

Standard VIPP Process for Bidders

What is the Victorian Industry Participation Policy?

The Local Jobs First Victorian Industry Participation Policy (VIPP) is an industry development procurement policy established under the *Victorian Industry Participation Policy Act 2003*. The policy is designed to ensure local small and medium enterprises (SMEs) are given full and fair opportunity to compete for Victorian government contracts, while still ensuring value for money, competitiveness and transparency. By leveraging government procurement, the VIPP generates local jobs and boosts Victoria's economic activity.

What are the VIPP requirements?

The Victorian Government applies the VIPP to procurement activities that meet or exceed the following monetary thresholds:

- \$1 million in regional Victoria
- \$3 million in metropolitan Melbourne or for state-wide activities

For standard VIPP projects, tender documents should specify that shortlisted bidders are required to maximise local content and submit a VIPP Plan. A VIPP Plan outlines the levels of local content and local employment numbers that would arise if their bid were successful. VIPP Plans require acknowledgement by the Industry Capability Network Victoria prior to submission of the tender response.

Who is the Industry Capability Network Victoria?

The Industry Capability Network (ICN) Victoria is a not-for-profit organisation funded by the Victorian Government to administer the VIPP.

ICN Victoria plays a key role in liaising with government agencies and bidders on VIPP-applicable projects and procurements and publishing a forward plan of Victorian Government strategic projects to ensure local suppliers have an opportunity to register interest in upcoming government projects.

ICN Victoria administers the [VIPP Management Centre](#), an online system developed to manage the application of VIPP by suppliers and government agencies.

How can ICN Victoria assist with the standard VIPP process?

ICN Victoria's services are available at no cost to support suppliers and government buyers through the VIPP process. Specifically ICN Victoria can assist with:

- identification and selection of products and services that meet the contract requirements on a best value basis
- monitoring and reporting on the outcomes for local industry involvement.

What other services does ICN Victoria provide?

ICN Victoria can assist businesses, particularly SMEs, through:

- its expert knowledge in local industry capability
- matching local SMEs to business opportunities identified from ICN Victoria's diverse activity range
- connecting Victorian businesses to significant opportunities from major Australian projects
- ICN Gateway, an online portal for buyers and suppliers to connect with business opportunities
- fee-based services as an enhancement to government-funded services

What is the standard VIPP process?

If a Government procurement activity meets the VIPP requirements, all shortlisted bidders are required to submit a VIPP Plan and VIPP Acknowledgement Letter with their tender response. The VIPP Plan must be submitted to ICN Victoria for Acknowledgment online via the VIPP Management Centre; no other method of submission can be accepted.

To create your VIPP Plan and receive your VIPP Acknowledgement Letter, follow these steps:

1. Visit the VIPP Management Centre (VMC) www.icnvic.org.au/vipp and register a new account by selecting '**Register as a NEW Tenderer**' or login to your existing account if you have already one.
2. Select '**Add new Plan**' from your VMC dashboard to start a new VIPP Plan. This will open the online VIPP form where you will be prompted for information throughout the process.
3. Search for the relevant tender by typing the name of the tender or the tender reference number in the appropriate field and select it from the drop down list before proceeding.

If you are unable to find the tender, select 'Can't find Tender' and complete the enquiry form to send an email enquiry or call ICN Victoria on 03 9864 6700 for assistance.

4. Following your selection of the relevant tender, you will be asked a series of questions relating to local industry participation, all of which must be answered in order to receive acknowledgement.

During this stage, you will be asked if you would like VIPP Assistance to maximise local content commitments for the products and services you intend to supply. This step is optional. If you choose not to seek assistance the VIPP Plan will be automatically submitted for acknowledgement upon completion. If you seek localisation assistance please allow sufficient time as the process can take two to three business days (per review) depending on the complexity of the project.

5. When you are ready, simply submit your completed VIPP Plan for acknowledgement via the VMC.

As the tender response will not be complete without the VIPP Acknowledgement Letter, you should allow two to three business days for your plan to be reviewed by ICN Victoria.

6. Once your plan has been reviewed and acknowledged by ICN Victoria, simply submit your VIPP Plan and Acknowledgement Letter to the department or agency with your tender response.

What questions will I be asked on the VIPP Plan?

You will be asked the following questions on your VIPP Plan.

1. What are the local content commitments of your contract? Including the potential brand, potential supplier, percentage of local content and percentage of contract value for each item.
2. What employment, including apprentices and trainees, will be created and retained as a result of winning the contract?
3. How will you identify local products and capabilities that meet contract requirements?
4. How do you assess and compare local products and capabilities with overseas equivalents?
5. What are your policies and procedures for product and service selection?
6. How will you monitor and report on outcomes for local industry involvement?

Where can I find more information?

The Department of Economic Development, Jobs, Transport and Resources have developed a VIPP Supplier Guideline to help tenderers with the VIPP process. ICN Victoria recommends you download this document from their website www.dsdbi.vic.gov.au/vipp. The Department also have a list of FAQs on their website which may be useful in gaining a better understanding of the VIPP.

You can contact ICN Victoria for assistance with VIPP by phone on 03 9864 6700 or by email at vippnotify@icnvic.org.au.