

Tasmanian Industry Participation Plan

TGVC - 2023 - Supply of Motor Vehicles

The Tasmanian Government is committed to maximising opportunities for local suppliers to compete for and win Government procurements. Suppliers/proponents are requested to prepare a Tasmanian Industry Participation Plan (TIPP):

- for all procurements with a value exceeding \$5 million;
- for nominated procurements (at the discretion of the procuring Government entity) greater than \$2 million and up to (and including) \$5 million; and
- for private sector projects valued at over \$5 million that receive support, including in-kind support, valued at or greater than \$500 000 from the Government.

Procurement details

Procurement ID	TGVC - 2023
Procurement title	Supply of Motor Vehicles
Name of Responsible Agency/Entity	Department of Treasury and Finance

Supplier details

Name of supplier	Chery Motor Australia Pty Ltd
Contact details for supplier	National Fleet Sales Manager johncarlos.elkhouri@cherymotor.com.au 1800 424 379

Are you a Tasmanian SME*? Do you employ Tasmanians?

Despite not being designated as a Tasmanian SME, CMA maintains a substantial presence in Tasmania through strategic collaborations with two local SME dealerships licenced to sell and distribute our vehicles. Currently, these collaborations sustain more than thirty local employees, both within the dealerships and in contractual roles that support dealership activity. While we do not directly employ Tasmanians, our dealerships employ a large number of Tasmanians, supporting the community both economically and socially.

CMA's brand is rapidly expanding throughout Australia, by end 2024, CMA anticipates 6 new models which will enable our Tasmanian dealerships to expand their teams, potentially leading to further job creation in the region. While there are currently no plans to open a direct office in Tasmania, our continued effort to developing partnerships with local dealerships demonstrates our commitment to providing value and opportunities in the state.

Where are the goods or services to be used in the contract sourced from?

CMA takes pride in directly supplying all of the goods stated in our submission as a totally owned subsidiary of its manufacturer in China. While the major products are supplied by CMA, our presence in Tasmania is critical in boosting these offerings. Local dealerships, empowered by our operations, are free to add aftermarket products and services like window tinting, paint protection and many others options to our vehicles. This not only increases total value for Tasmanian customers, but it also accelerates growth in the local aftermarket business. CMA indirectly encourages economic growth and assists numerous local businesses by facilitating such activities, demonstrating our commitment to the well-being of the Tasmanian community and economy.

Opportunity for Tasmanian SME* involvement

While CMA does not directly purchase components in Tasmania, the design and adaptability of our cars enable local dealerships to integrate aftermarket products and services. This not only tailors our vehicles to local consumer preferences, but also stimulates local SMEs by creating channels for them to add to our offerings.

CMA's approach to the Tasmanian market is based on building local partnerships. We collaborate closely with our dealerships, ensuring that they liaise with local contractors as needed, providing a simplified communication procedure, and maintaining the highest quality standards. Furthermore, we encourage and support our dealerships to participate in local advertising and marketing activities by providing them with allocated funds that are channelled back into the Tasmanian economy, supporting local companies even further.

As CMA expands in Tasmania, we are actively contemplating the establishment of a more permanent on-site team. An effort of this nature would naturally pave the way for enriching skill transfer sessions, hands-on training, and development programmes aimed at uplifting and empowering both individuals and SMEs in the region. It's not only about growing our brand; it's about seamlessly integrating ourselves into the Tasmanian community and economy.

Broader social and economic opportunities

CMA has a strategy that includes not just commercial expansion but also genuine advantages to the Tasmanian community and economy. We are at the forefront of innovation, introducing low-cost, high-tech vehicles that satisfy Euro 6 emission regulations, aligning with Tasmania's ambitions for cleaner mobility. Furthermore, our upcoming New Energy Vehicles will assist Tasmania meet its goals for sustainable mobility.

Our growing presence in Tasmania indicates an increasing need for qualified workers. Our local dealerships are always looking for skilled people, and the development trajectory provides ample opportunity for local teams to specialise in the complexities of high-tech and electric vehicle services. While we do not directly appoint trainees or apprentices, our local dealerships have taken the lead by sponsoring apprenticeship programmes that usher in Tasmania's next generation of automotive professionals.

Although CMA does not currently offer direct avenues to underprivileged Tasmanians, our forward-thinking attitude keeps us open to developing initiatives that could provide such chances in the future. Our commitment to the Tasmanian community extends beyond our commercial dealings. Our community support is currently channelled through our local dealerships. Recognising the value of stronger community links, we are considering creating specific community support programmes. As a developing brand in Australia, our goal is to be incorporated and renowned into the fabric of the Tasmanian community.

Local innovative solutions

CMA is committed to providing goods that not only meet, but also improve, the Tasmanian automotive industry. While imported automobiles are our major product, the versatility and adaptability of these vehicles allow local dealerships to cooperate with regional enterprises. By offering aftermarket solutions, we are not only adapting vehicles to the tastes of the Tasmanian market, but also supporting the local economy and securely anchoring regional firms inside our value chain.

We are preparing for the introduction of our electric vehicle by anticipating future needs and using our forward-thinking strategy. Recognising Tasmania's distinct geography, we are forming relationships with local businesses to develop customised charging solutions, ensuring that Tasmania remains self-sufficient and decreases reliance on interstate or international solutions. This strategy accomplishes two goals: it strengthens Tasmania's electric vehicle environment while also encouraging growth in the local sector.

CMA is devoted to broader innovation pursuits beyond pure automotive solutions. We are always adapting to the changing technological landscape which has the potential to improve traffic management, environmental monitoring, and overall driving experience demonstrating our commitment to offering greater advantages to the Tasmanian community.

Completed and endorsed

John-Carlos El Khouri
National Fleet Sales Manager

3 / 11 / 2023

Date

*A Tasmanian SME is a Tasmanian business employing less than 200 people