



## **AUSTRALIAN INDUSTRY CAPABILITY (AIC) PLAN: GUIDELINES FOR SUPPLIERS**

**Document ID NAVALDOCS-901407152-211 / Version 3**

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## 1. Purpose

The purpose of this document is to provide industry stakeholders participating in the Future Submarine Program (FSP) with:

- a clear understanding of the FSP objectives and related definitions;
- the content requirements for Naval Group's suppliers' Australian Industry Capability (AIC) Plans; and
- the reporting requirements for suppliers' against their AIC Plans, including the development of Local Industry Activity (LIA) Description Sheets;

This document is relevant to current or potential Naval Group suppliers, as well as potential sub-suppliers.

## 2. FSP Objectives

The FSP aims to deliver to Australia a regionally superior submarine capability that provides the Commonwealth of Australia with enduring control over the operation and sustainment of the Future Submarine (FSM).

The objectives of the Australian Industry Program for the FSP (FSP Objectives) are to:

- develop and utilise Australian Industry in a manner consistent with achieving sovereignty; and
- maximise opportunities for the involvement of Australian Industry through all phases of the FSP without unduly compromising the Commonwealth's requirements relating to capability, cost and schedule.

The Commonwealth of Australia (CoA) defines sovereignty as having enduring control over the operation and sustainment of the whole warship, including the ability to upkeep, update and upgrade the whole warship in Australia. The Australian Government Department of Defence [2018 Defence Industrial Capability Plan](#) (section 1.15 to 1.17) provides further information on the intent and meaning of sovereignty.

## 3. Definitions

Term	Definition
<b>Australian Industry</b>	Is a collective term to describe Australian entities that are registered with an Australian Business Number (ABN), where the work is performed in Australia with Australian based employees. This includes Australian based subsidiaries of overseas companies/primes/original equipment manufacturers who are registered in Australia with an ABN and New Zealand entities where the work is performed in New Zealand with New Zealand based employees consistent with the Commonwealth's obligations under the Closer Economic Relationship agreement.
<b>Engineering Design Authority</b>	An organisation / individual with sufficient competency and authority to make engineering decisions and advise on the risk to technical integrity, particularly with respect to design changes, design certification and judgement of significance.
<b>GST</b>	Has the meaning given to it in <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Imported Content</b>	Is defined as the value of any supply, work or service which is either imported from or is undertaken/performed overseas (a country other

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<b>Term</b>	<b>Definition</b>
	than Australia or New Zealand).
<b>Indigenous Enterprise</b>	Is an organisation that is 50 percent or more Indigenous Australian owned that is operating as a business. Supply Nation is a membership body that validates and promotes Indigenous Australian enterprises.
<b>Local Industry Activity (LIA)</b>	Is defined as Australian industrial base work performed in Australia in support of the Future Submarine Program design, build or sustainment activities. LIAs directly create, enhance or maintain defence capability and are performed by Australian industry.
<b>Local Industry Activity Value (LIA Value)</b>	Is the dollar value (GST exclusive) of the LIA.
<b>Local Overheads Value</b>	Represents the dollar value (GST exclusive) of expenditure on custom duties, insurances, bank fees, software, computer and office supplies, infrastructure, corporate overheads and indirect goods and services within Australia. Any local expenditure that does not fall within the Local Industry Activity Value is classified as Local Overheads Value. This excludes any Imported Content.
<b>LIA Value Commitment</b>	Is the classification used to describe the LIA Value when there is a commitment made in a contract to Australian Industry to complete the scope of work.
<b>LIA Value Intention</b>	Is the classification used to describe the LIA Value when there is not yet a commitment made in contract, but the scope of work is intended to be awarded to Australian Industry, subject to further validations of capability or capacity, negotiations, procurement activities or capability development.
<b>RFx</b>	Is a term used to define an approach to the market where RF means Request For and x is a placeholder to be replaced with (I) Information, (P) Proposal, (Q) Quotation or (T) Tender as applicable.
<b>Small to Medium Enterprise (SME)</b>	Is a company with fewer than 200 full-time employees.

## 4. Suppliers AIC Plan

### 4.1. Overview

Flowing down the FSP Objectives to our supply chain is a key element of meeting Naval Group's own requirements to satisfy the FSP Objectives. Suppliers are required to submit an AIC Plan as part of the Naval Group procurement process for the FSP. The AIC Plans outline the supplier's strategies and plans to meet the FSP Objectives. LIA Description Sheets are complementary to AIC Plans and are used to define discrete scopes of work which are expected to be delivered by an Australian company, and describe the associated benefits to Australian Industry.

Suppliers are encouraged to submit a ***fit for purpose*** AIC Plan that is tailored to the value, scope, size and complexity of the contract they may be awarded. Naval Group acknowledges that supplier AIC Plans may vary depending on the potential scope of work (SOW). Some elements of proposed AIC Plan approaches may remain under development for a period of time (e.g. when and by what means an Australian entity will receive the transfer of capability). Where this is the case the supplier is requested to insert relevant commentary indicating what steps and in which timeframe they will be able to be more definitive about the aspects of the AIC Plan.

In accordance with Naval Group's standard terms and conditions a supplier's AIC Plan, as well as its LIA Description Sheets, are living documents that are required to be maintained and updated when relevant. As an example, AIC Plans are likely to require an update when the suppliers' strategies and plans to support the FSP Objectives have significantly progressed in maturity. Similarly, LIAs would be updated by suppliers when a contract variation which impacts the LIA Value has been executed, or when a contract with an Australian company has been executed, thus prompting a change in classification from LIA Value Intention to LIA Value Commitment (for further details, see Section 5 of this document).

Due to the importance of generating opportunities for Australian industry in the FSP, Naval Group analyses supplier AIC Plans as part of the procurement evaluation process to:

- assess the potential contribution of the suppliers toward achieving the FSP Objectives (either immediately or through the development of future capability);
- identify opportunities where Naval Group (or the CoA) might provide additional support to broader industry capability development; and
- inform the ongoing development of sovereignty requirements for FSM systems and sub-systems, taking into account the suppliers' experience in previous programs.

## 4.2. Scope

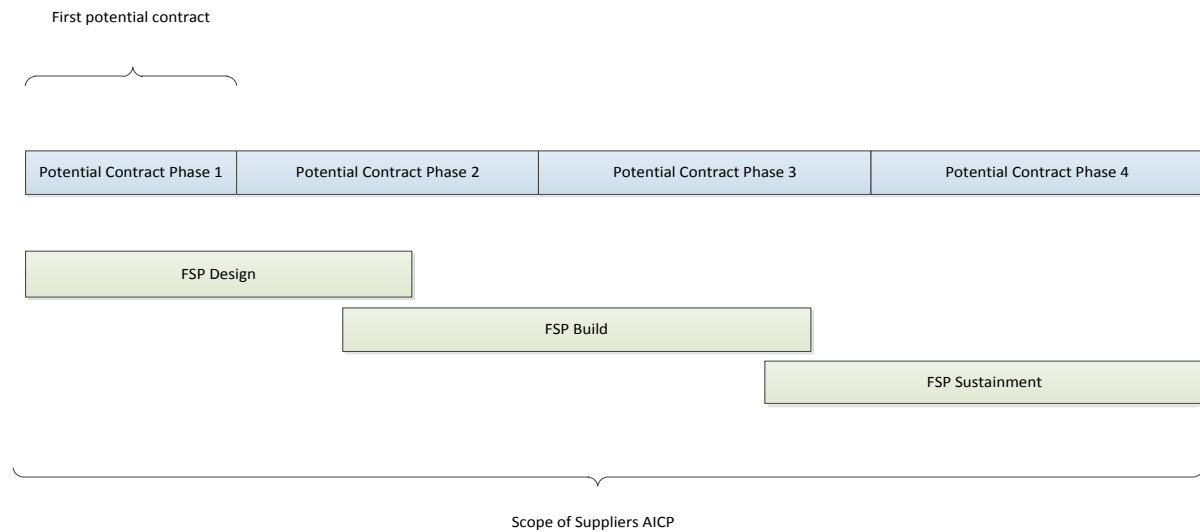
The scope of suppliers' AIC Plans include the supplier's proposed strategies and plans to maximise Australian industry involvement in all phases of the product or system lifecycle, as well as, describing how Australian capability to operate and sustain (upkeep, upgrade and update) that product or system will be established.

A supplier's AIC Plan has a much broader outlook than the initial RFx SOW, which may be for the more immediate phase of the product or system lifecycle (such as design). A suppliers' AIC Plan is enduring (with relevant evolution through updates) across all potential contract phases. This concept is shown in Figure 1.

Consistent with the FSP Objectives the scope of sustainment considerations must include:

- The capability to upkeep: Maintaining the product both at-sea, during operational activities and during planned maintenance periods;
- The capability to update: Changing the design without enhancing the capability (e.g. to manage obsolescence); and
- The capability to upgrade: Changing the design to enhance the capability.

Figure 1 – Scope of supplier's AIC Plan (example)



## 4.3. AIC Plan Governance

The supplier is required to submit its AIC Plan in Microsoft Word format (A4 or A3 only).

The supplier's AIC Plan must have a cover sheet which contains:

- the title 'Australian Industry Capability Plan';
- the title 'Future Submarine Program';
- supplier's name and logo;
- document control information including:
  - document number;
  - revision number;
  - prepared by;
  - reviewed by;

- approved by; and
- approval date.

#### **4.4. Expected Content**

This section provides the template and expected content guidelines for suppliers to utilise when preparing their AIC Plan.

##### **4.4.1. Organisational Capabilities**

The supplier provides an overview of its current capabilities in relation to the SOW and where those capabilities reside geographically (i.e. in which country and province/state).

##### **4.4.2. Industry Capabilities**

The supplier provides an overview of which industry capabilities do and do not exist within Australia in relation to the SOW.

This section aims at analysing the Australian industrial base, as opposed to the supplier's specific organisation. This overview not only demonstrates that the supplier has extensively researched the market and engaged with Australian industry to understand the current level of capability, but also provides the basis for proposed AIC options presented later in the AIC Plan.

Naval Group acknowledges that this analysis will be the result of a first assessment and will be refined as further market testing is conducted.

##### **4.4.3. Opportunities for Australian Industry**

The supplier provides an overview of:

- which elements of the scope of work the supplier proposes (or commits) to be undertaken by Australian industry based upon existing capabilities, and by which entity it will be undertaken (i.e. the supplier itself if Australian, an Australian subsidiary or broader Australian industry);
- where broader Australian industry is proposed to be engaged, how they were or will be chosen for market testing and subsequent evaluation and selection; and
- how the supplier proposes to engage with broader Australian industry, including whether it intends to:
  - utilise the Industry Capability Network (examples can be found at <http://www.NavalGroupFutureSubmarine.icn.org.au>); and
  - hold public industry briefings to inform any interested audience about opportunities in relation to the SOW.

##### **4.4.4. Australian Industry Capability Development**

The supplier describes their strategies and plans for developing Australian industry capability, including:

- outlining the elements of the SOW the supplier proposes to undertake or transition to Australia, through the development of capability and which Australian industry entities will be developed;
- describing the supplier's proposed approach to capability development (e.g. Transfer of capability from overseas to Australia, research & development in Australia or scaling-up of existing capability);
- outlining the commercial model to be adopted in relation to its proposed approach to develop capability in Australia (e.g. joint-venture, establishment of a subsidiary, sub-contracting agreement, etc.); and
- the timeframe for capability development activities.

###### **4.4.4.1. Transfer of Capability**

If the supplier's proposed approach to capability development includes the transfer of capabilities from overseas to Australia (often referred to as transfer of technology) the supplier provides within their AIC Plan:

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- how the transfer of capability will be managed (organisation and roadmap);
- which intellectual property the supplier proposes to provide the rights to and how it will be managed;
- how the build (manufacture) capability will be developed including:
  - the training to be delivered;
  - documentation to be delivered; and
  - special tools, test benches or special purpose facilities to be located in Australia.
- how the operate and sustain (upkeep) capability will be developed including:
  - training to be delivered;
  - documentation to be delivered; and
  - special tools, test benches or special purpose facilities to be located in Australia.
- the scope and capability development activities for the Engineering Design Authority (update and upgrade) in Australia including:
  - which knowledge will be transferred and how;
  - documentation to be delivered; and
  - special tools and test equipment and special purpose facilities.
- how the established Australian capability will be sustained including:
  - 'train the trainer' programs to be developed and implemented;
  - training documentation to be delivered; and
  - special tools or facilities for training (e.g. simulators, models etc.) to be located in Australia.

#### **4.4.5. Contributing to Sovereignty**

In collaboration with the CoA, Naval Group seeks suppliers' recommendations on what they believe will be required to achieve sovereignty in relation to the specified scope of work, based upon the supplier's own experience and expertise. Such recommendations should consider any stated minimum requirements for sovereignty provided in the RFX pack or Technical Specification.

For the elements of the specified scope of work which the supplier does not propose to undertake in, or transition to Australia, the supplier will provide a business justification for the position, including cost and schedule impacts together with alternative strategies to achieving sovereignty.

#### **4.4.6. Alternative AIC Options**

In addition to the supplier's preferred baseline option presented in their AIC Plan, the supplier must detail any identified alternative options for performing more work in Australia including any cost, capability or schedule impacts, as well as, potential sovereign sustainment and economic benefits (i.e. jobs created within Australia).

#### **4.4.7. Risk Analysis**

The supplier is required to undertake a risk assessment of their primary AIC option, identifying risks to schedule, quality, cost and achievement of the FSP Objectives, as well as, describe the associated risk mitigation options.

#### **4.4.8. Strategic Advantages**

The supplier must describe any identified strategic benefits for structuring linkages between FSP related work with other Australian Defence Force programs (e.g. shipbuilding programs and fleet sustainment contracts).

#### **4.4.9. Indigenous Procurement Policy**

The supplier must describe their plans to meet the CoA Indigenous Procurement Policy, available at [https://www.pmc.gov.au/sites/default/files/publications/indigenous\\_procurement\\_policy.pdf](https://www.pmc.gov.au/sites/default/files/publications/indigenous_procurement_policy.pdf)



#### **4.4.10. AIC Management, Monitoring and Reporting**

The supplier must describe their approach to managing and monitoring the implementation of their AIC Plan (considering requirements described in Section 7) including:

- the key point of contact and responsible person relating to management and implementation of the AIC Plan, including ongoing compliance to reporting and invoicing requirements; and
- what systems, processes and internal controls will be utilised to manage and monitor AIC activities.

#### **4.4.11. Local Industry Activities and Local Overheads**

The supplier must include:

- a pictorial overview of their proposed FSP supply chain;
- an executive summary of the Australian industry benefits (as described in the LIA Description Sheets) including workforce profile development;
- completed LIA Description Sheets (see section 5); and
- Local Overhead Value, which the supplier will have the opportunity to update if the contract price is still being negotiated at the time of initial submission.

#### **4.4.1. Compliance Matrix**

The supplier should include in their AIC Plan a compliance matrix against these Guidelines (section 4.3) to demonstrate coherence to the AIC Plan requirements.

#### 4.4.2. Public AIC Plan

The following template provides the minimum requirements for a public AIC Plan.

**Note: The public AIC Plan is designed to facilitate transparency and promote opportunities for Australian companies to compete on merit throughout the period of the Contract by publishing these opportunities through the Commonwealth's internet website.**

**This public AIC Plan section is not required at tender submission stage. This must be produced by the successful tenderer within 20 days of the AIC Plan being accepted by Naval Group, both initial and revised versions.**

**The public AIC Plan is to be approved by Naval Group and the Commonwealth prior to being published on a Commonwealth internet website.**

The public AIC Plan shall be written on a company letterhead, signed by a duly authorised officer of the supplier, and be presented in a format that can be published on a Commonwealth internet website. The public AIC Plan shall comply with the Commonwealth's adoption and implementation of Web Content Accessibility Guidelines.

The public AIC Plan shall include the following information, including using the same headings and structure:

**Company Details:**

Company Name  
Address / Location  
Website Details

**Executive Summary:**

Provide a high-level overview of the contract, including details relating to the major work packages to be performed by Australian industry. In particular, the executive summary shall include:

- the scope of the contract with Naval Group,
- the scope of work contracted to Australian industry including:
  - (i) the name and location of the Australian company and the work they have been contracted to perform;
  - (ii) location of the work to be performed; and
  - (iii) additional details if an Indigenous enterprise or a Small Medium Enterprise is within the supply chain.
- training and initiatives offered to Australian industry under the contract (i.e. training courses, sponsorship at trade shows and exhibitions, export facilitation etc.).

**Scope of Future Work Opportunities:**

Briefly describe the future opportunities that exist for Australian industry to bid for additional work directly or indirectly relating to the contract scope of work including:

- the major equipment systems or services that will be sought;
- the address/location(s) where it is desirable for this work to be performed; and
- opportunities for Australian Industry to be involved in new innovations and/or research and development opportunities.

**Future Opportunities Industry Engagement:**

Briefly describe the process to be followed to engage Australian industry in future work opportunities, including:

- how these will be advertised (i.e. through the use of supplier advocates, professional networks, business access arrangements or similar);
- how Australian Industry will be evaluated for supplier/subcontractor selection; and
- indicative timeframes for engagement of subcontractors.

For future work opportunities, provide sufficient details that will enable Australian Industry to contact the appropriate representative from within the company in order to register their interest.

Signature block of supplier duly authorised officer.

## 5. Overview - Local Industry Activities

LIA Description Sheets are required for each scope of work identified to be undertaken by an Australian company. They form part of the overall FSP framework for AIC reporting.

In the context of the FSP, and as defined in section 3 of this document, two classifications are used for LIAs: **LIA Value Intention** and **LIA Value Commitment**.

Depending on their situation, suppliers may generate LIA Description Sheets that are initially classified as **LIA Value Intention**. This signifies that despite their intention to engage an Australian supplier for a scope of work that is likely to translate into a contract commitment later, this intention has elements that remain subject to further validations (e.g. capability and capacity, commercial negotiations, procurement activities or capability development). LIA Value Intentions are later updated to become LIA Value Commitments, when a contract is executed with the Australian supplier.

In other instances, suppliers may generate LIAs which are directly classified as **LIA Value Commitment**. This will be the case when suppliers execute contracts with Naval Group and Australian Industry concurrently.

While some LIA Description Sheets will be delivered as part of the supplier's initial AIC Plan, others may need to be generated later when the maturity of the supplier's strategies and plans have progressed.

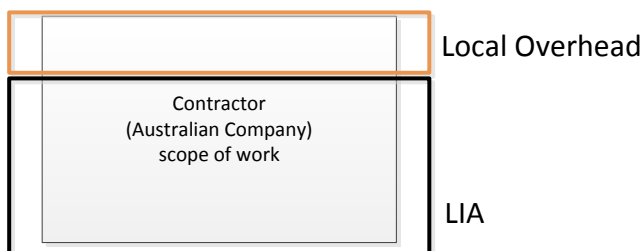
In addition to providing LIA Description Sheets, suppliers are required to identify the portion of their contract price that is Local Overheads Value, as defined in section 3 of this document, noting that LIA Values are exclusive of Local Overheads Values.

The mandatory LIA Description Sheet template is contained in Attachment 1 of this document.

### 5.1. Local Industry Activity – Description Sheets

Despite the unique situation of each supplier, below are some typical examples to assist in understanding when LIA Description Sheets are required.

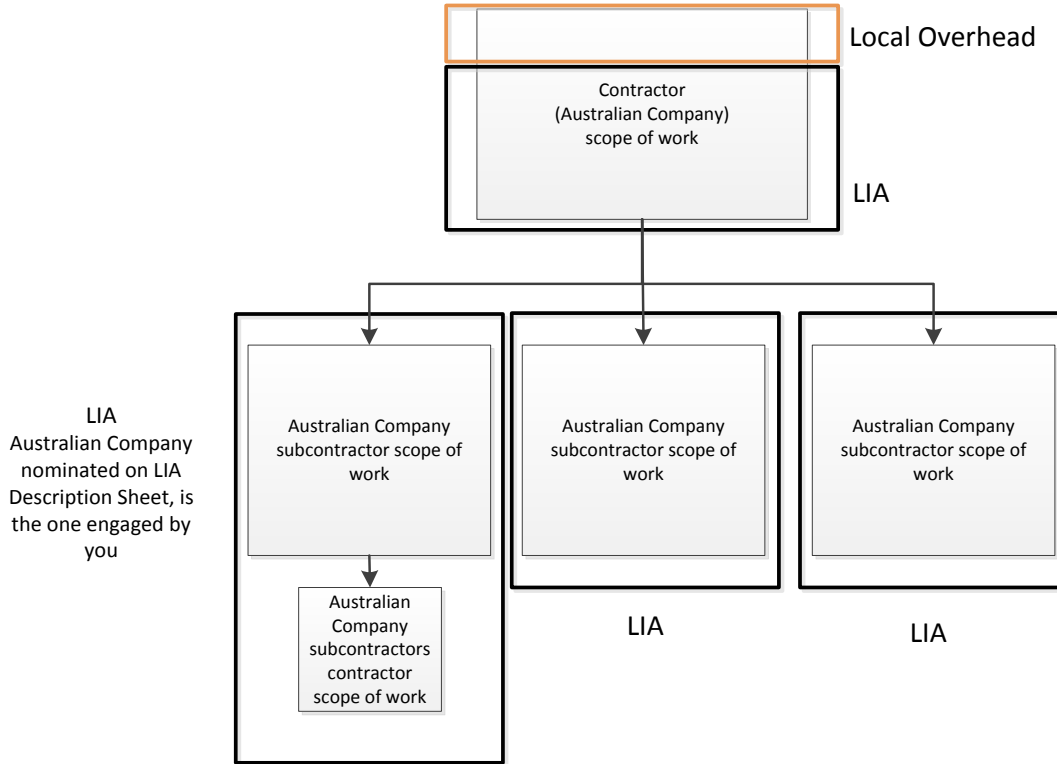
**Example 1:** I am an Australian Supplier and will be undertaking all of the SOW requirements myself.



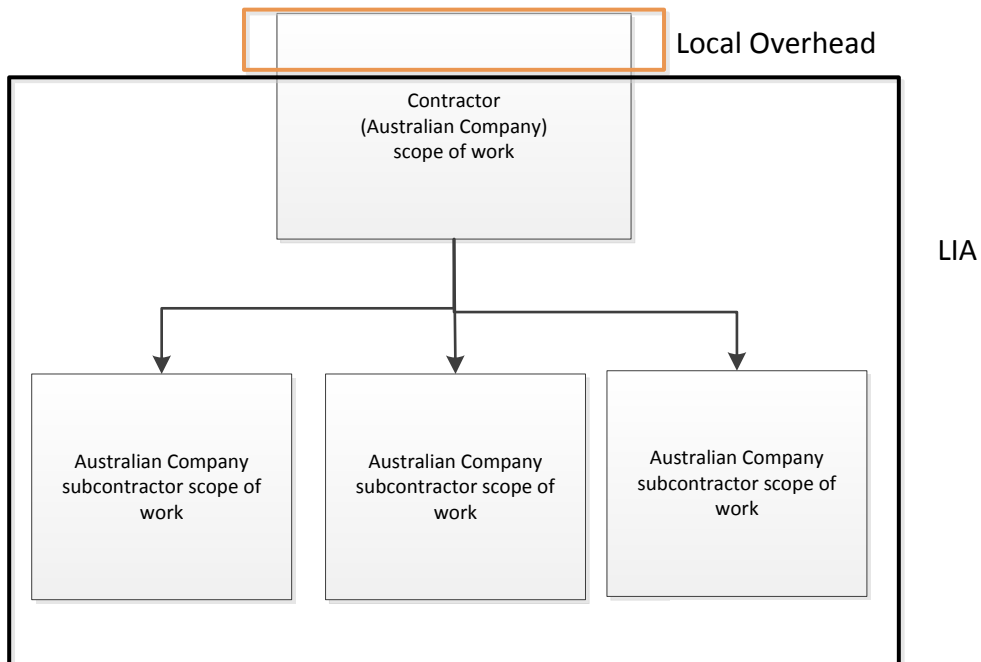
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**Example 2:** I am an Australian supplier with a contract value over \$5M. I will be completing some of the SOW myself and will have three other Australian subcontractors delivering elements of the SOW. At least one of my Australian subcontractors will be further subcontracting out elements of the SOW.

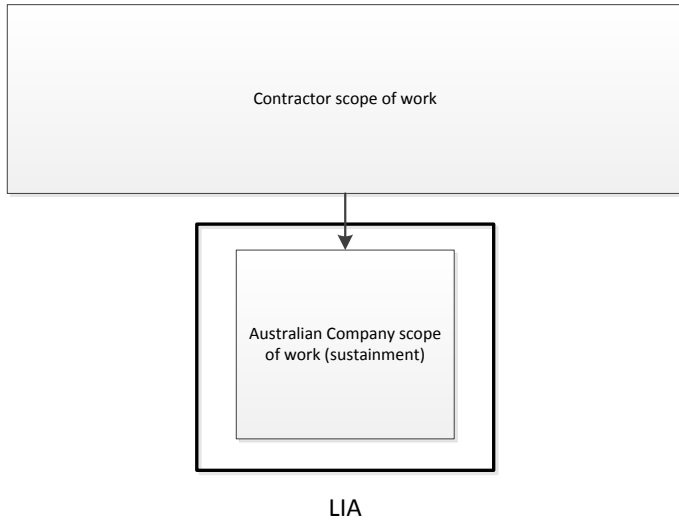


**Example 3:** I am an Australian supplier with a contract value under \$5M. I will be completing some of the SOW myself and have three other Australian subcontractors delivering elements of the SOW.

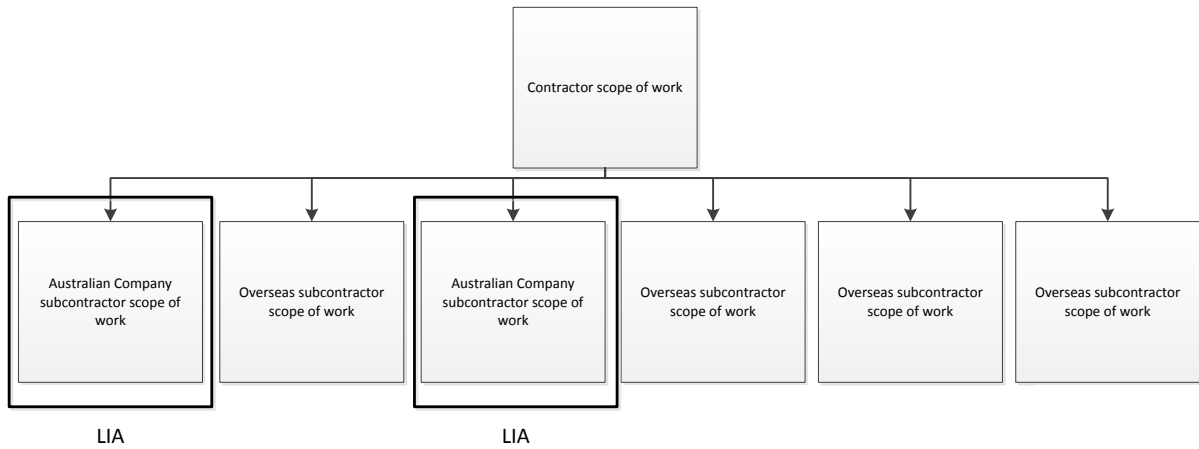


Because the contract value is under \$5M and is being completed fully by Australian companies, you are only required to complete one LIA Description Sheet which covers the full scope of the contract.

**Example 4:** I am an overseas supplier. Most of the scope of work will be completed overseas by us except sustainment activities, which will be undertaken by an Australian partner.

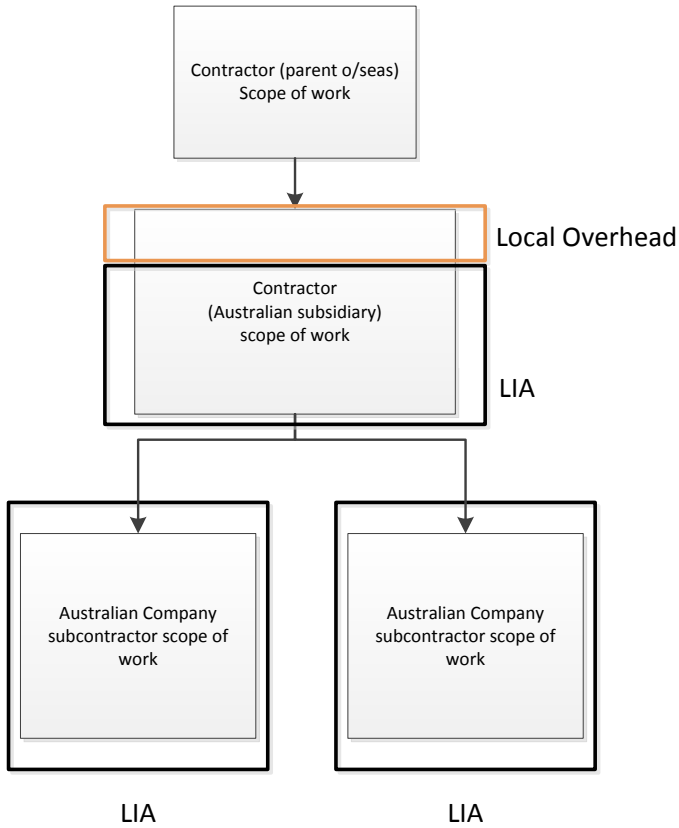


**Example 5:** I am an overseas supplier. There will be six sub-contractors in my supply chain contributing to the SOW requirements, from which two are Australian companies.

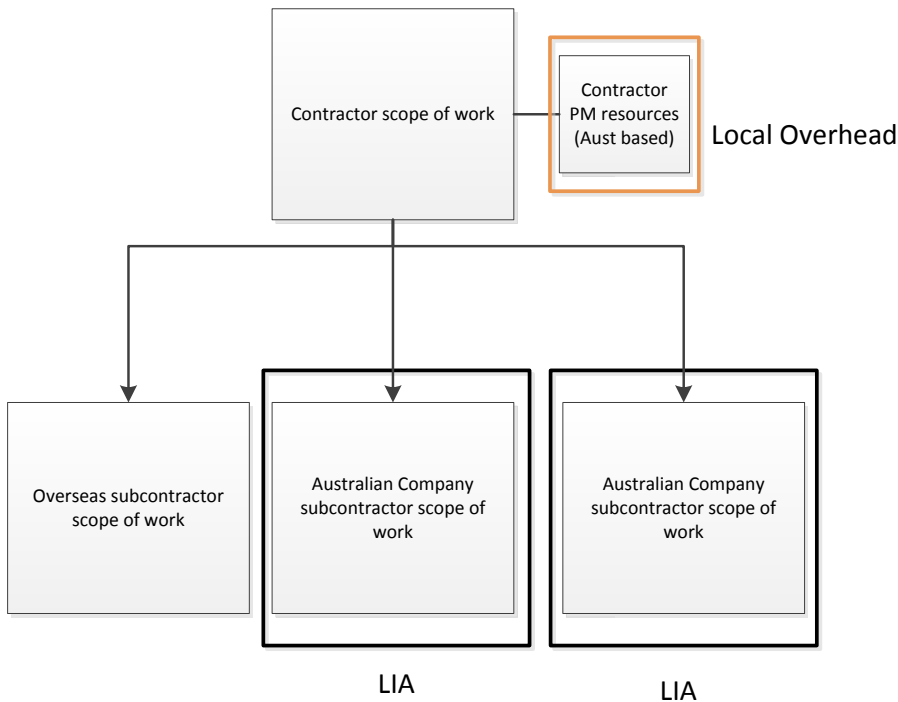


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**Example 6:** I am an overseas supplier with a subsidiary in Australia. Both the overseas parent company and the Australian subsidiary will be completing elements of the SOW, as well as two Australian subcontractors who will be engaged by the subsidiary.



**Example 7:** I am an overseas supplier, I will be placing three project management resources in an office in Adelaide to manage our Australian subcontractors and will have two Australian subcontractors.



## **6. AIC Plan Monitoring, Verification and Reporting**

As part of the overall FSP AIC reporting, verification and monitoring framework, suppliers will be required to:

- update their AIC Plans;
- update LIA Description Sheets to reflect:
  - LIA Value Intentions becoming LIA Value Commitments; and
  - executed contract variations (changes to contract price, which subsequently increase or decrease the value of an LIA);
- provide an AIC breakdown on invoices submitted;
- incorporate updates on the supplier's progress against their AIC Plan into regular contract performance reports and meetings;
- nominate a key point of contact for all AIC related matters;
- provide access to all relevant data at its origin to verify the supplier's achievement against their AIC Plans; and
- provide working level planning documents relating to the execution activities for capability development.

**6.1. Invoices**

Supplier invoices must incorporate an AIC breakdown, without diminishing the ordinary content of the invoice. The AIC breakdown is intended to provide Naval Group with information required for its own reporting obligations, as well as, a means for monitoring the supplier's progress and performance against its own AICP. The required details are provided in the following example.

# TAX INVOICE

Date: [Click to select date]  
TAX INVOICE # [No.]

Bill To	[Name]	Ship To	[Name]
	[Company Name]		[Company Name]
	[Street Address]		[Street Address]
	[City, ST ZIP Code]		[City, ST ZIP Code]
	[Phone]		[Phone]
	Customer ID [ABC12345]		Customer ID [ABC12345]

Purchase Order #	Shipping Method	Shipping Terms	Delivery Date	Payment Terms	Due Date

Qty	Item #	Description	Line Total
1	Services	Completion of Project Milestone 4	\$200,000
100	Pipe 10mm	Pipe as per specification 1234	\$140,000
1	Services	Pipe transport and storage	\$10,000
Subtotal			350,000
GST			35,000
Total Including GST			385,000

[Your Company Name] , [City, ST ZIP Code] Phone [phone] Fax [fax]

<b>AIC Invoice Breakdown</b>	
Local Overhead	\$30,000
LIA Value	\$180,000
Imported Content	\$140,000
<b>Total</b>	<b>\$350,000</b>

The AIC Invoice Breakdown can be provided as an attachment to or image on the tax invoice. It should not diminish the ordinary content of an invoice.

The total amount of the AIC breakdown must equal the GST exclusive total.

In this example the pipe was sourced from overseas.

The Services enhanced a defence capability and were completed by an Australian Company (LIA).



## 7. Local Industry Activity Description Sheets Template

<b>LIA Serial Number:</b>	Click here to enter text.												
<b>LIA Title:</b>	Click here to enter text.												
<b>Supplier:</b>	Click here to enter text. Click here to enter text.												
<b>Australian Company:</b>	<p>Company Name: Click here to enter text. Click here to enter text.</p> <p>ABN: Click here to enter text.</p> <p>Small to Medium Enterprise: Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Indigenous Business Enterprise: Yes <input type="checkbox"/> No <input type="checkbox"/></p>												
<b>Contract Number:</b>	Click here to enter text.												
<b>Work Package Identification:</b>	Click here to enter text. Click here to enter text.												
<b>Work Package Scope (Short description only)</b>	Click here to enter text.												
<b>Local Industry Activity Value (\$AUS)</b>	<table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr style="background-color: #e1eef6;"> <th colspan="3">LIA Value (\$)</th> </tr> </thead> <tbody> <tr> <td style="width: 5%;">A</td> <td style="width: 45%;">LIA Value Intention</td> <td style="width: 50%;">Click here to enter text.</td> </tr> <tr> <td>B</td> <td>LIA Value Commitment</td> <td>Click here to enter text.</td> </tr> <tr> <td>C</td> <td>LIA Value ( A + B )</td> <td>Click here to enter text.</td> </tr> </tbody> </table> <p>If some or all of the LIA Value is an intention, provide a description of the basis of estimate for the value, any assumptions and activities to occur prior to it becoming a commitment in Contract with an Australian Company. Click here to enter text.</p>	LIA Value (\$)			A	LIA Value Intention	Click here to enter text.	B	LIA Value Commitment	Click here to enter text.	C	LIA Value ( A + B )	Click here to enter text.
LIA Value (\$)													
A	LIA Value Intention	Click here to enter text.											
B	LIA Value Commitment	Click here to enter text.											
C	LIA Value ( A + B )	Click here to enter text.											
<b>Location</b>	<p>Australian State/Territory the LIA is being performed: Choose an item.</p> <p>Postcode: Click here to enter text.</p>												

<b>D</b>	<b>Industry Requirement(s)</b>	<p>Identify how the Industry Requirements are addressed by this LIA. Click here to enter text.</p> <p>Identify which Department of Defence Priority Industry Capabilities (PICs) are applicable to this LIA:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Acoustic Technologies and Systems</li> <li><input type="checkbox"/> Anti-Tampering Capabilities</li> <li><input type="checkbox"/> Combat Uniform and Personal Equipment</li> <li><input type="checkbox"/> Electronic Warfare</li> <li><input type="checkbox"/> High-end' System and 'System of Systems' Integration</li> <li><input type="checkbox"/> High Frequency and Phased Array Radars</li> <li><input type="checkbox"/> Infantry Weapons and Remote Weapons Stations</li> <li><input type="checkbox"/> In-Service Support of Collins class submarine Combat Systems</li> <li><input type="checkbox"/> Ship Dry Docking Facilities and Common User Facilities</li> <li><input type="checkbox"/> Signature Management</li> <li><input type="checkbox"/> Through-life and Real-Time Support of Mission-Critical and Safety-Critical Software</li> <li><input type="checkbox"/> None applicable</li> </ul> <p>Identify which Department of Defence Strategic Industry Capabilities (SICs) are applicable to this LIA:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Composite and Exotic Materials</li> <li><input type="checkbox"/> Elements of National Infrastructure</li> <li><input type="checkbox"/> Geospatial Information and Systems</li> </ul>
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**AUSTRALIAN INDUSTRY CAPABILITY (AIC) PLAN:  
GUIDELINES FOR SUPPLIERS**

Document ID NAVALDOCS-901407152-211 / Version 3

		<input type="checkbox"/> Guided Weapons <input type="checkbox"/> Naval Shipbuilding <input type="checkbox"/> Protection of Networks, Computers and Communications <input type="checkbox"/> Repair and Maintenance of Specialist Airborne Early Warning and Control Systems <input type="checkbox"/> Repair, Maintenance and Upgrading of Armoured Vehicles <input type="checkbox"/> Repair, Maintenance and Upgrading of Aircraft (including Helicopters) <input type="checkbox"/> Secure Test Facilities and Rest Ranges <input type="checkbox"/> Systems Assurance <input type="checkbox"/> System Life Cycle Management <input type="checkbox"/> None Applicable
<b>E</b>	<b>Benefit(s)</b>	<p>Describe the benefits of the LIA to the Australian company undertaking the LIA in terms of the following:</p> <ol style="list-style-type: none"> <li>a. the significance of the work that the LIA will contribute to the Contract;</li> <li>b. the skills and knowledge that will be transferred, improved, created or sustained in the Australian company, including how these skills and knowledge will be developed, shared, maintained and retained by the company beyond the life of the LIA contracted activity;</li> <li>c. the new technologies or innovations that will be introduced or will result from the LIA;</li> <li>d. the contribution to the Australian company's future competitiveness;</li> <li>e. training to be provided including mentoring, up-skilling and trade training sponsorship; and</li> <li>f. the impact the work will have on the workforce profile of the Australian company.</li> </ol> <p>Describe the benefits of the LIA to the Australian company in terms of broadened global supply chains that the Australian Company will now access from the supplier that it did not previously access.</p> <p>Describe the options (if any) that the Supplier had to perform the scope of work covered by the LIA outside of Australia including any price difference (increase or decrease) when comparing Australian to overseas performance.</p>
<b>F</b>	<b>Details of Prime/ Subcontractor Relationship</b>	Provide details of the relationship with the party/subcontractor selected to deliver the LIA (eg. number of projects/contracts, length of commercial partnering, success stories, status of MoUs, teaming agreements, status of Technical Assistance Agreements (TAAs) and Non-Disclosure Agreements (NDAs)).
<b>G</b>	<b>Intellectual Property and Technical Data Arrangements</b>	Identify Technical Data and the associated Intellectual Property rights required to be provided to Australian industry for the delivery of the LIA.
<b>H</b>	<b>Approvals</b>	Provide details of all actions, processes, accreditations and approvals required (e.g.. International Traffic in Arms Regulations, import controls, security and facility clearances etc.) or to be performed (including timing), and by whom, that will enable Australian industry to deliver this LIA.
<b>I</b>	<b>Risks</b>	Identify all risks known to potentially impact upon the delivery of this LIA.

## 8. Industry Capability Network

# Industry Capability Network Overview



The Industry Capability Network (ICN) connects suppliers with project proponents and procurement managers across Australia and New Zealand. A national network with offices in all States, Territories & NZ, ICN has about 60 consultants nationally - professional staff with skills in engineering, manufacturing, procurement and technical sales.

**ICN facilitates local industry participation in major projects and operations by increasing the visibility of local suppliers to buyers for those major projects:**

➤ ICN puts suppliers in touch with opportunities.

➤ ICN saves buyers time and money by using the ICN Gateway to research and identify Australian companies capable of supplying specified goods or services.

ICN Gateway is at the heart of ICN business. It provides a pivotal link between major project requirements and the best suppliers. Over 70,000 companies are listed with ICN nationally.

Currently there are over \$400 billion worth of opportunities listed. When ICN staff carry out vendor capability searches on behalf of their clients, they use the Gateway database as their main tool.

For project proponents, a dedicated ICN Gateway portal can be provided at any stage of a project, including the feasibility stage. Work packages would be listed on the ICN Gateway to enable suppliers to express their interest.

A checklist or questionnaire can be included with work packages and can be made mandatory for suppliers to fill out before they submit an expression of interest in work packages, which can assist with a prequalification process.

If project proponents prefer not to have a public presence, ICN can also interrogate its database and match them up with local companies that are capable of supplying the goods or services they require.

ICN also facilitates joint ventures, partnerships and technology transfers by identifying potential local partners.

In South Australia, ICN services are subsidised by the State Government, and are currently free of charge to project proponents. Foreign companies are charged a fee to register as a supplier but there is no charge to establish a presence as a project proponent.

Naval Group in Australia and LMA are using ICN and the ICN Gateway to engage with Australian Industry in the context of the Future Submarine program with a single point of contact:

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**70,000+**  
**companies are**  
**listed with ICN**  
**nationally.**

[icngateway.com.au](http://icngateway.com.au)



Government of South Australia  
Department for Industry and Skills