



National Farmers' Federation Request for Quotation (RFQ)

ON-FARM FINANCIAL RISK MANAGEMENT PROJECT: SUB-PROJECT 6 – GOVERNMENT FARM FINANCIAL RISK MANAGEMENT MEASURES

This Request for Quotation (RFQ) is seeking services to examine and report on Australian and international government farm financial risk management measures as part of the National Farmers' Federation (NFF) On-farm Financial Risk Management Project.

The aim of this sub-project is to identify and describe Australian government farm financial risk management measures (eg. taxation measures etc.) and those maintained by governments in other major developed countries, and to make recommendations on how Australian government measures could be improved and or expanded.

Individuals or organisations making a submission are required to have an understanding of Australian and international government farm finance risk management policies and measures and the Australian agriculture sector.

Background

On 18 July 2019, the NSW Government announced it would allocate funds to work with the National Farmers Federation and identify potential models that could be used to protect farmers against income loss in future droughts or even natural disasters.

The Project is focused on the following 7 sub-projects:

Sub-Project 1: Commercial and Government-subsidised insurance options

Sub-Project 2: Forward contracts, futures, options and swap markets and associated product options

Sub-Project 3: Mutuels and Co-operatives

Sub-Project 4: Financial risk management options – awareness and education

Sub-Project 5: Off-farm income and assets

Sub-Project 6: Other government risk management measures including tax, and cyclical income based stabilisers

Sub-Project 7: Overall Project coordination, data collection, report summary and recommendations, and communications

This RFQ is for Sub-Project 6 but Respondents may submit quotes for more than one project.

Sub-Project requirements



Respondents must include in their quotation:

- 1) Evidence that they have the relevant expertise to address the project topic;
- 2) Evidence of previous comparable project experience;
- 3) A statement regarding their ability to complete the project in the designated time, including relevant resourcing;
- 4) An outline of their strategic approach to completing the project;
- 5) An outline of the structure of the report;
- 6) A description of how they will form and engage with farmer reference groups;
- 7) A description of how they will source information and data for the project; and
- 8) A proposed budget.

Sub-Project deliverables

The project has three deliverables:

The first deliverable is to provide the NFF with a report that:

- a) Describes the financial risk profile of Australian farm businesses relative to those in other major developed countries.
- b) Identifies and describes current risk management tax and other government (state, territory and Federal government) measures in Australia (including concessional loans and FMDs) and in other major developed countries (including international cyclical income-based stabilisers (eg. Canada's AgriStability)).
- c) Collects and details data on the number of Australian farmers using government farm financial risk management measures by commodity, size of business, location and type of measure.
- d) Collects and details comparable data for farms in major developed countries and compares this data with the Australian data.
- e) Identifies and describes potential improvements and or new farm financial risk management government measures.
- f) Identifies and assesses barriers to the uptake of improved or new farm financial risk management measures by the Australian Government and by governments in other major countries.
- g) Identifies and assesses barriers to the uptake of farm financial risk management measures by Australian farmers.
- h) Identifies and assesses the conditions required to achieve long-term viability of improved and or new government farm financial risk management measures, and assesses the viability of creating those conditions.
- i) Identifies and assesses the commercial impact of improved and or new government farm financial risk management measures for the Australian agriculture sector generally and by commodity.



- j) Identifies and assesses the public policy impact of improved and or new government farm finance risk management measures (eg. budget impact, fit with existing farm support measures such as FHA).

The second deliverable is to engage with **farmer reference groups** for the duration of the project to seek input, validate and test the information and ideas contained in the report.

The third deliverable is to work with the overarching Project coordinators and other project groups to deliver a holistic and consistent report and set of recommendations.

Timeline

Date	Activity
19 February 2020	RFQ applications open
25 March 2020	RFQ applications close
1 April 2020	Expected execution of contract or issue of agreement
30 October 2020	Expected project completion date

The NFF believes that the project should be completed within seven (7) months. If a longer timeframe is required, the Tenderer should explain why that is the case.

Terms and conditions

By submitting an application, respondents acknowledge that they are willing to accept the terms and conditions set out in the service contract.

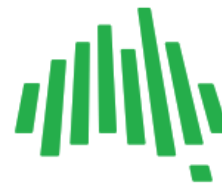
The Respondent agrees that the NFF may accept or decline to accept the Respondent's Quotation in its discretion. No commitments or contract exists until a contract in the form of the Provider Agreement is executed by both parties. The Respondent agrees that the NFF is not required to enter into any contract in connection with the RFQ.

The Respondent agrees that participation in any stage of the RFQ process is at the Respondent's sole risk and cost.

Acceptance of a Quotation will occur only when an Agreement is issued or a contract is executed.

The NFF, at its discretion, may discontinue this RFQ, decline to accept any Quotation, decline to issue any contract or satisfy it requirement separately from this RFQ process.

How to make a submission



Responses to the RFQ are to be submitted via email to:

NFF Staff Name: Prudence Gordon

NFF Staff Title: General Manager, Trade and Economics

NFF Staff Email: pgordon@nff.org.au

Submissions close Midnight (AEDT) 25 March 2020.

Contact

If you have any questions about the RFQ process or requirements, please contact:

Prudence Gordon

General Manager, Trade and Economics

Ph: 02 6269 5666

Email: pgordon@nff.org.au