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File No. - N° de dossier 002ngf.EN578-183325	CCC No./N° CCC - FMS No./N° VME
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Amendment 001

This Amendment 001 is raised to publish the presentations that were delivered by the Government of Canada at the Future Fighter Capability Project Regional Forums in select cities across Canada from April 23, 2018 to May 1, 2018.

All other information remains the same.



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FFCP PCFAC

Future Fighter Regional Forums

Economic Benefits Engagement

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Canada

OUTLINE

1. Industrial and Technological Benefits Policy
2. Future Fleet: The Opportunity
3. Market Analysis
4. Draft Value Proposition Approach
 - Strategic Objective
 - Pillars
5. Key Tips & Advice
6. Next Steps
7. Contact Information
8. Annex A – Market Analysis
9. Annex B – Workshop Questions

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DISCLAIMER



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PURPOSE



Canada's **Industrial and Technological Benefits Policy** will apply to the **acquisition** and **sustainment** of the future fighter fleet

- The overall purpose of the Future Fighter Regional Forums is to **inform Canadian stakeholders** of our **economic benefits approach** for the **Future Fighter Capability Project (FFCP)**
- This information is important to for helping **Canadian industry** prepare **partnering strategies with potential bidders** on the FFCP
- Feedback from Canadian industry is an important aspect of refining our Value Proposition for economic benefits, and **we are looking to hear your views**
- This presentation will provide an overview of our approach, and **provide questions for discussion** related to our:
 - Value Proposition Pillars
 - Focus Areas

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DEFENCE PROCUREMENT IN CANADA

CAPABILITY

ECONOMIC BENEFITS

COST



Department of National Defence

Determines Canada's technical requirements and specifications for the platform or service being procured

Innovation, Science and Economic Development

Determines Canada's requirements for economic benefits to create jobs and economic growth in Canada, through the **Industrial and Technological Benefits Policy**

Public Services and Procurement Canada

Acts as the contracting authority and handles the costing, development, and payment of contracts and agreements

THE INDUSTRIAL AND TECHNOLOGICAL BENEFITS POLICY





Companies awarded defence procurement contracts are required to undertake business activity in Canada equal to the value of the contract

OBJECTIVES OF THE POLICY	WHEN DOES IT APPLY?
<ul style="list-style-type: none">Support the long-term sustainability and growth of Canada's aerospace and defence sectorsSupport the growth of prime contractors and suppliers in Canada, including small and medium-sized enterprises in all regions of the countryEnhance innovation through R&D in CanadaIncrease the export potential of Canadian-based firms	<ul style="list-style-type: none">All eligible defence and Canadian Coast Guard procurements over \$100 million and for which the National Security Exception appliesAll eligible defence procurements with contract values between \$20–100 million will be reviewed for the application of the ITB Policy

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THE ITB POLICY: BUSINESS ACTIVITIES

The bidder undertakes **business activities (called transactions)** to fulfill the ITB Obligation ;
Measured in **Canadian Content Value (CCV)**

TRANSACTION TYPES			
DIRECT		INDIRECT	
A business activity directly related to the equipment or services being procured, e.g. platform components, and sustainment activities		Strategic investments or business activities in other areas, e.g. Research & development, capacity and skills improvement, commercial sector work, exports	
	Transaction: Production of tank drive sprockets for Canada's new fleet		Transaction: Research investment in small satellite technology
	Transaction: Engine maintenance for Canada's military transport aircraft fleet		Transaction: Supply chain work on commercial aero platforms

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THE VALUE PROPOSITION



WHAT IS THE VP?

A bidder's **economic proposal to Canada** under the Industrial and Technological Benefits Policy

Includes **mandatory and rated and weighted ITB elements**. Part of contractor selection along with technical and cost elements

Contains plans, commitments, and **identified business activities (direct and indirect)**

HOW IS IT DEVELOPED?

VP Objectives and target areas (Pillars) are developed based on the project through:

1. **Collection, collation, and analysis of high quality data** and research by ISED analysts
2. **Engagement with Canadian industry and potential bidders** to inform and validate the objectives and feasibility
3. **Support from Third Party expertise** to provide strategic insight on international sectoral trends

HOW DOES THE ITB POLICY BENEFIT CANADA?

Leverages High Value Investments

- Criteria tailored to each project
- Weighted factor in evaluation
- Supports leading Canadian industrial capabilities, and emerging technology areas

Reinforces Government Policies

- Reinforces government policies such as Canada's Innovation and Skills Plan, and Strong, Secure, Engaged: Canada's Defence Policy

Results have included
**aerospace and defence
sector growth and major
spill-over benefits** to the
broader economy

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ITB PORTFOLIO
at a glance

1986 – 2016

137

Contracts

\$41 B

in Obligations

\$9.3 B

Activities in
Progress

\$3.8 B

Future work
opportunities

FUTURE FIGHTER THE OPPORTUNITY



Position Canada's aerospace and defence sectors for ***success over the next several decades***

88 Advanced Fighter Aircraft

Largest RCAF procurement in over thirty years

Jobs, Innovation, Skills, and Exports

Opportunity to create high-quality jobs in aerospace and defence, generate innovative technology, and grow exports

30+ Year Service-Life

Fleet service life over next several decades and potentially beyond requires a long-term strategy for sustainment

Canadian Capability for Sustainment

Canadian aerospace and defence industries have developed leading capabilities, and are well positioned for in-service support and training & simulation



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MARKET ANALYSIS AEROSPACE

Canada's aerospace industry is a global leader, and contributes nearly \$27.7 billion to GDP, and 208,000 jobs across Canada

- **Aerospace Maintenance, Repair and Overhaul** contributes **\$9.3 billion** to GDP
- Accounted for close to **30% of total manufacturing sector R&D** investments, totalling **\$1.6 billion** in 2016
- **Close to 80%** of Canadian aerospace manufacturing is exported
- **Small and medium enterprises (SMEs)** are key supply chain partners, and employ 17% of the industry's workforce. **Women capture close to 20%** of the total aerospace manufacturing workforce, including 10% of STEM jobs

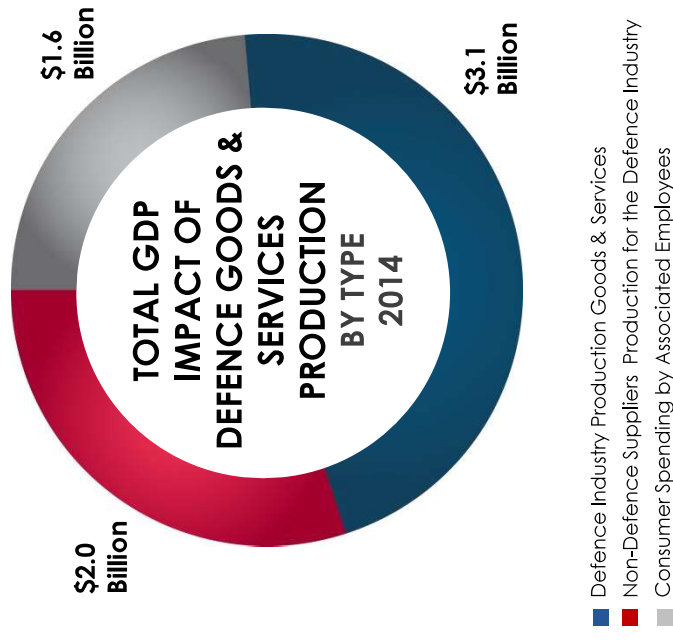
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MARKET ANALYSIS DEFENCE INDUSTRY

Canada's defence industry
contributes **\$6.7 billion to GDP**, and
63,000 jobs across Canada

- Strong connections with aerospace, with **47% of total defence sales** related to air and space platforms
- **STEM-related** positions account for **over 30%** of the defence industry's **direct employment**
- **Close to 60%** of defence sales were exports, accounting for **\$6 billion** in sales in 2014
- **Small and medium enterprises (SMES)** are key supply chain partners, and employ 24% of the industry's workforce



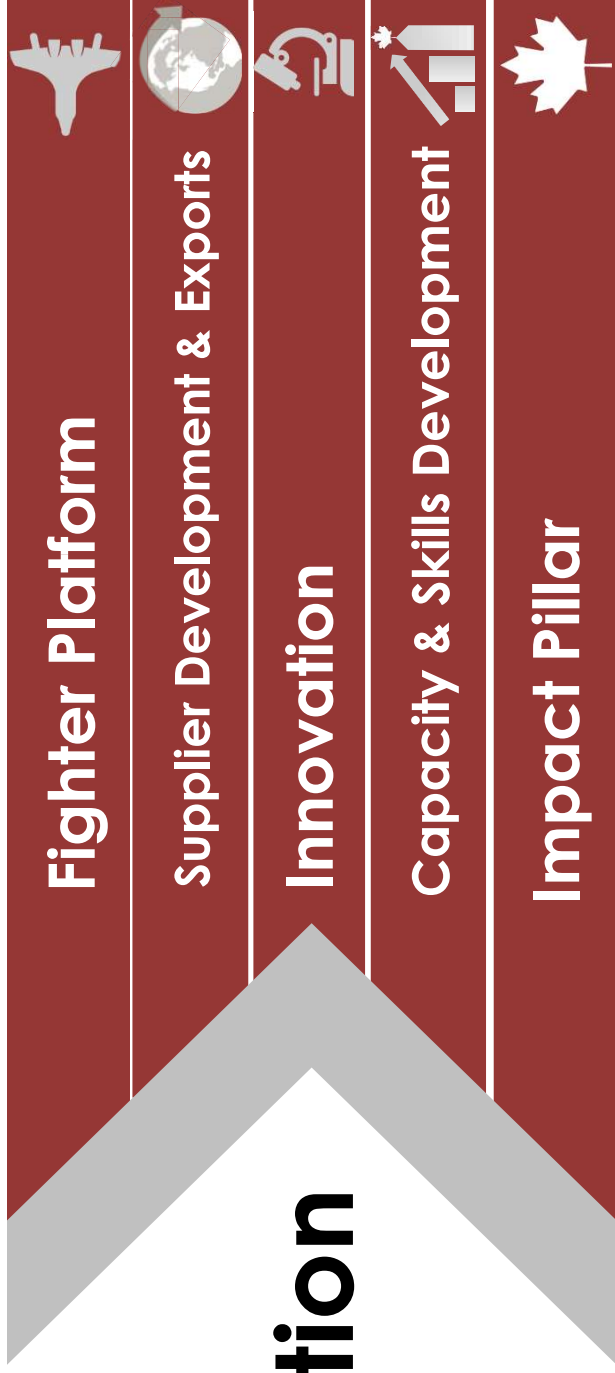
Based on results the Statistics Canada "Canadian Defence, Aerospace and Commercial and Civil Marine Sectors Survey 2014" (Released 2016), Statistics Canada Input-Output multipliers and ISD modelling.

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VALUE PROPOSITION STRATEGIC OBJECTIVE

Leverage Canada's significant **aerospace and defence** capabilities to **maximize Canadian industry's involvement in global supply chains** and the **sustainment of the future fleet**; **support supplier & skills development**, **build export capacity**, and **invest in innovation**.

Value Proposition Pillars



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FIGHTER PLATFORM



OBJECTIVE

- **In-country, Canadian sustainment solution** that leverages our leading industrial capabilities, and ensures a **strong role for Canadian industry**
- Potential **production opportunities** related to the aircraft

DESIRED OUTCOMES

- Maximize world-class Canadian capability for fighter sustainment
- Production of some fighter platform components & systems

FOCUS AREAS

- **In-Service Support** (e.g. Airframe, engine, mission systems, avionics, fleet management)
- **Training & Simulation**
- **Aerospace Systems & Components**

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SUPPLIER DEVELOPMENT & EXPORTS



OBJECTIVE

Strategic work packages for Canadian industry in other areas of **global aerospace and defence**, including **world product mandates for export**

DESIRED OUTCOMES

- Continuous, high-value work for Canadian industry over the long-term
- More globally competitive, efficient, and innovative Canadian supply chain participants, including potential minimum investments of 15% into SMEs
- High-quality exports, including world product mandates for components and systems on commercial and defence platforms, as well as participation in developmental projects

FOCUS AREAS

- **Aerospace Systems & Components**
- **Space Systems**

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OBJECTIVE

Drive leading-edge, **collaborative R&D** with Canadian industry, research organizations and academic institutions, and **commercialization** of innovative technology

DESIRED OUTCOMES

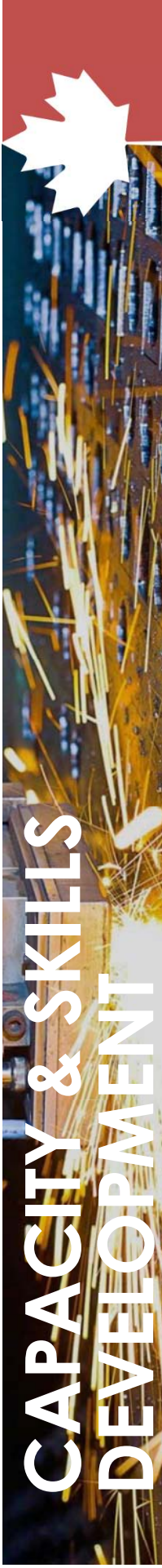
- Long-term research partnerships with Canadian industry, research organizations, and academia
- R&D investments that align with key Government policy initiatives, such as Innovation & Skills Plan, Innovation for Defence Excellence and Security (IDEaS), and others

FOCUS AREAS

- Space Systems
- Advanced Materials
- Cyber Resilience
- Aerospace Sustainment

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CAPACITY & SKILLS DEVELOPMENT



OBJECTIVE

Build capacity and **develop the talent base** of Canadian suppliers through in-house training, scholarship programs, internships, and technology transfer

DESIRED OUTCOMES

- Advanced skills and knowledge development in Canadian aerospace workforce
- Increase efficiency and capacity (e.g. advanced manufacturing) through technology adoption
- Increased participation of women and other under-represented groups in the Canadian aerospace workforce, and related STEM study areas

FOCUS AREAS

- **Advanced Manufacturing**
- **Aerospace Engineering & Science**
- **Other areas**
- **Industrial Internet of Things (IIoT)**
- **Aerospace Maintenance, Machining, and Other Skilled Labour**

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IMPACT PILLAR

DRAFT OBJECTIVE

Once-in-a-generation investment, project, or program that leaves a **lasting, positive impact** on Canada

DESIRED OUTCOMES

- o Lasting, large-scale activity that expands upon, or builds a new capability in Canada that continues to have a positive impact beyond the completion of the program

POTENTIAL APPROACH

- o 'Best-shot' proposal in an area aligned with Government of Canada priorities, and bidders' business lines
- o Potential focus areas could include enabling technologies (e.g. quantum computing) that could support the aerospace and defence sectors

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KEY TIPS & ADVICE



1

Know the Value Proposition

Canada's Value Proposition outlines the economic benefits requirements for the project. This is the road-map for potential opportunities for Canadian industry and stakeholders

2

Know the Bidders

Get an idea of the business lines of the potential bidders, and where you could potentially fit in their supply chain, research areas, etc.

3

You are the Solution

Potential bidders will be looking to identify work to fulfill the requirements of the Value Proposition. This is your chance to position your firm to help a bidder win their Value Proposition

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NEXT STEPS

Canada will **refine our Value Proposition approach** through further analysis and **industry engagement**

- During the course of the day, please come talk to us and attend our Workshop Sessions if you have questions or wish to provide input. ***Your feedback matters***
- We will continue to **collect information and feedback** on our Value Proposition Strategic Objective, Pillars, and potential focus areas for activities
- We will continue to engage with **Canadian industry**, and other stakeholders in the coming months

Questions?

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CONTACT INFORMATION



For more information on economic benefits, and the FFCP Value Proposition, contact:

Clem Srour, Deputy Director, Future Fighter Capability Project
Innovation, Science and Economic Development
Clem.Srour@canada.ca

For more information on the Regional Development Agencies, visit:

Atlantic Canada Opportunities Agency (ACOA) - <http://www.acoa-apeca.gc.ca>
Alan MacDonald - alan.macdonald@acoa-apeca.gc.ca

Canada Economic Development for the Quebec Region (CED-Q) - <http://www.dec-ced.gc.ca>
Mathieu Trudelle - mathieu.trudelle2@canada.ca

Federal Economic Development Agency for Southern Ontario (FedDev) - <http://www.feddevontario.gc.ca>
Harold Deck - harold.deck@canada.ca

Federal Economic Development Agency for Northern Ontario (FedNor) - <http://fednor.gc.ca>
Natalie Brabant - natalie.brabant@canada.ca

Western Economic Diversification Canada (WD)- <http://www.wd-deo.gc.ca>
Peter Hoek - peter.hoek@canada.ca

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ANNEX A

Future Fighter Regional Forums

Market Analysis

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Canada

MARKET ANALYSIS AEROSPACE INDUSTRY

Canada's aerospace industry is a global leader, and contributes nearly \$27.7 billion to GDP, and 208,000 jobs across Canada

- Ranked among top 3 in terms of civil aircraft, small engines, and helicopter production
- Small and medium enterprises (SMEs) are key supply chain partners, and employ 17% of the industry's workforce
- Women capture close to 20% of the total aerospace manufacturing workforce, including 10% of STEM jobs, but more can be done

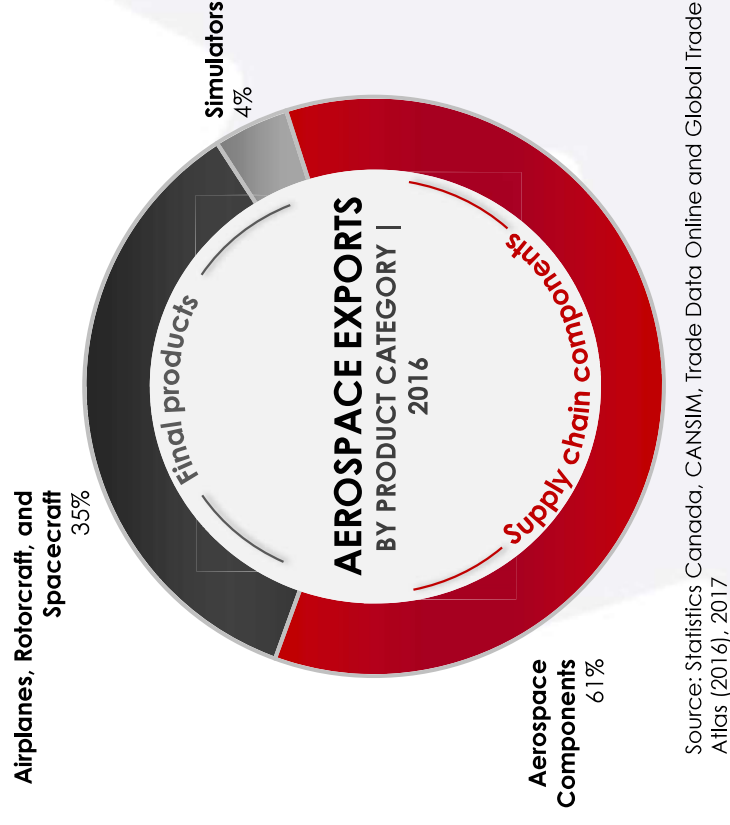
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MARKET ANALYSIS EXPORTS & SUPPLY CHAIN

Canada's aerospace industry is **export-intensive**, with **strong participation in global supply chains**

- **Close to 80%** of Canadian aerospace manufacturing is exported
- **More than 60%** of Canadian aerospace exports are components in global supply chains
- **Strong capability in engines**, accounting for over 50% of exported aerospace components



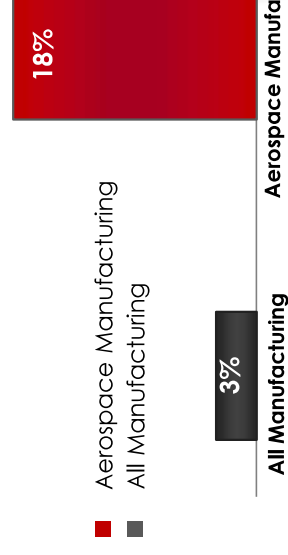
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MARKET ANALYSIS RESEARCH & DEVELOPMENT

Aerospace is the **#1 R&D player** across all Canadian manufacturing industries

- Aerospace manufacturing is **6x more R&D intensive** than other manufacturing industries
- Aerospace accounted for close to **30% of total manufacturing sector R&D** investments in 2016
- R&D performed by aerospace manufacturing totalled **\$1.6 billion** in 2016

MANUFACTURING INDUSTRY
R&D INTENSITY 2016



Source: ISED economic model based on data from Statistics Canada, the Canada Revenue Agency and enterprise-level observations, 2017

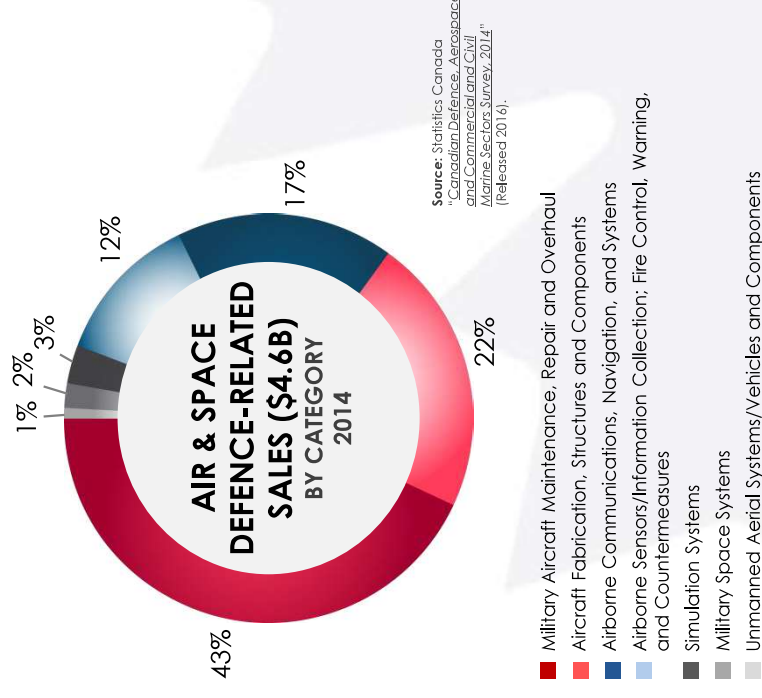


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MARKET ANALYSIS SUSTAINMENT

Strong capacity for sustainment across Canada, such as industry expertise on military air platforms, including fighter aircraft

- **Aerospace MRO** contributes **\$9.3 billion** to GDP in the Canadian economy
- **Military aircraft MRO** accounts for **43%** of air and space defence sales
- **Strong exports, with over 40%** of defence-related sustainment activity exported

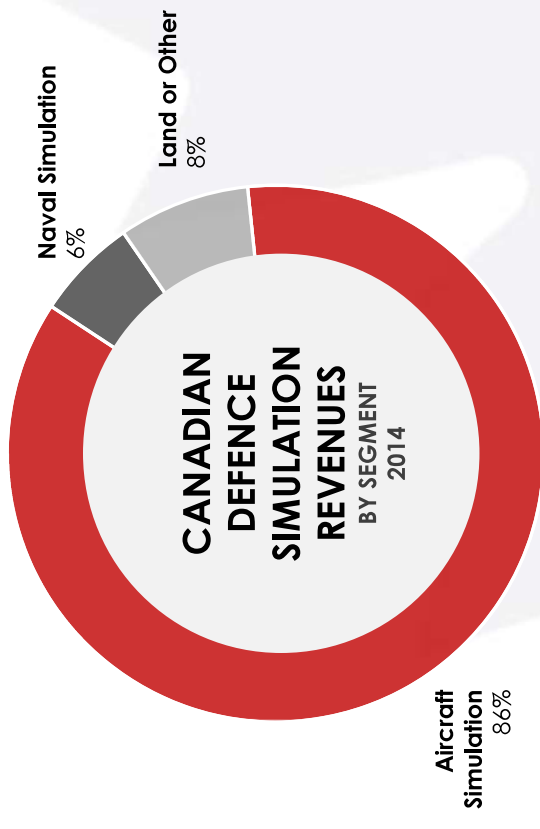


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MARKET ANALYSIS TRAINING & SIMULATION

Canada is ranked #1 in terms of commercial flight simulation, and home to multiple industry leaders

- Aircraft simulation accounts for the **86%** of Canadian defence simulation **revenues**
- **More than 21 Canadian firms** active in the sector
- **Strong exports, with 70% of aerospace** defence simulation activities **exported**



Source: Statistics Canada Canadian Defence, Aerospace and Commercial and Civil Marine Sectors Survey (2014), 2016

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ANNEX B

Future Fighter Regional Forums

Workshop Questions

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Canada

FIghter PLATFORM



DESIRED OUTCOMES

- Maximize world-class Canadian capability for fighter sustainment
- Production of some fighter platform components & systems

QUESTIONS

1. In your view, what are the high-value activities for sustainment that we should target for Canadian industry?
2. In your view, are there opportunities related to the production of components for the aircraft that we should target for Canadian industry recognizing that all five potential platforms have mature supply chains?
3. In general, what level of priority should this pillar be in terms of our overall approach (low, medium, high)?

SUPPLIER DEVELOPMENT & EXPORTS



DESIRED OUTCOMES

- Continuous, high-value work for Canadian industry over the long-term
- More globally competitive, efficient, and innovative Canadian supply chain participants, including potential minimum investments of 15% into SMEs
- High-quality exports, including world product mandates for components and systems on commercial and defence platforms, as well as participation in developmental projects

QUESTIONS

1. For this project, commercial aerospace and space systems are areas we intend to target for supplier development and export investments. Are these the right areas?
 - Are there other areas we should also consider where we have industrial capacity that would support the growth of Canada's aerospace and defence sectors (e.g. cyber resilience, etc.)?
2. In general, what level of priority should this pillar be in terms of our overall approach (low, medium, high)?



INNOVATION

DESIRED OUTCOMES

- Long-term research partnerships with Canadian industry, research organizations, and academia
- R&D investments that align with key Government policy initiatives, such as Innovation & Skills Plan, Innovation for Defence Excellence and Security (IDEaS), and others

QUESTIONS

1. For this project, space systems & science, advanced materials, cyber resilience, and aerospace sustainment are areas we intend to target for this pillar. Are these the right areas?
 - Are there other areas we should also consider where we have strong research and development capacity that would support the growth of Canada's aerospace and defence sectors (e.g. artificial intelligence, big data analytics, etc.)? Why?
2. In general, what level of priority should this pillar be in terms of our overall approach (low, medium, high)?

CAPACITY & SKILLS DEVELOPMENT



DESIRED OUTCOMES

- o Advanced skills and knowledge development in Canadian aerospace workforce
- o Increase efficiency and capacity (e.g. advanced manufacturing) through technology adoption
- o Increased participation of women and other under-represented groups in the Canadian aerospace workforce, and related STEM study areas

QUESTIONS

1. We are looking to motivate investments that support the adoption of technologies that increase the efficiency and capacity of Canadian suppliers.
 - o What technologies/processes do you think would make the most positive difference for Canadian industry (e.g. Industrial Internet of Things, advanced robotics, sustainable and green technology, additive manufacturing, advanced machining, etc.)?
 - o What technologies/processes would make the most positive difference in your own company's operations?
2. We are looking to motivate investments that develop the skills and knowledge of Canada's current and future aerospace and defence workforce.
 - o In your view, what skills-sets/education will help ensure Canada's aerospace and defence industry remains competitive in the future?
 - o What are the skills/knowledge that you need for your own workforce that will support your company's growth and competitiveness?
3. In general, what level of priority should this pillar be in terms of our overall approach (low, medium, high)?

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GENERAL QUESTIONS ON THE VALUE PROPOSITION



The following questions **apply to all workshops**

QUESTIONS

1. Do you have any ideas or thoughts on how we design or structure our Impact Pillar (e.g. potential focus areas, activity/investment types, etc.)?
2. Do you have any further feedback as we refine our ITB/VP approach?

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Future Fighter Capability Project

Overview of Notional Competitive Process

Future Fighter Regional Forums (24 April – 1 May 2018)



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Canada

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OUTLINE

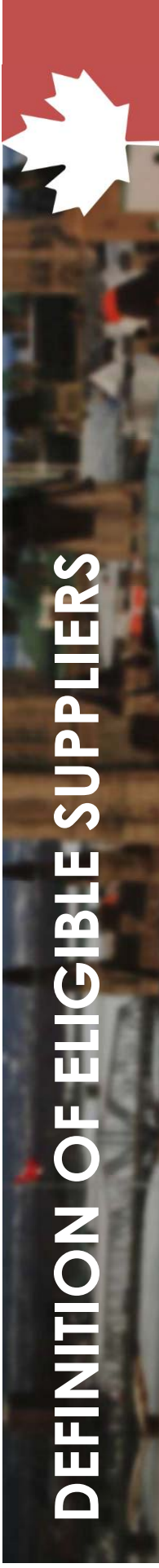
1. Objectives of the Future Fighter Competitive Process
2. Eligible Suppliers
3. Notional Competitive Solicitation Process
4. Ongoing Engagement/Consultation
5. Notional Competitive Process Timeline
6. Additional Information

OBJECTIVES OF THE FUTURE FIGHTER COMPETITIVE PROCESS

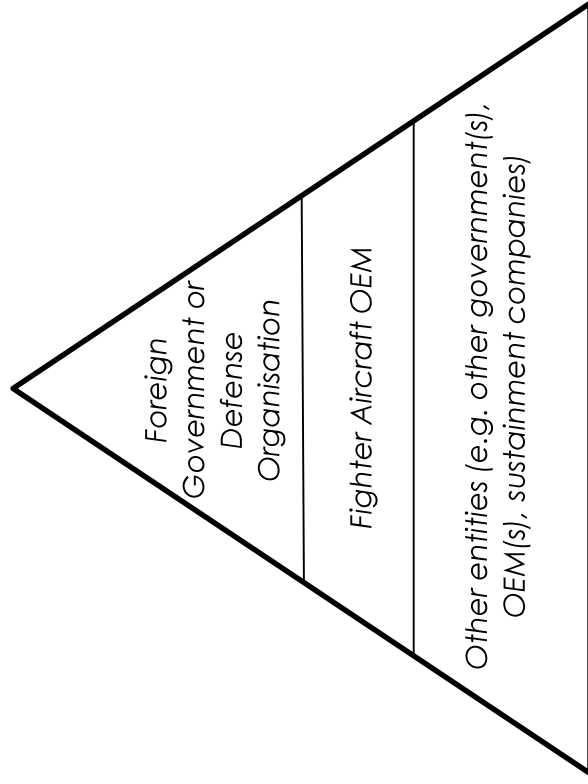


- A successful open and transparent competition among the eligible Suppliers (i.e. Suppliers on the FFCP Suppliers List at time of notification of solicitation for the FFCP competitive process) to acquire 88 advanced fighter aircraft and the associated capability
- Leverage once-in-a-generation opportunity to generate high quality economic benefits to Canada
- Successful solicitation process results in contract award in 2021/2022 and initial operational capability in 2026

DEFINITION OF ELIGIBLE SUPPLIERS



Eligible Supplier for the FFCP procurement process



For the purpose of the FFCP competitive process, a “Supplier” includes, as a minimum, a foreign Government (or Defense Organisation) and a Fighter Aircraft Original Equipment Manufacturer (OEM)

Other entities can be added or removed by the foreign Government or Defense Organisation (as applicable)

LIST OF SUPPLIERS ELIGIBLE FOR THE FFCP PROCUREMENT PROCESS



The list of eligible Suppliers was established on 22 February 2018 and includes the following teams (in alphabetical order):

- France—Dassault Aviation (Thales DMS France SAS, Thales Canada Inc. and Safran Aircraft Engines)
- Sweden—SAAB AB (publ)—Aeronautics
- United Kingdom and Northern Ireland—Airbus Defense and Space GmbH
- United States—Lockheed Martin Corporation (Lockheed Martin Aeronautics Company)
- United States—The Boeing Company

NOTIONAL COMPETITIVE SOLICITATION PROCESS



- Allows bidders to present **innovative and diverse solutions** to meet Canada's needs
 - ✓ Outcome-based solicitation and evaluation approaches
- Focusses on getting **best value solution for Canada**
- **Provides flexibility** by allowing dialogue between Canada and bidders on initial proposals received
- **Flexibility** in allowing a **variety of instruments**, such as commercial contract(s) and/or government arrangement(s)/bilateral or multilateral agreements

ONGOING ENGAGEMENT/CONSULTATIONS



Formal engagement with eligible Suppliers

Formalisation of the
Suppliers List for the FFCP
process
Completed

Formal engagement on
requirements and
competition approach
2018 – spring 2019

Release of
solicitation
documents
Spring 2019

Ongoing parallel discussions with Canadian industry

Canadian Industry and other stakeholders engaged in
the development of items such as the Value
Proposition approach
2018

NOTIONAL COMPETITIVE PROCESS TIMELINE



Time	Event
Early 2018 to Early 2019	Formal engagement with eligible Suppliers and ongoing parallel discussion with Canadian Industry and other stakeholders
Spring 2019	Formal solicitation documents released to eligible Suppliers
Spring 2021	Selection of preferred proposal and final negotiations
Late 2021/early 2022	Signature of resulting Government arrangement(s) and/or agreement(s) and/or commercial contract(s)
2025	First aircraft delivery
2026	Initial Operational Capability Achieved

FOR MORE INFORMATION



- **Public Services and Procurement website for FFCP**
 - www.tpsgc-pwgsc.gc.ca/app-acq/amd-dp/air/snac-nfps/CF-18-eng.html
- **Department of National Defence CF-18 Replacement webpage**
 - www.forces.gc.ca/en/business-equipment/cf-18-replacement.page
- For general information, on how to do business with the Government of Canada, please contact the Office of Small and Medium Enterprises (OSME)
bpmeclient.osmeclient@tpsgc-pwgsc.gc.ca
- For questions on the FFCP Supplier's List Invitation: Frederic Genest (Supply Manager, PSPC) frederic.genest@tpsgc-pwgsc.gc.ca
- For questions on the FFCP procurement process, please send your enquiries to the FFCP Generic Email Inbox: TPSGC.PCFAC-FFCP.PWGSC@tpsgc-pwgsc.gc.ca



Canada

Future Fighter Capability Project

Department of National Defence
Future Fighter Regional Forums – 23 April – 1 May 2018

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Outline

- Strong, Secure, Engaged (SSE) and the Future Fighter Capability
- Project Objective
- Project Scope
- Sustainment Outcomes
- Project Timelines
- Summary

Strong Secure Engaged – Policy & Vision



- **Strong at home**, with a military ready and able to defend Canada's sovereignty, and to assist in times of natural disaster, support search and rescue, or respond to other emergencies
- **Secure in North America**, active in a renewed defence partnership in NORAD and with the United States
- **Engaged in the world**, with Defence doing its part in Canadian contributions to a more stable and peaceful world

SSE - New Approach



"...Being strong, secure and engaged in the context of an extraordinarily complex security environment requires a fundamentally new, agile, modern and responsible approach to defence..."

- **ANTICIPATE** ...
 - ... emerging threats and challenges
- **ADAPT** ...
 - ... to a fluid and highly volatile global security environment
- **ACT** ...
 - ... to act decisively with effective military capability through the execution of core missions

SSE - Security & Interoperability



Interoperability

"Building on our shared values and long history of operational cooperation, the Five-Eyes network of partners, including Canada, the United States, the United Kingdom, Australia and New Zealand, is central to protecting Canada's interests and contributes directly to operational success."

- **5/2 Eyes Intelligence Mission Data**
 - Robust operational mission data is critical for combat effectiveness, lethality, and survivability
 - The programming of each sensor requires mission data at the 5 Eyes (CAN/UK/US/AU/NZ) level for Contingency Operations and the 2 Eyes (CAN/US) level for NORAD operations
- **5/2 Eyes Intelligence Affects the Fighter Ecosystem**
 - Mission planning
 - Aircraft, offensive/defensive systems programming
 - Support equipment: debriefing/simulators/maintenance
 - Growth path to 2060 and beyond

Future Fighter Capabilities



1	Interoperability : NORAD, NATO, safeguard shared 5/2 Eyes intelligence
2	Upgradeability : Ability to maintain Operational Advantage against current and future threats
3	Performance: Range, endurance and speeds required in NORAD and NATO mission configurations
4	Awareness : Ability to gather intelligence, detect, track, identify, assess in permissive and contested environments
5	Survivability : Ability to operate in permissive and contested environment
6	Lethality : Ability to effectively carry out its assigned tasks in permissive and contested environment
7	Sustainability: Ability to sustain Force Generation and Force Employment systems throughout service life

Project Objective

The successful acquisition and entry into service of 88 advanced fighter aircraft along with the associated equipment, weapons and sustainment capability that leverages Canadian capabilities and contributes to economic growth and jobs.



Project Scope

- 88 advanced fighter aircraft
- Initial Weapons and Stores
- Infrastructure
- Sustainment Set-up
 - Initial Spares
 - Support Equipment
 - Software and Mission Data Support
 - Mission Planning/Debriefing Capability
 - Technical Data and associated Intellectual Property Rights
 - Training Devices, Equipment and Courseware (operational and support)
 - Initial Training (operational and support)
- Sustainment Services
 - Fleet and Program Management
 - Engineering Support
 - Maintenance (aircraft, simulators, support equipment)
 - Materiel Management
 - Information Management
 - Training (operational and support)

Sustainment Outcomes

The proposed Sustainment Solution will be assessed in relation to how well it optimizes the four *Sustainment Initiative* principles:



Performance – Maximizes operational readiness and mission capability



Value for Money – Sustainment materiel and services are provided at a price commensurate with the market rate for comparable assets and services



Flexibility – the sustainment solution can be adjusted to respond to financial, operational, industrial and technological changes throughout the life of the aircraft



Economic Benefits – The sustainment solution leverages Canadian capabilities to create jobs and economic growth for companies in Canada.

Project Timeline

- Draft RFP release – Fall 2018
 - RFP Release – Spring 2019
 - Contract Award – 2021/2022
 - Initial Operational Capability – 2026 (one Squadron)
 - Full Operational Capability – 2031 (4 operational squadrons, plus training)
 - Retirement of last CF-18 - 2032
- ❖ The project timeline will be refined through engagement with potential suppliers and will be accelerated if possible

Summary

- Canada requires an advanced fighter capability to meet the Defence challenges of the next 30 to 40 years
- A Key objective of the project is to deliver a fighter capability that can be effectively sustained for the life of the aircraft, which is to be at least 30 years
- This acquisition places clear requirements on the Suppliers to leverage the outstanding capabilities resident in Canada in their solutions, to contribute to the Canadian economy

Canada