

## DOING BUSINESS WITH NC3A

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BRATISLAVA 2-3 MAY 2012









# Meeting NATO's challenges for over 55 years



## Provision of C4ISR Capabilities is guided by Nations

#### **New Strategic Concept**

# Active Engagement, Modern Defence

Crisis management Cooperative security Collective defence

#### **Political Guidance 2011**

NATO
Defence Planning Process

#### **Urgent Operational Needs**

International Security Assistance Force, Operation Unified Protector, Kosovo Force



#### **Critical Capabilities**

Afghan Mission Network
Missile Defence
Cyber Defence
Air C2
Bi-SC AIS
Joint Intelligence, Surveillance
& Reconnaissance
Air Ground Surveillance





# NATO's current C4ISR priorities

Capability	Current	Future
Afghanistan Mission Network	NATO PS AGENCY	C&I Agency
Counter-IED (Improvised Explosive Devices)	NATO SAGENCY	C&I Agency
Collective Logistics Contract	N A T O AGENCY	C&I Agency
Expansion of ALTBMD (Missile Defence)	AGENCY AGENCY	C&I Agency
Cyber Defence	NATO PAS AGENCY	C&I Agency
Bi-AIS (Automated Information Systems)	NATO PAGENCY	C&I Agency
ACCS (Air Command and Control Systems)	-	C&I Agency
JISR (Joint Intelligence, Surveillance and Reconnaissance)	NATO PES AGENCY	C&I Agency

#### 25th NATO SUMMIT CHICAGO

20-21 May 2012

The Chicago Summit will principally focus in three main themes:

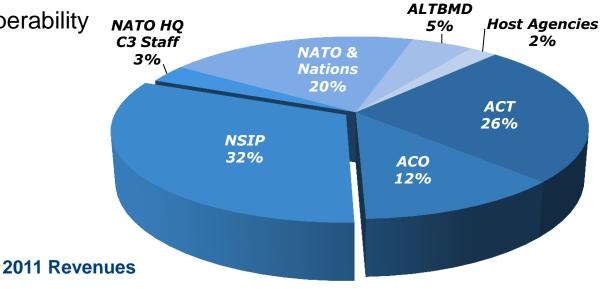
- The Alliance commitment to Afghanistan through transition and beyond.
- Ensuring the Alliance has the capabilities it needs to defend its population and territory and to deal with the challenges of the 21st Century.
- Strengthening NATO's network of partners across the globe.



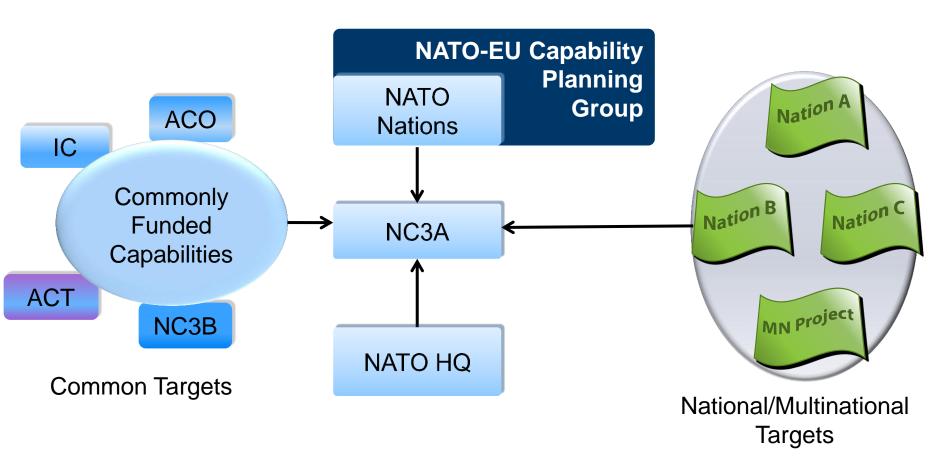
## Pursuing Smart Defence and Connected Forces

- Traditional customer base
  - Allied Command Transformation
  - Allied Command Operations
  - NATO Nations
- Cooperation with Nations growing
  - Capabilities that are 'born interoperable'
  - Multinational efforts, cost-sharing
  - Tried and tested interoperability

- Customer Funding engenders...
  - Professional project management
  - Responsiveness to customers
  - Focus on quality
  - Efficiency
  - Innovation



## NC3A - Bi-lateral/Multilateral Projects



Promote NATO interoperability in a Secure Environment by Providing Solutions (with industry): Testing, Validation, Training...

# Delivering C4ISR Capabilities

- Capability Definition
  - NC3A supports Strategic Commands
  - ACT defines Capability Packages
- Capability Preparation
  - Project definition/ break out
  - Feasibility analysis
  - De-risking
- Capability Implementation
  - As Host Nation NC3A plans C4ISR capabilities
  - NATO Committees authorise funding
  - Industry executes projects / NC3A accepts
  - NC3A hands over C4ISR capabilities for operation (NCSA)
- Capability Packages versus Crisis Response Operations Urgent Requirements (CURs)
  - Faster schedule
  - Process (AOM rules for competition)
  - Delivery in difficult environment

# Major Opportunities 2012-2013 and beyond

Business Opportunity	IFB Date	Estimate	CAT Chief
NCIRC FOC	3Q 2011 awar	ded <del>€ 32.4M</del>	Mr Frederic Jordan
POMLTS	4Q 2(pre-awarded	d stage <del>€ 47M</del>	Mr Malcolm Green
Afghanistan Mission Network 2012	2Q 2012	€ 29M	Ms Lillian Rossini
Public Key Infrastructure	2Q 2012	€ 9M	Mr Frederic Jordan
CISAF 13	3Q 2012	€ 410M	Mr Malcolm Green
New NATO HQ	2Q 2012	€ 75M	Dr Peter Lenk
Logistic Command & Control	2Q 2012	€ 32M	Dr Peter Lenk
NGCS IP Encrypted Network Services	3Q 2012 awar	ded € 11M	Mr Malcolm Green
Counter IED	3Q 2012	€ 15M	Ms Lillian Rossini
Core Information Services for Command and Control	1Q 2013 - 2020	€ 400M	Dr Peter Lenk
Future Maritime C2 Information Services	1Q 2013	€ 30M	Dr Peter Lenk
SATCOM (SPACE) post 2019	2013	€ 500M	Mr Malcolm Green
Cyber Defence Advanced Capabilities	2014	€ 40M	Mr Frederic Jordan
Total (estimated)		€ 1,551M	

<sup>\*</sup> Additional numerous, smaller business opportunities exist: up to additional ~30% budget

<sup>-</sup> for discussion in the breakout session -

#### How Do You Do Business with NATO?

- Patiently
- Starting small
- Thinking long-term
- Teaming with others
- Getting on the bidder's list
- Knowing your National delegation team
- Following the "Industry" section of NC3A website
- Follow NC3A on Twitter: NC3AAcquisition

#### **NATO Procurement Principles**

- Opportunities open to all NATO nations
- Have establish fair & reasonable prices
- Ensure the integrity of the procurement process by:
  - Following NATO and NC3A procurement procedures
  - Documenting and reporting on work performed
  - Expect scrutiny of NATO Committees and IBAN
- When bidding:
  - Read and follow the solicitation closely
  - "Procurement Approaches" affect bidding strategy – Best Value vs. lowest compliant, Spiral Development, Life Cycle
  - Don't be afraid to ask questions
  - Request debriefings

## NC3A Acquisition Roles

#### HOST Nation:

- for NATO Common Funded NATO Security investment Programme (NSIP)
- For NATO assigned a project with non NATO Nation

- Procurement Agent:
  - for other NATO Bodies
  - for other NATO Nations
  - for non NATO Nations



#### **NATO Procurement Procedures**

### Depends on Funding

- Investment Committee (NATO Security Investment Programme) funded
  - International Competitive Bidding Procedures, AC/4-D/2261, are the standard (1996)
  - Basic Ordering Agreement Procedures (2002)
  - Best Value Procedures (trial Jan 2004 approved July 2009)
  - Allied Operations and Missions (AOM) Procedures (July 2007), amended July 2011
  - Agency Internal Acquisition Management Directive
- Budget Committee funded
  - NATO Financial Regulations Method depends on value of procurement

# Types of Bidding Procedures

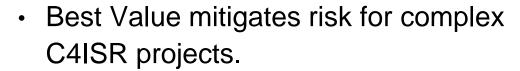
**Standard Procedure** International Governed by AC/4-D/2261 Competitive **Bidders nominated by Nations** Bid **Accelerated Procedure Applicable to COTS Supplies** Basic and Services Ordering **Bidders are limited to Firms** Agreement holding BOA with NC3A **Accelerated Procedure Applicable to Contracts** Allied supporting deployed NATO **Operations** Forces (ISAF/KFOR) and Missions May be ICB, BOA or **Combination (BOA+)** 

# Best Value Evaluation Methodology

 Aim: improve quality of source selection choice by evaluating several factors relating to overall value and quality of offer.

#### Definition:

"Award is made to bid offering best overall value, taking all factors into consideration (project management, technical, supportability, etc and price)."



IC approved procedure.

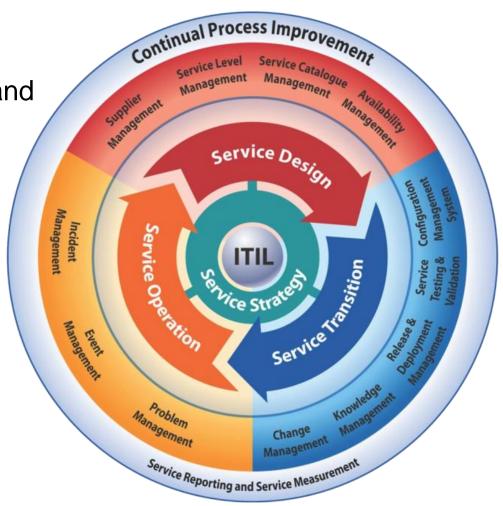


# Life Cycle Service Orientation

 Nations are concerned about Total Cost of Ownership.

 New NATO Communications and Information Agency will have full life-cycle responsibility.

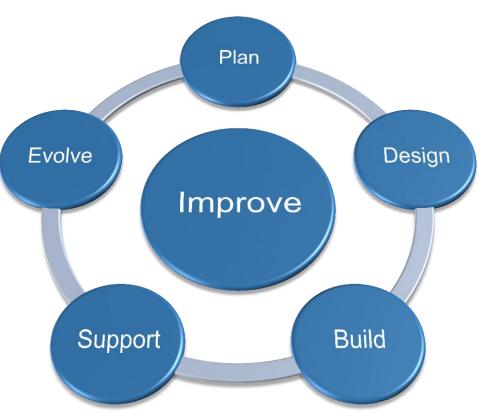
- Investment projects need to address what happens after installation.
- CIS capabilities also need to be evolutionary, not static.



## What this means for Industry

 Contracts will increasing include options for follow-on support and services.

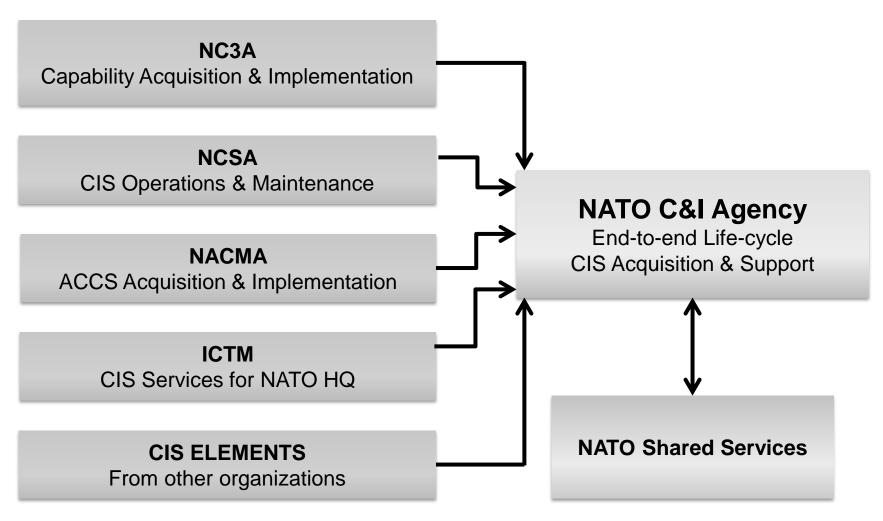
- Bidders will have opportunity to identify ways to achieve lower Total Cost of Ownership.
- Outsourcing will be increasingly considered as an alternative.
- Simplify dealing with NATO



# Legal Framework



# Agency Reform



### NC3A Contracts

- No change of legal personality.
- All NC3A contracts contain an <u>assignment clause</u> that allows the transfer of such contract to another NATO body.
- Companies will be notified about the name change.
- No other action will be needed by either party.



#### What is a BOA?

A BOA is a two-stage contracting procedure:

- Agreement on General Terms and Conditions.
- Contract execution of a firm order placed.

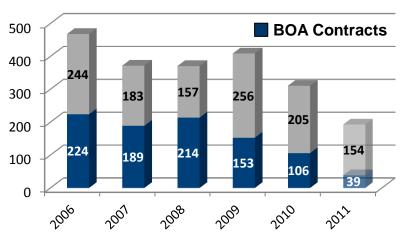


## BOA Program - NC3A's Role

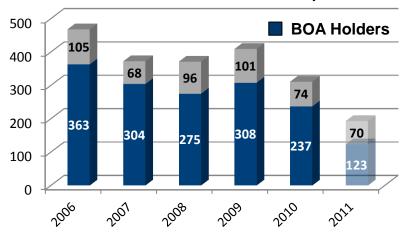
## NATO C3 Agency Role:

- Inform National Delegations to NATO and Companies of the BOA Programme upon request
- Invite National Delegations to solicit participation of their national industry
- Ensure that no eligible vendor is excluded from the possibility to negotiate a BOA with the NC3A
- Report quarterly status to the Nations

#### **BOA Contracts Competed**



**BOA Contract Holders Tend to Compete Better** 



# BOA Program - Nation's Role

## NATO Delegations Role:

- Encourage their national companies to participate in the BOA programme
- Certify that the nominated candidates are eligible for the types of business they are competing for by providing the Certificate of Eligibility

**744**BOA Holders

ALBANIA	1
BELGIUM	86
BULGARIA	7
CANADA	18
CROATIA	5
CZECH REPUBLIC	12
DENMARK	11
ESTONIA	2
FRANCE	33
GERMANY	62
GREECE	10
HUNGARY	11
ICELAND	1
ITALY	22
LATVIA	1
LITHUANIA	3
LUXEMBOURG	3
NETHERLANDS	72
NORWAY	17
POLAND	32
PORTUGAL	5
ROMANIA	5
SLOVAKIA	2
SLOVENIA	2
SPAIN	16
TURKEY	21
UNITED KINGDOM	160
UNITED STATES	124



# Follow "NC3AAcquisition" on Twitter

for

the latest Releases of ICB and BOA Competitions.

Notifications of Awarded Contracts

and Industry Events.

More information on the NC3A Website!

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#### NC3A Website



#### Opportunities for Industry

NC3A Industry

Customers ♥

Suppliers ♥

Contact

Search this site...

Suppliers ▶ Business Opportunities

#### **Business Opportunities**

The "NC3A Bidding Opportunities" page is for INFORMATION PURPOSES ONLY at this time. The Bulletin Board does not show all of the NC3A Bidding Opportunities. It will be further developed to incorporate the full range of Business Opportunities capabilities following completion of design, testing and implementation on the Web Site.

Notifications of Intent (NOIs) to Invite Bids will be progressively published on the Bulletin Board and available for download.

All Nominations in respect of **International Competitions** (i.e. Competitive Bidding and BOA Plus if not a BOA company) below must be processed by potential Bidders through their **National Authorities via their associated Delegation/Mission to NATO**, who will provide the requisite Certification of Eligibility (CoE) to NC3A enabling your Company to be added to the Bidders List.

Potential Bidders under BOA Programme are limited to BOA Registered Companies, having a signed and activated BOA. For more details visit the BOA information page.

Under the BOA Programme the Host Nation (NC3A) generates the Bidders List from the profile submitted by the Company but this Web Site will provide an opportunity for BOA Companies to check whether they appear on the Bidders List and to Register otherwise. BOA Companies on the original NC3A generated Bidders List will be notified electronically.

This section allows companies to review Bidding Opportunities with the NC3A and to apply for a BOA.

#### Quick Links

- Bulletin Board
- · Bulletin Board (RSS Feed)
- BOA Information Page

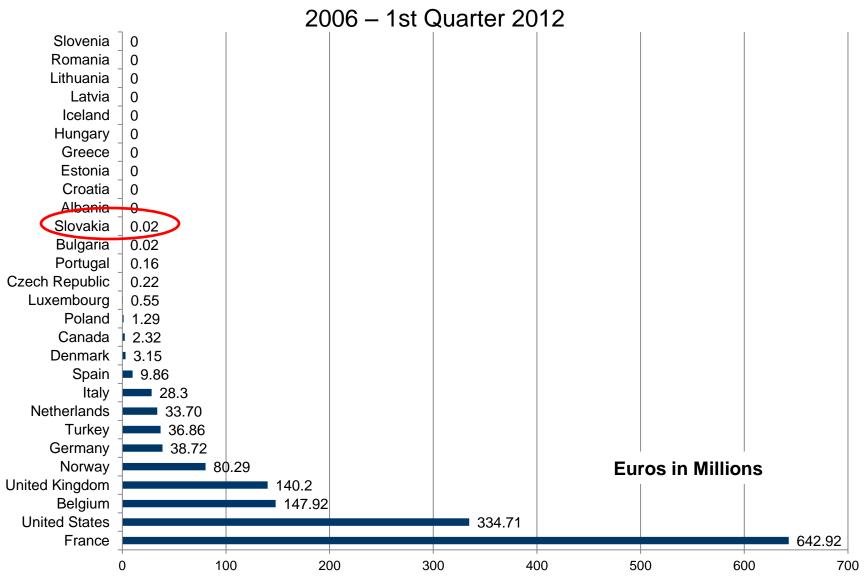
# Slovakia's Share of NC3A Business 2007-2012

- 1 contract awarded to Slovakian Industry through BOA Competition (24 KEUR).
- 5 Slovakian companies invited to bid on IFBs/RFQs.
- All 5 Slovakian companies received a total of 26 IFBs/RFQs, only 1 company submitted bids.
- For all 26 IFBs/RFQs a total of 2 bids were submitted, 1 successfully leading to contract award, 1 bid was noncompliant.
- In 22 cases no reply received from companies.
- In 1 case company declined to submit a bid.

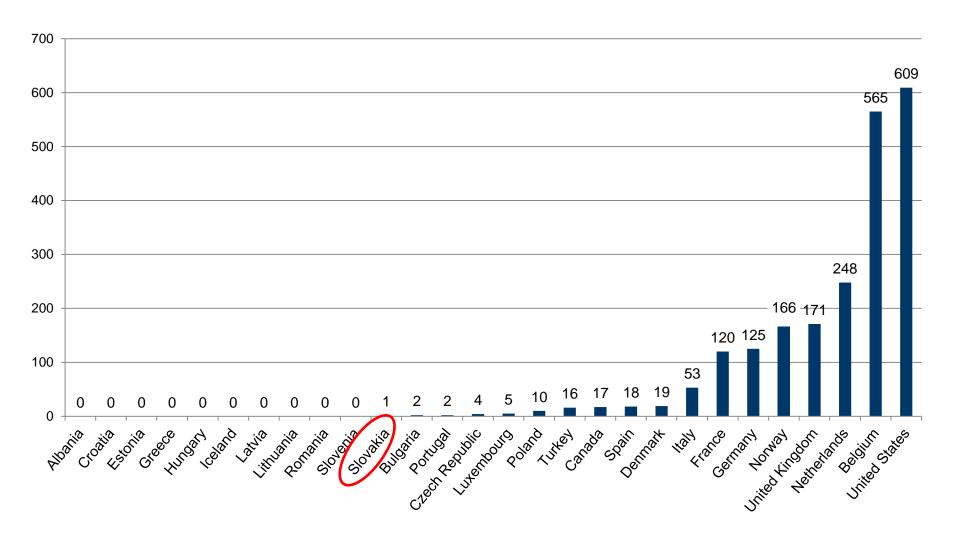
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NATO UNCLASSIFIED NATO C3 Agency

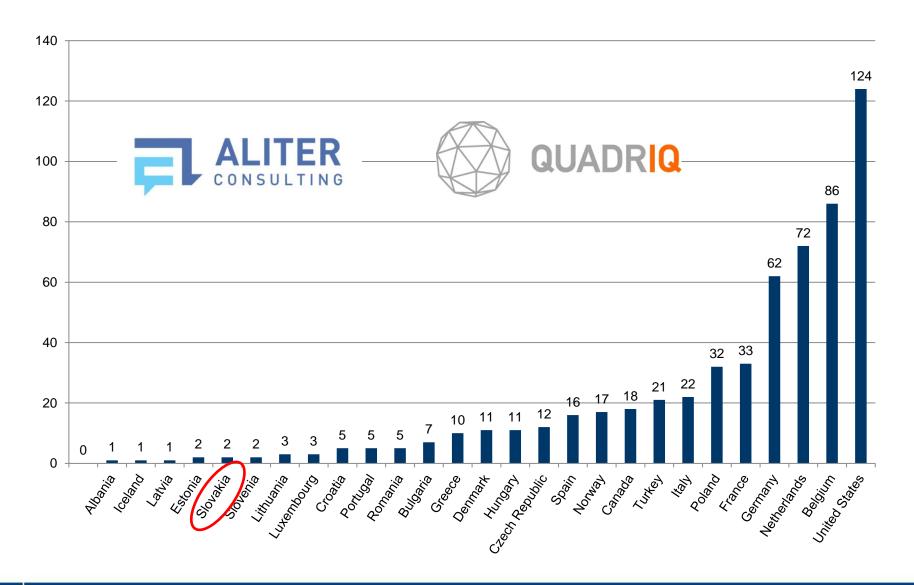
### **Total Value of NC3A Contracts**



# Number of NC3A Contracts with the Nations 2006 – 1st Quarter 2012



# **BOAs by Nation**





# THANK YOU Do you have any questions?





### Contact details

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## Contacting the NATO C3 Agency

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