Preferred proponent selected for Darwin ship lift

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The Northern Territory Government will contribute up to $100 million towards a ship-lift facility at East Arm that will position Darwin as the marine services hub for northern Australia.

Chief Minister Adam Giles has announced that Pearl Marine Engineering (PME) was selected last month as the preferred proponent and negotiations will now begin.

Mr Giles said marine industries were projected to support up to 4500 full-time jobs and inject $3.5 billion into the Territory economy.

"The ship lift will enhance Darwin’s position as the marine service centre for Defence, Australian Border Force, the oil and gas industry and commercial shipping,” he said.

"The ship lift will drive local industry, employ more Territorians and establish Darwin as a prime location for marine maintenance and servicing facilities in Northern Australia.

"It's part of the Government's strategy to diversify the economy and ensure a smooth transition after the completion of Inpex."

Mr Giles said the submission from Pearl Marine Engineering demonstrated a commitment to the marine maintenance industry in Darwin and the long-term success of the venture.

"Pearl Marine Engineering’s application identified a strong commitment to local jobs and industry participation, which will strengthen the Territory economy,” he said.

"The NT Government is committed to maximising opportunities for Territory businesses to participate in ship maintenance now and into the future."

The ship-lift project will be delivered through a wholly owned subsidiary of the Paspaley Group, to be known as Northern Ship Support Pty Ltd.

A statutory access and pricing access regime will be established to ensure that an open-access, common-user facility model is achieved.

The regime will be modelled on that currently in place for the Darwin Port, with the Utilities Commissioner to be appointed as the independent regulator.

The NT Government contribution of up to $100 million is dependent on the Commonwealth Government committing to service its naval and border protection fleet in Darwin.

PME will relocate operations from Frances Bay when the new facility is commissioned.
The project complements the vision for Darwin’s Marine Industry Park and is strongly aligned to the Commonwealth’s White Paper on Developing Northern Australia.

The NT Government awarded the ship lift major project status in December 2015 and registrations for expressions of interest opened in February 2016.

Five shortlisted proponents were invited to submit binding proposals in the detailed Request for Proposal (RFP) phase in March 2016.

The RFP closed on 4 July 2016 and the binding proposals were evaluated by an evaluation committee, overseen by an independent probity advisor.

The decision to select PME for preferred proponent negotiations was made on 26 July 2016 following the conclusion of the evaluation process.

Mr Giles said the ship lift aligns with Government policies to develop major projects, create jobs, diversify the economy, encourage growth in the Defence sector and link supply chains to maximise business in the Territory.

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