

USP Program Frequently Asked Questions

What is an Unsolicited Proposal (USP)?

An Unsolicited Proposal is an approach to Government from a non-Government entity with a proposal to deal directly with the Government over a commercial proposition, where the Government has not requested the proposal. This may include proposals to build and/or finance infrastructure, provide goods or services, create new places or precincts or undertake major commercial transactions.

More information on proposals that may qualify as unsolicited proposals can be found in section 1.1 of the [USP Guidelines](#).

What type of projects does the USP pathway cover?

USPs are only used in rare and particular circumstances where direct dealing can be justified. The NSW Government's default position on procurement is based on competition through tendering in order to achieve value for money in a fair and transparent manner. The focus of unsolicited proposals is on innovative projects or services with unique attributes which could offer opportunities for real value and justify departing from the standard Government process. The Proposal and Proponent must be uniquely able to deliver the proposed service.

Successful USPs have included significant commercial and residential developments, public infrastructure such as roads and metro stations and urban renewal of public and private land to create new places.

Further information on the type of projects covered by the USP pathway can be found in section 1.2 of the [USP Guidelines](#).

What does uniqueness mean in the context of the USP process?

The USP pathway is a type of direct dealing that is reserved for 'unique' proposals that can clearly demonstrate that no other Proponent could deliver the proposal, and Government would be unable to achieve the same or similar outcomes by going to market.

Uniqueness means that the Proponent can demonstrate a clear justification for direct dealing with Government (i.e. that no one else can deliver the proposal or the outcomes).

Additional understanding of uniqueness in the context of USP process can be found in section 2.2 of the [USP Guidelines](#).

Am I able to access one-off funding through this process?

No. The USP pathway is not a pathway for grant funding or for support for pilot programs.

Information about the availability of one-off funding through the USP process can be found in section 2.2 of [the USP Guidelines](#).

I have an innovative product that I want government to purchase directly from me. Is the USP pathway the right pathway for me?

The USP pathway cannot be used to purchase goods and services that are readily available on the market. If there are other products available that can be used to achieve the same or similar outcomes, Government would typically go to market to procure these products.

Details on whether the USP pathway is the right way for direct purchase of products by the government can be found in section 1.2 of the [USP Guidelines](#).

What types of proposals would not be considered unique and/or proposals that are unlikely to be progressed?

- Proposals that can readily be delivered by competitors
- Proponents with an existing Government licence to provide goods or services seeking to bypass a future tender process
- Proposals seeking to develop land that is not owned by the Government or the proponent.
- Proposals that identify the proponent's skills or workforce capability as the only unique characteristic
- Proposals to provide widely available goods or services to government
- Proposals for consultancy services
- Proposals that are early concepts or lack detail
- Proposals seeking grants, loans or bank guarantees
- Proposals seeking Government support for a 'pilot program'
- An 'ideas registry' - a proposal must contain a commercial proposition

More information on types of proposals that would not be considered unique or are unlikely to be progressed can be found in section 2.2 of the [USP Guidelines](#).

What stage does my proposal need to be in to submit a USP?

The USP process is designed for commercial propositions that are ready for delivery in the immediate to short term.

It is strongly recommended that a Proponent discuss early pre-submission concepts with DEIT during the optional pre-lodgement review. A pre-lodgement meeting would explore whether the proposal is likely to meet the Stage 1 assessment criteria, and guide Proponents in their decision regarding whether to lodge a proposal.

Proposals may be high-level at Stage 1, as Stage 1 is designed to assess *the potential* of the proposal to meet the USP criteria. This stage is designed to give Government an opportunity to assess the proposal before the Proponent has invested significant time and money into a proposal that may not be capable of progressing through the USP process.

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If the proposal progresses beyond Stage 1, proponents will be required to develop a more detailed proposal for assessment during Stage 2 that clearly addresses all the assessment criteria.

Details on the Schedule of Information Requirement for initial submission of unsolicited proposals can be found in section 7 of the [USP Guidelines](#).

What is the USP process?

A four-stage assessment process has been developed to guide the evaluation of proposals. In addition, there is a pre-submission concept review stage, which is optional.

Pre-submission concept review: *Before submitting a Stage 1 proposal, Proponents are encouraged to complete the checklist and talk to DEIT about whether the proposal is likely to meet the key Stage 1 assessment criteria, uniqueness, value for money and whole of Government impact.*

- **Stage 1A – Initial submission and preliminary assessment**
- **Stage 1B – Strategic assessment of initial submission**
- **Stage 2 – Detailed proposal development**
- **Stage 3 – Negotiation of final binding offer**

Additional information on the USP process can be found in section 4 of the [USP Guidelines](#).

How do I lodge a proposal?

- We strongly recommend requesting a pre-lodgement meeting prior to formally lodging a proposal: [Request a pre-lodgement review or make a proposal enquiry | NSW Government](#).
- Complete an initial Schedule of Information Requirements form via the USP website.
The responses to this form and the pre-lodgement meeting will enable DEIT to form a preliminary view on whether the proposal is suitable for the USP process and provide guidance on whether the proponent should proceed to formal lodgement.
- If appropriate, lodge an unsolicited proposal via the USP website: [Lodge an unsolicited proposal | NSW Government](#)

Further details on the lodgement of a proposal via the USP pathway can be accessed in sections 1.4 and 4.2 of the USP guidelines.

What are the benefits of the USP pathway over a Government initiated procurement process?

By the very nature of not being solicited by Government, USPs are unlikely to be the current focus of Government's strategic planning, and therefore Government is unlikely to be contemplating initiating a standard procurement process for this project or service. Therefore, the key benefit of this pathway is that it enables NSW Government to capture

value, and unique and innovative ideas from industry that provide real and tangible benefits to the people of NSW. The USP pathway is not necessarily faster or more efficient than a regular procurement process as it follows a rigorous four-stage assessment process and does not replace other Government statutory approvals processes, such as environmental and planning.

More information on the USP pathway and government-initiated procurement processes is outlined in section 1.2 of the [USP Guidelines](#).

What information do I need to include in my unsolicited proposal?

Please refer to the schedule of information requirements in section 7 of the [USP Guidelines](#).

Proposals may be high-level at Stage 1, as Stage 1 is designed to assess *the potential* of the proposal to meet the USP criteria. The proposal should include detail about the commercial proposition for Government and a clear explanation of the expected role of Government in the proposal. The proposal should set out why the proposal/ Proponent is unique and how the proposal would meet Government's objectives and deliver value for money for the State.

Will any parts of my proposal be negotiated or is it evaluated on the initial submission?

It is expected that the proposal will develop over the course of the USP process so that it has the best chance of being successful and will meet Government's objectives.

If the proposal progresses to Stage 2, the Government and the Proponent will work cooperatively in the development and assessment of a Detailed Proposal which may require a degree of preliminary negotiation on key issues, such as draft commercial terms, subject to the nature of the proposal. If it progresses to Stage 3 then further negotiation will take place as all outstanding issues are finalised with a view to entering into a binding agreement.

Information on the final negotiation stage can be found in section 4.5 of the [USP Guidelines](#).

How long does the USP process take?

Each unsolicited proposal has individual characteristics that will influence the timeframe required to assess the proposal at each stage. These characteristics include the scale, cost, novelty, and complexity of the project along with the number of stakeholders involved and level of stakeholder engagement required.

What criteria are proposals assessed on?

Proposals are initially assessed against the seven criteria below. Additional criteria relevant to a particular proposal may also be applied at later stages. If so, the Proponent will be informed of the criteria in order for these to be addressed in its Detailed Proposal during Stage 2.

Proponents should consider the following:

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- **Uniqueness:** Is your organisation uniquely placed to deliver a proposal that will bring tangible benefits for the NSW Government and people of NSW? For a proposal to meet the uniqueness criterion, you must be the only party able to deliver the proposal and the proposal must deliver unique benefits to the people of NSW. The NSW Government reserves the right to initiate market testing of a proposal to test this criterion.
- **Value for money:** Does your proposal deliver value for money to the NSW Government, including financial and economic benefits?
- **Whole of government impact:** Does your proposal deliver on NSW Government objectives and align with strategic priorities and have the potential to achieve planning approval?
- **Return on investment:** Is the proposed return on investment, to you the proponent, in line with industry standards?
- **Capability and capacity:** Does your organisation have the proven experience, capability and capacity to carry out the proposal?
- **Affordability:** Does your proposal require any funding from NSW Government?

Note: If so, government will have to undertake a separate process to determine whether funding is available.

- **Risk allocation:** Do the risks identified with your proposal reflect an acceptable risk allocation to NSW Government?

Details on the criteria used to assess proposals via the USP pathway can be found in section 2.3 of the [USP Guidelines](#).

Can I resubmit my proposal after it has been rejected or withdrawn?

Yes, Proponents are welcome to resubmit their proposals. If the proposal has previously been rejected and remains unchanged, it is likely that the outcome will be the same.

If a proponent is considering re-submitting a USP, they should update the USP to ensure they are addressing the USP criteria and feedback provided on the reason for the decision to not proceed with a proposal. We would also strongly recommend a pre-lodgement meeting to discuss the revised proposal before re-submitting.

What other information should I be aware of during the process?

For full details of the USP process refer to section 5 of the [USP Guidelines](#). Some items to note:

- Once the proposal has been submitted, DEIT will formally acknowledge receipt of the proposal and provide contact details of the Proposal Manager. This will be the Proponent's only form of contact in Government regarding the proposal.
- Once lodged, the proponent must not contact Government Ministers, advisors, or officials in regard to the submitted proposal. This includes organisations authorised to act on the proponent's behalf.
- Proposals at Stage 1 of the assessment process are kept confidential, and no public statements are to be made.

Limited information will be published on the Government Website on all USPs that progress to Stage 2. The Government will consult with the Proponent before any information is disclosed to ensure that commercially sensitive information remains confidential.

How do I know where in the process my proposal is?

Each proposal submitted is assigned a Proposal Manager who will be the main point of contact throughout the process.

Proponents who have had their proposals formally assessed at Stage 1, 2 or 3 of the USP process will be advised of the outcome in writing.

Information on the Proposal Manager can be found in section 3.5 of the [USP Guidelines](#).

What happens if my proposal is rejected?

If the proposal is rejected by NSW Government at any stage of the process, the Proponent will be advised of the outcome in writing and will be offered an optional debrief session.

I am unhappy with the progress of my proposal, what should I do?

The Proposal Manager is your key point of contact for the project, so you should reach out to the Proposal Manager in the first instance.

In Stage 2 and 3, a Participation Agreement (PA) will be negotiated and agreed at the start of the stage, and an escalation pathway will be set out in the PA.

If you are in the pre-lodgement phase, please reach out to the unsolicited proposals email in the first instance unsolicitedproposals@enterprise.nsw.gov.au

If you are in Stage 1, you will have received contact information in response to your initial proposal, whom you may reach out to directly.

Can I withdraw my proposal at any time after submitting?

Yes, the Proponent may withdraw their proposal at any time at their discretion.

If a relevant procurement process is occurring that my proposal is suitable for, will my proposal be referred to the relevant agency for consideration?

No. If the proponent wishes to participate in a standard procurement process, they must apply directly to the appropriate agency.

More information on types of proposals that are unlikely to be progress can be found in section 2.2 of the [USP Guidelines](#).

What measures is the NSW government taking to protect the unique ideas brought forward in my proposal from being released publicly without my consent?

Stage 1 of the USP process is entirely confidential and the proposal is not made public. Limited information will be published on the Government Website on all USPs that progress to Stage 2. The Government will consult with the Proponent before any information is disclosed to ensure that commercially sensitive information remains confidential.

Additional details on the public disclosure of information relating to proposals at each stage of the process can be found in sections 4.3B, 4.4 and 4.5 of the [USP Guidelines](#).

Where can I find more information?

- USP Guidelines: [Unsolicited Proposals: Guide for Submission and Assessment 2022 \(nsw.gov.au\)](#)
- Webpage: [NSW Government Unsolicited proposals | NSW Government](#)
- Reports and Resources: [Reports and resources | NSW Government](#)
- Enquiries: [Request a pre-lodgement review or make a proposal enquiry | NSW Government](#)