



# STRATEGIC SHIPBUILDING AGREEMENT MANAGEMENT SERVICES TASKING STATEMENT

## PUBLIC AUSTRALIAN INDUSTRY CAPABILITY PLAN

### 1. COMPANY DETAILS

Company Name: Austal Defence Shipbuilding Australia Pty Ltd  
Address: 100 Clarence Beach Road  
Location: Henderson, WA 6166  
Website: <http://www.austal.com>

### 2. EXECUTIVE SUMMARY

The Strategic Shipbuilding Agreement Contract - Deed NSSG/PBSS/Con42030/1 (SSA), and the Management Services Tasking Statement NSSG/PBSS/Con42030/2 (MSTS), were executed by the Commonwealth and Austal Defence Shipbuilding Australia Pty Ltd (ADA). This agreement is intended to be a Head Contract framework which allows future Tier 2 shipbuilding contracts to be undertaken. Future contracts are formed on a collaborative basis for activities related to the design and/or build of ships at the Henderson Shipyard in Western Australia (WA). The SSA Contract forms part of the Commonwealth's vision to develop sustainable, continuous Naval Shipbuilding in Henderson, ensuring that it has the capacity and capability to build naval vessels including up to Tier 2 surface combatants as required. This vision is articulated in the Commonwealth's Strategic Defence Industry Priority 2, Continuous Naval Shipbuilding and Sustainment.

The SSA Contract is being run as a pilot program initially to establish the approach and demonstrate value for money delivering the LAND 8710 Phase 1A Landing Craft - Medium (LCM) and LAND 8710 Phase 2 Landing Craft - Heavy (LCH) programs. The SSA Deed contract has a maximum duration of 15 years with a total contract value of AUD \$421.622M excluding GST.

LAND 8710-1A will deliver up to 18 Landing Craft - Medium (LCM) (formerly referred to as Littoral Manoeuvre Vessel – Medium, or LMV-M) vessels to the Army to replace the current LCM-8 capability. The LAND 8710-1A contract to deliver the LCM will be executed as a Tasking Statement and the first pilot program under the SSA .

LAND 8710-1A is intended to replace the current water transport fleet operated by Army (through the Royal Australian Corps of Transport, RACT) and in doing so enhancing the overall ADF Joint Amphibious capability and providing Army with an independent littoral force, to be referred to as Army Littoral Manoeuvre (ALM). The high-level intent of Land 8710-1A is stated within the 2020 Defence Strategic Update as:

“Regional force projection and lift capabilities will be enhanced with new large landing craft, special operations vehicles, watercraft and long-range helicopters.”

LAND 8710-2 up to 8 Damen designed Landing Craft - Heavy (LCH) vessels, which will be capable of operating with other vessels to undertake a range of tasks including troop insertion and extraction, logistics movements and humanitarian assistance and disaster relief. The vessel will be capable of carrying more

than 500 tonnes of military vehicles and equipment – it is intended to carry six Abrams Tanks, 11 Redback Infantry Fighting Vehicles or 26 HIMARS - and will be fitted with self-defence weapons systems and Australian military communications.

ADA recognises the fundamental contribution of the Australian Industry Capability (AIC) program to achieving the Commonwealth of Australia (CoA) core sovereignty objective for the Project i.e. *providing an independent shore-to-shore and ship-to-shore capability to enable movement and sustainment of the amphibious Joint Force over extended ranges in the restricted littoral and riverine environments*. ADA is committed to significant local growth in capability and capacity by supporting the Continuous Naval Shipbuilding and Sustainment Environment (CNSS) as a strategic partner to the Commonwealth, stewarding capability and leading the delivery of the project as a mature shipbuilding prime. Through the delivery of the Landing Craft - Medium (LCM) and Landing Craft - Heavy (LCH) programs and maturing into the SSA, we will support the CoA in achieving desirable AIC outcomes.

### 3. SUBCONTRACTED WORK

The SSA is essentially a deed of standing offer and is administered via the Management Services Tasking Statement (MSTS), which in turn provides functional capability as well as overall administration and governance to enable subsequent Tasking Statements issued under the SSA. The scope of work performed under the MSTS includes but is not limited to:

- Project management, SSA policy, governance and administration.
- Operational excellence.
- Shipbuilding capability and enhancements.
- Project scheduling and maintenance.
- Strategic procurement and supply chain management, including overarching AIC management and SSA related industry engagement.
- Design and engineering, including Integrated Product Support (IPS).
- Human resources.
- Document control.
- Finance and accounting.

The above scope is performed by the ADA Management Office (ADAMO) with support from a number of predominantly Australian and Small to Medium Enterprise (SME) Professional Service Providers, with a projected Australian Contract Expenditure (ACE) Percentage of 84%, approximately AUD \$354M. It is expected that the majority of opportunities for ANZ industry will be derived from the LCM and LCH Tasking Statements.

### 4. CREATION, ENHANCEMENT AND MAINTENANCE OF INDUSTRY CAPABILITIES

The MSTS will provide overarching governance, program integration and corporate enablement for all shipbuilding tasking statements delivered under this umbrella. It will establish a coherent, disciplined management framework aligned to world-class project management, cyber security, earned value management (EVM) and shipbuilding methodologies, ensuring consistent execution across the enterprise.

A core focus is the development and uplift of an Australian, Henderson Shipbuilding Precinct based workforce through structured capability building, deployment of proven tools and systems, and embedded mentoring and assurance. This will create a sustainable, sovereign management and delivery capability, reduce reliance on foreign expertise, and improve schedule, cost and performance outcomes.

These standards, processes and skills will be flowed down through subcontracting and supplier arrangements, driving common ways of working and continuous improvement across the supply chain. In doing so, the tasking statement will deliver enduring uplift to Australia's defence shipbuilding capability and capacity, supporting long-term national industrial resilience.

## 5. SCOPE OF FUTURE WORK OPPORTUNITIES

The intended Australian Industry Activities (AIAs) to be delivered under the SSA contract are:

Program	Item	Description of Australian Industry Activity (AIA)
<b>LCM</b>	AIA-1	LCH are to be built in Henderson, Western Australia in support of the Department of Defence'2024 Naval Shipbuilding and Sustainment Plan: Evolving the Enterprise.
	AIA-2	To the maximum extent possible, the design effort for the LCM shall be undertaken in Australia.
	AIA-3	Use of Australian products / service providers in the design, development and delivery of the LCM capability (Mission System and Support Resources & Training), to the maximum extent (e.g. Australian steel).
<b>LCH</b>	AIA-1	LCH are to be built in Henderson, Western Australia in support of the Department of Defence'2024 Naval Shipbuilding and Sustainment Plan: Evolving the Enterprise.
	AIA-2	The Australian Government has selected a foreign base design for LCH. To the maximum extent possible, design effort should be undertaken by the original designer to productionise the design for build in Australia to achieve speed to delivery. This effort should be supported by the Strategic Shipbuilder with local design effort as it relates to the build strategy and supply chain integration.
	AIA-3	Use of Australian products and services in the development and production of LCH Mission Systems and Support System Components must balance building AIC with speed to delivery. The Strategic Shipbuilder should seek to use Australian products like steel, propellers, and outfitting items from Australian suppliers and use Australian agents for materials and items on the Major Equipment List, if possible, without delaying first vessel launch, initial operating capability or final operating capability dates.
	AIA-4	The Strategic Shipbuilder shall do all things necessary to maintain design authority and technical ability to design and produce the LCH in Australia without delaying the first vessel launch, initial operating capability or final operating capability dates.

As stated previously the MSTs provides overall administration and governance for subsequent Tasking Statements issued under the SSA. As this scope is predominantly enabling in nature, there are limited work opportunities for ANZ industry within this scope, with future opportunities associated directly with shipbuilding Tasking Statements such as the LCM and LCH programs. These opportunities will be clearly articulated in separate Public AIC Plans upon award of these Tasking Statements. However, to assist industry preparation, the below information is provided in anticipation.

In order to meet milestone schedule requirements for both LCM and LCH platforms, some critical path make versus buy decisions have been made, with these supplies being sourced through ADA's established supply chain. However, this does not preclude future market testing opportunities, and ADA anticipates the following opportunity for Australian Industry participation, where sourcing is still being determined:

- Ship fitout
- (HVAC) – Heating, ventilation, air conditioning, refrigeration and chilled water systems.
- Main Equipment, including:

- o Propulsion engine and motors sub-assemblies.
- o Power generator systems
- o Transformers
- o Chargers, inverters and converters.
- Machinery Systems, including:
  - o Gear systems
  - o Maritime pumps, compressors, valves, tanks and pipes.
  - o Water plant systems.
- Electrical/Nav/Comms, including:
  - o Electrical and fibre cabling
  - o Switchboards, distribution and lighting panels.
  - o Lighting systems
  - o Surveillance systems (radar and sonar)
  - o Combat management systems.
- Safety/Lifesaving – Ships boats.
- General
  - o Software and IT systems
  - o Logistics support services
  - o Indirect services.

## 6. MARKET ENGAGEMENT

ADA is committed to maximising Australian Industry Capability (AIC) outcomes on all of our Australian programs. For the SSA and LAND 8710 Projects, ADA views the success of our AIC program and the continuous development of the Naval Shipbuilding and Sustainment Enterprise (NSSE), in alignment with the principles of the Strategic Shipbuilding Agreement (SSA), as closely interconnected.

To ensure timely advice to Australian industry, ADA will be utilising the Gateway by ICN portal [Gateway by ICN - Defence Strategic Shipbuilding](#) as its primary means of advising industry of opportunities to supply goods and/or services, including the ability to submit innovative ideas.

ADA contact person for supplier enquiries:

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Gavin Stewart

**EXECUTIVE GENERAL MANAGER  
STRATEGIC SHIPBUILDING SSA**