

**MARITIME
DEVELOPMENT
BRANCH
MASTER PLAN
2008/9**

APPROVED BY:

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Introduction

Maritime Development Branch organisationally sits within the Capability Systems Division of the Capability Development Group. This Branch Master Plan aims to present the Branch subordinate planning documents in a structured and holistic manner. The Master Plan itself should be an enduring document with the subordinate plans being reviewed on an annual basis.

The three subordinate documents are:

- a. **The Strategic Plan.** This provides a twenty year look ahead and is the long term planning tool for maritime project development within the Capability Development Group.
- b. **The Resource Plan.** This provides a more in-depth overview of the next ten years.
- c. **The Business Plan.** This provides the detailed plan for the current fiscal year.

Capability Development Group

Overview

The role of the Capability Development Group (CDG) is to develop and gain Government approval for future Defence capabilities. The CDG has a close relationship with the Defence Materiel Organisation and oversees the implementation of a number of the Defence Procurement Review recommendations.

CDG is responsible, as Sponsor, for developing capability proposals, consistent with strategic priorities, funding guidance, legislation and policy, for consideration and approval by Government. In particular, the work of the Group focuses on:

- a. Defence's Major Capability Expenditure (MCE) investment program ("major" here meaning equipment projects of \$20 million or more, or of less than \$20 million but with individual items of \$1 million or more, or equipment projects of less than \$20 million with strategic significance); and
- b. capability definition, comprising the Needs Phase and the Requirements Phase.

Capability Systems Division

Head Capability Systems (HCS) has responsibility for a number of initiatives including:

- a. The development and iteration of the latest version of the Defence Capability Plan, building on the Defence Capability Review 2003. This includes a review of all cost estimates associated with unapproved major capital projects and the development of new capability proposals to respond to changes in strategic guidance including the war on terror and satisfy other identified capability gaps.
- b. Development of departmental processes and procedures associated with the recommendations of the Defence Procurement (Kinnaird) Review 2003.

Maritime Development Branch

Mission and goals

The **mission** of the Maritime Development Branch is to develop compelling business cases for Government consideration to advance maritime capability.

The enduring **goals** of the Maritime Development Branch are:

- a. meet the DCP schedule for project development;
- b. in conjunction with NHQ, ensure timely entry into the DCP for required maritime projects;
- c. monitor and influence DMO performance during the Acquisition phase.

Shorter term goals are laid out in the Annual Business Plan

Organisation

Maritime Development Branch is headed by a one-star Naval Officer, Director General Maritime Development (DGMD). The staff is largely divided between project desk officers (Project Development Section) and cross-organisation Support Services Staff. Both sections are headed by O-6 Naval officers who work collaboratively to provide DGMD with the ability to plan effectively, provide advice on capability decisions and prepare high quality documentation for higher level Defence committees.

The Chief of Staff Maritime Development (COS MD) coordinates whole of branch activities, as well as being responsible for the Support Services Section. Staff in the Support Services Section assist the Project Staff by applying their knowledge and experience in each of the individual projects being sponsored.

The Director Maritime Development (DMD) coordinates all activities of the Project Development Section. The focus of activities can be broadly split into effort to have a project accepted into the Defence Capability Plan (DCP), steering projects through the Two-Pass Government approval process, and maintaining sponsorship during the acquisition phase until the capability is accepted into service.

Responsibilities

Maritime Development Branch is responsible to Head Capability Systems for:

- developing, in conjunction with other agencies, the long term view of capability development;
- developing and sponsoring capability proposals to meet agreed capability requirements and projects;
- supporting NHQ in the execution of their responsibilities;
- sponsoring research and development tasks;
- providing advice on Capability Systems matters so as to lead to more efficient utilisation of resources; and

- providing operational advice and support to DMO project staff on Capability Systems matters.

Capability Life Cycle – Navy projects

In relation to Navy's part of the Major Capital Equipment (MCE) program, which is the aspect of capability development of primary interest to MD Branch, the main stages of the capability life cycle are:

- **The Needs Phase** which involves five activities:
 - a. identification of strategic priorities;
 - b. development and evaluation of concepts;
 - c. articulation of capability goals;
 - d. assessment of the performance of the current force and that expected of a planned force, including the identification and analysis of capability gaps; and
 - e. development of programs and plans which direct how Defence capability will be developed.

CDG is responsible for the articulation of capability goals, performance assessment and development of capability programs and this responsibility is delegated to Director General Capability and Plans (DGCP). Navy HQ (DGN CPP) contributes to the identification of capability gaps through a number of mechanisms including Force Options Testing (FOT), Experimentation (Navy's Headmark series), Operations Research and the Key Assets Review, and are also major contributors to the subsequent development of Capability Definition Statements (CDS) required to enter new capabilities into the DCP. DGMD staff work closely with NHQ through FOT and Headmark to identify capability gaps and expose options for filling the gap.

- **The Requirements Phase** - During this Phase, MD Branch undertakes the detailed planning required for converting the capability needs into an integrated set of changes in each of the Fundamental Inputs to Capability (FIC). During this phase, MD staff work with the other groups to:
 - a. identify and develop affordable options that will satisfy the desired capability needs;
 - b. undertake cost and schedule estimation activities to provide the requisite quality of information;
 - c. prepare required detailed management plans and acquisition strategies; and
 - d. present to Government business case(s) that allow timely decisions regarding the investment required to deliver the capability sought.

The **two stage decision making process** directed by Government consists of:

- a. **First Pass approval** - at which Government considers alternatives and approves a capability development option(s) to proceed to more detailed analysis and costing, with a view to subsequent approval of a specific capability; and
- b. **Second Pass approval** - at which Government agrees to fund the acquisition of a specific capability system with a well-defined budget and schedule, and to allocate future provision for through life support costs.

NHQ is involved in development of First and Second Pass capability proposals, including the CDD, and will endorse proposals prior to them being submitted to Defence Committees and Government for consideration and approval. NHQ and MD Branch jointly ratify the Initial Operational Capability (IOC), the point in time when the first subset of a capability system is proven suitable and effective for operational employment and the Final Operational Capacity (FOC), the point in time at which the final subset is proven suitable and effective. MD Branch takes the lead role in presenting business cases to Government during this phase. At the conclusion of this phase, Defence seeks Government approval of the final solution and the investment required across Defence to deliver the capability needs.

- **The Acquisition Phase** – DGMD’s involvement in the capability lifecycle does not end at Second Pass approval. Whilst Defence Material Organisation (DMO) has responsibility for the Acquisition Phase, MD plays an important role in transitioning a project to the DMO and managing the Capability Baseline. MD is also responsible, in conjunction with NHQ, for monitoring the performance of DMO as a prescribed agency and for monitoring and assisting in the coordination of FIC elements not managed by DMO to ensure that the endorsed capability states (IOC, FOC as appropriate) are achieved in accordance with the direction provided by Government at Second Pass. Navy (Commander Systems Command) is primarily responsible for accepting the initial capability via Navy Certification agencies and RANTEAA. CN formally accepts a new capability at Initial Operational release and Operational release on the advice of COMAUSFLT and COMSYSCOM.
- **The In-Service Phase** - NHQ manages the in-service capability (with support from DMO, Commander Joint Logistics (CJLOG) and other Defence Groups) through the individual FIC that make up the capability system which is operated, supported, modified as necessary.
- **The Disposal Phase** - Responsibility for this phase is shared by NHQ and CEO DMO. NHQ will work primarily with DMO to determine how a capability can best be disposed of.