

PROJECT AGREEMENT FOR TOURISM ICON PACKAGE - CONSTRUCTION OF THE WANGETTI TRAIL

An agreement between:

- the **Commonwealth of Australia**; and
- the **State of Queensland**

The output of this project will provide for the construction of Stage 1 and part of Stage 2 of the Wangetti Trail in far north Queensland.

Project Agreement for Tourism Icon Package - Construction of the Wangetti Trail

OVERVIEW

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.

Purpose

2. This Agreement will support the delivery of Commonwealth funding of \$8 million towards the development of the Wangetti Trail in Queensland, including infrastructure construction and the advancement of Indigenous tourism partnerships.
3. This project is one of five projects that form the Australian Tourism Icons Package, a \$50 million Australian Government commitment to support the development of iconic tourism projects across Australia.

Reporting Arrangements

4. Queensland will report biannually against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

Financial Arrangements

5. The Commonwealth will provide an estimated total financial contribution to Queensland of \$8 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

6. This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

7. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of Queensland (Queensland).

Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and Queensland sign it and will expire on 30 June 2022 or on completion of the project, including final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

PART 2 – PROJECT OUTPUTS

Outputs

9. The outputs of this Agreement will be:
 - (a) Construction of the Mowbray River pedestrian bridge and trail works (Mowbray River to Port Douglas) – Stage 1, including:
 - i. Demolition of the Old Mowbray River Road Bridge
 - ii. Pedestrian bridge over the Mowbray River
 - iii. Viewing platform and underpass
 - iv. Mangrove experience boardwalk
 - v. Trail to Four Mile Beach and Flagstaff Hill in Port Douglas
 - (b) Construction of part of the remaining trail (Mowbray River south to Palm Cove, via Wangetti) – Stage 2:
 - (c) Advancement of Indigenous participation on the Wangetti Trail, including;
 - i. Cultural heritage agreements
 - ii. Indigenous Land Use Agreement (ILUA)
 - iii. Facilitation and development of Indigenous jobs and business opportunities associated with the construction and operation of the trail.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

10. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the Wangetti Trail under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (a) providing a consequent financial contribution to the States to support the implementation of this Agreement.
 - (b) in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2016 are only made where a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted; and
 - (c) ensuring that compliance with the Code for the Tendering and Performance of Building Work 2016 (Building Code 2016) is a condition of Australian Government funding.

Role of the States and Territories

11. Queensland will be responsible for:
 - (a) providing a financial contribution to support the implementation of this Agreement;
 - (b) all aspects of delivering on the project outputs set out in this Agreement;
 - (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (d) ensuring that only a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth; and
 - (e) ensuring that compliance with the Building Code 2016 is made a condition of tender for and performance of building work by all contractors and subcontractors, and providing the necessary assurances to the Commonwealth.

Shared roles

12. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

13. Table 1 summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.

Table 1: Performance requirements, reporting and payment summary

Project Agreement for Tourism Icon Package - Construction of the Wangetti Trail

Outputs	Performance milestones	Report due	Payment
Construction of the Mowbray River pedestrian bridge and trail works (Mowbray River to Port Douglas) – Stage 1	Site Investigations, Design, Environmental Planning and Approvals commenced	30/11/2019	\$1.1m
	Contracts awarded and construction commenced of the Mowbray River pedestrian bridge and associated works	30/07/2020	\$2.7m
	Contracts awarded and construction commenced of the trail from Mowbray River north to Port Douglas	31/12/2020	\$1.15m
	Construction completed for the trail from Mowbray River to Palm Cove and the pedestrian bridge and associated works	01/04/2022	\$0.5m
Construction of part of the remaining trail (Mowbray River south to Palm Cove, via Wangetti) – Stage 2	Contract awarded and construction commenced for the trail (Mowbray River south to Palm Cove)	31/10/2020	\$1.6m
	Construction completed for part of the trail (Mowbray River south to Palm Cove)	01/04/2022	\$0.5m
Advancement of Indigenous participation on the Wangetti Trail	Mowbray River Pedestrian Bridge and associated works - Stage 1: - Cultural Heritage Protocol in place	30/11/2019	\$0.05m
	For Stages 1 and 2: - Workshops and meetings facilitated with Traditional Owner Groups to negotiate terms of the Cultural Heritage Agreements, Indigenous Land Use Agreements, and develop business opportunities associated with the construction and the operation of the trail - Cultural Heritage Agreements signed and lodged - Indigenous Land Use Agreements signed and lodged	01/04/2020	\$0.2m
	For Stage 2: - Private Operator transaction process commenced with involvement of Traditional Owner Groups, including facilitation of meetings with bidding private sector operators	31/10/2020	\$0.2m

14. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

Reporting arrangements

15. Queensland will provide performance reports in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description of actual performance in the period to date against the project milestones.

PART 5 – FINANCIAL ARRANGEMENTS

16. The Commonwealth will provide an estimated total financial contribution to Queensland of \$8 million in respect of this Agreement. All payments are GST exclusive.
17. The Commonwealth's funding contribution will not be reduced where Queensland secures funding from other activity partners.
18. The Commonwealth's and Queensland's estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2019-20	2020-21	2021-22	Total
Estimated total budget	4.4	15.5	27.0	46.9
Less estimated National Partnership Payments	1.35	5.65	1.0	8.0
Balance of non-Commonwealth contributions	3.05	9.85	26.0	38.9

(a) Notes: Queensland's contribution commenced in 2018/19 (\$0.3 million) and will extend to 2022-23 (\$2.1 million) making a total contribution of \$41.4 million toward the project.

19. Having regard to the agreed estimated costs of projects specified in this Agreement, Queensland will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, Queensland bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Queensland to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

20. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Variation of the Agreement

21. The Agreement may be amended at any time by agreement in writing by both the Parties.

22. Bilateral schedules to this Agreement that have no impact on other Parties may be amended at any time by agreement in writing by the relevant Commonwealth and State portfolio ministers.

Delegations

23. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

24. Either Party may give notice to the other Party of a dispute under this Agreement.
25. Officials of both Parties will attempt to resolve any dispute in the first instance.
26. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

The Parties have confirmed their commitment to this agreement as follows:

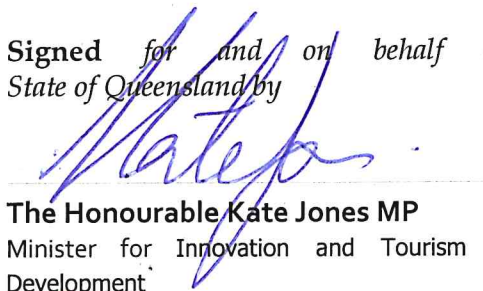
*Signed for and on behalf of the Commonwealth
of Australia by*



Senator The Honourable Jonathon Duniam
Assistant Minister for Regional Tourism

11 October 2019

*Signed for and on behalf of the
State of Queensland by*



The Honourable Kate Jones MP
Minister for Innovation and Tourism Industry
Development

28th October 2019
NOVEMBER