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fast track information for clients

21 JULY 2017

Resource Management Guide 420: Mandatory Use of the Commonwealth Contracting Suite for Procurements under \$200,000 updated by Finance

Earlier today the Department of Finance updated Resource Management Guide 420: Mandatory Use of the Commonwealth Contracting Suite for Procurements under \$200,000. A copy of the updated RMG is available here:

<http://www.finance.gov.au/resource-management/index/rmg/>

The RMG requires non-corporate Commonwealth entities (NCEs) to use the Commonwealth Contracting Suite when purchasing goods or services valued under \$200,000 (including GST), unless exception applies. The updates released today have added to the list of the exceptions (see paragraph 9 of the RMG). The exceptions now include:

- no formal approach to market and/or contract is required
- it is industry practice to use the supplier's terms and conditions, and any resulting risks are acceptable to the Delegate and subsequently managed
- using a mandated whole-of-government arrangement or standing offer arrangement that prescribes particular contractual arrangements
- purchasing information and communication technology (ICT) goods and services
- conducting a procurement for construction works, specialist scientific equipment or specialist military goods or services
- the procurement utilises paragraph 2.6 of the CPRs
- a formal risk assessment indicates that a bespoke contract is required to manage specific risks of the individual procurement
- the procurement is significantly impacted by terms, conditions, guarantees and warranties implied by law into contracts which cannot be excluded, restricted or modified by agreement
- both procurement and delivery will take place outside Australia.

Where an NCE relies on an exception for a procurement, it would be good practice to record the basis for this reliance as part of the procurement documentation (consistent with paragraph 7.2 of the CPRs).

If you have any queries regarding your procurements, please contact AGS.

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