# **Specification - Goods - Statement of requirements**

The statement of requirement for the procurement of goods should detail the following:

* design and performance criteria;
* acceptance testing; and
* trade-ins.

## Design and performance criteria

For design and performance criteria, this section should detail:

* functional, performance and technical characteristics;
* reporting requirements;
* applicable standards; and
* compatibility and standardisation.

**Functional characteristics**

Outline the proposed function or role of the goods in helping the end-user achieve the desired outcome. It focuses on **what** is to be achieved rather than the **method**of achieving it, e.g. stating ‘automated system to perform this function,’ rather than fully defining the required hardware or software.

**Performance characteristics**

Detail the required performance characteristics by specifying the inputs and outputs required but not the methods to be used to achieve them. This gives suppliers the opportunity to offer their own methods which can then be evaluated against the organisation’s evaluation criteria.

**Technical characteristics**

Detail the physical description of the goods in order to define the requirement and state any specific limitations. Generally it includes:

* physical aspects e.g. dimensions and colour;
* material properties e.g. synthetic materials;
* processes e.g. methods of manufacture or assembly;
* maintenance requirements e.g. when and how the maintenance is to be performed; and
* detailed plans, designs, blueprints and technical drawings.

It is appropriate to provide significant detail where a suitable standard exists or a specific solution is highly desirable. However, avoid over-specifying as this may limit the possible alternatives a supplier could offer and could increase the cost because suppliers will be satisfying requirements that are not necessary.

**Standards**

If the procurement is covered by an International Agreement, a specification should not prescribe or refer to a particular trademark or trade name (e.g. Australian Standards), patent, copyright, design, type, specific origin, producer or supplier, unless there is no other sufficiently precise or intelligible way of describing the procurement requirements. If reference is made to such documents, the specification should include words such as “or equivalent”.

See ‘Government procurement under international agreements – procurement guide’, for further information regarding the application of International Agreements to government procurement.

**Reporting requirements**

Detail what the supplier must report to the organisation, how frequently it is to be provided, and for how long records are to be retained by the supplier. It may also include provisions for auditing records.

## Compatibility and standardisation

If applicable, specify the degree of compatibility requirements whereas standardisation refers to having uniform equipment or processes.

## Acceptance testing

Detail the tests that the good must pass before being accepted by the organisation. (Usually, there are other conditions for acceptance, as well.)

The tests should be designed to prove that the product is, or is not, suitable for its purpose. Organisations may seek products.

The specification must include pro forma test certificates to be completed by the supplier or by another testing organisation.

Organisation may wish to undertaken user testing, if applicable, the organisation maybe required to purchase samples or obtain samples as part of the testing process. This process should be detailed in the specification.

## Trade Ins and Disposal

If the goods being purchased are to replace existing equipment, trading in the old equipment may be a viable sustainable option. Otherwise consider what suitable sustainable and environmentally responsible options exist to subsequently dispose of the goods.

## Using this tool

This tool accompanies the [Specification writing - Goods and services procurement guide](https://www.buyingfor.vic.gov.au/specification-writing-goods-and-services-procurement-guide)

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