

[...INSERT PROJECT NUMBER AND NAME...]

[...INSERT NAME OF CAPABILITY/SYSTEM...] ACQUISITION

## STATEMENT OF WORK

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**Note to drafters:** *Within this SOW template, italics are used to provide guidance for tailoring the template for use on a particular project. This guidance is not expected to be retained in the tailored SOW and notes to drafters should be deleted once tailoring has been completed.*

*Standards and Data Item Descriptions (DIDs) contain mandatory process and product requirements which are invoked by the SOW when the Standard or DID is called up. The full impact of these additional requirements needs to be considered. If a military or commercial engineering standard is called up in the SOW or a DID, there is no point in repeating the requirements of the standard in the SOW or the DID.*

*Both the products to be delivered and the processes used to develop and support those products need to be agreed at contract negotiations. The compliance of both products and processes will be evaluated throughout the Contract.*

## **1. SCOPE (CORE)**

**Note to drafters:** *This clause should include a brief statement of the SOW purpose and may describe the background to the procurement (clause 2.1 'Scope of Work' defines the breadth of the work to be done). As this clause does not define the formal contractual scope (but is only the scope of the SOW itself), the items listed below should NOT be included in this clause:*

- a. directions to the Contractor to perform work tasks;*
- b. specifications of data requirements; and*
- c. descriptions of deliverable products.*

### **1.1 Purpose (Core)**

- 1.1.1** The purpose of this Statement of Work (SOW) is to communicate, to the Contractor, Commonwealth requirements and standards for work to be carried out under the Contract and to allocate work responsibilities between the Commonwealth and the Contractor.

### **1.2 Background – For Information Only (Optional)**

**Note to drafters:** *Include, in this clause, background information that will be useful to the tenderers, Contractor and Defence personnel, unfamiliar with the development of this Contract. The background clause should not duplicate or create any new Contractor obligations (eg, do not include "shall" or "must" type statements) and should be limited to only that information needed to acquaint the reader with the basic acquisition requirement. The background clause may refer out to other documents or websites. If not required, the heading should be retained and '(Not used)' added at the end of the heading. Delete the clause below the heading.*

- 1.2.1** [...DRAFTER TO INSERT...].

## 2. GENERAL REQUIREMENTS (CORE)

### 2.1 Scope Of Work (Core)

**Note to drafters:** *This clause should define the Contractor's overall scope of work. Clause 2.1.1 may be tailored to include such activities as design, develop, install, integrate, test, Verify, model, simulate, conduct reviews, etc.*

**This clause should call up the Description of Requirements (DOR) at Annex A to the draft SOW, for applicable specifications and operational and support concepts information. Drafters must ensure that the Commonwealth requirements provide adequate definition, including of proposed operating and support environments, rates of effort or use, facilities and logistics infrastructure constraints, and any policy implications, etc, to enable the tenderers to adequately understand the requirement and to develop proposed solutions.**

**This clause should address the major product and service deliverables of the program (ie, it does not include the Contract Data Requirements).**

**Guidance on the preparation of the DOR is provided in the ASDEFCON (Complex Materiel) Volume 2 SOW Tailoring Guide (SOW Tailoring Guide) and the template for Annex A to this SOW.**

**2.1.1** The Contractor shall perform all activities necessary to manage, design, develop, construct, integrate, test, deliver, install, undertake Verification, and obtain Certification, Accreditation and Acceptance of the Supplies by the Commonwealth in accordance with the Contract.

**2.1.2** The Contractor shall analyse the requirements for the Mission System defined in the Description of Requirements (DOR) Part A at Annex A to the SOW, to develop and validate a System Specification (SS) for the Mission System and the requirements for the Support Resources and Training.

**2.1.3** The Contractor shall:

- a. design and develop the required Mission System;
- b. produce and deliver the required number of Mission Systems, as set out in the Price and Payments at Attachment B and the Delivery Schedule at Attachment C; and
- c. Verify that the Mission System meets the requirements of its SS when operated in accordance with the DOR Part B and when it is supported by the implemented Support Resources and Training.

**2.1.4** The Contractor shall:

- a. identify the required Support System Components and Training;
- b. procure, produce, design and develop (as applicable) the required Support System Components and Training;
- c. deliver the required Support System Components and Training; and
- d. Verify that the implemented Support System Components and Training meet the requirements of the DOR.

**Note to drafters:** *Modify the following clause for the specific requirements of the Contract and ensure that the Glossary, Price and Payment Schedules, and Delivery Schedule, are consistent.*

**2.1.5** The Contractor shall coordinate its activities for the Support System with its activities for the Mission System to ensure that the Support System elements are available, when required, to enable the Milestone Dates to be achieved for the following Milestones:

- a. Acceptance of a Mission System;
- b. [...DRAFTER TO INSERT...];
- c. [...DRAFTER TO INSERT...]; and
- d. Final Acceptance.

### 2.2 Delivery of Supplies (Core)

**Note to drafters:** *This clause is not intended to include exhaustive marking and consignment documentation requirements but may be tailored for any additional requirements needed to*

***comply with legislation or an applicable regulatory framework. If expecting to import to Australia using a freight forwarder, consider adding a new Annex to the SOW to summarise relevant requirements such as any required declarations of origin and of Dangerous Goods, Export License numbers, and ISPM 15 regarding unprocessed vegetable packaging (for quarantine purposes), then refer to this Annex from a new subclause under clause 2.2.1.***

***The following clauses may be tailored to allow adoption of the Contractor's normal packaging and marking standards, where these are acceptable to the Commonwealth Representative.***

**2.2.1** The Contractor shall ensure that all Supplies to be packaged and delivered to the Commonwealth are packaged and marked for delivery such that the delivered items have appropriate Packaging, package marking, consignment documentation and documentation language standards as may be necessary to:

- a. comply with applicable legislative and regulatory / assurance requirements, including the applicable Work Health and Safety (WHS) Legislation; and
- b. meet the requirements of the Contract.

**2.2.2** Without limiting clause 2.2.1, the Contractor acknowledges that DEF(AUST)1000C provides guidance on packaging and labelling standards that are acceptable to the Commonwealth.

***Note to drafters: Consideration should be given to identifying further specific section(s) of DEF(AUST)1000C applicable to the types of deliverable items under the Contract.***

**2.2.3** When packaging Supplies, and unless otherwise agreed in writing by the Commonwealth Representative, the Contractor shall:

- a. identify the NATO stock Number (NSN) (if applicable), serial numbers, use by date and batch lot number by:
  - (i) using GS1-128 linear bar codes or GS1 data matrix two-dimensional symbols in accordance with DEF(AUST)1000C Part 12; and
  - (ii) locating markings in accordance with DEF(AUST)1000C Part 5, Annex A; and
- b. where applicable, package items to the packaging levels defined in DEF(AUST)1000C Part 2.

**2.2.4** The Contractor shall ensure that secure and legible documentation is affixed to the outside of each package for delivery to the Commonwealth, with duplicate copies inside at the top of each package, which includes the following information:

- a. the relevant project identifier (project name and number);
- b. the relevant Commonwealth contract or purchase order number;
- c. the item name;
- d. the item quantity;
- e. the name of the supply source;
- f. the consignment delivery point; and
- g. the date of dispatch.

**2.2.5** Without limiting clause 2.2.1, the Contractor shall ensure that all items delivered to the Commonwealth are accompanied by such Certificates of Conformity from the Original Equipment Manufacturer (OEM) as may be necessary to meet Commonwealth requirements, including ADF regulatory / assurance requirements.

## 2.3 Data Management System (Optional)

**Note to drafters: Where substantial Contract work (eg, manufacture) will be subject to the WHS Legislation (eg, performed in Australia), drafters are to include the DMS for access to the WHSMS. Otherwise, the DMS may be included for the reasons stated under clause 2.3.1.**

### 2.3.1 DMS Objectives

**2.3.1.1** The Contractor acknowledges that the objectives associated with implementing a Data Management System (DMS) are to achieve:

- a. reduced paperwork through the electronic exchange of data;
- b. access to data through the use of a virtual work environment;
- c. reduced delivery times and shorter cycle times for processing data items; and
- d. reduced risk through enhanced access to data.

**2.3.1.2** The Contractor further acknowledges that the reliability, responsiveness and ease-of-use of the DMS and the timeliness for uploading data onto the DMS are critical to the operational effectiveness of the Commonwealth project office.

### 2.3.2 DMS General Requirements

**Note to drafters: Amend the following note and list to suit the needs of the project.**

**Note to tenderers: The list below may be amended in consultation with the preferred tenderer, where this enables the DMS Objectives to be achieved.**

**2.3.2.1** The Contractor shall develop, implement and maintain a DMS to provide on-line access to the following Contract data including applicable data within the identified management systems ('DMS Contract Data'):

- a. all data items identified in the Contract Data Requirement List (CDRL) for delivery via the DMS;
- b. the Risk Register required under clause 3.6;
- c. the Issue Register required under clause 3.7;
- d. the Quality Management System (QMS) procedures applicable to the Contract;
- e. the Master Technical Data Index (MTDI) as required under clause 2.5;
- f. all Technical Data in a 'soft copy' or digital format identified in the MTDI for delivery to the Commonwealth (unless specified for delivery via an alternative means);

**Option: Include the following clause when on-line access to the CSA system is required.**

- g. the Configuration Status Accounting (CSA) system required under clause 6.5;
- h. the Problem Resolution System required under clause 7.1.7;
- i. all Authorisations required to be held by the Contractor for the Contract;
- j. the WHS Management System (WHMS) required under clause 9.3.3;

**Option: Include the following clause when an ENVMS is required.**

- k. the Environmental Management System (ENVMS) required under clause 9.2.2;
- l. [...DRAFTER TO INSERT...]; and
- m. other Contract-related Technical Data and Contract Material, as agreed between the Contractor and the Commonwealth Representative.

**2.3.2.2** DMS Contract Data that is required to be delivered under the Contract is deemed to have been delivered when delivered in accordance with clause 5.13 of the COC.

**Note to drafters: Personnel needing DMS access will depend upon the scope of DMS Contract Data. Identifying numbers of personnel will help to scope the Contractor's obligations under**

**clauses 2.3.2.5 and 2.3.4. Personnel numbers should include all access requirements envisaged for the period of the Contract. Drafters should amend the following clause to suit project needs.**

- 2.3.2.3** The Contractor shall provide the following personnel ('Commonwealth Authorised Users') with access to the DMS:
- a. the Commonwealth Representative;
  - b. all Resident Personnel; and
  - c. [...INSERT NUMBER...] additional Commonwealth Personnel nominated by the Commonwealth Representative.

**2.3.2.4** The Contractor may provide Subcontractors with access to the DMS.

**2.3.2.5** In addition to the DMS requirements for any Resident Personnel, the Contractor shall ensure that access to the DMS is provided to the Commonwealth Representative at the Contractor's and Approved Subcontractors' premises for the duration of any attendance by the Commonwealth Representative at these premises.

### **2.3.3 DMS Implementation, Operation and Management**

**Note to drafters: The following list may be amended to suit the needs of the Contract.**

**Note to tenderers: The following clauses define DMS requirements but avoid specific solutions. This allows for maximum use of existing company data management systems, when suitable.**

- 2.3.3.1** The Contractor shall implement a DMS that meets the objectives in clause 2.3.1. In particular, the Contractor shall implement a DMS that:
- a. provides a controlled repository for all DMS Contract Data;
  - b. protects DMS Contract Data against unauthorised access;
  - c. caters for both classified and unclassified data;
  - d. provides on-line access to the DMS Contract Data in a timely manner for all Commonwealth Authorised Users with the appropriate access rights;
  - e. enables all Commonwealth Authorised Users to access both the DMS and the DMS Contract Data at the same time;
  - f. provides controls to limit access to DMS Contract Data that may be sensitive to certain parties (eg, Subcontractor access to Contractor performance data);
  - g. provides controls to prevent the Commonwealth Authorised Users from replacing or overwriting the Contractor's delivered versions of DMS Contract Data;
  - h. where reasonably practicable, allows the DMS Contract Data to be downloaded by a Commonwealth Authorised User for further manipulation (including searching, printing and sorting of tabulated data) in the native document format;
  - i. provides access to both current and earlier versions of DMS Contract Data;
  - j. provides an index of DMS Contract Data, updated at least weekly, with the index to include the CDRL Line Number or other applicable reference number, title, issue, file name (as applicable), status (eg, working, draft submission, final submission, Approved, and Accepted), date of last change, and location on the DMS;
  - k. provides access to uploaded DMS Contract Data that has not yet been indexed in accordance with subclause j;
  - l. allows Commonwealth Authorised Users to search the DMS Contract Data;
  - m. if DMS Contract Data is required to be delivered to the Commonwealth, provides the Commonwealth Authorised Users with the ability to electronically:
    - (i) acknowledge delivery of the DMS Contract Data; and
    - (ii) comment on the DMS Contract Data;
  - n. provides the ability to capture, store, provide access to, and maintain an audit trail of comments provided by Commonwealth Authorised Users on DMS Contract Data, including comments on current and earlier versions; and

- o. allows the Commonwealth Representative to define access rights for the Commonwealth Authorised Users.

**2.3.3.2** The Contractor shall introduce the DMS into operational use in accordance with this clause 2.3 no later than 60 Working Days after the Effective Date (ED).

**2.3.3.3** Between the Effective Date and when the DMS is fully available for operational use by the Commonwealth Authorised Users, the Contractor shall deliver all data items, identified in the CDRL for delivery via the DMS in that period, in soft copy.

**2.3.3.4** The Contractor shall develop, deliver, and update a Concept of Operation Document for the DMS in accordance with CDRL Line Number MGT-1200.

**2.3.3.5** The Contractor shall liaise with the Commonwealth Representative to determine the hardware and software required by the Commonwealth Authorised Users to access the DMS and, subject to clause 2.3.3.6, shall provide all the required hardware and software.

**2.3.3.6** The Contractor is not required to provide:

- a. any computing hardware for the Commonwealth Authorised Users to access the DMS, except as otherwise defined in the Contract (eg, for Resident Personnel); or
- b. any cryptographic equipment (eg, to enable electronic exchange of classified data).

**2.3.3.7** If the data formats of the DMS Contract Data and/or software programs differ from those specified in the Contract, the Contractor shall provide all additional software programs and all necessary licences to enable the Commonwealth Authorised Users to access and manipulate the DMS Contract Data.

**2.3.3.8** Following introduction of the DMS into operational use, the Contractor shall ensure that the DMS remains fully operational for the period of the Contract.

**2.3.3.9** The Contractor shall ensure data protection of the DMS Contract Data such that no more than a day's data can be lost due to a system malfunction (where malfunction includes events such as a malware attack).

**2.3.3.10** The Contractor shall ensure that backup systems and processes are in place should the DMS be inoperable for any longer than two Working Days, and shall implement these backup systems and processes within a further Working Day should this event occur.

#### **2.3.4 DMS Training**

**2.3.4.1** The Contractor shall provide all training and associated training materials, in accordance with this clause 2.3.4, necessary to enable the Commonwealth Authorised Users to:

- a. competently utilise the DMS; and
- b. access and manipulate the DMS Contract Data, including where this data involves data formats and software programs that are not specified in the Contract.

**Note to drafters: The following clause may be amended if different applications have different user groups (eg, X personnel require Requirements Management System training).**

**2.3.4.2** The Contractor shall provide the DMS training to the Commonwealth Authorised Users identified in clause 2.3.2.3.

**2.3.4.3** The Contractor shall provide DMS training to Commonwealth Authorised Users within 10 Working Days (or other timeframe agreed between the parties) of making the DMS available for operational use.

**Note to drafters: Amend the following clause to suit the requirements of the project.**

**2.3.4.4** The Contractor shall provide DMS training to the Commonwealth Authorised Users at the following locations:

- a. in Canberra, for the Canberra-based Commonwealth Authorised Users; and
- b. at the Contractor's premises, for the Resident Personnel.

**2.3.4.5** The Contractor is not required to provide DMS training to Commonwealth Authorised Users, other than the initial training identified in this clause 2.3.4.



## 2.4 Deliverable Data Items (Core)

### 2.4.1 Development and Submission of Data Items

**Note to drafters: Amend the following clause, depending upon whether or not a DMS requirement has been included at clause 2.3.**

- 2.4.1.1 The Contractor shall produce, update and deliver all data items to the Commonwealth in accordance with the Contract Data Requirements List (CDRL) at Annex B of this SOW [..., clause 2.3 ...] and this clause 2.4.

### 2.4.2 Review, Approval or Non-Approval, and Acceptance of Data Items

- 2.4.2.1 The Commonwealth Representative shall:

- a. Review;
  - b. Approve or not Approve;
  - c. Accept or reject; or
  - d. consider a Contract Change Proposal (CCP) for Approval for,
- each data item in accordance with the CDRL and this clause 2.4.

### 2.4.3 Data Item Review

- 2.4.3.1 When the CDRL provides that a data item is to be submitted by the Contractor to the Commonwealth Representative for Review, the Commonwealth Representative may provide the Contractor with such comment, information or advice as it considers appropriate to provide. Any comment, information or advice provided:

- a. is intended to be of assistance to the Contractor and shall not be construed as a direction from the Commonwealth Representative to the Contractor;
- b. shall not be taken as Approval or Acceptance of Supplies or work that does not conform to the Contract;
- c. shall not waive any provisions of, or release the Contractor from its obligations under the Contract; and

**Note to drafters: Include CPRs and/or progress meetings below, as applicable. Refer to clauses 3.9.1 and 3.9.3.**

- d. shall be addressed by the Contractor prior to the Mandated System Review (MSR) at which the data item is applicable, [... the next Contract Performance Review (CPR) or progress meeting, ...] or as part of the next update cycle for that data item, whichever is the earlier.

- 2.4.3.2 The Contractor acknowledges that the Commonwealth may not provide a response to a data item that is submitted for Review. Where the Commonwealth does not provide a response within the Commonwealth action period set out in the CDRL (or as set out in a data item, such as the Approved Support System Technical Data List (SSTD) and the Approved Mission System Technical Documentation Tree (MSTD)), the Contractor can progress on the assumption that no comment will be provided.

### 2.4.4 Data Item Approval

- 2.4.4.1 If the CDRL requires a data item to be submitted by the Contractor to the Commonwealth Representative for Approval, then the Commonwealth Representative shall, within the action period specified in the CDRL, notify the Contractor that the data item is either Approved or not Approved.

- 2.4.4.2 If the Commonwealth Representative determines that any data item subject to Approval submitted by the Contractor is not in accordance with the requirements of this Contract, the Commonwealth Representative shall notify the Contractor accordingly. In such event, the data item shall not be considered to have been submitted and the data item shall be rectified at no additional cost to the Commonwealth.

- 2.4.4.3 If, under clause 2.4.4.1, the Commonwealth Representative provides the Contractor with notice of non-Approval of a data item, then the Commonwealth Representative shall notify

the Contractor of the reasons for non-Approval and may provide details of any corrective action to be taken by the Contractor before the data item will be reconsidered for Approval.

**2.4.4.4** The Commonwealth Representative's reasons for non-Approval of a data item shall be limited to those situations where, in the judgement of the Commonwealth Representative, the data item submitted:

- a. is not clearly understandable;
- b. does not provide adequate detail;
- c. is inconsistent with the Contract, including related data items; or
- d. does not meet the objective of the data item.

**2.4.4.5** The Commonwealth Representative may not withhold Approval of a data item for minor omissions or defects in the data item which are identified to the Contractor. In addition to the criteria for non-Approval detailed in clause 2.4.4.4, any subsequent Approval of an update to a data item that was previously Approved with minor omissions or defects shall be subject to the Contractor addressing those identified omissions or defects in the proposed update to the satisfaction of the Commonwealth Representative.

**2.4.4.6** When the Commonwealth Representative provides the Contractor with notice of non-Approval in accordance with clause 2.4.4.1, the Contractor shall, within a period equal to the Commonwealth action period defined in the CDRL for the relevant data item (or within such further period as the Commonwealth Representative may allow), deliver the rectified data item for Approval.

**2.4.4.7** If, within the time specified under clause 2.4.4.6, the Contractor submits the rectified data item as conforming to the requirements of the Contract, the Commonwealth Representative shall be entitled to exercise the rights provided by this clause 2.4 as if the data item had been submitted by the Contractor for the first time.

**2.4.4.8** If, under clause 2.4.4.1, the Commonwealth Representative provides the Contractor with notice of Approval, then the data item shall have effect in accordance with that Approval and the task comprising the development of that data item shall be deemed to be accomplished.

**2.4.4.9** Subject to clause 2.4.8, if the Commonwealth Representative fails to furnish to the Contractor notice, of Approval or non-Approval, under clause 2.4.4.1, within the period specified in the CDRL, then the Contractor may be entitled to claim a postponement of the date for delivery of Supplies or a Milestone Date under clause 6.3 of the conditions of contract (COC).

**Note to drafters: Consider the actual period required to review each data item when updating the action periods in the CDRL. Factors to be considered include: the size and complexity of the document; whether a draft version would already have been reviewed; the need to involve external agencies or approval authorities; and conflicting requirements (eg, the need to review more than one data item concurrently).**

**2.4.4.10** Approval of a data item by the Commonwealth shall not be construed as:

- a. any more than an indication that the data item appears to the Commonwealth Representative to be capable of being used as a basis for further work;
- b. limiting the Contractor's responsibility to provide Supplies in accordance with the requirements of the Contract; and
- c. an election to not enforce any right under this Contract or any cause of action arising out of or as a consequence of any act or omission of the Contractor or any Contractor Personnel.

## **2.4.5 Data Item Acceptance**

**2.4.5.1** When the SOW or the CDRL provides that a data item is to be submitted for Acceptance, the Contractor shall deliver the data item for Acceptance in accordance with clause 6.5 of the COC.

**2.4.6 Data Items Delivered Under Contract Change Proposals**

**2.4.6.1** When the SOW or the CDRL provides that a data item is to be submitted via a CCP, the Contractor shall deliver the data item in accordance with clause 11.1 of the COC.

**2.4.7 Data Item Updates**

**2.4.7.1** The Contractor shall maintain the accuracy, completeness and currency of all data items delivered under the Contract in accordance with the CDRL.

**2.4.7.2** If, under clause 2.4.7.1, changes to any data item become necessary, the Contractor shall submit a proposed amendment to the data item to the Commonwealth.

**2.4.7.3** A proposed amendment to any data item shall be subject to the same Review and Approval processes specified in this clause 2.4 to the extent of the effect of the proposed amendment.

**2.4.7.4** Until a proposed amendment to an Approved data item is Approved, the extant data item shall remain in effect.

**2.4.7.5** The Contractor shall bear all costs associated with data item maintenance, except to the extent that the Commonwealth Representative otherwise agrees in writing.

**2.4.8 Actioning of Data Items**

**2.4.8.1** The Contractor acknowledges and agrees that:

- a. the timeframes for the delivery of the data items by the Contractor and the actioning of those data items by the Commonwealth in the CDRL have been determined in light of the numbers of personnel within the Commonwealth team available to action the data items delivered by the Contractor;
- b. the Commonwealth's obligations to action the data items within the timeframes described in the CDRL is subject to the Contractor delivering the data items in accordance with the CDRL; and
- c. any delay of the Contractor in meeting its obligations under the Contract may result in the Commonwealth not being able to action the data items within the timeframes specified in the CDRL.

**2.4.8.2** If at any time the Contractor's delivery of one or more data items changes because of a delay in the Contractor meeting its obligations under the Contract:

- a. the Commonwealth shall use reasonable endeavours to action the data items within the timeframes described in the CDRL;
- b. the Commonwealth is only required to action data items delivered by the Contractor at the time when Commonwealth resources become available to action the data items; and
- c. if the Commonwealth anticipates that, notwithstanding its reasonable endeavours, it will not action the data items within the timeframes described in the CDRL, it shall promptly notify the Contractor as to when it will action the relevant data items.

**2.4.8.3** The Commonwealth's inability to action the data items within the timeframes described in the CDRL in the circumstances described in clause 2.4.8.2 is not an event beyond the reasonable control of the Contractor for the purposes of clause 6.3.1a(ii) of the COC or a Commonwealth Default for the purposes of clause 6.3.1b(i) of the COC.

**2.5 Master Technical Data Index (Core)**

**2.5.1** The Contractor shall establish and maintain a Master Technical Data Index (MTDI) in accordance with DID-ILS-TDATA-MTDI-2 to identify and manage relevant Technical Data for the Contract.

**Option: The following clause is not required if the MTDI is included in the DMS.**

**2.5.2** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the MTDI for the period of the Contract.

## 2.6 Mandated Defence Information Systems (Optional)

### 2.6.1 Incorporating Defence Information Systems into Contract Work

**Note to drafters: Include this clause if the Contractor is required to interface with, input data into, or undertake other activities using Defence information systems that will transition to the Defence ERP System.**

#### 2.6.1.1 The Contractor acknowledges that:

- a. the SOW requires the Contractor to interface with, provide data to populate, or undertake particular activities using one or more Defence information systems;
- b. the Defence Enterprise Resource Planning (ERP) System will replace various existing Defence information systems, over a number of years; and
- c. the Contract may require amendment to incorporate changes arising out of the introduction of the Defence ERP System.

#### 2.6.1.2 When any changes to the Contract are required for the Defence ERP System, the parties shall negotiate such changes in good faith, including in relation to any CCPs.

#### 2.6.1.3 To the extent required to perform the work required under the Contract and to the extent not provided by the Commonwealth through other means external to the Contract, the Commonwealth shall provide under this Contract:

- a. access to the Defence ERP System;
- b. the necessary Government Furnished Material (GFM), Government Furnished Equipment (GFE) and Government Furnished Services (GFS), as applicable, for using the Defence ERP System; and
- c. appropriate training for the use of the Defence ERP System, as described in clause 2.6.2.

### 2.6.2 Training In Defence Information Systems

#### 2.6.2.1 The Contractor shall ensure that all relevant Contractor Personnel, including Subcontractor Personnel, are trained in the operation of mandated Defence information systems.

**Note to drafters: Insert systems, user roles and numbers of personnel for initial training in various Defence information systems, and the relevant Milestones. Relevant Milestone are to be identified in relation to when work using Defence information systems will commence. For example, use of the Configuration Status Accounting (CSA) system may be co-ordinated with Detailed Design Review (DDR) if the Commonwealth wants the design established at DDR to be detailed in the Defence CSA System. In other contracts, the CSA system access may not be required until closer to the first Functional Configuration Audit (FCA).**

**If the Defence ERP System functions are yet to be introduced, and work will commence using legacy systems, details for legacy systems can be included in clause 2.6.2.2 and then clause 2.6.2.3 will provide crossover training for the Defence ERP System.**

#### 2.6.2.2 Unless agreed otherwise in the Approved PMP (eg, to enable a build-up in staff numbers over time), the Commonwealth will make initial training available for Contractor Personnel who will be directly engaged in the performance of the Contract, as follows:

- a. for the [INSERT SYSTEM NAME], training for [INSERT USER / ROLE NAME], up to [INSERT NUMBER OF PERSONS, EG, TWO] persons prior to the [INSERT MILESTONE]; and
- b. for the [INSERT SYSTEM NAME], training for [INSERT USER / ROLE NAME], up to [INSERT NUMBER OF PERSONS, EG, TWO] persons prior to the [INSERT MILESTONE].

#### 2.6.2.3 In addition to the initial training provided under clause 2.6.2.2, the Commonwealth shall provide appropriate training for any new or upgraded Defence information system that the Contractor is required to use in the performance of the Contract. Such training requires the co-ordination of both parties to ensure that Contractor Personnel attain the appropriate skills in advance of the required use of the new or upgraded Defence information system.

**2.6.2.4** The training provided to Contractor Personnel, including Subcontractor Personnel, under clauses 2.6.2.2 and 2.6.2.3, shall be provided free of charge by the Commonwealth, after which the Commonwealth may elect to recover costs from the Contractor for additional training.

**2.6.2.5** For the training provided by the Commonwealth under this clause 2.6.2, the Contractor shall:

- a. nominate the personnel requiring training and provide sufficient personnel details to the Commonwealth to enable training co-ordination (eg, for when access controls to information systems and facilities apply);
- b. ensure that the personnel nominated for training meet any applicable Defence requirements (eg, personnel security clearances) and have a suitable level of general competence in the use of electronic information systems; and
- c. ensure that it and its Subcontractors meet all employer responsibilities, including all salaries, travel, and accommodation allowances for employees during training.

### **2.6.3 Use of Defence Information Systems**

**Note to drafters: Include this clause when the Contractor and/or Subcontractor personnel are provided with access to Defence information systems.**

**2.6.3.1** If the Contractor is provided with access to any Defence information systems for the purposes of performing the Contract, the Contractor shall ensure that all Contractor Personnel accessing the Defence information systems:

- a. hold an appropriate security clearance for the Defence information systems;
- b. comply with any policies and procedures applicable to the access and use of the Defence information systems, including the Defence Security requirements specified under the Contract;
- c. not access, use or obtain information from the Defence information systems except to the extent required for the performance of the Contractor's obligations under the Contract; and
- d. store any data items delivered to the Commonwealth on the Defence information systems in an approved document management system, such as [...INSERT EG, 'Objective' OR ERP SYSTEM FUNCTION...].

**2.6.3.2** The Contractor acknowledges and agrees that:

- a. the Defence information systems shall be provided to the Contractor on the same basis, configuration and availability as provided to Commonwealth users filling similar roles; and
- b. no modifications or additions to the functionality of the Defence information systems shall be made by the Commonwealth to provide the Contractor with any particular access, Software or service level not otherwise provided in accordance with clause 2.6.3.2a, unless agreed to by the Commonwealth Representative in writing.

**2.6.3.3** The Contractor shall take all reasonable steps to ensure that any use of Defence information systems does not damage, interfere with or otherwise compromise the Defence information systems, any information contained within it, or any other Defence information system.

**2.6.3.4** The Contractor shall not establish any interface between the Defence information systems and any information system owned or controlled by the Contractor, or by a third party, without the prior written consent of the Commonwealth Representative.

**2.6.3.5** If the Commonwealth fails to provide the Defence information systems to the Contractor in accordance with clause 2.6.3.2a, the Contractor may be entitled to may make a claim for postponement in accordance with clause 6.3 of the COC, except to the extent that the failure to provide the Defence information systems was caused by a Contractor Default.

**2.6.3.6** The Contractor acknowledges and agrees that, despite any obligation on the Commonwealth to provide Defence information systems, the Commonwealth may cease

provision (or refuse to provide) the Defence information systems if the Contractor fails to comply with this clause 2.6.3.

- 2.6.3.7** Where Subcontractor Personnel will be provided with access to Defence information systems for the purposes of performing the Contract, the Contractor shall include the terms of this clause in applicable Subcontract(s).

### 3. PROJECT MANAGEMENT (CORE)

#### 3.1 Contractor's Project Management Arrangements (Core)

**Option A: For use if acquisition complexity warrants a discrete Contractor Project Management Organisation.**

- 3.1.1** The Contractor shall establish and maintain, within its company structure, a discrete management organisation with suitable capability and authority to perform the Contract.

**Option B: For use if acquisition simplicity warrants only a Contractor Project Manager.**

- 3.1.2** The Contractor shall nominate within its company structure, a project manager with suitable capability and authority to perform the Contract.

#### 3.2 Project Planning (Core)

##### 3.2.1 Project Management Plan

- 3.2.1.1** The Contractor shall develop, deliver and update a Project Management Plan (PMP) in accordance with CDRL Line Number MGT-100.

- 3.2.1.2** The Contractor shall manage its program of activities under the Contract in accordance with the Approved PMP.

##### 3.2.2 Contract Master Schedule

- 3.2.2.1** The Contractor shall develop, deliver and update a Contract Master Schedule (CMS) in accordance with CDRL Line Number MGT-110.

- 3.2.2.2** The Contractor shall use the Approved CMS as the primary schedule for managing the Contract.

- 3.2.2.3** The Contractor shall use a scheduling software package Approved by the Commonwealth Representative to develop the CMS.

- 3.2.2.4** If the Contractor produces the CMS using a software package not held by the Commonwealth Representative, the Contractor shall provide all necessary programs, licenses, and training to enable the Commonwealth Representative to efficiently access and manipulate the CMS as required.

- 3.2.2.5** The Contractor may amend the Approved CMS, without first obtaining the Commonwealth's Approval under clause 2.4.4, as long as:

- a. payments under the Contract are not affected;
- b. the Milestones Dates are not affected; and
- c. the ability of the Commonwealth to meet its obligations under the Contract is not affected.

- 3.2.2.6** Commonwealth Approval of an amendment to the Approved CMS under clause 3.2.2.5 shall be obtained when the next update to the CMS is required, as specified in the CDRL.

**Note to drafters: Include the following option if the CMS will not be required as part of the DMS. Include the words in brackets if a Resident Team is required, otherwise delete.**

**Option: Include for on-going Commonwealth access to the CMS, if not accessible via a DMS.**

- 3.2.2.7** The Contractor shall provide all facilities and assistance reasonably required by the Commonwealth over the period of the Contract in order for the Commonwealth [...(including Resident Personnel)...] to access the Contractor's versions of the CMS, and any supporting schedules developed by the Contractor (eg, working-level schedules).

##### 3.2.3 Contract Work Breakdown Structure

- 3.2.3.1** The Contractor shall develop, deliver and update a Contract Work Breakdown Structure (CWBS) in accordance with CDRL Line Number MGT-120.

**3.2.3.2** The Contractor shall manage the Contract in accordance with the Approved CWBS.

**3.2.3.3** The Contractor may amend the Approved CWBS, without first obtaining the Commonwealth's Approval under clause 2.4.4, as long as:

- a. all elements affected by the amendment are below the reporting level;
- b. the amendments are consistent with the Approved CWBS; and
- c. the Commonwealth is notified within 40 Working Days of the changes being made.

**3.2.4 Earned Value Management System (Optional)**

**Note to drafters: An Earned Value Management System (EVMS) is to be considered for inclusion based on the strategic significance, value, risk and complexity of the Contract, as determined in accordance with CASG Policy (PM) 003 – Earned Value Management Tiered Application to CASG Contracts. Refer to the SOW Tailoring Guide for further information. Drafters should contact Program, Project and Product Services, CASG Program Management Branch, for guidance.**

**3.2.4.1** Not used.

**3.2.5 Resource and Schedule Review (Optional)**

**Note to drafters: If an EVMS is not required, but a MSR is required to discuss and assess the final versions of the CWBS and CMS, and their relationship with the Price and Payments Schedules in Attachment B, and the Delivery Schedule in Attachment C, then the following clauses may be included. If an EVMS is included at clause 3.2.4, the following clause should be replaced with 'Not used'.**

**3.2.5.1** The Contractor acknowledges that the objectives of the Resource and Schedule Review (RSR) are to:

- a. ensure that the complete Contract scope of work is covered in the draft CWBS;
- b. assess whether the technical scope can be accomplished within baseline cost and schedule constraints and that resources have been appropriately distributed to the Contract tasks;
- c. assess that there is a logical sequence of effort that supports the Delivery Schedule;
- d. identify areas of risk in resource allocations and in the technical performance of the Contract and understand the cost and schedule implications of that risk; and
- e. enable the assessment and subsequent Approval of the CWBS and CMS.

**3.2.5.2** The Contractor shall, within a period of [...INSERT PERIOD (eg, two-three months)...] after the Effective Date (ED), conduct a MSR, the RSR, in accordance with clause 3.9.4 and the Approved PMP.

**3.3 Monitoring and Control (Core)**

**3.3.1** The Contractor shall prepare and deliver Contract Status Reports (CSRs) in accordance with CDRL Line Number MGT-300.

**3.3.2** If the Commonwealth notifies the Contractor on the basis of any CSR that the Contractor has failed to maintain satisfactory progress under the Contract, the Contractor shall notify the Commonwealth, within 10 Working Days, of the measures proposed to re-establish Contract progress, and shall reflect the results of such measures in subsequent CSRs.

**3.4 Key Persons Management (Optional)**

**3.4.1** The Contractor shall identify, and update as required, the position/person specifications for Key Staff Positions, and the appointed Key Persons for each of the Key Staff Positions, in accordance with the Approved PMP.

**3.4.2** The Contractor shall provide the Commonwealth with information and documentation to support the nomination of any person by the Contractor as a Key Person, including any proposed replacement or substitution of a Key Person under this clause 3.4, or under clause 3.6 of the COC. This documentation shall:

- a. justify the match of the nominated person to the relevant Key Staff Position;



- b. describe how any capability shortfalls of the nominated person will be addressed; and
- c. include an update to position/person specifications for affected Key Staff Positions to reflect any changes in duties and responsibilities that result from the replacement or substitution of a Key Person.

### **3.5 Subcontractor Management (Optional)**

#### **3.5.1 Subcontractor Planning**

- 3.5.1.1** The Contractor shall ensure that Approved Subcontractors manage their contracts in accordance with their own management plans.

#### **3.5.2 Subcontractor Monitoring and Control**

- 3.5.2.1** The Contractor shall ensure that the Approved Subcontractors monitor progress against their own plans.
- 3.5.2.2** The Contractor shall ensure that the Approved Subcontractors implement corrective actions to address any deviations from any plan.

#### **3.5.3 Subcontract Status Reporting**

- 3.5.3.1** The Contractor shall ensure that Approved Subcontractors prepare and deliver Subcontract status reports to the Contractor at the same intervals that the Contractor reports to the Commonwealth Representative.
- 3.5.3.2** The Contractor shall summarise the Subcontract status reports in the CSR.
- 3.5.3.3** Upon request, the Contractor shall provide the Commonwealth Representative with a copy of the Subcontract status reports within five Working Days of this request.

### **3.6 Risk Management (Core)**

- 3.6.1** The Contractor shall manage risks in accordance with the Approved PMP.
- 3.6.2** The Contractor shall maintain a Risk Register in accordance with the Approved PMP.
- 3.6.3** The Contractor shall update the Risk Register prior to the submission of the CSR to ensure that each CSR represents the current status of the Contract risks.

***Option: The following clause is not required if the Risk Register is included in the DMS.***

- 3.6.4** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the Risk Register for the period of the Contract.

### **3.7 Issue Management (Core)**

- 3.7.1** The Contractor acknowledges that the objective of conducting Issue management is to ensure that significant Issues are addressed in a timely manner.
- 3.7.2** The Contractor shall manage Issues in accordance with the Approved PMP.
- 3.7.3** The Contractor shall maintain an Issue Register in accordance with the Approved PMP.
- 3.7.4** The Contractor shall update the Issue Register prior to the submission of the CSR to ensure that each CSR represents the current status of the Contract Issues.

***Option: The following clause is not required if the Issue Register is included in the DMS.***

- 3.7.5** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the Issue Register for the period of the Contract.

### **3.8 Maintenance of Contractual Documents (Core)**

#### **3.8.1 Configuration Management of the Contract**

- 3.8.1.1** The Contractor shall incorporate all changes to the Contract and maintain a configured copy of the Contract.
- 3.8.1.2** The Contractor shall archive all superseded versions of the Contract so that the exact status of the Contract at any previous time can be determined from the archived versions.

### 3.8.2 Subcontract Configuration Management

**3.8.2.1** The Contractor shall incorporate all changes to its Subcontracts and maintain configured copies of these Subcontracts.

**3.8.2.2** The Contractor shall archive all superseded versions of Subcontracts so that the exact status of the Subcontracts at any previous time can be determined from the archived versions.

### 3.9 Customer Liaison (Core)

#### 3.9.1 Progress Meetings (Optional)

**Note to drafters:** *For lower risk contracts the System Reviews and extraordinary meetings, and information in CSRs, may be sufficient without progress meetings. If not required, the following clauses can be deleted and the heading annotated as 'Not used'. If progress meetings are required, consideration should be given to the frequency, which is usually consistent with the delivery of CSRs.*

**3.9.1.1** The Contractor shall conduct progress meetings at intervals of no greater than three months unless otherwise agreed with the Commonwealth Representative.

**3.9.1.2** Progress meetings shall be co-chaired by the Commonwealth Representative or nominated representative, and the Contractor Representative or nominated representative.

**3.9.1.3** The Contractor shall prepare and deliver all progress meeting Agendas in accordance with CDRL Line Number MGT-500, which is to include all topics in the CSRs and any other matters required by the Commonwealth Representative or Contractor.

**3.9.1.4** The progress meetings shall not be conducted until the Commonwealth Representative has agreed the time and place of the progress meeting.

**3.9.1.5** Unless otherwise agreed by the Commonwealth Representative, the Contractor shall provide the facilities (including, when applicable, the venue), materials and services reasonably required for the conduct of the progress meetings. Progress meetings may be held via video conference when agreed by the Commonwealth Representative.

**3.9.1.6** The Contractor shall prepare and deliver Minutes for each progress meeting in accordance with CDRL Line Number MGT-510.

#### 3.9.2 Extraordinary Meetings (Core)

**3.9.2.1** When scheduling extraordinary meetings, the party calling the meeting shall:

- a. provide the other party with reasonable advance notice of such meetings;
- b. advise the other party of the specific requirements for the meeting, including the nature of the issues to be discussed and requirements for the preparation and delivery of associated information by the other party;
- c. deliver an Agenda to the other party before each extraordinary meeting in accordance with CDRL Line Number MGT-500; and
- d. chair the meeting, unless otherwise mandated by the Commonwealth Representative.

**3.9.2.2** Unless otherwise specified in the Contract or agreed by the Commonwealth Representative, the Contractor shall provide the facilities (including, when applicable, the venue), materials and services reasonably required for the conduct of extraordinary meetings. Extraordinary meetings may be held via video conference when agreed by the Commonwealth Representative.

**3.9.2.3** The Contractor shall ensure that Contractor representatives and, when requested by the Commonwealth Representative, Subcontractors' representatives participate in each extraordinary meeting as appropriate to the subject and objectives of the meeting.

**3.9.2.4** The party that chairs an extraordinary meeting shall prepare and deliver Minutes for the meeting in accordance with CDRL Line Number MGT-510.

**3.9.3 Contract Performance Reviews (Optional)**

***Note to drafters: CPRs may be included in long-term contracts if a high-level review will be beneficial. Refer to ASDEFCON (Strategic Materiel) for example clauses.***

**3.9.3.1** Not used.

**3.9.4 System Reviews (Core)**

**3.9.4.1** The Contractor shall conduct all MSRs and Internal System Reviews in accordance with the Approved PMP or governing plan applicable to the functional program or activity (eg, the SEMP, ISP, etc).

***Note to drafters: When MSRs are to address Commonwealth-specified review items and entry and exit criteria, include the optional words in brackets in the following clause, and include and tailor SOW Annex D. Commonwealth MSR checklist requirements will then be required inclusions in the applicable governing plans.***

**3.9.4.2** The Contractor shall include, in the governing plan applicable to each MSR, entry and exit criteria and review items for each MSR that include the generic entry/exit criteria and review items set out in this clause 3.9.4 [...and the specific criteria and review items in Annex D to the SOW...].

**3.9.4.3** If the Commonwealth Representative agrees, the Contractor may conduct a MSR concurrently with another MSR when the entry criteria, exit criteria, and objectives of the reviews can be accomplished simultaneously.

**3.9.4.4** The Contractor shall conduct all MSRs at Contractor Premises unless otherwise agreed by the Commonwealth Representative or if the Commonwealth Representative directs that the MSR be held at Commonwealth Premises.

**3.9.4.5** Unless otherwise agreed between the parties, the Contractor shall not commence a MSR until the following entry criteria have been met:

- a. all data items applicable to the MSR, which are required to be delivered before the MSR, have been delivered, and the Commonwealth Representative considers them suitable for the purposes of the MSR (which, for clarity, includes the data items identified for Commonwealth action (eg, Review or Approval) in the MTDI);
- b. all entry criteria defined in the Approved governing plan(s) and the Contract for the MSR have been met;
- c. any action items from any previous System Reviews, which affect the MSR, have been successfully addressed or action plans agreed with the Commonwealth Representative; and
- d. any pre-requisite activities defined in the Contract have been successfully conducted.

**3.9.4.6** Prior to each MSR, the Contractor shall deliver the Agenda for that review in accordance with CDRL Line Number MGT-410.

**3.9.4.7** Prior to each MSR, the Contractor shall deliver the Review Package for that review in accordance with CDRL Line Number MGT-420.

**3.9.4.8** The Contractor shall ensure that Contractor representatives and Subcontractors' representatives participate in each MSR as appropriate to the subject and objectives of that MSR.

**3.9.4.9** The Contractor and the Commonwealth Representative shall co-chair each MSR.

**3.9.4.10** Review items, to be addressed at each MSR by the Commonwealth Representative and the Contractor, shall include:

- a. an assessment of the effects of Approved and pending CCPs on achieving the objectives for the MSR; and
- b. confirming that all of the Commonwealth Representative's review comments, against the data items applicable to the MSR, have been adequately addressed.

- 3.9.4.11** The Commonwealth Representative will classify each action item raised during an MSR as a major or minor action item, considering their importance to the objectives of the MSR and the Contract.
- 3.9.4.12** Following each MSR, the Contractor shall deliver Minutes for that MSR in accordance with CDRL Line Number MGT-430.
- 3.9.4.13** Unless otherwise agreed between the parties, the Contractor shall not exit a MSR until the following exit criteria have been met:
- all review items, as defined in the Approved governing plan(s) and the Contract for the MSR have been addressed to the satisfaction of the Contractor and the Commonwealth Representative;
  - all exit criteria defined in the Approved governing plan(s) and the Contract for the MSR, have been met;
  - all risks identified during the MSR have been assessed, and risks of proceeding to the next phase of the Contract are acceptable to the Commonwealth Representative;
  - all major action items have been closed, and all minor action items have either been closed or have a plan for resolution that is agreed by the Commonwealth Representative;
  - the Minutes for the MSR have been Approved;
  - all Contract plans and schedules for activities in future phases of the Contract have been reviewed and confirmed as appropriate, realistic and achievable with acceptable risk; and
  - the MSR has achieved its objectives, as defined in the Approved governing plan(s) and the Contract for the MSR.
- 3.9.4.14** The Contractor shall not claim completion for a MSR until both the Commonwealth Representative and the Contractor are satisfied that all of the exit criteria in clause 3.9.4.13 have been met.

**Note to drafters: Depending on the scale of design and development, the following options may be selected in order to provide the Commonwealth Representative with increased visibility into the design, development, and implementation process.**

**Option: Include for the Commonwealth to attend the Contractor's Internal System Reviews.**

- 3.9.4.15** The Contractor shall invite the Commonwealth to all Internal System Reviews.
- 3.9.4.16** Prior to each Internal System Review, the Contractor shall deliver the Agenda for that System Review in accordance with CDRL Line Number MGT-410.

**Option: Include when the Commonwealth requires visibility of the outcomes of the Contractor's Internal System Reviews.**

- 3.9.4.17** Following each Internal System Review, the Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the records that document the outcomes of the System Review.

### **3.10 Life Cycle Cost (Optional)**

- 3.10.1** The Contractor shall plan, develop, and maintain cost estimates for the acquisition and sustainment of the Mission System and the Support System Components.
- 3.10.2** The basis of the cost estimates including price escalation factors, exchange rates, data sources and all assumptions shall be recorded with the cost estimates.
- 3.10.3** The Contractor shall present the cost estimates during MSRs to demonstrate to the Commonwealth that the Contractor's activities under the Contract will result in a Mission System and associated Support Resources and Training that:
- minimises Life Cycle Cost (LCC); and
  - meets the other requirements of the Contract,

when the Mission System is operated and supported in accordance with the DOR Part B.

### 3.11 Transition into Operational Service (Optional)

**Note to drafters:** Consider the complexity of Transition and consult in-service capability and support managers when deciding on the need for this clause. If the Contractor will not be closely involved in ADF transition activities, the clauses below may be replaced with 'Not used'.

#### 3.11.1 Contractor Transition Planning (Core)

**Note to drafters:** Drafters need to determine if a Contractor Transition Plan (CTXP) is required or if Transition activities can be adequately addressed within the PMP alone.

**The scope of Contractor Transition planning will depend upon a range of factors, including the support concept (documented in the DOR), if the Contractor will be involved in support, if the Contractor is required to assist Defence units to transition, and whether or not a separate Contract (Support) will be enacted with the Contractor.**

**Option A: Include if Transition will be complex and a discrete CTXP will be required.**

**3.11.1.1** The Contractor shall develop, deliver and update a Contractor Transition Plan (CTXP) in accordance with CDRL Line Number MGT-1000.

**3.11.1.2** The Contractor shall conduct its Transition activities in accordance with the Approved CTXP.

**Option B: Include if Transition will be less complex and adequately planned within the PMP.**

**3.11.1.3** The Contractor shall conduct its Transition activities in accordance with the Approved PMP.

#### 3.11.2 Transition Meeting (Optional)

**Note to drafters:** If Transition will not be complex, a Transition meeting may not be required. Transition issues should also be addressed in CSRs (clause 3.1.1) and at progress meetings (clause 3.9.1). Nevertheless, a Transition meeting can enable co-ordination for multiple parties. If not required, the clauses below can be deleted and the heading annotated with 'Not used'.

**The timeframe in the following clause is indicative and may be amended for the nature and scope of the Transition activities. The location of the Transition meeting should enable the objectives to be achieved most effectively (eg, at the address of the in-service support agency).**

**3.11.2.1** At least 80 Working Days before the Test Readiness Review (TRR) for the first Mission System (or other time agreed between the parties in writing), the Contractor shall conduct a Transition meeting at the Commonwealth's premises to:

- a. ensure that the Transition responsibilities of the Commonwealth, the Contractor and Subcontractors are well-understood by all parties;
- b. ensure that the Transition activities of the Commonwealth, the Contractor and Subcontractors are planned in sufficient detail and progressing satisfactorily and in accordance with the Approved CMS;
- c. address risk-mitigation strategies for any Transition-related risks; and
- d. confirm the suitability of, and identify any required changes to, Transition planning in the Approved [...INSERT 'CTXP' OR 'PMP' AS APPROPRIATE...]; and
- e. identify the requirement for and scope of any subsequent Transition meetings.

**3.11.2.2** Subject to clause 3.11.2.1, the Contractor shall organise and conduct the Transition meeting, and any subsequent Transition meetings, as an extraordinary meeting in accordance with clause 3.9.2.

#### 3.11.3 Transition Register (Optional)

**3.11.3.1** The Contractor shall develop, deliver, and update a Transition Register in accordance with CDRL Line Number MGT-1010 and the Approved [...INSERT 'CTXP' OR 'PMP' AS APPROPRIATE...].

**3.11.4 Transition Support (Optional)**

**Note to drafters:** *This clause may be included and further developed when the Commonwealth requires Contractor Personnel to assist in the Transition of Commonwealth units. If Contractor Personnel are to assist with on-the-job Training, this should be co-ordinated with the Training services provided under clause 5.3.4. Amend the note to tenderers as required.*

**Note to tenderers:** *The following Transition support requirements for Commonwealth units are indicative, for scoping purposes. Further details will be defined during negotiations with the preferred tenderer, and will include consideration of the tendered draft CMS.*

**3.11.4.1** The Contractor shall, in accordance with the Approved [...INSERT 'CTXP' OR 'PMP' AS APPROPRIATE...], provide the following specialist personnel to assist Commonwealth units during the Transition period:

- a. [... INSERT SKILL / TYPE ...] specialists at [... INSERT LOCATION ...] to provide [... INSERT NATURE OF SUPPORT ...]; and
- b. [... INSERT SKILL / TYPE ...] specialists at [... INSERT LOCATION ...] to provide [... INSERT NATURE OF SUPPORT ...].

**3.12 Contractor Managed Commonwealth Assets and Government Furnished Services (Core)****3.12.1 Provision and Management of Government Furnished Material (Optional)**

**Note to drafters:** *This clause is required when GFM will be provided to the Contractor. If not required, delete the following clauses and annotated the heading with 'Not used'.*

*If safety-related information is not contained within associated Technical Data, additional information will need to be provided as GFI or GFD. Refer to CASSafe Regulated Hazard 09: 'Plant' regarding obligations to manage and control risks associated with plant/equipment.*

**Note:** *The Commonwealth is to provide applicable safety-related information for GFE.*

**3.12.1.1** Subject to clause 3.7 of the COC, the Commonwealth shall deliver or provide access to Government Furnished Material (GFM) and Government Furnished Services (GFS) to the Contractor at the place(s) and times stated in Attachment E.

**3.12.1.2** The Contractor shall acknowledge, in writing, receipt of the GFM to the Commonwealth Representative within five Working Days of delivery, or such other period as may be agreed in writing by the Commonwealth Representative.

**3.12.1.3** If GFM is not accompanied by an issue voucher from the Commonwealth, the Contractor shall report that omission in the acknowledgment of receipt for that GFM.

**3.12.1.4** The Contractor shall:

- a. within the periods identified in Attachment E or such other period as may be agreed in writing by the Commonwealth Representative, inspect GFM for defects or deficiencies and any physical damage which impact on, or are likely to impact on, the intended use of the GFM;
- b. at least 15 Working Days prior to the date that the Contractor intends to utilise an item of Government Furnished Equipment (GFE), carry out appropriate functional testing of that item, to the extent feasible, to determine that it is serviceable for use as required by the Contract; and
- c. notify its satisfaction or dissatisfaction with the GFM to the Commonwealth Representative within five Working Days of inspection or functional testing.

**3.12.1.5** Unless otherwise agreed between the parties, the Contractor shall not use GFM that has been found on inspection to be damaged, defective or deficient.

**3.12.2 Use of GFM (Optional)**

**3.12.2.1** The Contractor shall skilfully incorporate GFM into the Supplies or utilise GFM (eg, in the production or test of the Supplies) in accordance with the Contract.

**3.12.2.2** The Contractor shall return GFM that is not incorporated into the Supplies (other than any consumable items of GFM) to the Commonwealth, in accordance with the return dates and locations in Attachment E, or as otherwise directed by the Commonwealth Representative.

**3.12.3 Update of Contract GFM (Optional)**

**3.12.3.1** If the Contractor considers that additional GFM is necessary or beneficial to achieving Contract outcomes, the Contractor may request additional GFM from the Commonwealth, in writing, by providing the following information:

- a. the item identification and description, the timeframe when the GFM is required and, to the extent known, other details required to include the item in Attachment E;
- b. if an item of information is proposed as GFD, the rationale for that classification; and
- c. for items of GFE and GFD, the intended purpose for which the Commonwealth is requested to warrant that the item is suitable for the purposes of the Contract.

**3.12.3.2** The parties acknowledge and agree that:

- a. whenever practicable, requests for additional GFM should be addressed at a scheduled meeting (eg, included in the Agenda for a progress meeting) and the Commonwealth, whenever practicable, will provide a response to the request at the applicable meeting (to be recorded in the Minutes) or otherwise following the meeting, by notice, within a period of time agreed between the Parties;
- b. if the Contractor urgently requires a document (ie, outside of the timeframe for a scheduled meeting) that can only be supplied by the Commonwealth, the Contractor is to request the inclusion of that document in Attachment E; and
- c. any requested items of GFM will not be classified as GFM until the Commonwealth has agreed to a CCP, to update Attachment E, in accordance with clause 2.4.6.

**3.12.3.3** If the Commonwealth agrees, in writing, to provide additional GFM, the Contractor shall prepare a CCP to update Attachment E in accordance with CDRL Line Number MGT-710.

**3.12.4 Care of Contractor Managed Commonwealth Assets (Core)**

**3.12.4.1** The Contractor shall provide the facilities and other resources required to store, handle, preserve and protect all Contractor Managed Commonwealth Assets (CMCA).

**3.12.4.2** Without limiting the Contractor's obligations under clause 3.9 of the COC and except where otherwise required under clauses 3.12.1 and 3.12.4, the Contractor shall, within one Working Day of becoming aware that any CMCA is lost, destroyed, damaged, defective or deficient, notify the Commonwealth Representative of the event.

**Note to drafters: If the Contractor is to maintain GFE, include the following optional clause and, in Attachment E, identify any need to return items for Commonwealth Maintenance (eg, in the comments) and list the applicable instructions or manuals (as GFI/GFD).**

**Option: Include if the Contractor will be required to perform some Maintenance on GFE.**

**3.12.4.3** The Contractor shall ensure that GFE requiring calibration is calibrated by an organisation that is accredited, by an applicable authority, for the class of testing appropriate for the equipment.

**3.12.4.4** Unless identified in Attachment E that an item of GFE is to be returned to the Commonwealth for Maintenance, the Contractor shall carry out Maintenance of all GFE requiring such Maintenance in accordance with authorised technical manuals.

**3.12.5 Assurance and Stocktaking of Contractor Managed Commonwealth Assets (Core)**

**3.12.5.1** The Contractor shall develop, deliver and update a Commonwealth Assets Stocktaking Plan (CASP) as part of the PMP.

**Note to drafters: When completing the clause below, check for updates to the LCAM.**

**If the Defence ERP System's stocktaking function will be available by ED, the note to tenderers can be deleted and the clause amended to refer to the Defence ERP System instead of MILIS.**

**Note to tenderers: The Defence ERP System will replace existing Defence information systems over a number of years, with inventory management and stock control functions scheduled in the initial tranche of replacement systems. Hence, references to MILIS below should also be considered as references to the Defence ERP System, used to manage stocktaking functions.**

**Changes to the draft Contract, for the introduction of the Defence ERP System (and updated policy references to the Logistics Compliance and Assurance Manual) may be included during negotiations for any resultant Contract. If the Defence ERP System's stocktaking function has not been implemented by the ED, then one or more CCPs will be required once the relevant functions in the Defence ERP System become available.**

**Refer to SOW clause 2.6.2 for training in the use of Defence information systems.**

- 3.12.5.2** Without limiting clause 2.4, the Commonwealth Representative will assess the CASP to ascertain whether it is sufficient to discharge Defence's responsibilities to account for its assets, as set out in the Logistics Compliance and Assurance Manual (LCAM) Volume 2, Chapter 1, [...INSERT APPLICABLE CHAPTERS / ANNEXES...].
- 3.12.5.3** The Contractor shall, in accordance with the Approved CASP:
- a. institute, maintain and apply a system for the accounting for and control, handling, preservation, protection and Maintenance of CMCA; and
  - b. undertake stocktakes, other assurance checks, and reporting for CMCA.
- 3.12.5.4** The Contractor acknowledges that, where CMCA are held to account on the Military Integrated Logistics Information System (MILIS), the stocktaking requirements for these assets will be defined by MILIS, such that:
- a. when the Commonwealth manages MILIS records for CMCA, the Commonwealth Representative will advise the Contractor of the CMCA that will be subject to stocktake each applicable month; and
  - b. when the Contractor manages MILIS records for CMCA, the Contractor will conduct stocktaking of these CMCA in accordance with the requirements defined by MILIS.
- 3.12.5.5** If CMCA are held to account on systems other than MILIS, the Contractor shall conduct assurance stocktakes for each type of asset in accordance with the requirements of LCAM Volume 2.
- 3.12.5.6** The Contractor shall prepare and deliver a Commonwealth Assets Stocktaking Report (CASR) as part of the CSR.
- 3.12.5.7** Without limiting clause 2.4, the Commonwealth will assess the CASR to ascertain whether it sufficiently accounts for the Commonwealth assets in the possession of the Contractor and will notify the Contractor whether the stocktaking report is acceptable or not.
- 3.12.5.8** The Contractor shall promptly conduct investigations into every discrepancy arising from stocktakes of CMCA.
- 3.12.5.9** The Contractor shall immediately notify the Commonwealth Representative of any deficiencies that are discovered through a stocktake of CMCA where:
- a. loss of attractive or sensitive items of any value, including weapons and associated controlled repair parts, classified equipment, and controlled medical supplies, is suspected or confirmed;
  - b. fraud, theft, or misappropriation is suspected or confirmed; or
  - c. an error tolerance threshold has been reached or exceeded, with thresholds of:
    - (i) five percent of the stockholding by quantity, of all stock codes counted; or
    - (ii) one percent of the stockholding by value, of all stock codes counted.



**3.13 Technical Data and Software Rights Management (Core)**

- 3.13.1** The Contractor shall manage Technical Data and Software rights and restrictions in accordance with clause 5 of the COC and the Approved PMP.

**Note to drafters: Delete reference to the Software List in the following clause if not applicable to the Contract – refer to clause 4.4.2.**

- 3.13.2** The Contractor shall further develop, deliver and update the Technical Data and Software Rights (TDSR) Schedule in accordance with CDRL Line Number MGT-700, to ensure consistency with the progress of the Contract and with the MTDI and the Software List (SWLIST).
- 3.13.3** The Contractor shall provide TDSR Reports, as part of the CSR, to report the current status and progress made in obtaining licences and other Authorisations for Technical Data and Software.
- 3.13.4** The Commonwealth may conduct reviews, which may require access to the premises and the records of the Contractor and Approved Subcontractors, to verify the implementation of Technical Data and Software rights under the Contract. The Contractor shall facilitate, and shall ensure that Approved Subcontractors facilitate, these reviews.
- 3.13.5** The Contractor shall flow down the reporting and review requirements of clauses 3.13.3 and 3.13.4 to relevant Approved Subcontractors.

**3.14 Defence Security Compliance (Core)****3.14.1 Defence Security – General Requirements (Core)**

- 3.14.1.1** The Contractor acknowledges that this clause 3.14 does not address security considerations associated with the design, development, implementation and Verification and Validation (V&V) of either the Mission System or Support System, which are addressed under clause 4.6.7.
- 3.14.1.2** The Contractor shall ensure that all security procedures, training, facilities, fittings and clearance requests are established and maintained to meet the requirements of clause 11.10 of the COC.
- 3.14.1.3** The Contractor shall manage security matters under this clause 3.14 in accordance with the Approved PMP.

**3.14.2 Communications Security (Optional)**

**Note to drafters: Clauses relating to Communications Security may be applicable if the Contractor is required to handle cryptographic equipment and related secure communications equipment and documents. Refer to the SOW Tailoring Guide and Principle 13 of the Defence Security Principles Framework (DSPF) for policy and guidance.**

- 3.14.2.1** Not used.

**3.15 Resident Personnel (Optional)**

**Note to drafters: The need for Resident Personnel will vary significantly from project to project. For acquisitions with few development or integration activities, Resident Personnel may not be required or only required during Verification and Acceptance activities. If Resident Personnel are not required, then the clauses below should be replaced with 'Not used'.**

- 3.15.1** Resident Personnel (RP) will be collocated at the Contractor's and/or Approved Subcontractors' premises during the Contract. The terms of reference and requirements for the collocation are set out in Attachment L.
- 3.15.2** The Contractor shall provide and maintain at its premises, and ensure (as applicable) that Approved Subcontractors provide and maintain at their premises, the facilities identified in Attachment L, and give such assistance as is reasonably required to support the RP.
- 3.15.3** The facilities provided for RP shall be of a standard equal to that provided to the Contractor's personnel of similar status, and take into account the requirements for comfort and functionality, and meet the WHS requirements of clause 9.3.5.

- 3.15.4** The Contractor shall provide all reasonable assistance to facilitate the Commonwealth arranging clearances for Commonwealth personnel requiring access to the Contractor's and Approved Subcontractors' premises (as applicable), including when these premises are located outside Australia.
- 3.15.5** The Commonwealth shall comply with, and shall require persons afforded access under clause 3.15 to comply with, any relevant safety and security arrangements, regulations and codes of behaviour that apply to the particular Contractor premises and Approved Subcontractors' premises.
- 3.15.6** The Contractor shall include the terms of this clause in applicable Approved Subcontract(s) to ensure that all access, facilities and support assistance specified in this clause 3.15 are provided to the RP collocated at Approved Subcontractors' premises.
- 3.16 Business Resource Planning (Optional)**
- 
- 3.16.1** The Contractor shall conduct business resource planning in accordance with the Approved PMP to demonstrate that resources are adequate to complete all current and planned work.
- 3.16.2** The Contractor shall provide a Business Resource Planning Report as part of each CSR.
- 3.16.3** The Commonwealth may conduct reviews and audits at the Contractor's premises to verify the Contractor's Business Resource Planning Report. The Contractor shall facilitate each review and audit.
- 3.16.4** If the Commonwealth considers that the Contractor has not demonstrated adequate resources to continue to maintain satisfactory progress under the Contract, the Contractor shall take remedial action in accordance with clause 3.3.2.
- 3.17 Co-ordination and Co-operation (Core)**
- 
- 3.17.1** The Contractor acknowledges that the performance of its obligations under the Contract may require:
- a. interoperation and/or integration with Other Capabilities; and
  - b. consultation, co-ordination and co-operation with Associated Parties.
- 3.17.2** The Contractor shall:
- a. co-operate with all Associated Parties, as may be necessary or required by the Commonwealth, to ensure the interoperation and/or integration of the Mission System and other Supplies with Other Capabilities;
  - b. consult, co-ordinate and co-operate, with all Associated Parties, as may be necessary or required by the Commonwealth, to ensure that the Supplies are provided, implemented and/or installed, as applicable, in accordance with safety, security and other requirements of the Contract; and
  - c. bring any causes, or likely causes, of interruption to the performance of the work under the Contract in connection with Other Capabilities and Associated Parties to the attention of the Commonwealth Representative as soon as practicable after becoming aware of those causes.
- 3.18 Government Furnished Facilities (Optional)**
- 
- 3.18.1 Initial Inspection of Government Furnished Facilities**
- 3.18.1.1** On or before the GFF Licence Application Date for a GFF Licensed Area, the Contractor shall participate in an inspection of the GFF Licensed Area, conducted by a representative of the Commonwealth.
- 3.18.1.2** The Contractor shall, within 20 Working Days following the GFF Licence Application Date for a GFF Licensed Area:
- a. inspect the GFF Licensed Area to identify any lost, destroyed, damaged or deficient GFF;
  - b. carry out appropriate functional testing to determine whether the GFF Licensed Area is in good and functional repair and condition; and

- c. notify the Commonwealth Representative, setting out the Contractor's satisfaction or dissatisfaction with the GFF Licensed Area, including details of any disparity between the Contractor's findings and the Facilities Condition Report for that area.

**3.18.1.3** The Contractor shall not use a GFF Licensed Area, or Commonwealth Property on a GFF Licensed Area, which has been found to be materially damaged, defective or deficient.

### **3.18.2 Care and Maintenance of GFF**

**Note to drafters: Drafters should consult Security and Estate Group (SEG) to determine if the proposed GFF requires a baseline contamination assessment. If it is required, the baseline contamination report should be included within the Facilities Condition Report.**

**3.18.2.1** The Contractor shall keep all GFF Licensed Areas in a clean and tidy condition, having regard to their condition stated in the relevant Facilities Condition Report.

**Note to drafters: Select from the following optional clauses to describe the Contractor's maintenance responsibilities regarding GFF. The option chosen below needs to be consistent with the responsibilities in clauses 6.3 and 6.4 of Attachment O and, in particular, the list of Contractor Maintained Licensed Fittings. If there is more than one GFF Licensed Area under the GFF Licence, each GFF Licensed Area should be addressed.**

**Option A: Include when the Contractor will maintain the buildings and all the Licensed Fittings (defined as the Contractor Maintained Licensed Fittings).**

**3.18.2.2** The Contractor shall carry out maintenance as is necessary to maintain the GFF Licensed Area (including Licensed Fittings) in good and functional repair and condition.

**Option B: Include when SEG will maintain the buildings and the Contractor will maintain all or some of the Licensed Fittings (defined as the Contractor Maintained Licensed Fittings).**

**3.18.2.3** The Contractor shall carry out maintenance as is necessary to maintain the Contractor Maintained Licensed Fittings in good and functional repair and condition.

**Option: Only include the following clause if Option A or B are selected above. Edit to select 'GFF Licensed Area' for Option A, or 'Contractor Maintained Licensed Fittings' for Option B.**

**3.18.2.4** The Contractor shall maintain the [...INSERT 'GFF Licensed Area' OR 'Contractor Maintained Licensed Fittings'...] in accordance with all applicable laws and the applicable maintenance manuals, manufacturer's recommendations, and otherwise in accordance with good industry practice.

**3.18.2.5** Without limiting the Contractor's obligations under clause 3.9 of the COC, except where otherwise required under clause 3.18.3, the Contractor shall, within five Working Days of becoming aware that any Licensed Fitting is lost, destroyed, damaged or deficient, notify the Commonwealth Representative of the event.

### **3.18.3 Inspections of GFF**

**3.18.3.1** The Contractor shall provide representatives of the Commonwealth with access to a GFF Licensed Area, in accordance with Attachment O for the purpose of inspections. The Commonwealth may inspect a GFF Licensed Area to review the condition of the area and any impact of the Contractor's use and occupation of the area on the Environment or heritage.

**3.18.3.2** Within 20 Working Days following each anniversary of the GFF Licence Commencement Date, and prior to the end of the GFF Licence Term, for each GFF Licensed Area, the Contractor shall:

- a. undertake an inspection of the Licensed Fittings;
- b. prepare an inventory identifying any Licensed Fittings that were removed or replaced, and the replacement Licensed Fittings, and any other Commonwealth Property made available for the Contractor's use in the GFF Licensed Area; and
- c. provide a copy of the inventory to the Commonwealth Representative.

**3.18.3.3** When notified by the Commonwealth Representative, the Contractor shall prepare a CCP to Attachment O, to incorporate changes to the list of Licensed Fittings.

- 3.18.3.4** Within five Working Days (or such other period as may be agreed in writing by the Commonwealth Representative) after the GFF Licence expires or is terminated or ceases to apply to a GFF Licensed Area, the Contractor shall participate in an inspection of the GFF Licensed Area conducted by a representative of the Commonwealth, in accordance with the GFF Licence and this clause 3.18.

#### 4. SYSTEMS ENGINEERING (CORE)

**Note to drafters:** Engineering aspects of this SOW are based on 33 high-level requirements for engineering a system, which are described in EIA-632 in abstract terms without mandating particular methods. As such, the SEMP should explain the Contractor's application of Systems Engineering applicable to the Contract, internal procedures and, as applicable, related standards. The requirements of clause 4 apply to the design and development of the Mission System and any significant end items of technical equipment that form part of the Support System. These elements should be identified in clause 2.1, 'Scope of Work'.

**In this SOW, the level of engineering design is moderate and a broadly scoped SEMP can be used. This allows the SEMP to be used as the governing plan for Systems Engineering, Configuration Management, and Verification & Validation activities, and the scope of planning under the related clauses may be tailored accordingly.**

**Note to tenderers:** Under the philosophy embodied in this SOW, the Commonwealth controls system functional requirements and the Contractor controls the design and product requirements and is responsible for development and maintenance of the lower level Configuration Item (CI) specifications.

##### 4.1 Systems Engineering Management (Core)

###### 4.1.1 Engineering Organisation and Planning

- 4.1.1.1 The Contractor shall develop, deliver and update a Systems Engineering Management Plan (SEMP) in accordance with CDRL Line Number ENG-100.
- 4.1.1.2 The Contractor shall conduct its program of engineering activities in accordance with Approved SEMP.
- 4.1.1.3 All engineering plans for the Contract shall be subordinate to the SEMP.
- 4.1.1.4 The Contractor shall ensure that all Subcontractor activities are consistent with the Approved SEMP.

###### 4.1.2 Design Authority (Core)

**Note to drafters:** The following clause may require amendment if a Subcontractor is the Design Authority for the Mission System, as opposed to the Contractor.

- 4.1.2.1 The parties acknowledge and agree that the Contractor is the Design Authority for the Mission System, which involves the Contractor ensuring that:
  - a. the equipment being provided and the associated support services meet the specified requirements, achieves the Safety Outcomes when used in accordance with the purpose(s) set out in the Contract, and are compliant with the requirements for environmental protection; and
  - b. the equipment being provided is designed, manufactured and maintained, to approved standards, by competent and authorised individuals who are acting as members of an authorised organisation, and whose work is certified as correct.
- 4.1.2.2 The parties further acknowledge that the Commonwealth relies upon the Contractor's expertise as the Mission System designer, and that the design accountabilities and responsibilities in the Contract have been established based around the principle known as Clear Accountability In Design (CAID). The CAID concept is based on two key elements:
  - a. the Commonwealth controls requirements at the highest practicable level (ie, the Description of Requirement (DOR) and the system specifications for the Mission System and, if applicable, the Support System) to define and manage the Commonwealth's capability requirements, manage cost and risk, and ensure all V&V activities required under the Contract have been accomplished, which may require the Commonwealth to be involved at levels lower than the DOR Part A and/or the specifications for the Mission System and, if applicable, the Support System; and
  - b. the Contractor controls lower-level requirements and the design in order to implement cost, schedule, performance, and risk-based business decisions, unless the Commonwealth has a specific need to control them.

#### 4.1.3 Engineering Schedule

- 4.1.3.1 The Contractor shall develop, deliver and update a time-based schedule of engineering activities as part of the CMS.
- 4.1.3.2 The Contractor shall capture all technical milestones, including System Reviews, and their key dependencies in the CMS.

#### 4.1.4 Engineering Organisation and System Compliance (Optional)

**Note to drafters: If the Contractor is not required to show compliance with an ADF regulatory or assurance regime for engineering activities under the Contract, replace the clauses under clause 4.1.4 with a single 'Not used'.**

**If required, amend the following clause for the applicable ADF regulatory / assurance framework. Policies / regulations are directed (principally) at the Commonwealth but specific requirements may be placed on the Contractor through the Contract. Drafters should refer to the SOW Tailoring Guide and seek advice from the applicable ADF regulatory / assurance authority(ies). In some cases more than one ADF regulatory / assurance framework will apply and the clause will need to be expanded for each applicable publication.**

- 4.1.4.1 The Contractor shall have the systems, people and resources in place to ensure that engineering design and production activities are performed in compliance with the following requirements defined in [...INSERT APPLICABLE REGULATORY / ASSURANCE PUBLICATION...]:
- [...INSERT REGULATIONS / DOCUMENT SECTIONS...]; and
  - [...INSERT REGULATIONS / DOCUMENT SECTIONS...].

**Note to drafters: The following clause is to be used where the Contractor's engineering design and production activities will be assessed for compliance with one or more ADF regulatory / assurance frameworks. For aerospace, compliance (or pre-qualification) with the Defence Aviation Safety Regulations (DASR) Part 21 will usually be assessed. For Land, Maritime and Explosive Ordnance domains, drafters should seek advice from the relevant authority regarding the need for the Contractor to demonstrate compliance and to be assessed by the regulator / assurance agency or the Commonwealth Representative. Drafters may also need to amend CDRL Line Number ENG-110.**

**Option: To be included and amended for an assessment of compliance against a regulatory / assurance framework. The clauses may need duplication if there is more than one framework.**

- 4.1.4.2 The Contractor shall deliver an application for [...INSERT NAME OF ORGANISATION APPROVAL...] in accordance with CDRL Line Number ENG-110 to seek approval, or recognition of prior approval, by the Commonwealth of the Contractor's compliance with ADF regulatory / assurance framework requirements for the engineering design and production activities required under the Contract.
- 4.1.4.3 The Contractor shall ensure that engineering design and production activities comply with the requirements of the [...INSERT THE ORGANISATIONAL APPROVAL...] in regards to the application of [...INSERT APPLICABLE REGULATORY / ASSURANCE PUBLICATION...].

#### 4.1.5 Maintenance Organisation and System Compliance (Optional)

**Note to drafters: If the Contractor is not required to show compliance with an ADF regulatory / assurance framework for Maintenance activities (eg, during an AV&V phase) under the Contract, replace the clauses under clause 4.1.5 with a single 'Not used'.**

**If required, amend the following clause for the applicable ADF regulatory / assurance framework. Policies / regulations are directed (principally) at the Commonwealth but specific requirements may be placed on the Contractor through the Contract. Drafters should refer to the SOW Tailoring Guide and seek advice from the applicable ADF regulatory / assurance authority regarding the need for Contractor compliance to be assessed by the regulator / assurance agency or the Commonwealth Representative. In some cases, more than one ADF regulatory /**

**assurance framework will apply and the clause will need to be expanded for each applicable publication.**

**4.1.5.1** The Contractor shall have the systems, people and resources in place to ensure that all Maintenance performed on Supplies comply with the following requirements defined in [...INSERT APPLICABLE REGULATORY / ASSURANCE PUBLICATION...]:

- a. [...INSERT REGULATIONS / DOCUMENT SECTIONS...]; and
- b. [...INSERT REGULATIONS / DOCUMENT SECTIONS...].

**Note to drafters: The following clause is to be used where the Contractor's Maintenance activities will be assessed for compliance with one or more ADF regulatory / assurance frameworks. For aerospace, compliance (or pre-qualification) with DASR will usually be assessed. For Land, Maritime and Explosive Ordnance domains, drafters should seek advice from the relevant authority regarding the need for the Contractor to demonstrate compliance and to be assessed by the regulator / assurance agency or the Commonwealth Representative. Drafters may also need to amend CDRL Line Number ENG-120.**

**Option: To be included and amended for a compliance assessment against a regulatory / assurance framework. The clauses may need duplication if there is more than one framework.**

**4.1.5.2** The Contractor shall deliver an application for [...INSERT NAME OF ORGANISATION APPROVAL...], in accordance with CDRL Line Number ENG-120, to seek approval, or recognition of prior approval, by the Commonwealth of the Contractor's compliance with [...regulatory / assurance...] requirements for the Maintenance performed on Supplies.

**4.1.5.3** The Contractor shall ensure that all Maintenance performed on Supplies comply with the requirements of the [...INSERT THE ORGANISATIONAL APPROVAL...] in regards to the application of [...INSERT APPLICABLE REGULATORY / ASSURANCE PUBLICATION...].

#### **4.1.6 Engineering-related System Reviews**

**4.1.6.1** As part of the System Engineering program, the Contractor shall conduct the following System Reviews in accordance with clause 3.9.4 and the applicable clauses in the SOW for each of the identified MSRs:

- a. MSRs for the Mission System(s), as follows:
  - (i) System Requirements Review (SRR);
  - (ii) System Definition Review (SDR);
  - (iii) Preliminary Design Review (PDR);
  - (iv) Detailed Design Review (DDR);
  - (v) Test Readiness Reviews; and
  - (vi) Functional Configuration Audits (FCAs) and Physical Configuration Audits (PCAs); and
- b. Internal System Reviews.

#### **4.2 System Definition (Core)**

##### **4.2.1 Description of Requirement**

**Note to drafters: The Commonwealth will define its system requirements in a Description of Requirement (DOR), included at Annex A to the draft SOW. The DOR may include an OCD and an FPS, if these documents exist, but in their absence the drafter is to develop other documents to specify the requirement. Guidance for preparing the DOR is included in Annex A of the SOW.**

**4.2.1.1** During the System Definition phase, and prior to each MSR, the Contractor shall propose changes to the Commonwealth developed DOR that would address any inconsistencies between the DOR Part B (Operational and Support Concepts) and the SS.

**4.2.1.2** Where the Contractor proposes to change the DOR Part B in accordance with clause 4.2.1.1, the Contractor shall submit a CCP to incorporate the proposed change into the Contract.

## 4.2.2 System Requirements Validation

**4.2.2.1** The Contractor shall develop and validate a set of requirements for the Mission System based on:

- a. the initial Commonwealth requirements as defined by the DOR Part A (Specification);
- b. an analysis of the DOR Part B to extract Commonwealth end-user needs and objectives in the operational context to confirm that all function and performance requirements and constraints for the Mission System are captured;
- c. the requirements of government regulatory organisations;
- d. other Defence stakeholder requirements as facilitated by the Commonwealth Representative; and
- e. the Contractor's domain experience.

**4.2.2.2** The Contractor shall develop, deliver and update the validated Mission System requirements, as the SS, in accordance with CDRL Line Number ENG-200.

**4.2.2.3** In developing and updating the SS in accordance with clause 4.2.2.2, the Contractor shall as a minimum:

- a. show traceability from each requirement of the DOR Part A to the SS with rationale for any modifications;
- b. show traceability from each requirement of the SS to both the DOR Part A and the DOR Part B with rationale for any modifications; and
- c. where necessary, refine, with rationale for any modifications, the requirements stated in the original DOR Part A to a level that further defines the function and performance requirements and constraints for the Mission System.

**Note to tenderers: The DOR represents the Capability Manager's requirements for the Materiel System, which is not expected to change over the life of the Contract. When, as a result of the Contractor's system definition and development activities, the Contractor proposes SS requirements that would be in conflict with Part A of the DOR, the Commonwealth Representative needs to gain internal approval for a change. The following clause is intended to provide the Commonwealth Representative with the mechanism for seeking such approval.**

**4.2.2.4** If proposed SS requirements are in conflict with the DOR Part A, the Contractor shall submit an Application for a Deviation in accordance with CDRL Line Number MGT-1400.

**Note to tenderers: The SS is submitted for CCP approval, to be placed on Contract (in addition to the DOR Part A) after successful completion of the System Definition Review (SDR).**

**4.2.2.5** The Contractor shall submit a CCP to include the SS at Annex A, as the basis on which the Functional Baseline (FBL) for the Mission System is established and, hence, as the basis for the development and Verification of the Mission System.

**Note to drafters: The following clauses define requirements for the SRR and the SDR. If there is a low and acceptable level of risk that requirements will not be misunderstood, or require amendment, these reviews may be combined into the SDR. The inclusion of these reviews recognises the importance of sound requirements for project success; hence, even at the lower end of complexity, the SDR should be retained. Refer to SOW Annex D for optional checklists.**

## 4.2.3 System Requirements Review

**4.2.3.1** The Contractor acknowledges that the objectives of the SRR are to:

- a. validate that the system requirements for the Mission System are complete and well formulated, both individually and in sets;
- b. ensure that the set of system requirements are consistent with the Commonwealth's intent; and
- c. ensure that both the Commonwealth and the Contractor have a common understanding of the requirements.



**4.2.3.2** At the completion of an initial analysis phase, the Contractor shall conduct a MSR, the SRR, in accordance with clause 3.9.4 and the Approved SEMP.

#### **4.2.4 System Definition Review**

**4.2.4.1** The Contractor acknowledges that the objectives of the SDR are to:

- a. demonstrate convergence on, and achievability of, technical requirements for the Mission System; and
- b. demonstrate readiness to initiate the subsequent system design phase for the Mission System.

**4.2.4.2** At the completion of the system definition phase, the Contractor shall conduct a MSR, the SDR, in accordance with clause 3.9.4 and the Approved SEMP.

### **4.3 System Design (Core)**

**Note to drafters:** *This clause requires two MSRs, the PDR and the DDR. As the scope and complexity of the expected design activities increase, the need for Commonwealth visibility into design activities also increases. These two reviews provide this visibility. At a lower level of complexity these reviews could be combined; however, as DDR marks the end of the design phase, it should be the review that is retained. Refer to SOW Annex D for optional checklists.*

#### **4.3.1 Preliminary Design Review**

**4.3.1.1** The Contractor acknowledges that the objectives of a PDR are to confirm:

- a. that all subsystem and enabling product building blocks have been defined appropriately;
- b. that all subsystem building block designs satisfy their parent requirements; and
- c. that the approaches to the next level have been appropriately planned and that risks are identified with appropriate mitigation plans in place.

**4.3.1.2** At the completion of the preliminary design phase, the Contractor shall conduct a MSR, the PDR, in accordance with clause 3.9.4 and the Approved SEMP.

#### **4.3.2 Detailed Design Review**

**4.3.2.1** The Contractor acknowledges that the objectives of a DDR are to demonstrate:

- a. that specifications, drawings and Software development documentation have been appropriately defined;
- b. that building block end product designs satisfy their parent requirements;
- c. that enabling product requirements have been adequately defined; and
- d. that the building blocks are either ready for further development, adequately defined for procurement, or adequately defined for fabrication.

**4.3.2.2** At the completion of the detailed design phase, the Contractor shall conduct a MSR, the DDR, in accordance with clause 3.9.4 and the Approved SEMP.

### **4.4 System Implementation (Core)**

#### **4.4.1 General**

**Note to drafters:** *This clause should address any Contract-specific requirements relating to system implementation and integration including, for example:*

- a. *access to and limitations associated with specific Commonwealth Premises, Contractor facilities or Subcontractor facilities;*
- b. *availability of systems and equipment that are not classified as GFE/GFM (eg, platforms, other systems and equipment requiring modification or integration), including details associated with accessing those systems and equipment and, if applicable, any arrangements with the associated support contractors;*
- c. *Commonwealth visibility of integration activities; and*
- d. *visibility of integration-related Defects and their closure.*

**Clause 4.4.1.2.2 should be amended in respect of 'all work required' if Associated Parties (contractors or the Commonwealth) have a related role in site installation.**

**Option: For use only if site-installation activities on Commonwealth Premises are required.**

#### **4.4.1.1 Site-installation Planning**

**4.4.1.1.1** The Contractor shall develop, deliver and update a Site Installation Plan (SIP) in accordance with CDRL Line Number ENG-300 to address site-installation activities at Commonwealth Premises.

#### **4.4.1.2 Site-installation Program Activities**

**4.4.1.2.1** The Contractor shall conduct site-installation activities in accordance with the Approved SIP.

**4.4.1.2.2** The Contractor acknowledges that the scope of its site-installation activities includes all work required to install and commission, prior to the conduct of Acceptance Verification and Validation, all Contractor-provided equipment in the Commonwealth Premises.

#### **4.4.2 Software Development (Optional)**

**Note to drafters: For programs with limited Software development, a Software Management Plan (SWMP) may not be warranted if Software activities can be managed under the SEMP. In such cases, the following clauses should be amended to reflect the SEMP as the governing plan.**

**Software engineering aspects of this SOW are aligned to AS/NZS ISO/IEC/IEEE 12207. The SWMP / SEMP is to capture the Contractor's tailoring of AS/NZS ISO/IEC/IEEE 12207 (or other standard agreed by the Commonwealth) and integrate applicable Software safety standards and associated data deliverables into the Contractor's program. If a Contractor is not developing Software, but will acquire Software developed by a Subcontractor or vendor, the Contractor is still expected to satisfy the acquisition and supply life-cycle processes of AS/NZS ISO/IEC/IEEE 12207.**

**If not required, the clauses below should be replaced with 'Not used'.**

**Option: For selection when a separate Software Management Plan is required.**

**4.4.2.1** The Contractor shall develop, deliver and update a Software Management Plan (SWMP) in accordance with CDRL Line Number ENG-310.

**4.4.2.2** The Contractor shall plan and conduct its Software engineering activities, and shall ensure that all Software engineering activities are conducted, in accordance with the requirements of AS/NZS ISO/IEC/IEEE 12207, as tailored by the Approved [...INSERT 'SEMP' OR 'SWMP' AS APPROPRIATE...].

**4.4.2.3** The Contractor shall require each Approved Subcontractor to plan and conduct Software engineering activities in accordance with the requirements of AS/NZS ISO/IEC/IEEE 12207, as tailored by the Subcontractor in its plans for conducting Software engineering activities.

**4.4.2.4** The Contractor shall ensure that Approved Subcontractors undertaking Software engineering activities conduct those activities consistent with the Approved [...INSERT 'SEMP' OR 'SWMP' AS APPROPRIATE...] and the Contract.

**4.4.2.5** The Contractor shall develop, deliver and update a Software List (SWLIST) in accordance with CDRL Line Number ENG-320.

**4.4.2.6** The Contractor shall include in the MTDI all Technical Data related to the Software identified in the SWLIST, including Software Design Data, Source Code, and Software test plans, procedures and reports.

#### **4.4.3 Hardware Development (Optional)**

**Note to drafters: This clause may mandate or recommend particular standards as guidance, generally specific to the domain of the Contract. Consideration should be given to aligning the**

***choice of these standards with the Contractor's work practices. If not required, the clauses below should be replaced with 'Not used'.***

- 4.4.3.1** The Contractor shall develop and update hardware development processes and procedures that define the conduct of all Contractor hardware development activities for the Contract.
- 4.4.3.2** The Contractor shall document all hardware development processes and procedures in the SEMP for the Mission System and if required, for developmental Support System Components.
- 4.4.3.3** The Contractor shall conduct all hardware development activities for the Contract in accordance with the Approved SEMP for the Mission System and if required, for developmental Support System Components.

**4.5 System Analysis, Design and Development (Core)**

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**4.5.1 Mission System Technical Documentation Tree (Optional)**

***Note to drafters: The MSTDT is a key design-management data item recommended for complex developmental projects. If not required, the clauses below should be replaced with 'Not used'.***

- 4.5.1.1** The Contractor shall develop, deliver and update a Mission System Technical Documentation Tree (MSTDT), in accordance with CDRL Line Number ENG-400, which defines a hierarchy of specifications and design documentation that reflect the hierarchy of Mission System design products.
- 4.5.1.2** The Contractor shall develop, deliver and update Design Documentation, including all specifications and design documentation defined in the Approved MSTDT, in accordance with CDRL Line Number ENG-410.

**4.5.2 Design Traceability (Optional)**

***Note to drafters: For a simple level of design, a Requirements Traceability Matrix may not be needed, and the clauses below replaced with 'Not used'. Full design traceability will not be available; however, the VCRM allows tracking between specified requirements and Verification requirements for the Acceptance of the Supplies.***

- 4.5.2.1** The Contractor shall develop, deliver and update a Requirements Traceability Matrix (RTM), in accordance with CDRL Line Number ENG-250.
- 4.5.2.2** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the Contractor's RTM for the period of the Contract.
- 4.5.2.3** The Contractor shall use the RTM to maintain traceability of all specifications in the Approved MSTDT.
- 4.5.2.4** The Contractor shall trace each specification requirement and Verification requirement to one or more requirements in the next lower level in the specification hierarchy (downward traceability).
- 4.5.2.5** The Contractor shall trace each specification requirement and Verification requirement to one or more requirements in the next higher level in the specification hierarchy (upward traceability).

**4.5.3 Engineering Drawings**

***Note to drafters: Insert the applicable plan for Technical Data management.***

- 4.5.3.1** The Contractor shall develop, deliver and update a Drawing List in accordance with CDRL Line Number ENG-450 and the Approved [...INSERT 'Technical Data Plan (TDP)' OR 'ISP' AS APPROPRIATE...].

***Note to drafters: Parts of the Mission System and Support System may require drawings (including three dimensional design data) at different levels, classification codes and standards,***

**as identified in DEF(AUST)CMTD-5085C. If these requirements are not specified in the DOR, the following optional clause should be included and modified to reflect this need.**

**Option: Include and amend if drawing requirements are not specified in the DOR.**

- 4.5.3.2** Unless otherwise specified in the DOR or the Approved [...INSERT 'TDP' OR 'ISP' AS APPROPRIATE...], the Contractor shall develop and/or compile a complete set of Engineering Drawings for use in the operation and sustainment of the Materiel System that includes, as a minimum, all drawings:
- that illustrate the general arrangements for the Mission System, showing how key parts of the Mission System integrate together;
  - required for Maintenance, including Maintenance conducted by both the Commonwealth and in-country support contractors;
  - required for Training Commonwealth Personnel and in-country support contractors;
  - associated with the handling, transportation, set-up and dismantling of the Mission System and Support System elements for deployments;
  - that are necessary, in conjunction with other Technical Data, to disclose the physical, functional, and performance characteristics of all external interfaces;
  - that define key internal interfaces to assist with the management of growth, evolution and Obsolescence;
  - [..DRAFTER TO INSERT...]; and
  - required to enable other sustainment-related requirements of the Contract to be met (eg, in relation to Codification; parts determination; and regulatory / assurance requirements).

- 4.5.3.3** Unless otherwise specified in the DOR Part A and the system specifications, or the Approved [...INSERT 'TDP' OR 'ISP' AS APPROPRIATE...], the Contractor shall produce all drawings in accordance with DEF(AUST)CMTD-5085C, *'Engineering Design Data for Defence Materiel'*.

- 4.5.3.4** The Contractor shall develop, deliver and update Engineering Drawings in accordance with CDRL Line Number ENG-460, the Approved [...INSERT 'TDP' OR 'ISP' AS APPROPRIATE...], and the Approved Drawing List.

#### **4.6 Specialty Engineering (Core)**

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##### **4.6.1 Growth, Evolution and Obsolescence Program**

##### **4.6.1.1 Program Objectives**

- 4.6.1.1.1** The Contractor acknowledges that the objectives of the Contractor's growth, evolution and obsolescence program are to ensure that:

- technology evolution and Obsolescence issues are appropriately considered in the design of the Mission System and Developmental Support System Components;
- the Contractor's design, development and production programs will not deliver equipment that has Obsolescence problems at the time of delivery; and
- solutions for the Mission System and Developmental Support System Components minimise LCC when technology evolution and Obsolescence issues are taken into consideration.

##### **4.6.1.2 Planning**

- 4.6.1.2.1** The Contractor shall address the planning for, and the management of, the growth, evolution and Obsolescence program in the SEMP.

##### **4.6.1.3 Program Activities**

- 4.6.1.3.1** The Contractor shall conduct the growth, evolution and Obsolescence program in accordance with the Approved SEMP.

**4.6.1.3.2** In developing the design solutions for the Mission System and the Support System, the Contractor shall analyse, in accordance with the Approved SEMP, potential areas of growth and technology evolution over the design, development and production phases and Life-of-Type of the systems.

**4.6.1.3.3** The Contractor shall develop, deliver and update a Growth Program Report in accordance with CDRL Line Number ENG-501.

**4.6.2 Integrated Reliability, Maintainability and Testability Engineering Program (Optional)**

**Note to drafters: If not required, the following clauses should be replaced with 'Not used'.**

**4.6.2.1 Program Objectives**

**4.6.2.1.1** The Contractor acknowledges that the objectives of the Contractor's Integrated Reliability, Maintainability and Testability (IRMT) engineering program are to:

- a. simultaneously optimise the operational readiness and mission success of the Mission System with the demands for Maintenance Personnel and other Support Resources that are drivers of LCC;
- b. provide essential information to enable system trade-offs and design decisions; and
- c. provide analysis results that demonstrate how the Mission System will be able to comply with the SS.

**4.6.2.2 Planning**

**4.6.2.2.1** The Contractor shall address planning for, and management of, the IRMT engineering program in the SEMP.

**4.6.2.3 Program Activities**

**Note to drafters: The selection of IRMT activities, detailed by the Contractor in the SEMP, will depend on project requirements. Specific activities may be defined by the drafter, in an additional clause, in consultation with the appropriate Reliability, Availability and Maintainability (RAM) centre of expertise.**

**4.6.2.3.1** The Contractor shall conduct the IRMT engineering program in accordance with the Approved SEMP.

**4.6.2.3.2** The Contractor shall develop, deliver and update an IRMT Program Report in accordance with CDRL Line Number ENG-521.

**4.6.3 Logistics Engineering Program (Core)**

**4.6.3.1 Mission System Supportability Related Design Factors (Core)**

**4.6.3.1.1** The Contractor shall define and document Supportability Related Design Factors for the Mission System in the SS.

**4.6.3.2 Logistic Support Analysis Record (Optional)**

**Option: For use if a LSAR is being developed and delivered as part of the Contract.**

**4.6.3.2.1** The Contractor shall update the Logistic Support Analysis Record (LSAR) to reflect the outcomes from undertaking the activities under clauses 4.6.1, 4.6.2 and 4.6.3 of this SOW.

**4.6.4 Human Engineering Program (Optional)**

**Note to drafters: This clause may mandate or recommend particular Human Engineering (HE) standards noting that, by default, MIL-HDBK-46855A and MIL-STD-1472F are to be applied when planning. After tendering, consideration should be given to align the choice of standards with the Contractor's work practices.**

***The high-risk nature of HE, particularly human-computer interaction, often warrants greater Commonwealth involvement. Hence, this clause may need to be expanded to address:***

- a. how the HE requirements may be specified, (ie, the documents to be developed); and***
- b. establishing a HE Working Group to enable end-user review and feedback (refer to ASDEFCON (Strategic Materiel) for example clauses).***

#### **4.6.4.1 Program Objectives**

**4.6.4.1.1** The Contractor acknowledges that the objectives of the Human Engineering (HE) program are to:

- a. develop or improve human interfaces of the Mission System and, where applicable, Support System Components;
- b. achieve required effectiveness of human performance during Mission System and Support System operation, Maintenance, support, control, and transportation; and
- c. make economical demands upon personnel resources, skills, training, and costs.

#### **4.6.4.2 Planning**

**4.6.4.2.1** The Contractor shall address planning for, and management of, the HE program in the SEMP.

#### **4.6.4.3 Program Activities**

**4.6.4.3.1** The Contractor shall conduct the HE program in accordance with the Approved SEMP.

**4.6.4.3.2** The Contractor shall develop, deliver and update a HE Program Report in accordance with CDRL Line Number ENG-541.

#### **4.6.5 Electromagnetic Environmental Effects Program (Optional)**

***Note to drafters: This clause may be tailored to address issues relevant to the Mission System and Support System (consistent with specified requirements). This clause may mandate or recommend particular electromagnetic interference and compatibility standards such as MIL-STD-461, MIL-STD-464, and commercial equivalents. Drafters should refer to Engineering and Maintenance Manual (EMM), Chapter 7, including Management of Electromagnetic Environmental Effects, and domain-specific references and standards.***

***After tendering, consideration should be given to aligning the choice of standards with the Contractor's work practices, if appropriate for the regulatory and operational environment for the Mission System and Support System.***

***If not required, the clauses below should be replaced with a single 'Not used'.***

***If there are specific E3 Verification requirements, such as the use of electromagnetically quiet areas or overseas test ranges, as arranged by the Commonwealth, then these requirements should either be included here or in clause 7.***

#### **4.6.5.1 Program Objectives**

**4.6.5.1.1** The Contractor acknowledges that the objective of the Electromagnetic Environmental Effects (E3) program is to ensure that E3 is appropriately considered in the design of the Mission System and Support System, including its interrelationships with the system safety and system security programs.

#### **4.6.5.2 Planning**

**4.6.5.2.1** The Contractor shall address planning for, and management of, the E3 program in the SEMP.

***Note to drafters: Amend the following reference documents to suit the requirements of the Contract.***

**4.6.5.2.2** The Contractor shall ensure that, in respect of E3, the Approved SEMP addresses the requirements of:

- a. *Australian Radiation Protection and Nuclear Safety Act 1998 (Cwth);*

- b. MIL-STD-461G, *Requirements for the Control of Electromagnetic Interference – Characteristics of Subsystems and Equipment*;
- c. MIL-STD-464C, *Electromagnetic Environmental Effects – Requirements for Systems*;
- d. DEF(AUST) 5000, Volume 2, Part 12 - *EMI/EMC For RAN Ships And Submarines*;
- e. AAP 7210.027-44, *Army Aviation Electromagnetic Environmental Effects Management Plan*; and
- f. [...INSERT REFERENCE...].

#### 4.6.5.3 Program Activities

4.6.5.3.1 The Contractor shall conduct the E3 program in accordance with the Approved SEMP.

#### 4.6.6 System Safety Program

**Note to drafters: Requirements for a system safety program often need to be developed in conjunction with the requirements for system certification described under clause 4.7.**

##### 4.6.6.1 Program Objectives

4.6.6.1.1 The Contractor acknowledges that the objectives of the system safety program are to:

- a. implement an auditable hazard management system that enables the tracking, management and demonstration of Materiel Safety;
- b. demonstrate that risks to health and safety within the Materiel System have been eliminated so far as reasonably practicable and that remaining risks are reduced so far as reasonably practicable;
- c. verify that the system designs for the Mission System and the Support System (including components and processes) satisfy Materiel Safety requirements, including specified requirements; and
- d. enable the Commonwealth to fulfil its duties under the WHS Legislation to workers and other persons involved in the operation and support of the Materiel System.

##### 4.6.6.2 Planning

**Note to drafters: Selecting a stand-alone SSPP or system safety planning in the SEMP should be based on the design maturity of the Materiel System and associated risks. If different tender responses are likely to have differing levels of design maturity / risk, then both options and the note to tenderers may be retained, otherwise the note to tenderers should be deleted.**

**Note to tenderers: The requirement for a stand-alone SSPP, or for system safety planning to be addressed in the SEMP, will be based on the maturity of the design and the available safety information for the preferred Materiel System solution.**

**Option A: Include if development is significant and safety information is to be developed, or existing safety information is not expected to meet legislative and regulatory requirements.**

4.6.6.2.1 The Contractor shall develop, deliver and update a Systems Safety Program Plan (SSPP) in accordance with CDRL Line Number ENG-600.

**Option B: Include if significant design and development activities are not required and safety information is available that meets legislative and regulatory requirements.**

4.6.6.2.2 The Contractor shall address planning for, and management of, the system safety program in the SEMP.

**Note to drafters: This clause may mandate or recommend standards for conducting a system safety program to satisfy ADF regulatory / assurance or other (external) requirements. The Commonwealth's preferred approach is to apply a recognised standard that the Contractor is experienced in applying and that is commensurate with managing the safety risks inherent in the Materiel System. To be effective, a system safety program relies on suitable specifications**

**(ie, in the DOR and SS). Software Safety must also be considered if safety critical Software is to be present.**

**For systems with explosive ordnance, Director Ordnance Safety must be consulted to establish EO-worthiness requirements. DEOP provides relevant guidance.**

**For aerospace systems, the Defence Aviation Safety Authority (DASA) should be consulted regarding type certification and what requirements should be placed in the SOW with regards to the system safety program.**

**For land systems, Director Technical Regulation – Army (DTRA) should be consulted to define system safety and related certification requirements. Refer to the Land Materiel Safety Manual (LMSM) Chapter 8, Safety Assurance of Land Materiel.**

**For maritime systems, the Naval Materiel Seaworthiness Assurance Agency (NMSwAA) should be consulted regarding the system safety program and related maritime materiel assurance and certification requirements. Refer to ANP3411-0101 Chapter 1 and the Defence Seaworthiness Management System Manual (DSwMSMAN) Volume 3.**

**When the following option is selected, insert the name of the applicable plan and applicable references into the clause. The note to tenderers may be deleted if not applicable.**

**Note to tenderers: Suitable alternate or additional standards may be proposed in the tender response.**

**Option: Include when a standard for the system safety program is to be specified in planning.**

- 4.6.6.2.3** The Contractor shall ensure that the [...INSERT 'SSPP' OR 'SEMP'...] addresses the requirements of:
- a. [...INSERT REFERENCE (eg, 'MIL-STD-882E or equivalent, as agreed by the Commonwealth Representative')...]; and
  - b. [...INSERT REFERENCE...].

#### **4.6.6.3 Program Activities**

**Note to drafters: ADF regulatory / assurance authorities may have requirements that expand the Safety Case Report. Refer to the applicable ADF regulatory / assurance framework manual and consult the applicable authority and CASG Chief Systems Engineer Branch, for further information.**

**Requirements for Australian design registration must be included in the DOR, if applicable. Refer to the SOW Tailoring Guide for guidance.**

**Option A: For use if Option A is selected in clause 4.6.6.2.**

- 4.6.6.3.1** The Contractor shall conduct the system safety program in accordance with the Approved SSPP.
- 4.6.6.3.2** The Contractor shall develop, deliver and update Hazard Analysis Reports in accordance with CDRL Line Number ENG-610 and the Approved SSPP.
- 4.6.6.3.3** The Contractor shall develop, deliver and update a Hazard Log in accordance with CDRL Line Number ENG-620.
- 4.6.6.3.4** The Contractor shall develop, deliver and update a Safety Case Report in accordance with CDRL Line Number ENG-650.

**Option B: For use if Option B is selected in clause 4.6.6.2.**

- 4.6.6.3.5** The Contractor shall conduct the system safety program in accordance with the Approved SEMP.
- 4.6.6.3.6** The Contractor shall develop, deliver and update a Materiel Safety Assessment in accordance with CDRL Line Number ENG-651.

- 4.6.6.3.7** The Contractor shall, for each Configuration Item (CI) offered for Acceptance, provide the Materiel Safety information (eg, Safety Case Report, copies of Australian design registration documents and other certifications, equipment operator manuals, analysis



results, calibration records and test reports) necessary to address the requirements of clause 12.4.15 of the COC.

#### 4.6.7 System Security Program (Optional)

**Note to drafters: Amend the following clauses to align with the security-related requirements of the project and Contract. Drafters are also advised that certain key terms in the Glossary (eg, SSol and Security Authorisation) need to be amended to ensure that the scope of the system security program is clear.**

**The scope of Option A (significant program) addresses ICT security and cyber security; however, if emanation security or physical security of the Mission System or specific Support System Components will be the subject of Security Authorisations, refer to the ASDEFCON (Strategic Materiel) template for additional clauses and DIDs. If including Option A, Cyber Security Assessment Information (CSAI) may also be requested in tender data (refer TDR F-5).**

**For Option B (minimal program), the Contractor is not actively involved in obtaining or enabling the Security Authorisations but provides CSAI. For Option B, refer to clause 4.6.7.7.**

**If not required, the clauses below should be replaced with a single 'Not used'.**

**Option A: Include and tailor clauses 4.6.7.1 to 4.6.7.6.7.**

##### 4.6.7.1 Program Objectives

4.6.7.1.1 The Contractor acknowledges that the objectives of the system security program are to:

- a. ensure that each Security System-of-Interest (SSol) achieves the Security Outcomes;
- b. verify that the system designs for each of the SSols (including components and processes) satisfy security requirements and enable the Commonwealth's security obligations and compliance requirements to be met as they pertain to:
  - (i) the protection of information, data and technology; and
  - (ii) control of access to, and transfer of, information, data and technology; and
- c. support the Commonwealth in initially obtaining and subsequently maintaining the required Security Authorisations for the SSols from the relevant authorities.

##### 4.6.7.2 Scope and Standards

4.6.7.2.1 The parties acknowledge and agree that the scope of the system security program:

- a. includes:

**Option: Include this option if any SSol requires ICT Security Authorisation.**

**Note: The DSPF and ISM are continually evolving. The language below in relation to ICT security reflects the endorsed version of these policy documents, where the terms 'ATO-C' and 'ATO' have replaced the long-standing terms, 'PICTA' and 'ICTA', respectively.**

- (i) Information and Communications Technology (ICT) security (which leads to an Authorisation to Operate with Conditions (ATO-C) or an Authorisation to Operate (ATO) by the relevant Security Authorisation authority); and

- (ii) cyber security (which leads to a cyber-maturity assessment against the Defence Cyberworthiness System (DCwS) and an assessment as part of the regulatory / assurance framework for the Contract),

as each of these security aspects are applied to the SSols and any associated Targets of Security Assessment (ToSAs) (or parts thereof, such as Digitally Enabled Systems and Equipment (DESE) and Software); but

- b. does not include the programmatic and contract-management aspects of security, which are addressed through clause 3.14.

4.6.7.2.2 The parties further acknowledge and agree that:

- a. the Governing Security Documents identified in the definition of this term in the Glossary are applicable to the system security program;

- b. the versions of the Governing Security Documents are likely to change over the life of the Contract and, except where otherwise determined by the Commonwealth Representative, the required Security Authorisations for the SSols (or parts thereof) will need to be performed against the versions of the Governing Security Documents that are current at the time that the Security Authorisations for these SSols (or parts thereof) are required;
- c. the Contractor shall undertake its activities and responsibilities, including in relation to supporting the achievement of the required Security Authorisations, against the version of the Governing Security Documents that are current at the time that the Contractor undertakes those activities and responsibilities;
- d. where the Contractor assesses that a change to a Governing Security Document results in a change to the scope of work required under the Contract, the Contractor shall:
  - (i) notify the Commonwealth within 10 Working Days of identifying the change; and
  - (ii) provide such supporting evidence as is reasonably required by the Commonwealth Representative to demonstrate that the change materially increases the level of effort required of the Contractor (or otherwise impacts on the Contractor performing its obligations under the Contract); and
- e. where the Commonwealth Representative is satisfied on the basis of the evidence provided under 4.6.7.2d(ii) that the change to the Governing Security Documents materially increases the level of effort required of the Contractor (or otherwise impacts on the Contractor performing its obligations under the Contract), the parties shall meet and negotiate in good faith to produce a CCP in accordance with clause 11.1 of the COC to address the impact of the change.

#### **4.6.7.3 Program Activities - General**

- 4.6.7.3.1** The Contractor shall develop, deliver and update a Materiel System Security Management Plan (MSSMP) in accordance with CDRL Line Number ENG-700.
- 4.6.7.3.2** The Contractor shall conduct the system security program in accordance with the Approved MSSMP.
- 4.6.7.3.3** The Contractor shall ensure that all system security activities performed by Subcontractors are undertaken in accordance with the Approved MSSMP.
- 4.6.7.3.4** The Contractor shall provide the necessary Objective Evidence to support the required Security Authorisations for the SSols and the associated ToSAs, including the activities being conducted by the Contractor and those being conducted by the Commonwealth.
- 4.6.7.3.5** The Contractor acknowledges and agrees that achievement of the Security Authorisations for the SSols and any associated ToSAs:
  - a. may be a necessary precursor to the conduct of particular elements of AV&V (eg, when an SSol/ToSA needs to be connected to a Defence information system or the SSol/ToSA needs to store and/or process information classified Official (or above) for the purposes of a particular test or demonstration as part of AV&V); and
  - b. is a necessary precursor for Acceptance of the associated Supplies (eg, for the Mission System and Developmental Support System Components).

#### **4.6.7.4 Program Activities – Physical Security and Emanation Security (Not used)**

***Note to drafters: If emanation security or physical security of the Mission System or specific Support System Components will be the subject of Security Authorisations, refer to the ASDEFCON (Strategic Materiel) template for additional clauses and DIDs.***

- 4.6.7.4.1** Not used.

#### 4.6.7.5 Program Activities – ICT and Cyber Security

**Note to drafters: If the Contract is to modify / upgrade an existing system and the following data items exist, amend clause 4.6.7.5.1 to 'further develop' the data items, and amend CDRL delivery requirements accordingly (eg, no draft versions required).**

**4.6.7.5.1** The Contractor shall develop, deliver and update the following data items for the ToSAs within each SSol:

**Note: Different instances of the following data items may be required for each of the SSols and the associated ToSAs. The CDRL sets out that all ToSAs should be addressed as a set within a single instance of these data items, but the parties may agree an alternative delivery approach within the Approved MSSMP where there are separate ToSAs within different parts of a SSol.**

- a. System Security Plan (SSP) in accordance with CDRL Line Number ENG-730;
- b. Security Risk Management Plan (SRMP) in accordance with CDRL Line Number ENG-735;
- c. In-Service Security Management Plan (ISSMP) in accordance with CDRL Line Number ENG-740, which incorporates the incident response plan, business continuity and disaster recovery plan and continuous monitoring plan, all of which are required to achieve the relevant Security Authorisations under the ISM; and
- d. Security Standard Operating Procedures (SSOPs) in accordance with CDRL Line Number ENG-745.

**4.6.7.5.2** The Contractor acknowledges and agrees that:

- a. the data items identified under clause 4.6.7.5.1 are part of the suite of evidence required by the System Owner for the relevant Security Authorisations in relation to ICT security and cyber security;
- b. the data items identified under clause 4.6.7.5.1 also form part of the design documentation to be developed and delivered in accordance with clause 4.5.1, and are required to be delivered at key points during the Contract to enable assessment of whether or not a SSol is likely to achieve and subsequently be able to maintain the relevant Security Authorisations in relation to ICT security and cyber security; and
- c. the ISSMP and SSOPs, while developed and delivered during the acquisition phase, will be implemented and principally used during the in-service phase after System Acceptance for the first SSol (eg, Mission System).

**4.6.7.5.3** The Contractor shall develop, deliver and update a Cyber Supply Chain Risk Plan (CSCRP) in accordance with CDRL Line Number ENG-750 to identify the Cyber Supply Chain risks associated with the provision of DESE and Software for each SSol, which will be procured by the Contractor from suppliers that either are, or may become, Subcontractors.

**Note: If the risk matrices from the Defence Security Principles Framework (DSPF) are used, the references to 'Medium' in the following clauses are to be interpreted as 'Significant'.**

**4.6.7.5.4** In developing the CSCRP, the Contractor shall:

- a. collaborate with the Commonwealth to define the risk-mitigation strategies to address the potential Cyber Supply Chain risks associated with the supply of items of DESE or Software for the SSols, which are assessed as having a Cyber Supply Chain risk (pre-mitigation) of Medium or higher (as determined in accordance with the risk-management processes defined in the Approved MSSMP);
- b. ensure that Approved Subcontractors undertake the identification of Cyber Supply Chain risks and the determination of risk-mitigation strategies for any items of DESE or Software for the SSols being provided by those Approved Subcontractors; and
- c. consult with the Commonwealth to discuss and agree the way forward when the Contractor or an Approved Subcontractor is unable to mitigate the Cyber Supply Chain risks associated with the supply of an item of DESE and Software for a SSol so that the post-mitigated assessment is below Medium (eg, by working with the

supplier to reduce the risk, by choosing a different item or by procuring the required item from a different supplier).

**4.6.7.5.5** Except where otherwise agreed in writing by the Commonwealth Representative, the Contractor shall not utilise DESE or Software provided by a supplier for which the Cyber Supply Chain risk is assessed as Medium or higher.

**4.6.7.5.6** The Contractor shall develop, deliver and update a Cyber Security Case Report (CSCR) in accordance with CDRL Line Number ENG-760 for each SSol.

**Note to drafters: Amend the following clause to identify the expected support effort from the Contractor for the relevant Security Authorisations in relation to ICT security and cyber security.**

**4.6.7.5.7** Following submission for Approval of the relevant ICT/cyber security data items, the Contractor shall support the Commonwealth in initially obtaining and subsequently maintaining the relevant Security Authorisations in relation to ICT security and cyber security for each SSol from the relevant authorities. The expected level of effort required by the Contractor associated with these activities is:

- a. ten person-days of effort over approximately a three-month period prior to the initial assessment against the relevant Security Authorisations in relation to ICT security and cyber security;
- b. attendance at two one-day workshops to be held via video conference during the three-month period, with typically no more than two representatives of the Contractor required to attend; and
- c. one person-day of effort each quarter over the remainder of the Contract after the initial Security Authorisations in relation to ICT security and cyber security have been obtained.

**Option: Include the following clauses when the project team intends to interact with the Contractor through a security assessment report for a SSol / ToSA.**

**4.6.7.5.8** The Contractor acknowledges that the Commonwealth may raise a security assessment report for a SSol / ToSA, and when this occurs the Commonwealth may provide the Contractor with a copy of the report or relevant parts of the report.

**4.6.7.5.9** The Contractor shall review and assess each Commonwealth-provided security assessment report (or part thereof) and identify remediation activities that are required in relation to the SSol / ToSA, such that they will meet the requirements for the applicable Security Authorisation.

**4.6.7.5.10** Within 10 Working Days of receipt of each Commonwealth security assessment report, the Contractor shall deliver a Remediation Recommendations Report in the Contractor's format to the Commonwealth.

**4.6.7.5.11** The Contractor acknowledges and agrees that the required activities to resolve any security shortfalls for a SSol / ToSA will be determined by the Commonwealth Representative, taking into account the Contractor's Remediation Recommendations Report, with these resolutions to be integrated into the normal processes leading to Acceptance of a SSol.

**4.6.7.5.12** The Contractor acknowledges that the Commonwealth will conduct activities associated with Security Authorisations:

- a. following a Major Change to a SSol / ToSA;
- b. when any remediation activities have been completed; and
- c. in accordance with the timeframes established by the applicable security authority and documented in the associated Security Authorisation reports (which, for example, depending upon the level of compliance, may range from 6 months to 3 years for the Security Authorisations relating to ICT security).

**4.6.7.6 Security Working Groups (Optional)**

- 4.6.7.6.1** The Contractor shall conduct Security Working Group (SWG) meetings to establish, refine and to ensure compliance and assurance with the cyber security and ICT security requirements under the Contract.

**Note to drafters:** Depending upon the procurement strategy (eg, open or limited tender), the project team will need to determine the best time to introduce any classified threats to the participating tenderers. It is unlikely that such classified threats will be able to be released until after down-selection has occurred, such as during contract negotiations or other pre-contract activity.

- 4.6.7.6.2** The Contractor shall conduct:

- a. two SWG meetings early in the system definition phase (refer to clause 4.2) to enable the parties to undertake threat analysis at the classified level and to determine the requirements implications arising from the classified threats;
- b. two SWG meetings leading up to each of the SRR, SDR, PDR and DDR; and
- c. two SWG meetings prior to the first TRR for a SSol for the Verification phase at which security-related Verification activities are to be undertaken.

- 4.6.7.6.3** The Contractor shall conduct SWG meetings as extraordinary meetings in accordance with clause 3.9.2.

- 4.6.7.6.4** The Contractor shall conduct SWG meetings in accordance with the Approved MSSMP.

**Option:** Include the following clause when the Contract will be tendered in conjunction with a linked Contract (Support) or modifies a system currently supported by a Contract (Support).

- 4.6.7.6.5** The Contractor shall ensure that representatives of the Contractor (Support) and Approved Subcontractors (Support) participate in the SWG meetings, where relevant to the work that they will undertake in relation to the Contract or the Contract (Support).

- 4.6.7.6.6** The anticipated level of effort required by the Contractor is:

- a. for each SWG, no more than four representatives of the Contractor will be required to attend unless prior Commonwealth approval has been provided, with each of these representatives required to be suitably qualified and experienced in the security domains to be addressed at each SWG; and
- b. the maximum duration of each SWG is expected to be no more than one Working Day with a typical duration of half a Working Day.

- 4.6.7.6.7** SWG meetings may be appended to other meetings if agreed by both parties.

**Option B:** Include this option (delete the option above) for a minimal system security program, whereby the Contractor provides the CSAI data item and any Security Authorisations are separately obtained or updated by the Commonwealth or an Associated Party.

- 4.6.7.7** The Contractor shall implement a system security program in accordance with the Approved SEMP.

- 4.6.7.8** The Contractor shall develop, deliver and update Cyber Security Assessment Information (CSAI) in accordance with CDRL Line Number ENG-705.

**4.6.8 Access to the Radiofrequency Spectrum (Optional)**

**Note to drafters:** If access to the radiofrequency (RF) spectrum is likely to be required, the following clauses and CDRL Line Number ENG-800 must be retained. If not required, the clauses below may be deleted and the heading annotated with 'Not used'.

**For assistance in determining the need for this clause, to ensure that requirements for access to the RF spectrum, drafters should consult the Defence Spectrum Office (DSO) and the Defence Electromagnetic Spectrum (EMS) Manual – Chapter 6 – Acquisition of SDE. Drafters should**

***ensure that access to the RF spectrum, including interoperability requirements, are included in the DOR, and that any specified Verification requirements are consistent with Defence's TEMP.***

***Drafters should ensure the releasability of ECARS data to allied / partner nations for operational purposes. If not specified in the DOR, drafters may identify (in the draft TDSR Schedule) that specific restrictions on the release of such data would not be acceptable to the Commonwealth.***

***Drafters should also ensure that Contract requirements for collecting data, for the purpose of access to the RF Spectrum, are harmonised with those pertaining to E3 requirements.***

#### **4.6.8.1 Program Objectives**

**4.6.8.1.1** The Contractor acknowledges that the objectives of the Access to the Radiofrequency Spectrum program are to ensure that:

- a. equipment, systems, sub-systems, CIs, or end products, which require access to, use of, or rely on, the Radiofrequency Spectrum for their operation ('**RF Products**'), are compliant with the *Radiocommunications Act 1992* (Cth);
- b. the proposed spectrum required by each RF Product is available, suitable, and compatible with other equipment and environments, both military and civilian, with which or in which the RF Product will be required to operate; and
- c. in-service spectrum use can be managed to meet required operational capability.

#### **4.6.8.2 Program Activities**

**4.6.8.2.1** The Contractor shall develop, deliver and update an Equipment Certification to Access Radiofrequency Spectrum (ECARS) in accordance with CDRL Line Number ENG-800 for each RF Product:

- a. associated with the Mission System;
- b. associated with any elements of the Support System that are either located in Australia or will be managed or used by Defence; or
- c. used to undertake Verification and/or Validation of the Mission System in Australia.

**4.6.8.2.2** The Contractor acknowledges and agrees that, except where otherwise agreed in advance and in writing by the Commonwealth Representative, an Approved ECARS will be required for each RF Product before it can be included in the design of the Mission System or the Support System.

**4.6.8.2.3** The Contractor further acknowledges that, for any RF Products to be used in Australia, for which an ECARS is not required in accordance with clause 4.6.8.2.1, the Contractor will hold an appropriate authorisation from the Australian Communications and Media Authority for the RF Product to be used.

***Note to drafters: If issue for accessing the RF spectrum are likely to be significant, consider specifying additional activities in this clause, such as site / system surveys and the delivery of associated Technical Data, if not included elsewhere in the SOW or as pre-Contract activities. When drafting such requirements, advice should be sought from the DSO.***

#### **4.6.9 Environmental Engineering Program (Optional)**

***Note to drafters: If environmental engineering is applicable to the Materiel System design then additional clauses may be added here. Refer to ASDEFCON (Strategic Materiel) V5.2 (or later versions) for potential clauses, and the CASG Environmental Management System (CASenv), and the CASG Handbook (E&T) 12-8-00,1 Materiel System Environmental Management. Contact Chief Systems Engineering Branch, CASG, for more information.***

**4.6.9.1** [..DRAFTER TO INSERT...].

#### **4.7 System Certification (Optional)**

***Note to drafters: Include this clause for a System Certification Program. If not required, the clauses below should be deleted and the heading clause annotated as 'Not used'.***

***A 'Certification Plan' is generally required to plan and develop a certification basis description and/or other requirements for system certification. The template does not include a DID for such***

***a plan, and this will need to be developed by the drafter. Refer also to clause 8.5 in regards to design certificates delivered for the SAA.***

***For maritime systems, refer to ANP3411-0101, Naval Materiel Assurance Publication, for further information, and consult the NMSwAA for advice.***

***For aerospace systems, the DASA should be consulted to clarify certification requirements. Refer to AAP 8000.011 DASR Part 21 (ie, 21.A.17) for the type-certification basis.***

***For land systems, refer to the LMSM Chapter 8, Safety Assurance of Land Materiel, as applicable. For further information, consult DTR-A for advice.***

#### **4.7.1 Program Objective**

**4.7.1.1** The Contractor acknowledges that the objective of the [...INSERT PROGRAM EG. 'aircraft type', 'class of ship'...] Certification program is to ensure and demonstrate that the Mission System complies with statutory obligations and conforms, where applicable, to ADF regulatory / assurance requirements.

#### **4.7.2 Planning**

**4.7.2.1** The Contractor shall develop, deliver and update an [...INSERT APPLICABLE PLAN...] in accordance with CDRL Line Number ENG-900.

**4.7.2.2** The Contractor shall ensure that the [...INSERT APPLICABLE PLAN...] addresses the requirements of [...INSERT ADF REGULATORY / ASSURANCE REFERENCE...].

#### **4.7.3 Program Activities**

**4.7.3.1** The Contractor shall undertake the certification program in accordance with the Approved [...INSERT APPLICABLE PLAN...].

***Note to drafters: If this clause 4.7 is included in the SOW, delete the optional clause 8.5.1 under clause 8.5 (System Acceptance Audit), which is identical to the one below.***

**4.7.3.2** The Contractor shall develop, deliver and update a Design Certificate in accordance with CDRL Line Number ENG-910.

**4.7.3.3** The Contractor shall ensure that the Objective Evidence supporting each Design Certificate addresses the following:

- a. [...INSERT ADF REGULATORY / ASSURANCE REFERENCE...]; and
- b. [...INSERT ADF REGULATORY / ASSURANCE REFERENCE...].

## 5. INTEGRATED LOGISTIC SUPPORT (CORE)

### 5.1 Integrated Logistic Support Program (Core)

#### 5.1.1 ILS Program Objectives

- 5.1.1.1** The Contractor acknowledges that the objectives of the Integrated Logistic Support (ILS) program are to achieve the following outcomes:
- a. a Mission System that (in coordination with the Systems Engineering program) has been designed for Supportability;
  - b. a Support System that has been designed to enable the Mission System and Support System to meet specified requirements, while minimising LCC; and
  - c. implementation of the Support System.

**Note to drafters: The following clause should be amended to reflect the scope of work under the Contract. For example, if understanding the Contractor (Support)'s or the Subcontractors (Support)'s support arrangements is not required, then these elements should be deleted. Alternatively, if there are specific Contract / Subcontractor elements in which the Commonwealth is interested (eg, in-country Software support), then the clause should be amended accordingly.**

- 5.1.1.2** The Contractor further acknowledges that the scope of the Support System, including the Support Resources and Training, subject to this ILS program includes:
- a. the five Support System Constituent Capabilities:
    - (i) Operating Support;
    - (ii) Engineering Support;
    - (iii) Maintenance Support;
    - (iv) Supply Support; and
    - (v) Training Support; and
  - b. the organisational entities involved in the provision of support:
    - (i) Commonwealth;
    - (ii) Contractor (Support); and
    - (iii) Subcontractors (Support).

#### 5.1.2 ILS Program Management

##### 5.1.2.1 Planning

**Note to drafters: The following set of ILS program plans (and subsequent ILS clauses) should be tailored for the scope and risks associated with the ILS program. An ISP is required for all programs. The TDP is optional (the ISP addresses Technical Data in less detail) but should be included if S1000D Technical Data will be developed or updated. Other specialty plans may be added if required for increased visibility.**

- 5.1.2.1.1** The Contractor shall develop, deliver and update the following ILS program plans:
- a. an Integrated Support Plan (ISP) in accordance with CDRL Line Number ILS-100; and
  - b. a Technical Data Plan (TDP) in accordance with CDRL Line Number ILS-1000.
- 5.1.2.1.2** The Contractor shall conduct the ILS program in accordance with the Approved ILS program plans.
- 5.1.2.1.3** The Contractor shall develop a schedule of ILS program activities as part of the CMS.



### 5.1.2.2 ILS-related System Reviews

**Note to drafters: Amend the following list and subsequent clause for the System Reviews included in the Contract that are conducted under, or contain elements of, the ILS program.**

**5.1.2.2.1** As part of the ILS program, the Contractor shall participate in and/or conduct the following System Reviews in accordance with clause 3.9.4, the applicable clauses for those MSRs that are also applicable to the Mission System, and clauses 5.1.2.3 to 5.1.2.5 for the Support System MSRs:

- a. MSRs, as follows:
  - (i) SRR for the Mission System(s), which includes Supportability requirements that will affect Support Resource requirements;
  - (ii) SDR for the Mission System(s), which includes Supportability requirements that will affect Support Resource requirements;
  - (iii) PDR, at which Mission System Supportability and the implications of the Mission System design for the Support System and any major Developmental Support System Components are addressed;
  - (iv) DDR, at which Mission System Supportability and the implications of the Mission System design for the Support System and any major Developmental Support System Components are addressed;
  - (v) Provisioning Preparedness Review (PPR);
  - (vi) Facilities Readiness Review (FACRR);
  - (vii) Training Readiness Review (TNGRR);
  - (viii) Functional Configuration Audits (FCAs) and Physical Configuration Audits (PCAs) for Support System Components; and
  - (ix) Test Readiness Reviews (TRRs) for Support System Components; and
- b. Internal System Reviews.

### 5.1.2.3 Provisioning Preparedness Review

**Note to drafters: The purpose of the Provisioning Preparedness Review is to review the Recommended Provisioning Lists for Spares, special-to-type Packaging, S&TE and Training Equipment, prior to production or procurement. If any of these resource types are not required, or if the range and quantity was determined prior to ED and have already been included in the Price and Payments Schedules, then the following clause should be tailored accordingly.**

**5.1.2.3.1** The Contractor acknowledges that the objectives of the Provisioning Preparedness Review (PPR) are to demonstrate that:

- a. the recommended Spares, Packaging (ie. special-to-type Packaging), S&TE, and Training Equipment will effectively and economically support the Mission System and the Support System in the intended operational and support environments at the operating rates defined in the DOR;
- b. the recommended range and quantity of Spares, Packaging, S&TE, and Training Equipment are adequate and not excessive; and
- c. Spares, Packaging, S&TE, and Training Equipment analyses provide sufficient justification to enable the Commonwealth Representative to Approve the Recommended Provisioning List (RPL).

**5.1.2.3.2** Prior to producing or procuring any Spares, Packaging, S&TE, or Training Equipment, the Contractor shall conduct a MSR, the PPR, in accordance with clause 3.9.4 and the Approved ISP.

**5.1.2.4 Training Readiness Review**

**Note to drafters: If no new Training is to be provided by the Contractor, or if preparation for Training is simple, then the following clauses should be replaced with 'Not used'.**

- 5.1.2.4.1** The Contractor acknowledges that the objective of the TNGRR is to confirm that all Training elements are in place and functional, to enable Training to proceed effectively.
- 5.1.2.4.2** After the delivery and, if applicable, installation of all Training Supplies, and prior to the conduct of the related Training course, or a series of courses, the Contractor shall conduct a MSR, the TNGRR, in accordance with clause 3.9.4 and the Approved ISP.

**5.1.2.5 Facilities Readiness Review**

**Note to drafters: If the Contractor is not involved in implementing Facilities requirements, then the following clauses should be replaced with 'Not used'.**

- 5.1.2.5.1** The Contractor acknowledges that the objective of the FACRR is to confirm that the new or modified Facilities, including fixed plant, furniture, and fittings, are ready for hand-over to the Commonwealth.
- 5.1.2.5.2** After the implementation of all Facilities requirements identified for delivery and before each Facility or group of Facilities is offered for handover to the Commonwealth, the Contractor shall conduct a MSR, the FACRR, in accordance with clause 3.9.4 and the Approved ISP.

**5.2 Logistic Support Analysis Program (Core)****5.2.1 LSA Program Management**

- 5.2.1.1** The Contractor shall conduct the Logistic Support Analysis (LSA) program in accordance with the Approved ISP.

**5.2.2 Support System Definition**

- 5.2.2.1** The Contractor shall develop and deliver to the Commonwealth, proposed amendments to the DOR Part B to address any inconsistencies or deficiencies in the DOR that are revealed by conduct of the ILS program.
- 5.2.2.2** Where the Contractor proposes to change the DOR Part B in accordance with clause 5.2.2.1, the Contractor shall submit a CCP to incorporate the proposed change into the Contract.

**5.2.3 Support System Synthesis****5.2.3.1 General**

- 5.2.3.1.1** For the purposes of this clause 5.2.3, the Commonwealth will consider that the Support Resources of Spares, Packaging, Training Equipment, S&TE, Technical Data, Facilities, and Personnel, and Training solutions, have been satisfactorily addressed when the Contractor has demonstrated that the Mission System and Support System may be effectively and economically supported in accordance with the operational and support concepts defined in the DOR.

**5.2.3.2 Spares, Packaging, Training Equipment, and Support and Test Equipment**

**Note to drafters: If the Contractor is not required to determine particular Support Resource requirements, then the following clauses should be amended, as appropriate.**

- 5.2.3.2.1** The Contractor shall analyse and define, in accordance with the Approved ISP, the range and quantity of Spares, Packaging, Training Equipment, and S&TE for each of the Support System Constituent Capabilities (SSCCs) required to satisfy the operational and support concepts defined in the DOR.
- 5.2.3.2.2** The Contractor shall develop, deliver and update a Recommended Provisioning List (RPL) in accordance with CDRL Line Number ILS-810, which defines the optimised range and quantity of Spares, Packaging, Training Equipment, and S&TE.

**Note to drafters: The template assumes that NTE prices will be tendered for Spares, Training Equipment, S&TE and special-to-type Packaging (if applicable) – this allows item identification and quantities to be finalised under Contract. To capture the NTE prices from the tender process, the NTE and unit prices from the response to TDR-D (Specific Prices) and TDR-F (Support**

***Resources) are transferred into Annex D to Attachment B (Specific Prices and Not-To-Exceed Prices). For further information refer to the SOW Tailoring Guide.***

**5.2.3.2.3** The Contractor shall submit a CCP to incorporate, into the Price Schedule at Annex A to Attachment B, the Spares, Packaging, Training Equipment, and S&TE identified in the Approved RPL that are required by the Commonwealth.

**5.2.3.2.4** Excluding Spares, Training Equipment, and S&TE, procured in accordance with clause 5.3.2.4, if any, the maximum price for all Spares, Training Equipment and S&TE purchased by the Commonwealth shall be no greater than the Not-To-Exceed (NTE) price for Spares, Training Equipment and S&TE, respectively, identified in Annex D to Attachment B.

### **5.2.3.3 Training (Optional)**

***Note to drafters: For some low-complexity systems, when Defence has decided to develop all / any Training programs in-house, the clauses below the heading can be deleted and heading clause 5.2.3.3 may be annotated as 'Not used'. The following clause may be amended to incorporate the standards for Service-specific Training manuals, if applicable.***

**5.2.3.3.1** The Contractor shall conduct the analysis, design and development of Training in accordance with the *Systems Approach to Defence Learning* and the Approved ISP.

**5.2.3.3.2** The Contractor shall analyse and define, in accordance with the Approved ISP, the types and quantities of Training for each of the SSCCs required to satisfy the operational and support concepts defined in the DOR.

**5.2.3.3.3** The Contractor shall develop, deliver and update a Training Recommendations Report (TNGRECR) in accordance with CDRL Line Number ILS-905, which defines the required range and quantity of Training.

**5.2.3.3.4** The Contractor shall develop, deliver and update a Training Materials List (TML) in accordance with CDRL Line Number ILS-930, as a consolidated list of Training Materials required for all new, modified, and existing Learning Management Packages (LMPs).

### **5.2.3.4 Technical Data**

**5.2.3.4.1** The Contractor shall analyse and define, in accordance with the Approved [...INSERT 'ISP' OR 'TDP' AS APPLICABLE...], the types and quantities of Technical Data for each of the SSCCs required to satisfy the operational and support concepts defined in the DOR.

**5.2.3.4.2** The Contractor shall develop, deliver and update a Support System Technical Data List (SSTD) in accordance with CDRL Line Number ILS-1010, which defines the required range and quantity of Technical Data.

### **5.2.3.5 Facilities (Optional)**

**5.2.3.5.1** The Contractor shall conduct, in accordance with the Approved ISP, an analysis of the types and quantities of Facilities and Facilities works for each of the SSCCs required to meet specified requirements and to satisfy the operational and support concepts defined in the DOR.

**5.2.3.5.2** The Contractor shall develop, deliver and update a Facilities Requirements Analysis Report (FRAR) in accordance with CDRL Line Number ILS-1210, which defines the required range and quantities of Facilities and associated works to satisfy the Facilities requirements.

***Note to drafters: Where multiple Facilities are likely to be built or modified, the following clause may be modified to include subclauses or a table.***

**5.2.3.5.3** The Contractor acknowledges that in order to meet the requirements of the Support System the Facilities known as [... INSERT DESCRIPTION ...], to be located on [...INSERT DEFENCE ESTABLISHMENT...], will be built or modified by the Commonwealth using the information in the Approved FRAR and the Contractor's advice under clause 5.3.5.2.

### **5.2.3.6 Personnel**

**5.2.3.6.1** The Contractor shall conduct, in accordance with the Approved ISP, an analysis of the types and quantities of Personnel identified for each of the SSCCs, to define the optimal types and quantities of Personnel required to meet specified requirements and to satisfy the operational and support concepts defined in the DOR.

**5.2.3.6.2** The Contractor shall develop, deliver and update a Personnel Resource Requirements List, in accordance with CDRL Line Number ILS-1310, which defines the optimised types (eg, trades, categories and skill levels) and quantities of Personnel.

**5.2.3.7 Software Support Requirements (Optional)**

**5.2.3.7.1** The Contractor shall develop, deliver and update a Software Support Plan in accordance with CDRL Line Number ILS-440 to define the Software-support requirements for any Software components of the Mission System and Support System.

**5.2.3.8 Disposal Requirements**

**5.2.3.8.1** The Contractor shall develop, deliver and update a Disposal Plan in accordance with CDRL Line Number ILS-640 to define the disposal requirements for the Supplies.

**5.3 Support System Implementation (Core)**

**Note to drafters: Outputs of the LSA program identify all Support Resources (ie, for the Commonwealth, Contractor (Support) and Subcontractors (Support)) for the Support System. In addition to Training, clause 5.3 identifies a subset of those Support Resources, namely:**

- a. Support Resources that are delivered to the Commonwealth as Supplies; and**
- b. Support Resources that are not Supplies but which are considered to be of such significance to the Commonwealth that visibility of their implementation is required.**

**5.3.1 General**

**5.3.1.1** The Contractor acknowledges that Support Resources and Training to Personnel need to be provided to the Commonwealth in sufficient time to enable the Commonwealth to integrate the Support Resources into the existing Commonwealth infrastructure before Support System Verification may be undertaken.

**Note to drafters: If the Contractor is not required to implement particular Support Resources, then the applicable clauses for those Support Resources (below) may be replaced with 'Not used' or amended as appropriate.**

**The Commonwealth may choose to include within the Price Schedule, at Annex A to Attachment B, the range, quantity and delivery requirements for Support Resources to be delivered to the Commonwealth. If so, the clauses below should be amended to avoid overlap.**

**Verification of Support Resources is addressed in the V&V clause of this SOW.**

**5.3.2 Implementation of Spares, Packaging, Training Equipment, and Support and Test Equipment Requirements**

**Note to tenderers: Packaging in this context refers to Packaging as Supplies, to form part of the Support System (ie, special-to-type or other high-value Packaging), rather than packaging which is solely required to effect delivery of the Supplies.**

**5.3.2.1** The Contractor shall manufacture or acquire, as applicable, the Spares, Packaging, Training Equipment and S&TE identified in the Approved RPL.

**Note to tenderers: Spares, Training Equipment, and S&TE are to be priced in the tender using NTE Prices. In some cases, an NTE Price will apply to Packaging. All other Support Resources are to be included in the Contract Price. Refer to the Conditions of Tender for NTE prices.**

**5.3.2.2** The Contractor shall deliver the Spares, Packaging, Training Equipment and S&TE to the locations detailed in the Approved RPL.

**5.3.2.3** The Contractor shall install any Training Equipment and S&TE that needs to be installed into Commonwealth Facilities, as detailed in the Approved RPL.

**5.3.2.4** At any time prior to Final Acceptance, the Commonwealth Representative may identify additional Spares, Training Equipment and S&TE requirements. Upon request, the Contractor shall update the RPL and submit a CCP to incorporate the additional Spares, Training Equipment and S&TE into Annex A to Attachment B, at a price per item that is not greater than that set out in the Approved RPL.

**5.3.2.5** The Contractor shall deliver the additional Spares, Training Equipment and S&TE, requested under clause 5.3.2.4, in accordance with Attachment B and the Approved RPL.

### 5.3.3 Implementation of Technical Data Requirements

**Note to drafters:** *Clause 5.3.3 covers all deliverable Technical Data associated with the operation and support of the Materiel System. In this context, 'delivery' means the item is deliverable to:*

- a. to the Commonwealth (in accordance with the CDRL and the Approved SSTDL);*
- b. into escrow (noting that delivery into escrow is considered as part of the delivery to the Commonwealth, but is separately identified for clarity); and*
- c. to other organisations that will provide support to the Materiel System (eg, Contractor (Support) and Subcontractors (Support), and the Contractor and Subcontractors when these entities will have support responsibilities).*

#### 5.3.3.1 General

- 5.3.3.1.1** The Contractor shall create, develop or acquire, as applicable, the Technical Data identified in the Approved SSTDL, in accordance with the Approved [...INSERT 'ISP' OR 'TDP' AS APPLICABLE...].
- 5.3.3.1.2** The Contractor shall deliver all items of Technical Data identified in the Approved SSTDL in accordance with the Approved SSTDL.
- 5.3.3.1.3** Subject to clause 5.4 of the COC, if an item of Technical Data identified in the Approved SSTDL is not identified for delivery to the Commonwealth, the Commonwealth Representative may request, by notice, a copy of that item of Technical Data for delivery to the Commonwealth.

#### 5.3.3.2 Publications

- 5.3.3.2.1** The Contractor shall develop, deliver and update a Publications Tree in accordance with CDRL Line Number ILS-1030, which identifies all of the publications or parts thereof relating to the Mission System and Support System, including:
  - a. new publications that are to be developed;
  - b. existing Contractor, Subcontractor or third party publications that are to be amended; and
  - c. existing Commonwealth publications that are to be amended.

**Note to drafters:** *The project team should consider, as part of its Technical Data requirements analysis, whether or not certain publications (eg, deeper maintenance publications) should be placed in escrow (ie, delivered to an escrow agent) if not delivered to the Commonwealth. Clauses and agreements for escrow can be copied from ASDEFCON (Strategic Materiel).*

- 5.3.3.2.2** In accordance with CDRL Line Number ILS-1040, the Contractor shall develop and deliver publications packages to the locations detailed in the Approved Publications Tree, including the publications and amendments to existing Commonwealth publications that are identified in the Approved Publications Tree.

**Note to drafters:** *Amend the following clause to incorporate any Service-specific standards applicable to the development of publications.*

- 5.3.3.2.3** The Contractor shall develop all publications in accordance with:
  - a. the specifications in DOR Part A; and
  - b. the following references, tailored by the Approved [...INSERT 'ISP' OR 'TDP' AS APPLICABLE...]:
    - (i) the standards and business rules identified in [...INSERT 'DID-ILS-MGT-ISP' OR 'DID-ILS-TDATA-TDP' AS APPLICABLE...] and DID-ILS-TDATA-PUBPACK; and
    - (ii) [...INSERT APPLICABLE SERVICE PUBLICATIONS MANUAL AND SECTION...].
- 5.3.3.2.4** The Contractor shall, in accordance with the Approved [...INSERT 'ISP' OR 'TDP' AS APPLICABLE...] (and applicable V&V program plans and procedures), Verify and Validate that all publications are accurate, grammatically correct, technically correct, and suitable for use.

**5.3.3.3 Codification Data (Optional)**

**Note to drafters:** *These clauses apply DEFLOGMAN Part 2 Volume 5 Chapter 5, Item Identification and Recording of Defence Assets and, as a result, Appendix 1 to NATO Standardisation Agreement (STANAG) 4177. These clauses should not be removed or changed without the agreement of the National Codification Bureau representative within CASG. Codification is mandatory if any 'items of supply' meet the criteria in DEFLOGMAN.*

- 5.3.3.3.1** The Contractor shall develop and update Codification Data in accordance with CDRL Line Number ILS-1050, for all Supplies that are not data (except for any manuals that are to be codified), Software or services.
- 5.3.3.3.2** The Contractor shall deliver, or shall ensure the delivery of, Codification Data to the delivery location specified in CDRL Line Number ILS-1050, unless another delivery location is agreed in writing between the parties.
- 5.3.3.3.3** The Contractor acknowledges that Codification Data will be retained by the Australian National Codification Bureau (NCB) and may be retained by other NCBs, for Codification and associated NCB functions.
- 5.3.3.3.4** If elements of Codification Data are provided to the Commonwealth:
- only for the purpose of Codification, those elements of Codification Data will only be used in accordance with this clause 5.3.3.3; or
  - for a purpose that is in addition to Codification, those elements of Codification Data will be subject to the requirements of clause 5 of the COC and this clause 5.3.3.3.
- 5.3.3.3.5** The Contractor shall include the relevant terms of this clause 5.3.3.3 in all Subcontracts, as necessary to ensure the provision of Codification Data to the Commonwealth and other NCBs.

**5.3.3.4 Logistic Support Analysis Record (Optional)**

**Note to drafters:** *If an LSAR is not required (in any form), the clauses below should be replaced with 'Not used'. Drafters should also remove other references to the LSAR from the SOW.*

*Select, and modify if necessary, one of the three optional clauses for an LSAR or an alternative Approved by the Commonwealth. Option A is a compliant LSAR, Option B allows the exchange of data from a non-compliant system to a Commonwealth LSAR, while Option C allows for the delivery of logistics data in an alternative format.*

**Option A: For use if the Contractor utilises a compliant LSAR.**

- 5.3.3.4.1** The Contractor shall develop, deliver and update a LSAR, which is compliant with the data-capture, reporting, and data-transfer requirements of DEF(AUST)5692.

**Option B: For use if the Contractor utilises a non-compliant LSAR, but exchange of data to a Commonwealth-compliant LSAR is required.**

- 5.3.3.4.2** The Contractor shall develop, deliver and update an information system that provides for the transfer of LSA data in an exchange format compliant with the table relationships and data transfer requirements of DEF(AUST)5692.

**Option C: For use if the Contractor utilises a custom LSA data depository, which is not required to comply with, or transfer data to, a Commonwealth-compliant LSAR.**

- 5.3.3.4.3** The Contractor shall develop, deliver and update an information system that provides for the transfer of LSA data to the Commonwealth in accordance with [INSERT APPROVED FORMAT].

- 5.3.3.4.4** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the LSAR for the period of the Contract.

**Note to drafters: The related CDRL Line has multiple deliveries, for progressive review by the Commonwealth and a final delivery, even when the Contractor will provide online access.**

**Option A: For use if the Contractor utilises a compliant LSAR or a non-compliant LSAR for which exchange of data to a Commonwealth-compliant LSAR is required.**

**5.3.3.4.5** The Contractor shall deliver compliant LSAR data transfer files to the Commonwealth in accordance with CDRL Line Number ILS-1060.

**Option B: For use if the Contractor utilises a custom LSA data depository, which is not required to comply with, or transfer data to, a Commonwealth-compliant LSAR.**

**5.3.3.4.6** The Contractor shall deliver data transfer files in the approved format, under clause 5.3.3.4.3, to the Commonwealth in accordance with CDRL Line Number ILS-1060.

**5.3.3.4.7** The Contractor shall provide all necessary programs, licenses, and training to enable the Commonwealth to efficiently access and manipulate the LSA data depository as required.

**5.3.3.4.8** The Contractor shall ensure that the LSAR is populated with up-to-date data, consistent with the developmental status of both the Mission System and Support System.

#### **5.3.4 Implementation of Training and Training Support Requirements**

**5.3.4.1** The Contractor shall develop, deliver and update a Learning Management Package for each required Training course, in accordance with CDRL Line Number ILS-920.

**Option: Include when CBT solutions are to be delivered under the Contract.**

**5.3.4.2** The Contractor shall, in accordance with CDRL Line Number ILS-950, design and develop or acquire, as applicable, the Computer-Based Training (CBT) materials identified in the Approved TML.

**5.3.4.3** The Contractor shall, in accordance with CDRL Line Number ILS-950, deliver CBT materials to the locations detailed in the Approved TML.

**Note to drafters: Insert locations for Contractor-provided Training (eg, for trial courses and conversion Training) with details of the numbers and skill sets of Personnel at each location.**

**5.3.4.4** Unless agreed otherwise in the Approved ISP, the Contractor shall provide Training at the following locations:

Location	Skill set / level	Number of Learners
[...INSERT LOCATION...]	[...INSERT SKILL SET / LEVEL...]	[...INSERT NUMBER...]
[...INSERT LOCATION...]	[...INSERT SKILL SET / LEVEL...]	[...INSERT NUMBER...]

**5.3.4.5** The Contractor shall schedule, prepare for and deliver, in accordance with the Approved ISP:

- a. trial courses, for all new and significantly modified Training courses; and
- b. other Training courses, as required for Introduction into Service Training.

**5.3.4.6** The Contractor shall integrate Training review reports and evaluation activities with the V&V program, in accordance with the Approved ISP.

#### **5.3.5 Implementation of Facilities Requirements (Optional)**

**Note to drafters: SEG normally contract separately to construct or modify Commonwealth Facilities, which should be informed by the FRAR (or a tendered draft). Nevertheless, if the Contractor will be required to build/modify Commonwealth Facilities it is recommended that the project office seeks in the RFT, for tenderers to accept responsibility for the development and**

***delivery of Facilities. If this approach is not adopted, the following clauses will require amendment or deletion.***

***Note to tenderers: V&V of Facilities is addressed in the V&V clause.***

- 5.3.5.1** In accordance with the Approved ISP and the Approved FRAR, the Contractor shall design, develop, construct, modify, fit-out and commission those Facilities identified for delivery to the Commonwealth by the Contractor in the Approved ISP.
- 5.3.5.2** The Contractor shall support the Commonwealth's development of those Facilities identified in the Approved ISP and the Approved FRAR as a Commonwealth responsibility to construct or modify.

***Option: Include if visibility is required of the development of Contractor and Subcontractor Facilities that will be used for in-service contractor support.***

- 5.3.5.3** In accordance with the Approved ISP and the Approved FRAR, the Contractor shall construct, fit-out and commission, as applicable, those Facilities (which do not form Supplies) that are required for the Contractor or related parties to provide in-service support. Those Facilities may be evaluated as part of the Verification of the Support System.



## 6. CONFIGURATION MANAGEMENT (CORE)

### 6.1 Configuration Management Planning (Core)

**Note to drafters: The Contractor is expected to identify the standard(s) that will be used to define the CM practices for the Contract. These standards will be reflected in the tendered strategies and the Contractor's CMP. The Commonwealth would consider EIA-649C, tailored to the project with guidance from the applicable ADF regulatory / assurance manual, as an acceptable standard. Refer to the Chief Systems Engineering Branch, CASG, for more information.**

**Select Option A, below, for a CMP if CM of the Supplies during design or production will be significant or critical. Alternatively, Option B allows for CM planning within the SEMP for less significant or critical circumstances. Other clauses will require amendment for the selected plan.**

**Option A: For use if the CMP will be the governing plan for the CM program.**

- 6.1.1** The Contractor shall develop, deliver and update a Configuration Management Plan (CMP) in accordance with CDRL Line Number CM-100.

**Option B: For use if the SEMP will be the governing plan for the CM program.**

- 6.1.2** The Contractor shall address planning for, and management of, the Configuration Management (CM) program in the SEMP.

- 6.1.3** The Contractor shall manage, conduct and coordinate all Contractor and Subcontractor CM activities in accordance with the Approved [...INSERT 'CMP' OR 'SEMP' AS APPLICABLE...].

- 6.1.4** The Contractor shall ensure that all Subcontractors comply with the requirements of the [...INSERT 'CMP' OR 'SEMP' AS APPLICABLE...] and are integrated into the Contractor's CM activities.

### 6.2 Configuration Identification (Core)

- 6.2.1** The Contractor shall identify all Configuration Items (CIs) that constitute the Mission System and those Support System Components that warrant being managed as a CI.

- 6.2.2** The Contractor shall uniquely identify all documents that disclose the performance, functional and physical attributes of the Mission System and the Support System Components, so that they may be accurately associated with the Configuration Baselines for these systems.

### 6.3 Configuration Baselines (Core)

- 6.3.1** The Contractor shall develop and maintain at least each of the following Configuration Baselines for each Mission System and for the Developmental Support System Components during the Contract:

- a. Functional Baseline (FBL);
- b. Allocated Baseline (ABL); and
- c. Product Baseline (PBL), as established at each PCA.

### 6.4 Configuration Control (Core)

- 6.4.1** The Contractor shall manage configuration changes and Deviations / variances, including their:

- a. identification;
- b. request and documentation;
- c. for configuration changes only, classification as Major Changes or Minor Changes;
- d. evaluation and coordination; and
- e. implementation and Verification of the changes.

- 6.4.2** The Contractor shall submit Engineering Change Proposals (ECPs) in accordance with CDRL Line Number CM-130, accompanied by CCPs as necessary, to implement

configuration changes to a FBL for a system or product for which a Configuration Baseline is required to be developed and maintained in accordance with clause 6.3.

- 6.4.3** The Contractor shall classify a change to FBL as a Major Change.
- 6.4.4** The Contractor shall classify a change to a PBL established at the associated PCA as either a Major Change or a Minor Change in accordance with the criteria for these configuration changes set out in Attachment M.
- 6.4.5** Following the establishment of a PBL at a PCA, the Contractor shall submit proposed:
- Major Changes to the PBL, to the Commonwealth for Approval as ECPs in accordance with CDRL Line Number CM-130, accompanied by CCPs as necessary; and
  - Minor Changes to the PBL, to the Commonwealth Representative for review.
- 6.4.6** At the request of the Commonwealth, the Contractor shall resubmit a proposed Minor Change to a PBL as a proposed Major Change to that PBL in accordance with clause 6.4.2.
- 6.4.7** The Contractor shall, for any proposed change to a Configuration Baseline, ensure that all Configuration Baselines will be mutually consistent and compatible.

## **6.5 Configuration Status Accounting (Core)**

- 6.5.1** The Contractor shall establish and maintain, in accordance with the Approved [...INSERT 'CMP' OR 'SEMP' AS APPLICABLE...], a Configuration Status Accounting (CSA) system that correlates, stores, maintains and provides readily available views of all configuration information relating to those items identified as CIs.

**Note to drafters: Depending on the needs for the Commonwealth to access CM data during the Contract, and who will manage CM data in-service, CSA data may need to be delivered. Drafters should consider the standards for CM data exchange, such as MIL-STD-2549, EIA-836B, 'Contractor information exchange' specifications for the Defence ERP System, or extant domain-specific standards such as the ANP4422-6001 Materiel Data Exchange Specification.**

**Contractor CSA data may be accessible from CSA reports, or by exchange; and the method may change over time (eg, initially as CSA reports with a final delivery / exchange of CSA data). Drafters should select and tailor the following optional clauses to suit project needs.**

**Option: Include and tailor this clause for the required on-line access to the Contractor's CSA system. If a DMS is to be used, ensure that clause 2.3.2 includes access to CM data.**

- 6.5.2** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the Contractor's CSA system for the period of the Contract via the [...DMS and/or the Contractor's information systems accessible to Resident Personnel...].
- 6.5.3** The Contractor's CSA system shall enable a Commonwealth user to access data equivalent to reports produced in accordance with DID-CM-DATA-CSAR.

**Option: Include this clause when the Contractor is to deliver CSA reports developed in accordance with DID-CM-DATA-CSAR.**

- 6.5.4** The Contractor shall deliver CSA reports from the Contractor's CSA system, in accordance with CDRL Line Number CM-110.

**Option: Include this clause when the Contractor is to exchange CSA data between its CSA system and a Defence CSA system.**

**Note to tenderers: The Defence ERP System will begin replacing existing Defence information systems from late 2023, with the initial tranche supporting CM for Land Materiel. Reference to the Defence CSA system below should be considered as references to the Defence ERP System used to perform relevant functions. Introduction of the Defence ERP System may**

***affect the structure and formatting requirements for CSA system exchange data and the transfer processes described in the Approved CMP.***

**6.5.5** The Contractor shall develop, in consultation with the Commonwealth, a schema for the exchange of CSA data between the Contractor's CSA system and the Defence CSA system, and with Subcontractors' and other parties' systems, as necessary to ensure that the delivered CSA data is both timely and accurate.

**6.5.6** The Contractor shall deliver CSA system exchange data to the Commonwealth in accordance with CDRL Line Number CM-120.

## **6.6 Configuration Audits (Optional)**

***Note to drafters: Insert references to the applicable plan into the following clauses. If Configuration Audits are not required, the clauses below should be replaced with 'Not used'.***

***Note to tenderers: The exact timing for the conduct of the FCA and PCA, including its relationships with delivery, installation, the AV&V program and Acceptance, should be set out in the applicable governing plan (eg, CMP or SEMP) under any resultant Contract.***

**6.6.1** The Contractor acknowledges that the objective of an FCA for an item is to demonstrate that the item's actual performance complies with all elements of its specification.

**6.6.2** The Contractor shall conduct a MSR, the FCA, on each Mission System CI and Support System Component that is a CI, prior to Acceptance, in accordance with clause 3.9.4 and the Approved [...INSERT 'CMP' OR 'SEMP' AS APPLICABLE...].

**6.6.3** The Contractor acknowledges that the objectives of a PCA for an item are to:

- confirm that the 'as-built' or 'as-coded' configuration is consistent with the configuration documentation;
- confirm that the configuration documentation is complete and accurate; and
- establish or Verify the Product Baseline for the item.

**6.6.4** The Contractor shall conduct a MSR, the PCA, on each Mission System CI and Support System Component that is a CI, prior to Acceptance, in accordance with clause 3.9.4 and the Approved [...INSERT 'CMP' OR 'SEMP' AS APPLICABLE...].

**6.6.5** The Contractor shall invite the Commonwealth to witness all FCAs and PCAs.

**6.6.6** Unless the Contractor is otherwise notified by the Commonwealth Representative, the Commonwealth Representative or appointed representative shall witness all Configuration Audits that are conducted for the purpose of Acceptance.

**6.6.7** Unless the Commonwealth Representative has notified that it will not witness a Configuration Audit in accordance with clause 6.6.6, the Contractor shall not conduct that Configuration Audit in the absence of the Commonwealth Representative or the appointed representative

## 7. VERIFICATION AND VALIDATION (CORE)

### 7.1 V&V Management (Core)

**Note to drafters:** *This clause should be tailored to match the specifics of the program and acquisition strategy. Both Mission System and Support System elements need to be considered by the V&V program. Refer to the applicable Defence test and evaluation authority for advice.*

**Note to tenderers:** *Although this clause only provides for the conduct of Verification, the headings and plan title include reference to Validation for standardisation purposes.*

#### 7.1.1 General

**7.1.1.1** The Contractor acknowledges that the objectives of the Verification and Validation (V&V) program are to demonstrate that Supplies offered for Acceptance comply with the requirements of the Contract.

#### 7.1.2 V&V Planning

**Note to drafters:** *A separate Contractor V&VP should be used if Acceptance Verification of the Supplies will be a significant or critical task. Alternatively, the SEMP may be used for V&V planning if Verification is not anticipated to be a significant or critical aspect of the acquisition. Other clauses will require amendment for the selected plan.*

**Option A:** *For use if the V&VP will be the governing plan for the V&V program.*

**7.1.2.1** The Contractor shall develop, deliver and update a V&V Plan (V&VP) in accordance with CDRL Line Number V&V-100.

**Option B:** *For use if the SEMP will be the governing plan for the V&V program.*

**7.1.2.2** The Contractor shall address planning for, and management of, the V&V program in the SEMP.

**7.1.2.3** The Contractor shall conduct all V&V activities for the Contract in accordance with the Approved [...INSERT 'V&VP' OR 'SEMP' AS APPLICABLE...] and Approved Acceptance Test Plan and Procedures (ATP&Ps) for each V&V phase.

#### 7.1.3 Verification Cross Reference Matrix

**7.1.3.1** The Contractor shall develop, deliver and update a Verification Cross Reference Matrix (VCRM) in accordance with CDRL Line Number V&V-200, which captures the detail of the Verification criteria and status of the Verification activities for each requirement in:

- a. the FBL for the Mission System; and
- b. the FBL for Support System Components based on a judgement of significance for those components in accordance with the regulatory / assurance requirements applicable to those types of equipment.

**7.1.3.2** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the Contractor's VCRM for the period of the Contract.

#### 7.1.4 Previous V&V Results

**Note to tenderers:** *Previous V&V results may be offered as evidence for Verification purposes where the configuration of the item, the function / role, and the operating environment are suitably similar. Where the Contractor has previous V&V results that are applicable, the Contractor will need to ensure that the relevant test plan(s), procedure(s) and report(s) are available to be provided to the Commonwealth.*

**7.1.4.1** The Contractor shall develop, deliver and update a Contractor's Previous V&V Results Package in accordance with CDRL Line Number V&V-250, for those Verification criteria in the Approved VCRM that refer to previous Verification results.

#### 7.1.5 Test Readiness Reviews (Optional)

**Note to drafters:** *A TRR should precede all formal V&V activities or groups of activities (ie, phases) used for Acceptance, when the complexity of the V&V activities warrants it. Each phase of the V&V program should have associated test documentation (eg, ATP&Ps) to be reviewed at*

***the TRR. Generally, a TRR is required unless the scope of the V&V program is expected to be minimal. If not required, the clauses below should be replaced with a single 'Not used'.***

**7.1.5.1** Prior to the commencement of each Acceptance V&V (AV&V) phase, the Contractor shall conduct a MSR, a TRR, in accordance with clause 3.9.4 and the Approved [...INSERT 'V&VP' OR 'SEMP' AS APPLICABLE...], which:

- a. confirms the accuracy and completeness of the ATP&Ps;
- b. confirms the status of the applicable Configuration Baseline and of the system, item, or process under test;
- c. reviews results from preceding test activities, where applicable to the AV&V phase;
- d. assures that the relevant Mission System or Support System element is ready for testing;
- e. assures that any Commonwealth resources required (ie, including equipment and Commonwealth Personnel) are available and prepared for formal testing; and
- f. assures that the Contractor is prepared for formal testing.

#### **7.1.6 Commonwealth Involvement in AV&V**

**7.1.6.1** The Contractor shall invite the Commonwealth Representative or representatives appointed by the Commonwealth Representative to witness, and participate in when applicable, all AV&V activities for the Mission System and the Support System.

**7.1.6.2** Unless otherwise notified by the Commonwealth Representative, the Commonwealth Representative or appointed representative(s) shall witness and participate in AV&V activities for the Mission System and the Support System.

**7.1.6.3** Unless the Commonwealth Representative has notified that it will not witness an AV&V activity in accordance with clause 7.1.6.2, the Contractor shall not conduct that AV&V activity in the absence of Commonwealth witnesses.

***Note to drafters: When AV&V activities will be carried out overseas or at remote locations, a longer notification time may be required by the Commonwealth (eg, to arrange travel) and the following clause may need to be tailored.***

**7.1.6.4** Unless otherwise agreed in writing by the Commonwealth Representative, the Contractor shall provide the Commonwealth with at least 20 Working Days advance notice of the start date and time of all AV&V activities for the Mission System and the Support System.

#### **7.1.7 Failure Reporting and Analysis**

**7.1.7.1** During AV&V of the Mission System and Support System elements, the Contractor shall establish, maintain and update a Problem Resolution System that:

- a. collects Failure data (including applicable CI identification and configuration data);
- b. classifies the Failure Severity in accordance with the following table;

<b>Failure Severity</b>	<b>Applies if a problem could:</b>
<b>1</b>	<ol style="list-style-type: none"> <li>a. prevent the accomplishment of an operational or mission essential capability</li> <li>b. jeopardize safety, security, or other requirement designated 'critical'</li> </ol>
<b>2</b>	<ol style="list-style-type: none"> <li>a. adversely affect the accomplishment of an operational or mission essential capability and no work-around solution is known</li> <li>b. adversely affect technical, cost, or schedule risks to the Contract or to life-cycle support of the system, and no work-around solution is known</li> </ol>
<b>3</b>	<ol style="list-style-type: none"> <li>a. adversely affect the accomplishment of an operational or mission essential capability but a work-around solution is known</li> <li>b. adversely affect technical, cost, or schedule risks to the Contract or to life-cycle support of the system, but a work-around solution is known</li> </ol>

Failure Severity	Applies if a problem could:
4	<ul style="list-style-type: none"> <li>a. result in user/operator inconvenience or annoyance but does not affect a required operational or mission essential capability</li> <li>b. result in inconvenience or annoyance for development or support personnel, but does not prevent the accomplishment of those responsibilities</li> </ul>
5	any other effect

- c. documents the Failures and associated Failure Modes;
- d. defines corrective actions;
- e. identifies the scope of additional Verification activities required to confirm that the Failure has been remedied; and
- f. maintains a history of all transactions.

**7.1.7.2** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to access the Problem Resolution System for the period of the Contract.

**7.1.7.3** Prior to the finalisation of each AV&V phase, the Contractor shall submit the Failure Severity classification assigned to all open Failures for Commonwealth Approval in accordance with the Approved [...INSERT 'V&VP' OR 'SEMP' AS APPLICABLE...].

**7.1.7.4** The Contractor shall submit for Commonwealth Approval all corrective actions to address safety-related Failures that occur during AV&V that are assigned a Failure Severity classification of either 1 or 2.

**7.1.7.5** The Contractor shall invite the Commonwealth Representative, or representatives appointed by the Commonwealth Representative, to witness corrective actions and the closure of Failures during AV&V that are assigned a Failure Severity classification of either 1 or 2.

**7.1.7.6** The Contractor shall incorporate all updates to Failures and associated reports into the Problem Resolution System.

## **7.1.8 Regression Testing**

**7.1.8.1** Subject to clause 7.1.8.2, the Contractor shall repeat an AV&V activity (ie. conduct regression testing) if:

- a. changes are made to the configuration of a Mission System or Support System Component after starting an AV&V activity;
- b. the analysis of test data and the assessment of test results against pass/fail criteria indicate that the item under test has failed to meet its applicable requirements;
- c. the analysis of test data and the assessment of test results against pass/fail criteria are inconclusive; or
- d. the Contractor deviates from the ATP&Ps without prior Approval of the Commonwealth Representative.

**7.1.8.2** If the Contractor can demonstrate to the satisfaction of the Commonwealth Representative, by regression analysis or any other such means, that changes to the configuration do not impact on an AV&V activity, then subject to the Commonwealth Representative's Approval of the regression analysis, or any other such means, the Contractor shall not be required to repeat that AV&V activity.

## **7.2 Acceptance Verification (Core)**

### **7.2.1 General**

**7.2.1.1** The Contractor shall conduct Acceptance Verification on equipment that is of the same hardware, Software, firmware and data configuration (as applicable) as that which will be offered for Acceptance unless otherwise agreed by the Commonwealth Representative.

- 7.2.1.2** The Contractor shall confirm that the test environment, all test equipment and Software test tools, if applicable, used for the Acceptance Verification of the Mission System and the Support System are in accordance with the Approved ATP&P.
- 7.2.1.3** The Contractor shall maintain a log during all Acceptance Verification activities to record applicable information including test details, the configuration of the items under test, the ATP&Ps used and any deviations from them, the test results, and any configuration changes and maintenance actions.
- 7.2.1.4** If requested by the Commonwealth Representative, the Contractor shall deliver the log or portions of the log, prepared in accordance with clause 7.1.2.3, as supporting information for the test results.

**7.2.2 Acceptance Verification**

***Note to drafters: This clause should be further developed to support the needs of the Contract. For example, drafters should consider whether or not there are any specific requirements that need to be included here for individual Acceptance Verification phases such as specific requirements for installation tests, field testing and a maintenance demonstration.***

- 7.2.2.1** The Contractor shall Verify that the delivered Mission System complies with the Mission System FBL.
- 7.2.2.2** The Contractor shall Verify that the implemented Support System complies with the requirements specified in the DOR.
- 7.2.2.3** The Contractor shall Verify that the delivered Support System Components comply with their respective specifications.
- 7.2.2.4** The Contractor shall develop, deliver and update ATP&Ps, in accordance with CDRL Line Number V&V-310, which are necessary for conduct of Acceptance Verification consistent with the Approved [...INSERT 'V&VP' OR 'SEMP' AS APPLICABLE...].
- 7.2.2.5** The Contractor shall develop, deliver and update Acceptance Test Reports (ATRs), in accordance with CDRL Line Number V&V-320, which are necessary for the evaluation of Acceptance Verification results, consistent with the Approved ATP&Ps.

**8. QUALITY MANAGEMENT (CORE)**

**Note to drafters: Quality may be assured by:**

- a. controlling the processes during the production, including design and development, using a QMS that has third party accreditation to a recognised standard;**
- b. Acceptance Verification of the completed product; or**
- c. a combination of these means.**

**An accredited QMS (which will include a Quality Plan for the Contractor's current activities) may be assessed as adequate in itself to assure Quality during the production, including design and development, of the Supplies (or to have assured this, in the case of prior production). Alternatively, a Contract-specific Quality Plan may be required.**

**Selection of the method to assure Quality will depend on the value in, or essentiality of, ensuring that a formal QMS either was, or will be applied during the design, development and production of the Supplies, and whether the Commonwealth requires to Approve, and have direct visibility of, and involvement in, any such QMS. Drafters should be aware of the potentially high cost of requiring a Contractor to introduce Contract-specific documentation and procedures.**

**There are three choices as follows:**

- a. The Contractor has an accredited QMS; the Contractor provides a Contract-specific Quality Plan for the Commonwealth Representative to Approve; the Commonwealth has the right to audit the implementation of the Contractor's QMS, and to undertake process and product surveillance and audits. This choice is appropriate for complex or critical production processes, where Quality will be vital to performance of the Supplies, and the Commonwealth requires visibility of and influence on certain Quality management processes and decisions. This choice is implemented by selecting clause 8.1 Option A and clauses 8.2 and 8.3. If the Supplies have potential to have been manufactured prior to Effective Date, clause 8.1.8 facilitates the acquisition of Supplies previously manufactured under an accredited QMS that meets Contract requirements.**
- b. The Contractor has an accredited QMS; there is no Contract-specific Quality Plan; the Commonwealth has the right to audit the Contractor's QMS and to undertake process and product surveillance and audits. This choice is appropriate where Quality management in the production process is critical to performance of the Supplies, but it is assessed that Commonwealth requirements can be, or should have been, met by the Contractor's existing QMS and Plan. This choice is implemented by selecting clause 8.1 Option A and clause 8.3, and deleting clause 8.2. If the Supplies have potential to have been manufactured prior to Effective Date, clause 8.1.8 facilitates the acquisition of Supplies previously manufactured under an accredited QMS that meets Contract requirements.**
- c. There is no requirement for the Contractor to have an accredited QMS; the Commonwealth has no rights for production system or product audit or surveillance activities; the Quality of the Supplies will be assured solely through V&V. This choice is appropriate where an accredited QMS is not assessed as necessary or appropriate due to the nature of the Supplies, their production environment, or their application, and V&V is assessed as suitable to provide adequate Quality Assurance. This choice is implemented by deleting Option A in clause 8.1 and clauses 8.2 and 8.3 in total.**

**Unless otherwise approved by the relevant ADF regulatory / assurance framework authority, contracts for the production of safety critical items (see clause 4.1.4) are to be placed only with suppliers that have a QMS certified to an internationally accepted standard (equivalent to AS/NZS ISO 9001).**



**8.1 Contractor Quality Responsibilities (Core)**

**Note to drafters: The option not selected should be simply deleted, and the text box removed from the selected option.**

**Option A: For use if Quality will be assured through the control of production processes.**

- 8.1.1** The Contractor shall have a Quality Management System (QMS) Certified to AS/NZS ISO 9001:2016 'Quality Management Systems – Requirements', or other internationally accepted equivalent standard as agreed by the Commonwealth Representative, at the Effective Date.
- 8.1.2** The Contractor shall maintain and apply the QMS in clause 8.1.1 to all phases of the Contract and shall notify the Commonwealth Representative of any changes to the Certification status of the Contractor.
- 8.1.3** During progress of work under the Contract, the Commonwealth may perform Audit and Surveillance activities in relation to the work performed, including any of the following:
- a. System Audit;
  - b. Process Audit; or
  - c. Product Audit.
- 8.1.4** The Contractor shall provide all facilities and assistance reasonably required for the Commonwealth to perform Audit and Surveillance activities as described in clause 8.1.3.
- 8.1.5** The Contractor shall ensure that all Approved Subcontractors have Quality management systems that are appropriate to the work required under the Subcontract.
- 8.1.6** The Contractor shall ensure that all work performed under a Subcontract meets the requirements of the QMS to be applied by the Contractor under clause 8.1.
- 8.1.7** The Contractor shall maintain records pertaining to the planning and Verification of the Quality of the Supplies for a minimum period of seven years after Final Acceptance.
- 8.1.8** If all or part of the Supplies have been manufactured or partly manufactured prior to the Effective Date, the Contractor shall demonstrate to the Commonwealth Representative's satisfaction, prior to offering Supplies for Acceptance, that a QMS meeting the requirements of this clause 8.1 was established prior to this manufacture, and maintained and applied throughout this manufacture.

**Option B: For use if quality will be assured via normal commercial practices.**

- 8.1.9** The Contractor shall apply its normal Quality standards and practices to the production, including development and manufacture, and delivery of the Supplies.

**8.2 Quality Management Planning (Optional)**

**Note to drafters: This clause should be used only when clause 8.1 Option A is selected and a Contract-specific Quality Plan is required. Otherwise, it should be replaced with 'Not used'.**

**Where possible, the Commonwealth should align its requirements with the Contractor's QMS. A requirement for a Contract-specific Quality Plan should not be invoked if the Contractor's existing management activity, under its QMS, is considered adequate for the Commonwealth's purposes, noting that clause 8.1.3 permits the Commonwealth to conduct Audits.**

**Where Contract activities will differ from the Contractor's existing QMS, or where the criticality of Supplies is such that Contract-specific processes are seen as necessary, the Commonwealth Representative is to ensure that an effective Contract-specific Quality Plan is developed and used by the Contractor, to complement the QMS.**

**The Commonwealth Representative should seek advice from the appropriate subject matter experts on whether a Contract-specific Quality Plan is required.**

- 8.2.1** The Contractor shall develop, deliver and update a Quality Plan in accordance with CDRL Line Number MGT-140.

- 8.2.2** The Contractor shall manage the quality program for the Contract in accordance with the Approved Quality Plan.

**8.3 Quality Systems, Process and Product Non-Conformances (Optional)**

***Note to drafters: This clause should be selected if clause 8.1 Option A is selected. If this option is not required, the clauses below should be replaced with 'Not used'. Drafters should also select the appropriate option in clause 8.3.1.***

- 8.3.1** If at any time the Commonwealth Representative determines by Audit and Surveillance in accordance with clause 8.1 or otherwise that, in relation to the production of the Supplies:
- a. the quality system being applied no longer conforms to the Certified QMS;
  - b. the quality procedures and processes do not conform to the [...INSERT 'Approved Quality Plan' OR 'Contractors Quality Plan' AS APPROPRIATE...]; or
  - c. the products produced do not conform to agreed product specifications,
- then the Commonwealth Representative may notify the Contractor of the details of the non-conformance and require the Contractor to correct the non-conformance within the period specified in the notice.
- 8.3.2** The Contractor shall take whatever action is necessary to correct a legitimate quality system / process / product non-conformance within the period specified in the notice issued under clause 8.3.1 or within any period agreed in writing by the Commonwealth Representative, and shall notify the Commonwealth Representative immediately upon taking corrective action. The Commonwealth may perform an Audit to verify that the non-conformance has been corrected.

**8.4 Non-Conforming Supplies (Core)**

- 8.4.1** If the Contractor seeks to use non-conforming materials or work in the Supplies, it shall develop and deliver an Application for a Deviation, together with all supporting documentation, in accordance with CDRL Line Number MGT-1400. The Contractor may seek, through an Application for a Deviation, Commonwealth Approval of a Deviation on a temporary or permanent basis.
- 8.4.2** The Commonwealth shall use reasonable endeavours to consider an Application for a Deviation within a reasonable timeframe, having regard to:
- a. the nature of the non-conformance(s) identified in the Application for a Deviation;
  - b. the impact that the non-conformance(s) may have on the operation, use and support of the Supplies;
  - c. the effect on the Capability and other impacts on the Commonwealth associated with the non-conformances; and
  - d. the availability of the resources required to assess the Application for a Deviation,
- and may advise the Contractor of the timeframe within which it expects to be able to evaluate the Application for a Deviation and provide Approval or otherwise.
- 8.4.3** The Commonwealth may Approve or not Approve an Application for a Deviation, and may provide Approval subject to any amendments to, or conditions on the Approval of, the Application for a Deviation as deemed necessary by the Commonwealth Representative.
- 8.4.4** Any Approval of an Application for a Deviation shall not release the Contractor from due performance of any of its obligations under the Contract, except to the extent specifically set out in the Approved Application for a Deviation.
- 8.4.5** The Contractor acknowledges that Approval of an Application for a Deviation does not constitute a representation that the Commonwealth Representative will Approve an Application for a Deviation for the same or a similar non-conformance in the future.
- 8.4.6** If a temporary Application for a Deviation (ie, one that does not involve a permanent design change) is Approved, the Contractor shall undertake all actions to rectify the non-conformance in accordance with the timeframes and any other requirements for such rectification, or to meet any conditions specified in the Approved Application for a Deviation.

- 8.4.7** When the Contractor has rectified the non-conformance(s) in an Approved temporary Application for a Deviation, it shall notify the Commonwealth and seek closure of the Application for a Deviation by submitting, with the notice, evidence to demonstrate that the applicable non-conformance(s) have been rectified ('Request for Closure of a Deviation').
- 8.4.8** Upon receipt of the Request for Closure of a Deviation, the Commonwealth will consider the evidence contained in it and will, within a reasonable period, having regard to:
- the nature of the non-conformance(s);
  - the nature, extent and completeness of evidence provided by the Contractor for review by the Commonwealth; and
  - the availability of the resources required to assess the evidence,
- review the Request for Closure of a Deviation and accompanying evidence and, by notice to the Contractor, either:
- confirm that the identified non-conformance(s) have been rectified and that the temporary Application for a Deviation can be closed; or
  - reject the Request for Closure of a Deviation, and provide reasons for the rejection.
- 8.4.9** If the Commonwealth rejects a Request for Closure of a Deviation, the Contractor shall:
- address the Commonwealth's concerns identified in its notice of rejection within 10 Working Days (or other timeframe agreed between both parties); and
  - once the Commonwealth's concerns have been addressed to the satisfaction of the Commonwealth Representative, resubmit the Request for Closure of a Deviation in accordance with clause 8.4.7.

## **8.5 System Acceptance (Optional)**

**Option: To be included when clause 4.7 (System Certification) is not included in the SOW.**

- 8.5.1** The Contractor shall develop, deliver and update a Design Certificate in accordance with CDRL Line Number ENG-810.

**Note to drafters: Holding an SAA prior to Mission System Acceptance is optional. SAAs may not be required if Commonwealth review of the V&V program results, FCAs and PCAs, is considered sufficient.**

**Option: Include when SAAs are required to be held.**

- 8.5.2** The Contractor acknowledges that the objectives of the System Acceptance Audit (SAA) are to:
- demonstrate that each Mission System and the related Support System Components being offered for Acceptance (SAA Supplies) meet the required criteria, including specified requirements, necessary to enable Acceptance;
  - confirm that, prior to Acceptance, each Mission System has been assessed as safe and that any applicable certifications, design registrations and other regulatory conformance requirements have been satisfied; and
  - confirm that sufficient Support Resources and Training have been delivered to enable the Mission System(s) to be operated and supported in accordance with the DOR.
- 8.5.3** Prior to offering each Mission System (or group of Mission Systems) for Acceptance, the Contractor shall conduct a MSR, the SAA, in accordance with clause 3.9.4 and the Approved PMP.

## 9. HEALTH, SAFETY AND ENVIRONMENT (CORE)

### 9.1 Problematic Substances and Problematic Sources (Core)

#### 9.1.1 Problematic Substances (Core)

**Note to drafters: Drafters need to insert either the Hazard Log if Option A in clause 4.6.6.3.4 is selected or Materiel Safety Assessment if Option B in clause 4.6.6.3.6 is selected.**

- 9.1.1.1** The Contractor shall not deliver Supplies containing or emitting a Problematic Substance unless the Problematic Substance is an Approved Substance identified in, and is only used for the purposes specified in, the [...INSERT 'Hazard Log' OR 'Materiel Safety Assessment'...] as developed, delivered and updated in accordance with clause 4.6.6.3.

**Option: Include the following clauses when the Contract involves work on Commonwealth Premises (eg, site installations or V&V activities) that could involve Problematic Substances.**

- 9.1.1.2** The Contractor shall not use, handle or store a Problematic Substance on Commonwealth Premises in connection with the Contract, unless the Problematic Substance is an Approved Substance that is used, handled or stored for the purpose for which it is Approved in the Health and Safety Management Plan (HSMP) or, in respect of the Supplies, the [...INSERT 'Hazard Log' OR 'Materiel Safety Assessment'...].
- 9.1.1.3** When Approved Substances are to be brought onto Commonwealth Premises by the Contractor, the Contractor shall notify the Commonwealth Representative of the proposed maximum quantities or volumes (as applicable) and location(s) at least 10 Working Days before the Approved Substances are to be brought onto Commonwealth Premises.
- 9.1.1.4** Without limiting clause 9.1.1.2, the Contractor may, in connection with work on Commonwealth Premises, discover a Problematic Substance, identify the need for a new Problematic Substance, or propose a new purpose for an Approved Substance, and in such circumstances the Contractor shall notify the Commonwealth Representative as soon as practicable thereafter and, in any event, within five Working Days.
- 9.1.1.5** When the Contractor notifies the Commonwealth Representative under clause 9.1.1.4, the Contractor shall:
- a. not use the Problematic Substance, except as otherwise Approved by the Commonwealth Representative;
  - b. within 10 Working Days, provide to the Commonwealth Representative:
    - (i) an updated HSMP, which details of the new Problematic Substance or the new purpose for an Approved Substance;
    - (ii) for a newly identified Problematic Substance, a Safety Data Sheet prepared in accordance with CDRL Line Number MGT-1100; and
    - (iii) if a new Authorisation is required, evidence that the Contractor has, or will obtain in a timely manner, that Authorisation; and
  - c. if the Commonwealth Representative does not Approve a Problematic Substance that was discovered under clause 9.1.1.4, take whatever measures are considered necessary or prudent by the Commonwealth Representative to remove the Problematic Substance and to avoid or mitigate any associated risks.
- 9.1.1.6** The Contractor acknowledges and agrees that certain Hazardous Chemicals will not be Approved for use on Commonwealth Premises under any circumstances including, as identified in WHS Regulations 2011 (Cth):
- a. carcinogens under subregulation 5(1);
  - b. Hazardous Chemicals with restricted use under regulation 382; and
  - c. Hazardous Chemicals involving a lead process as described by regulation 392.
- 9.1.1.7** The Contractor shall advise the Commonwealth of the existence of a substance which is not a Problematic Substance that could be substituted for any Approved Substance without significant detriment to the performance of work under the Contract, as soon as practicable.

### 9.1.2 Problematic Sources (Optional)

**Note to drafters:** *This clause should be included if work on Commonwealth Premises requires the use of a Problematic Source. If not required, the clause may be replaced with a single 'Not used'. If the need for the clause is unclear, the clause may be included in the RFT with the following note to tenderers. Refer to the SOW Tailoring Guide for more information.*

**Note to tenderers:** *This clause will be included in the resultant Contract if the Contract involves work on Commonwealth Premises that will require the use of a Problematic Source.*

**9.1.2.1** Where work performed under the Contract on Commonwealth Premises requires the use of a Problematic Source, the Contractor shall:

- a. only use the Problematic Source:
  - (i) for a purpose that is Approved by the Commonwealth Representative and specified in the Approved HSMP; and
  - (ii) in accordance with the applicable source licence or facility licence; and
- b. where the Problematic Source is not covered by a Defence source or facility licence (eg, a Contractor-owned Problematic Source), provide evidence of the applicable Authorisation (eg, the Contractor's source licence) to the Commonwealth Representative before commencing the work that involves the Problematic Source.

**Note to drafters:** *Insert applicable references in the clause below, including chapters from the Defence Radiation Safety Manual for the applicable type(s) of radiation when these are known. If not known, a note to tenderers may be added to identify that the clause will be updated based on information provided by the preferred tenderer.*

**9.1.2.2** Without limiting the Contractor's obligations under clause 12.4 of the COC, the Contractor shall ensure that work involving a Problematic Source on Commonwealth Premises is performed in accordance with:

- a. [...INSERT REFERENCE INCLUDING DOCUMENT AND SECTION...]; and
- b. [...INSERT REFERENCE INCLUDING DOCUMENT AND SECTION...].

**9.1.2.3** Without limiting clause 9.1.2.1, if the Contractor proposes to introduce a new Problematic Source for work on Commonwealth Premises, or a change to the Approved purpose of an existing Problematic Source, the Contractor shall, at least 20 Working Days prior to the intended change or as otherwise agreed by the Commonwealth Representative:

- a. deliver an updated HSMP to the Commonwealth Representative; and
- b. where a new or amended Authorisation is required, provide evidence to the Commonwealth Representative that the Contractor has, or will obtain in a timely manner, that Authorisation.

**Option:** *Include this option if the Commonwealth may supply an item (eg, as GFE) containing a Problematic Source to the Contractor.*

**9.1.2.4** Where work performed under the Contract involves the use of a Problematic Source supplied by the Commonwealth (or a person on behalf of the Commonwealth), the Commonwealth shall provide the Contractor with details of the Problematic Source sufficient to enable compliance with the applicable WHS Legislation.

### 9.2 Environmental Management (Optional)

**Note to drafters:** *If there will be no significant Environmental management issues in connection with the work conducted under the Contract, in Australia on Contractor or Commonwealth Premises (eg, during installation or V&V), then the clauses under this heading may be replaced with a single 'Not used'. Note that environmental approvals for new or modified Facilities are usually managed by SEG through separate arrangements. If the need for these clauses is unclear, the clauses may be included in the RFT with the following note to tenderers; otherwise the note should be deleted.*

**Note to tenderers:** *The following clause will be included in the Contract if the Contractor will perform work in Australia that involves or is likely to involve significant environmental issues,*

**or that will be performed at a site identified as having significant environmental management requirements.**

- 9.2.1** The Contractor shall perform all applicable work under the Contract in accordance with clause 12.5 of the COC and clause 9 of the SOW and in accordance with the environmental management elements of the Approved PMP.
- 9.2.2** The Contractor shall have an Environmental Management System (ENVMS) to ensure that work performed under the Contract, within Australia, complies with applicable legislation and Commonwealth policy. The Commonwealth shall be entitled to access the ENVMS in accordance with clause 11.7 of the COC.
- 9.2.3** The Contractor's ENVMS shall include the following environmental-related records:
- applicable Authorisations;
  - risk assessments and control measures; and
  - the environmental management elements of the Approved PMP and all associated plans, processes, procedures and instructions supporting those elements of the Approved PMP.

**Option: Include this option if work will be performed on Commonwealth Premises either temporarily, such as installation work, or when the Contractor will be provided with GFF.**

- 9.2.4** Without limiting the Contractor's obligations under clause 12.5 of the COC, the Contractor shall ensure that work performed on Commonwealth Premises is performed in accordance with:
- [... INSERT REFERENCE EG, 'Defence Environmental Management Plan'...];
  - [... INSERT REFERENCE EG, '[Base] Heritage Management Plan'...]; and
  - [... INSERT REFERENCE INCLUDING DOCUMENT AND SECTION ...].
- 9.2.5** Unless otherwise agreed in writing by the Commonwealth Representative (eg, to modify Commonwealth Premises), the Contractor shall not degrade the Environment and heritage qualities of Commonwealth Premises through the Contractor's use or occupation of the Commonwealth Premises.
- 9.2.6** Except to the extent that waste disposal is provided as a GFS, the Contractor shall dispose of all debris and waste (hazardous and non-hazardous) arising out of the activities performed by the Contractor on Commonwealth Premises in a safe and effective manner and in accordance with all laws, regulations, Authorisations and Defence policies applicable to the site.

### **9.3 Work Health and Safety (Core)**

#### **9.3.1 Acknowledgement of WHS Advice - GFE**

**Option: Include the following clauses when GFE will be provided under the Contract. If no GFE will be provided, replace these clauses with 'Not used'.**

- 9.3.1.1** The Contractor acknowledges that hazards may be present within GFE, which may be relevant to the Supplies or the work to be performed under the Contract.
- 9.3.1.2** The Contractor acknowledges that hazards within or relating to the installation, use, operation or support of GFE are identified within the associated Technical Data (including operator and maintenance manuals, installation instructions, maintenance records and test results, as applicable), which provide warnings that were, at the time of publishing, considered suitable for competent persons that are appropriately trained in similar or related trades and professions.

#### **9.3.2 Acknowledgement of WHS Advice – Commonwealth Premises**

**Note to drafters: Clauses 9.3.2.1 and 9.3.2.2 are applicable to Contractor Personnel working on Commonwealth Premises and where hazards will be present in, or in proximity of, the Contractor's work area on Commonwealth Premises. These clauses may only be replaced with 'Not used' if the Contractor will not be working on Commonwealth Premises (either temporarily**

**or in GFF) or if no hazards (including Problematic Substances, Problematic Sources, noise or other hazards) exist at the 'applicable Commonwealth Premises'. Refer to the SOW Tailoring Guide for guidance.**

**Option: Include these clauses when the Contractor may be required to conduct work on Commonwealth Premises where WHS hazards exist.**

- 9.3.2.1** The Contractor acknowledges that Annex C to the SOW provides a list of known hazards present on Commonwealth Premises where work may be performed under the Contract ('the applicable Commonwealth Premises').
- 9.3.2.2** If the Contractor is in doubt as to the location of a hazard at the applicable Commonwealth Premises, the Contractor shall perform its obligations under the Contract on the basis that the hazard is present, unless and until it is verified that the hazard is not present.

### **9.3.3 Planning for and Management of WHS Duties**

**Note to drafters: Applicable WHS Legislation is referenced in COC clause 12.4. Drafters should update the list below to include Defence-specific requirements such as Base WHS Plans and site-specific safety management requirements, when applicable. References may include local plans and procedures, chapters of the Defence Safety Manual (SafetyMan), and system safety manuals, depending upon the systems, materials used, and the location(s) of work. Refer to the SOW Tailoring Guide for guidance.**

**Option: Include the following clauses when work will be performed on Commonwealth Premises or involves Commonwealth Personnel on Contractor or Subcontractor Premises.**

- 9.3.3.1** Without limiting the Contractor's obligations under clause 12.4 of the COC, the Contractor shall ensure work to be performed under the Contract involving Commonwealth Personnel on Contractor Premises (including Approved Subcontractor premises), or undertaken at the applicable Commonwealth Premises, is performed in accordance with the:
- a. Defence Safety Manual:
    - (i) Hazardous Chemicals Management Procedure 30 – Levels of Control for Contractors;
    - (ii) Work Health and Safety Risk Management Policy; and
    - (iii) [...INSERT REFERENCE INCLUDING DOCUMENT AND SECTION...];
  - b. [...INSERT REFERENCE INCLUDING DOCUMENT AND SECTION...]; and
  - c. [...INSERT REFERENCE INCLUDING DOCUMENT AND SECTION...].

**Note to drafters: Select Option A for a stand-alone HSMP or Option B if WHS planning is be rolled up into the PMP (and amend the CDRL to remove the stand-alone HSMP). A HSMP will be required whenever work (of an industrial nature) will be performed on Commonwealth Premises. Refer to the SOW Tailoring Guide for guidance. Amend the clauses that follow for the selected plan.**

**Option A: For when a stand-alone Health and Safety Management Plan is required.**

- 9.3.3.2** The Contractor shall develop, deliver and update a HSMP in accordance with CDRL Line Number MGT-1110.

**Option B: For when planning for WHS management may be rolled up into the PMP.**

- 9.3.3.3** The Contractor shall address WHS compliance and management issues as part of the PMP.

- 9.3.3.4** The Contractor shall provide the Supplies and perform the work under the Contract in accordance with clause 12.4 of the COC and clause 9 of the SOW, and in accordance with the [...INSERT EITHER 'Approved HSMP' OR 'WHS management elements of the Approved PMP'...].

**Note to drafters: Clauses 9.3.3.5 and 9.3.3.6 must be, and clauses 9.3.3.7 and 9.3.3.8 may be, included if work of an industrial nature to be performed under the Contract is subject to the WHS Legislation, including work on Commonwealth Premises. If no work of an industrial nature will be subject to the WHS Legislation (eg, production will occur overseas and a local office performs contract management only), then a WHSMS may not be required and both options below may be deleted. If the need for a WHSMS is unclear, the clauses may be included in the RFT with the following note to tenderers, otherwise the note to tenderers should be deleted. Refer to the SOW Tailoring Guide for guidance.**

**Note to tenderers: The following clauses for a WHSMS shall be included in the Contract if work of an industrial nature (eg, production, installation, etc) will be subject to the WHS Legislation, including work carried out on Commonwealth Premises.**

**Option: Include this option when work of an industrial nature to be performed under the Contract is subject to the WHS Legislation (eg, is performed in Australia).**

**9.3.3.5** The Contractor shall have a WHS Management System (WHSMS) to ensure that work performed by the Contractor under the Contract:

- a. complies with applicable legislation relating to WHS (including the WHS Legislation) and Commonwealth policy; and

**Note to drafters: If no work will be performed on Commonwealth Premises, then subclause b may be deleted and subclause a merged with the stem of clause 9.3.3.5.**

- b. for work performed on Commonwealth Premises, is consistent with the WHSMS, procedures and instructions in operation on the applicable Commonwealth Premises.

**9.3.3.6** The Contractor's WHSMS shall include the following WHS related records:

- a. WHS-related Authorisations;
- b. safe work method statements required under the applicable WHS Legislation in relation to the work performed under the Contract;
- c. WHS-related risk assessments and control measures including, where applicable, work-related risks for Commonwealth Personnel located at the Contractor's and/or Approved Subcontractors' premises;
- d. workplace registers and records required to be maintained under the applicable WHS Legislation; and
- e. the [...INSERT EITHER 'Approved HSMP' OR 'WHS management elements of the Approved PMP'...] and all associated plans, processes, procedures and instructions supporting the [...INSERT EITHER 'Approved HSMP' OR 'WHS management elements of the Approved PMP'...].

**Option: To be included if a WHSMS Certified to AS/NZS ISO 45001:2018, 'Occupational health and safety management systems—Specification with guidance for use', is required under the Contract.**

**9.3.3.7** The Contractor's WHSMS required by clause 9.3.3.5 shall be Certified to AS/NZS ISO 45001:2018 on the Effective Date or from another date agreed by the Commonwealth Representative.

**9.3.3.8** The Contractor shall maintain the WHSMS in clause 9.3.3.7 and shall notify the Commonwealth Representative of any changes to the Certification status of the Contractor.

**9.3.3.9** The Contractor shall ensure that the Contractor's representative consults, co-operates and co-ordinates activities with the Commonwealth Representative and Associated Parties in relation to the management of WHS issues and shall ensure that Contractor Personnel consult, co-operate and co-ordinate activities with Commonwealth Personnel and other workers in order to ensure that the work required to be performed under the Contract is performed safely.



### 9.3.4 Work on Commonwealth Premises

**Note to drafters:** *The following clauses are to be included when work will be performed on Commonwealth Premises (eg, installations or V&V activities). If not required, the clauses can be replaced with a single clause stating 'Not used'.*

**9.3.4.1** The Contractor shall ensure that all Subcontractors undertaking work on the applicable Commonwealth Premises comply with the requirements of the Contractor's WHSMS.

**9.3.4.2** The Contractor shall ensure that Contractor Personnel who will perform work at the applicable Commonwealth Premises participate in any safety-related induction training or site induction briefings provided by Defence, or Associated Parties, as applicable. The Contractor shall ensure that Contractor Personnel attending the safety-related training or site induction briefings sign an attendance form or site safety induction form, as applicable.

**Note to drafters:** *The following clause may be split and/or repeated if there are different management programs at different Commonwealth Premises where the Contractor will work.*

**9.3.4.3** The Contractor shall participate in the Commonwealth's WHS management programs for [...INSERT THE NAMES OF DEFENCE SITES WHERE WORK WILL BE UNDERTAKEN...] and shall attend WHS management meetings, which shall be held approximately [...INSERT TIMEFRAME, eg, 'every four months'...], upon request.

**9.3.4.4** When the Contractor discovers a hazard to WHS at the applicable Commonwealth Premises, which is additional to the hazards identified under clauses 9.3.1 and 9.3.2, the Contractor shall:

- a. immediately notify the Commonwealth Representative, detailing the hazard;
- b. if applicable to a Problematic Substance, take action in accordance with clause 9.1;
- c. follow all instructions and directions of the Commonwealth Representative (if any) and take all reasonable steps to eliminate or minimise the risks to WHS associated with the identified hazard; and
- d. provide to the Commonwealth Representative, within 10 Working Days of discovery of the hazard and when the hazard has not been eliminated, a proposed update to the WHSMS, which identifies the hazard and describes the risk mitigation strategies necessary to address the related WHS risks.

### 9.3.5 WHS of Commonwealth Personnel on Contractor or Approved Subcontractor Premises

**Note to drafters:** *Include the following clauses if Commonwealth Personnel will be located on Contractor or Subcontractor premises. If the Contract does not have this requirement, then the clauses can be replaced with a single clause stating 'Not used'.*

**Note to drafters:** *The first subclause below covers the Contractor and/or Subcontractor premises under the WHS Legislation (ie, generally within Australia), whereas the second subclause covers locations not covered by the WHS Legislation. If only one of these situations applies, the clause may be modified accordingly.*

**9.3.5.1** Where Commonwealth Personnel are located at Contractor and/or Approved Subcontractor premises, the Contractor shall, so far as is reasonably practicable, ensure that the physical work environment is without risks to health and safety and that adequate facilities are provided for the welfare of those Commonwealth Personnel. For Contractor and/or Approved Subcontractor premises in locations where:

- a. the WHS Legislation applies to work performed under the Contract at that location, the workplace shall be managed in accordance with the code of practice approved under section 274 of the *Work Health and Safety Act 2011* (Cth), *Managing the Work Environment and Facilities*, except where the Contractor and/or Approved Subcontractor complies with the WHS Legislation in a manner that is different from the relevant code of practice but provides a standard of work health and safety that is equivalent to or higher than the standard required in the code of practice; or
- b. otherwise, the Contractor shall, and shall ensure that Approved Subcontractors, co-operate with the Commonwealth so far as is reasonably practicable to enable the

Commonwealth to fulfil its obligations under the WHS Legislation to Commonwealth Personnel.

- 9.3.5.2** Prior to the commencement of work by Commonwealth Personnel at the Contractor's and/or Approved Subcontractors' premises, the Contractor shall, when requested, facilitate WHS-related inspections, by the Commonwealth Representative or authorised delegate(s), of the locations to be occupied by the Commonwealth Personnel.
- 9.3.5.3** The Contractor shall ensure, before or as soon as practicable after the commencement of work at a Contractor's or Approved Subcontractors' premises, that Commonwealth Personnel are provided with:
- a. induction training and/or other safety briefings applicable to the work and location; and
  - b. access to safety procedures applicable to the work and location.
- 9.3.5.4** The Commonwealth shall ensure that Commonwealth Personnel who are required to work at the Contractor's or Approved Subcontractors' premises participate in any safety induction training and site safety induction briefings that are provided by the Contractor in accordance with clause 9.3.5.3.
- 9.3.5.5** The Contractor shall notify the Commonwealth Representative of corrective action requirements and remediation activities resulting from WHS Audits applicable to the Contractor's and Approved Subcontractors' premises occupied by Commonwealth Personnel.

#### **9.4 Incident Reporting and Remediation (Core)**

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- 9.4.1** The Contractor shall report, in accordance with the *Defence Safety Manual, Work Health and Safety Event (Incident) Reporting Policy and Guidance*, any Notifiable Incident that involves:
- a. Contractor Personnel on Commonwealth Premises;
  - b. Commonwealth Personnel on Contractor Premises; or
  - c. Contractor Personnel on Contractor Premises where the incident arises out of the conduct of the Commonwealth's business or undertaking (including in connection with GFM or a Commonwealth specified system of work).
- 9.4.2** The report provided under clause 9.4.1 shall include the provision of a completed Department of Defence Form AE527 (as amended or replaced from time to time), or be provided using the Sentinel Event Kiosk on the Defence Protected Network (if applicable).
- 9.4.3** The Contractor shall, in respect of any Notifiable Incident arising out of or in connection with the Contract:
- a. if a Notifiable Incident occurs on Commonwealth Premises (including, if applicable, within GFF), preserve the incident site until the Commonwealth regulator has confirmed that the site may be released (as advised either directly or through the Commonwealth);
  - b. immediately provide the Commonwealth Representative with a copy of the notice required to be provided to the relevant Commonwealth, State or Territory regulator;
  - c. promptly provide the Commonwealth Representative with a copy of any investigation report relating to the Notifiable Incident;
  - d. promptly provide the Commonwealth Representative with copies of any notice or other documentation issued by the relevant Commonwealth, State or Territory regulator; and
  - e. within 10 Working Days of the date of notification to the relevant Commonwealth, State or Territory regulator, provide the Commonwealth Representative with a summary of the related investigations, actions to be taken, and any impact on the Contract that may result from the Notifiable Incident.
- 9.4.4** The Commonwealth shall immediately inform the Contractor of any Notifiable Incident involving Contractor Personnel on Commonwealth Premises, of which it is aware, and

provide the Contractor with a copy of the notice that is provided by the Commonwealth to the Commonwealth regulator about the Notifiable Incident.

**Option: Include the following clause if clause 9.2, *Environmental Management*, is included in the Contract.**

- 9.4.5** If an Environmental Incident occurs in relation to work performed under the Contract within Australia, the Contractor shall:
- a. as soon as possible after the Environmental Incident, inform the Commonwealth Representative of relevant details, including the nature of the event, cause(s) and effects known to the Contractor; and
  - b. within 10 Working Days after the Environmental Incident, notify the Commonwealth Representative of:
    - (i) any further details regarding the incident;
    - (ii) any directions given by any regulatory authority;
    - (iii) containment, recovery or other remediation effort that remains to be completed;
    - (iv) the impact, if any, on the Contractor's performance of the Contract; and
    - (v) the steps taken, or which may reasonably be undertaken, to ensure that the Environmental Incident does not recur.

**Option: Include the following clause if any CMCA may contain Ozone Depleting Substances or Synthetic Greenhouse Gases.**

- 9.4.6** The Contractor shall notify the Commonwealth Representative within 10 Working Days of becoming aware of any actual or suspected incident involving the release or leakage of Ozone Depleting Substances or Synthetic Greenhouse Gases from CMCA, except where the release is:
- a. required to occur as part of planned work activities; and
  - b. managed by an appropriately licensed or authorised entity.

**10. AUSTRALIAN INDUSTRY CAPABILITY (CORE)**

**Note to drafters:** An AIC program, as per this clause, is required if the expected value of any resultant Contract will equal or exceed \$20 million (including GST, duties, etc). The clause includes AIC Subcontractors; however, if it is known that the draft Contract will not include AIC Subcontractors, then the clause may be amended to remove them.

**ASDEFCON (Strategic Materiel) includes a number of optional clauses that may be considered for larger ASDEFCON (Complex Materiel) Volume 2 contracts. These may require considerable management effort by all parties involved, and the expected benefits would need to justify the additional overheads. Refer to the AIC Guide for ASDEFCON for further information.**

**If the expected value of any resultant Contract is less than \$20 million, drafters should refer to the AIC Guide for ASDEFCON for guidance on the applicable AIC provisions to be included here.**

**10.1 AIC Management (Core)**

- 10.1.1** The Contractor shall develop, deliver and update an AIC Plan in accordance with CDRL Line Number AIC-100.
- 10.1.2** The Contractor shall manage and conduct the AIC program in accordance with the Approved AIC Plan, this clause 10, Attachment F, and clause 4 of the COC.
- 10.1.3** The Contractor shall provide progress and performance reports for the AIC program as part of each applicable CSR, as required by the CDRL.
- 10.1.4** The Contractor shall provide an AIC Compliance Certificate at the same time as each applicable CSR delivery. The Contractor shall also ensure that each AIC Subcontractor provides an AIC Compliance Certificate, which are to be included with each applicable CSR.
- 10.1.5** The Contractor shall also provide an AIC Compliance Certificate to accompany each Australian Contract Expenditure (ACE) measurement report, as required under clause 10.1.6. The parties acknowledge that AIC Subcontractors are not required to provide AIC Compliance Certificates to accompany the ACE measurement reports.
- 10.1.6** The Contractor shall provide an ACE measurement report within 30 Working Days after the occurrence of an ACE Measurement Point, which provides sufficient information and supporting documentation to establish, to the satisfaction of the Commonwealth Representative:
- a. the Achieved ACE Percentage at that ACE Measurement Point; and
  - b. that the Achieved ACE Percentage has been properly determined in accordance with the Contract.
- 10.1.7** The ACE measurement report required under clause 10.1.6 shall include a breakdown of the actual costs incurred and other amounts paid by the Commonwealth under the Contract, up until and including the ACE Measurement Point, with this breakdown to be provided to level 4 of the CWBS in respect of each of the following categories, separating amounts in respect of each category into ACE and Imported Contract Expenditure (ICE):

**Note: This cost breakdown is only required for the Contractor and each AIC Subcontractor.**

- a. in respect of the Contractor:
  - (i) labour costs (excluding labour provided through a Subcontract);
  - (ii) materials costs (excluding materials provided through a Subcontract);
  - (iii) other direct costs, including travel and accommodation costs;
  - (iv) Subcontract prices (other than prices for AIC Subcontractors and their Subcontractors, with the breakdown of the Subcontract price into ACE and ICE amounts to be provided for as many Subcontractors as necessary, up to a maximum of 10 or to provide visibility of 90% of the total stated Subcontract ACE value (whichever results in the smaller number of Subcontractors), with all other Subcontractors amalgamated and provided as a separate entry, showing consolidated amounts for ACE and ICE);

- (v) indirect overheads; and
- (vi) all remaining price elements, including management reserve, profit and incentives, as applicable to the Contractor's work scope and in relation to Subcontracts; and
- b. in respect of each AIC Subcontractor:
  - (i) labour prices (excluding labour provided through a Subcontract);
  - (ii) materials prices (excluding materials provided through a Subcontract);
  - (iii) other direct prices, including travel and accommodation; and
  - (iv) Subcontract prices (inclusive of all Subcontractors to the AIC Subcontractor, with the breakdown of the Subcontract price into ACE and ICE amounts to be provided for as many Subcontractors as necessary, up to a maximum of 5 or to provide visibility of 80% of the total stated Subcontract ACE value (whichever results in the smaller number of Subcontractors), with all other Subcontractors amalgamated and provided as a separate entry, showing consolidated amounts for ACE and ICE).

**10.1.8** When a CSR is due at approximately the same time as the ACE measurement report, the Contractor may submit a single AIC Compliance Certificate to cover both requirements.

**10.1.9** Without limiting the respective parties' rights and obligations under clause 11.7 of the COC, the Commonwealth may conduct:

- a. a review at the Contractor's premises prior to, or following, the submission of the first CSR to assess and verify the adequacy of the Contractor's financial management information system and data collection methods, particularly to confirm the implementation of the ACE Measurement Rules in accordance with clause 7.14 of the COC; and
- b. AIC program reviews, no more frequently than annually, at the Contractor's premises and/or the premises of AIC Subcontractors to verify the nature and level of the work actually performed and the achievements against the requirements of this clause 10 and Attachment F, including against the Approved AIC-related plans and the Subcontractor AIC Plans.

**Option: This clause may be included if clause 3.2.4 is included in the SOW.**

**10.1.10** The Commonwealth Representative may agree that the review of the Contractor's implementation of ACE Measurement Rules under clause 10.1.9 can be combined with the Earned Value Management System Review in accordance with clause 3.2.4.

**10.1.11** The Contractor shall facilitate, and shall ensure that AIC Subcontractors facilitate, the AIC program reviews undertaken in accordance with clause 10.1.9.

**10.1.12** The Contractor shall flow down the AIC program review requirements of this clause 10.1 to AIC Subcontractors.

## **10.2 General AIC Activities (Core)**

### **10.2.1 General**

**10.2.1.1** The Contractor shall undertake the required activities to support the achievement of the AIC Objectives in accordance with the Approved AIC Plan, and other applicable Approved plans, including:

- a. undertaking, designing, developing, implementing, and achieving Acceptance of (as applicable) the Australian Industry Activities (AIAs) identified in Attachment F, including undertaking any activities that are necessary or incidental to these AIAs, such as the transfer of technology, TD/IP, know-how and know-why;
- b. providing, as part of the CMS, a schedule of planned activities supporting the execution of the Approved AIC Plan;
- c. conducting AIC progress meetings to review progress against the Approved AIC-related plans, Subcontractor AIC Plans, and the activities required under this

clause 10, with these AIC progress meetings to be conducted as part of each CPR under clause 3.9.3;

- d. for proposed procurements associated with the Materiel System, continually and proactively working to identify additional opportunities for Australian Industry (particularly SMEs) to participate in the Contract work and include these opportunities into the Contract in accordance with the Approved AIC Plan and clause 10.4;

**Option: This subclause is to be included if clause 10.2.2 is included in the draft SOW.**

- e. conducting industry forums in accordance with clause 10.2.2 or as otherwise agreed between the parties; and

- f. conducting other activities as set out in this clause 10, Attachment F, and the Approved AIC Plan.

**Option: Include the requirement for industry forums when the scope of subcontracting with Australian Industry over an extended period is likely to be significant.**

## **10.2.2 Industry Forums**

**10.2.2.1** The Contractor shall conduct industry forums to brief Australian Industry on the procurement opportunities for the Contract, as identified in the Approved AIC Plan (or as may arise when circumstances change and new or amended procurement opportunities become available), including the likely scope, how Australian Industry could participate, timelines, points of contact and other salient details (eg, security and Sovereignty). Wherever practicable, these industry forums should be conducted using appropriately secure video conferencing.

**10.2.2.2** The Contractor shall ensure that AIC Subcontractors participate in industry forums where materially relevant to the achievement of the AIC Objectives.

**10.2.2.3** In the period between SRR and PDR and at other times as set out in the Approved AIC Plan, the Contractor shall advise the Commonwealth each month, by notice, of the planned industry forums which are proposed to be conducted over the next three-month period.

**10.2.2.4** The Commonwealth will advise the Contractor of the Commonwealth's intention to attend any or all of the industry forums under clause 10.2.2.3.

**10.2.2.5** Where the Commonwealth provides the Contractor with less than 10 Working Days advance notice of its intention to attend an industry forum, the Contractor shall use reasonable endeavours to facilitate any Commonwealth request made under clause 10.2.2.3.

**10.2.2.6** Prior to each industry forum, the Contractor shall deliver the Agenda for that forum in accordance with CDRL Line Number AIC-110.

**10.2.2.7** Prior to each industry forum, the Contractor shall deliver the Presentation Package for that forum in accordance with CDRL Line Number AIC-120.

**10.2.2.8** Following each industry forum, the Contractor shall deliver the Minutes for that forum in accordance with CDRL Line Number AIC-130.

## **10.2.3 Subcontracting Requirements for AIC**

**10.2.3.1** The Contractor shall flow down AIC program management requirements into each Subcontract with an AIC Subcontractor, which requires the AIC Subcontractor to:

- a. develop, deliver and update a Subcontractor AIC Plan, which details the specific activities and other commitments that the AIC Subcontractor will undertake in connection with the performance of its Subcontract;

- b. report achievements against the Subcontractor AIC Plan; and
- c. conduct other activities, as required by the Contract, to support achievement of the AIC Objectives.

**10.2.3.2** Upon request, the Contractor shall provide the Commonwealth Representative with a copy of the Subcontractor AIC Plan(s) within five Working Days of the request.

**10.2.3.3** The Contractor shall ensure that AIC Subcontractors manage and conduct their AIC programs in accordance with their Subcontractor AIC Plans.

**10.2.3.4** If, at any time, the Contractor identifies any Issues or risks in relation to the provision of Technical Data to ANZ Subcontractors, which could materially affect or undermine the achievement of the AIC Obligations, the AIC Objectives, or the work allocated to an ANZ Subcontractor, the Contractor shall notify the Commonwealth within five Working Days of identifying the Issue(s) or risk(s).

**10.2.3.5** The Commonwealth may request an extraordinary meeting, in accordance with clause 3.9.2, to discuss how the identified Issue(s) or risk(s) in accordance with clause 10.2.3.4 will be addressed.

### **10.3 Development and Sustainment of Defence-Required Australian Industrial Capabilities (Optional)**

**Note to drafters: DRAICs specify requirements relating to Sovereign Defence Industrial Priorities (SDIPs), or other initiatives (eg, not directly related to a SDIP) to create, enhance or maintain key Industrial Capabilities. The complexity of introducing or sustaining these Industrial Capabilities means that a DRAIC operates as a sub-project / sub-program, with commensurate management requirements. Refer to the AIC Guide for ASDEFCON for further information.**

**If DRAICs are to be included in the draft Contract (and specified in Attachment F), drafters are to transfer the relevant clauses from ASDEFCON (Strategic Materiel), including SOW clause 10.3 and, if applicable, Option C under clause 10.4. Include MSR requirements in clause 3.9.4 and SOW Annex D of this template, and transfer details for DRAIC Readiness Reviews (DRAICRRs) from the DRAICRR Checklist in the ASDEFCON (Strategic Materiel) template.**

**10.3.1** Not Used

### **10.4 Supply Chain Management (Core)**

#### **10.4.1 General**

**Note to drafters: Refer to the AIC Guide for ASDEFCON for further information.**

**10.4.1.1** Without limiting or otherwise affecting the operation of the parties' rights and obligations in the Contract, the Contractor shall undertake all supply chain management activities, including procurement and subcontracting activities relating to suppliers that either are, or may become, Subcontractors, in accordance with the Approved AIC Plan, and this clause 10.4.

**10.4.1.2** The Contractor shall ensure that AIC Subcontractors, particularly those resident overseas, undertake their supply chain management activities:

- a. in accordance with their respective Subcontractor AIC Plans and the Approved AIC Plan; and
- b. in a manner that promotes achievement of the AIC Objectives and realises tangible and sustainable Industrial Capabilities that will provide benefit to Defence.

#### **10.4.2 Procurement Activities Leading to Subcontract – Requirements for AIC**

**10.4.2.1** The parties acknowledge and agree that the requirements under this clause 10.4.2 are only applicable to:

- a. those activities associated with engaging with potential Subcontractors in relation to the procurement of systems, equipment (including materials), Software and/or associated services for the Mission System and/or the Support System; and
- b. the procurement of the associated services identified in paragraph a above, which include those services to be undertaken by the potential Subcontractors that either

lead to, or form part of the scope of work for, the provision of systems, equipment and/or Software, such as (for example) design services as an initial stage of a multi-stage procurement activity.

- 10.4.2.2** In undertaking the procurement activities leading to establishment of a Subcontract for the scope of procurements covered by clause 10.4.2.1, the Contractor shall support the achievement of the AIC Objectives by:
- a. structuring the activities to maximise opportunities for Australian Industry to participate in the procurement on a fair and equitable basis;
  - b. seeking advice from applicable representative organisations and/or advocates (eg, the Office of Defence Industry Support (ODIS)), including to identify opportunities for Australian Entities (particularly SMEs) with the aim of:
    - (i) establishing and/or helping to maintain a sustainable industry base in support of the Contract work and, where applicable, the Capability and Other Capabilities; and
    - (ii) where appropriate, achieving commonality and standardisation of equipment across the Capability and Other Capabilities;
  - c. for procurement activities relating to a supplier that either is, or may become, an Approved Subcontractor, working collaboratively with the Commonwealth to understand the full extent of the potential capability and capacity of Australian Industry to meet the requirements of each procurement; and
  - d. wherever applicable, ensuring that the procurement activities address any AIAs set out in Attachment F.

### **10.4.3 Supply Chain Assurance**

- 10.4.3.1** The Contractor shall conduct, and shall ensure that its AIC Subcontractors conduct (to the extent required), assurance activities in accordance with the Approved AIC Plan to monitor and assess the ANZ Sovereignty-related elements of their supply chain for the Materiel System, which are:

- a. those Industrial Capabilities (including DRAICs, if any, and other applicable AIAs identified in Attachment F) that have been created or enhanced within Subcontractors (other than AIC Subcontractors) under the Contract and that are expected to be required during the sustainment phase; and
- b. the ANZ elements of the Contractor's supply chain (including the ANZ elements of the AIC Subcontractors' supply chains) that are expected to be required during the sustainment phase,

with the aim of ensuring that those Industrial Capabilities and ANZ elements of the Contractor's supply chain will be available when required for the acquisition and/or sustainment of the Materiel System.

- 10.4.3.2** The Contractor shall report to the Commonwealth on any Issues or risks identified in relation to the Sovereignty-related elements of their supply chain for the Materiel System:

- a. as part of the standard reports required under the Contract, including the CSR, Issue Register and Risk Register; and
- b. if urgent action is required to address the identified Issue(s) or risk(s), within 10 Working Days of identifying the Issue(s) or risk(s).

- 10.4.3.3** If requested by the Commonwealth Representative, the Contractor shall meet with the Commonwealth to discuss the Issue(s) or risk(s) identified pursuant to clause 10.4.3.2.

- 10.4.3.4** This meeting shall be conducted as an extraordinary meeting in accordance with clause 3.9.2, with the objective of the meeting being to determine the best approach to address the Issue(s) and mitigate the risks(s) (which, for clarity, could include doing nothing). The Contractor shall ensure that AIC Subcontractors' representatives participate in the meeting where relevant to the Issue(s) and risk(s) being addressed.



- 10.4.3.5** If the parties agree that the best approach to resolving the Issue(s) or risk(s) requires a change to the Contract, the Contractor shall raise a CCP in accordance with clause 11.1 of the COC to incorporate the required scope of work into the Contract.