

News



Latest updates from ICN,
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industry matchmaker

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ICN providing the right connections for Bayu-Undan

A 502 kilometre subsea pipeline connects the Bayu-Undan gas facility, located in the Timor Sea, to the Darwin LNG plant in Darwin, Northern Territory. The 3.24 million tonne per annum plant will increase Northern Territory exports by \$450 million per annum throughout the life of its operation.

The \$3.3 billion Bayu-Undan gas field was developed and is being operated by ConocoPhillips, in partnership with Eni, Santos, INPEX, Tokyo Electric Power and Tokyo Gas. The field is expected to have a 25 year life span.

As part of this project ConocoPhillips agreed to an Australian Industry Participation (AIP) plan. ICN worked with ConocoPhillips on this plan through the identification of Australian companies to supply products and services.

To support ICN, the Australian Government provided funding through its Supplier Access to Major Projects (SAMP) program. SAMP seeks to increase opportunities for Australian industry, especially small and medium enterprises (SMEs) to participate in major projects and increase access to global supply markets for major projects.

ICN administers SAMP on behalf of the Australian Government.

The project has been developed in two phases. The \$1.8 billion first phase involved the production and processing of wet gas, the separation and storage of condensate, propane and butane, and the re-injection of dry natural gas back into the reservoir.

The \$1.5 billion second phase involved the extraction of lean gas from the reservoir and transportation to Darwin, on Australia's northern coast, via a 502km, 26 inch pipeline, where it is liquefied at a single-train processing plant at Wickham Point, then shipped as LNG to customers Tokyo Electric Power Company and Tokyo Gas in Japan.

ICN has been involved in this project from its beginning in 2001. As part of ConocoPhillips AIP plan, ICN identified local companies that had the capability to provide the products and services ConocoPhillips and the projects major contractors were after.

'We highlighted to the project proponents that there are many Australian companies that have the required technology, capability and are cost effective' says Kevin Peters, CEO, ICN Northern Territory. 'ICN represented the capabilities of Australian suppliers at an early stage to ensure opportunities were available to them' continued Kevin. (cont. P2)

Chairman's message



Welcome to the winter edition of Capability News.

Our feature article showcases the work ICN did with ConocoPhillips on the \$3.3 billion Bayu-Undan project. ICN worked with ConocoPhillips on their Australian Industry Participation (AIP) plan and identified local companies that had the capability to provide the products and services ConocoPhillips and the projects major contractors were after.

We caught up with Enterprise Connect's Buy Australian at Home and Abroad Network, National Manager, Karen Redshaw, to find out what a typical day at the office holds.

There has been a hive of activity happening at ICN with a rail mission to Hong Kong, supplier briefings and a visit to Indonesia to discuss NBN opportunities.

We have also profiled a few of the many great projects currently underway – Midal Cable manufacturing plant, Queensland Curtis LNG and the Sunshine Coast University Hospital. Suppliers can express their interest in these projects, and many more, via ICN Gateway, icngateway.com.au.

Read about this and more in this edition.

Darren Hill
Chair, ICN Executive Directors

(cont.) ConocoPhillips have regularly involved ICN in the identification of Australian suppliers for new project works and renewal of contracts. ConocoPhillips also accessed ICN's services for the 2010 maintenance shut down for supply of local capable suppliers.

'ICN managed almost 200 enquiries for ConocoPhillips, saving the company time and money,' says Kevin.

In total, ConocoPhillips awarded 82 Australian companies contracts, valued at a total of \$259.714 million.

Midal Cable manufacturing plant

The Midal Cable manufacturing plant, located in the Hunter Region of NSW, will be an aluminium rod and conductor manufacturing facility that will produce cable for power transmission and distribution. Kingston Building Australia is the managing contractor on site for this project.

There are currently 14 work packages available on ICN Gateway for this project, from the provision of a cooling tower, air compressor system, cranes, weigh scales, tilt furnace, just to name a few.

To register for these work packages, visit icngateway.com.au.

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Queensland Curtis LNG

The Queensland Curtis LNG project, owned by Queensland Gas Company (QGC), involves expanding exploration and development in southern and central Queensland and transporting gas via a 540km buried pipeline to Curtis Island near Gladstone, QLD, where it will liquefied. QGC has approval to expand LNG production to 12 million tonnes per year, with the first shipment of LNG are planned for 2014.

With the bulk of the project being delivered by large 'Tier 1' contractors, a major focus of QGC is to assist suppliers who are registered on ICN Gateway to position themselves to supply to major contractor. Expressions of interest and work packages are available now via ICN Gateway, icngateway.com.au.

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Introducing Regional Gateway to regional councils

ICN in the NT has engaged in a committed strategy for developing ICN Regional Gateway opportunities for shire councils throughout the territory.

ICN Regional Gateway allows shire councils to publicise their procurement opportunities to regional suppliers encouraging economic development in key regional areas as well as allowing shire councils to competitively engage their suppliers in the procurement processes.

Successful meetings have already been held with several NT shire councils, and ICN believe this communication tool will become widely used throughout the Northern Territory's regional areas.

Along with the NT, councils within NSW and QLD are also getting on-board with ICN Regional Gateway.

Visit ICN Regional Gateway, regional.icn.org.au, to see how the system works and to search for suppliers in your local area. If you are a local council, an ICN consultant can set you up with full access to the system.

For further information:

call 1300 961 139



Opportunities for SMEs in the resources industry

Do you want to understand how Australian SMEs are getting involved in the resources industry? The Export and Finance Insurance Corporation (EFIC) has commissioned exclusive research that outlines the ins and out of tenders and financing contracts and future challenges and opportunities for SMEs.

The research shows that businesses working in the resources sector aren't all working in actual resource extraction or based in the 'mining states'. The mining supply chain crosses a multitude of sectors and represents an opportunity for

many SMEs across Australia – and yours could be one of them.

The findings of this research has been summarised into an interesting article published by EFIC, with more details to come in three more future articles. ICN will email the article to our online subscribers shortly.

EFIC provides support to Australian businesses that supply large export projects and are facing obstacles financing their activities. They help eligible contractors and subcontractors that are working on both export-related onshore and offshore projects to win and finance contracts with targeted financial solutions.

For more information, visit efic.gov.au/contractors.



Sunshine Coast University Hospital

The Sunshine Coast University Hospital represents a huge opportunity for local contractors. The hospital is due to be completed in 2016 and while 70 people are currently working on site, that will swell to as many as 1,800 in early 2015.

The project is being delivered through a Public Private Partnership with Exemplar Health, a consortium comprising Lend Lease (builder), Spotless (facilities manager), Capella Capital and Siemens (financiers).

Exemplar Health is working with Queensland Health in delivering the new \$1.8 billion hospital to meet the areas

growing demand. It will offer a range of new and expanded services, meaning fewer people will need to travel to Brisbane to receive care.

Lend Lease Project Management and Construction (Aust) Pty Ltd on behalf of Exemplar Health is responsible for building the project. There are over 200 work packages available on this project. To register your interest in these packages, you need to register your company's profile on ICN Gateway. To register your company and to find out more about these work packages, visit icngateway.com.au.

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David Ryant, National Sector Manager – Health



David Ryant has more than 34 years experience in the Australian health industry and has worked extensively in the fields of negotiation, procurement and equipment management.

He has expert knowledge in the management and procurement of healthcare equipment, and the challenges sometimes faced within healthcare projects.

Prior to joining ICN, David worked for Schiavello Hospital Solutions, Australian Hospital Care Limited, Mayne Health, Redback Health Services and similar organisations servicing private and public hospitals around Australia. David was also crucial to the success of a number of projects in the health sector, including The Alfred Centre, Frankston Hospital and The Austin and Mercy Hospital project.

As ICN's National Sector Manager – Health, David assists in maximising opportunities for Australian companies, especially SMEs, to supply goods and services to the health industry.

David is dedicated to helping Australian healthcare companies achieve maximum results both domestically and internationally.

David's extensive knowledge, along with his commitment to building and maintaining stakeholder relationships, will deliver significant benefits for both SMEs and project managers.

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Black business finder

Queensland Indigenous businesses are set to get a bigger slice of the major projects pie through the recently launched online business directory, Black Business Finder (BBF). ICN in Queensland was commissioned by the Queensland Government to develop the BBF database and link to ICN's listing of major projects Australia-wide. Indigenous business owners should register with BBF to ensure they can capitalise on potential opportunities with the \$247 billion worth of major projects across Australia and New Zealand listed on the ICN Gateway. To register on BBF, visit bbf.org.au.



Steel incorporated joint ventures

Incorporated joint venture arrangements between suppliers in the steel industry are gaining momentum, with a number of joint ventures currently being formed. This is great news for Australian industry. This initiative has been led by the Steel Supplier Advocate, Dennis O'Neill, with the support of the Australian Government and assisted by ICN. It will improve the value proposition of the steel supply chain by giving suppliers an opportunity to work together in a structured legal framework. This will enable them to bid on larger work packages than they currently can consider. It will enable the most efficient and competitive combination of companies to combine their skills for a project and help share the burden of costs involved in tendering and marketing costs. It may also give the opportunity for companies to focus on new market sectors.

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ICN Gateway video tutorials

Did you know that ICN has developed a range of step-by-step video tutorials, to help you and your company get the most out of ICN Gateway. There are videos to help you set up a profile, register expressions of interest, search for projects and search for suppliers. Visit icngateway.com.au and click on 'video tutorials' in the supplier search or project search boxes.

Tag+ supporting water SMEs

TAG (Technology Approval Group) is a water innovation forum comprised of 50 of the world's leading water utilities. TAG has been running in Australia since 2011 and has resulted in numerous successes for companies seeking to work with the utilities. Through funding from the Australian Government's Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education, an extended TAG model has emerged to support Australian water SMEs seeking to showcase their technology and solutions to the utilities – hence its name 'TAG+'.

TAG+ aims to help Australian SMEs overcome market barriers by providing direct access to the end users and by leveraging TAG's knowledge and experience in the field of technology commercialisation.

The TAG+ program runs in three month cycles. Entries for the current program have now closed, but there will be another program in the coming months.

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National Hospital Procurement Conference

The 3rd annual National Hospital Procurement Conference will be held in Melbourne on 22nd and 23rd July 2013. The conference will look at ways to reduce costs and maximise efficiencies and ultimately improve care within Australian hospitals. ICN's National Sector Manager – Health, David Ryant will be speaking at the event and on hand to discuss how ICN can assist you with your health procurement needs. To register for the event, visit healthcareconferences.com.au and search for the event.



A day in the office

Strong growth in the Australian resources sector has presented significant opportunities as well as challenges for Australian manufacturers and suppliers. To assist Australian businesses meet these challenges, access global supply chains and share in the returns from the resources boom, the Australian Government introduced the Buy Australian at Home and Abroad (Buy Australian) initiative. Buy Australian is being delivered by the Manufacturing and Enterprise Connect divisions within the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education, who are working closely with ICN on a number of Buy Australian projects.

We caught up with Enterprise Connect's Buy Australian at Home and Abroad Network, National Manager, Karen Redshaw, to find out what a typical day at the office holds.

9.00am – Receive a call from lead Procurement Manager at a major Australian mining company regarding a Mapping the Connections exercise carried out by Enterprise Connect in QLD. The Procurement Manager advises that they continue to receive positive feedback from the firms involved. Mapping the Connections is a diagnostic tool used by Enterprise Connect, to assess existing linkages and levels of collaboration within selected groups of firms and related organisations in a supply chain. It involves engagement with business owners/managers to get an understanding of the environment they operate in, and assist project proponents to identify capability to support their projects. As a result of the Enterprise Connect support in QLD, five firms have secured contracts to supply the mining company; and a number of other firms have been identified as potential suppliers and are currently in discussions with the company.

10.00am – Dial in to weekly teleconference with the South Australian Government's Department for Manufacturing, Innovation, Trade, Resources and Energy and ICN to discuss the next steps of the 'South Australian Resources Sector Supplier Capability Mapping project'. This project aims to identify capability and capacity to support the growth of the resources sector in South Australia. To date Mapping the Connections have been completed with 49 South Australian firms, which identified supply chain relationships and capability, with a



view to link the firms with opportunities in the local resources sector. The project also included a series of Resources Industry Supply Chain Index (RISCI) sessions in Adelaide, Mt Gambier and the Riverland with 20 firms.

11.00am – Briefing with the Supplier Advocates regarding significant issues from Mapping the Connections and Resources Connect. The Resource Sector Supplier Advocates have been appointed to work with Enterprise Connect, ICN and Australian firms to increase capability and meet future demand in resources projects.

12.00noon – Dial in to weekly teleconference with Mt Eliza Business School and the Buy Australian team to discuss delivery logistics of the Resources Connect pilot nationally. Resources Connect is a national business development course, with a resources sector focus, developed by Enterprise Connect in conjunction with Mt Eliza Business School at the University of Melbourne. The course is currently being piloted in South Australia, and aims to help Australian suppliers enhance their global competitiveness, create links with new business opportunities, and improve their business capabilities. Additional modules are being piloted in Western Australia, Northern Territory and Queensland.

1.30pm – Dial in to a meeting with Northern Territory Government and ICN in the Northern Territory to discuss the outcomes of a Resources Sector Supply Chain Panel Session held in Northern Territory that included representation by procurement experts from organisations

such as ShoreASCO, ConocoPhillips and Laing O'Rourke. The panel session brought together five firms who were actively seeking to win contracts in the local resource sector supply chain.

2.30pm – Attend meeting with Enterprise Connect Business Advisors and Mapping the Connections Facilitators to review findings from Mapping the Connections activities in multiple jurisdictions to identify trends and gaps in capability.

3.30pm – Fortnightly teleconference with the Buy Australian team and ICN to discuss project updates, new projects of interest, upcoming events and joint approaches.

4.30pm – Phone the Regional Manager of AusIndustry in the Northern Territory to discuss outcomes from their 'Business Leader's Breakfast', held in Darwin and the complementary Buy Australian events for local businesses that were also held during that week.

Enterprise Connect provides services to SMEs that complement the services provided by ICN. They play a key role in connecting SMEs to the knowledge, tools and expertise necessary to improve productivity, increase competitiveness and capitalise on business growth potential. Their services include Business Reviews delivered at no charge to businesses, grant assistance to implement recommendations flowing from the Business Review, and a range of tailored innovation services to meet individual business needs.

For further information:

call 131 791

email enterpriseconnect@innovation.gov.au

Recent Events

Asia Pacific Rail 2013 and trade mission



Asia Pacific Rail 2013 and trade mission was held earlier this year in Hong Kong. The Rail Supplier Advocate, Bruce Griffiths and ICN's National Sector Manager – Rail, Tony Carney, led an Australian delegation of 13 members. The delegation consisted of a variety of rail suppliers such as those that specialise in train interiors, metal fabrication, communication systems, power switching and control systems and seating.

The mission commenced with briefings from Austrade and presentations from UGL Rail on the UGL Rail Hong Kong operation and TUV SUD Hong Kong on entering the market in Hong Kong and the China mainland. This was followed by a visit to the Mass Transit Railway (MTR) the rapid transit railway system in Hong Kong, which provided an opportunity for rail suppliers to meet with MTR, strategic buyers.

The delegation also met with CNR-CRC, a major manufacturer of rolling stock for both China and global market to discuss potential supply opportunities. This was followed by a tour of MTR major projects in Hong Kong.

The highlight of the trade mission was Asia Pacific Rail 2013. Conference delegates heard from some great speakers on the many rail projects throughout the Asia Pacific region. Presentations featured highly anticipated projects in Hong Kong, Thailand, India, Indonesia, Malaysia, and the Philippines. Feedback from the Australian delegation was very positive, with most commenting on the calibre of the speakers and the high level of content presented and discussed.

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Ozwater 2013

Ozwater is Australia's leading international water conference and trade exhibition and the 2013 event was held recently in Perth. The conference featured both national and international speakers, workshops and poster sessions, and attracted more than 1,200 delegates. The tradeshow also attracted thousands of visitors and showcased the latest in water industry science, technology, and products and services. ICN exhibited at the tradeshow, alongside waterAustralia and the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education, at a co-branded stand. The stand also included eight suppliers that gave them the opportunity to showcase their capability. Hamish Gordon, ICN's National Sector Manager – Water was on hand to speak to conference delegates and exhibition visitors about opportunities ICN could provide them and the importance of having a profile on the ICN water directory, water.icn.org.au.

NBN Jakarta



ICN's National Sector Manager – NBN, David Anderson, was recently invited by Austrade Indonesia to speak with the Indonesian Government on the Australian capability in rolling out broadband services. The Indonesian Government is currently developing a national broadband proposal, and Australia could play a significant role in assisting Indonesia in its roll out, through the provision of products and services. David met and spoke with delegates from the Indonesian Ministry of Economy, the State Ministry of National Development, Ministry of Communication and Information Technology, as well as industry organisations, raising awareness of Australia's broadband capability in Indonesia.

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ICN Gateway listings and wins



Snapshot of activity for the quarter, January to March 2013.



Figures stated are approximate estimates.

2013 F1 Rolex Australian Grand Prix



For the fourth consecutive year in a row, ICN in Victoria hosted a series of eight industry briefings and networking sessions at the F1 Rolex Australian Grand Prix in March. Over the course of four days over 1,000 companies attended the sessions. ICN and other keynote speakers shared insights and project information from a range of sectors and topics – resources, rail, cleantech, health, major projects, women in business, defence and automotive.