



Attachment Folder

Extra Ordinary Meeting

Monday 29th August, 2011

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GENERAL MANAGER – COMMITTEE REPORT

Shoalhaven Tourism Board – Monday 22nd August 2011

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1. Sinking the HMAS Manoora in Jervis Bay**File 34638E**

Purpose of the Report

To provide an update to members of the Shoalhaven Tourism Board on the proposal for the sinking of the HMAS Manoora in Jervis Bay as a dive site.

RECOMMENDED that the Shoalhaven Tourism Board note the report, receive the information and recommend to Shoalhaven City Council that it does not pursue the sinking of the HMAS Manoora in Jervis Bay as a dive site.

Community Strategic Plan

Objective 3.1: An economy that is based on Shoalhaven's distinct characteristics, advantages and natural qualities.

Strategy 3.1: Implement the Economic Development Strategy to create a diverse economy.

Delivery Program

Activity 3.1.2.4: Encourage local community organisations to enhance facilities on public land to benefit both visitors and locals.

Options and Implications

Option 1:

Note and receive the report and recommend to Shoalhaven City Council that it not pursue the sinking of an ex-Naval vessel in Jervis Bay.

Option 2:

Note and receive the report and recommend to Shoalhaven City Council that it prepares a submission to secure an ex-Naval vessel for sinking in Jervis Bay as a dive site.

Option 3:

Request the Tourism Manager for more information.

Option 4:

Receive the report for information.

Report Details

In 2006 there were discussions and resolutions by Council and community groups which sought to have the ex-HMAS Canberra sunk in Jervis Bay as a dive site. This was unsuccessful.

In February 2011 the Shoalhaven Tourism Board resolved to approach the Minister for Defence Materiel expressing a desire to have the decommissioned HMAS Manoora sunk in Jervis Bay as a dive site. This was actioned.

In June 2011 the Shoalhaven Tourism Board resolved that contact be made with the State Members for Kiama and South Coast to ascertain their attitude to the sinking of the HMAS Manoora off the Shoalhaven Coast with a preference for Jervis Bay and to seek in principle support from the relevant State Ministers. The Member for Kiama and the Member for South Coast have been contacted by email, outlining the proposal and seeking both “to ascertain their attitude” and information on any possible Government financial and in-kind support.

The Member for South Coast, Mrs Shelley Hancock has clearly stated that she supports a proposal for the ex HMAS Manoora to be scuttled off the South Coast with a preference for Jervis Bay. She has made representations to the Federal Minister for Defence Materiel, the Hon Jason Clare MP and the Director Defence Disposals Agency, Mr John O’Reilly. The Minister has replied suggesting a detailed business plan be prepared in consultation with community and business groups prior to an approach to the NSW Government.

The Member for Kiama, Gareth Ward, has suggested points of contact in Government, and while support is implied, not directly expressed a clear position of support or otherwise.

In July 2011 documentation on “Requests for Proposals” (RFP) was received from the Commonwealth. This documentation is substantial and demanding and outlines the processes and forms that submissions must take to secure ex-naval vessels, and in particular the HMAS Manoora. **The deadline for the submissions is the 15th September 2011.** A letter from the Minister for Defence Materiel of 8th June 2011 adds a sense of complexity to the challenge. A letter from Mrs Joanna Gash MP, Member for Gilmore, of 19th July 2011 is more optimistic.

Feedback has been received from Ocean Trek Diving Resort Jervis Bay, confirming support and possible in-kind contributions from various interested groups.

Informal discussions at senior State Government officer level indicate that there is unlikely to be enthusiastic support at that level.

It is understood that the exercise in sinking the ex-HMAS Adelaide off the Central Coast cost the State Government about \$8 Million and a lot of political headaches, particularly related to concerns about environmental impacts. There were major issues with the remediation of the ex HMAS Adelaide with respect to contamination on board such as asbestos, residue bunker oils and components of lightweight superstructure.

The Minister for Defence Materiel has more recently made an announcement that the Commonwealth is implementing a strategy to dispose of military assets at a profit as is done in the UK. If implemented it may well be that ex-RAN ships will be converted to cruising vessels, restaurants or accommodation in the Asian market.

A copy of the specifications for preparing a request for the disposal of HMAS Manoora will be tabled at the meeting. These specifications contain 29 pages of information that is required to be supplied and supported in the request.

Having investigated further detail on this opportunity, Council Officers consider that the exercise in trying to secure the HMAS Manoora for sinking in Jervis Bay as a recreational dive site is very complex and likely to prove both costly and controversial. In the wider context, other projects such as securing more Police for the Shoalhaven, having a new Police Station built, pursuing resources for further MR92 work and advocating for further improvement of the Princes Highway are considered more important partnership and advocacy priorities for Council.

Council also has significant capital project ambitions for infrastructure and community facilities, competing for investment priorities in its long term financial planning.

Resourcing Implications – Financial, Assets, Workforce:

The preparation of a technical submission in line with the documentation as provided by the Commonwealth in their “Request for Proposals (RFP)”, is beyond the technical and time resources of the Tourism Section of Shoalhaven City Council.

Unless financial resources for a major project of this nature are provided by a partner, it appears both unlikely and hard to justify that Council’s wider funding sources could be allocated for this purpose.

Should the Shoalhaven Tourism Board wish to prepare a submission then it will be necessary to engage suitably technically qualified consultant/s, to prepare the submission and supporting business case and associated technical and environmental documentation. In the circumstances the Shoalhaven Tourism Board budget would need to fund this work.

Community, Environment (ESD), Economic and Governance Impact:

Before committing significant resources to preparing a submission to bid for the sinking of the ex-HMAS Manoora in Jervis Bay as a recreational dive site, it will be necessary to undertake significant community consultation. The response from the community would need to be positive in all aspects to support any such bid.



Australian Government
Department of Defence

**DEFENCE MATERIEL ORGANISATION
DEFENCE DISPOSALS AGENCY**

SHOALHAVEN CIITY COUNCIL

**REQUEST FOR PROPOSAL FOR THE DISPOSAL OF:
ROYAL AUSTRALIAN SHIPS (DDA/RFP0068/2011/Part 1) AND
EX-HMAS MANOORA (DDA/RFP0068/2011/Part 2)**

1. You are invited to submit a proposal in response to Request for Proposal (RFP) DDA/RFP0068/2011/Part 1 and DDA/RFP0068/2011/Part 2.
2. This RFP is the first stage of a proposed process for the disposal of a number of Royal Australian Navy ships ("the Assets").
3. This RFP is in two parts:
 - PART 1 – DDA/RFP0068/2011/Part 1 RFP for the Disposal of Royal Australian Navy (RAN) Ships is the first stage of a proposed process for the disposal of a number of ships ("the Assets") which are listed at PART 1- Annex A to the Statement of Disposal Requirement (SODR); and
 - PART 2 - DDA/RFP0068/2011/Part 2 RFP for the Disposal of Ex-HMAS MANOORA the first stage of a proposed process for the disposal of Ex-HMAS Manoora ("the MANOORA") details of which are listed at PART 2 -Annex A to the SODR.
4. You may respond to either or both parts of the RFP.

Outcome Required

5. In conducting this multi-stage disposal process, the Commonwealth is seeking a solution that will optimise the net outcome to the Commonwealth taking into account the following objectives:
 - meet all legislative and government policy requirements, including as appropriate, international obligations, cultural, historical and environmental considerations;
 - provide the Commonwealth with value for money by maximising the net outcome for the Commonwealth which includes net sale price, all identifiable and direct disposal costs and minimising storage and holding costs;
 - meet the Commonwealth's disposal schedule;
 - provide significant and sustainable benefits to the Commonwealth, defence industry and the Respondent who is ultimately successful in the process;
 - provide solutions that meet the Commonwealth's expectations for the safe disposal of hazardous substances, if relevant to the Respondent's proposal; and
 - ensure the disposal methods adopted offer the most ethical, compliant, efficient, effective and economic solution.
6. This RFP is NOT seeking preferred providers for disposal options. Proposals will be used to inform and to develop a disposal strategy that delivers the best net value to the Commonwealth. However, the Commonwealth may:

- invite Respondents to participate in any subsequent disposal process for the Assets it considers best meets its objectives; or
- consider any offer to purchase any of the Assets where the Commonwealth assesses that acceptance of the offer would result in the best net outcome to the Commonwealth.

Potential Disposal Options

7. The Commonwealth considers that the Assets and the ex-HMAS Manoora may be disposed of by the following methods:
- as a military vessel to another nation, subject to the Commonwealth's Treaty and Security obligations;
 - as a de-militarised and/or Sanitised vessel suitable for refit or on-sell to another Commonwealth organisation, another nation or to a commercial organisation;
 - as a vessel suitable for re-cycling;
 - as a vessel to an organisation for use as a historical exhibit; and
 - as a vessel to an organisation for use as a recreational dive site and artificial reef.
8. The Commonwealth also considers the Assets would be made available through either Sale or Transfer of Ownership arrangements. In the instance of a Transfer of Ownership arrangement (for example between State or Federal Government agencies or Australian Historical Organisations) it is expected that the cost of De-Militarisation and/or Sanitisation would be at zero cost to the Commonwealth.

Industry input into possible disposal method strategy

9. The Commonwealth has identified that there are many methods of Sale or Transfer of Ownership that could be conducted under this program of work, in addition to the above, that would deliver a best net outcome return consistent with the Commonwealth's objectives. Rather than specifically dictate to industry the Commonwealth's preferred methods of disposal, the Commonwealth seeks industry input to develop the most appropriate strategy.

International proposals encouraged

10. International-based proposals are encouraged and will be considered on their merits.

Overall requirements

11. Any disposal option, including those not listed in the Request, will be seriously considered providing that it meets the following paramount requirements:
- technical and financial feasibility;
 - best overall value for money return for the Commonwealth;
 - positive environmental management;
 - positive occupational safety management; and
 - compliance with all applicable laws and international conventions.

RFP structure

12. This RFP comprises:
- this Covering Letter;
 - PART 1 - **DDA/RFP0068/2011/Part 1** RFP for the Disposal of Royal Australian Ships; and
 - PART 2 - **DDA/RFP0068/2011/Part 2** RFP for the Disposal of Ex-HMAS MANOORA.

Submission time

13. Proposals must be submitted by the proposal closing time specified in clause 3.4 of the SODR.
- For PART 1 - **DDA/RFP0068/2011/Part 1** RFP for the Disposal of Royal Australian Ships this is:

- on or before 12.00 pm Sydney local time on 14 October 2011:
 - PART 2 - **DDA/RFP0068/2011/Part 2** RFP for the Disposal of Ex-HMAS MANOORA this is:
 - on or before 12.00 pm Sydney local time on 15 September 2011
14. Any questions in relation to this RFP should be directed to the Contact Officer specified in clause 3.4 of the SODR.

Proposed evaluation schedule

15. Subject to the conditions of proposal, the proposed schedule for evaluation is
- PART 1 - **DMOFD/RFP0068/2011/Part 1** RFP for the Disposal of Royal Australian Ships:
 - from 17 October to 2 December 2011.
 - PART 2 - **DMOFD/RFP0068/2011/Part 2** RFP for the Disposal of Ex-HMAS MANOORA this is:
 - 16 September 2011 to 16 October 2011

Yours sincerely,

(Original Signed by)

JOHN O'REILLY

DIRECTOR DDA

05 July 2011

Enclosures

PART 1 – DDA/RFP0068/2011/Part 1 RFP for the Disposal of Royal Australian Ships

1. Cover Page
2. Statement of Disposal Requirement
3. attachment A to SODR – Proposal data requirement List
4. Annexes to Attachment A

PART 2 – DDA/RFP0068/2011/Part 2 RFP for the Disposal of Ex-HMAS MANOORA

5. Cover Page
6. Statement of Disposal Requirement
7. attachment A to SODR – Proposal data requirement List
8. Annexes to Attachment A

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ATTACHMENTS

A. PROPOSAL DATA REQUIREMENT LISTA-1

ANNEXES

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B. Declaration by Respondent AB-1
C. Not Used
D. Financial AD-1
E. Project Management AE-1
F. Technical/EngineeringAF-1
G. Additional Responses Against Statement of Disposal Requirement AG-1
H. Glossary AH-1

1. GENERAL

1.1 Overview

- 1.1.1 In this Request for Proposal (**RFP**), unless the contrary intention appears, words and phrases have the meaning given to it in the glossary at Annex H of Attachment A to this Statement of Disposal Requirement (**SODR**).
- 1.1.2 This RFP is the first stage of a proposed process for the disposal of Ex HMAS Manoora (“the Asset”) which is listed at Annex A to this SODR. The Commonwealth intends to use this RFP to determine whether, and how, to proceed to later stages of the disposal process, including potentially, contracting for disposal based upon the proposals provided in responses to this RFP.
- 1.1.3 **Commonwealth’s Objectives.** In conducting this RFP and any subsequent stages of the disposal process, the Commonwealth is seeking a solution that will optimise the net outcome to the Commonwealth taking into account the following objectives:
- a. meet all legislative and government policy requirements, including as appropriate, international obligations, cultural, historical and environmental considerations;
 - b. provide the Commonwealth with value for money by maximising the net outcome for the Commonwealth which includes sale price net, all identifiable and direct disposal costs and minimising storage and holding costs;
 - c. meet the Commonwealth’s disposal schedule;
 - d. provide significant and sustainable benefits to the Commonwealth, defence industry and the Respondent who is ultimately successful in the process;
 - e. provide solutions that meet the Commonwealth’s expectations for the safe disposal of hazardous substances, if relevant to the Respondent’s proposal; and
 - f. ensure the disposal methods adopted offer the most ethical, compliant, efficient, effective and economic solution.
- 1.1.4 **Purpose of this RFP.** The Commonwealth is seeking the best net outcome to the Commonwealth in disposing of the Asset. To achieve this, the Commonwealth seeks to:
- a. publically advise industry and other interested parties of the Commonwealth’s anticipated disposal of the identified Asset, the Commonwealth’s objectives and expected outcomes for the disposal process, the Commonwealth’s current assessment of available disposal options and other relevant information currently available relating to the anticipated disposal of the Asset;
 - b. seek industry views, input and experience relating to the issues described in subparagraph a. above and related industry capabilities that support the disposal of the Asset particularly relating to alternative disposal strategies, options or methods; and
 - c. provide all interested parties with the opportunity to inform the Commonwealth of their interest in acquiring the Asset and the basis on which they would acquire the Asset.
- 1.1.5 This RFP is NOT seeking preferred providers for disposal options. Proposals will be considered by the Commonwealth in determining whether and how to proceed with any disposal of the Asset(s) so as to achieve the best net outcome for the Commonwealth. Proposals will not be subject to individual evaluation or ranking as part of this RFP. However, the Commonwealth may:
- a. invite Respondents to participate in any subsequent disposal process it considers best meets its objectives for the Asset; or
 - b. consider any offer to purchase of the Asset where the Commonwealth assesses that acceptance of the offer would result in the best net outcome to the Commonwealth.
- 1.1.6 The Commonwealth encourages industry and other parties who may be interested in acquiring an Asset to respond to this RFP to show their interest in, and provide their

proposals for, acquisition of the Asset, and their suggested alternative or innovative approaches for the disposal of the Asset.

- 1.1.7 The Commonwealth will consider all proposals received from interested parties to determine a potential market for and a preferred method(s) of disposal of the Asset. This may inform the next steps for the conduct of the disposal process and whether additional options for the disposal of the Asset are available.
- 1.1.8 Basic technical information on the Asset and its proposed timing for disposal is provided at Annex A to this SODR. The Commonwealth provides no undertaking that any or all of the Asset will become available for disposal as indicated in Annex A or otherwise. .
- 1.1.9 Any Proposal Response, including all attachments and supporting documentation, must be written in English.
- 1.1.10 All measurements must be expressed in Australian legal units of measurement unless otherwise specified in this RFP.

2. SCOPE OF DISPOSAL REQUIREMENT

2.1 Options for Use of the Asset

- 2.1.1 The Commonwealth reserves the right to proceed with any disposal option(s) that it considers represents the best net outcome to the Commonwealth.
- 2.1.2 The Commonwealth considers that the Asset to be disposed of may be made available for the following purposes:
- a. as a military vessel to another nation, subject to the Commonwealth's Treaty and Security obligations;
 - b. as a De-militarised and/or Sanitised vessel suitable for refit or on-sell to either another Commonwealth organisation, another nation or commercial organisation;
 - c. as a vessel suitable for re-cycling;
 - d. as a vessel to an organisation for use as a historical exhibit; and
 - e. as a vessel to an organisation for use as a recreational dive site and artificial reef.
- 2.1.3 The above methods are by no means exhaustive. Rather than dictate to industry the Commonwealth's preferred methods of disposal, the Commonwealth seeks industry input to develop the most appropriate strategy. Respondents are invited to submit proposals covering:
- a. how they would use the Asset either in accordance with the above potential uses or propose any other uses;
 - b. the basis on which they would be prepared to acquire the Asset for their proposed uses and an indicative price, pricing model or pricing methodology and any conditions they would seek for the acquisition of an Asset; and
 - c. any alternate and innovative methods of disposal that are compliant with the requirements of clauses 2.7.3, 2.9 and 2.10.

2.2 Offers for Immediate Purchase

- 2.2.1 In addition to clauses 2.1.1, 2.1.2 and 2.1.3, and as foreshadowed in clause 1.1.5, the Commonwealth may consider any offer to purchase the Asset which is provided as a response to this RFP. Such responses may be considered in conjunction with other proposals based on their ability to provide the best net outcome to the Commonwealth.
- 2.2.2 The Commonwealth also reserves the right to enter, in its absolute discretion, into any discussions or negotiations with any Respondents who have made an offer or submitted a Proposal Response which the Commonwealth considers could represent a good net outcome to the Commonwealth with a view to completing the disposal of any Asset.

2.3 Transfer of Ownership

- 2.3.1 The Commonwealth acknowledges that there may be benefits in transferring ownership of the Asset, whether to other Federal or State Government organisations or Historical Organisations or otherwise. Responses proposing Transfer of Ownership will be evaluated in conjunction with proposals for Sale and may form part of any subsequent RFT process. Ideally, the Transfer of Ownership Disposal method would be at no cost to the Commonwealth. Transfer of Ownership may entail Respondents paying the cost of De-militarisation and/or Sanitisation.

2.4 Demilitarisation and Sanitisation

- 2.4.1 Depending on the work required, disposal may involve activities related to the **De-militarisation** and/or **Sanitisation** of the Asset. For the purposes of this SODR, these are defined as follows:

- a. **De-militarisation:** Where this has not been undertaken by the Commonwealth, De-militarisation means activities relating to the removal, or making innocuous, certain military functionalities and capabilities in accordance with relevant National and International Guidelines. This may or may not render the Asset non-operational. For example, the Asset may still be able to function or move under its own power, but cannot function as a fully operational military Asset. Alternatively, the process of De-militarisation may render the Asset non-operational.
- b. **Sanitisation:** Where this has not been undertaken by the Commonwealth, Sanitisation means activities relating to the removal of, or making safe, certain hazardous materials (such as asbestos) within the Asset in accordance with relevant law and National and International Guidelines and Practices.

2.4.2 **End-User Agreements.** Respondents are to acknowledge that disposal of the Asset may be dependant on existing End-User Agreements such as the International Traffic in Arms Regulations (ITAR). End-User Agreements require disposal approval from their nation of origin. Typically, it could take up to 18 months to gain authorisation. Where disposal approval is required, the Asset would not be available for disposal until such approval is given.

2.4.3 Respondents are invited to respond against any or all of the tasks identified at clause **Error! Reference source not found.** of this SODR for the Asset identified at Annex A.

2.5 Proposed Respondents – Commercial, Government & Historical Organisations

2.5.1 The Commonwealth is seeking responses from a range of sources: for example, domestic and international, commercial, government (Australian or International) as well as Historical Organisations.

2.5.2 **Historical Organisations.** For the purposes of this RFP, organisations that wish to obtain the Asset for museum-like purposes, must satisfy the following definition of an Australian Historical Organisation, which is defined as follows:

- a. An “Australian Historical Organisation” means a corporate body which is registered with the ASIC as having an ACN or as an incorporated association (with an Australian state- or territory-registered association number) and is also:
 - (i) a community organisation such as a museum or a historical society;
 - (ii) an organisation which provides access to historical military displays and historical information to the Australian general public;
 - (iii) based in Australia and nominates a site located in Australia for the permanent static display of the Asset;
 - (iv) committed to the preservation of locally owned, but nationally significant collections of materials that are publicly accessible including artefacts, letters, diaries, maps, photographs, and audio visual material;
 - (v) contributing to preserving and valuing Australia’s military heritage, traditions and culture, and the contribution of those who served this country; and
 - (vi) promoting Defence’s public image and building bridges with, and providing a significant and sustainable benefit to, the Australian community.

2.6 Location of Disposal Options

2.6.1 The Commonwealth is not limiting itself to domestic-based Disposal Options. International-based solutions may be considered on merit.

2.7 RFT Process

2.7.1 As stated in 1.1, the Commonwealth may consider conducting a RFT or other process for the disposal of these Asset if this RFP process determines that this option best meets the Commonwealth’s stated objectives.

- 2.7.2 Respondents who would be interested in participating in an RFT process should:
- a. confirm in their Proposal that they would be interested in participating in subsequent RFT activities, and
 - b. complete all other requirements contained within this RFP to indicate how they would perform the disposals.
- 2.7.3 Respondents should note that the conduct of this RFP process by the Commonwealth does not commit the Commonwealth to conducting any further, future, stages of the disposal process (including any RFT process) and that the Commonwealth will determine, in its absolute discretion, whether to do so would result in the best net outcome for the Commonwealth.

2.8 Australian Government & International Requirements

Note to Respondents: The Glossary at Annex H to Attachment A lists the version of the following documents and policies current at the time of RFP release.

- 2.8.1 Respondents should familiarise themselves with all:
- a. requirements detailed in this RFP;
 - b. applicable local, national and international legislative requirements;
 - c. relevant international requirements such as, but not limited to UN Protocols, International Arms Trafficking Laws, Basel Convention and MARPOL (some of these are detailed in clause 2.9; and
 - d. other requirements applicable to the Respondent's proposal.
- 2.8.2 The lists at clause 2.9 and Annex H to Attachment A are not exhaustive. Respondents should familiarise themselves with other Commonwealth policies as is appropriate.
- 2.8.3 Respondents acknowledge and agree that as a Commonwealth agency, Defence is subject to legislative and administrative accountability and transparency requirements of the Commonwealth, including disclosures to Ministers and other Government representatives, Parliament and its Committees, and the publication of information in respect of the RFP process on the AusTender internet site. Any contract resulting from a subsequent RFT or other process relating to the disposal of the Asset will also be subject to these requirements, including disclosure to Ministers, other Government representatives, Parliament and its Committees.

2.9 Essential Requirements

- 2.9.1 In addition to all other laws governing the disposal process, proposals must be compliant with all of the following conventions, legislation and guidelines as applicable to their proposed solution:
- a. *Environment Protection (Sea Dumping) Act 1981 (Cth)*;
 - b. Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention) as modified by the Protocol of 1996;
 - c. *Environmental Protection and Biodiversity Conservation Act 1999 (Cth)*;
 - d. *Hazardous Waste (Regulation of Imports and Exports) Act 1989 (Cth)*;
 - e. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal;
 - f. Basel Convention Technical Guidelines for the Environmentally Sound of Dismantling of Ships ("**Basel Guidelines**");
 - g. *Protection of the Sea (Pollution from Ships) Act 1983 (Cth)*;
 - h. International Convention for the Prevention of Pollution from Ships (MARPOL) as modified by the Protocol of 1978;
 - i. *Sea Installations Act 1987 (Cth)*;

- j. London Convention and Protocol / UNEP Guidelines for the Placement of Artificial Reefs;
 - k. International Maritime Organisation Guidelines on Ship Recycling Management (with the Basel Guidelines to prevail where there is any inconsistencies);
 - l. Defence Guidelines on the Disposal of Items Containing Asbestos;
 - m. all applicable Local, State and Territory requirements; and
 - n. at the time of Disposal, any applicable conventions, legislation and guidelines.
- 2.9.2 Any Respondent which seeks to purchase the Asset for ongoing use must indicate compliance with all of the above conventions, legislation and guidelines with regard to any subsequent and final disposal. To assist development of disposal options, Respondents must also include HOW they would comply, and ensure ongoing compliance, with these, and any other applicable requirements.
- 2.9.3 The Commonwealth may require ongoing controls to ensure that ultimate disposal of the Asset occurs in full compliance with requirements of clause 2.9.1 of this SODR. The nature of these ongoing controls is contingent upon the disposal method applied to each Asset but may include securities such as guarantees or other similar mechanisms.

2.10 Items Containing Asbestos and Hazardous Substances

- 2.10.1 The Commonwealth seeks to protect the community and all possible future users of disposed Assets from risks associated with asbestos and hazardous substances. This means that the disposal of items containing asbestos and/or other hazardous substances is to be conducted in a manner that ensures that the Asset and inventory items that contain such substances are only disposed of if the asbestos and/or other hazardous substances contained within the item cannot be accessed by future users of the item, or the community, and as such does not pose a health risk. Where Respondents seek to undertake remediation work on the Asset (such as removal of asbestos) they will be required to undertake the remediation to ensure the protection of future users.
- 2.10.2 Subject to availability and security caveats, technical documentation and engineering specifications of the Asset, including hazardous substances registers, may be provided to Respondents as part of any activities conducted in accordance with clause 2.2 or any subsequent RFT or similar process. The Commonwealth will not warrant the accuracy and completeness of this documentation and Respondents will be required to take full responsibility for ensuring the accuracy, completeness and reliability of all information provided by the Commonwealth.

2.11 Review and Reporting Requirements

- 2.11.1 Organisations that may ultimately be awarded contracts for Asset disposal may be required to facilitate the conduct of Commonwealth or third-party inspections and/or the provision of reports for the purposes of determining compliance with the requirements of clauses 2.7.3, 2.9 and 2.10.

2.12 Annex D to Attachment A

- 2.12.1 In addition to the information requirements in this SODR and the Annexes, Respondents should respond against Annex D to Attachment A. Respondents are not required to respond to each disposal method against each Asset in Table 1 of Annex D to Attachment A. Respondents should also indicate the likely cost/revenue outcome of any proposed alternative disposal options.

3. CONDITIONS APPLYING TO THE RFP PROCESS

3.1 Nature of RFP process

- 3.1.1 By submitting a proposal, each Respondent acknowledges and accepts that:
- a. the RFP is conducted for the purpose of obtaining information only and does not commit the Commonwealth to undertake any future activities or processes in relation to the disposal of the Asset; and
 - b. neither the Respondent nor the Commonwealth intends to create any contract or other relationship under which the Commonwealth is obliged to conduct the RFP, or any subsequent process in relation to the disposal of the Asset, in any manner or at all, and there is in fact no such contract or other relationship in existence.

3.2 Proposal Response Preparation

- 3.2.1 Unless otherwise agreed, Respondents must complete and provide the information requested in the Annexes and Attachments to this SODP and must do so in the manner requested in these Annexes and Attachments.
- 3.2.2 Supporting documentation may be provided to enhance the Proposal Response. Supporting documentation relevant to a particular volume must be indicated in that volume.

3.3 Amendment of Request for Proposal

- 3.3.1 The Commonwealth may, at its absolute discretion, add to, vary, modify or amend this RFP by:
- a. giving the Respondents written notice of such addition, variation, modification or amendment; or
 - b. if this RFP has been published through AusTender, issuing a formal amendment via AusTender .

Note to Respondents: *If this RFP has been published through www.defence.gov.au/dmo/disposals, Respondents should register with the Defence Disposals Agency email address at disposals@defence.gov.au to receive notification of amendments to this RFP.*

- 3.3.2 Respondents will have no claim against the Commonwealth in connection with either the exercise of, or failure to exercise, its discretion in clause 3.3.1.
- 3.3.3 If the Commonwealth adds to, varies, modifies or amends this RFP in accordance with clause 3.3.1, after Proposals have been submitted, it may seek amended Proposals.
- 3.3.4 The Commonwealth accepts no responsibility if a Respondent fails to become aware of any alteration, correction or notice, which would have been apparent from a visit to the AusTender internet site, or fails to consider any written notice provided by the Commonwealth under clause 3.3.1.
- 3.3.5 Any amendment made to this RFP in accordance with clause 3.3.1 will take precedence over any prior version of the RFP or amendment if there is any inconsistency.

3.4 Termination of Request for Proposal Process

- 3.4.1 Without limiting its rights at law or otherwise, the Commonwealth may, at its absolute discretion, suspend, defer or terminate this RFP process, or any one or more Respondents' participation in this RFP process, or not proceed with any further disposal process where:
- a. it is in the public interest to do so;
 - b. an Asset is no longer available for disposal;
 - c. no Respondent or Proposal represents the maximum net outcome for the Commonwealth;

- d. no Respondent meets the requirements, if any, identified as essential in the RFP; or
- e. the Commonwealth otherwise determines that to do so is in the best interests of the Commonwealth.

The Commonwealth will notify affected Respondents to this effect.

- 3.4.2 Any time or date in this RFP is for the convenience of the Commonwealth only. The establishment of a time or date in this RFP does not create an obligation on the part of the Commonwealth to take any action or exercise any right established in the RFP or otherwise, and Respondents will have no claim against the Commonwealth in connection with either the exercise of, or failure to exercise, any right established in the RFP or otherwise. The Commonwealth will notify affected Respondents of any changes to the RFP or the RFP process in accordance with clause 3, but is not obliged to provide any reasons for its actions.

3.5 Contact Officer for Request for Proposal Inquiries

- 3.5.1 The Contact Officer for this RFP is:

Defence Disposals Agency Helpdesk

**Defence Disposals Agency
Level 12
270 Pitt St
SYDNEY NSW 2000**

- 3.5.2 Respondents must direct any questions regarding this RFP to the Contact Officer in writing or to the email address: disposals@defence.gov.au
- 3.5.3 Respondents submit questions or requests for clarification on the basis that the Commonwealth may circulate the Respondent's inquiry and the Commonwealth's answers to all other Respondents without disclosing the source of the inquiry or revealing Commercial-in-Confidence Information or the substance of the proposed Proposal.

3.6 Lodgement of Proposal Responses

- 3.6.1 Proposals must be lodged in accordance with the Tender Lodgement Procedures and Late Tenders policy detailed in Annex 5C of the DPPM, on or before 12.00 pm local time in New South Wales on 15 September 2011 (the 'Proposal Closing Time').
- 3.6.2 Proposals are to be sent to the following address for on forwarding:

Defence Lidcombe
Records and Mail Services
Gormley Street
Lidcombe
NSW 2141

For Attention: Tender Officer, Contracting Support Branch
Level 5 Defence Plaza Sydney

- 3.6.3 The Respondent must include DDA/RFP0068/2011/Part 2 on the packaging of the Proposal.

3.7 Preparation and Transmission of Classified Proposals

- 3.7.1 Classified content in Proposals must be avoided if possible. If this cannot be achieved, Respondents must seek advice from the Contact Officer in clause 3.55 on how Proposals containing classified content must be prepared and transmitted.

3.8 Defence Security Clearance Requirements

- 3.8.1 On request by the Commonwealth, the Respondent must comply with the Commonwealth security clearance process, including obtaining the level of security clearance required by the Commonwealth.

3.9 Industry and Attaché Briefing

- 3.9.1 An industry briefing will be conducted at the Wesley Conference Centre 220 Pitt St Sydney NSW 2000, on 26 July 2011 at 10.00 am.
- 3.9.2 A briefing for Defence Attachés in Australia will also be conducted. Separate advice on the arrangements for this briefing will be provided to Defence Attachés.
- 3.9.3 Representatives of prospective Respondents at the briefing will be limited to three personnel per Respondent. Nominations to attend the briefing must be forwarded in writing to the Contact Officer specified in clause 3.55 by 4.00 pm Sydney local time 20 July 2011. The following details are required:
- a. Respondent's name and location; and
 - b. full name of Respondent's representatives.
- 3.9.4 Industry briefings are conducted for the purpose of providing background information only. Respondents must not rely on a statement made at an industry briefing as amending or adding to this RFP, and Respondents will not be entitled to make any claim against the Commonwealth in relation to any statements made at an industry briefing.

3.10 Period of Proposal

- 3.10.1 To inform any subsequent solicitation and contracting process and the development of disposal strategies, the Commonwealth requires that Proposals submitted in response to this RFP remain open for acceptance for a period of not less than five months after the Proposal Response Closing Time. Respondents are required to indicate in Annex B to Attachment A how long their proposals will remain valid and able to be relied upon by the Commonwealth.

3.11 Copies of Proposal

- 3.11.1 The Respondent must lodge the original and 3 copies of the Proposal and any supporting documentation (such as brochures, handbooks and sample drawings). The original must be marked as the original and each copy sequentially marked with a copy number. In the event of any discrepancy between any copy and the original, the original must take precedence.
- 3.11.2 The Respondent must, in addition to lodging the hard copies required by clause 3.11.1, lodge with the original Proposal one electronically stored copy of the Proposal and supporting documentation, with read only access which is, unless otherwise specified, machine readable in Microsoft Office 2003 compatible software. In the event of any discrepancy between any electronically stored copy and the original, the original must take precedence.
- 3.11.3 RFP Documentation must be prepared with Microsoft Office 2003 compatible software.

3.12 Alterations, Erasures or Illegibility

- 3.12.1 Any alterations or erasures made to a Proposal must be initialled by the Respondent. Proposals containing alterations or erasures that are not initialled, or pricing or other information that is not, in the Commonwealth's opinion, stated clearly and legibly may be excluded from consideration.

3.13 Contractual Arrangements

- 3.13.1 Without limiting the Commonwealth's rights, if the Commonwealth were to contract at the conclusion of this RFP, its intention is to enter into a contract with a single legal entity that will be the party responsible for the performance of the contract. If Respondents submit a consortium Proposal, the consortium Proposal must:
- a. include in the Proposal the information sought in the RFP for each member of the consortium;
 - b. describe in detail in the Proposal the relationship between each member of the consortium and the structure proposed for management of the consortium;
 - c. provide in the Proposal that each member of the consortium is jointly and separately liable for the performance of all members of the consortium under any resultant contract or that one member of the consortium is fully liable for the performance of all members of the consortium; and
 - d. include such other information that the Commonwealth requires to undertake a risk assessment of the proposed consortium Proposal.

3.14 Commonwealth May Rely on Request for Proposals

- 3.14.1 By submitting a Proposal, the Respondent:
- a. undertakes to promptly advise the Commonwealth in writing through the Contact Officer of any change in circumstances which causes any information contained in its Proposal to become inaccurate or misleading;
 - b. acknowledges and agrees that the provision of indicative pricing contributes to the Commonwealth's level of confidence of likely price for a specific Asset; and
 - c. acknowledges and agrees that the Commonwealth may rely on the indicative pricing to determine preferred methods of disposal for the Asset.

3.15 Use of Proposal Information

- 3.15.1 The Commonwealth reserves the right to use any information contained in Proposals to form the basis of any subsequent RFT for disposal of the Asset.

3.16 Subsequent Disposal Process

- 3.16.1 Respondents are advised that any subsequent solicitation or similar process will be governed by its own conditions of tender or process, including a draft Conditions of Contract. The draft Conditions of Contract provided with any subsequent solicitation will be based on the responses provided as part of this RFP.

3.17 Clarification Process

- 3.17.1 **Clarification.** The Commonwealth may, at any time during the RFP process, seek clarification from, and enter into discussions with, any or all of the Respondents in relation to their Proposal.
- 3.17.2 The Commonwealth may seek additional information in respect of any aspect of a Proposal at any time, including through a request for the Commonwealth to visit the facilities of Respondents and their subcontractors to verify or clarify attributes of the proposed disposal. The Commonwealth may use this information in interpreting the Proposal and in evaluating the cost and risk to the Commonwealth of accepting the Proposal.
- 3.17.3 The Commonwealth is not under any obligation to take into account additional information provided by a Respondent in response to a request or consider additional information which would result in a Respondent obtaining an unfair advantage over other Respondents.
- 3.17.4 Subject to clause 3.55, Respondents may seek clarification of the meaning of the content of the RFP, or request additional information beyond that contained in the RFP or industry briefings, if any, from the Contact Officer up until five Working Days prior to the Proposal Closing Time. The responses to these clarifications or any additional information will be provided to all registered Respondents without attribution to the requesting Respondent.

3.17.5 **Debriefing.** At the conclusion of the evaluation process, the Commonwealth may, as part of its process of developing disposal options, seek further industry input by conducting debriefing activities. The Commonwealth would intend to conduct this activity to enhance industry and Commonwealth's understanding of the requirement, the responses and options available to the Commonwealth.

3.17.6 This RFP is NOT seeking preferred providers for disposal options. Therefore the debriefing activity will not be used as a means of informing Respondents of the strength or otherwise of their response.

3.18 Consideration of Proposal Responses

3.18.1 These following criteria (not in any order of importance) may be used to establish the disposal options open to the Commonwealth but will NOT be used to assess individual responses for subsequent RFT activity. This RFP is not subject to a competitive evaluation process.

- a. The potential maximum net outcome for the Commonwealth;
- b. the Respondent's degree of overall compliance with the Commonwealth's requirements for the disposal of the Asset as stated in the RFP, including compliance with clauses 2.7.3, 2.9 and 2.10;
- c. the information supplied in Proposals received, including any additional or innovative proposals;
- d. the extent to which the proposed solution(s) meet the requirements stated in this RFP;
- e. the nature and extent to which the Respondent's Proposal identifies risks to the Commonwealth or to the Respondent's capacity to meet the Commonwealth's requirements;
- f. the ability of the Respondent to meet timing expectations of the proposed disposals; and
- g. the indicative prices and pricing structure specified in accordance with clause 2.1 of Annex D to Attachment A.

3.18.2 This RFP is not subject to a competitive evaluation process.

POSSIBLE DISPOSAL CANDIDATES

1. The Asset and disposal date identified in this Annex is indicative only. It is provided to enable Respondents to develop their Proposals for Disposal.
2. The Commonwealth provides no undertaking the Asset will become available for disposal as indicated. In addition, the Commonwealth does not warrant or represent that any of the information set out in this Annex is accurate, complete or free from errors, and the Respondent will not be entitled to make any claim against the Commonwealth arising out of, or in connection with, the availability for disposal of the Asset.

Landing Platform Amphibious Class (x1) (HMAS *Manoora*)

ITARs controlled	Yes
Launched	1970
Disposal Year	2012-2016
Displacement	8,534 tonnes
Dry Weight	5,351 tonnes
Length	159.2 metres
Beam	21.2 metres
Main Machinery	6 x ALCO V16 diesel engines, 2750 HP each, 3 engines per shaft
Notes	

ATTACHMENT A**PROPOSAL DATA REQUIREMENTS LIST**

Proposal Data Requirement Number	Proposal Volume and Section
	Annex A to Attachment A Overview
A-1	Company Profile/Respondent's Ability to Supply
A-2	Schedule of Subcontractors
	Annex B to Attachment A Declaration By Respondent
B-1	Declaration By Respondent
	(Annex C Not Used)
	Annex D to Attachment A Financial
D-1	Indicative Price Schedule
Table 1	Indicative Cost (-) or Return (+) to Commonwealth or Gift
D-2	Price Assumptions
	Annex E to Attachment A Project Management
E-1	Past Performance
E-2	Draft Disposal Management Plan
E-3	Risk Assessment and Strategy
	Annex F to Attachment A Technical/Engineering
F-1	Quality Management
F-2	Hazardous Substances and Ozone Depleting Substances
F-3	Environmental Management
F-4	Health and Safety Management
F-5	Australian Industry Involvement
	Annex G to Attachment A Additional Responses Against the Statement of Disposal Requirement
G-1	Additional Information
	Annex H to Attachment A Glossary
H-1	Acronyms and Abbreviations
H-2	Definitions
H-3	Referenced Documents

ANNEX A TO ATTACHMENT A

OVERVIEW

1. COMPANY PROFILE/RESPONDENT'S ABILITY TO MEET DISPOSAL REQUIREMENT

1.1 Respondents must provide the following information:

- a. the Respondent's background, experience and resources relevant to its ability to meet the disposal requirement, including the Respondent's capacity to undertake their expressed interest in any one or more of the Disposal Methods as indicated in the SODR or any alternative proposal; and
- b. the following details of the Respondent, as applicable:
 - (i) the full name of the Respondent;
 - (ii) any and all trading or business names;
 - (iii) if the Respondent is a company, the registered office, principal place of business and an outline of the company structure;
 - (iv) the date and place of incorporation, and if an Australian association, its association registration number and state of registration;
 - (v) individual shareholders holding 20 percent or more of any issued share capital;
 - (vi) particulars of any foreign national or foreign bodies or organisations in a position to exercise or influence control over the Respondent;
 - (vii) related companies within the meaning of Section 50 of the *Corporations Act 2001* (Cth);
 - (viii) for a foreign firm or company, details of its registration, incorporation and place of business in Australia, the name of any Australian representative and its A.C.N. and A.B.N. (if any); and
 - (ix) if an Australian company, its A.C.N./A.R.B.N. and A.B.N as applicable.

2. SCHEDULE OF SUBCONTRACTORS

2.1 Respondents must provide details of proposed subcontractors in the format at Table 1.

Table 1: Schedule of Subcontractors Format

Proposed Subcontractor	Work To Be Subcontracted Including Technical Significance

ANNEX B TO ATTACHMENT A

DECLARATION BY RESPONDENT

1. DECLARATION BY RESPONDENT

1.1 Respondents must provide a declaration in the following format:

[...INSERT NAME OF RESPONDENT AND A.C.N./A.B.N./A.R.B.N FOR AUSTRALIAN RESPONDENTS (OR NAME AND RELEVANT BUSINESS REGISTRATION NUMBER IN COUNTRY OF ORIGIN FOR INTERNATIONAL RESPONDENTS)...] submits its Proposal for RFP [...INSERT RFP NUMBER...]. In preparing this Proposal, the Respondent acknowledges that it is aware of Chapter 2 of the Competition and Consumer Act 2010 and Division 137 of the Criminal Code and that its Proposal does not contain any false, misleading or deceptive misrepresentations, claims or statements.

By submitting its Proposal Response, the Respondent acknowledges and agrees:

- a. to the Commonwealth's rights in the RFP;
- b. that Proposal Responses are prepared in accordance with the RFP and are accurate, complete and not misleading;
- c. that the Commonwealth can utilise all relevant information about the Respondent's performance on Commonwealth procurement activities;
- d. that the Respondent conducted itself in a manner that is at least consistent with the Commonwealth's obligations to act in accordance with the applicable Commonwealth procurement framework, for example to ensure certainty of costs and value for money; and
- e. that the Commonwealth can rely on the Proposal Response in accurately assessing compliance with the RFP, risks and risk management options and value for money in accordance with the RFP; and
- f. that representations made in the Proposal Response when incorporated in any resultant contract, will be fully complied with by the Respondent.

2. RESPONSE VALIDITY (CORE)

2.1 The information provided in this Proposal Response is valid until (...INSERT DATE...), being (...INSERT NUMBER...) months from the Proposal Response Closing Time.

3. IMPROPER ASSISTANCE (CORE)

3.1 This Proposal Response has been compiled without the improper assistance of employees or former employees of the Commonwealth, and without the use of information obtained unlawfully or in breach of an obligation of confidentiality to the Commonwealth.

REGISTERED OFFICE OR OTHER
ADDRESS OF RESPONDENT:

POSTAL ADDRESS:

TELEPHONE NUMBER:

FACSIMILE NUMBER:

Signature of Respondent or person authorised to sign the Proposal Response on behalf of the Respondent:

SIGNATURE:

DATE OF SIGNATURE:

ANNEX B TO ATTACHMENT A

NAME (Block Letters):

POSITION HELD:

SIGNATURE OF WITNESS:

ADDRESS OF WITNESS:

NAME (Block Letters):

Company executive nominated to receive correspondence/inquiries

NAME (Block Letters):

TELEPHONE NUMBER:

FACSIMILE NUMBER:

ANNEX D TO ATTACHMENT A

FINANCIAL

1. INDICATIVE PRICE SCHEDULE

- 1.1 Respondents should complete the Indicative Price Schedule in accordance with the Indicative Price Schedule Format at Table 1 or provide a draft pricing methodology or pricing model that they feel is relevant for informing RFP options.
- 1.2 Respondents are invited to provide more information than what has been requested as they feel appropriate, to demonstrate their understanding of the requirement and their capabilities, and to provide any other financial information relevant to their Proposal.
- 1.3 Indicative prices must be stated in Australian dollars. All indicative prices must be set at a date (the 'Base Date') that is 14 days prior to Proposal Closing Time specified in clause 3.4 of the SODR.
- 1.4 Indicative prices must be inclusive of all costs of complying with the SODR and associated with acquiring the Assets and carrying out all matters and doing all things necessary for the performance and completion of any resultant deed or contract for sale. These include fees relating to removal and transport of the Asset, removal or containment of hazardous substances (if required) and potentially licensing fees, arranging customs clearance and services of representatives.
- 1.5 Respondents must submit indicative prices inclusive of all overseas taxes, duties and charges and all Australian (Federal, State and Local Government) taxes, duties and charges that are applicable at the Base Date, including GST and customs duty.

ANNEX D TO ATTACHMENT A

Table 1: Indicative Cost (-) or Return (+) to Commonwealth or Gift

Disposal Method									
Asset	SALE (indicate preferred method below)					TRANSFER OF OWNERSHIP (indicate intended use of the Asset(s))			OTHER
	As a military vessel to another nation, subject to the Commonwealth's Treaty and Security obligations.	As a de-militarised and/or Sanitised vessel suitable for refit or on-sell to another Commonwealth organisation, another nation or commercial organisation.	As a vessel suitable for recycling.	As a vessel to an organisation for use as a historical exhibit.	As a vessel to an organisation for use as a recreational dive site and artificial reef.				Any other Compliant Disposal Method (Respondent to add additional columns as required).
Ex HMAS Manoora									
Sub Total Price by Disposal Method									
								Total Price	

Note to Respondents:

- a. *When completed, the Table above (Disposal Method), whilst indicating a price structure for the Commonwealth, will also be interpreted as an indication of Respondents interest in each Asset by Disposal Method.*
- b. *Respondents are only required to indicate against their preferred method(s) of disposal. Respondents do not have to indicate against all disposal metho.*
- c. *Indicative Cost (-): If Disposal Method is expected to be at cost to the Commonwealth, indicate as a negative dollar figure.*
- d. *Return (+): If Disposal Method is expected to realise a return to the Commonwealth, indicate as a positive dollar figure.*

ANNEX D TO ATTACHMENT A

e. *Transfer of Ownership: If a Respondent's interest is in Disposal by means of no cost Transfer of Ownership, for the purposes of this RFP, the total price is represented as a zero (0) dollar figure.*

ANNEX D TO ATTACHMENT A

2. PRICE ASSUMPTIONS

2.1 In addition to providing its indicative prices in accordance with Table 1, the Respondent must specify:

- a. any assumptions used to calculate its prices including:
 - (i) application of relevant Export duty;
 - (ii) application of GST and other relevant taxes;
 - (iii) use of GFM and GFF;
 - (iv) administrative overhead;
 - (v) profit expectations;
 - (vi) contingency for risk in performing any resultant deed or contract for sale; and
 - (vii) compliance with relevant ITAR and other such end-user requirements involving demilitarisation of the Assets;

Note to Respondents: The indicative prices should not include the cost of providing insurance and securities.

- b. any variables the prices are subject to (other than changes to the requirements or SODR or to the Respondent's liability and risk resulting from the negotiation and finalisation of any resultant contract) including:
 - (i) the indices the Respondent intends to apply to adjustments for fluctuations over time in the value of labour and materials and any other such variables;
 - (ii) how the Respondent intends to manage such variation; and
 - (iii) the rate(s) the Respondent intends to apply to adjustments for fluctuations in exchange rate; and
- c. details of the payment regime the Respondent would propose for any resultant contract as applicable.

ANNEX E TO ATTACHMENT A

PROJECT MANAGEMENT

1. PAST PERFORMANCE

- 1.1 As an indication of their previous experience, Respondents should provide information on projects of a similar nature on which they have worked and include the following information:
- a. project name, location and procurement agency;
 - b. responsibility as either prime contractor/subcontractor;
 - c. description of asset disposed of or service provided;
 - d. contract (or subcontract) date; and
 - e. dollar value of contract (initial and latest agreed value).

2. DRAFT DISPOSAL MANAGEMENT PLAN

Note to Respondents: The Commonwealth needs to understand:

- a. ***how the Respondent plans to complete the proposed disposal options and achieve the requirements identified in the SODR;***
- b. ***the Respondent's relationship with any proposed subcontractors;***
- c. ***the Respondent's organisational structure;***
- d. ***the Respondent's approach to risk management; and***
- e. ***other topics addressed in the draft Disposal Management Plan.***

The level of detail should be sufficient for the Commonwealth to gain an assurance that the Respondent's Proposals for disposal are based on sound management principles and are achievable.

- 2.1 Respondents must provide a draft Disposal Management Plan which contains information on how it would manage its work for each disposal option under any resultant deed or contract of sale, including:
- a. an overview of how the Respondent intends to manage any proposed subcontractors;
 - b. what, if any, Commonwealth resources, including personnel and GFM, that it may require under their Proposal
 - c. how the Respondent will deal with transitional issues, if any;
 - d. how the Respondent will manage its personnel;
 - e. how the Respondent will integrate technical, cost and schedule planning and control; and
 - f. how the Respondent will adapt to any changes to delivery dates of the Assets.
- 2.2 The draft Disposal Management Plan, by Disposal Method, is to be developed with a draft Work Breakdown Structure to Level 3.
- 2.1 The Respondent must provide an indicative draft schedule. The draft schedule must contain as much detail as necessary to demonstrate an understanding of the work effort required to successfully achieve the end objective of any resultant deed or contract of sale. It should also be designed to assist the Commonwealth in determining the available disposal options. It is not designed to be a definitive schedule, rather a tool for the Commonwealth to assess the work required to undertake the proposed Disposal Methodology.
- 2.2 The draft schedule must identify any milestones and events that can be foreseen for the performance of any resultant contract and must include:
- a. an explanation of any contingency factored into the schedule;
 - b. identification of any milestones and events that are considered critical to the performance of any resultant deed or contract of sale;

ANNEX E TO ATTACHMENT A

- c. any milestones and events that require input from the Commonwealth or a third party in order that the schedule can progress; and
- d. any underlying assumptions.

3. RISK ASSESSMENT AND STRATEGY

3.1 To gain an understanding of the Respondents appreciation of the high level risks for each of their proposed disposal options, the Commonwealth requires Respondents to provide a draft risk assessment for the delivery of the disposal activities which:

- a. provides an overview of the risk management process and tools to be used;
- b. identifies the high level risks associated with the Proposal, including technical, commercial, legal, export, ITAR-related, financial, operational aspects and schedule risks;
- c. categorises those risks according to the likelihood and consequence of their occurrence; and
- d. in relation to each risk identified indicates whether the Respondent proposes to:
 - (i) reduce that risk, and if so through what mechanism;
 - (ii) accept that risk; or
 - (iii) transfer that risk, and if so to whom.

ANNEX F TO ATTACHMENT A

TECHNICAL/ENGINEERING

1. QUALITY MANAGEMENT

- 1.1 The Respondent is required to provide evidence in their Proposal Response of the Quality Systems they have in place, or have used in past projects of a similar nature, and how these will be used to manage their proposed disposal process. This may or may not include such established Quality Systems as Quality Management System AS/NZS ISO 9001:2000 or meeting the requirements of AS/NZS ISO 9001:1994 and in transition to AS/NZS ISO 9001:2000.

2. HAZARDOUS SUBSTANCES AND OZONE DEPELETING SUBSTANCES

- 2.1 During the disposal of any Asset, the successful Respondent must comply, at its own costs, with all applicable laws and regulations dealing with disposal of Hazardous Substances. If required to be removed, the Hazardous Substances must be removed from the Asset(s) and disposed of by the Respondent in a safe and professional manner and in accordance with the requirements of any Government Agency, including all occupational health and safety requirements. The successful Respondent must also clean-up all locations where work under the resultant contract is performed, including the surface and any other material on or in which the Asset is situated, and remove and dispose of any residual Hazardous Substances. Respondents must provide evidence of their ability to meet this requirement.
- 2.2 Respondents must provide proof of their ability to comply with the requirements for dealing with hazardous and ozone depleting substances (clause 2.10 of the SODR).

3. ENVIRONMENTAL MANAGEMENT

- 3.1 The Respondent must provide a draft Environmental Management Plan that identifies the important environmental issues relating to the work to be performed under the Proposal, and describe how the Respondent intends to manage and meet environmental issues and requirements, including those relating to the transportation of the Asset.

4. HEALTH AND SAFETY MANAGEMENT

- 4.1 The Respondent is required to identify any and all significant health and safety issues relating to the work to be performed under the Proposal and describe how the Respondent intends to manage and meet health and safety issues and requirements in accordance with all relevant laws and regulations.

5. AUSTRALIAN INDUSTRY INVOLVEMENT

- 5.1 The Respondent must indicate the level, and to what extent, Australian Industry Involvement forms part of their Proposal.

ANNEX G TO ATTACHMENT A

ADDITIONAL RESPONSES AGAINST THE STATEMENT OF DISPOSAL REQUIREMENT

1. ADDITIONAL INFORMATION

- 1.1 In addition to the information requirements in this RFP, Respondents may provide a short Business Case to support and justify the Respondent's submission on how they would conduct each disposal option. This may further support the Commonwealth in determining available disposal options. However the Commonwealth is not obliged to take such additional information into account.

Note to Respondents: Respondents should provide details of the Respondent's Proposal to meet the SODR, including its annexes, in this Annex excluding any financial, commercial, project management aspects or technical/engineering information specifically identified in the preceding annexes.

ANNEX H TO ATTACHMENT A

GLOSSARY

1. ACRONYMS AND ABBREVIATIONS

Abbreviation	Description
A.B.N	Australian Business Number
A.C.N	Australian Company Number
ADF	The Australian Defence Force
A.R.B.N	Australian Registered Business Number
ASIC	Australian Securities and Investment Commission
AUD	Australian Dollar
CPGs	Commonwealth Procurement Guidelines – January 2005
Cth	Commonwealth
DI(G)	Defence Instruction General
DPPM	Defence Procurement Policy Manual, Updated 1 April 2011
DMO	Defence Materiel Organisation
GFF	Government Furnished Facility
GFM	Government Furnished Material
GFS	Government Furnished Services
GST	Australian Goods and Services Tax
HMAS	Her Majesty's Australian Ship
ITAR	International Trade in Arms Regulations
PMP	Project Management Plan
PDRL	Proposal Data Requirements List
MARPOL	International Convention for the Prevention of Pollution from Ships
RAN	Royal Australian Navy
RFT	Request for Tender
RFP	Request for Proposal
SODR	Statement of Disposal Requirement
UN	United Nations

2. DEFINITIONS

Term	Definition
Annex	means: a. an annex to attachment A to this RFP and includes any document expressly incorporated by reference as part of the annex; or b. an annex to the SODR to this RFP, and includes any document expressly incorporated by reference as part of the annex, as the context requires.
Asset	means the asset or assets described in Annex A to the SODR.

ANNEX H TO ATTACHMENT A

Term	Definition
Base Date	means for the purposes of this Request for Proposal only, the date that is 14 Calendar Days before the Proposal Closing Time as stated in clause 3.6.1 of the SODR.
Commercial-in-Confidence Information	means information that: c. is by its nature confidential; or d. the receiving party knows or ought to know is confidential; but does not include information which: e. is or becomes public knowledge other than by a breach of confidence by the receiving party; f. is in the possession of a party without restriction in relation to disclosure before the date of receipt; or g. has been independently developed or acquired by the receiving party.
Commonwealth	means the Commonwealth of Australia as represented by the Department of Defence ABN 68 706 814 312.
Contact Officer	means the person named in clause 3.5.1 of the SODR.
Defence	means the Department of Defence, the Australian Defence Force and its agencies including the Defence Materiel Organisation.
De-militarisation	means the activities specified in clause 2.4 of the SODR.
Hazardous Substance	means a substance which has the potential, through being used, to harm the health of persons as detailed in the National Occupational Health and Safety Commission (NOHSC) publication NOHSC: 1008 (2004) "Approved Criteria for Classifying Hazardous Substances" and the "Hazardous Substances Information System" (HSIS).
Historical Organisation	means an organisation specified in clause 2.5.2 of the SODR.
Proposal	means a formal response to the RFP
Proposal Closing Time	means the time and date specified in clause 3.6.1 of the SODR.
Respondent	means any person who submits or is considering whether to submit a Proposal to the RFP.
Request for Proposal or RFP	means this request for proposal, DMOFD/RFP0068/2011/1.
Sanitisation	means the activities specified in clause 2.4 of the SODR.
Working Days	in relation to doing an action in a place, means any day other than a Saturday, Sunday or public holiday in that place.

3. REFERENCED DOCUMENTS

Note to Respondents: This list is not exhaustive. Respondents are expected to understand and comply with appropriate rules, regulations, treaties and protocols as required.

ANNEX H TO ATTACHMENT A

Reference	Description
	<i>Corporations Act 2001 (Cth)</i>
CPGs	Commonwealth Procurement Guidelines – January 2005
AS/NZS ISO 9001:2000	Quality Management Systems
AS/NZS ISO 9001:1994	Quality Systems
DPPM	Defence Procurement Policy Manual
DSM	Defence Security Manual
	<i>Privacy Act 1988</i>
	<i>Competition and Consumer Act 2010</i>
	<i>Environment Protection (Sea Dumping) Act 1981 (Cth)</i>
	<i>Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention) as modified by the Protocol of 1996</i>
	<i>Environmental Protection and Biodiversity Conservation Act 1999 (Cth);</i>
	<i>Hazardous Waste (Regulation of Imports and Exports) Act 1989 (Cth)</i>
	Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
	<i>Protection of the Sea (Pollution from Ships) Act 1983 (Cth)</i>
	<i>International Convention for the Prevention of Pollution from Ships (MARPOL) as modified by the Protocol of 1978</i>
	<i>Sea Installations Act 1987 (Cth)</i>
	<i>London Convention and Protocol / UNEP Guidelines for the Placement of Artificial Reefs</i>
	<i>Basel Convention Technical Guidelines for the Environmentally Sound of Dismantling of Ships ("Basel Guidelines")</i>
	<i>International Maritime Organisation Guidelines on Ship Recycling Management (with the Basel Guidelines to prevail where there is any inconsistencies)</i>
	International Trade in Arms Regulations
	<i>1996 Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1992</i>

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1. GENERAL

1.1 Overview

- 1.1.1 In this Request for Proposal (**RFP**), unless the contrary intention appears, words and phrases have the meaning given to it in the glossary at Annex H of Attachment A to this Statement of Disposal Requirement (**SODR**).
- 1.1.2 This RFP is the first stage of a proposed process for the disposal of a number of Royal Australian Navy (**RAN**) ships ("the Assets") which are listed at Annex A to this SODR. The Commonwealth intends to use this RFP to determine whether, and how, to proceed to later stages of the disposal process, including potentially, contracting for disposal based upon the proposals provided in response to this RFP.
- 1.1.3 **Commonwealth's Objectives.** In conducting this RFP and any subsequent stages of the disposal process, the Commonwealth is seeking a solution that will optimise the net outcome to the Commonwealth taking into account the following objectives:
- a. meet all legislative and government policy requirements, including as appropriate, international obligations, cultural, historical and environmental considerations;
 - b. provide the Commonwealth with value for money by maximising the net outcome for the Commonwealth which includes sale price net, all identifiable and direct disposal costs and minimising storage and holding costs;
 - c. meet the Commonwealth's disposal schedule;
 - d. provide significant and sustainable benefits to the Commonwealth, defence industry and the Respondent who is ultimately successful in the process;
 - e. provide solutions that meet the Commonwealth's expectations for the safe disposal of hazardous substances, if relevant to the Respondent's proposal; and
 - f. ensure the disposal methods adopted offer the most ethical, compliant, efficient, effective and economic solution.
- 1.1.4 **Purpose of this RFP.** The Commonwealth is seeking the best net outcome to the Commonwealth in disposing of the Assets. To achieve this, the Commonwealth seeks to:
- a. publically advise industry and other interested parties of the Commonwealth's anticipated disposal of the identified Assets, the Commonwealth's objectives and expected outcomes for the disposal process, the Commonwealth's current assessment of available disposal options and other relevant information currently available relating to the anticipated disposal of the Assets;
 - b. seek industry views, input and experience relating to the issues described in subparagraph a. above and related industry capabilities that support the disposal of the Assets particularly relating to alternative disposal strategies, options or methods; and
 - c. provide all interested parties with the opportunity to inform the Commonwealth of their interest in acquiring the Assets and the basis on which they would acquire the Assets.
- 1.1.5 This RFP is NOT seeking preferred providers for disposal options. Proposals will be considered by the Commonwealth in determining whether and how to proceed with any disposal of the Asset(s) so as to achieve the best net outcome for the Commonwealth. Proposals will not be subject to individual evaluation or ranking as part of this RFP. However, the Commonwealth may:
- a. invite Respondents to participate in any subsequent disposal process it considers best meets its objectives for the Assets; or
 - b. consider any offer to purchase any of the Assets where the Commonwealth assesses that acceptance of the offer would result in the best net outcome to the Commonwealth.

SHIPS DISPOSAL STRATEGY REQUEST FOR PROPOSAL
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- 1.1.6 The Commonwealth encourages industry and other parties who may be interested in acquiring an Asset to respond to this RFP to show their interest in, and provide their proposals for, acquisition of the Assets, and their suggested alternative or innovative approaches for the disposal of the Assets.
- 1.1.7 The Commonwealth will consider all proposals received from interested parties to determine a potential market for and a preferred method(s) of disposal of the Assets. This may inform the next steps for the conduct of the disposal process and whether additional options for the disposal of the Assets are available.
- 1.1.8 An indicative list of Assets, and the proposed timing for their scheduled disposal is provided at Annex A to this SODR. The Commonwealth provides no undertaking that any or all of the Assets will become available for disposal as indicated in Annex A or otherwise. Subsequent solicitation activities (if any) may be for the disposal of a single ship or group of ships or all of the ships, if and when they become available for disposal.
- 1.1.9 Any Proposal Response, including all attachments and supporting documentation, must be written in English.
- 1.1.10 All measurements must be expressed in Australian legal units of measurement unless otherwise specified in this RFP.

2. SCOPE OF DISPOSAL REQUIREMENT

2.1 Options for Use of the Assets

- 2.1.1 The Commonwealth reserves the right to proceed with any disposal option(s) that it considers represents the best net outcome to the Commonwealth.
- 2.1.2 The Commonwealth considers that the Assets to be disposed of may be made available for the following purposes:
- a. as a military vessel to another nation, subject to the Commonwealth's Treaty and Security obligations;
 - b. as a De-militarised and/or Sanitised vessel suitable for refit or on-sell to either another Commonwealth organisation, another nation or commercial organisation;
 - c. as a vessel suitable for re-cycling;
 - d. as a vessel to an organisation for use as a historical exhibit; and
 - e. as a vessel to an organisation for use as a recreational dive site and artificial reef.
- 2.1.3 The above methods are by no means exhaustive. Rather than dictate to industry the Commonwealth's preferred methods of disposal, the Commonwealth seeks industry input to develop the most appropriate strategy. Respondents are invited to submit proposals covering:
- a. how they would use the Assets either in accordance with the above potential uses or propose any other uses;
 - b. the basis on which they would be prepared to acquire the Assets for their proposed uses and an indicative price, pricing model or pricing methodology and any conditions they would seek for the acquisition of an Asset; and
 - c. any alternate and innovative methods of disposal that are compliant with the requirements of clauses 2.7.3, 2.9 and 2.10.

2.2 Offers for Immediate Purchase

- 2.2.1 In addition to clauses 2.1.1, 2.1.2 and 2.1.3, and as foreshadowed in clause 1.1.5, the Commonwealth may consider any offer to purchase any of the Assets which is provided as a response to this RFP. Such responses may be considered in conjunction with other proposals based on their ability to provide the best net outcome to the Commonwealth.
- 2.2.2 The Commonwealth also reserves the right to enter, in its absolute discretion, into any discussions or negotiations with any Respondents who have made an offer or submitted a Proposal which the Commonwealth considers could represent a good net outcome to the Commonwealth with a view to completing the disposal of any Asset.

2.3 Transfer of Ownership

- 2.3.1 The Commonwealth acknowledges that there may be benefits in transferring ownership of the Assets, whether to other Federal or State Government organisations or Historical Organisations or otherwise. Responses proposing Transfer of Ownership will be evaluated in conjunction with proposals for Sale and may form part of any subsequent RFT process. Ideally, the Transfer of Ownership Disposal method would be at no cost to the Commonwealth. Transfer of Ownership may entail Respondents paying the cost of De-militarisation and/or Sanitisation.

2.4 Demilitarisation and Sanitisation

- 2.4.1 Depending on the work required, disposal may involve activities related to the **De-militarisation** and/or **Sanitisation** of the Assets. For the purposes of this SODR, these are defined as follows:

- a. **De-militarisation:** Where this has not been undertaken by the Commonwealth, De-militarisation means activities relating to the removal, or making innocuous, certain military functionalities and capabilities in accordance with relevant National and International Guidelines. This may or may not render the Asset non-operational. For example, the Asset may still be able to function or move under its own power, but cannot function as a fully operational military Asset. Alternatively, the process of De-militarisation may render the Asset non-operational.
- b. **Sanitisation:** Where this has not been undertaken by the Commonwealth, Sanitisation means activities relating to the removal of, or making safe, certain hazardous materials (such as asbestos) within the Asset in accordance with relevant law and National and International Guidelines and Practices.

2.4.2 **End-User Agreements.** Respondents are to acknowledge that disposal of these Assets may be dependant on existing End-User Agreements such as the International Traffic in Arms Regulations (ITAR). End-User Agreements require disposal approval from their nation of origin. Typically, it could take up to 18 months to gain authorisation. Where disposal approval is required, the Assets would not be available for disposal until such approval is given.

2.4.3 Respondents are invited to respond against any or all of the tasks identified at clause 2.1 of this SODR for any or all of the Assets identified at Annex A.

2.5 Proposed Respondents – Commercial, Government & Historical Organisations

2.5.1 The Commonwealth is seeking responses from a range of sources: for example, domestic and international, commercial, government (Australian or International) as well as Historical Organisations.

2.5.2 **Historical Organisations.** For the purposes of this RFP, organisations that wish to obtain one of the Assets for museum-like purposes, must satisfy the following definition of an Australian Historical Organisation, which is defined as follows:

- a. An “Australian Historical Organisation” means a corporate body which is registered with the ASIC as having an ACN or as an incorporated association (with an Australian state- or territory-registered association number) and is also:
- (i) a community organisation such as a museum or a historical society;
 - (ii) an organisation which provides access to historical military displays and historical information to the Australian general public;
 - (iii) based in Australia and nominates a site located in Australia for the permanent static display of the Asset;
 - (iv) committed to the preservation of locally owned, but nationally significant collections of materials that are publicly accessible including artefacts, letters, diaries, maps, photographs, and audio visual material;
 - (v) contributing to preserving and valuing Australia’s military heritage, traditions and culture, and the contribution of those who served this country; and
 - (vi) promoting Defence’s public image and building bridges with, and providing a significant and sustainable benefit to, the Australian community.

2.6 Location of Disposal Options

2.6.1 The Commonwealth is not limiting itself to domestic-based Disposal Options. International-based solutions may be considered on merit.

2.7 RFT Process

2.7.1 As stated in 1.1, the Commonwealth may consider conducting a RFT or other process for the disposal of these Assets if this RFP process determines that this option best meets the Commonwealth’s stated objectives.

- 2.7.2 Respondents who would be interested in participating in an RFT process should:
- a. confirm in their Proposal that they would be interested in participating in subsequent RFT activities, and
 - b. complete all other requirements contained within this RFP to indicate how they would perform the disposals.
- 2.7.3 Respondents should note that the conduct of this RFP process by the Commonwealth does not commit the Commonwealth to conducting any further, future, stages of the disposal process (including any RFT process) and that the Commonwealth will determine, in its absolute discretion, whether to do so would result in the best net outcome for the Commonwealth.

2.8 Australian Government & International Requirements

Note to Respondents: The Glossary at Annex H to Attachment A lists the version of the following documents and policies current at the time of RFP release.

- 2.8.1 Respondents should familiarise themselves with all:
- a. requirements detailed in this RFP;
 - b. applicable local, national and international legislative requirements;
 - c. relevant international requirements such as, but not limited to UN Protocols, International Arms Trafficking Laws, Basel Convention and MARPOL (some of these are detailed in clause 2.9; and
 - d. other requirements applicable to the Respondent's proposal.
- 2.8.2 The lists at clause 2.9 and Annex H to Attachment A are not exhaustive. Respondents should familiarise themselves with other Commonwealth policies as is appropriate.
- 2.8.3 Respondents acknowledge and agree that as a Commonwealth agency, Defence is subject to legislative and administrative accountability and transparency requirements of the Commonwealth, including disclosures to Ministers and other Government representatives, Parliament and its Committees, and the publication of information in respect of the RFP process on the AusTender internet site. Any contract resulting from a subsequent RFT or other process relating to the disposal of the Assets will also be subject to these requirements, including disclosure to Ministers, other Government representatives, Parliament and its Committees.

2.9 Essential Requirements

- 2.9.1 In addition to all other laws governing the disposal process, proposals must be compliant with all of the following conventions, legislation and guidelines as applicable to their proposed solution:
- a. *Environment Protection (Sea Dumping) Act 1981 (Cth)*;
 - b. Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention) as modified by the Protocol of 1996;
 - c. *Environmental Protection and Biodiversity Conservation Act 1999 (Cth)*;
 - d. *Hazardous Waste (Regulation of Imports and Exports) Act 1989 (Cth)*;
 - e. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal;
 - f. Basel Convention Technical Guidelines for the Environmentally Sound of Dismantling of Ships ("**Basel Guidelines**");
 - g. *Protection of the Sea (Pollution from Ships) Act 1983 (Cth)*;
 - h. International Convention for the Prevention of Pollution from Ships (MARPOL) as modified by the Protocol of 1978;
 - i. *Sea Installations Act 1987 (Cth)*;

- j. London Convention and Protocol / UNEP Guidelines for the Placement of Artificial Reefs;
 - k. International Maritime Organisation Guidelines on Ship Recycling Management (with the Basel Guidelines to prevail where there is any inconsistencies);
 - l. Defence Guidelines on the Disposal of Items Containing Asbestos;
 - m. all applicable Local, State and Territory requirements; and
 - n. at the time of Disposal, any applicable conventions, legislation and guidelines.
- 2.9.2 Any Respondent which seeks to purchase one or more of the Assets for ongoing use must indicate compliance with all of the above conventions, legislation and guidelines with regard to any subsequent and final disposal. To assist development of disposal options, Respondents must also include HOW they would comply, and ensure ongoing compliance, with these, and any other applicable requirements.
- 2.9.3 The Commonwealth may require ongoing controls to ensure that ultimate disposal of these Assets occurs in full compliance with requirements of clause 2.9.1 of this SODR. The nature of these ongoing controls is contingent upon the disposal method applied to each Asset but may include securities such as guarantees or other similar mechanisms.

2.10 Items Containing Asbestos and Hazardous Substances

- 2.10.1 The Commonwealth seeks to protect the community and all possible future users of disposed Assets from risks associated with asbestos and hazardous substances. This means that the disposal of items containing asbestos and/or other hazardous substances is to be conducted in a manner that ensures that Assets and inventory items that contain such substances are only disposed of if the asbestos and/or other hazardous substances contained within the item cannot be accessed by future users of the item, or the community, and as such does not pose a health risk. Where Respondents seek to undertake remediation work on the Assets (such as removal of asbestos) they will be required to undertake the remediation to ensure the protection of future users.
- 2.10.2 Subject to availability and security caveats, technical documentation and engineering specifications of the Assets, including hazardous substances registers, may be provided to Respondents as part of any activities conducted in accordance with clause 2.2 or any subsequent RFT or similar process. The Commonwealth will not warrant the accuracy and completeness of this documentation and Respondents will be required to take full responsibility for ensuring the accuracy, completeness and reliability of all information provided by the Commonwealth.

2.11 Review and Reporting Requirements

- 2.11.1 Organisations that may ultimately be awarded contracts for Asset disposal may be required to facilitate the conduct of Commonwealth or third-party inspections and/or the provision of reports for the purposes of determining compliance with the requirements of clauses 2.7.3, 2.9 and 2.10.

2.12 Annex D to Attachment A

- 2.12.1 In addition to the information requirements in this SODR and the Annexes, Respondents should respond against Annex D to Attachment A. Respondents are not required to respond to each disposal method against each Asset in Table 1 of Annex D to Attachment A. Respondents should respond only to the Assets in which they have a particular interest. Respondents should also indicate the likely cost/revenue outcome of any proposed alternative disposal options

3. CONDITIONS APPLYING TO THE RFP PROCESS

3.1 Nature of RFP process

- 3.1.1 By submitting a proposal, each Respondent acknowledges and accepts that:
- a. the RFP is conducted for the purpose of obtaining information only and does not commit the Commonwealth to undertake any future activities or processes in relation to the disposal of any of the Assets; and
 - b. neither the Respondent nor the Commonwealth intends to create any contract or other relationship under which the Commonwealth is obliged to conduct the RFP, or any subsequent process in relation to the disposal of the Assets, in any manner or at all, and there is in fact no such contract or other relationship in existence.

3.2 Proposal Response Preparation

- 3.2.1 Unless otherwise agreed, Respondents must complete and provide the information requested in the Annexes and Attachments to this SODP and must do so in the manner requested in these Annexes and Attachments.
- 3.2.2 Supporting documentation may be provided to enhance the Proposal Supporting documentation relevant to a particular volume must be indicated in that volume.

3.3 Amendment of Request for Proposal

- 3.3.1 The Commonwealth may, at its absolute discretion, add to, vary, modify or amend this RFP by:
- a. giving the Respondents written notice of such addition, variation, modification or amendment; or
 - b. if this RFP has been published through AusTender, issuing a formal amendment via AusTender .

Note to Respondents: *If this RFP has been published through www.defence.gov.au/dmo/disposals, Respondents should register with the Defence Disposals Agency email address at disposals@defence.gov.au to receive notification of amendments to this RFP.*

- 3.3.2 Respondents will have no claim against the Commonwealth in connection with either the exercise of, or failure to exercise, its discretion in clause 3.3.1.
- 3.3.3 If the Commonwealth adds to, varies, modifies or amends this RFP in accordance with clause 3.3.1, after Proposals have been submitted, it may seek amended Proposals.
- 3.3.4 The Commonwealth accepts no responsibility if a Respondent fails to become aware of any alteration, correction or notice, which would have been apparent from a visit to the AusTender internet site, or fails to consider any written notice provided by the Commonwealth under clause 3.3.1.
- 3.3.5 Any amendment made to this RFP in accordance with clause 3.3.1 will take precedence over any prior version of the RFP or amendment if there is any inconsistency.

3.4 Termination of Request for Proposal Process

- 3.4.1 Without limiting its rights at law or otherwise, the Commonwealth may, at its absolute discretion, suspend, defer or terminate this RFP process, or any one or more Respondents' participation in this RFP process, or not proceed with any further disposal process where:
- a. it is in the public interest to do so;
 - b. an Asset is no longer available for disposal;
 - c. no Respondent or Proposal represents the maximum net outcome for the Commonwealth;

- d. no Respondent meets the requirements, if any, identified as essential in the RFP; or
- e. the Commonwealth otherwise determines that to do so is in the best interests of the Commonwealth.

The Commonwealth will notify affected Respondents to this effect.

- 3.4.2 Any time or date in this RFP is for the convenience of the Commonwealth only. The establishment of a time or date in this RFP does not create an obligation on the part of the Commonwealth to take any action or exercise any right established in the RFP or otherwise, and Respondents will have no claim against the Commonwealth in connection with either the exercise of, or failure to exercise, any right established in the RFP or otherwise. The Commonwealth will notify affected Respondents of any changes to the RFP or the RFP process in accordance with clause 3, but is not obliged to provide any reasons for its actions.

3.5 Contact Officer for Request for Proposal Inquiries

- 3.5.1 The Contact Officer for this RFP is:

Defence Disposals Agency Helpdesk

Defence Disposals Agency
Level 12
270 Pitt St
SYDNEY NSW 2000

- 3.5.2 Respondents must direct any questions regarding this RFP to the Contact Officer in writing or to the email address: disposals@defence.gov.au
- 3.5.3 Respondents submit questions or requests for clarification on the basis that the Commonwealth may circulate the Respondent's inquiry and the Commonwealth's answers to all other Respondents without disclosing the source of the inquiry or revealing Commercial-in-Confidence Information or the substance of the proposed Proposal Response.

3.6 Lodgement of Proposals

- 3.6.1 Proposals must be lodged in accordance with the Tender Lodgement Procedures and Late Tenders policy detailed in Annex 5C of the DPPM, on or before 12.00 pm local time in New South Wales on 14 October 2011 (the 'Proposal Closing Time').
- 3.6.2 Proposals are to be sent to the following address for on forwarding:

Defence Lidcombe
Records and Mail Services
Gormley Street
Lidcombe
NSW 2141

For Attention: Tender Officer, Contracting Support Branch
Level 5 Defence Plaza Sydney

- 3.6.3 The Respondent must include DDA/RFP0068/2011/Part 1 on the packaging of the Proposal.

3.7 Preparation and Transmission of Classified Proposals

- 3.7.1 Classified content in Proposals must be avoided if possible. If this cannot be achieved, Respondents must seek advice from the Contact Officer in clause 3.55 on how Proposals containing classified content must be prepared and transmitted.

3.8 Defence Security Clearance Requirements

- 3.8.1 On request by the Commonwealth, the Respondent must comply with the Commonwealth security clearance process, including obtaining the level of security clearance required by the Commonwealth.

3.9 Industry and Attaché Briefing

- 3.9.1 An industry briefing will be conducted at the Wesley Conference Centre 220 Pitt St Sydney NSW 2000, on 26 July 2011 at 10.00 am.
- 3.9.2 A briefing for Defence Attachés in Australia will also be conducted. Separate advice on the arrangements for this briefing will be provided to Defence Attachés.
- 3.9.3 Representatives of prospective Respondents at the briefing will be limited to three personnel per Respondent. Nominations to attend the briefing must be forwarded in writing to the Contact Officer specified in clause 3.55 by 4.00 pm Sydney local time 20 July 2011. The following details are required:
- a. Respondent's name and location; and
 - b. full name of Respondent's representatives.
- 3.9.4 Industry briefings are conducted for the purpose of providing background information only. Respondents must not rely on a statement made at an industry briefing as amending or adding to this RFP, and Respondents will not be entitled to make any claim against the Commonwealth in relation to any statements made at an industry briefing.

3.10 Period of Proposal

- 3.10.1 To inform any subsequent solicitation and contracting process and the development of disposal strategies, the Commonwealth requires that Proposals submitted in response to this RFP remain open for acceptance for a period of not less than five months after the Proposal Response Closing Time. Respondents are required to indicate in Annex B to Attachment A how long their proposals will remain valid and able to be relied upon by the Commonwealth.

3.11 Copies of Proposal

- 3.11.1 The Respondent must lodge the original and 3 copies of the Proposal and any supporting documentation (such as brochures, handbooks and sample drawings). The original must be marked as the original and each copy sequentially marked with a copy number. In the event of any discrepancy between any copy and the original, the original must take precedence.
- 3.11.2 The Respondent must, in addition to lodging the hard copies required by clause 3.11.1, lodge with the original Proposal one electronically stored copy of the Proposal and supporting documentation, with read only access which is, unless otherwise specified, machine readable in Microsoft Office 2003 compatible software. In the event of any discrepancy between any electronically stored copy and the original, the original must take precedence.
- 3.11.3 RFP Documentation must be prepared with Microsoft Office 2003 compatible software.

3.12 Alterations, Erasures or Illegibility

- 3.12.1 Any alterations or erasures made to a Proposal must be initialled by the Respondent. Proposals containing alterations or erasures that are not initialled, or pricing or other information that is not, in the Commonwealth's opinion, stated clearly and legibly may be excluded from consideration.

3.13 Contractual Arrangements

- 3.13.1 Without limiting the Commonwealth's rights, if the Commonwealth were to contract at the conclusion of this RFP, its intention is to enter into a contract with a single legal entity that will be the party responsible for the performance of the contract. If Respondents submit a consortium Proposal, the consortium Proposal must:
- a. include in the Proposal the information sought in the RFP for each member of the consortium;
 - b. describe in detail in the Proposal the relationship between each member of the consortium and the structure proposed for management of the consortium;
 - c. provide in the Proposal that each member of the consortium is jointly and separately liable for the performance of all members of the consortium under any resultant contract or that one member of the consortium is fully liable for the performance of all members of the consortium; and
 - d. include such other information that the Commonwealth requires to undertake a risk assessment of the proposed consortium Proposal.

3.14 Commonwealth May Rely on Request for Proposals

- 3.14.1 By submitting a Proposal, the Respondent:
- a. undertakes to promptly advise the Commonwealth in writing through the Contact Officer of any change in circumstances which causes any information contained in its Proposal to become inaccurate or misleading;
 - b. acknowledges and agrees that the provision of indicative pricing contributes to the Commonwealth's level of confidence of likely price for a specific Asset; and
 - c. acknowledges and agrees that the Commonwealth may rely on the indicative pricing to determine preferred methods of disposal for specific Assets.

3.15 Use of Proposal Information

- 3.15.1 The Commonwealth reserves the right to use any information contained in Proposals to form the basis of any subsequent RFT for disposal of the Assets.

3.16 Subsequent Disposal Process

- 3.16.1 Respondents are advised that any subsequent solicitation or similar process will be governed by its own conditions of tender or process, including a draft Conditions of Contract. The draft Conditions of Contract provided with any subsequent solicitation will be based on the responses provided as part of this RFP.

3.17 Clarification Process

- 3.17.1 **Clarification.** The Commonwealth may, at any time during the RFP process, seek clarification from, and enter into discussions with, any or all of the Respondents in relation to their Proposal.
- 3.17.2 The Commonwealth may seek additional information in respect of any aspect of a Proposal at any time, including through a request for the Commonwealth to visit the facilities of Respondents and their subcontractors to verify or clarify attributes of the proposed disposal. The Commonwealth may use this information in interpreting the Proposal and in evaluating the cost and risk to the Commonwealth of accepting the Proposal.
- 3.17.3 The Commonwealth is not under any obligation to take into account additional information provided by a Respondent in response to a request or consider additional information which would result in a Respondent obtaining an unfair advantage over other Respondents.
- 3.17.4 Subject to clause 3.55, Respondents may seek clarification of the meaning of the content of the RFP, or request additional information beyond that contained in the RFP or industry briefings, if any, from the Contact Officer up until five Working Days prior to the Proposal Closing Time. The responses to these clarifications or any additional information will be provided to all registered Respondents without attribution to the requesting Respondent.

- 3.17.5 **Debriefing.** At the conclusion of the evaluation process, the Commonwealth may, as part of its process of developing disposal options, seek further industry input by conducting debriefing activities. The Commonwealth would intend to conduct this activity to enhance industry and Commonwealth's understanding of the requirement, the responses and options available to the Commonwealth.
- 3.17.6 This RFP is NOT seeking preferred providers for disposal options. Therefore the debriefing activity will not be used as a means of informing Respondents of the strength or otherwise of their response.

3.18 Consideration of Proposals

- 3.18.1 These following criteria (not in any order of importance) may be used to establish the disposal options open to the Commonwealth but will NOT be used to assess individual responses for subsequent RFT activity. This RFP is not subject to a competitive evaluation process.
- a. The potential maximum net outcome for the Commonwealth;
 - b. the Respondent's degree of overall compliance with the Commonwealth's requirements for the disposal of the Assets as stated in the RFP, including compliance with clauses 2.7.3, 2.9 and 2.10;
 - c. the information supplied in Proposals received, including any additional or innovative proposals;
 - d. the extent to which the proposed solution(s) meet the requirements stated in this RFP;
 - e. the nature and extent to which the Respondent's Proposal identifies risks to the Commonwealth or to the Respondent's capacity to meet the Commonwealth's requirements;
 - f. the ability of the Respondent to meet timing expectations of the proposed disposals; and
 - g. the indicative prices and pricing structure specified in accordance with clause 2.1 of Annex D to Attachment A.
- 3.18.2 This RFP is not subject to a competitive evaluation process.

POSSIBLE DISPOSAL CANDIDATES

1. The Assets and disposal dates identified in this Annex are indicative only. It is provided to enable Respondents to develop their Proposals for Disposal.
2. The Commonwealth provides no undertaking that any or all of the Assets will become available for disposal as indicated. In addition, the Commonwealth does not warrant or represent that any of the information set out in this Annex is accurate, complete or free from errors, and the Respondent will not be entitled to make any claim against the Commonwealth arising out of, or in connection with, the availability for disposal of all or any of the Assets. Other Assets, not listed below, may become available at later stages. However, for the purposes of this RFP, the Commonwealth is only providing the list below.

Landing Platform Amphibious Class (x1) (HMAS *Kanimbla*)

ITARs controlled	Yes
Launched	1970
Disposal Year	2012-2016
Displacement	8,534 tonnes
Dry Weight	5,351 tonnes
Length	159.2 metres
Beam	21.2 metres
Main Machinery	6 x ALCO V16 diesel engines, 2750 HP each, 3 engines per shaft
Notes	

Landing Craft Heavy Class (x6) (HMAS *Brunei*, HMAS *Labuan*, HMAS *Tarakan*, HMAS *Betano*, HMAS *Balikpapan* and HMAS *Wewak*)

ITARs controlled	No
Laid Down	1971
Launched	1971
Disposal Year	2010-2014
Builder	Walker Ltd, Maryborough, QLD
Displacement	511 tonnes
Dry Weight	355 tonnes
Length	44.75 metres
Beam	10 metres
Main Machinery	2 x GE diesels
Notes	

Landing Ship Heavy Class (x1) (HMAS *Tobruk*)

ITARs controlled	No
Laid Down	1979
Launched	1980
Disposal Year	2010-2014
Displacement	5,800 tonnes

POSSIBLE DISPOSAL CANDIDATES

Dry Weight	3,905 tonnes
Length	127 metres
Beam	18 metres
Main Machinery	2 x diesels (MAN KDMR-8 Mirrlees Blackstone)
Notes	

Adelaide Class Frigates (x4) (HMAS *Sydney*, HMAS *Newcastle*, HMAS *Melbourne* and HMAS *Darwin*)

ITARs controlled	Yes
Launched	1978
Disposal Year	2014-2020
Displacement	4,100 tonnes
Dry Weight	3,124 tonnes
Length	138.1 metres
Beam	14.3 metres
Main Machinery	2 x GE LM2500 gas turbines driving a single controllable pitch propeller
Notes	

Mine Hunter Huon Class (x2) (HMAS *Huon* and *Hawkesbury*)

ITARs controlled	No
Launched	1997
Disposal Year	2018-2019
Displacement	720 tonnes
Dry Weight	629 tonnes
Length	52.5 metres
Beam	9.9 metres
Main Machinery	1 x Fincantieri diesel driving, 1 x controllable pitch propeller, 3 x Riva Calzoni auxillary propulsion units
Notes	

Minesweeper Auxiliary Class (x2) (HMAS *Bandicoot* and HMAS *Wallaroo*)

ITARs controlled	No
Launched	1982
Disposal Year	2013
Displacement	419 tonnes
Dry Weight	318 tonnes
Length	29.6m
Beam	8.5m
Main Machinery	2 Stork Werkspoor Diesels; 2,400 hp(m) (1.76MW); 2 shafts
Notes	

POSSIBLE DISPOSAL CANDIDATES
Indicative Disposal Dates

Class	Year
Landing Platform Amphibious Class	
HMAS <i>Kanimbla</i>	2012-14
Landing Craft Heavy Class	
HMAS <i>Brunei</i>	2014
HMAS <i>Labuan</i>	2014
HMAS <i>Tarakan</i>	2014
HMAS <i>Betano</i>	2011
HMAS <i>Balikpapan</i>	2011
HMAS <i>Wewak</i>	2011
Landing Ship Heavy Class	
HMAS <i>Tobruk</i>	2012
Adelaide Class Frigates	
HMAS <i>Sydney</i>	2015
HMAS <i>Newcastle</i>	2021
HMAS <i>Melbourne</i>	2019
HMAS <i>Darwin</i>	2017
Mine Hunter Huon Class	
HMAS <i>Huon</i>	2018
HMAS <i>Hawkesbury</i>	2019
Minesweeper Auxilliary Class	
HMAS <i>Bandicoot</i>	2013
HMAS <i>Wallaroo</i>	2013

ATTACHMENT A**PROPOSAL DATA REQUIREMENTS LIST**

Proposal Data Requirement Number	Proposal Volume and Section
	Annex A to Attachment A Overview
A-1	Company Profile/Respondent's Ability to Supply
A-2	Schedule of Subcontractors
	Annex B to Attachment A Declaration By Respondent
B-1	Declaration By Respondent
	(Annex C Not Used)
	Annex D to Attachment A Financial
D-1	Indicative Price Schedule
Table 1	Indicative Cost (-) or Return (+) to Commonwealth or Gift
D-2	Price Assumptions
	Annex E to Attachment A Project Management
E-1	Past Performance
E-2	Draft Disposal Management Plan
E-3	Risk Assessment and Strategy
	Annex F to Attachment A Technical/Engineering
F-1	Quality Management
F-2	Hazardous Substances and Ozone Depleting Substances
F-3	Environmental Management
F-4	Health and Safety Management
F-5	Australian Industry Involvement
	Annex G to Attachment A Additional Responses Against the Statement of Disposal Requirement
G-1	Additional Information
	Annex H to Attachment A Glossary
H-1	Acronyms and Abbreviations
H-2	Definitions
H-3	Referenced Documents

ANNEX A TO ATTACHMENT A**OVERVIEW****1. COMPANY PROFILE/RESPONDENT'S ABILITY TO MEET DISPOSAL REQUIREMENT**

1.1 Respondents must provide the following information:

- a. the Respondent's background, experience and resources relevant to its ability to meet the disposal requirement, including the Respondent's capacity to undertake their expressed interest in any one or more of the Disposal Methods as indicated in the SODR or any alternative proposal; and
- b. the following details of the Respondent, as applicable:
 - (i) the full name of the Respondent;
 - (ii) any and all trading or business names;
 - (iii) if the Respondent is a company, the registered office, principal place of business and an outline of the company structure;
 - (iv) the date and place of incorporation, and if an Australian association, its association registration number and state of registration;
 - (v) individual shareholders holding 20 percent or more of any issued share capital;
 - (vi) particulars of any foreign national or foreign bodies or organisations in a position to exercise or influence control over the Respondent;
 - (vii) related companies within the meaning of Section 50 of the *Corporations Act 2001* (Cth);
 - (viii) for a foreign firm or company, details of its registration, incorporation and place of business in Australia, the name of any Australian representative and its A.C.N. and A.B.N. (if any); and
 - (ix) if an Australian company, its A.C.N./A.R.B.N. and A.B.N as applicable.

2. SCHEDULE OF SUBCONTRACTORS

2.1 Respondents must provide details of proposed subcontractors in the format at Table 1.

Table 1: Schedule of Subcontractors Format

Proposed Subcontractor	Work To Be Subcontracted Including Technical Significance

ANNEX B TO ATTACHMENT A

DECLARATION BY RESPONDENT

1. DECLARATION BY RESPONDENT

1.1 Respondents must provide a declaration in the following format:

[...INSERT NAME OF RESPONDENT AND A.C.N./A.B.N./A.R.B.N FOR AUSTRALIAN RESPONDENTS (OR NAME AND RELEVANT BUSINESS REGISTRATION NUMBER IN COUNTRY OF ORIGIN FOR INTERNATIONAL RESPONDENTS)...] submits its Proposal for RFP [...INSERT RFP NUMBER...]. In preparing this Proposal, the Respondent acknowledges that it is aware of Chapter 2 of the Competition and Consumer Act 2010 and Division 137 of the Criminal Code and that its Proposal does not contain any false, misleading or deceptive misrepresentations, claims or statements.

- a. to the Commonwealth's rights in the RFP;
- b. that Proposal Responses are prepared in accordance with the RFP and are accurate, complete and not misleading;
- c. that the Commonwealth can utilise all relevant information about the Respondent's performance on Commonwealth procurement activities;
- d. that the Respondent conducted itself in a manner that is at least consistent with the Commonwealth's obligations to act in accordance with the applicable Commonwealth procurement framework, for example to ensure certainty of costs and value for money; and
- e. that the Commonwealth can rely on the Proposal Response in accurately assessing compliance with the RFP, risks and risk management options and value for money in accordance with the RFP; and
- f. that representations made in the Proposal Response when incorporated in any resultant contract, will be fully complied with by the Respondent.

2. RESPONSE VALIDITY (CORE)

2.1 The information provided in this Proposal Response is valid until (...INSERT DATE...), being (...INSERT NUMBER...) months from the Proposal Response Closing Time.

3. IMPROPER ASSISTANCE (CORE)

3.1 This Proposal Response has been compiled without the improper assistance of employees or former employees of the Commonwealth, and without the use of information obtained unlawfully or in breach of an obligation of confidentiality to the Commonwealth.

REGISTERED OFFICE OR OTHER POSTAL ADDRESS:
ADDRESS OF RESPONDENT:

TELEPHONE NUMBER: FACSIMILE NUMBER:

Signature of Respondent or person authorised to sign the Proposal Response on behalf of the Respondent:

SIGNATURE: DATE OF SIGNATURE:

ANNEX B TO ATTACHMENT A

NAME (Block Letters):

POSITION HELD:

SIGNATURE OF WITNESS:

ADDRESS OF WITNESS:

NAME (Block Letters):

Company executive nominated to receive correspondence/inquiries

NAME (Block Letters):

TELEPHONE NUMBER:

FACSIMILE NUMBER:

ANNEX D TO ATTACHMENT A**FINANCIAL****1. INDICATIVE PRICE SCHEDULE**

- 1.1 Respondents should complete the Indicative Price Schedule in accordance with the Indicative Price Schedule Format at Table 1 or provide a draft pricing methodology or pricing model that they feel is relevant for informing RFP options.
- 1.2 Respondents are invited to provide more information than what has been requested as they feel appropriate, to demonstrate their understanding of the requirement and their capabilities, and to provide any other financial information relevant to their Proposal.
- 1.3 Indicative prices must be stated in Australian dollars. All indicative prices must be set at a date (the 'Base Date') that is 14 days prior to Proposal Closing Time specified in clause 3.4 of the SODR.
- 1.4 Indicative prices must be inclusive of all costs of complying with the SODR and associated with acquiring the Assets and carrying out all matters and doing all things necessary for the performance and completion of any resultant deed or contract for sale. These include fees relating to removal and transport of the Asset, removal or containment of hazardous substances (if required) and potentially licensing fees, arranging customs clearance and services of representatives.
- 1.5 Respondents must submit indicative prices inclusive of all overseas taxes, duties and charges and all Australian (Federal, State and Local Government) taxes, duties and charges that are applicable at the Base Date, including GST and customs duty.

ANNEX D TO ATTACHMENT A

Table 1: Indicative Cost (-) or Return (+) to Commonwealth or Gift

Disposal Method									
Asset	SALE (indicate preferred method below)					TRANSFER OF OWNERSHIP (indicate intended use of the Asset(s))			OTHER
	As a military vessel to another nation, subject to the Commonwealth's Treaty and Security obligations.	As a de-militarised and/or Sanitised vessel suitable for refit or on-sell to another Commonwealth organisation, another nation or commercial organisation.	As a vessel suitable for recycling.	As a vessel to an organisation for use as a historical exhibit.	As a vessel to an organisation for use as a recreational dive site and artificial reef.				Any other Compliant Disposal Method (Respondent to add additional columns as required).
Landing Platform Amphibious Class x 1									
Landing Craft Heavy Class x 6									
Landing Ship Heavy Class x 1									
Adelaide Class Frigates x 4									
Mine Hunter Huon Class x 2									

ANNEX D TO ATTACHMENT A

Disposal Method									
Asset	SALE (indicate preferred method below)					TRANSFER OF OWNERSHIP (indicate intended use of the Asset(s))			OTHER
	As a military vessel to another nation, subject to the Commonwealth's Treaty and Security obligations.	As a de-militarised and/or Sanitised vessel suitable for refit or on-sell to another Commonwealth organisation, another nation or commercial organisation.	As a vessel suitable for recycling.	As a vessel to an organisation for use as a historical exhibit.	As a vessel to an organisation for use as a recreational dive site and artificial reef.				Any other Compliant Disposal Method (Respondent to add additional columns as required).
Minesweeper Auxiliary Class x 2									
Sub Total Price by Disposal Method									
								Total Price	

Note to Respondents:

- a. *When completed, the Table above (Disposal Method), whilst indicating a price structure for the Commonwealth, will also be interpreted as an indication of Respondents interest in each Asset by Disposal Method.*
- b. *Where Respondents only wish to express interest for one platform per Asset (eg one of the Minesweeper Auxiliary Class), they are to indicate that option.*
- c. *Indicative Cost (-): If Disposal Method is expected to be at cost to the Commonwealth, indicate as a negative dollar figure.*
- d. *Return (+): If Disposal Method is expected to realise a return to the Commonwealth, indicate as a positive dollar figure.*

ANNEX D TO ATTACHMENT A

- e. *Transfer of Ownership: If a Respondent's interest is in Disposal by means of no cost Transfer of Ownership, for the purposes of this RFP, the total price is represented as a zero (0) dollar figure.***
- f. *Respondents are not required to respond to each method against each Asset; rather only the Assets they have a particular interest in.***

ANNEX D TO ATTACHMENT A**2. PRICE ASSUMPTIONS**

2.1 In addition to providing its indicative prices in accordance with Table 1, the Respondent must specify:

- a. any assumptions used to calculate its prices including:
 - (i) application of relevant Export duty;
 - (ii) application of GST and other relevant taxes;
 - (iii) use of GFM and GFF;
 - (iv) administrative overhead;
 - (v) profit expectations;
 - (vi) contingency for risk in performing any resultant deed or contract for sale; and
 - (vii) compliance with relevant ITAR and other such end-user requirements involving demilitarisation of the Assets;

Note to Respondents: The indicative prices should not include the cost of providing insurance and securities.

- b. any variables the prices are subject to (other than changes to the requirements or SODR or to the Respondent's liability and risk resulting from the negotiation and finalisation of any resultant contract) including:
 - (i) the indices the Respondent intends to apply to adjustments for fluctuations over time in the value of labour and materials and any other such variables;
 - (ii) how the Respondent intends to manage such variation; and
 - (iii) the rate(s) the Respondent intends to apply to adjustments for fluctuations in exchange rate; and
- c. details of the payment regime the Respondent would propose for any resultant contract as applicable.

ANNEX E TO ATTACHMENT A**PROJECT MANAGEMENT****1. PAST PERFORMANCE**

- 1.1 As an indication of their previous experience, Respondents should provide information on projects of a similar nature on which they have worked and include the following information:
- a. project name, location and procurement agency;
 - b. responsibility as either prime contractor/subcontractor;
 - c. description of asset disposed of or service provided;
 - d. contract (or subcontract) date; and
 - e. dollar value of contract (initial and latest agreed value).

2. DRAFT DISPOSAL MANAGEMENT PLAN

Note to Respondents: The Commonwealth needs to understand:

- a. how the Respondent plans to complete the proposed disposal options and achieve the requirements identified in the SODR;***
- b. the Respondent's relationship with any proposed subcontractors;***
- c. the Respondent's organisational structure;***
- d. the Respondent's approach to risk management; and***
- e. other topics addressed in the draft Disposal Management Plan.***

The level of detail should be sufficient for the Commonwealth to gain an assurance that the Respondent's Proposals for disposal are based on sound management principles and are achievable.

- 2.1 Respondents must provide a draft Disposal Management Plan which contains information on how it would manage its work for each disposal option under any resultant deed or contract of sale, including:
- a. an overview of how the Respondent intends to manage any proposed subcontractors;
 - b. what, if any, Commonwealth resources, including personnel and GFM, that it may require under their Proposal
 - c. how the Respondent will deal with transitional issues, if any;
 - d. how the Respondent will manage its personnel;
 - e. how the Respondent will integrate technical, cost and schedule planning and control; and
 - f. how the Respondent will adapt to any changes to delivery dates of the Assets.
- 2.2 The draft Disposal Management Plan, by Disposal Method, is to be developed with a draft Work Breakdown Structure to Level 3.
- 2.1 The Respondent must provide an indicative draft schedule. The draft schedule must contain as much detail as necessary to demonstrate an understanding of the work effort required to successfully achieve the end objective of any resultant deed or contract of sale. It should also be designed to assist the Commonwealth in determining the available disposal options. It is not designed to be a definitive schedule, rather a tool for the Commonwealth to assess the work required to undertake the proposed Disposal Methodology.
- 2.2 The draft schedule must identify any milestones and events that can be foreseen for the performance of any resultant contract and must include:
- a. an explanation of any contingency factored into the schedule;
 - b. identification of any milestones and events that are considered critical to the performance of any resultant deed or contract of sale;

ANNEX E TO ATTACHMENT A

- c. any milestones and events that require input from the Commonwealth or a third party in order that the schedule can progress; and
- d. any underlying assumptions.

3. RISK ASSESSMENT AND STRATEGY

3.1 To gain an understanding of the Respondents appreciation of the high level risks for each of their proposed disposal options, the Commonwealth requires Respondents to provide a draft risk assessment for the delivery of the disposal activities which:

- a. provides an overview of the risk management process and tools to be used;
- b. identifies the high level risks associated with the Proposal, including technical, commercial, legal, export, ITAR-related, financial, operational aspects and schedule risks;
- c. categorises those risks according to the likelihood and consequence of their occurrence; and
- d. in relation to each risk identified indicates whether the Respondent proposes to:
 - (i) reduce that risk, and if so through what mechanism;
 - (ii) accept that risk; or
 - (iii) transfer that risk, and if so to whom.

ANNEX F TO ATTACHMENT A**TECHNICAL/ENGINEERING****1. QUALITY MANAGEMENT**

- 1.1 The Respondent is required to provide evidence in their Proposal of the Quality Systems they have in place, or have used in past projects of a similar nature, and how these will be used to manage their proposed disposal process. This may or may not include such established Quality Systems as Quality Management System AS/NZS ISO 9001:2000 or meeting the requirements of AS/NZS ISO 9001:1994 and in transition to AS/NZS ISO 9001:2000.

2. HAZARDOUS SUBSTANCES AND OZONE DEPELETING SUBSTANCES

- 2.1 During the disposal of any Asset, the successful Respondent must comply, at its own costs, with all applicable laws and regulations dealing with disposal of Hazardous Substances. If required to be removed, the Hazardous Substances must be removed from the Asset(s) and disposed of by the Respondent in a safe and professional manner and in accordance with the requirements of any Government Agency, including all occupational health and safety requirements. The successful Respondent must also clean-up all locations where work under the resultant contract is performed, including the surface and any other material on or in which the Asset is situated, and remove and dispose of any residual Hazardous Substances. Respondents must provide evidence of their ability to meet this requirement.
- 2.2 Respondents must provide proof of their ability to comply with the requirements for dealing with hazardous and ozone depleting substances (clause 2.10 of the SODR).

3. ENVIRONMENTAL MANAGEMENT

- 3.1 The Respondent must provide a draft Environmental Management Plan that identifies the important environmental issues relating to the work to be performed under the Proposal, and describe how the Respondent intends to manage and meet environmental issues and requirements, including those relating to the transportation of the Asset.

4. HEALTH AND SAFETY MANAGEMENT

- 4.1 The Respondent is required to identify any and all significant health and safety issues relating to the work to be performed under the Proposal and describe how the Respondent intends to manage and meet health and safety issues and requirements in accordance with all relevant laws and regulations.

5. AUSTRALIAN INDUSTRY INVOLVEMENT

- 5.1 The Respondent must indicate the level, and to what extent, Australian Industry Involvement forms part of their Proposal.

ANNEX G TO ATTACHMENT A**ADDITIONAL RESPONSES AGAINST THE STATEMENT OF DISPOSAL REQUIREMENT****1. ADDITIONAL INFORMATION**

- 1.1 In addition to the information requirements in this RFP, Respondents may provide a short Business Case to support and justify the Respondent's submission on how they would conduct each disposal option. This may further support the Commonwealth in determining available disposal options. However the Commonwealth is not obliged to take such additional information into account.

Note to Respondents: Respondents should provide details of the Respondent's Proposal to meet the SODR, including its annexes, in this Annex excluding any financial, commercial, project management aspects or technical/engineering information specifically identified in the preceding annexes.

ANNEX H TO ATTACHMENT A**GLOSSARY****1. ACRONYMS AND ABBREVIATIONS**

Abbreviation	Description
A.B.N	Australian Business Number
A.C.N	Australian Company Number
ADF	The Australian Defence Force
A.R.B.N	Australian Registered Business Number
ASIC	Australian Securities and Investment Commission
AUD	Australian Dollar
CPGs	Commonwealth Procurement Guidelines – January 2005
Cth	Commonwealth
DI(G)	Defence Instruction General
DPPM	Defence Procurement Policy Manual, Updated 1 April 2011
DMO	Defence Materiel Organisation
GFF	Government Furnished Facility
GFM	Government Furnished Material
GFS	Government Furnished Services
GST	Australian Goods and Services Tax
HMAS	Her Majesty's Australian Ship
ITAR	International Trade in Arms Regulations
PMP	Project Management Plan
PDRL	Proposal Data Requirements List
MARPOL	International Convention for the Prevention of Pollution from Ships
RAN	Royal Australian Navy
RFT	Request for Tender
RFP	Request for Proposal
SODR	Statement of Disposal Requirement
UN	United Nations

2. DEFINITIONS

Term	Definition
Annex	means: a. an annex to attachment A to this RFP and includes any document expressly incorporated by reference as part of the annex; or b. an annex to the SODR to this RFP, and includes any document expressly incorporated by reference as part of the annex, as the context requires.
Asset	means the asset or assets described in Annex A to the SODR.

ANNEX H TO ATTACHMENT A

Term	Definition
Base Date	means for the purposes of this Request for Proposal only, the date that is 14 Calendar Days before the Proposal Closing Time as stated in clause 3.6.1 of the SODR.
Commercial-in-Confidence Information	means information that: <ul style="list-style-type: none"> c. is by its nature confidential; or d. the receiving party knows or ought to know is confidential; but does not include information which: <ul style="list-style-type: none"> e. is or becomes public knowledge other than by a breach of confidence by the receiving party; f. is in the possession of a party without restriction in relation to disclosure before the date of receipt; or g. has been independently developed or acquired by the receiving party.
Commonwealth	means the Commonwealth of Australia as represented by the Department of Defence ABN 68 706 814 312.
Contact Officer	means the person named in clause 3.5.1 of the SODR.
Defence	means the Department of Defence, the Australian Defence Force and its agencies including the Defence Materiel Organisation.
De-militarisation	means the activities specified in clause 2.4 of the SODR.
Hazardous Substance	means a substance which has the potential, through being used, to harm the health of persons as detailed in the National Occupational Health and Safety Commission (NOHSC) publication NOHSC: 1008 (2004) "Approved Criteria for Classifying Hazardous Substances" and the "Hazardous Substances Information System" (HSIS).
Historical Organisation	means an organisation specified in clause 2.5.2 of the SODR.
Proposal	means a formal response to the RFP
Proposal Closing Time	means the time and date specified in clause 3.6.1 of the SODR.
Respondent	means any person who submits or is considering whether to submit a Proposal to the RFP.
Request for Proposal or RFP	means this request for proposal, DMOFD/RFP0068/2011/1.
Sanitisation	means the activities specified in clause 2.4 of the SODR.
Working Days	in relation to doing an action in a place, means any day other than a Saturday, Sunday or public holiday in that place.

3. REFERENCED DOCUMENTS

Note to Respondents: This list is not exhaustive. Respondents are expected to understand and comply with appropriate rules, regulations, treaties and protocols as required.

ANNEX H TO ATTACHMENT A

Reference	Description
	<i>Corporations Act 2001 (Cth)</i>
CPGs	Commonwealth Procurement Guidelines – January 2005
AS/NZS ISO 9001:2000	Quality Management Systems
AS/NZS ISO 9001:1994	Quality Systems
DPPM	Defence Procurement Policy Manual
DSM	Defence Security Manual
	<i>Privacy Act 1988</i>
	<i>Competition and Consumer Act 2010</i>
	<i>Environment Protection (Sea Dumping) Act 1981 (Cth)</i>
	<i>Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention) as modified by the Protocol of 1996</i>
	<i>Environmental Protection and Biodiversity Conservation Act 1999 (Cth);</i>
	<i>Hazardous Waste (Regulation of Imports and Exports) Act 1989 (Cth)</i>
	Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
	<i>Protection of the Sea (Pollution from Ships) Act 1983 (Cth)</i>
	<i>International Convention for the Prevention of Pollution from Ships (MARPOL) as modified by the Protocol of 1978</i>
	<i>Sea Installations Act 1987 (Cth)</i>
	<i>London Convention and Protocol / UNEP Guidelines for the Placement of Artificial Reefs</i>
	<i>Basel Convention Technical Guidelines for the Environmentally Sound of Dismantling of Ships ("Basel Guidelines")</i>
	<i>International Maritime Organisation Guidelines on Ship Recycling Management (with the Basel Guidelines to prevail where there is any inconsistencies)</i>
	International Trade in Arms Regulations
	<i>1996 Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1992</i>