

PROJECT AGREEMENT FOR TOURISM ICON PACKAGE - UPGRADE OF TOURIST FACILITIES AT FREYCINET

An agreement between:

- the Commonwealth of Australia; and
- the State of Tasmania

The output of this project will be upgrades to sustainable visitor infrastructure at Freycinet and an Aboriginal education program.

Project Agreement for Tourism Icon package - upgrade of tourist facilities at Freycinet

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 \$7.2 million for sustainable visitor infrastructure that enhances tourism facilities, amenities and experiences at Freycinet. This includes funding a new Visitor Gateway transit hub, a second lookout over Wineglass Bay, a new foreshore walk connecting Coles Bay to the National Park and implementing an Aboriginal education program that assists the Tasmanian Aboriginal community to increase the cultural understanding of visitors and tourism providers.
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. Tasmania will report 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 Tasmania of \$7.2 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 Tasmania (Tasmania).

Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and Tasmania 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 a new Visitor Gateway Transit Hub and Car Park (\$5.7m);
 - (b) construction of a Second Wineglass Bay Lookout and Return Loop Track (\$450k);
 - (c) construction of a Foreshore Walk connecting Coles Bay to the National Park (\$400k); and
 - (d) implementation of the Freycinet Coast Tasmanian Aboriginal Education Program (\$650k).

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 Freycinet Tourism Icon Project under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to Tasmania to support the implementation of this Agreement;
 - (c) 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
 - (d) 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. Tasmania will be responsible for:
- (a) providing a financial contribution to support the implementation of this Agreement, as outlined in Table 2;
 - (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

Outputs	Performance milestones or benchmarks	Report due	Payment
Construction of a new Visitor Gateway Transit Hub and Car Park	Detailed design and engineering complete and approvals obtained	30/04/2020	\$0.1m
	Contract awarded and commencement of site works for new visitor gateway transit hub and car park	31/10/2020	\$0.4m
	Completion of civil works and in ground services, car park and lower ground slab	1/04/2021	\$2.6m
	Construction complete and certificate of occupancy issued	30/11/2021	\$2.6m
Construction of a Second Wineglass Bay Lookout	Detailed design and engineering complete and approvals obtained	24/12/2019	\$0.05m
	Contract awarded and commencement of construction of lookout and loop track	30/04/2020	\$0.3m
	Completion of lookout and loop track and certificate of completion issued	31/10/2020	\$0.1m
Construction of Foreshore walk to Coles Bay	Detailed design complete and approvals obtained	30/04/2020	\$0.03m
	Contract awarded and commencement of construction of lookout and loop track	31/10/2020	\$0.27m
	Completion of track and certificate of completion issued	1/04/2021	\$0.1m

Implementation of the Aboriginal Education and Discovery Ranger Initiative	Recruitment of staff, including the Education Coordinator and Discovery Rangers and conduct an Aboriginal culture awareness forum with East Coast Regional Tourism Organisations (RTOs) and nature based tourism operators	30/04/2020	\$0.15m
	Commencement of the design and interpretation materials within the Visitor Gateway and commence delivery of tailored training programs with East Coast RTOs and operators	30/04/2020	\$0.25m
	Completion of interpretation works	1/04/2021	\$0.25m

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. Tasmania 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 Tasmania of \$7.2 million in respect of this Agreement. All payments are GST exclusive.
17. The Commonwealth’s funding contribution will not be reduced where Tasmania secures funding from other activity partners.
18. The Commonwealth’s and Tasmania’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	0.88	3.72	2.60	7.20
Less estimated National Partnership Payments	0.88	3.72	2.60	7.20
Balance of non-Commonwealth contributions	0.0	0.0	0.0	0.0

(a) Note: Tasmania is contributing over \$2.5 million towards a number of complimentary projects at Freycinet.

19. Having regard to the agreed estimated costs of projects specified in this Agreement, Tasmania 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, Tasmania 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 Tasmania 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. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

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:

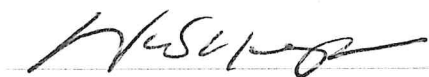
*Signed for and on behalf of the Commonwealth
of Australia by*



Senator The Honourable Jonathon Duniam
Assistant Minister for Regional Tourism

11 October 2019

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



The Honourable Will Hodgman MP
Premier of Tasmania and Minister for Tourism,
Hospitality and Events

11 October 2019