

# Market Led Proposals Policy

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Version	Date	Author	Change details
1	February 2018	Jason Robertson	Final
2	July 2021	Jason Finlay	Updated with reporting requirements as well as revisions to reflect updated agency

Acronyms	
The following acronyms are used in this document	
Acronyms	Full form
MLPP	Market-Led Proposals Policy
NTG	Northern Territory Government
UPP	Unsolicited Proposal Policy
JSC COORD	Job Standing Committee of Coordination
IT	Investment Territory
CM&C	Department of the Chief Minister and Cabinet

## Foreword

Private investment is critical to stimulating economic activity, creating jobs, growing labour force skills and expertise, and making the Northern Territory welcoming and liveable.

The Market-Led Proposals Policy (**MLPP**) provides an opportunity for the Northern Territory Government (**NT Government**) and the private sector to work together to meet the needs of Territorians.

The MLPP outlines the process for Proponents seeking to approach Government with Proposals that provide tangible benefits to the Northern Territory and provides guidance on how Proposals will be considered.

The MLPP makes it easier to do business in the Northern Territory and deliver great outcomes for both Proponents and the taxpayers by creating an interactive process between the NT Government and Proponents. The process aligns the effort and costs of the Proponent with the level of interest from the NT Government to develop Proposals that address Northern Territory priorities.

The MLPP recognises that every Proposal and Proponent is different and provides the NT Government with the flexibility to progress proposals in a way that delivers value-for-money for taxpayers, while providing certainty and advice to the private sector as early as possible to encourage good ideas to be developed and brought forward.

The government recognises the importance of protecting the Intellectual Property of proponents that bring forward truly innovative proposals. The MLPP incorporates a clear process around the identification and use of Intellectual Property and the obligations of the Proponent and the NT Government at each stage of the process.

NT Government welcomes Proposals that meet the MLPP criteria, and looks forward to working with private investors to generate private investment, sustainable economic growth and create jobs in the Northern Territory.

# What is a Market-Led Proposal?

## Introduction

The Northern Territory recognises the need for Government to work with the private sector to deliver services, infrastructure and projects through unique and innovative solutions.

The release of the MLPP follows a commitment in the Northern Territory Infrastructure Strategy to review the Unsolicited Proposal Policy (**UPP**). The MLPP is designed to allow Proponents to develop ideas and opportunities that would not otherwise have been considered or available to the Northern Territory, or would have been considered at a significantly later point in time.

The MLPP encourages the private sector to innovate and deliver services, infrastructure and projects that are in the public interest, while maintaining an open, transparent, fair and consistent process that adheres to high standards of probity and public accountability.

The MLPP came into effect in February 2018 and replaced the UPP entirely. The MLPP was amended in July 2021 to reflect changes in responsibility following Machinery of Government and to require monthly reporting to the Minister and quarterly reporting to Cabinet.

The MLPP sets out the requirements for a Market-Led Proposal (**Proposal**), how Proposals are assessed by the NT Government and the process used to progress worthy Proposals.

## Objectives

In implementing the MLPP the NT Government's objectives are to:

- generate private investment;
- drive opportunities for job creation in the Northern Territory;
- promote development of innovative ideas and strategies to advance economic development;
- ensure a fair and transparent process to advance private sector proposals.

## Market-Led Proposals

A Market-Led Proposal is a commercial proposal initiated and submitted by a private or non-government sector Proponent, to deliver infrastructure and/or services that will provide tangible benefits to the Northern Territory community.

For the purposes of this MLPP, a Proposal:

1. requires a financial or non-financial contribution from the NT Government (such as provision of land or access to NT Government assets, the granting of a concession or waiver of a right or the provision of resources and expertise by the NT Government)
2. is not in response to or pre-empting a NT Government request for proposal, expression of interest or other NT Government procurement action

The Market-led Proposals Policy is aimed at proposals that exceed \$10 million in value. Smaller proposals will also be considered under this policy at the discretion of the NT Government.

Proposals must meet a range of assessment criteria and will only proceed under the MLPP framework if it is in the public interest, meets the NT Government's objectives, and provides benefits to the community.

The MLPP process is not a means to circumvent regular procurement requirements.

## Application and Assessment Process

The NT Government acknowledges that the development of a Market-Led Proposal requires substantial time and resources.

To align the effort of the Proponent with the level of interest from the NT Government, the application process will be undertaken in stages:

- **Pre-submission Meeting**
- **Stage 1:** Initial Proposal
- **Stage 2:** Detailed Proposal
- **Stage 3:** Negotiations

A high-level application in the form of an Initial Proposal is submitted for assessment to enable the NT Government to determine whether the proposal should be considered further and the process to be used to progress the project.

This provides clarity for Proponents on how their proposal will be progressed before more time and resources are invested in developing a Detailed Proposal.

Proposals that are more appropriately dealt with through existing NT Government procurement actions will be refused MLPP status, and referred to the relevant NT Government agency for consideration. Government may also decide at this stage that the proposal does not merit progress at all.

## Delivery Process

The MLPP aims to facilitate and encourage unique and innovative solutions, while ensuring a robust process that delivers value-for-money for the Northern Territory. The NT Government will typically run a competitive process when purchasing services or infrastructure or when making NT Government assets available to the private sector. This is to ensure that process transparency and competitive tension delivers the best outcomes for the Northern Territory from the use of NT Government resources.

The Market-Led Proposals process recognises there may be occasions where there is justification and benefit to the NT Government in dealing exclusively with a single Proponent.

The NT Government recognises that every Proposal and Proponent is different and therefore the delivery process will reflect these specific circumstances. However, in broad terms, the NT Government will either deal exclusively with the Proponent to deliver the Proposal, or will, with the agreement of the Proponent, test the market to determine the capacity for others to deliver the Proposal.

## Exclusive Process

An Exclusive Process may be used where it is demonstrated that direct negotiations with the Proponent is in the public interest. The Proponent must clearly demonstrate that it meets the assessment criteria and warrants the NT Government entering into an exclusive arrangement outside of an open competitive process.

Proposals that are delivered through an exclusive process will, wherever possible, require Proponents to engage competitive tendering for project components to ensure value-for-money for the NT Government.

Once an Exclusive Process has been determined to be the most appropriate delivery method, the Proposal will either be delivered exclusively by the Proponent or not proceed. The Proposal will not be subject to a modified competitive process.

Attachment B contains more details about potential Exclusive Process approaches.

### **Modified Competitive Process**

The NT Government may consider undertaking a modified competitive process where it has been determined that the Proposal has sufficient merit and meets the assessment criteria, but the Proposal should be tested through a competitive market process.

A modified competitive process will be used to determine if other parties could deliver similar outcomes, within similar timeframes and for comparable value as to what has been proposed. The particular process will be determined on a case-by-case basis, with the agreement of the Proponent, depending on the nature of the Proposal.

### **Standard Competitive Process**

A standard competitive process is appropriate for projects where it has been determined that the Proposal is has sufficient merit but there are a range of other parties readily available that could deliver similar outcomes and with comparable value for the Northern Territory.

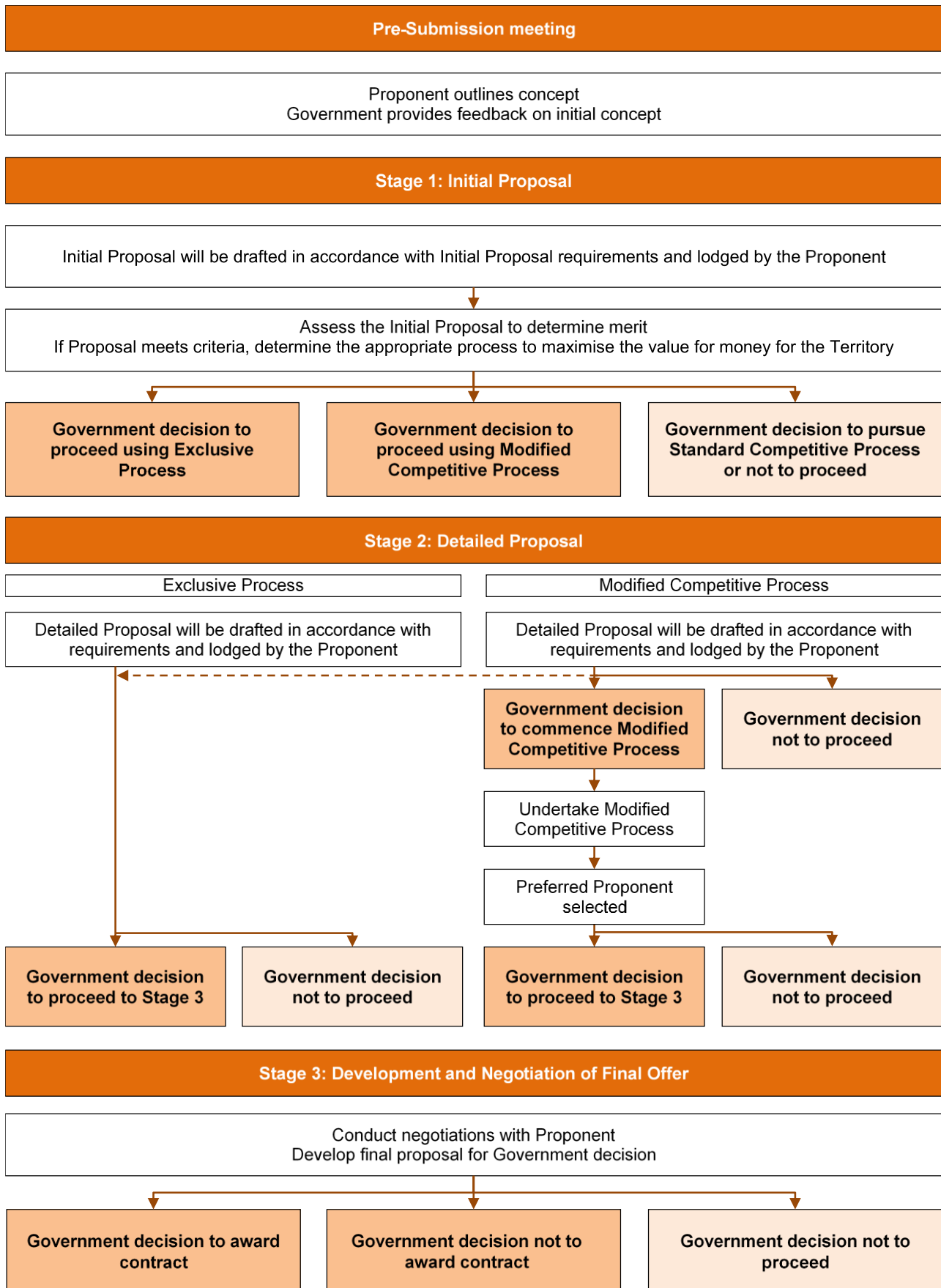
The NT Government will further investigate the proposal to determine whether there is merit in proceeding to a standard competitive tender process. The process will be conducted in accordance with standard government policies and outside the MLPP framework.

### **Reporting requirements**

Investment Territory will provide monthly reporting to the Minister and quarterly reporting to Cabinet in relation to the number of proposals accepted for assessment at stage 1 and progress through the subsequent stages.

# Process Overview

Figure 1: MLPP Process



## Governance

Details regarding the governance structure of the Market-Led Proposals process are provided below.

**Figures 2: MLPP Governance Structure**

	Stage 1 Initial Proposal	Stage 2 Detailed Proposal	Stage 3 Negotiation and Delivery
Decision	JSC COORD/ Cabinet	Cabinet	Cabinet
Recommendation	Senior Officers Group	JSC COORD	JSC COORD
Assessment	Investment Territory	Senior Officers Group	Senior Officers Group

### Jobs Standing Committee of Coordination

The Jobs Standing Committee (**JSC COORD**) comprises Chief Executive Officers from the primary NT Government economic development agencies including the Departments of:

- Industry, Tourism and Trade
- the Chief Minister and Cabinet
- Treasury and Finance
- Infrastructure, Planning and Logistics
- Corporate and Digital Development
- Environment, Parks and Water Security.

### Senior Officers Group

The Senior Officers Group comprises senior officers from the Departments of:

- the Chief Minister and Cabinet
- Treasury and Finance.

In addition, the Senior Officers Group will also include senior officers from relevant NT Government agencies as required with interest or experience in the specific Proposal.

### Investment Territory

The Investment Territory division of the Department of the Chief Minister and Cabinet (**CM&C**) is responsible for the administration of the MLPP including the initial assessment of a Proposal and providing a single point of contact for the Proponent.



## Pre-Submission Meeting

### Overview

The Pre-submission meeting provides the Proponents with an opportunity to discuss their concept or Proposal informally before submitting an Initial Proposal.

This process will help a Proponent to:

- assess whether the Proposal is likely to meet the requirements for a Market-Led Proposal
- test the Proposal's alignment with NT Government priorities
- consider whether the benefits of the Proposal are likely to warrant dedicating resources to progressing the Proposal
- prepare the required documentation for an Initial Proposal.

This process is mandatory and will guide Proponent consideration of resourcing commitments for an Initial Proposal.

### Proponent responsibilities

- The Proponent is required to provide sufficient information to inform the discussion and respond to requests for further information.
- The Proponent will be required to sign a formal commitment with respect to confidentiality, communication protocols and conflicts of interest.

### NT Government responsibilities

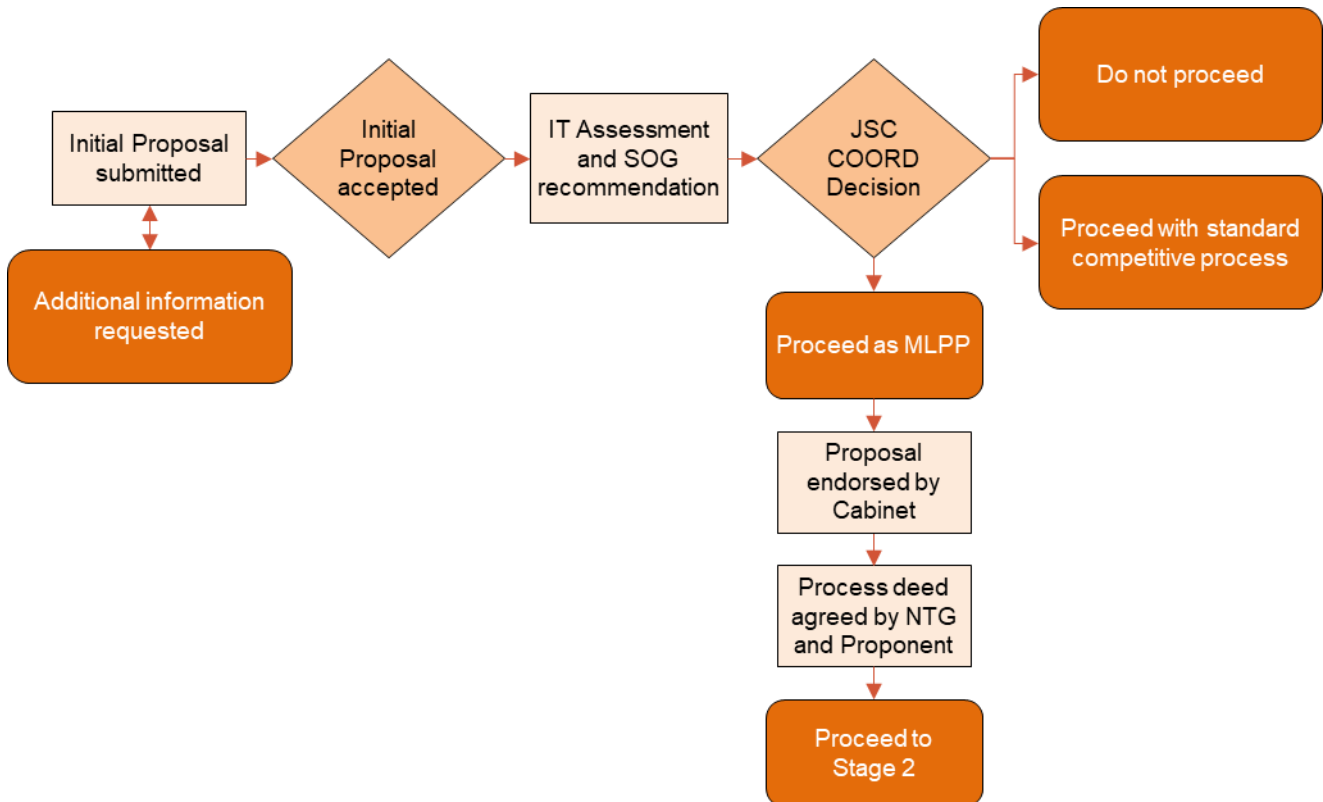
- Investment Territory CM&C, in conjunction with any other relevant Agencies, will provide feedback to the Proponent on the:
  - alignment of the concept with the MLPP
  - key aspects of the Proposal that warrant further consideration or development prior to submitting an Initial Proposal; and
  - other approval processes the Proponent may need to consider in the development of the Proposal.

## Stage 1: Initial Proposal

### Overview

The Proponent is required to provide a high-level Proposal that will allow the NT Government to make a decision as to whether to consider the Proposal in more detail and determine the appropriate process to deliver the Proposal.

**Figure 3: Initial Proposal Process (Stage 1)**



### Proponent responsibilities

- The Proponent is required to submit an Initial Proposal that clearly addresses each of the assessment criteria (refer Attachment A).
- The Initial Proposal should include information on whether the Proponent is seeking an exclusive mandate or is agreeable to going through a competitive process and justification for the approach proposed.

### NT Government responsibilities

- The NT Government will assess the Proposal in terms of its strategic priorities, innovation, likely benefit to the Northern Territory, and how it aligns with the assessment criteria.
- JSC COORD will make a decision as to whether or not to proceed to Stage 2 – Detailed Proposal and whether an exclusive or modified competitive process will be adopted if a decision is made to progress to Stage 2.

### Submission Acceptance

The Investment Territory CM&C will acknowledge receipt of a Proposal, determine whether the Proposal meets the conditions to be a Market-Led Proposal, addresses all assessment criteria and is otherwise a complete Proposal.

## Assessment

An Initial Proposal that is accepted will be assessed by Investment Territory CM&C, in consultation with any other relevant agencies, and provided to SOG to make a recommendation to JSC COORD as the decision making body.

JSC COORD will review the assessment and decide whether or not the Proposal should proceed to Stage 2. JSC COORD may consult with other relevant NT Government agencies as necessary. A decision by JSC COORD to proceed with a Proposal will be confirmed by Cabinet.

## Assessment Criteria

An Initial Proposal will be assessed against the following criteria. A guide on the submission requirements can be found at Attachment A.

### 1.1 Proposal Merit

#### 1.1.1 NT Government Priorities

The Proposal must be consistent with NT Government's strategic priorities and plans, satisfy a genuine community or economic need and be affordable in the context of competing budget priorities.

#### 1.1.2 Net public benefit

The Proposal must demonstrate that the expected public benefits (including economic, social and environmental outcomes) will exceed the costs associated with NT Government supporting the Proposal, including opportunities foregone.

#### 1.1.3 Project Feasibility

The Proposal must demonstrate how the commercial viability of the project will be achieved, including the level of NT Government support required.

### 1.2 Delivery Approach

#### 1.2.1 Allocation of Risk

The Proposal must identify key risks and demonstrate that the degree and nature of risks to be accepted by the NT Government (if any) are appropriate and acceptable.

#### 1.2.2 Capability and Capacity

The Proposal must demonstrate that the Proponent has the experience, technical expertise, and financial capacity to deliver its Proposal within the timeframe outlined in the Proposal.

#### 1.2.3 Process

The Proposal must demonstrate unique and innovative elements to justify an exclusive or modified competitive process.

## Outcomes

At the conclusion of the assessment process, the NT Government will advise:

- whether the Proposal will proceed to the next stage, and
- the delivery process the NT Government will use to progress the proposal (exclusive process or modified competitive process)

A Stage 2 Process Deed will be agreed that establishes the NT Government's requirements for the Detailed Proposal and outlines the key roles and responsibilities for the NT Government and the Proponent during Stage 2.

The Stage 2 Process Deed may include:

- the format of the Detailed Proposal, including the information required to be submitted and criteria against which the proposal will be assessed
- terms and conditions associated with the Detailed Proposal stage, including exclusivity, probity, consultation and confidentiality commitments
- high level principles and key commercial parameters on which the NT Government is prepared to progress consideration of the Proposal
- parameters around the identification and treatment of Intellectual Property
- for a modified competitive process, any cost reimbursement, the proponent will be given for bringing forward and developing the Detailed Proposal, if the project proceeds to competitive process
- timeframes for submission
- any other conditions for the process to proceed.

The Stage 2 Process Deed requires the agreement of the NT Government and Proponent for the Proposal to proceed.

In the event that a Proposal is rejected, the Proposal will not be eligible for further consideration until 12 months have elapsed since the Initial Submission was made by the Proponent.

### Disclosure

Those Proposals terminating at Stage 1 will be disclosed via aggregated data on the CM&C website, including the broad type of proposal and the reason for not proceeding with the Proposal.

Proposals proceeding to Stage 2 will be subject to high-level disclosure including:

- Name or organisation of Proponent
- Scope and benefits of the Proposal
- Rationale for undertaking an exclusive or modified competitive process.

### Timeframe

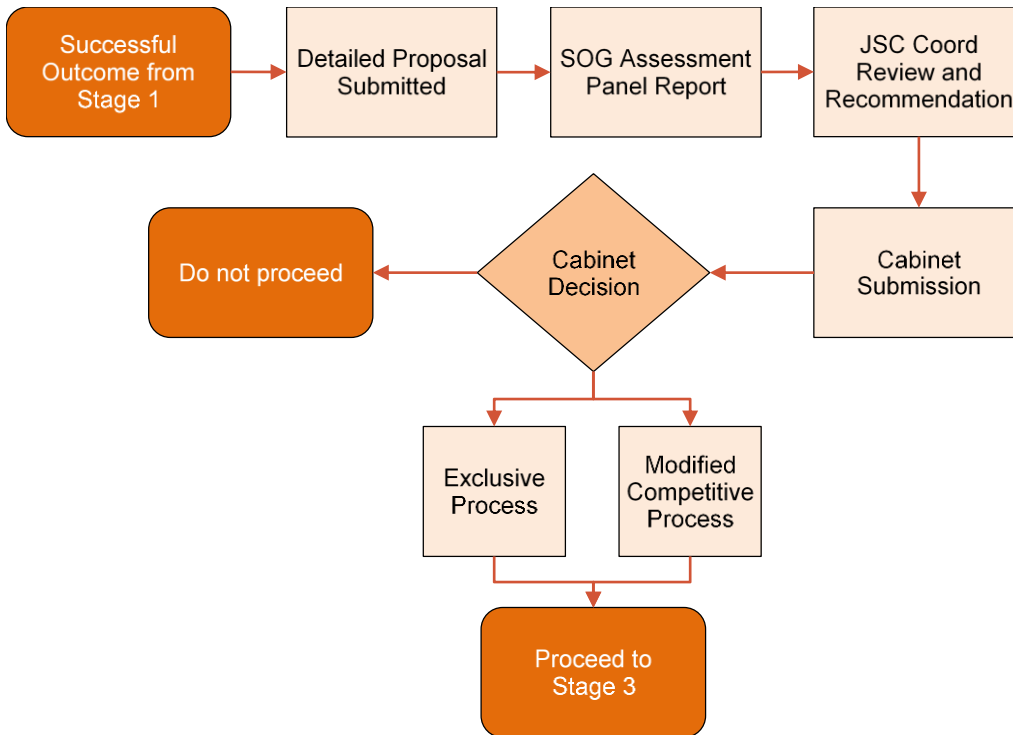
The Proponent can expect a response within three months of an Initial Proposal being accepted for consideration.

## Stage 2: Detailed Proposal

### Overview

The Proponent is required to submit a Detailed Proposal that clearly articulates detailed project parameters and requirements, including the basis on which it is prepared to contract with the NT Government to deliver the infrastructure, good or service.

**Figure 4: Detailed Proposal Process (Stage 2)**



### Proponent responsibilities

- The Proponent is required to develop a Detailed Proposal that allows for a robust evaluation against the assessment criteria (refer Attachment A for indicative project information requirements).
- Where requested by NT Government, the Proponent will provide additional information to assist in the assessment of the Detailed Proposal.

### NT Government responsibilities

- The SOG Assessment Panel will liaise with the Proponent and relevant NT Government agencies to ensure that all information required to assess the Detailed Proposal has been received.
- The Assessment Panel will assess the Proposal in accordance with the agreed Assessment Criteria.
- JSC COORD will consider the assessment undertaken and make a recommendation to Cabinet.
- Cabinet will determine whether or not to proceed to Stage 3 and the scope of the matters for negotiation.

## Assessment

The Detailed Proposal will be assessed by the SOG who will make a recommendation to the JSC COORD. The SOG may also engage appropriate expert advisors (e.g. legal, financial and technical) as required.

The JSC COORD will consider the SOG's report and provide a recommendation to Cabinet regarding the Proposal's suitability to proceed to Stage 3.

## Assessment Criteria

The criteria used to assess a Detailed Proposal will be established by the Process Deed entered into by the Proponent at the conclusion of Stage 1.

It is expected that the assessment criteria will generally include those set out below:

### 1.1 Net Public Benefit

The Proposal must demonstrate the expected public benefits will exceed the costs associated with supporting the Proposal, including the opportunity cost to NT Government.

### 1.2 Project Feasibility

The Proposal must demonstrate that the project is feasible, including consideration of the commercial, financial, legal, regulatory, technical, environmental, social, and practical feasibility of the Proposal.

### 1.3 Allocation of Risk

The Proposal must identify key risks and demonstrate that the degree and nature of risks to be accepted by NT Government (if any) is appropriate.

### 1.4 Capability and Capacity (Exclusive Process)

The Proposal must demonstrate that the Proponent has the experience, technical expertise, stability and financial capacity to deliver its Proposal within the timeframe outlined in the Proposal.

### 1.5 Execution Certainty (Exclusive Process)

The Proposal must be binding and capable of acceptance.

The Proponent may also be requested to provide information on additional items and any other relevant factors as determined by the NT Government.

A guide on the expected requirements can be found at Attachment A.

## Outcomes

Following consideration by the NT Government, the Proponent will be advised of the outcome of the assessment process and any next steps, or that it is not suitable for further consideration.

If the Proposal proceeds:

- for an exclusive process, the NT Government and Proponent will enter negotiations to agree the contractual arrangements to undertake the project including the components that will be subject to a competitive process
- for a modified competitive process, the NT Government will prepare the appropriate documentation and undertake a competitive process to determine the most suitable proposal in accordance with the Stage 2 Process Deed.

The NT Government will review and confirm the confidentiality, communication, negotiation and probity protocols through a Stage 3 Process Deed.

The Stage 3 Process Deed requires the agreement of the NT Government and Proponent for the Proposal to proceed.

In the event that a Proposal is rejected, the Proposal will not be eligible for further consideration by the NT Government until 12 months have elapsed since the Detailed Proposal was made by the Proponent.

### Disclosure

Proposals that do not proceed to Stage 3 will be disclosed on the CM&C website, including the reason for not proceeding with the Proposal.

Proposals proceeding to Stage 3 will have the previously disclosed information updated.

### Timeframe

The anticipated timeframe for the Detailed Proposals stage is four to six months. It is likely that Proposals progressed through an exclusive process will have a shorter timeframe than Proposals progressed via a modified competitive process.

## Stage 3: Development and Negotiation of Final Offer

### Overview

The Development and Negotiation of Final Offer involves the NT Government and the Proponent entering into negotiations to agree the contractual arrangements to undertake the project including the components (if any) that will be subject to a competitive process.

### Proponent responsibilities

- Participate in the negotiation process in accordance with the Stage 3 Process Deed.

### NT Government responsibilities

- Prepare the draft contractual documentation reflecting its legal and commercial principles, and the requirements and outcomes to be achieved in the Detailed Proposal as accepted by the NT Government under Stage 2, for the Proponent to review and comment.
- Advise the Proponent of its proposed timeframe for the negotiation stage and use best endeavours to achieve contractual close within these timeframes.

### Outcomes

At the conclusion of negotiations, the NT Government may decide to accept the terms of the final binding offer and execute the contract, or not accept the final binding offer at which time the Market-Led Process concludes.

Negotiations and contract conditions will be on terms and reflect a risk allocation that is acceptable to NT Government.

In the event that a final binding offer is not accepted, the Proposal will not be eligible for further consideration by the NT Government until 12 months have elapsed since negotiations between the NT Government and the Proponent ceased.

### Disclosure

Proposals that do not reach contractual close will be disclosed on the CM&C website, including the reason for not proceeding with the Proposal.

Proposals proceeding to contractual close will have a project summary published, providing an overview of:

- NT Government's rationale for progressing the project as a Market-led Proposal
- the process undertaken to reach contractual close, including the assessment process, governance arrangements and compliance with probity principles
- the economic, social and environmental impact of the project and the value for money received for the NT Government's contribution to the project
- the allocation of key project risks.

### Timeframe

The timeframe for Stage 3 will depend on the delivery process adopted, however will be set out in the Stage 3 Process Deed.



### **Example of Modified Competitive Process**

A large energy consumer located in a remote town in the Northern Territory put forward a Proposal to supply power to itself and the town using renewable energy at a lower cost than if the NT Government needed to supply energy to the town only. The Proposal includes the use of a new technology that the company has specific access to.

The Proposal has unique and innovative elements – including the Intellectual Property in the form of the new technology along with the unique ability to deliver the project due to their significant position in the town. However, the idea and outcome being delivered is not unique. As such, an Exclusive Process is unlikely to be justified under the MLPP.

The Northern Territory Government would seek to conduct a Modified Competitive Process to quickly determine the capacity of the market to deliver similar outcomes at similar levels of risk and cost.

The Northern Territory Government would protect any Intellectual Property of the Proponent.

## Terms and Conditions

### Confidentiality

The NT Government will be entitled to retain all Proposals and all correspondence and other materials received from the Proponent.

All documents and information provided by the Proponent will be maintained in accordance with probity protocols and requirements. The documentation and information provided will be held in confidence, except where disclosure is required for the purpose of compliance with NT Government reporting or audit requirements, or by law.

Information contained in Market-Led Proposals will be treated as commercial in confidence and the assessment process will be undertaken accordingly.

### Intellectual Property

Intellectual Property is defined as inventions, original designs and practical applications of ideas protected by statute law through copyright, patents, registered designs, trade secrets, and other confidential information protected against unlawful disclosure by common law and through additional contractual obligations such as confidentiality agreements.

It is a condition of submitting a Proposal that the whole or any portions of the Proposal may be used or reproduced in connection with the relevant assessment process. The Proponent must also identify what it considers to be Intellectual Property and the reason why it should be classified as such.

The NT Government and its agencies will use reasonable endeavours to protect genuine Intellectual Property of the Proponent.

The NT Government will recognise the need to protect the Proponent's Intellectual Property in the terms and conditions under which the NT Government and Proponent agree to submit a Detailed Proposal at Stage 2.

Where the NT Government chooses not to proceed with a Proposal and wishes to use the Proponent's Intellectual Property, the Proponent will be entitled to reasonable compensation subject to NT Government agreement. If an agreement cannot be reached, the NT Government will not use the Intellectual Property as part of any subsequent NT Government-led process.

A good idea is not Intellectual Property. For example, the concept of a driverless bus service between key business hubs or a driverless interactive hop on hop off vehicle service between tourist attractions, while offering a different and potentially innovative approaches to resolving traffic issues or providing new tourism experiences, would likely not be considered to be Intellectual Property, unless specific driverless bus or vehicle proprietary technologies are required to deliver project outcomes.

### Costs

Costs and expenses incurred by the Proponent associated with the development, preparation and submission of a Proposal, including but not limited to attendance at meetings, discussions, etc. as well as providing any information required by the NT Government will be borne entirely and exclusively by the Proponent.

### Submission and Assessment

The NT Government may, at any stage and without giving reasons, decide not to proceed to any subsequent stage or to contract execution.

Proponents must not make an approach to Ministers or other NT Government staff (other than the contact for the purpose of the Proposal) during the process. An approach to Ministers or other NT Government staff may result in exclusion from further consideration under this process.

### Delivery

The process to progress MLPs and the scope of any negotiations will be in accordance with this Policy, will be subject to strict protocols, and will not give rise to any right or expectation by the Proponent that NT Government will proceed to any subsequent stage or enter into a contractual relationship.

### Probity

NT Government seeks to conduct its commercial dealings with integrity. As a key element of governance, the assessment of Market-Led Proposals will be conducted in a fair, open, transparent manner with an accountable decision making process. The probity, rigour and robustness of NT Government public sector processes will be applied to all stages of assessment, decision making and contract finalisation.

The NT Government may decide, at its sole discretion, to appoint a Probity Advisor during some or all of the stages of the Market-Led Proposal assessment process.

### Conflicts of Interest

Proponents are required to declare any potential or actual conflicts of interest during NT Government's consideration of a Proposal or any subsequent negotiations.

### Consultation

Proposals will be subject to stakeholder, community, and public consultation as required and relevant to the nature of the Proposal.

### Procurement Act

The NT Government is bound by the *Procurement Act* in all procurement activities. Where a Market-Led Proposal or part of it is a supply for the purposes of the *Procurement Act*, NT Government must apply the Procurement Principles and follow the mandatory requirements, which may include seeking exemptions where justified and defensible.

### Information Act

All Proposals received under the Market-Led Proposals Policy will be treated as commercial in confidence.

Freedom of information provisions under the *Information Act (NT)* will apply to Proponents and NT Government's consideration of Proposals, unless exempt under the *Information Act (NT)*.

### Local Industry Participation and Aboriginal Training and Employment

The NT Government is committed to supporting local Northern Territory businesses. Proposals proceeding to Stage 2 will be required to outline how the local workforce will benefit from the Proposal and the opportunities it provides for local industry participation.

Where possible, the Proposal should also outline any steps that will be taken to increase Aboriginal participation and local suppliers in contract delivery.

## Submission Checklist

Information to be included by the Proponent when submitting a Market-Led Proposal is provided below.

### Stage 1: Initial Proposal Requirements

#### General information

Proposals must clearly identify:

- Organisation name and type (including ABN and the legal entity of the company)
- Contact details for evaluation purposes
- Any potential or actual conflicts of interest
- Title and abstract of Proposal
- Proprietary data relevant to the Proposal
- Total estimated Proposal value
- Proposed delivery process

Criteria	Key Requirements
<b>Proposal Merit</b>	
<b>1.1.1 NT Government Priority</b>	
The Initial Proposal must be consistent with NT Government's strategic priorities and plans and satisfy a genuine community or economic need.	Addresses a clear service or project need
	Outcomes to be delivered under the Proposal are not currently being considered as part of a NT Government process, or have not been considered previously
	Aligns with relevant NT Government policy and budget priorities
<b>1.1.2 Net Public Benefit</b>	
The Initial Proposal must demonstrate that the expected public benefits will exceed the costs associated with NT Government supporting the Proposal, including opportunities foregone.	Identifies the likely benefits and costs of the Proposal (including the economic, social and environmental impacts)
	Clearly articulates how the Proposal will benefit the Northern Territory (including any innovative elements)
	Demonstrates that the proposal is superior to other options for NT Government to achieve the stated benefits
	Clearly identifies the benefits and costs for impacted stakeholders

Criteria	Key Requirements
<b>1.1.3 - Project Feasibility</b>	
The Initial Proposal must demonstrate how the commercial viability of the project will be achieved, including the level of NT Government support required.	The Proposal includes consideration of financial, legal, regulatory, technical, environmental, social, and practical feasibility of the Proposal
	<p>The Proposal outlines any unique position or advantage, or ownership of strategic assets that significantly improves the commercial viability of the Proposal or outcomes to the NT Government, including:</p> <ul style="list-style-type: none"> <li>• rights under an existing contract</li> <li>• ownership of land, technology or software, or</li> <li>• exclusive access to or control over strategic assets.</li> </ul>
<b>Delivery Approach</b>	
<b>1.2.1 Allocation of Risk</b>	
The Initial Proposal must identify key risks and demonstrate that the degree and nature of risks to be accepted by NT Government are appropriate and acceptable.	The Proposal clearly identifies the key risks and how the risks are proposed to be managed
	The Proposal clearly identifies what risks are proposed to be borne by the NT Government and its agencies
<b>1.2.2 Capability and Capacity</b>	
The Initial Proposal must demonstrate that the Proponent has the experience, technical expertise, stability and financial capacity to deliver its Proposal within the timeframe outlined in the Proposal.	The Proposal includes the proposed financial, contractual and commercial strategies
	The Proposal includes evidence that the Proponent has sufficient financial and technical capacity to deliver the Proposal
	The Proposal includes examples of previous projects delivered as proof of capacity
<b>1.2.3 Delivery Process</b>	
The unique and innovative elements of the Initial Proposal must justify an exclusive or modified competitive process.	The Proposal details any unique approaches to manage significant project risks that warrants the use of the proposed delivery process
	The Proposal details the experience and capacity of the Proponent which warrants the use of the proposed delivery process
	The Proposal incorporates unique ideas or Intellectual Property to deliver a commercially viable Proposal
	The Proposal outlines how competition will be incorporated into the proposal to maximise value-for-money for the NT Government

## Stage 2: Detailed Proposal Requirements

While the following provides a guide, additional information may be requested on a case-by-case basis.

Criteria	Key Requirements
<b>2.1 Net Public Benefit</b>	
The Detailed Proposal must demonstrate the expected public benefits will exceed the costs associated with supporting the Proposal, including the opportunity cost to NT Government.	The Proposal includes the expected whole of life net economic benefit/costs of the Proposal to the Northern Territory
	The expected financial benefits/costs to the NT Government (including legislative, financial, or the use of Territory assets and land) have been quantified in the Proposal
	The Proposal considers the economic, financial, social and environmental impacts to the Northern Territory
	The Proposal includes details on the contribution required by the NT Government and how this might be repaid (either directly or indirectly through reduced costs or increased benefits to the NT Government), and the range of potential outcomes
<b>2.2 Project Feasibility</b>	
The Detailed Proposal must demonstrate that the project is feasible, including consideration of the commercial, financial, legal, regulatory, technical, environmental, social, and practical feasibility of the Proposal.	The Proposal includes a detailed financial model along with the key assumptions used that demonstrates the financial viability and bankability of the project
	The Proposal demonstrates the technical feasibility of the proposal including the management of any environmental and social impacts
	The Proposal clearly identifies the required level of financial support from the NT Government for the project to be commercially feasible, and any other approvals processes that may be needed to progress the Proposal (such as environmental regulatory approvals)
<b>2.3 Allocation of Risks</b>	
The Detailed Proposal must identify key risks and demonstrate that the degree and nature of risks to be accepted by the NT Government is appropriate.	The Proposal clearly identifies what the key risks are and how they are proposed to be managed
	The Proposal clearly identifies what will be required of the NT Government and its agencies to implement the Proposal
	The Proposal clearly identifies any direct/indirect costs or risks that may inhibit the delivery of the Proposal
<b>2.4 Capability and Capacity*</b>	
The Detailed Proposal must demonstrate that the Proponent has the experience, technical expertise, stability and financial capacity to deliver its Proposal within the proposed timeframe.	The Proposal includes the proposed financial, contractual and commercial strategies to deliver the Proposal
	The Proposal includes evidence that the Proponent has sufficient financial and technical capacity to deliver the Proposal
	The Proposal includes examples of previous projects delivered as proof of capacity

Criteria	Key Requirements
<b>2.5 Execution Certainty*</b>	
The Detailed Proposal must be binding and capable of acceptance.	The Proposal is capable of acceptance
	Conditions precedents to be met for the Proposal to be executed are reasonable and able to be achieved.
	The Proponent's genuine Intellectual Property has been clearly identified

\*Required for Exclusive Process only

## Exclusive Process Approaches

Type	Description	Suitability
Exclusive Negotiations	The NT Government enters into direct negotiations with the Proponent to deliver all of the Proposal.	There is limited capacity for others to develop and deliver the Proposal in a manner that delivers the same or better value for money for the NT Government.
Open book tender	The Proponent develops bid criteria and material for the tender of key Proposal elements.  The Proponent delivers the Proposal with key sub-contracts tendered on a competitive basis.	There is limited capacity for others to develop the Proposal and the NT Government does not have sufficient capability or resources to develop the technical criteria for the tender process.
Development Manager	The Proponent develops the project and conducts the tender process on behalf of the NT Government.  The NT Government may provide compensation to the Proponent for the idea, concept, or design of the Proposal.  The Proponent is not eligible to bid for the project.	The NT Government considers the Proponent has limited capacity to deliver the project.  There is limited capacity for others to develop the Proposal in a manner that delivers the same or better value for money for the NT Government.