



Australian Government
Department of Finance and Deregulation

***Australian Government Information Management Office
(AGIMO) Circular***

Subject: Open Source Software Policy

Approved by the Secretaries' ICT Governance Board on 21 December 2010

Circular No: 2010/004

**To all agencies under the *Financial Management and Accountability Act 1997*
(FMA Act)**

Should an agency wish to opt-out from a Whole-of-Government arrangement, please follow the advice of the "Process for administration of opt-outs from Whole-of-Government ICT arrangements" available from <http://www.finance.gov.au/e-government/strategy-and-governance/Whole-of-Government-ICT-Policies.html>.

Purpose

The purpose of this AGIMO circular is to inform agencies of the requirement to consider open source software in all software procurements. This policy is subject to the opt-out arrangement described in Estimates Memorandum 2010/02 (see above).

Key Points

1. Agencies are required to comply with the Open Source Software Policy Principles, at Attachment A.
2. Sample clauses for agencies to demonstrate their compliance with the Open Source Software Policy Principles are available at Attachment B. Agencies may choose to draft their own clauses.
3. This policy will apply to any ICT procurement activity initiated after 1 March 2011.
4. Agencies should consider re-using existing software assets before acquiring either open source or proprietary software.
5. The revised policy will require agencies to consider open source software once a decision to either acquire software, or to conduct a market test to obtain a new IT service that incorporates software, has been made.

Background

6. Since 2005, the Australian Government's position on open source software has been one of 'informed neutrality' and 'value for money' in accordance with the Commonwealth Procurement Guidelines. 'Informed neutrality' establishes an unbiased position that does not favour open source or proprietary software.
7. There have been significant changes in technology and the marketplace since 2005. In addition, many international jurisdictions have revised their open source software policies to increase the adoption of open source software.
8. The revised policy on open source software was agreed by the Secretaries' ICT Governance Board (SIGB) on 21 December 2010.

Action Required

9. Agencies are required to comply with the Open Source Software Policy Principles as an opt-out arrangement for all ICT software procurements initiated after 1 March 2011.

Contacts

10. If you have any questions regarding this AGIMO Circular, please contact the Governance and Policy Branch within AGIMO at architecture@finance.gov.au or phone on (02) 6215 1918.

Glenn Archer
A/g Deputy Secretary/Australian Government Chief Information Officer
Australian Government Information Management Office
13 January 2011

Attachment A: Open Source Software Policy Principles

Principle 1: Australian Government ICT procurement processes must actively and fairly consider all types of available software.

Australian Government agencies must actively and fairly consider all types of available software (including but not limited to open source software and proprietary software) through their ICT procurement processes. It is recognised there may be areas where open source software is not yet available for consideration. Procurement decisions must be made based on 'value for money'. Procurement decisions should take into account whole-of-life costs, capability, security, scalability, transferability, support and manageability requirements.

For a covered procurement (over \$80K), agencies are required to include in their procurement plan that open source software will be considered equally alongside proprietary software. Agencies will be required to insert a statement into any Request for Tender that they will consider open source software equally alongside proprietary software. Tender responses will be evaluated under the normal requirements of the Commonwealth Procurement Guidelines (CPGs). For a non-covered procurement (below \$80K), agencies are required to document all key decisions, as required by the CPGs. This includes how they considered open source software suppliers when selecting suppliers to respond to the Select Tender or Request for Quotation.

Principle 2: Suppliers must consider all types of available software when dealing with Australian Government agencies.

Australian Government agencies will require suppliers to consider all types of available software (including but not limited to open source software and proprietary software) when responding to agencies' procurement requests.

Agencies are required to insert this requirement into their tender documentation. Suppliers will need to provide justification outlining their consideration and/or exclusion of open source software in their response to the tender. Agencies will determine compliance with this requirement when assessing tender responses.

Principle 3: Australian Government agencies will actively participate in open source software communities and contribute back where appropriate.

The Australian Government, through AGIMO, will actively seek to keep up-to-date with international best practice in the open source software arena, through engaging with other countries and organisations. Australian Government agencies should also actively participate in open source software communities and contribute back where appropriate.

Attachment B: Sample Clauses for Agencies

The below clauses are sample clauses only. Agencies may alter them, if necessary.

Sample clause for inclusion in procurement plan/procurement documentation:

[Agency Name] will actively and fairly consider all types of available software for ICT software procurements. Open source software will be considered equally alongside proprietary software.

Sample clause for inclusion in RFQ/Select Tender Checklists:

Have you considered all types of available software (including but not limited to open source software and proprietary software)?

Sample clause for inclusion in RFTs for covered procurements:

[Agency Name] encourages suppliers to submit and/or develop open source software for this tender. When responding to this tender, suppliers must demonstrate a willingness to actively consider open source software throughout all stages of procurement, solution design and implementation in order to produce a product that demonstrates value for money and is fit for purpose. This may include incorporating open source software components together with proprietary software components.

In evaluating the tender, *[Agency Name]* will consider open source software equally alongside proprietary software.

Sample clause for inclusion in RFT Assessment Checklist:

Has the supplier sufficiently demonstrated that they have considered all types of available software (including but not limited to open source and proprietary software)?