Senate Finance and Public Administration Legislation Committee ANSWERS TO QUESTIONS ON NOTICE ADDITIONAL ESTIMATES 2012-2013

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 1/1.1

Topic: Procurement Processes and the National Carbon Offset Scheme

Senator: Xenophon

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Question:

Is there a requirement for certification to the National Carbon Offset Scheme (NCOS) to be considered in value for money procurement processes?

Answer:

The requirement for certification to the National Carbon Offset Scheme (NCOS) in value for money assessments is not specifically required to be considered in procurement processes.

The Australian Government's procurement framework is underpinned by the Commonwealth Procurement Rules (CPRs). The CPRs outline the rules for procurement and the requirements that procuring officials must undertake when conducting a procurement.

Value for money is the core principle underpinning the Australian Government procurement framework. This means that all relevant financial and non-financial costs and benefits should be taken into account over the entire life of the procurement to inform a value for money assessment. The CPRs note that environmental sustainability (such as energy efficiency and environmental impact) is one of the factors relevant in determining value for money.