



The Proposed Works

Purpose

- 2.1 The purpose of the proposed work is to provide a new purpose-built building to serve as Australia's permanent mission to Burma. The building will house DFAT, the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), the Australian Agency for International Development (AusAID) and the Australian Federal Police (AFP).¹

Need

- 2.2 The existing Australian Chancery in Rangoon is housed in a leased two-storey building at 88 Strand Road in central Rangoon. The lease on the current chancery commenced in 1956 and operates under permissive occupancy arrangements, which provide no security of tenure. The building was constructed in 1901 as an annexe to the Strand Hotel and

1 Appendix C, paragraphs 1.1 and 2.3

despite a number of refurbishments over the years, no longer meets modern standards in respect of:

- security set-back;
- access;
- building services;
- efficient workspace needs;
- Building Code of Australia (BCA) requirements; or
- occupational health and safety (OH&S).²

Scope

2.3 The proposed works encompass the following elements:

- construction of a two-storey, 1,170 square metre chancery building designed to meet DFAT and tenant agency requirements;
- controlled pedestrian and vehicular access, including guard-booth upgrade;
- security requirements, including a secure compound for the whole site and separate controlled staff entry to the building;
- internal roads and car parking;
- engineering services including mains electricity and on-site substation, stand-by generator, water reticulation/storage and treatment, storm water drainage, on-site sewage treatment and telecommunications;
- integrated fit-out to tenant specifications, including security measures, fixed work-stations, fixed partitions and doors, compactus storage units, window treatments and floor coverings, ablutions, tea rooms, and tenant-specific modifications to building services.³

2.4 The construction project does not include provision of loose furniture or general office equipment, which will be supplied by the tenant agencies.⁴

2 Appendix C, paragraph 3.1

3 *ibid*, paragraphs 12.1 – 12.6

4 *ibid*, paragraph 12.7

Project Delivery

- 2.5 It is proposed that the project will be delivered via a traditional design, documentation, tendering and contracting process. DFAT believes that this methodology will ensure optimum value for money and will allow DFAT to retain control of all project delivery stages. DFAT intends to award a single contract for the construction and fit-out works and will call for tenders from a shortlist of pre-qualified contractors following advertising in Australia, Thailand and Burma. As the local construction industry is primarily involved in relatively small projects, it is anticipated that the preferred contractor will be an international company with experience in the region and local contract partners. DFAT proposes that the lump-sum contract would be managed and superintended by a project management company with international experience, supported by in-country partners. These consultants would bear responsibility for the acquisition of local approvals and would, as a contractual condition, manage any currency fluctuation and escalation risks.⁵
- 2.6 DFAT proposes that, subject to Parliamentary approval, works would commence in September 2006, with practical completion and occupation scheduled for March 2008.⁶

Cost

- 2.7 The estimated project cost is \$12.87 million, based on July 2004 costs escalated to construction. The estimate includes:
- construction costs;
 - consultants' fees;
 - project management;
 - supervision; and
 - site office expenses.⁷
- 2.8 It does not include:
- workstations;

5 Appendix C, paragraphs 29.1 – 29.5

6 *ibid*, paragraph 30.1

7 *ibid*, paragraph 28.1

- furniture;
- artworks;
- white goods;
- interest charges; or
- Burmese Government import duties.⁸