

DATE: 2021-05-07

PROJECT TITLE: Canadian Surface Combatant (CSC)

PROJECT OBJECTIVE:

To recapitalize the Royal Canadian Navy's surface combatant fleet by replacing and updating the capabilities found in both the recently retired Iroquois-class destroyers and the multi-role Halifax-class frigates and provide the necessary ammunition, training, support and infrastructure. The new Canadian Surface Combatant (CSC) will ensure that Canada can continue to monitor and defend its waters and make significant contributions to international naval operations.

PROJECT PHASE: Definition

PROCUREMENT STRATEGY

As part of the National Shipbuilding Strategy, the combat vessel work package includes the Canadian Surface Combatant ships. The refined procurement strategy was announced in June 2016, which is to competitively select an existing warship design and design team to design the Canadian warships.

ACHIEVEMENTS

18 November 2015: List of companies selected under the pre-qualification process for the Canadian Surface Combatant released.
 January 2016: The Independent Review Panel Defence Acquisitions was briefed on the results of the Initial Reconciliation of Requirements, a cost to capabilities trade-offs assessment to find the right balance for the Navy.
 June 2016: A refined procurement strategy was announced.
 30 August 2016: Re-qualification period closed, yielded the same list of pre-qualified companies.
 27 October 2016: Canadian Surface Combatant Request for Proposal released.
 7 June 2017: Canada's new Defence Policy, Strong, Secure, Engaged, was released, citing the procurement of 15 Canadian Surface Combatants with an updated overall project budget.

30 November 2017: Canadian Surface Combatant Request for Proposal closed and bids received.
 4 December 2017: Bid Evaluation process commenced.
 19 October 2018: The preferred bidder was identified and the due diligence process commenced.
 7 February 2019: Definition Contract was awarded.
 5 November 2019: Substantial Completion of Requirements Reconciliation.
 5 November 2019: Commencement of Preliminary Design.

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition Phase 1)	2012-06-19	2012-06-19	
Revised Project Approval (Definition Phase 1)	2014-11-30	2014-12-11	
Request for Proposal Release	2016-10-27	2016-10-27	
Revised Project Approval (Definition Phase 2 - Initial Design Review)	2017	2017-06-08	
Request for Proposal Close	Spring 2017	2017-11-30	
Selection of Warship Design and Design Team	N/A	2019-02-07	
Definition Contract Award	2017	2019-02-07	
Revised Project Approval (Definition Phase 2 - Design & Production Engineering)	Winter 2018	2019-05-30	
Estimated Project Approval (Implementation)	Early 2020s	2022/23	
Estimated Contract Award (Implementation)	Early 2020s	2022/23	
Current Estimate for First Delivery (Pre-Implementation)	Mid 2020s	Early 2030s	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)

VALUE (BY MILLIONS)

Major In-Service Support Contract (over 30 years)

Estimated Life Expectancy (30 years)

INDUSTRY ENGAGEMENT ACTIVITIES

From 2013 to 2016, a series of industry engagements were held covering a wide range of topics from soliciting industry input on Canada's proposed requirements and procurement strategy to presenting the overall economic leveraging strategy.

A CSC Industry Day, coordinated and executed virtually by Irving Shipbuilding Inc. (ISI) was held 21 April 2021. Over 450 suppliers registered for the event, of which over 350 Canadian suppliers were directly engaged, and all 5 regions of Canada (Atlantic, Ontario, Quebec, West and North) were represented.

The design process will see continued engagement between Canada and the contracted industry partners through the structure of the Integrated Product Teams (IPT).



SOCIO-ECONOMIC BENEFITS

The Industrial and Technological Benefits Policy is being applied to this procurement. For the Definition contract, both the prime contractor, Irving Shipbuilding Inc. (ISI), and the subcontractor (Lockheed Martin Canada – LMC) are required to provide benefits to Canada equal to their scope of work. LMC has Value Proposition commitments to support Canadian design, engineering and integration work; to provide opportunities for Canadian systems and equipment to be included in the CSC design, and promote investments in priority areas. Canada is seeking economic benefit commitments from contractors which receive CSC-related funds through the United States Foreign Military Sales (FMS) program. In addition, the National Shipbuilding Strategy Value Proposition, which focuses on priority areas of human resources, technology, and industrial development, and is 0.5% of the value of the contract, is being applied to ISI.

POINTS TO NOTE

- Work continues to fully complete the remaining elements under the Requirements Reconciliation task; full task completion now anticipated in early 2021.
 -Significant engagement with the applicable governance committees continues to occur. Every effort is being applied to reduce schedule risk going forward without sacrificing the integrity of the design process.
 -All work related to the project continues to progress on the basis of alternative work arrangements as a response to COVID-19.

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope			
Schedule vs Re-baseline			The project schedule is continually reviewed and updated, including with consideration of the impacts of COVID-19 on project timelines. Design and build schedule estimates and their underlying assumptions, are being critically examined for possible reduction as the ship design progresses.
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Procurement			

TIMELINE

Project Approval (Definition)	Request for Proposal Release	Request for Proposal Close	Bid Evaluation Complete	Definition Contract Award	Estimated Project Approval	Estimated Contract Award (Current Estimate for First £								
▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
2012	2013	2014	2015	2016	2017	2018	2019	2020							
▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
		Revised Project Approval (Definition Phase 1)			Revised Project Approval (Definition Phase 2 - Initial Design Review)		Revised Project Approval (Definition Phase 2 - Design & Production Engineering)		Early 2020s	Early 2020s	Early 2030s				

PROJECT PHASE: Implementation

PROCUREMENT STRATEGY

ACHIEVEMENTS

February 2019: A decision was rendered to sequence construction of the first JSS ahead of the Offshore Oceanographic Science Vessel (OOV) at Seaspan Shipyards.
March 2020: Critical Design Review (CDR) completed as part of the Design and Production Engineering (D&PE) contract. CDR is the second of three major reviews.
June 2020: The shipyard was awarded the Build Contract for the construction of the JSS.
May 2021: Currently there are 51 blocks substantially completed and another 71 under construction (out of 123 blocks total).

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Revised Project Approval (Definition) 6 - New Long Lead Item authorities	2018-04-26	2018-04-26	
Project Approval (Pre-Implementation) - Early Block Build authorities	2018-04-26	2018-04-26	
Project Approval (Implementation)	2020-02	2020-02-27	
Contract Award (Implementation)	2020-04	2020-06-10	
First Delivery	2023	2023	
Initial Operational Capability	2024	2024	
Final Delivery (Second Ship)	2025	2025	
Full Operational Capability	2026	2026	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)

\$ 4,099.2

Major In-Service Support Contract (over 32 years)

Estimated Life Expectancy (30 years of service per vessel)

TIMELINE

Revised Project Approval (Def	Revised Project Approval (Def	Revised Project Approval (Def	Revised Project Approval (Def	Revised Project Approval (Def	Revised Project Approval (Def	Project Approval (Implementat	First Delivery	Initial Operational Capability	Final Delivery	Full Operational Capability			
2010	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Design selection	Initial Design Review Contract Award	Revised Project Approval (Definition) 4 - Contract Design Completion task	Revised Project Approval (Definition) 5 - Design and Production Engineering contract	Project Approval (Pre-implementation) - Early Block Build authorities	Contract Award (Build - full production)	Project Closeout							

INDUSTRY ENGAGEMENT ACTIVITIES

August 2019: A competitive contract for the acquisition of Sea to Shore Connector systems was awarded to NAVAMAR Inc. (Montreal, QC).

SOCIO-ECONOMIC BENEFITS

The Industrial and Regional Benefits (IRB) Policy was applied to the Joint Support Ship: Initial Design Review; Long Lead Items; Design and Production Engineering; and Construction contracts. The total IRB obligation for the JSS is currently \$949M, where \$308M is completed to date and \$641M are in progress. Under JSS, Vancouver Shipyards Co. has \$8.5 million in current NSS Value Proposition obligations, and \$9.2 million in approved NSS Value Proposition investments.

*Values are updated annually. Last update: August 2020.

POINTS TO NOTE

As the project approaches Final Design Review (FDR) in Summer 2021, greater certainty regarding construction and delivery milestones for the first JSS will be achieved.

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope			While construction at the Vancouver Shipyard is continuing, the impacts related to COVID-19 are being assessed and mitigation strategies are being developed in areas such as the global supply chain and production. The shipyard has implemented procedures that are compliant with WorkSafe BC directives that allow for the continued work and progress of the project.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			Notwithstanding the development of mitigation strategies, there are indications that the delivery schedule may experience delays and the project may require the use of contingency funds to offset current issues.
Other			

DATE: 2021-05-12

PROJECT TITLE: Arctic and Offshore Patrol Ship (AOPS)

PROJECT OBJECTIVE:

To deliver six ice-capable offshore patrol ships that will be used by the Royal Canadian Navy to conduct sovereignty and surveillance operations in Canada's waters, including the Arctic, as well as to conduct a wide variety of operations abroad. The Arctic and Offshore Patrol Ship project is acquiring ships, associated integrated logistics support products, jetty infrastructures in Halifax and Esquimalt as well as a berthing and fueling facility at Nanisivik, Nunavut. Additionally, two Arctic and Offshore Patrol Ships will be delivered in support of the Canadian Coast Guard.

PROJECT PHASE: Implementation

PROCUREMENT STRATEGY

The National Shipbuilding Strategy selected Irving Shipbuilding Incorporated to design and build the Arctic and Offshore Patrol Ship. A separate long term In-Service Support contract for the Arctic and Offshore Patrol Ships and the Joint Support Ships was awarded to Thales in 2017. Procurement of two additional Canadian Coast Guard ships as a new variant will be included through a contract amendment to the shipbuilding contract.

ACHIEVEMENTS

January 2015: The government announced the award of the Build contract for the Arctic and Offshore Patrol Ships.
 September 2015: The lead ship in the class, HMCS Harry DeWolf, entered full production.
 August 2016: The second ship, HMCS Margaret Brooke, entered full production.
 December 2017: The third ship, HMCS Max Bernays, entered full production.
 September 2018: HMCS Harry DeWolf launched at Halifax Shipyard.
 December 2018: Contract amendment signed for the acquisition of a sixth ship and extension of the schedule.
 May 2019: The fourth ship, HMCS William Hall, entered full production. The government announced the construction of a seventh and eighth ship for the Canadian Coast Guard.
 July 2019: Construction of the new NJ Jetty at the CFB Halifax Dockyard was completed.
 November 2019: HMCS Margaret Brooke was launched at Halifax Shipyard.

February 2020: HMCS Harry DeWolf commenced sea trials, with the remainder expected to complete in July 2020.
 July 2020: First of its class, HMCS Harry DeWolf was delivered to Canada.
 October 2020: HMCS Harry DeWolf was sailed at sea for the first time under Royal Canadian Navy command.
 February 2021: HMCS Harry DeWolf conducted cold weather and ice trials on the south-east coast of Baffin Island, Nunavut.
 April 2021: HMCS Harry DeWolf conducted warm weather trials.
 May 2021: HMCS Margaret Brooke commenced sea trials.

INDUSTRY ENGAGEMENT ACTIVITIES

The National Shipbuilding Strategy's selection of the two shipyards to rebuild the fleets of the Royal Canadian Navy and the Canadian Coast Guard were applied in a comprehensive and innovative way by following principles of extensive industry consultations, along with the establishment of a strong governance structure and the involvement of independent third parties.

Irving Shipbuilding Inc., as the selected shipyard for the combat package of the National Shipbuilding Strategy, is responsible for engagements with industry. Through these engagements, the shipyard has established contracts for the sourcing of services, materials, equipment and systems for use in the design and construction of the Arctic and Offshore Patrol Ships.



SOCIO-ECONOMIC BENEFITS

The Industrial and Regional Benefits (IRB) policy is being applied to the Arctic and Offshore Patrol Ship Definition and Implementation contracts. The total IRB obligation is \$3.1 billion, \$1.9 billion has been completed to-date and \$396 million is in progress.

*Values are updated annually. Values as of August 2020.

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Revised Project Approval (Definition)	2011-10-06	2012-12-13	The delivery timelines for the second to sixth ships are currently under review.
Contract Award	Winter 2012	2013-03-07	
Project Approval (Implementation)	2014-12-31	2014-12-11	
Contract Award	2015-01-31	2014-12-23	
Revised Project Approval (Implementation)	Fall 2018	2018-11-02	
Production Start	Fall 2015	2015-09-01	
First Delivery	Summer 2019	2020-07-31	
Initial Operational Capability	2020	2021	
Full Operational Capability	2025	2026	
Project Closeout	2026	2026	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	VALUE (BY MILLIONS)
Major In-Service Support Contract (over years)	\$ 4,344.2
(Estimated Life Expectancy 25 years of service per vessel)	

POINTS TO NOTE

Financial figures do not include Canadian Coast Guard ships.

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope			The COVID-19 pandemic has impacted the project's schedule and budget, primarily due to effects on production efficiency. Requirements for self-isolation and travel restrictions have added challenges for some suppliers as well as project office staff. An evaluation is ongoing and will continue as the situation progresses.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Other			Additionally, there are other program delays and cost increases for various reasons. Program schedule status is based on delivering six ships by the planned baseline date. With Ship 6 target delivery date now Jul 2025, representing an overall 16 month delay, the status is moving to yellow. Cost status is also moving to yellow given current forecast for spending, which indicates that a significant portion of contingency funds will be required

TIMELINE

Project Approval (Definition)	Contract Award	Project Approval (Implem)	Production Start	First Delivery	Initial Operational Capability	...	Full Operational Capability	Project Closeout
▼	▼	▼	▼	▼
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2026	2026				
...	...	▲	▲	▲	▲	▲	▲	...	▲
		Contract Award	Cut Steel Ship 1	Cut Steel Ship 2	Cut Steel Ship 3	Revised Project Approval (Implementation)	Cut Steel Ship 4		Cut Steel Ship 5						

DATE: 2021-05-07

PROJECT TITLE: Future Fighter Capability Project (FFCP)

PROJECT OBJECTIVE:

The successful acquisition and transition into service of 88 advanced fighter aircraft and associated equipment, weapons, infrastructure, information technology, and sustainment, including training and software support. This project will leverage Canadian capabilities and support the growth of Canada's aerospace and defence industries.

PROCUREMENT STRATEGY

The overall procurement strategy was announced by the Government of Canada in November 2016, as an open and transparent competition. The competition was launched on 12 December 2017 with the release of a Suppliers List Invitation and government announcement.

ACHIEVEMENTS

<p>22 November 2016: The Government of Canada announced that it would launch, within its current Mandate, an open and transparent competition to replace the legacy fleet of CF-18 fighter aircraft.</p> <p>7 June 2017: Strong, Secure, Engaged Defence Policy announced Canada would purchase 88 advanced fighter jets.</p> <p>30 November 2017: Project Approval and Expenditure Authority granted to the FFCP for entry into Definition Phase.</p> <p>12 December 2017: The Government of Canada launched an open and transparent competition to permanently replace Canada's fighter fleet with 88 advanced fighter aircraft.</p> <p>22 January 2018: FFCP held its first Industry Day followed by one on one meetings with interested industry and government attendees.</p> <p>22 February 2018: Suppliers List released. Only the listed Suppliers will be allowed to submit proposals in the competition for the future fighter capability.</p>	<p>26 October 2018: Draft Request For Proposal (RFP) released to Supplier Teams.</p> <p>23 July 2019: RFP released to Supplier Teams.</p> <p>4 October 2019: Preliminary security responses received from the eligible Suppliers.</p> <p>31 January 2020: Canada's feedback on the preliminary security offers was made available to the Suppliers.</p> <p>31 July 2020: Proposals received from the eligible Suppliers.</p> <p>13 August 2020: Contract awarded for infrastructure design-build services for Cold Lake.</p> <p>28 September 2020: Contract awarded for infrastructure design-build services for Bagotville.</p> <p>March 2021: Site preparation work begins in Cold Lake.</p>
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KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	2017-11	2017-11-30	Early funding has been obtained to commence
Supplier Engagement Launch	2017-12	2017-12-12	some aircraft agnostic infrastructure work in
Request for Proposal Release	Spring 2019	2019-07-23	order for the necessary facilities to be in place
Additional Expenditure Authority Approval	N/A	2020-04-23	in time for delivery of the future fighter aircraft.
Bidding Period Close	N/A	2020-07-31	
Bid Evaluation Complete	N/A	2021	
Estimated Project Approval (Implementation)	2022	2022	
Estimated Contract Award (Implementation)	2022	2022	
Current Estimate for First Delivery (Pre-Implementation)	Mid 2020s	Mid 2020s	
Initial Operational Capability	Mid 2020s	Mid 2020s	
Full Operational Capability	Early 2030s	Early 2030s	
Project Closeout	Early 2030s	Early 2030s	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)

Major In-Service Support Contract (over years)

(Estimated Life Expectancy 30 years)

TIMELINE

Project Approval (Definition)	Request for Proposal	Bidding Period Close	Bid Evaluation Complete	Project Approval (Implementat	First Delivery	Initial Operational Capabilt	Full Operational Capability	Project Closeout
2017	2018	2019	2020	2021	2022	2023	2024	2025
2026	2027	2028	2029	2030	2031	2032		
Supplier Engagement Launch		Additional Expenditure Authority Approval		Contract Award				

INDUSTRY ENGAGEMENT ACTIVITIES

23 April to 1 May 2018: FFCP Regional Forums held in select Canadian cities.

June to September 2018: Second round of meetings and follow-up teleconference calls held with the five Supplier Teams.

29 November to 4 December 2018: Suppliers' Visit to Royal Canadian Air Force Bases.

4-15 February 2019: Meeting with Supplier Teams to discuss Draft Request For Proposal feedback.

15 August 2019: Online presentation to representatives of Canada's aerospace and defence industries.

5-10 December 2019: Supplier Teams visited 3 Wing Bagotville and 4 Wing Cold Lake.

12 February 2020: Infrastructure briefings to Industry in Montreal.

29 April 2020: Infrastructure briefings to Industry in Alberta.

SOCIO-ECONOMIC BENEFITS

Strong economic outcomes are a priority for this project and Canada is seeking to leverage economic benefits that align with the Value Proposition (VP) strategic objectives.

Canada has implemented a VP that seeks to motivate generational investments in Canada's aerospace and defence industries over the coming decades, and that drive innovation, exports and skills development in Canada's Key Industrial Capabilities including in such areas as In-Service Support, Aerospace Systems and Components and Space Systems.

POINTS TO NOTE

ISSUE/RISK ASSESSMENT			
Area	Previous	Current	Issue/Risk Summary
Scope			The world-wide COVID-19 crisis has impacted the project with further impacts being possible. COVID challenges resulted in a one month extension to the proposal delivery dates as well as causing some delays during the conduct of the evaluation. Potential impacts to the longer term schedule will be better understood at the completion of the current evaluation phase.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			Schedule: The approved schedule is considered very aggressive. The project team is managing a number of risks which have the potential to impact schedule.
Infrastructure			
			Infrastructure: While the awarding of design-build contracts has begun, the schedule remains challenging to have the required infrastructure in place to support aircraft deliveries as early as 2025.

The Armoured Combat Support Vehicle (ACSV) Project will deliver an armoured combat support capability to provide Command Support, Combat Support and Combat Service Support to forward elements of a Brigade Group. These capabilities include, but are not limited to, command vehicles, ambulances, and mobile repair teams. 360 Armoured Combat Support Vehicles will be procured.

Non-competitive acquisition and in-service support contracts

<p>05 September 2019: Contract awarded to GDLS-C.</p> <p>06-07 November 2019: System Functional Review for ACSV Type 2 variants completed.</p> <p>29 April 2020: Critical Design Review of Lower Hull for ACSV Type 2 variants completed.</p> <p>26 May 2020: Second Preliminary Design Review of first three ACSV Type 2 variants (Troop/ Cargo Vehicle, Ambulance and Command Post variants) completed.</p> <p>08 July 2020: Logistics Analysis Review of Troop/ Cargo Vehicle (TCV) variant of ACSV completed.</p> <p>10 August 2020: Critical Design Review of Troop/ Cargo Vehicle (TCV) variant of ACSV completed.</p> <p>13 October 2020: System Functional Review for ACSV Type 3 variants completed.</p> <p>16 October 2020: Logistics Analysis Review #2 (Ambulance variant) completed.</p> <p>02-16 November 2020: ACSV Type 2 Critical Design Review 2 (Ambulance and Command Post) successfully completed.</p> <p>03-04 December 2020: ACSV Type 2 Critical Design Review (Protection Kits) completed.</p>	<p>18 December 2020: First ACSV - Troop/Cargo Vehicle (TCV) variant - produced by GDLS-C.</p> <p>29 April 2021: Preliminary Design Review of fourth variant (Electronic Warfare) completed.</p> <p>30 April 2021: Total of 14 Type 2 variants have been produced by GDLS-C to date.</p>
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Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Implementation)	2019-08-06	2019-08-06	First Delivery to the Canadian Army upon completion of all validation activities for each variant (Type).
Contract Award (Implementation)	2019-09-05	2019-09-05	
First Production Vehicle Acceptance	2020-12-31	2020-12-18	
Estimated Final Design Work Completed Type II variants	2022		
Estimated First Delivery Type II variants	2022		
Initial Operational Capability	2023		
Estimated Final Design Work Completed Type III variants	2024		
Estimated First Delivery Type III variants	2024		
Full Operational Capability	2024		
Project Closeout	2025		

Estimated Life Expectancy (25 Years)

Direct engagement with General Dynamics Land Systems - Canada, the Original Equipment Manufacturer of the Light Armoured Vehicle 6.0.



The Industrial and Technological Benefits (ITB) Policy was applied to the ACSV Implementation Contract. Total ITB obligation is \$1.775(M).

*Values are updated annually.

POINTS TO NOTE

Area	Previous	Current	Issue/Risk Summary
Scope			While COVID-19 impacts and associated work restrictions have resulted in challenges, with mitigation measures now in place no immediate project impacts are foreseen.
Schedule vs Re-baseline			
Budget (Definition)	---	---	
Budget (Implementation)			
Human Resources			
Other	---	---	

Project Approval / Implementation	First Delivery Type II	Initial Operational Capability	First Delivery Type III	Full Operational Capability	Project Closeout		
2019	2020	2021	2022	2023	2024	2024	2025
Contract Award							

DATE: 2021-05-10

PROJECT TITLE: Fixed-Wing Search and Rescue Aircraft Replacement Project (FWSAR)

PROJECT OBJECTIVE:

The Government of Canada is buying 16 CC295 aircraft equipped with advanced technology systems to support Canada's search and rescue operations, replacing the current Buffalo and Hercules aircraft performing this function. The aircraft will be based where search and rescue squadrons are currently located, in Comox, British Columbia; Winnipeg, Manitoba; Trenton, Ontario; and Greenwood, Nova Scotia.

PROJECT PHASE: Implementation

PROCUREMENT STRATEGY

Competitive Request for Proposal using a best value procurement strategy.

ACHIEVEMENTS

December 2011: The FWSAR Project Management Office was re-established.
March 2012: Expenditure Authority was provided for the FWSAR project Definition phase to prepare a Request for Proposal.
March 2015: The release of the Request for Proposal was approved and additional Expenditure Authority to continue the Definition phase of the project was obtained.
01 December 2016: Project Implementation approved and contract awarded to Airbus Defence and Space. One contract was awarded for the acquisition and the in-service support.
25 January 2018: The Comox Training Center Ground Breaking ceremony was conducted.
08 March 2019: First aircraft rolled off the production line and commenced contractor ground testing in Spain in late March.
04 July 2019: The first aircraft took its first flight in Seville, Spain, and began contractor-led flight testing.
02 September 2019: Commenced training of air and ground crew.

09-10 December 2019: Acceptance flight tests were conducted for the first aircraft.
18 December 2019: First aircraft accepted in Spain.
04 February 2020: The aircraft maintenance trainer arrived in Comox, British Columbia, from Spain.
31 July 2020: Two additional aircraft were accepted in Spain (for a total of three).
17 September 2020: First aircraft arrival in Comox, British Columbia.
26 October 2020: Maintainer initial cadre training started in Comox, British Columbia.
29 October 2020: Aircrew interim training started in Comox, British Columbia.
09 December 2020: One additional aircraft was accepted in Spain (for a total of four).
11 February 2021: One additional aircraft was accepted in Spain (for a total of five).
07 May 2021: One additional aircraft was accepted in Spain (for a total of six).

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Expenditure Authority Approval (Definition)	2012-03	2012-03-29	Due to the workload associated with the design changes necessary to meet Canada's requirements, the overall project complexity, and recent COVID-19 impacts, Initial Operational Capability and Full Operational Capability have been delayed from the original project baseline.
Project Approval & Amended Expenditure Authority (Definition)	2015-03	2015-03-26	
Request for Proposal Release	2015-03	2015-03-31	
Request for Proposal Close	N/A	2016-01-11	
Bid Evaluation Complete	N/A	2016-06-01	
Project Approval (Implementation)	2016-12	2016-12-01	
Contract Award (Implementation)	2016-12	2016-12-01	
First Delivery	2019-12	2019-12-18	
Initial Operational Capability	2020-12	Summer 2022	
Full Operational Capability	2022-12	Summer 2024	
Project Closeout	2023-12	Summer 2025	

FINANCIALS

VALUE (BY MILLIONS)

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency) (Vote 5 excl tax)	\$ 2,227.3
Major In-Service Support Contract (over years)	
(Estimated Life Expectancy 30 years)	

INDUSTRY ENGAGEMENT ACTIVITIES

To reduce risks to both the Government of Canada and to Bidders, the following industry engagement activities occurred between December 2011 and March 2015 before the release of the final Request for Proposal (RFP): conducted two industry days with over 200 participants each, seven multi-day one-on-one meetings with each industry team, and eight telephone/video conferences; all RFP documents were released to industry for review and comment via 30 Letters of Interest and 176 formal responses were received; conducted site visits of the four existing Main Operating Bases and a tour of a Joint Rescue Coordination Centre; and produced and distributed a video showing a day in the life of a search and rescue technician to ensure industry fully understood requirements.



SOCIO-ECONOMIC BENEFITS

The Industrial and Technological Benefits (ITB) policy was applied to the Acquisition and In-Service Support contracts. The total ITB obligation for FWSAR Acquisition is \$1.9B, \$1.64B in progress, and \$284.7M completed. Total ITB obligation for FWSAR In-Service Support is \$578M, \$443M in progress, and \$135.6M completed.

*Values are updated annually. Values as of August 2020.

POINTS TO NOTE

The original acquisition contract was for 6 years of acquisition (16 aircraft, a training center, and in-service support items) and the first 5 years of in-service support. The original contract also included the opportunity for the company to earn contract extensions for in-service support in increments of 1-3 years, up to an additional 15 years. This could potentially extend until the end of 2042, for a total value of \$4.7B.

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope			There are schedule risks given the uncertainty of the global COVID-19 pandemic situation, and the volume and complexity of the work remaining. The residual risks are being actively managed and mitigation measures coordinated with key stakeholders including the RCAF and the contractor.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Technical			

TIMELINE

...	Request for Proposal Release	Project Approval (Implementat	First Delivery	Initial Operational Capability	...	Full Operational Capability	Project Closeout
...	▼	▼	▼	▼	...	▼	▼
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
▲		...	▲	▲	▲	▲
Expenditure Authority Approval (Definition)			Project Approval (Definition)	Contract Award (Implementation)					Today	Final Aircraft Delivery					

PROJECT PHASE: Definition

PROCUREMENT STRATEGY

ACHIEVEMENTS

KEY MILESTONES

FINANCIALS	VALUE (BY MILLIONS)
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\$1,000-\$4,999

(Estimated Life Expectancy)

TIMELINE

		Project Approval (Definition)		Draft Request for Proposal		Request for Proposal		Final Evaluation Complete		Project Approval (Implementation)		First Delivery		Initial Operational Capability		Full Operational Capability		Project Closedout	
2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032				
***	***	▼	▼	▼	▼	▼	***	▼	▼	***	***	***	▼	▼	***				
***	***	▲	***	***	***	▲	***	***	***	***	***	***	***	***	***				
		Engagement - Draft ITQ								Contract Award									

22 June 2020: Virtual info session held with Canadian industry on RPAS procurement process, technical and Value Proposition approach.

SOCIO-ECONOMIC BENEFITS

Canada will continue to engage with stakeholders on advancing industrial and technological benefits for companies in Canada, and promoting innovation, ensuring best value and supporting Canada's defence priorities.

POINTS TO NOTE

ISSUE/RISK ASSESSMENT			
Area	Previous	Current	Issue/Risk Summary
Scope			The COVID-19 pandemic has impacted the project with further impacts possible. COVID challenges to date have included impact on engagements with qualified suppliers, impact on qualified suppliers' ability to engage Canadian industry, and impact on the coordination required to produce the Request For Proposal. Schedule: Supplier engagement on the draft RFP is taking longer than anticipated and may delay the publication of the final RFP.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Technical			

PROJECT PHASE: Definition

PROCUREMENT STRATEGY

ACHIEVEMENTS

SOCIO-ECONOMIC BENEFITS

The Aboriginal Participation Component (APC) is a mechanism designed to facilitate the Government of Canada's commitments of advancing aboriginal socio-economic development through federal contracting opportunities, and will be introduced to Suppliers through the ITQ process. The APC is a portion of the value of a contract that is set-aside for aboriginal participation, which can be direct or indirect (or both).

KEY MILESTONES

POINTS TO NOTE

FINANCIALS

VALUE (BY MILLIONS)

\$ 1,000.0 - \$4,999.0

(Estimated Life Expectancy 30 years)

TIMELINE

[illegible]

PROJECT PHASE: Definition

- October 2020 – Obtained written feedback from Qualified Suppliers on previously released draft Request for Proposal (RFP) documentation.
- November 2020 – One-on-one engagements with Qualified Suppliers to review their written feedback.
- December 2020 - Initial release of second portion of draft Request for Proposal (RFP) documentation to Qualified Suppliers.
- March to April 2021 - Subsequent release of second portion of draft Request for Proposal (RFP) documentation to Qualified Suppliers.
- April 30, 2021- Received feedback from Qualified Suppliers on milestone payments, technical specifications, in-service support specifications and value proposition.
- May to June 2021 - Virtual engagement sessions are to take place with Qualified Suppliers to review their feedback on the latest draft RFP documents.

Competitive Request For Proposal (RFP) (Best Overall Value).

07 February 2019: Project Approval (Definition) was received.	18 December 2020 to Present: Subsequent releases of second portion of draft Request for Proposal (RFP) documentation to Qualified Suppliers.
29 April 2019: Invitation to Qualify was posted on buyandsell.gc.ca	
08 July 2019: Qualified Suppliers list (7) posted on buyandsell.gc.ca .	
05 August 2020: Contract awarded to the Nevada Automotive Test Centre (NATC) to conduct the bid evaluation Technical Compliance Program.	
July to September 2020 – Release of first portion of draft Request for Proposal (RFP) documentation to Qualified Suppliers.	

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	2019-02-07	2019-02-07	
Request for Proposal Released	2021	Summer 2021	
Bid Evaluation Complete	2021/2022		
Estimated Project Approval (Implementation)	2022/2023		
Estimated Contract Award (Implementation)	2022/2023		
Current Estimate for First Delivery (Pre-Implementation)	2025/2026		
Initial Operational Capability	2026/2027		
Full Operational Capability	2029/2030		
Project Closeout	2029/2030		

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	\$1,000-\$4,999
Major In-Service Support Contract (over _____ years) (Estimated Life Expectancy 20 years _____)	

The Industrial and Technological Benefits (ITB) Policy will apply to the LVM Project. The ITB obligation will be equal to the value of the contract. Economic impact assessment may apply.

- July to September 2020: Release of first portion of draft Request for Proposal (RFP) documentation
- 11 September 2020: Daimler Truck AG withdraws as a Qualified Supplier.
- December 2020 to April 2021: Release of second portion of draft Request for Proposal (RFP) documentation

Area	Previous	Current	Issue/Risk Summary
Scope			The COVID-19 pandemic has impacted the project with further impacts possible. COVID challenges to date have included impact on engagements with qualified suppliers, impact on qualified suppliers' ability to engage Canadian industry, and impact on the coordination required to produce the Request For Proposal.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Other			

[illegible]

The Hornet Extension Project (HEP) will help to ensure that the Royal Canadian Air Forces (RCAF) Hornet fighter fleet is able to meet operational commitments, including to the North American Aerospace Defence Command (NORAD) and the North Atlantic Treaty Organization (NATO), until 2032 when the permanent replacement fleet is expected to be fully operational.

The Procurement Strategy has been confirmed to be a combination of competitive, non-competitive (Original Equipment Manufacturers, Foreign Military Sales) contracts and Standing Offers. The Project will purchase Military Off-The-Self (MOTS) and Commercial Off-The-Self (COTS) equipment that is currently in use by Canada or its Allies, to minimize risks, costs, and schedule.

<p>6 June 2019: Treasury Board Project Approval (Definition) with Expenditure Authority received.</p> <p>20 June 2019: Independent Review Panel Defence Acquisition (IRPDA) for Phase 2 completed.</p> <p>27 September 2019: Defence Procurement Strategy Governance Board Gate #1 for Phase 2 completed.</p> <p>16-17 October 2019: Integration meeting with the United States Navy/Air Force to finalize Phase 2 activities, delivery scheduled and costing completed.</p> <p>29 November 2019: Defence Procurement Strategy Governance Board Gate #2 and #3 completed for specific Phase 2 systems.</p> <p>15 May 2020: Treasury Board Approval (Definition) Phase 2 and (Implementation) with Expenditure Authority and Contracting Authority received.</p>	<p>26 February 2021: All nine Letters of Offer and Acceptance (LOA's) from the United States Government have been accepted for acquisitions under the Foreign Military Sales (FMS) program.</p>
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Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Strategic Concept Document - Approved (highest level)	2015-09-22	2015-09-22	There have been some impacts from COVID-19 on the project schedule, but this delay is not anticipated to impact Initial or Full Operational Capability (IOC/FOC) timelines of the project.
Options Analysis - SOR - Approved	2019-01-28	2019-01-28	
Options Analysis - Project Charter - Sign-Off	2019-03-29	2019-03-29	
Project Approval (Definition) Phase 1	2019-06-06	2019-06-06	
Project Approval (Definition) Phase 2	2020-04	2020-05-15	
Project Approval (Implementation)	2020-04	2020-05-15	
Estimated Contract Award (Implementation)	2021-12		
Estimated Project Approval (Implementation) for remaining systems in Definition	early 2021		
Initial Operational Capability	2023-12		
Full Operational Capability	2025-06		
Project Closeout	2025-09		

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	\$ 1,326.0
Major In-Service Support Contract (over years)	
Estimated Life Expectancy (2032)	

The project Implementation phase has resulted in multiple engagements with US Government and industry suppliers in Canada and the United States to establish FMS cases through Letter of Request (LOR) as well as Direct Commercial Sale contracts through Request For Information (RFI) and Request For Proposal (RFP).



Industrial Technological Benefits will be considered for all acquisitions in excess of \$20M.

ISSUE/RISK ASSESSMENT			
Area	Previous	Current	Issue/Risk Summary
Scope			<p>Schedule: Canada has been advised by the US Government that the manufacturer's delivery date for the Joint Standoff Weapon (JSOW) is now scheduled in 2026 which would result in up to 9 months delay to the Project Closeout date.</p> <p>Human resources: Multiple projects simultaneously requiring human resources causing challenges to filling the Project Management Office with all the required personnel. Active human resources management based on priorities and risk is being pursued.</p>
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Technical			

Project Approval (Definition)				Project Approval (Implementation)				Initial Operational Capability				Full Operational Capability			
▼	▼	***	***	▼	***	▼	***	***	***	***	***	***	***	***	***
2019	2020	2021	2022	2023	2024	2025									
***	▲	***	***	***	***	▲	***	***	***	***	***	***	***	***	***
Phase 1	Project Approval (Definition) Phase 2						Project Closeout								

This project will extend the estimated life expectancy of the CH149 Cormorant to at least 2042, address obsolescence issues, ensure compliance with emerging regulations, and address a search and rescue capability deficiency at the Trenton Main Operating Base. These objectives will be achieved by way of updates and upgrades to the existing CH149 Cormorant fleet, augmentation of the fleet, and improvements to maintenance regimes and training.

As detailed in a Letter of Notification released to Industry (24 May 2018), Canada intends to execute this project through a non-competitive (sole source) process with the Original Equipment Manufacturer of the CH149, Leonardo's Helicopter Division (formerly AgustaWestland).

July 2012: CMLU Project initiated by Comd RCAF.
September 2013: Defence Caballites Board (DCB) approved the start of the Options Analysis phase.
January 2018: Associate Deputy Minister Committee endorsed AW101 only solution and Procurement Strategy.
May 2018: Canada released a Letter of Notification indicating the Government's intention to sole source the Project with Leonardo.
26 July 2018: DCB approved Project Option #3 - Upgrade CH149 and augment by converting and adding VUH assets.
25 September 2018: Project briefing to Independent Review Panel Defence Acquisition (#2) completed.

25 October 2019: Continging Strategy for Training Aids/Infrastructure endorsed at ADMC (Defence Procurement Strategy (DPS) #2) and Release of Request for Proposal (RFP) (DPS #3) were endorsed by ADMC.

16 October 2020: An update brief was provided to the Assistant Deputy Minister Committee on the unaffordability of the Leonardo proposal.

27 November 2020: Program Review Board (PMB) was informed of the CMLU affordability challenges and that the Project will be investigating alternative options to ensure the viability of Rotary Wing Search and Rescue services.

1 February 2021: Assistant Review Board (SRB) held. SRB approved the release of Project contingency funds to support an extended Definition phase while the Project is investigating alternate solutions.

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	2019-02	2019-02-07	Re-baseline/Actual milestone dates for First Delivery, IOC, Final Delivery, FOC and EPC will be confirmed upon contract award.
Estimated Project Approval (Implementation)	Fall 2020	2022-06	
Estimated Contract Award (Implementation)	Fall 2020	2022-07	
Current Estimate for First Delivery (Pre-Implementation)	2022		
Initial Operational Capability	2024		
Final Delivery	2027		
Full Operational Capability	2028		
Effective Project Closeout	2028		

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	\$1,026.5
Major In-Service Support Contract (over years)	
Estimated Life Expectancy (2042 and beyond)	

July 2018: Leonardo, with ISED present, held an industry day funding Farnborough airshow.

31 January 2020: The RFP was released to Leonardo.

30 April 2020: Leonardo submitted their Technical Proposal.

13 May 2020: Leonardo submitted their Commercial Proposal.

10 November 2020: ADM(Mat) letter to Leonardo advising that in light of unaffordability of their proposal, the Project team will focus on developing an alternative.

25 January 2021: Project re-engaged with Leonardo and IMP to advise and initiate collaboration to investigate feasibility of upgrading existing 14 CH149s for obsolescence and regulatory requirements only.

26 March 2021: Proposal received from Leonardo for a 13 helicopters solution.



The Industrial and Technological Benefits Policy, including Value Proposition, applies to this acquisition. The industrial analysis conducted to date reveals that this project is related to a number of areas of strategic interest to Canada, including rotary wing maintenance, repair and overhaul, systems upgrade, and training and simulation. The potential to leverage economic benefits will be a consideration in finalizing the procurement strategy. Draft Industrial and Technological Benefits requirements for the CMLU project transmitted to Leonardo in July 2019.

The current in-service support contract has contracting authority to 2025. Competition for the future sustainment of augmented fleet will be determined as part of the ongoing Sustainment Business Case Analysis.

Project is proceeding under a Procure to Budget approach and intends to use assigned cost contingency to maximize the capability delivered if and when risks are retired.

Area	Previous	Current	Issue/Risk Summary
Scope			Scope - Negotiations with the contractor were put on pause due to the proposals being unaffordable. The project office and the RCAF are investigating alternate solutions to address emerging obsolescence with approved budget. Project solutions may not meet all the current High Level Mandatory Requirements.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			Schedule - The investigation of alternate solutions may delay PA(Imp) past current milestone of June 2022. Key milestones such as First Aircraft delivery, IOC, FOC, etc., which are dependent on Contract Award (CA), will need to be adjusted once CA date has been confirmed.
Other			
			Budget (Definition) - Project will need additional PA(Def) funds should the Definition phase extend past June 2022, which is possible given the need to investigate alternate solutions.

[illegible]

DATE: 2021-05-10

PROJECT TITLE: Maritime Helicopter Project (MHP)

PROJECT OBJECTIVE:

The Maritime Helicopter Project involves the delivery of 28 state-of-the-art, combat-capable CH-148 Cyclone helicopters, associated logistical and in-service support, spare parts, as well as modifications to the Halifax-class ships and construction of a new training facility equipped with a full training suite of flight, mission and maintenance simulators.

PROJECT PHASE: Implementation

PROCUREMENT STRATEGY

Competitive Solicitation of Interest and Qualification followed by a Request for Proposal.

ACHIEVEMENTS

- November 2008: CH148 first flight.
- June 2015: Six Block 1 aircraft delivered.
- 24 August 2017: The CH148 Cyclone Release To Service was issued by the Commander of the Royal Canadian Air Force.
- January 2018: The 15th and last aircraft in the Block 1 configuration was delivered to Canada.
- April to June 2018: Six Block 2 helicopters were accepted.
- 07 June 2018: Initial Operational Capability achieved.
- 08 August 2018: Patricia Bay commenced flight operations.
- February 2019: Two east and west coast based Cyclones embarked on RCN ships for a 6-month concurrent deployments.
- September 2020: Last qualification flight for the Capability Release (CR) 2.1 configuration marks the end of the Cyclone joint Sikorsky-Canada developmental flight test program under the capital acquisition project.
- November 2020: First CR 2.1 helicopter, which is the final configuration, was accepted.
- December 2020: The nineteenth Block 2 helicopter was accepted. The total number of Canadian owned Cyclone helicopters is 23 (including the aircraft lost in April 2020).
- February 2021: The second CR 2.1 helicopter was accepted.
- March 2021: First CR 2.1 Modification Kit delivered to Canada.

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	2000-08-17	2003-06-18	As a result of the COVID-19 crisis, milestone dates may shift.
Request for Proposal Release	Summer 2003	2003-12-17	
Project Approval (Implementation)	Spring 2004	2004-11-22	
Contract Award	Spring 2004	2004-11-23	
Schedule / Contract Rebaseline	N/A	2014-06-18	
First Delivery Block 1	2015-06	2015-06-19	
First Delivery Block 2	2018-03	2018-04-03	
Initial Operational Capability	N/A	2018-06-07	
Final Delivery Block 2	N/A	Fall 2021	
Full Operational Capability	N/A	2022	
Effective Project Closeout	2022	2022	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	VALUE (BY MILLIONS)
Major In-Service Support Contract (over 25 years)	\$ 3,174.0
Estimated Life Expectancy (25 years)	

INDUSTRY ENGAGEMENT ACTIVITIES

Industry engagement was conducted prior to the Request For Proposal being published in December 2003.



SOCIO-ECONOMIC BENEFITS

The Industrial and Regional Benefits (IRB) Policy was applied to the Acquisition and In-Service Support contracts. Total IRB obligation for Acquisition is \$2.04B, \$2.04B completed to date. Total IRB In-Service Support is \$2.7B, \$1.84B completed to date and \$729M in progress.

* Values are updated annually. DND received last update: August 2019.

POINTS TO NOTE

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope	<input type="button" value="v"/>		Block 2 delivery remains on track. The project is facing financial challenges, increased procurement costs, and some financial adjustments. The project will ask to release the remaining contingency funds and will eventually ask additional funding to meet the approved scope.
Schedule vs Re-baseline			
Budget (Definition)			
Budget (Implementation)			
Human Resources			
Other			

TIMELINE

Project Approval (Definition)	Project Approval (Implementation)	Contract Amendment	1st Delivery Block 1	Initial Operational Capability	Final Delivery	Full Operational Capability
▼	▼	***	***	***	▼	▼	***	***	▼	***	***	▼	***	***	***
2003	2004		2008		2014	2015	2016	2017	2018	2019	2020	2021	2022		
***	▲	***	▲	***	***	***	***	▲	▲	▲	***	***	***	***	***
	Contract award		Revised Project Approval (Implementation)					15th Delivery Block 1	1st Delivery Block 2	1st Delivery CR 2.1 kit			Effective Project Closeout		

PROJECT PHASE: Implementation

The acquisition of Australian aircraft will continue to benefit Canada's aerospace sector as maintenance and modification work for these aircraft shall be supported by Canadian industry.



The acquisition of Australian F/A-18A/B aircraft is being conducted through a government-to-government Purchase Arrangement between Canada and Australia. The acquisition of Naval Aircrew Common Ejection Seats, modification kits, including associated parts is being pursued through United States Foreign Military Sales. The transport of assets from Australia to Canada, and the preparation/modification of DND facilities shall be through competitive commercial contracts where DND assets cannot be used.

22 November 2016: Government of Canada announced the Interim Fighter Capability Project.	30 May 2020: fifth aircraft arrived in Canada.
12 December 2017: The Government of Canada announced its intention to pursue the purchase of Australian F/A-18 Hornets. Project Definition approval amended.	27 June 2020: sixth aircraft arrived in Canada.
09 November 2018: Government-to-government Purchasing Arrangement signed by Australian and Canadian representatives	25 August 2020: Commercial Airlift Contract Awarded.
07 February 2019: NACES Ejection Seat FMS Case approved.	06 September 2020: seventh aircraft arrived in Canada.
21 February 2019: First two aircraft were transferred from the Government of Australia to the Government of Canada.	22 October 2020: Senior Review Board
22 May 2019: First RCAF flight with a supplemental aircraft.	18 & 26 November 2020: eighth, ninth, tenth and eleventh aircraft arrived in Canada by commercial carrier.
28 June 2019: Initial Operational Capability declared with supplemental aircraft.	02 February 2021: PSPC exercised options for two additional airlifts with Momentum
01 August 2019: Stand-up of RCAF Detachment at RAAF Base Williamtown, NSW, Australia.	12 March 2021: Twelfth and thirteenth aircraft arrived in Canada by commercial carrier.
17 November 2019: third aircraft arrived in Canada.	18 March 2021: Fourteenth and fifteenth aircraft arrived in Canada by commercial carrier.
13 February 2020: fourth aircraft arrived in Canada.	21 & 29 April 2021: sixteenth, seventeenth, eighteenth and nineteenth aircraft arrived in Canada by commercial carrier.
	7 May 2021: Fourth aircraft completed acceptance testing, aircraft five to 11 are undergoing inspections and modifications at L3 Harris in Mirabel.

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	2017-02	2017-02-23	
Receipt of Australian First Letter of Cost Proposal for 18 F-18 Fighter Aircraft	2017-12	2017-12-01	
Project Approval (Definition) Amended	2017-12	2017-12-12	
First Letter of Proposal Acceptance to Australia for 18 F-18 Fighter Aircraft	2017-12	2017-12-13	
Project Approval (Implementation)	2018-10	2018-11-01	
Sign Government to Government Purchase Agreement	2018-11	2018-11-09	
First Aircraft made available to Canada	2019-02	2019-02-21	
Initial Operational Capability	Summer 2019	2019-06-28	
Final Aircraft Delivery	Winter 2021		
Full Operational Capability	Winter 2022		
Effective Project Closure	Winter 2023		

\$ 339.3

Estimated Life Expectancy (2032)

Project Approval (Definition)		Project Approval (Implementation)		First Delivery				Final Delivery		Full Operational Capability																
▼	2017	▼	2018	▼	2019	***	2020	▼	2021	▼	2022	***	2023	***	2024	***	2025	***	2026	***	2027	***	2028	***	2029	***
***	***	▲	Initial Operational Capability	***	2020	***	2021	***	2022	▲	Effective Project Closeout	***	2025	***	2026	***	2027	***	2028	***	2029	***	2030	***	2031	***

[illegible]

PROJECT OBJECTIVE:		PROJECT PHASE: Implementation
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PROCUREMENT STRATEGY

ACHIEVEMENTS

October 2020: Stability Mobility Testing, and the Blast Test, two key activities before the start of vehicle production, were completed

November 2020: Production of LRSS vehicles has started.

April 2021: Deliveries of Silent Watch Battery Pack has started.

SOCIO-ECONOMIC BENEFITS

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	2012-03-09	2012-12-06	
Project Approval (Implementation)	2014-12-15	2014-11-07	
Contract Award (Implementation)	2015-01-01	2015-02-01	
First Delivery	2017-01-01	2021-10-01	
Initial Operational Capability (IOC)	June 2017	2021-12-31	
Full Operational Capability (FOC)	December 2018	2023-02-25	
Project Closeout	December 2019	2023-05-25	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)

\$ 623.4

Major In-Service Support Contract (over years)	
1990-1994	1995-1999
2000-2004	2005-2009
2010-2014	2015-2019
2020-2024	2025-2029
2030-2034	2035-2039
2040-2044	2045-2049
2050-2054	2055-2059
2060-2064	2065-2069
2070-2074	2075-2079
2080-2084	2085-2089
2090-2094	2095-2099
2100-2104	2105-2109
2110-2114	2115-2119
2120-2124	2125-2129
2130-2134	2135-2139
2140-2144	2145-2149
2150-2154	2155-2159
2160-2164	2165-2169
2170-2174	2175-2179
2180-2184	2185-2189
2190-2194	2195-2199
2200-2204	2205-2209
2210-2214	2215-2219
2220-2224	2225-2229
2230-2234	2235-2239
2240-2244	2245-2249
2250-2254	2255-2259
2260-2264	2265-2269
2270-2274	2275-2279
2280-2284	2285-2289
2290-2294	2295-2299
2300-2304	2305-2309
2310-2314	2315-2319
2320-2324	2325-2329
2330-2334	2335-2339
2340-2344	2345-2349
2350-2354	2355-2359
2360-2364	2365-2369
2370-2374	2375-2379
2380-2384	2385-2389
2390-2394	2395-2399
2400-2404	2405-2409
2410-2414	2415-2419
2420-2424	2425-2429
2430-2434	2435-2439
2440-2444	2445-2449
2450-2454	2455-2459
2460-2464	2465-2469
2470-2474	2475-2479
2480-2484	2485-2489
2490-2494	2495-2499
2500-2504	2505-2509
2510-2514	2515-2519
2520-2524	2525-2529
2530-2534	2535-2539
2540-2544	2545-2549
2550-2554	2555-2559
2560-2564	2565-2569
2570-2574	2575-2579
2580-2584	2585-2589
2590-2594	2595-2599
2600-2604	2605-2609
2610-2614	2615-2619
2620-2624	2625-2629
2630-2634	2635-2639
2640-2644	2645-2649
2650-2654	2655-2659
2660-2664	2665-2669
2670-2674	2675-2679
2680-2684	2685-2689
2690-2694	2695-2699
2700-2704	2705-2709
2710-2714	2715-2719
2720-2724	2725-2729
2730-2734	2735-2739
2740-2744	2745-2749
2750-2754	2755-2759
2760-2764	2765-2769
2770-2774	2775-2779
2780-2784	2785-2789
2790-2794	2795-2799
2800-2804	2805-2809
2810-2814	2815-2819
2820-2824	2825-2829
2830-2834	2835-2839
2840-2844	2845-2849
2850-2854	2855-2859
2860-2864	2865-2869
2870-2874	2875-2879
2880-2884	2885-2889
2890-2894	2895-2899
2900-2904	2905-2909
2910-2914	2915-2919
2920-2924	2925-2929
2930-2934	2935-2939
2940-2944	2945-2949
2950-2954	2955-2959
2960-2964	2965-2969
2970-2974	2975-2979
2980-2984	2985-2989
2990-2994	2995-2999
3000-3004	3005-3009
3010-3014	3015-3019
3020-3024	3025-3029
3030-3034	3035-3039
3040-3044	3045-3049
3050-3054	3055-3059
3060-3064	3065-3069
3070-3074	3075-3079
3080-3084	30

(Estimated Life Expectancy 20 years)

\$ 623.4

POINTS TO NOTE

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope			COVID-19: The vendor is assessing and mitigating the impact of COVID but, regardless, there is an increased risk of slippage of IOC and FOC by 3 weeks. No impact on cost.
Schedule vs Re-baseline			
Budget (Definition)			SCHEDULE: Technical risks may further impact the delivery schedule.
Budget (Implementation)			BUDGET: Released contingency surpluses 50 percent of total.
Human Resources			TECHNICAL: Complex state-of-the-art solution with many challenging interdependencies (Light Armoured Vehicle III Upgrade, Intelligence Surveillance Target Acquisition Reconnaissance System, and Land Command Support System Life Extension). Issues remain with software design, mast production, and qualification testing of components. The potential technical risks were anticipated and are being closely monitored via monthly governance meetings.
Technical			

TIMELINE

Timeline																
										First Delivery	Full Operational Capability					
***	***	***	***	***	***	***	***	***	***	▼	***	▼	***	***	***	
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023					
▲	***	▲	▲	***	***	***	***	***	▲	***	▲	***	***	***	***	
Project Approval (Definition)		Project Approval (Implementation)	Contract Award						Initial Operational Capability		Project Closeout					

DATE: 2021-05-07

PROJECT TITLE: Victoria-Class Modernization (VCM)

PROJECT OBJECTIVE:

Victoria-Class Modernization (VCM) will provide modernized and increased capability that will maintain the Victoria-Class Submarines' (VCS) operational relevance through the mid-2030s by focusing on: a) improving the habitability and deployment conditions on board the VCS for Royal Canadian Navy (RCN) submariners; b) positioning the VCS to contribute meaningfully to Canadian Armed Forces (CAF) Joint Operations ashore; and c) ensuring the survivability of the VCS against current and evolving threats in an increasingly complex and changing battle space.

PROCUREMENT STRATEGY

As the modernization is comprised of 20 individual projects, various procurement strategies will be utilized. While open and transparent competitions will be used in the majority of projects, a small number of projects will use sole source contracting as a result of existing Intellectual Property constraints or requirements to integrate with existing systems.

ACHIEVEMENTS

07 June 2017: Strong, Secure Engaged: Canada's Defence Policy announced Canada would operate and modernize the Victoria-Class Submarines.
 27 October 2017: Strategic Context Document endorsed by Defence Capabilities Board.
 Project entered Options Analysis
 13 December 2017: First engagement with the Independent Review Panel for Defence Acquisitions (IRPDA)
 07 May 2020: Final engagement with IRPDA on Phase 1 projects and VCM Program overall.
 20 November 2020: Submissions for Phase 1 (Minor Obsolescence and Maintenance Initiatives) and Phase 2 (Capability Modernization Projects (Bundle 1)) approved by MND

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition) MND Phase 1 (Obsolescence and Maintenance Initiative) and PI	27 October 2020	20 November 2020	Phase 3 and Phase 4 Project Approval (Definition) dates have shifted from November 2021 to March 2022 due to capacity limits and prioritization activities within DND.
Project Approval (Definition) MND Phase 3	June 2021	March 2022	
Project Approval (Definition) TB Phase 4	June 2021	March 2022	
Estimated Project Approval (Implementation) Obsolescence and Maintenance Mitigation Initia	September 2021	September 2021	
Estimated Project Approval (Implementation) Periscope Modernization	November 2022	November 2022	
Estimated Contract Award (Implementation)	April 2023	April 2023	
Current Estimate for First Delivery (Pre-Implementation)	2026	2026	
Initial Operational Capability	2028	2028	
Full Operational Capability	2033	2033	
Project Closeout	2034	2034	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)

Major In-Service Support Contract (over years)

(Estimated Life Expectancy March 2040)

INDUSTRY ENGAGEMENT ACTIVITIES

Two RFIs have been released to Industry to gain insight into costs and availability for two of the larger projects that make up the VCM program (Periscopes and Flank Array)

Industry engagement plans for the Flank Array Modernization Project and Periscopes Modernization Project were approved by the Director General Governance Committee on 09 March 2021.



SOCIO-ECONOMIC BENEFITS

Industrial Technological Benefits will be considered for all acquisitions in excess of \$20M.

Canada will continue to engage with stakeholders on advancing industrial and technological benefits for companies in Canada, and promoting innovation, ensuring best value and supporting Canada's defence priorities.

POINTS TO NOTE

As VCM represents a significant endeavour to maintain the operational relevance of the Victoria-Class Submarines, with projects lasting well over a decade due to fixed and limited installation opportunities, the schedule will require constant monitoring.

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope			The world-wide COVID-19 crisis is having a modest effect on VCM projects but is not seen to be delaying as yet. Project coordination and administration are nearly fully virtualized.
Schedule vs Re-baseline			
Budget (Definition)			Staffing challenges remain as efforts continue to fill multiple Project Management Personnel Resource positions.
Budget (Implementation)			
Human Resources			
Technical			

TIMELINE

Project Approval (Definition)	TODAY	Project Approval (Implemer)	Project Approval (Definition)	Project Approval (Implementat	Contract Award	First Delivery	Initial Operational Capability	Full Operational Capability	Project Closeout
▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
2020	2021	2021	2022	2022	2023	2026	2028	2033	2034
***	***	***	***	***	***	***	***	***	***
1. Obsolescence and Maintenance Mitigation Initiative - MND 2. Three modernization projects - MND		Obsolescence and Maintenance Mitigation Initiative	1. One new capability (Data Fusion Capability) - TB 2. Three modernization projects (Torpedo Countermeasure Launcher, Air Monitoring System, Propeller and Hull Form) -	Periscope Modernization	Periscope Modernization				

PROJECT TITLE: Medium Support Vehicle System Project (MSVS)

PROJECT PHASE: Implementation

INDUSTRY ENGAGEMENT ACTIVITIES

Industry consultations occurred every year for this project from Definition onward, and prior to and during procurement instrument development. Most notably: 2006: Project industry day; 2007: Industry day for Phase I, and industry briefings for Phase IV; 2008: Industry day for Phase II, and industry information session for Phase IV; 2009 and 2010: Meetings with potential Phase IV bidders; 2011: Meetings with potential Phase III and IV bidders; 2012: Bidders' conference for Phase IV; 2013: One-on-one meetings with industry and bidders conference for Phase IV.



PROCUREMENT STRATEGY

Competitive Request For Proposal (RFP) (Best Overall Value)

ACHIEVEMENTS

<p>January 2009: Contract awarded to Navistar International for Militarized Commercial-Off-The-Shelf (MILCOTS) trucks for Phase I.</p> <p>July 2009: Contract awarded to DEW Engineering for Baseline Shelters for Phase II.</p> <p>March 2011: Final delivery of the 1300 MILCOTS trucks.</p> <p>December 2012: Contract awarded to DEW Engineering for Kitting of the Baseline Shelters for Phase III.</p> <p>February 2015: Final delivery of 994 Baseline Shelters for Phase II.</p> <p>June 2015: Contract awarded to Mack Defense for 1537 Standard Military Pattern (SMP) trucks, 157 Armoured Protection System (APS) cabs and 300 trailers for Phase IV.</p> <p>November 2016: Final delivery of Kitting of Baseline Shelters for Phase III.</p> <p>June 2017: Contract option exercised with Medium to Heavy Lift Helicopter (MHLH) project adds 36 trucks, 4 APS, and 14 trailers.</p> <p>December 2017: Contract option exercised to support the Medium Logistic Vehicle (MLV) project, part of the Air Force Expeditionary Capability (AFEC) Program, adding 14 trucks, and</p>	<p>4 trailers.</p> <p>April 2018: First Standard Military Pattern (SMP) trucks and trailers delivered to CFB Edmonton for Phase IV.</p> <p>November 2018: First Armoured Protection Systems (APS) delivered to Montreal.</p> <p>October 2019: Phase IV Initial Operating Capability (IOC) achieved.</p> <p>December 2019: First SMP trucks deployed to Op Reassurance in Latvia.</p> <p>April 2020: All 1587 trucks and 322 trailers received.</p> <p>June 2020: 5 year in-service support contract extension was awarded.</p> <p>July 2020: Day to day support responsibility transferred from the Project to the in-service support organization.</p> <p>September 2020: All 161 APS received.</p> <p>18 February 2021: Full Operational Capability (FOC) achieved.</p>
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KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)	N/A	2006-02-22	
Revised Project Approval (Definition) - Phase II: Shelters	2009-03	2009-06-19	
Revised Project Approval (Definition) - Phase III: Kitting	2012-11	2012-11-29	
Contract Award (CA) - Phase III: Kitting	2012-11	2012-12-21	
First Delivery - Phase III: Kitting	2013-12	2014-01-16	
Final Delivery - Phase III: Kitting	Spring 2016	2016-11-11	
Project Approval (Implementation) - Phase IV: SMP	Fall 2014	2015-05-28	
Contract Award - Phase IV: SMP	2015-06	2015-06-11	
Final Delivery - Phase IV: SMP	Fall 2018	2020-09-16	
Effective Project Closure	Spring 2021	Spring 2021	
Project Approval (Implementation) - Phase V: Infrastructure	Winter 2014	2015-05-28	
Project Closeout	2020	Fall 2022	

FINANCIALS

VALUE (BY MILLIONS)

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)

\$ 1.513.0

Major In-Service Support Contract (over 5 years)

(Estimated Life Expectancy Phase I: 12 years, Phase IV: 20 years)

TIMELINE

[illegible]