

Australian Industry Participation (AIP) plan summary – project phase

1. Project Details

| | Nominated project proponent: | Australian Rail Track Corporation (ARTC) |
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|--|------------------------------|--|

Project name:

Inland Rail Program (Program)

Description of the project:

Inland Rail is a fast freight backbone from Melbourne to Brisbane that will transform how we move goods around Australia.

It will provide for a transit time of 24 hours or less for freight trains between Melbourne and Brisbane via regional Victoria, New South Wales and Queensland.

Inland Rail will better link businesses, farmers and producers to national and global markets, generate new opportunities for industries and regions and ensure Australia can keep pace with the increasing freight demands of our growing population.

Comprising 13 individual projects and spanning more than 1,700 km, Inland Rail is the largest freight rail infrastructure project in Australia and one of the most significant infrastructure projects in the world.

The Program will support:

- i. 1.8km freight trains (with future proofing for up to 3.6km train lengths);
- ii. speeds of 115km/h for trains with 21 tonne axle loads, 80km/h for trains with 25 tonne axle loads, and future proofing for 80km/h at 30 tonne axle loads);
- iii. clearances of 7.1m for double stacked container operations; and
- iv. full interoperability with the interstate main line standard gauge network, and connectivity to regional rail networks in Queensland and New South Wales.

The Australian Government selected the Australian Rail Track Corporation (ARTC) to deliver Inland Rail, in partnership with the private sector. Construction started in late 2018 and the project is expected to be operational in late 2026*.

* The Program's completion date is an indicative estimate. The construction completion date will be determined by a number of variables, including the impacts of ongoing community consultation, ongoing design and development work, and regulatory approvals.

| Project | State | Procurement Commence | Construction Complete |
|----------------------------------|-----------------|-------------------------|--------------------------|
| Tottenham to Albury ¹ | Victoria | From Q2 2020 | From Q1 2025 |
| Albury to Illabo | New South Wales | From Q4 2022 | Q4 2024 |
| Illabo to Stockinbingal | New South Wales | Q3 2020 | Q4 2023 |
| Stockinbingal to Parkes | New South Wales | From Q4 2020 to Q2 2021 | From Q1 2021 to Q3 2023 |

Inland Rail Program

¹ Tottenham to Albury project in Victoria is being delivered by ARTC's Interstate Business Unit.



| Project | State | Procurement Commence | Construction Complete | |
|-------------------------------------|-----------------|-------------------------|--------------------------|--|
| Parkes to Narromine ² | New South Wales | Q2 2018 | Q4 2020 | |
| Narromine to Narrabri | New South Wales | Q3 2020 | Q4 2025 | |
| Narrabri to North Star | New South Wales | From Q3 2019 to Q2 2020 | From Q3 2024 to Q2 2025 | |
| North Star to NSW/Qld Border | New South Wales | Q3 2020 | Q3 2024 | |
| Border to Gowrie | Queensland | Q3 2020 | Q1 2026 | |
| Gowrie to Helidon | | | | |
| Helidon to Calvert | Queensland | Q1 2019 | Q4 2025 | |
| Calvert to Kagaru ³ | | | | |
| Kagaru to Acacia Ridge/Bromelton | Queensland | Q3 2022 | Q3 2024 | |

Estimated project value: \$9.3 billion

Project location:

The 1,700km route will link Melbourne and Brisbane via regional Victoria, New South Wales and Queensland.

The route uses the existing interstate line from Melbourne, Victoria to Illabo, New South Wales, which will be enhanced to accommodate double-stacked trains allowing them to carry up to twice as many containers.

A combination of new and enhanced tracks will then be used via Parkes, Moree, Toowoomba and Calvert, to reach the existing interstate line at Kagaru, and then to Acacia Ridge and Bromelton, south of Brisbane

Links to project information:

ARTC Inland Rail website - www.inlandrail.artc.com.au

TenderLink website - www.tenderlink.com/inlandrail

ICN Gateway website - https://gateway.icn.org.au

² Parkes to Narromine project in New South Wales is expected to be completed by Q4 2020.

³ Gowrie to Helidon, Helidon to Calvert and Calvert to Kagaru projects in Queensland are being delivered by a Public Private Partnership (PPP).



Project contact for procurement information:

Jason Manttan, Supply Chain Manager Email: <u>jmanttan@artc.com.au</u> Phone: 07 3016 3504

Other project proponents involved in the project: Not applicable.



2. Opportunities to supply goods and services

| KEY GOODS AND SERVICES | OPPORTUNITIES FOR AUSTRALIAN ENTITIES* | OPPORTUNITIES FOR NON-AUSTRALIAN ENTITIES |
|---|--|--|
| Goods | 1 | |
| Communications systems | Yes | Yes |
| Concrete | Yes | No |
| Fences and gates | Yes | No |
| High-density polyethylene (HDPE) pipes | Yes | No |
| Precast concrete products | | |
| - Reinforced concrete abutments, headstocks, wingwalls | Yes | No |
| - Reinforced concrete box culverts | Yes | No |
| - Reinforced concrete bridge decking | Yes | No |
| - Reinforced concrete bridge girders/ prestressed girders | Yes | No |
| - Reinforced concrete pipes | Yes | No |
| - Reinforced concrete pits | Yes | No |
| - Reinforced concrete tunnel segments | Yes | No |
| Quarry materials | | |
| - Ballast | Yes | No |
| - Gypsum and lime | Yes | No |
| Rail | Yes | Yes |
| Rail switching systems | Yes | Yes |
| Rail turnouts | Yes | Yes |
| Reinforced soil/earth structures/walls | Yes | Yes |
| Signage | | |
| - Rail signage | Yes | No |
| - Road signage | Yes | No |
| Signalling systems | Yes | Yes |



| KEY GOODS AND SERVICES | OPPORTUNITIES FOR AUSTRALIAN ENTITIES* | OPPORTUNITIES FOR NON-AUSTRALIAN ENTITIES |
|---|--|--|
| Sleepers | Yes | Yes |
| Steel | | |
| - Reinforcing steel | Yes | Yes |
| - Structural steel | Yes | Yes |
| Telecommunications equipment | Yes | Yes |
| Track monitoring systems | Yes | Yes |
| Tunnel boring machine | No | Yes |
| Tunnel ventilation systems | Yes | Yes |
| Services | · | |
| Accommodation | | |
| - Camp accommodation and associated services | Yes | No |
| - Hotels, motels and rentals | Yes | No |
| Civil works | Yes | Yes |
| Concreting | Yes | Yes |
| Construction | | |
| - Bridge construction | Yes | Yes |
| - Crossing construction | Yes | Yes |
| - Culvert construction | Yes | Yes |
| - Road construction | Yes | Yes |
| - Track construction/ rail works / track laying | Yes | Yes |
| Consulting | Yes | Yes |
| Demolition | Yes | No |
| Earthworks | Yes | No |
| Electrical works | Yes | No |
| - High voltage (HV) works | Yes | No |



| KEY GOODS AND SERVICES | OPPORTUNITIES FOR AUSTRALIAN ENTITIES* | OPPORTUNITIES FOR NON-AUSTRALIAN ENTITIES |
|---|--|--|
| Engineering design | Yes | Yes |
| - Environmental | | |
| - Environmental management services | Yes | No |
| - Environmental works | Yes | No |
| Geotechnical investigations and testing | Yes | No |
| Labour hire | Yes | Yes |
| Landscaping | Yes | No |
| Lime stabilisation | Yes | No |
| Piling | Yes | No |
| Plant and equipment hire – major e.g. heavy vehicles and construction equipment | Yes | No |
| Plant hire – minor (wet/dry hire) | Yes | No |
| Security | Yes | No |
| Signalling installation | Yes | Yes |
| Survey | Yes | No |
| - Detailed site survey | Yes | No |
| - Dilapidation survey | Yes | No |
| - Quantity survey | Yes | No |
| - Railway survey | Yes | No |
| Track Protection Officers / Railway corridor safe access | Yes | No |
| Traffic management/ control | Yes | No |
| Transport | Yes | No |
| Tunnelling | Yes | Yes |
| Utilities/ services location and relocation | Yes | No |
| Vegetation control | Yes | No |
| Viaducts | Yes | Yes |



*An Australian entity is defined in the Jobs Act as any entity with an ABN or ACN.

Disclaimer: The information provided in the table above is based on an initial assessment by the company. Any questions or issues should be raised with the project contact.

Explanation for item(s) in list above where it is indicated 'No opportunities for Australian entities'

The tunnel boring machines (TBMs) required for tunnelling work on the Project are complex heavy machines that are designed and built to order. Under the PPP contract, the Contractor will be responsible for procuring delivery of TBMs.

The Industry Capability Network (ICN) has advised ARTC that there are no Australian entities with the capability to produce TBMs, which means that they will need to be designed, manufactured and supplied by a leading international provider. ICN has provided ARTC with a list of TBM agents and suppliers of support and ancillaries in Australia which will be provided to the Contractor.

3. Standards applicable to Inland Rail

- ARTC will use Australia and New Zealand (ANZ) standards and codes 'or equivalent' in the formulation of specifications, tenders and the letting of contracts, wherever it is practicable to do so.
- ARTC maintains an extensive list of applicable rail design, construction, and operations and maintenance standards, procedures, guidelines and work instructions. These are recognised Australian and international standards in the rail sector and are published on ARTC's website www.artc.com.au/customers/standards. Such standards will apply for the Program and it is ARTC's experience that Australian entities have the ability to comply with them.
- In addition, successful contractors will be required, where applicable, to adhere to the following:
 - Australian Government Building and Construction (WHS) Accreditation Scheme, and/or
 - Code for the Tendering and Performance of Building Work 2016.
- > These requirements will be included in all applicable tender documents.

4. Australian Industry Participation (AIP) activities to be undertaken by the Project Proponent

- ARTC will communicate information about the Inland Rail Program and details of all available opportunities to supply goods or services on the following websites -
 - ARTC Inland Rail <u>www.inlandrail.artc.com.au</u>
 - TenderLink www.tenderlink.com/inlandrail, and
 - ICN Gateway <u>https://gateway.icn.org.au</u>

Information that will be communicated on these websites includes:

- requirements that potential bidders must satisfy
- standards for goods or services
- > details of all available opportunities to supply goods or services for the Program, and
- procurement contact officer's contact details.

Potential suppliers will be encouraged to create a profile and/or register interest against opportunities communicated on these websites.

ARTC will have a broad understanding of the capability and capacity of Australian entities generally to supply those goods or services required before requesting bids to supply goods or services.



- ARTC will consult with relevant vendor identification agencies, industry associations and professional bodies to help identify capable and competitive Australian entities suitable to supply goods or services to the Program.
- ARTC will host and/or participate in market sounding and industry/supplier briefing sessions, conferences and workshops to:
 - gather supply market intelligence related to the level of interest and awareness of the Program and capability and capacity to meet the likely demand, and
 - create awareness of, and provide information about, opportunities for Australian entities to supply goods or services to the Program.
- ARTC will prepare a supplier information guide and/or fact sheets and media releases/ statements that communicate information about the Program, including details for supply opportunities and how Australian entities can respond to these opportunities.
- Pre-qualification requirements will be published simultaneously with specific tender packages on the ARTC Inland Rail (<u>www.inlandrail.artc.com.au</u>) and TenderLink (<u>www.tenderlink.com/inlandrail</u>) websites in order to provide potential bidders with the same relevant information at the same time. This includes standards for key goods and services and contact information of the Program's Procurement Manager's.
- ARTC will implement procurement procedures that do not discriminate against Australian entities such as:
 - publishing the requirements that potential bidders must satisfy in order to bid to supply goods or services for the Program, at a reasonable time before the request for bids is made
 - ensuring that tenders are free from specifications or requirements that could limit opportunities for Australian entities and workforces (including identification of products, companies, brand names and services in designs and specifications)
 - presenting work packages so as to offer maximum opportunities for capable Australian suppliers to bid on all or part of the work.
 - communicating future project opportunities and registration of interest information to all potential bidders at the same time, in the same manner and with the same information
 - providing equal and reasonable timeframes for Australian and non-Australian entities to respond to requests for registrations of interest and tenders, and
 - structuring tenders for Australian and non-Australian entities on the same basis (e.g. ensuring that tenders are free from specifications or requirements that could limit opportunities for Australian entities and workforces, and
 - considering in their supply decisions, factors such as direct and indirect cost, reliability, maintainability, servicing and procurement administration costs including performance measurement, reporting and feedback mechanisms.
- Where appropriate, ARTC will encourage and facilitate the development of Australian entities by recommending that existing and prospective suppliers undertake training and/or accreditation to improve their capability and competitiveness.
- ARTC will actively promote supplier capability development programs and initiatives provided by government agencies and industry associations. Should gaps in supplier capability development programs/initiatives offered by government agencies and industry associations be identified, ARTC will engage professional service providers to facilitate workshops and provide mentoring support to upskill Australian entities for Inland Rail opportunities.



- ARTC will encourage the introduction of non-Australian suppliers into the Australian market where insufficient Australian capability and capacity exists. ARTC will ensure that any non-Australian suppliers are introduced to Australian suppliers through vendor identification agencies, industry associations and/or professional bodies.
- ARTC will advocate the use of Australian entities in Program tenders. Where insufficient Australian capability and capacity exists, ARTC will encourage:
 - > the introduction of global suppliers into the Australian market and
 - their involvement on the Program in conjunction with Australian entities.
- ARTC will facilitate strategic partnering and joint ventures between Australian and international suppliers where applicable.
- Where appropriate, and as requested, references in support of Australian entities can and will be provided where the supplier has consistently delivered in full on time and it can be determined that providing a reference will assist their longer-term participation in Australian and/or global supply chains.
- ARTC will communicate the outcome of procurement processes and provide feedback to unsuccessful and successful proponents at the conclusion of the applicable procurement process. Feedback to unsuccessful proponents shall include a summary of the strengths and weaknesses of their bids and how to improve their competitiveness including recommendations for relevant training and capability development activities. With respect to the successful proponent, if appropriate, feedback shall communicate reasons that helped them become the successful party along with any potential areas for improvement for future opportunities.
- ARTC will prepare and submit six-monthly reports to the AIP Authority which demonstrate how ARTC and its procurement entities have complied with the Program's Australian Industry Participation Plan and achieved Australian industry participation outcomes throughout Program and project delivery including the value and source of the work, services provided, and materials, goods and equipment procured.

5. AIP activities to be undertaken by procurement entities

ARTC shall require that its procurement entities fulfil all requirements of the Program's AIP Plan including:

- Having an employee who is designated as the procurement contact officer for Inland Rail projects. At a minimum, the contact details for Procurement Manager's and/or procurement contact officer's will be published on the ICN Gateway website (<u>https://gateway.icn.org.au</u>) and in tender documentation.
- Having a broad understanding of the capability and capacity of Australian entities generally to supply those goods or services required before requesting bids to supply goods or services for projects. ARTC will require procurement entities to engage with vendor identification agencies, industry associations and peak bodies to improve their understanding of small-to-medium enterprise capability and capacity to supply.
- Communicating information about the Inland Rail Program and details of all available opportunities to supply goods or services on the ICN Gateway website – <u>https://gateway.icn.org.au</u>.

Information that will be communicated on this website includes:

- requirements that potential bidders must satisfy
- standards for goods or services
- > details of all available opportunities to supply goods or services for the Program, and
- > procurement contact officer's contact details.



Potential suppliers will be encouraged to create a profile and/or register interest against opportunities communicated on this website.

- Actively seeking information on Australian entities' capability and communicating project opportunities to Australian entities in all stages of the project and through all tiers of supply as follows:
 - consulting with relevant vendor identification agencies, industry associations and professional bodies to help identify capable and competitive Australian entities suitable to supply goods or services to the Program
 - participating in and/ or host supplier briefing sessions to create awareness and provide information about opportunities for Australian entities to supply goods or services to projects, and
 - preparing supplier information guides and/or fact sheets and media releases/ statements that communicate information about the project, including details for supply opportunities and how Australian entities can respond to these opportunities.
- Implementing procurement procedures that do not discriminate against Australian entities such as:
 - publishing the requirements that potential bidders must satisfy in order to bid to supply goods or services for the Program, at a reasonable time before the request for bids is made
 - ensuring that tenders are free from specifications or requirements that could limit opportunities for Australian entities and workforces (including identification of products, companies, brand names and services in designs and specifications)
 - presenting work packages so as to offer maximum opportunities for capable Australian suppliers to bid on all or part of the work.
 - communicating future project opportunities and registration of interest information to all potential bidders in the same manner, at the same time
 - providing equal and reasonable timeframes for Australian and non-Australian entities to respond to requests for registrations of interest and tenders
 - structuring tenders for Australian and non-Australian entities on the same basis (e.g. ensuring that tenders are free from specifications or requirements that could limit opportunities for Australian entities and workforces, and
 - considering in their supply decisions, factors such as direct and indirect cost, reliability, maintainability, servicing and procurement administration costs including performance measurement, reporting and feedback mechanisms.
- Encouraging and facilitating the development of Australian entities by recommending that existing and prospective suppliers undertake training and/or accreditation to improve their capability and competitiveness.
- Actively promoting supplier capability development programs and initiatives provided by government agencies and industry associations. Should gaps in supplier capability development programs/initiatives offered by government agencies and industry associations be identified, procurement entities will engage professional service providers to facilitate workshops and provide mentoring support to upskill Australian entities for Inland Rail opportunities.
- Considering joint ventures involving Australian entities who elect to bid on tender packages where the joint venture/alliance could:
 - enable the participants to bid on larger work scopes, pool their financial and human resources (e.g. specialised staff) or spread risk
 - > provide a competitive solution to supplying services or materials to the Program



- provide an opportunity for one or more of the joint venture partners to gain new insights and expertise, and/or
- facilitate access to new technology, larger markets or to integrate into global supply chains (e.g. such as between Australian and non-Australian entities).
- Communicating the outcome of procurement processes and providing feedback to unsuccessful and successful proponents at the conclusion of the applicable procurement process. Feedback to unsuccessful proponents shall include a summary of the strengths and weaknesses of their bids and how to improve their competitiveness including recommendations for relevant training and capability development activities. With respect to the successful proponent, if appropriate, feedback shall communicate reasons that helped them become the successful party along with any potential areas for improvement for future opportunities.
- Reporting on Australian industry participation outcomes throughout project delivery, including value and source of the work, services provided, and materials, goods and equipment procured or manufactured, identifying the sources (by business name and location) into the local area, region, Australian State or Territory, and overseas. This information will be used to fulfil ARTC's reporting obligations under the Program's AIP Plan.