable electronic format, which may be part of one or more systems that store and record relevant contract information.

- (3) Contract(s) arising from a Procurement valued at \$50,000 or more (inclusive of GST and all extension options), **must** be recorded in the register within 30 Days of the contract award date.
- (4) A contract **must** remain recorded in the active register for at least 12 months after its completion, thereafter the record may be archived.
- (5) A register of contracts **must** contain the following minimum information:
 - (a) a unique identifier (contract number);
 - (b) the contract title;
 - (c) legal identity of the Supplier;
 - (d) the commencement date and expiry date of the contract (if applicable);
 - (e) the estimated dollar value of the contract at award;
 - (f) the number and total value of approved Variations to date;
 - (g) for Standing Offers, total expenditure (updated annually); and
 - (h) final contract dollar value at final contract completion;
- (6) Where it is not practicable for a State agency to record any of the information required by this Rule, an Authorised Officer of the State agency may approve alternative arrangements. The reasons for the State agency's alternative arrangements **must** be recorded in the State agency's exemption register and communicated to the Department of Finance.

Rule F6 Strategic Forward Procurement Planning

- (1) State agencies **must** undertake a strategic forward procurement planning exercise annually, recording relevant information within a strategic forward procurement plan.
- (2) Strategic forward procurement plans **must** be:
 - (a) based on the next two financial year periods;
 - (b) approved by the State agency's Accountable Authority; and
 - (c) submitted to the Department of Finance by a required date, as notified annually.
- (3) The plan **must**:
 - (a) list anticipated upcoming Procurements over the next two years valued at \$250,000, or more, drawing upon information from:
 - (i) the State agency's contract register;
 - (ii) Procurements arising from asset investment proposals, detailed in the State agency's Strategic Asset Plan (with relevant extract appended); and
 - (iii) the State agency's annual budget allocation (capital and recurring) and approved asset investment program.
 - (b) identify Procurements that may be classified as **Strategic Projects**, for the purpose of commencing early consultation with the Department of Jobs Tourism, Science and Innovation;

- (c) identify Procurements that may be well suited to assist the State agency in meeting relevant Government procurement-connected policy commitments, including, but not limited to engaging:
 - (i) Registered Aboriginal Businesses;
 - (ii) apprentices and trainees;
 - (iii) Australian Disability Enterprises;
 - (iv) regional businesses; and
 - (v) small and medium enterprises; and
- (d) attach from the State agency's contract register, an analysis of material contract Variations that have previously occurred, which may inform procurement planning for the relevant period.

Rule F7 Application for Exemption from Committee Review

- (1) A State agency may apply to the Relevant Review Committee for an exemption from the requirement(s) under Rule C3 (procurement planning information) and/or Rule D7 (evaluation reports) to submit documentation to the Relevant Review Committee for any or all low risk and routine Procurements.
- (2) An application by a State agency for an exemption under this rule **must**:
 - (a) identify, by reference to the strategic forward procurement plan, the Procurement or category of Procurement and identify the procurement documentation; and
 - (b) provide a declaration stating the rationale for the application, approved by an Authorised Officer of the State agency.
- (3) If the Relevant Review Committee endorses the application for exemption in whole or part, then the State agency is not required to submit the exempt procurement documents for review by the committee.
- (4) If after an exemption is granted, the Procurement is reassessed as representing a high risk, by:
 - (a) the State agency; or
 - (b) Department of Finance, if involved in the Procurement,then the State agency or Department of Finance **must** notify the other.
- (5) If a notification is given under paragraph (4), then the exemption is revoked for any Procurement documentation not yet finalised, and **must** be submitted to the Relevant Review Committee.

Rule F8 Works Procurement Review by Relevant Review Committee

- (1) A State agency listed under Rule C1, that procures works without the involvement of the Department of Finance, may apply to the Department of Finance to use a Relevant Review Committee for the purpose of review and assurance of its

procurement planning documentation and procurement evaluation reports, in circumstances where:

- (a) the State Agency does not maintain its own documented assurance and review measures; and
- (b) the Department of Finance agrees to the State agency's request.

Rule F9 Works Procurements over \$1.5 Million – Project Bank Accounts

- (1) State agencies **must** implement *Project Bank Account* arrangements for all works Procurements, where:
 - (a) the value of the construction component of the Procurement is \$1.5 million or greater; and
 - (b) one or more subcontractors will be engaged on the project.
- (2) Paragraph (1) does not apply where:
 - (a) the project delivery method requires the State agency to pay subcontractors directly; or
 - (b) the Deputy Director General – Advisory Services, Department of Finance exempts the State agency from the requirement in a written record.
- (3) An exemption under paragraph (2)(b) **must** be recorded in the State agency's exemption register.

Rule F10 Be Responsive to Complaints

- (1) State agencies **must** ensure appropriate complaint handling procedures are in place, including acknowledging receipt of, and providing a timely response to, any complaints received about Procurement or Procurement Activities.

Rule F11 Contract Management Assurance

- (1) State agencies **must** put measures in place to ensure that contracts are managed in accordance with the contract management or project management plan (where applicable) and that plans are kept current.

Rule F12 Assigning Agency Level Obligations

- (1) Due to machinery of Government arrangements, a State agency which is a department of the Public Service (Lead State Agency), and sub-departments and statutory authorities which are grouped with it (Group State Agencies), may operate a centralised procurement function to support the needs of some or all of those Group State Agencies.

- (2) A Lead State Agency may, where an Authorised Officer of the Department of Finance approves, take responsibility on behalf of some or all Group State Agencies for complying with such procurement rules in this section F as are approved.
- (3) Where such approval is given, the relevant approved procurement rules will apply to the Lead State Agency in respect of the relevant Group State Agencies, and responsibility for compliance with them will not rest with the individual Group State Agencies participating in the arrangement.

Appendix 1 Defined Terms

The following words and phrases have the following meanings when used in the Rules, unless the context otherwise requires.

Word or Phrase	Meaning
Act	<i>Procurement Act 2020 (WA)</i>
Accountable Authority	A State agency's accountable authority is as defined in section 3 of the <i>Financial Management Act 2006 (WA)</i> .
Australian Disability Enterprise	Australian Disability Enterprises (ADEs) are commercial businesses that employ people with disability. A complete list of approved ADEs is available from the Australian Disability Enterprises website (https://buyability.org.au/directory/).
Authorised Officer	For a State agency, the Accountable Authority, or an Officer of the State agency duly delegated or authorised.
Bona Fide Sole Source of Supply	A situation where it has been clearly established that only one Supplier can supply the requirement. This can be established either through a periodic test of the market or consultation with appropriate industry bodies, manufacturers and other sources of expertise.
Buying Rules	The rules of access and buying in relation to Standing Offers. These may be published and made available on the internet as online buyer information.
Common Use Arrangements	Common Use Arrangements are Standing Offer arrangements administered by the Department of Finance, typically available for use by all State agencies and other authorised bodies. <u>Refer to the Department of Finance Authorised Bodies Information Page.</u>
Community Services	Community Services Procurements are those conducted in accordance with the Delivering Community Services in Partnership Policy, and include services: (a) that provide support to sustain and nurture the functioning of individuals and groups;

	<p>(b) to address physical, social and economic disadvantage, maximise their potential; and</p> <p>(c) to enhance community wellbeing.</p> <p>Types of Community Services include (but are not limited to):</p> <ul style="list-style-type: none"> (a) services that contribute to the building of capacity within the community to respond positively to an identified need; (b) services required to address disadvantage for which a collaborative approach is required with the community; (c) services that encourage the involvement of volunteers, increased business or community support, or the personal empowerment of recipients of the service; or (d) services that contribute to the ability of people to live and participate in the community.
Covered Procurement	<p>A Covered Procurement is a Procurement by a Covered State agency, that is not excluded as described below, where the Total Estimated Value:</p> <ul style="list-style-type: none"> (a) is equal to or exceeds the monetary value in the table in the Overview section of the Rules; and (b) in all instances where the Total Estimated Value cannot be estimated. <p>A Procurement that falls into any of the categories of Procurement listed in Appendix 3 is excluded.</p> <p>Note: further details can be found at the Commonwealth Department of Foreign Affairs and Trade website: Free Trade Agreements.</p>
Covered State agency	A State agency listed in Appendix 4: List of Covered State Agencies, where 'Yes' appears in the Covered State agency column of the table.
Days	Days means calendar days.
Department of Finance	The Act gives functions and powers to the Chief Executive Officer of the Department of Finance, and the Department of Finance assists with the carrying out of those functions and powers. A reference to the

	Department of Finance is to the Department CEO as assisted by the Department of Finance.
Direct Sourcing	The Procurement of goods, services and/or works by placing an order with the Supplier of choice, without seeking any other bids.
Emergency Situation	A situation brought about by unforeseeable event(s) that requires urgent action.
Limited Sourcing	A market approach to more than one Supplier, but not all Suppliers.
Officer	An officer of a State agency assigned by the State agency to manage the relevant Procurement Activity.
Open Advertisement	A market approach open to all Suppliers; or with respect to Standing Offers, all eligible suppliers.
Procurement	<p>Procurement is defined in Part 1 section 4 of the Act to include:</p> <ul style="list-style-type: none"> (a) obtaining goods, services or works by purchase, lease, licence, public private partnerships or other means; and (b) disposing of goods or works. <p>The subject matter in section 9(2) of the Act is not considered Procurement.</p> <p>For further context, see sections 4 and 9 of the Act.</p>
Procurement Activities	Procurement Activities is defined in Part 1 section 4 of the Act to mean decisions or other things done in the course of, or as a result of, a process to procure goods, services or works.
Project Bank Account	<p>A project bank account uses a dedicated trust account to enable payments to be made directly and simultaneously from the State agency to the head contractor and participating subcontractors on a project.</p> <p>Refer to the Department of Finance Project Bank Account Information Page.</p>
Proprietary Product	A product that is identified by reference to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer or supplier.

Registered Aboriginal Business	A business listed in an accepted directory of registered Aboriginal Businesses, as identified in the Aboriginal Procurement Policy Implementation Guide .
Relevant Review Committee	The appropriate review committees are: (a) for goods, services and, where applicable, works Procurements - the State Tender Review Committee; and (b) for Procurements conducted under the Delivering Community Services in Partnership Policy - the Community Services Procurement Review Committee.
Request	The relevant approach to market documentation. This can include a Request for Tender, Request for Proposal, an Expression of Interest documentation, or a Request for Quotation, as the circumstances require.
Significant Operational Risk	A risk will constitute a significant operational risk where it: (a) would impede law enforcement; (b) may prejudice fair competition between suppliers; (c) would prejudice the legitimate commercial interests of particular persons, including the protection of intellectual property; or (d) would otherwise be contrary to the public interest.
Standing Offer	A standing offer is a type of contract that allows for purchases to be made under it during its term of operation and sets out the terms and conditions on which purchases will occur. This includes Standing Offers with a single supplier; or multiple suppliers and Common Use Arrangements.
State agency	State agency has the meaning given by section 5 of the Act. Appendix 4 provides a list of State agencies.
Statutory Authority	Statutory Authority means an entity listed in Schedule 1 of the <i>Financial Management Act 2006</i> (WA), other than a university.

Strategic Project	A project that meets the requirements to be declared a strategic project under the <i>Western Australian Jobs Act 2017</i> (WA). Further information can be found at the WA Industry Link Information Page .
Sub-department	Sub-department has the meaning given in section 3 of the <i>Financial Management Act 2006</i> (WA).
Sufficient Time	<p>Sufficient Time means the period of time necessary to allow Suppliers to obtain the approach to market documentation and submit a response, taking into account:</p> <ul style="list-style-type: none"> (a) the required minimum advertising time limits; and (b) whether any additional time should be added to the minimum advertising time limit to take into account: <ul style="list-style-type: none"> (i) the nature and complexity of the Procurement; (ii) the time necessary for submission of responses from foreign as well as domestic locations; and (iii) the State agency's own reasonable needs.
Supplier	A party that supplies or is seeking to supply goods, services or works.
Total Estimated Value	<p>The total estimated value of a Procurement is a monetary value of the total cost of the Procurement to the State agency, including all extension options, and is inclusive of GST.</p> <p>For Standing Offers, the total estimated value is the anticipated expenditure of all individual contracts established under it.</p>
Tenders WA	The government's electronic lodgement platform providing direct access to government contracting information, including early tender advice to Suppliers, advertising of Requests, electronic tender lodgement, and award information of government contracts valued at \$50,000 and above.

Variation	A variation is an agreed change to the contract (for example, in scope or in price). Variations do not include: (a) exercising an extension option provided within the original contract; or (b) spending more (or less) under a Standing Offer arrangement than originally estimated (where there is no contractual maximum expenditure cap).
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Appendix 2 Approvals and Exemptions

This table summarises available approvals and exemptions to certain Rules.

REQUIREMENTS			
Rule	Approval or exemption justified in writing	Recorded in Exemption Register (See Rule F4)	Department of Finance Involvement
Rule C2.2	Exemption from purchasing off mandatory CUAs in Emergency Situations.	Yes	No
Rule C2.3	Approval to establish a contract term exceeding 5 years at contract commencement.	Yes	No
Rule C2.4	Approval to establish a Cooperative Procurement Arrangement	No	Depends on the nature of the arrangement. See table in Rule C2.4
Rule C2.5	Approval of Standing Offers that are mandatory outside the metropolitan region.	No	No
Rule C3	Exemption from the requirement to take procurement planning documentation to the Relevant Review Committee.	Yes	Only if Rule C3(3)(b) applies
Rule C5.2 / Rule C5.3	Exemption from the procurement method under Rule C5.2.	Yes (Rule C5.3)	Required to seek advice if the Department of Finance is involved in the Procurement under Rule C1

Rule D2.4	Approval to specify a Proprietary Product, where no alternatives considered.	No	Only for Covered Procurements
Rule D7	Exemption from the requirement to take procurement evaluation report to the Relevant Review Committee.	Yes	Only if Rule D7(4)(b) applies
Rule D8.2	Exemption from publishing contract award details on Tenders WA.	Yes	No
Rule E1	Exemption from developing a project or contract management plan.	Yes	No
Rule E2.2	Approval of contract Variations	No	Refer to Rule E2.1 for when advice is required.
Rule E3.2	Exemption from publishing expenditure update details on Tenders WA.	Yes	No
Rule F9	Exemption from using Project Bank Accounts	Yes	Yes

Appendix 3 Excluded Covered Procurement

The Covered Procurement rules do not apply to:

- procurement relating to the goods or services of handicapped persons, of philanthropic or not for profit institutions (including Procurements of Community Services under the Delivering Community Services in Partnership Policy), or of prison labour;
- the acquisition or leasing of land, existing buildings or other immovable property or the rights thereon;
- a government agency procuring goods or services from other Commonwealth, State, Territory or local government entities and provision of goods or services by or between Commonwealth, State, Territory or local government entities;
- purchases funded by international grants, loans or other assistance, where the provision of such assistance is subject to conditions inconsistent with the free trade agreements;
- non-contractual agreements or any form of assistance, including loans, equity infusions, fiscal incentives, subsidies, guarantees, cooperative agreements and sponsorship arrangements;
- purchases funded by grants and sponsorship payments from persons not listed in Annex 15-A of the ACIFTA, or Annex 13-A of the AHKFTA, or Annex 15-A of the AUSFTA, or Annex 15-A of the CPTPP, or Annex 13 of the JAEPA, or Annex 12-A of the KAFTA, or Annex 14-A of the PAFTA, or Annex 3A of the SAFTA, or Annexes 1, 2 or 3 of the WTOGPA;;
- procurement for the direct purpose of providing international assistance (including development aid);
- procurement of research and development services, but not the procurement of inputs to research and development undertaken by a government agency;
- engagement of an expert or neutral person, including engaging counsel or barristers, for any current or anticipated litigation or dispute;
- procurement of goods or services, including construction, outside Australian territory, for consumption outside Australian territory;
- procurement or acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions, or services related to the sale, redemption and distribution services of public debt;
- procurement of plasma fractionation services; and
- procurement of government advertising services.

Excluded procurements are still required to be undertaken in accordance with the Western Australian Procurement Rules and other government procurement-connected policies.

Note – Excluded Measures or Practices

The relevant Government Procurement chapters of the Free Trade Agreements do not prevent State agencies from adopting or maintaining measures:

- necessary to protect public morals, order or safety;
- necessary to protect human, animal or plant life or health (including environmental measures necessary for that purpose);
- necessary to protect intellectual property;

provided the measure is not applied as a form of arbitrary or unjustified discrimination against an FTA party or a disguised restriction on international trade.

The following measures are also exempted:

- measures to protect essential security interests;
- any form of preference to benefit small and medium enterprises;
- measures to protect national treasures of artistic, historic, or archaeological value;
- measures for the health and welfare of indigenous people; and
- measures for the economic and social advancement of indigenous people.

Covered State agencies seeking to undertake a procurement or adopt a practice or measure connected with one or more of these objectives may wish to seek advice from the Department of Finance before doing so.

Appendix 4 List of Covered State Agencies (for the purposes of Free Trade Agreements)

State Agency Name	Covered State Agency
Agricultural Produce Commission	No
Animal Resources Authority	No
Botanic Gardens and Parks Authority	Yes
Building and Construction Industry Training Board	No
Central Regional TAFE	No
Chemistry Centre (WA)	No
Child and Adolescent Health Service	Yes
Combat Sports Commission	No
Commissioner for Children and Young People	No
Commissioner of Main Roads	Yes
Construction Industry Long Service Leave Payments Board	No
Corruption and Crime Commission	Yes
Country Housing Authority	No
Department of Biodiversity, Conservation and Attractions	Yes
Department of Communities	Yes
Department of Education	Yes
Department of Finance	Yes
Department of Fire and Emergency Services	Yes
Department of Health	Yes
Department of Jobs, Tourism, Science and Innovation	Yes

State Agency Name	Covered State Agency
Department of Justice	Yes
Department of Local Government, Sport and Cultural Industries	Yes
Department of Mines, Industry Regulation and Safety	Yes
Department of Planning, Lands and Heritage	Yes
Department of Primary Industries and Regional Development	Yes
Department of the Premier and Cabinet	Yes
Department of the Registrar, Western Australian Industrial Relations Commission	Yes
Department of Training and Workforce Development	Yes
Department of Transport	Yes
Department of Treasury	Yes
Department of Water and Environmental Regulation	Yes
Disability Services Commission	Yes
East Metropolitan Health Service	Yes
Economic Regulation Authority	No
Energy Policy WA	Yes
Fire and Emergency Services Superannuation Board	No
Forest Products Commission	No
Gaming and Wagering Commission of Western Australia	No
Gascoyne Development Commission	Yes
Gold Corporation	No
Goldfields-Esperance Development Commission	Yes
Government Employees Superannuation Board	No

State Agency Name	Covered State Agency
Great Southern Development Commission	Yes
Health and Disability Services Complaints Office	No
Health Support Services	Yes
Heritage Council of Western Australia	Yes
Housing Authority	Yes
Infrastructure WA	No
Insurance Commission of Western Australia	No
Keep Australia Beautiful Council (W.A.)	No
Kimberley Development Commission	Yes
Landcare Trust	No
Law Reform Commission of Western Australia	Yes
Legal Aid Commission of Western Australia	No
Legal Contribution Trust	No
Legal Costs Committee	No
Local Health Authorities Analytical Committee	No
Lotteries Commission	No
Mental Health Commission	No
Metropolitan Cemeteries Board	No
Metropolitan Redevelopment Authority	No
Mid West Development Commission	Yes
Minerals Research Institute of Western Australia	Yes
North Metropolitan Health Service	Yes
North Metropolitan TAFE	No

State Agency Name	Covered State Agency
North Regional TAFE	No
Office of the Auditor General	Yes
Office of the Director of Public Prosecutions	Yes
Office of the Information Commissioner	Yes
Office of the Inspector of Custodial Services	Yes
Parliamentary Commissioner for Administrative Investigations	Yes
Parliamentary Inspector of the Corruption and Crime Commission	No
PathWest Laboratory Medicine WA	Yes
Peel Development Commission	Yes
Perth Theatre Trust	No
Pilbara Development Commission	Yes
Potato Marketing Corporation of Western Australia	No
Professional Standards Council	No
Public Sector Commission	Yes
Public Transport Authority of Western Australia	Yes
Public Trustee	No
Quadriplegic Centre	Yes
Racing and Wagering Western Australia	No
Racing Penalties Appeal Tribunal of Western Australia	No
Rottnest Island Authority	Yes
Rural Business Development Corporation	Yes
School Curriculum and Standards Authority	Yes
Small Business Development Corporation	Yes

State Agency Name	Covered State Agency
South Metropolitan Health Service	Yes
South Metropolitan TAFE	No
South Regional TAFE	No
South West Development Commission	Yes
Swan Bells Foundation Incorporated	No
The Aboriginal Affairs Planning Authority	No
The ANZAC Day Trust	No
The Board of the Art Gallery of Western Australia	No
The Burswood Park Board	No
The Coal Miners' Welfare Board of Western Australia	No
The Library Board of Western Australia	Yes
The National Trust of Australia (W.A.)	Yes
The Queen Elizabeth II Medical Centre Trust	No
The Western Australia Museum	No
Trustees of the Public Education Endowment	No
WA Country Health Service	Yes
Western Australia Police	Yes
Western Australian Building Management Authority	No
Western Australian Coastal Shipping Commission	No
Western Australian Electoral Commission	Yes
Western Australian Energy Disputes Arbitrator	No
Western Australian Greyhound Racing Association	No
Western Australian Health Promotion Foundation	No

State Agency Name	Covered State Agency
Western Australian Institute of Sport	No
Western Australian Land Information Authority	Yes
Western Australian Meat Industry Authority	No
Western Australian Planning Commission	Yes
Western Australian Sports Centre Trust	Yes
Western Australian Tourism Commission	Yes
Western Australian Treasury Corporation	No
Wheatbelt Development Commission	Yes
WorkCover Western Australia Authority	No
Zoological Parks Authority	Yes

Entities controlled by a Minister, or by a State agency listed above, used to procure goods, services or works (generally statutory bodies corporate) are also State agencies under section 5(1)(b) of the Act.

- For example, this includes the Department of Finance exercising the powers under the *Public Works Act 1902* (WA) to contract as the Minister for Works.

Note:

The table above is not an exhaustive list of entities to which the various Free Trade Agreements apply. The entities listed below are not State agencies under the Act, but are covered by the Free Trade Agreements. Those entities may contact the Department of Finance for further information, if required, when undertaking Procurements above the relevant threshold.

- Governor's Establishment;
- Parliamentary Services Department;
- Legislative Assembly;
- Legislative Council;
- Salaries and Allowances Tribunal; and
- Swan River Trust.

Appendix 5 Rules applicable to procuring under the Market-led Proposals Policy

Only the following Rules are applicable when purchasing under the Market-led Proposals Policy:

- Rule A1 Achieve Value for Money
- Rule B Act Ethically – With Integrity and Accountability
- Rule C2.4 Seek Approval for Cooperative Procurements
- Rule C2.5 Standing Offer Arrangements with Regional Impact
- Rule C2.6 Manage Risk
- Rule D6.2 Negotiate Fairly
- Rule D8 Contract Award Details
- Rule D9 Debrief Suppliers
- Rule E Contract Management