



Local Industry Participation Plan (LIPP) Summary

1. Project Details

Designated project proponent: BBI Group Pty Ltd (BBIG) and its subsidiary BBI Rail Aus Pty Ltd (BBI Rail)

Project name: Balla Balla Infrastructure Project (BBIP)

Description of the project: BBIG is proposing the Balla Balla Infrastructure Project (BBIP), a rail and port development. When constructed, it will comprise an integrated port and rail infrastructure system that will provide a new gateway to the iron ore miners in the Pilbara region of Western Australia. Initial planned annual capacity of the rail and port is 50 million tonnes per annum (Mtpa) (wet) with the potential to increase throughput. The proposed port is located approximately halfway between Dampier and Port Hedland in close proximity to road, gas and electrical infrastructure. Proposed infrastructure for the BBIP will move iron ore from stranded central Pilbara mines via train loading, a 165 km single-track standard gauge railway and a multi-user port facility capable of handling and loading transshipment shuttle vessels. BBIG has formed an incorporated joint venture (PIOP Mine Co NL) with Flinders Mines Limited in relation to the Pilbara Iron Ore Project (PIOP), the potential foundation customer for the BBIP. BBIH Pty Ltd, a subsidiary of BBIG, has been appointed as manager on behalf of PIOP Mine Co NL to conduct feasibility studies on the PIOP.

Estimated project value: >\$4B AUS

Project location: Central Pilbara Region, Western Australia

Link to project information: <https://gateway.icn.org.au/project/3934/balla-balla-infrastructure-project?st=projects&psid=1515175274>

Project contact for procurement information: Angela Glover, Vice President Social and External Relations, Tel: (08) 9122 3200 e-mail: aglover@bbig.com.au

LIPP Scope: BBI Rail is a party to the *Railway (BBI Rail Aus Pty Ltd) Agreement Act 2017* (State Agreement). The Minister for State Development has approved the LIPP in accordance with clause 10 of the State Agreement. The LIPP includes references to the requirements of clause 19 of the State Agreement. The LIPP primarily addresses local content opportunities that may exist relating to the proposed rail development.

WA Community Stakeholder Commitments: In addition to the State Agreement LIPP commitments BBIG acknowledges that its investment into the BBIP includes other industry participation commitments, Pilbara and Western Australian labour, Pilbara and Western Australian Contractors & Suppliers, International Contractors and Suppliers, Australian Industry Participation, Traditional Owners and Pastoral Companies.

2. Economic Impact

The estimated employment for rail during the construction phase at its peak is 900 onsite workers and 40 offsite workers.



3. Strategies, procurement practices, methods and communication used to maximise Pilbara and Western Australian community stakeholder participation

In accordance with clause 10(3) of the State Agreement, in summary, BBIG will use, and will require its third party contractors to use, the following strategies, procurement practices, methods and communication strategies to maximise the use of “local industry participation benefits” which include:

- labour and training available within Western Australia;
- the services of engineers, surveyors, architects and other professional consultants, experts, specialists, project managers and contractors available within Western Australia; and
- the procurement of works, materials, plant, equipment and supplies from Western Australian suppliers, manufacturers and contractors.

- 1. Preliminary engineering:** BBIG will use a strategy of engaging with WA engineering consultants for all preliminary rail engineering and other specialist works. BBIG will use a strategy of using Australian Standards to maximise the use of WA and Australian specialists, experts and consultants.
- 2. Local engagement resources:** BBIG will appoint a local engagement resource to its team to facilitate the participation of Pilbara based contractors and other WA and Australian industry members. Upon appointment of a head contractor and other Tier 1 and 2 contractors, BBIG will contractually require those contractors to also appoint local engagement resources. The local engagement resources will be introduced to WA suppliers, manufacturers and contractors during industry briefings and contact details will be available publicly.
- 3. Advertising Contracting and Procurement Opportunities:** BBIG will use a strategy of advertising contracting and procurement opportunities on a public portal, in order to provide transparency of relevant contracting opportunities. BBIG will conduct a commercial capability assessment of contractors who express an interest and will provide procurement evaluations to its contractors for use throughout the BBIP supply chain.
- 4. Local engagement plans:** Upon appointment of its head contractor and other Tier 1 and 2 contractors, BBIG will request those contractors to prepare local engagement plans to seek to deliver local industry participation commitments and processes. Training programs will be conducted for BBIG contractors on local engagement plan requirements. BBIG will request reports on adherence to local engagement plan requirements.
- 5. Contractor Contractual Commitment on local engagement –** BBIG’s head contractor and sub-contractors will have contractual commitments relating to BBIG’s local engagement obligations.
- 6. Tender Evaluation:** Tender submissions will be evaluated and preferentially weighted towards the engagement of traditional owners, pastoral companies and local industry (Western Australian and Australian) participation.
- 7. Pilbara Regional Contractor Assessment:** In the 9 months prior to a Financial Investment Decision, BBIG’s local engagement resources will engage with Pilbara and Traditional Owner businesses, the Pilbara Chambers of Commerce and Industry, the Pilbara Development Commission and other third parties to assess contractor capability, capacity and improve and encourage participation in opportunities for work on the BBIP.
- 8. Industry Project Briefings –** BBIG will provide project opportunity briefings / updates to industry and regional stakeholders in Pilbara regional centres and Perth. These briefings will include information for suppliers on how to register their interest in the project’s opportunities.