

# Project Approval Directive (PAD)

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**Message from the Deputy Minister of National Defence and the Chief of the Defence Staff**

Canada's Defence Policy embarked the Department of National Defence (DND) and the Canadian Armed Forces (CAF) on a highly ambitious period of procurement. It also committed DND/CAF to grow and further professionalize the procurement workforce, as well as to provide the tools necessary to meet procurement challenges. To this end, the Project Approval Directive (PAD) is an important part of a wider effort that includes professional training and certification, knowledge management, defence analytics, new and improved costing, and performance measurement. Everyone working on projects, or in support of projects, is expected to be aware of the challenges involved in moving one of the largest, most complex programs in government and to work together to resolve issues efficiently.

The PAD provides the direction necessary to meet your obligations as project and programme professionals under the new Treasury Board (TB) *Policy on the Planning and Management of Investments* and the *Directive on the Management of Projects and Programmes*. Part I lays out the expectations of leaders and managers in the delivery of capabilities articulated in the Defence Policy. Part II provides a comprehensive, step-by-step guide to project and programme management within DND, tailored to both the type and complexity of projects.

DND's ability to manage and execute its program is largely dependent upon its TB designated Organizational Project Management Capacity Assessment (OPMCA) Class. DND is currently operating with an OPMCA 3 rating that permits the Department more flexibility as it undertakes procurements to provide the DND/CAF with the tools they need to secure and defend Canada's defence interests. As we move forward together, it is important to maintain and improve our organizational project management capacity to be more effective in the execution of the program. To this end, it is incumbent upon everyone involved in the management and approval of projects to ensure that the procedures and processes contained in this Project Approval Directive (PAD) are followed.

We are proud of the work that you do and the steps we have taken together to build and enhance our defence capabilities in support of the CAF and those Defence Team members serving on operations in Canada and around the world. We look forward to realizing future capabilities with your help and dedication.

Original signed by the Deputy Minister of National Defence and the Chief of the Defence Staff.

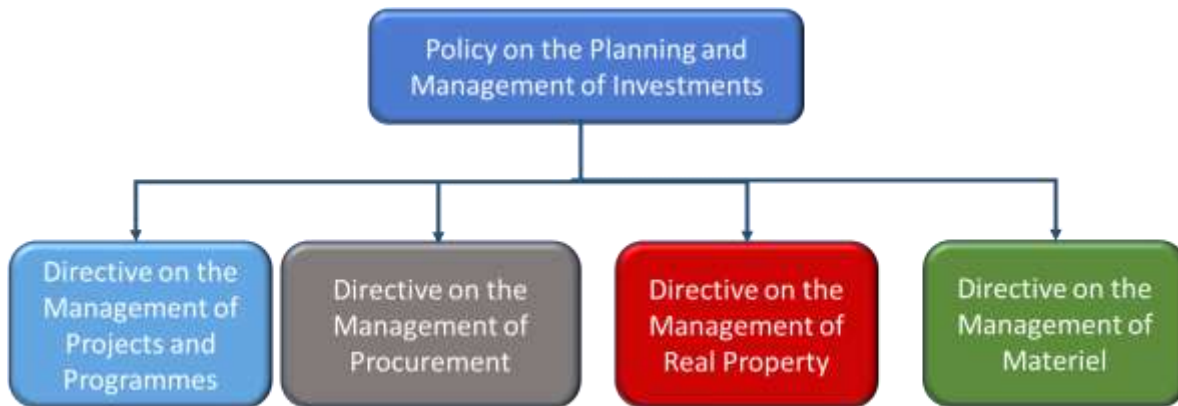
## PART I – Policy and Governance

The Project Approval Directive (PAD) formally puts in place many of the streamlining recommendations from recent independent reviews. The PAD conforms to recently published TB Policy: the [\*Policy on the Planning and Management of Investments\*](#) and the [\*Directive on the Management of Projects and Programmes\*](#), which are required reading in conjunction with PAD. The PAD establishes new streamlined project approval paths that align governance, documentation, process, and delegations in accordance with the level of project complexity and risk. Additionally, DND is leveraging analytics to enable greater automation, reduce duplication of effort, and support executive decision making. Finally, on-line training and advanced user interfaces will be put in place to support greater professionalization of the procurement workforce. There is always room for improvement and DND will continue to strive to ensure a flexible and scalable Project Approval Process (PAP) while ensuring compliance with all policy guidelines. To this end, the PAD was created to be an evergreen tool that can be updated whenever necessary and will follow a deliberate annual review cycle.

TB is changing its statutory approach by promulgating new policies that will put major emphasis on improving the areas of accountability and performance measurement. To achieve this, TB is overhauling its suite of policies with the following aims:

- To streamline the rules by removing duplication and applying focus on essential requirements;
- To clarify and simplify expectations through balanced principles, accrued focus on the users and improved articulation of roles and responsibilities; and
- To ensure alignment across all TB Policy centers.

With this new direction, TB is adopting a holistic program approach by promulgating a comprehensive Policy Framework for the Planning and Management of Investments that encompasses 34 former Policy instruments (1 Framework, 8 Policies, 6 Standards, 7 Directives and 12 Guidelines) under the umbrella of a singular Policy instrument as shown in Figure 1 below.

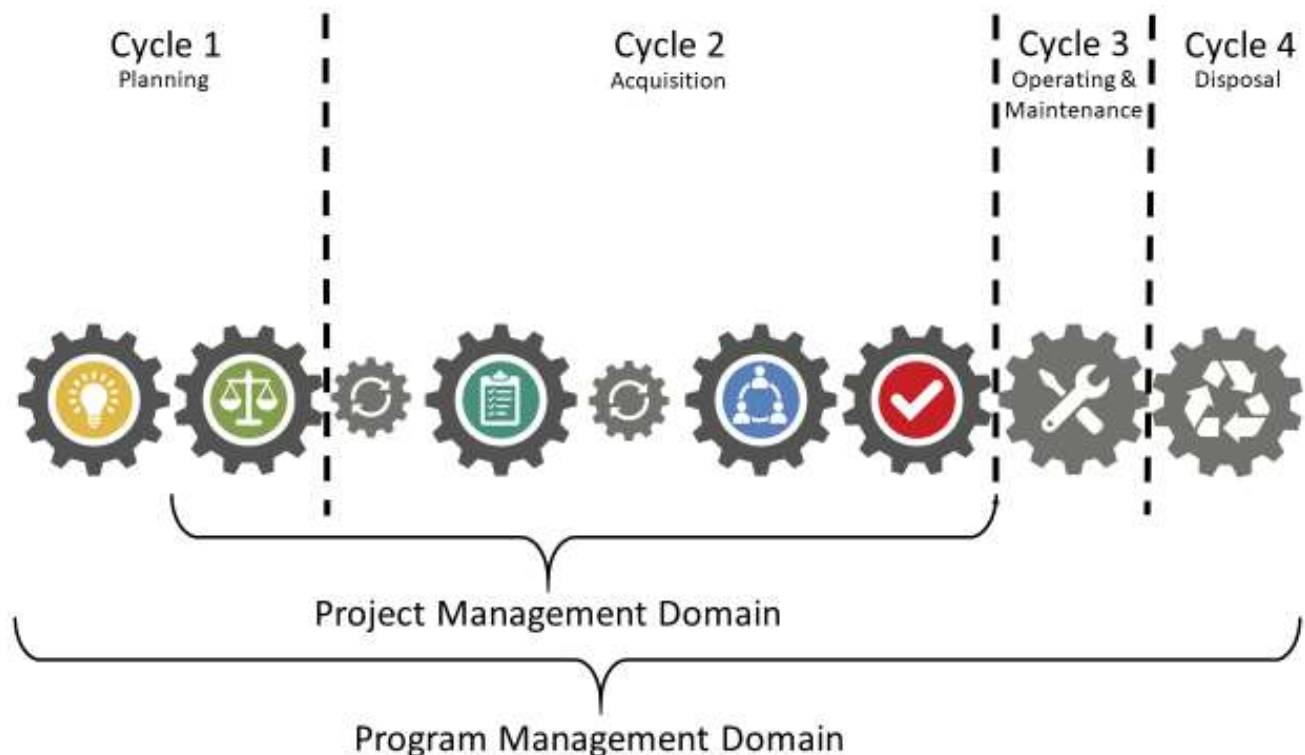


**Figure 1: TB Policy Instruments**

This new approach by Treasury Board (TB) seeks to promote more departmental program discipline by clearly delineating four distinctive management cycles throughout the life of an asset, namely:

- Cycle 1 – Planning
- Cycle 2 – Acquisition
- Cycle 3 – Operating & Maintenance
- Cycle 4 – Disposal

In Defence, these cycles are represented against the Project Approval Process (PAP) Phases in Figure 2 below:



**Figure 2: Management Cycles in Defence**

Under the new policy, TB articulates the requirement for benefits realisation management. The *Policy on the Planning and Management of Investments* defines a benefit as the following:

*A benefit is a measurable improvement which contributes to departmental (including strategic) objectives.*

Benefits realisation management involves identifying, planning, measuring and tracking benefits from the start of the programme or project investment until realisation of the last projected benefit. It aims to make sure that the desired benefits are specific, measurable, achievable, realistic and time-bounded.

The new TB Policy introduces the concept of Senior Designated Officials (SDOs) who are “responsible for supporting the deputy head’s accountability for all requirements under the policy, including the capacity, competency, and knowledge of the department’s workforce” in the four key functional areas of *Project and Programme Management*, *Procurement*, *Real Property*, and *Materiel Management*. It is mandatory that each department assign an SDO for the four key areas. SDOs for DND/CAF will be assigned under separate direction, noting the following points of explanation from TB Policy:



## PROJECT APPROVAL DIRECTIVE (PAD)

- The aim of establishing SDOs in each department is to:
  - Develop a more strategic, whole of government, integrated view of business functions in the four key functional areas;
  - Support the deputy head in having a horizontal perspective on these functions within the department;
  - Establish points of contact for the Comptroller General to support departments in overseeing performance, compliance and building workforce capacity; and
  - Align best practices
- SDOs are not new positions. It is a role with responsibilities that is assigned to an existing senior level position deemed capable of supporting the deputy head;
- The role of SDOs is to provide advice to the deputy head, ensure that functional frameworks under each directive are maintained, and to support the professionalization of the procurement workforce; and
- A department may assign one SDO for multiple areas. A department may also assign multiple SDOs in a single area.

The Project Approval Directive (PAD) contains departmental direction and guidance to ensure that the program is delivered in a manner consistent with higher level policy and guidance including, but not limited to, the following:

- Financial Administration Act (FAA);
- Policy on the Planning and Management of Investments;
- Policy on Financial Management;
- Policy on Results; and
- Policy on Security

The Project Approval Directive (PAD) is specifically tailored to assist Project Leaders (PL), Project Sponsors, Project Directors (PD) and Project Managers (PM) in the execution of their functions for Defence. It is a departmental Directive issued in two parts:

Part I is issued under the authority of the DM and CDS and contains guidance and direction on the management of Projects and Programmes. Part I is aligned with the results of the Organizational Project Management Capacity Assessment (OPMCA). Its aim is to improve departmental management practices by emphasizing direction in various project and programme management areas as reflected in the assessment. As such, Part I not only provides higher level direction but also situates DND's policy and governance framework within broader Government of Canada policies and those of our key partners and stakeholders.

## PROJECT APPROVAL DIRECTIVE (PAD)

Part II is issued under the authority of the Programme Management Board (PMB) on behalf of the DM and the CDS. The Chairs of the Programme Management Board (PMB) (Associate DM/VCDS/CFO) are charged with the implementation of the Defence Policy and the intent of Part II is to provide comprehensive guidance on departmental procedures and requirements in the development, approval, implementation, and streamlining of projects. Provisions of ongoing review and refinement of Part II content is delegated to the Chief of Programme (C Prog).

All members of DND/CAF involved in procurement and the delivery of the Defence Services Program (DSP) are expected to be familiar with the Project Approval Directive (PAD). Additionally, beginning in the Fall of 2019, on-line modules will become mandatory pre-requisites for both the Project Approval Course (PAC) and the Defence Resource Management Course (DRMC).

## Chapter 1 – Policy

Ministers, Deputy Heads of Departments and TB each have authorities for public sector management. Ministers and Deputy Heads have authority to manage the people, resources and activities of their departments towards the objectives set out in legislative mandates and government policy. The government's management regime establishes minimum standards for how Ministers and Deputy Heads use their authorities and manage public resources. This management regime consists of sound management practices, strong public service values as defined in the Values and Ethics Code of the Public Sector, and clear rules set out in legislation and TB Policies.

Modern public sector management practices are set out in the Management Accountability Framework (MAF). The MAF describes the general and interdependent management practices, such as stewardship, in addition to the other Public Service values that support accountability and performance, and that every organization needs in order to create a productive and innovative working environment.

Beyond the general expectations of the MAF, certain management functions must be conducted according to specific rules that are set out in legislation and policies. As appropriate, TB issues policy instruments pursuant to the Financial Administration Act (FAA) and more than 20 other pieces of enabling legislation that provide it with the authority to establish pay rates and benefits for government employees, control and report on public expenditures, and establish rules for managing people and public resources.

The Financial Administration Act (FAA) designates Deputy Heads of departments identified in Part I of Schedule VI of the Act as accounting officers for their organizations, within the framework of ministerial responsibility and accountability to Parliament. The FAA creates a legal obligation for accounting officers to appear before parliamentary committees to answer questions in four specific areas:

- The measures taken to organize the resources of the organization to deliver departmental programs in compliance with government policies and procedures;
- The measures taken to maintain effective systems of internal control in the organization;
- The signing of the accounts that are required to be kept for the preparation of the Public Accounts pursuant to section 64; and
- The performance of other specific duties assigned by or under this or any other act in relation to the administration of the organization.

The scope of TB's Policy instruments covers a range of administrative or program-related functions that fall under one of these functional headings:

- Financial;
- People (human resources);

- Information management and information technology;
- Assets and acquired services;
- Service;
- Compensation of employees; and
- Official languages

Each of these policy areas has a higher-level policy framework that outlines the rationale and principles upon which the policy instruments are based. There are also several policies in other functional areas that do not require a separate policy framework. These policies include the subjects of communications and federal identity, security, and learning.

The Project Approval Directive (PAD) is derived from policies, directives, standards, guidelines and tools issued by the Treasury Board Secretariat (TBS), the Privy Council Office (PCO), from the Deputy Minister's Office (DMO), and from legislation. Its content stems from the policy areas of: Assets and acquired services; and Financial.

### 1.1 Financial Administration Act (FAA)

The Financial Administration Act (FAA) is an Act to provide for the financial administration of the Government of Canada, the establishment and maintenance of the accounts of Canada and the control of Crown corporations. It allows the Treasury Board to adopt administrative policies for the Government of Canada and gives it specific authority to issue directions in various areas related to the management and control of funds. While the FAA does not encompass all of the rules and principles governing public management, it serves as the principal source of management authority for the Public Service. For the most part, TBS uses the authorities granted (primarily) under the FAA to issue policies that are binding upon the administration.

The Financial Administration Act (FAA) imposes rights and duties on Ministers and Directly on Deputy Heads in relation to the institutions they manage. These include, notably, the obligation for a Deputy Head to establish procedures and maintain records respecting the control of financial commitments chargeable to public funds, the fact that only a minister or his or her delegate can request the issuance of a payment, and that before a payment is issued in return for work, goods, or services, the deputy of a minister (or another delegate) must certify that the work has been performed, the goods received, or the services rendered (sections 32, 33, 34).

Under the Financial Administration Act (FAA), departments are primarily responsible and accountable for the following:

- The expenditure of funds and management of assets that they have been allocated;
- Delivering the results that they commit to achieving with the resources they have been allocated; and

- Meeting the management expectations according to performance indicators in the Management Accountability Framework (MAF) for performance reporting and accountability, which sets out a rigorous regime of managerial expectations.

Departments, as led by their Deputy Heads, are also responsible for implementing appropriate management processes, systems, and instruments to deliver their management duties and obligations, and monitor their performance.

## 1.2 Policy on the Planning and Management of Investments

The [\*Policy on the Planning and Management of Investments\*](#) and its associated policy instruments set the direction for the management of assets and acquired services to ensure the conduct of these activities provides value for money and demonstrates sound stewardship in program delivery.

Assets include tangible and intangible assets and consist of a very broad range of resources ranging from land, buildings and major IT systems to furniture and equipment for tangible assets, and intellectual property such as patents, trademarks, copyrights and commercial-in-confidence information for intangible assets. Acquired services can be very simple, such as temporary help, or highly complex service delivery arrangements.

The Policy sets out the principles for holistic management of assets and acquired services, which are consistent with the Management Accountability Framework (MAF). By adopting a full asset life cycle approach, the Policy emphasizes the principles of accountability throughout the continuum where senior designated officials are given the responsibility to ensure achievement of program outcomes through sound benefits realization planning and management.

By streamlining 34 former Policy instruments, the new comprehensive Policy replaces the following key TB Policy instruments:

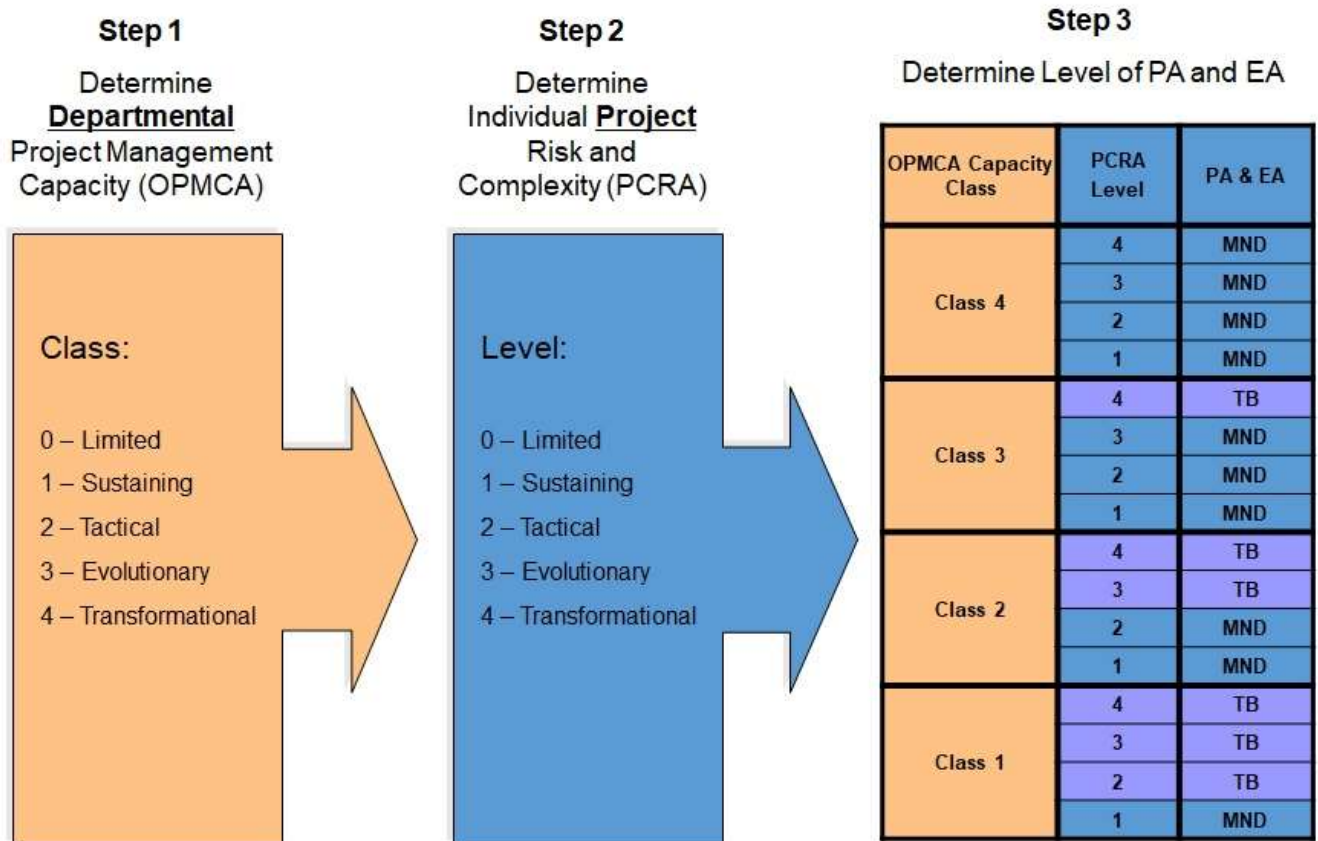
- Policy on the Management of Projects (December 10, 2009);
- Standard for Organizational Project Management Capacity (December 9, 2010); and
- Standard for Project Complexity and Risk (December 9, 2010).

In-flight projects with final authorities in place and scheduled to close prior to March 31, 2020, are exempt from transitioning to this new Policy. The objective of the new Policy is that government projects and programs are effectively planned, implemented, monitored and controlled, and closed to enable the realization of the expected benefits and results for Canadians.

TB has established the Expenditure Authority (EA) ceiling exercised by ministers in the approval of projects at \$2.5M (inclusive of the Goods and Services Tax and the Harmonized Sales Tax). The basis for determining the capacity to manage projects, and seeking an increase to this ceiling amount, is provided in the Mandatory Procedures for Organizational Project Management Capacity. Once approved by TB, the Organizational Project Management Capacity Assessment (OPMCA) establishes a minister's project approval authority limit. The basis for the

## PROJECT APPROVAL DIRECTIVE (PAD)

determination of the appropriate approval authority is the relationship between the approved OPMCA Class of the department and the Project Complexity and Risk Assessment (PCRA) Level of the project as shown in Figure 3 below:



**Figure 3: Relationship between OPMCA and PCRA**

Note: TB retains the right to require any project to be brought forward for their consideration and approval.

The threshold for completing a Project Complexity and Risk Assessment (PCRA) is as follows:

- \$2.5M for departments without an approved OPMCA or with an approved OPMCA Class of 1;
- \$5M with an approved OPMCA Class of 2;
- \$10M with an approved OPMCA Class of 3; and
- \$25M with an approved OPMCA Class of 4.

The results of the PCRA will confirm the approval authority and inform the planning, resourcing, governance and management of the project. All information regarding the PCRA process can be found in Part II of this directive.

As of March 2018, DND has been assessed as a Class 3 department. The Departmental OPMCA is completed by C Prog every three years, in step with the Departmental Investment Plan (IP) which gets completed by the ADM (Fin) organization.

### 1.3 Benefits Realization Management (BRM)

Benefits Realization Management (BRM) provides organizations with a way to measure how projects and programmes add value to their operations and business. A benefit is a measurable improvement that contributes to organizational objectives, including strategic priorities. Benefits management is a core element of the investment life cycle and is a key objective of the [\*Directive on the Management of Projects and Programmes\*](#).

The Directive requires that Projects and Programmes:

- are effectively planned, implemented, monitored, controlled and closed to enable the realization expected benefits and results for Canadians;
- have clearly defined and measurable benefits as an input into the Business Case Analysis;
- have a Benefits Realization Plan in place at the time of Project Approval and summarized in the Project Brief; and
- have a Project Sponsor that is responsible for the realization of benefits throughout the life cycle of the capability delivered by the Project or Programme. BRM makes a distinction between outputs and benefits. Projects have traditionally focused on the delivery of a capability as an output at Project close out. BRM ensures Projects are also focused on how a capability provides benefits beyond Project completion. As such, BRM includes a commitment to track performance and conduct regular evaluations of benefits.

Benefits must, at a minimum, be linked to the [\*Departmental Results Framework \(DRF\) and Program Inventory\*](#), and:

- be aligned benefits with departmental and Government of Canada priorities.
- be actively reviewed and validated throughout the life of the Project.
- be linked with repeatable, measurable and realistic performance indicators.
- be managed a portfolio level to optimize resources.

Please consult the [\*TB Guide to Benefits Management\*](#) for more information.

### 1.4 Policy on Financial Management

Canadians expect the federal government to be well managed and to be accountable for the prudent stewardship of public funds, the safeguarding of public assets, and the effective, efficient



and economical use of public resources. They also expect reliable and transparent reporting on how the government spends public funds to achieve results for Canadians.

The Financial Administration Act (FAA) and Treasury Board Policy instruments guide the work of public service employees and provide the cornerstone for effective financial management within the Government of Canada. Along with the FAA and its regulations, the Policy on Financial Management provides the key responsibilities for Deputy Ministers, Chief Financial Officers (CFO), Senior Designated Officials (SDO), Departmental Managers and the Comptroller General of Canada in exercising effective financial management.

## 1.5 Policy on Results

The Policy on Results sets out the fundamental requirements for Canadian federal departmental accountability for performance information and evaluation. The policy and its instruments highlight the importance of results in management and expenditure decision making, as well as public reporting. This policy seeks to advance these objectives by setting out roles and responsibilities, structures, governance and tools associated with performance measurement and evaluation to ensure that these functions are robust and effective.

In accordance with TB Policy requirements, DND has established a [Departmental Results Framework \(DRF\) and Program Inventory](#) architecture against which planned and actual resources and results are assessed through a suite of corporate performance indicators and communicated to central agencies, Parliament and Canadians. This performance information is complemented with a set of internal performance indicators which, together, serve to inform departmental decisions regarding the Program delivery.

The Departmental Results Framework (DRF) is comprised of Core Responsibilities and a set of strategic Departmental Results and Indicators aligned to the Defence mandate. The DRF's supporting delivery-oriented framework, the Program Inventory, consists of a set of Programs that reflect 100% of DND's activities and resources. Financial resources are mapped to Programs in the [Defence Resource Management Information System \(DRMIS\)](#), where all Cost Centers are aligned to Program segments, providing greater granularity and insights into the nature of Program delivery. Delivering on these Programs is how DND/CAF delivers on its mandate.

As a document founded upon policies, directives and standards, it should be emphasized that the Project Approval Directive (PAD) is a distillation of directives and policies in effect that Project Teams must follow to ensure project success at each stage of its life cycle.



## 1.6 Policy on Lessons Learned

[DAOD 8010-0 Lesson Learned](#) directs all Level One (L1) organizations within DND and the CAF to support the Defence Lessons Learned Program, follow the Lessons Learned (LL) process to produce timely, relevant, and useful LL information, and ensure that all major staff activities contribute to the LL process. This DAOD together with the *Canadian Forces Joint Publication (CFJP) A2 Lessons Learned* provide a consolidated source of LL policy, process, and program guidance for L1s.

The [Defence Lessons Learned System \(DLLS\)](#) is a department-wide web based software application that replaces legacy knowledge management systems like the Lessons Learned Knowledge Management System (LLKMS) and the lessons learned functionality of the Capability Investment Database (CID) to facilitate knowledge sharing and management of lessons learned across the department.

Projects are required to input lessons learned in DLLS throughout the lifecycle of the project, and at a minimum, at the end of each project phase.

## 1.7 Policy on Government Security

The Policy on Government Security (PGS) is the overarching security policy for all federal departments and agencies. The objective of the policy is to ensure the effective implementation of the eight government security controls to support the delivery of Government of Canada programs and services and to support of the protection of information, individuals and assets. The PGS details the overall requirements, whereas the Directive on Security Management and ultimately the National Defence Security Orders and Directives (NDSODs) detail how the requirements will be achieved. Effective security must be achieved for both the Program Management Domain and the Capability Management Domain

**DND/CAF staff involved with project development and delivery shall liaise regularly with their CFD and/or C Prog analyst(s) to ensure correct interpretation of existing direction and guidance, the latitude for flexibility, and for the latest updates.**

## Chapter 2 – Governance

Governance is the tool used by senior designated officials to ensure effective achievement of Program outcomes in accordance with TB Policy. Governance is essential to the Defence Services Program (DSP) health in that it supports the principles of accountability listed in TB Policy and as prescribed in the Financial Administration Act (FAA). Recorded evidence of governance in the form of Records of Decisions (ROD) is also necessary to support the departmental OPMCA.

The key principles for effective governance are:

- Accountability: The obligation, from those to whom authority has been conferred, to demonstrate and take responsibility for performance in light of agreed expectations. Accountability cannot be delegated or transferred.
- Responsibility: An obligation to carry out certain work functions or duties, including the exercise of authority, as part of one's roles and obligations. Responsibilities can be delegated depending on the terms by which they were assigned.
- Authority: The power or right to make decisions, give orders, take actions and enforce compliance.

Information on the Defence Governance Framework can be found at the following link:

<http://intranet.mil.ca/en/corpsec-topic.page>

### 2.1 Asset Ownership

Asset ownership is a notion that is frequently misunderstood in relation to accountability, responsibility and authority. In our democratic system, the ultimate owners are the Canadian tax payers and in theory, no one in Defence, regardless of rank and/or position can claim physical ownership of any given budgets, projects or assets. It is important to highlight the notion of physical ownership in the context of governance as managers and staff can often confuse the concept of ownership with governing principles of accountability, responsibility and/or authority.

### 2.2 Levels of Governance

There are three specific levels of Governance that pertain to the Project Approval Directive (PAD):

- Government-level;
- Departmental-level; and
- Project-level.

### 2.3 Government-level Governance

The Canadian federal government is composed of approximately 150 departments, agencies, Crown corporations, commissions and other organizations. Although DND is considered a very

large Department as it pertains to the size and importance of its Program, we are not alone in the government federation. In order to try to manage its large and diverse set of organizations, the federal government has four central agencies:

- Prime Minister's Office (PMO);
- Privy Council Office (PCO);
- Treasury Board (TB) and the Treasury Board Secretariat (TBS); and
- Department of Finance Canada.

#### Prime Minister's Office (PMO)

The Prime Minister's Office serves the political interests of the Prime Minister. It is staffed by partisan loyalists who hold their position at the pleasure of the Prime Minister. The Prime Minister's Office assists the Prime Minister in fulfilling his or her roles as a Member of Parliament, Head of Government and leader of a political party.

The precise role of the Prime Minister's Office depends upon the direction of the PM. Generally, the Prime Minister's Office assists the Prime Minister by:

- Providing advice on priorities, the political implications of policy initiatives, and political strategy and tactics;
- Planning and coordinating new policy initiatives of interest to the Prime Minister;
- Monitoring emerging issues;
- Organizing the Prime Minister's time, travel and scheduling;
- Managing communications with the media;
- Advising on personnel and appointments;
- Screening and responding to correspondence;
- Liaising with ministers and their offices, caucus members and the political party apparatus across the country; and
- Preparing the Prime Minister for question period in the House of Commons and other public engagements.

The Prime Minister's Office does not have independent statutory authority of its own; instead, it derives its authority from the PM. The Prime Minister's authority provides senior Prime Minister Office staff with a great deal of influence when dealing with ministers, senior public servants or members of the Prime Minister's party. Therefore, the Prime Minister's Office must work closely with the Privy Council Office, which is the public service organization that serves the Prime Minister.

#### Privy Council Office (PCO)

The Privy Council Office is a department which is sometimes called the Prime Minister's department because it reports directly to the Prime Minister. Unlike the Prime Minister's Office, the Privy Council Office is staffed by public servants who offer non-partisan, but politically sensitive, service and advice. The Privy Council Office is headed by the Clerk of the Privy

Council and Secretary to the Cabinet. The Clerk is the head of the public service and is appointed by the Prime Minister.

The Privy Council Office has three main roles:

- Provide non-partisan advice to the Prime Minister and ministers whose functions lie within the Prime Minister's portfolio;
- Support the Cabinet decision-making process; and
- Act as the principal link between the Prime Minister and the public service.

The Privy Council Office does not have formal authority over line departments, but its roles in assisting the Prime Minister and Cabinet give it substantial influence. Line departments must consider the advice of the Privy Council Office very carefully because it generally reflects the direction of the Prime Minister or Cabinet. In addition, because the Privy Council Office acts as a gatekeeper for the information that is made available to Cabinet, departments must ensure that their submissions reflect the Privy Council Office's guidance. The Privy Council Office often filters or summarizes information provided by departments to ensure that the Prime Minister and Cabinet have adequate supporting information to make informed decisions.

The Privy Council Office strives to maintain an independent, non-partisan perspective that allows it to balance serving successive governments and working closely with the Prime Minister, the Prime Minister's Office and Cabinet in order to assist them in implementing the Government of Canada agenda.

### *Treasury Board (TB) and the Treasury Board Secretariat (TBS)*

The difference between the Treasury Board (TB) and the Treasury Board Secretariat (TBS) must be emphasized. The Treasury Board is a committee of Cabinet composed of the President of the Treasury Board and four other Ministers appointed by the Prime Minister. The Treasury Board is often called the government's management board and has diverse responsibilities for government administration, as outlined in the Financial Administration Act (FAA) and other Acts.

The Treasury Board is assisted in fulfilling its responsibilities by a department called the Treasury Board Secretariat. The Secretariat is headed by the secretary of the Treasury Board, who is the equivalent of a deputy minister. The Secretariat also includes the Office of the Comptroller General of Canada (OCG), which is responsible for providing government-wide direction and assistance on financial management and the internal audit function.

The roles and responsibilities of the Treasury Board and its Secretariat can be grouped into three broad areas:

- Setting management policies and monitoring management performance;
- Overseeing expenditure management and performance information; and
- Acting as the principal employer of the public service.

A key issue for the Treasury Board and its Secretariat is the degree to which they exercise central control over government administration and spending or provide more discretion and flexibility to departments; what might be called “letting the managers manage.” The Treasury Board has a mandate to ensure appropriate administration and financial management within the federal government and it balances its mandate with due regard for ministerial responsibility and accountability for departmental administration. Additionally, the need to set general rules and guidelines for administration is balanced with the ability of managers to have sufficient flexibility to innovate and take risks.

The current model of Treasury Board as a management board is fairly decentralized, and the Secretariat exercises selective oversight based upon risk.

### *The Department of Finance Canada*

The Department of Finance Canada reports to the Minister of Finance and assists the Minister in developing the government’s financial framework in which overall spending takes place. It advises the minister on economic, fiscal, tax, social, security, international and financial sector policies and programs. While the Department of Finance Canada does not have the same coordinating role as other central agencies, it is a central entity in virtually all policy decisions, as the allocation of funds from the fiscal framework is almost always required to proceed with a policy initiative.

The Department of Finance Canada is established under the Financial Administration Act and is provided authorities under numerous other Acts, such as the Customs Act, the Excise Tax Act and the Income Tax Act.

Based upon the Speech from the Throne, policy statements or priorities of the government, departments develop and submit proposals to the Department of Finance Canada to be considered for inclusion in the budget. Officials at the Department of Finance Canada closely examine the proposals to ensure that departments are being economical and fiscally responsible when making requests for new or additional funding. The department also reviews proposals that may be recommended for funding and announced outside of the budget. In addition, the department prepares proposals on tax policy for the minister of Finance to consider for inclusion in the budget or to be announced when it is deemed appropriate.

The Department of Finance Canada has considerable authority and within the federal government has a significant role in developing the budget. Line departments must go through the Department of Finance Canada in order to be given room within the fiscal framework to launch new spending initiatives or to increase funding allocated to ongoing programs.

### *The Defence Procurement Strategy*

The Defence Procurement Strategy (DPS) was established in 2014 and has three key objectives:

- Delivering the right equipment to the CAF in a timely manner;

- Leveraging purchases of defence equipment to create jobs and economic growth in Canada; and
- Streamlining defence procurement processes.

The DPS maintains oversight through the Defence Procurement Secretariat within Public Services and Procurement Canada (PSPC). The Defence Procurement Secretariat is accountable to the Deputy Ministers Governance Committee and is comprised of representation from PSPC; DND; Innovation, Science and Economic Development Canada; Global Affairs Canada; and Fisheries and Oceans Canada. In July 2018, the Treasury Board actively assumed responsibility for the issues previously addressed by the Cabinet Committee on Defence Procurement.

The *Industrial and Technological Benefits (ITB) Policy* leverages defence and security procurements to create highly-skilled jobs and economic growth across the Canadian economy.

Bidder proposals are assessed using value propositions. This assessment motivates bidders to put their best proposals forward, as industrial considerations directly influence which bidding firm wins a contract. The [value proposition guide](#) outlines our approach to leverage economic benefits when assessing procurements and provides guidance to industry on how to develop their value propositions.

The guide outlines four criteria that may be used to evaluate value propositions:

- Supporting the development of Canada's defence sector across the country including small and medium-sized enterprises;
- Enhancing the participation of Canadian companies in global supply chains;
- Investing in research and development in Canada; and
- Demonstrating export potential.

The policy, including the value proposition, is applied to National Defence and Canadian Coast Guard (CCG) procurements over \$100M. Eligible procurements valued between \$20M and \$100M are also reviewed to determine whether a value proposition may be applied.

To support procurement streamlining, DND's contracting authority is increasing from \$1M to \$5M.

See the [Defence Procurement Strategy \(DPS\) Guide](#) for more information.

### *Independent Review Panel for Defence Acquisition (IRPDA)*

The IRPDA's mandate is to validate the requirements for major military equipment procurement by providing independent, third party advice to the MND and DM before MND or TB approval for these projects is sought.

While each IRPDA engagement will be different depending on the project, their core areas of interest are:

- Proposed project capability gap to be addressed, strategic alignment of proposal with government policies and decisions, fit with other planned and current DND/CAF and key allies' capabilities, risks, and rationale for the proposed options;
- Requirements Methodology for the development of approved High Level Mandatory Requirements (HLMR) and key judgments made, quality of High Level Mandatory Requirements (HLMR) , level of operational effectiveness reflected in HLMR, alignment of HLMR and preliminary Statement of Operational Requirements (SOR), and level of project complexity associated with HLMR; and
- Procurement Context. Potential suppliers, potential within Canadian industry, risks with schedule, in-service support, cost drivers, and cost assumptions.

The Independent Review Panel for Defence Acquisition (IRPDA) is mandated to challenge projects that meet any of the following criteria:

- Projects with a total estimated cost of \$100M or more calculated in budget year dollars (exclusive of taxes);
- Memoranda of Understanding (MOUs) that could lead to a project where the total value of the expenditure under the MOU plus the potential procurement cost is estimated at \$100M or more;
- Projects with a Project Complexity and Risk Assessment (PCRA) that exceeds the authority delegated by TB to the MND under the Organizational Project Management Capacity Assessment (OPMCA);
- Projects identified for TB approval by the Treasury Board Secretariat (TBS) or referred for TB approval by the MND; and
- Projects identified for challenge by the MND and/or DM.

#### IRPDA Third-Party Challenge Function Role

The Treasury Board Policy on the Planning and Management of Investments and the Directive on the Management of Projects and Programmes stipulates the provisions pertaining to independent reviews.

Supporting the Defence Procurement Strategy, is the Third-Party Challenge Function. In DND, the Independent Review Panel for Defence Acquisition provides a third-party challenge function. The panel supports the review of requirements for major projects and associated resource allocation. This results in greater clarity in the procurement process from the beginning and helps validate military requirements, enabling the timely awarding of contracts.

#### Chief of Force Development (CFD) and IRPDA

Director Capability Integration (DCI) in CFD is responsible for prioritizing and sequencing the projects to be reviewed by the IRPDA, and for ensuring that documentation provided to IRPDA is the current, approved version.

For additional information on the IRPDA process, see the [Independent Review Panel on Defence Acquisition \(IRPDA\) Guide](#).



## 2.4 Departmental-level Governance

The Directorate of Defence Governance and Management Services in the Corporate Secretary organization, manages and maintains the Defence governance framework to enable decision making by the Senior Executive Level. These responsibilities include the management and sustainment of Defence Governance Framework and the planning and coordination of Level 0 engagement strategies with key stakeholders, the alignment of Level 0 and Level 1 Functional committee mandates and activities, and the conduct of strategic analysis of items raised at the Level 0 governance committees and boards.

For the provisions of this directive, governance in Defence is defined as:

*A formally recognized and accepted forum or body where one (or more as applicable) senior designated official(s) will provide repeatable and auditable policy-compliant direction with an aim to achieve departmental and/or governmental strategic objectives.*

By Policy, senior designated official(s) are responsible for supporting the Deputy Minister's accountability for all requirements listed in policy and for the capacity, competency and knowledge of the department's workforce in project management, procurement, real property and materiel management.

The governance framework in Defence is rather complex as it contains multiple nodes aimed at connecting various silos of activity within the department. One of the goals of the PAD is to ensure that staff supporting the delivery of program understand how decisions are achieved in order to meet DND's program objectives in accordance with Policy. This requirement entails that the appropriate senior designated official be provided with an opportunity to make the right decision or provide adequate direction on behalf of the Canadian taxpayer. The following figure highlights the various levels of governance a capability project must pass through prior to entering service as an operational capability.



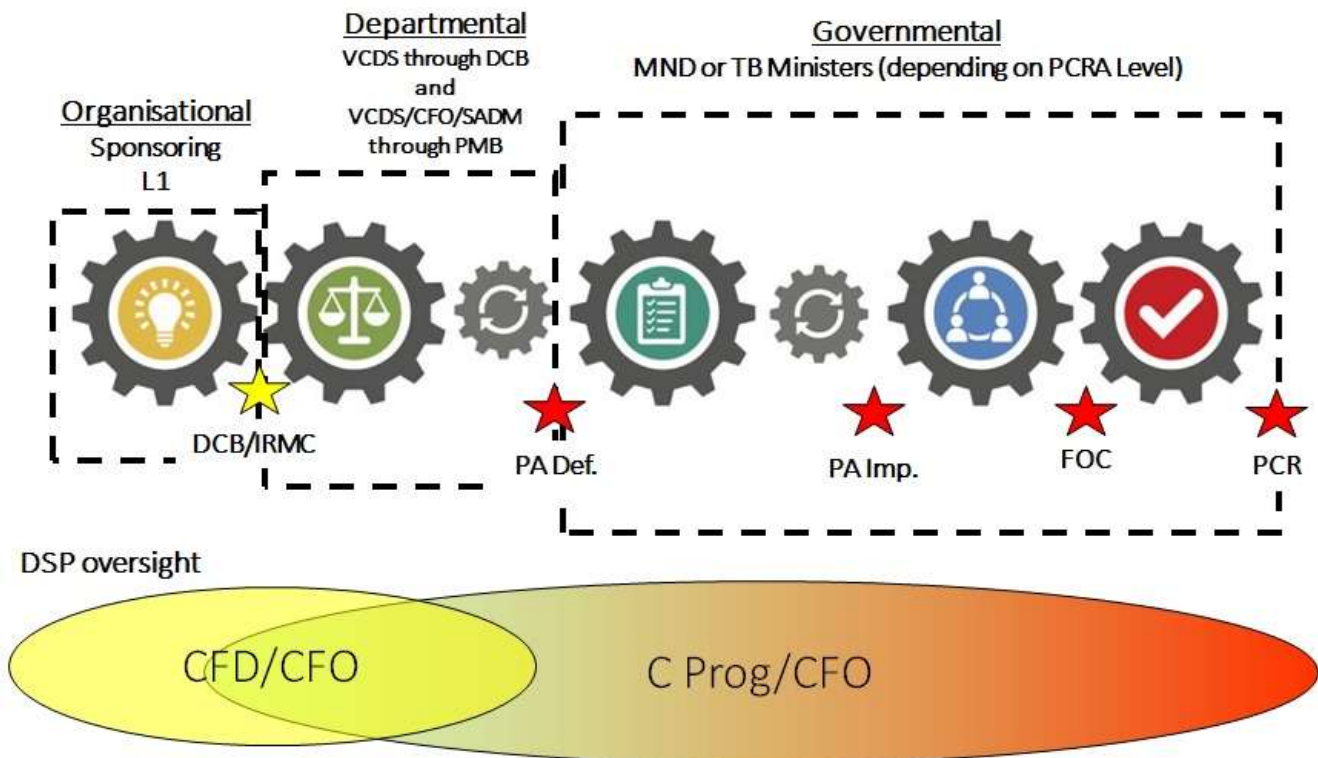


Figure 4: Governing Levels

As shown in Figure 4 above, an idea or a concept in the Identification (ID) Phase is ultimately under the full control and responsibility of the sponsoring Level 1 Manager. Once the idea gets vetted and approved into the Defence Services Program (DSP), control of the newly created project gets transferred up to the Associate DM, Vice Chief of the Defence Staff (VCDS), and Chief Financial Officer (CFO) at the departmental level to ensure that options are properly analyzed in preparation for governmental approval. Once approved by the appropriate Government authority, the project is required to abide by the scope, schedule and cost parameters that were authorized by either the MND or TB Ministers as required based on the PCRA level. Defence Services Program (DSP) oversight is accomplished throughout the project management life cycle by CFD, C Prog and CFO organizations.

Note that in accordance with TB Policy, department deputy heads are responsible to appoint ADM level (or equivalent) sponsors, through a signed appointment letter, for all PCRA 4 projects as well as all PCRA 3 projects with a value of \$100M or greater.

The Defence Services Program (DSP) contains multiple activities, programmes and projects and as such, the governance framework needs to be adaptive to address the various decisional needs. The following governing bodies are essential for the effective delivery of the Defence Services Program (click on links for additional details):

*Defence Capability Board (DCB)*

DCB mandate is to provide VCDS, on behalf of the DM/CDS, with the situational awareness and decision support with respect to the development and validation of future Defence capabilities and investments, including Urgent Operational Requirement (UOR) and investments in the Estimated Life Expectancy (ELE) of existing capabilities. This board serves as the approval authority for all Strategic Context Documents (SCD) and Business Case Analysis (BCA) prior to acceptance of an initiative into the departmentally approved balanced portfolio.

The only notable exception is for Infrastructure Construction Projects (ICPs) where ADM (Infrastructure and Environment) (ADM (IE)) has delegated authorities and internal approval processes to ensure appropriate oversight at ID and OA stages.

*Programme Management Board (PMB)*

Programme Management Board (PMB) provides Associate DM, VCDS and the CFO with decision support and advice with respect to the composition of the Investment Plan (IP) and the management of elements of the Defence Services Program (DSP).

*Investment and Resource Management Committee (IRMC)*

Investment and Resource Management Committee (IRMC)'s primary mandate is to promote the effective allocation and management of the Department of National Defence's available financial resources. The Investment and Resource Management Committee (IRMC) provides advice to the DM on Budget priorities and requirements consistent with the strategic objectives of the Programme, Government priorities, and the requirements for effective management activities for the department. The Committee oversees the allocation, oversight and control of the Department's financial resources, control of risks, reviews financial policies and practices and oversees the management and progress of major investments.

*Infrastructure and Environment Board (IEB)*

The Infrastructure and Environment Board (IEB), chaired by ADM (IE), ensures that IE performance is meeting expectations and focused on enabling Canadian Armed Forces capabilities. In the Project Approval context, the IEB's role is limited to the endorsement of IE's Infrastructure Construction Projects (ICPs) which fall under the ADM(IE)/DM's authorities (below <\$25M).

Members represent L1s including Royal Canadian Navy, Royal Canadian Air Force, Canadian Army, and others, with supporting membership internal to ADM (IE). It provides strategic advice and corporate guidance to ADM (IE) on infrastructure and environment matters. The IEB ensures the performance of the IE portfolio and the enabling real property management is regularly and systematically assessed for CAF operational suitability and relevance, utilization, efficiency, condition and financial performance. The primary goal is to ensure that IE performance is meeting expectations and focused on enabling CAF capabilities. The IEB meets 3 times per year and is supported by two senior committees as follows:

- Real Property Operations Committee (RPOC); and
- IE Portfolio Management Committee (IEPMC).

### Digital Services Board

The Digital Services Board (DSB) is the most senior Defence Team (DT) decision-making body on integrated digital governance.<sup>1</sup>

The DSB addresses the requirement for efficient planning, management, and delivery of the strategic implementation of the Defence Strategy (Strong, Secure, Engaged (SSE)) and subsequent updates, as well as Government of Canada (GC) and departmental policies. It will ensure that Department of National Defence (DND) and Canadian Armed Forces (CAF) digital transformation and enablement are coherent, proactive, and managed.

Note 1: [\*Policy on Service and Digital\*](#), section 4.1.3.1 states that Deputy Ministers are responsible for establishing governance to ensure the integrated management of service, information, data, IT, and cyber security within their department. We have therefore been tasked with creating a new governance body, replacing the previous Information Management Board (IMB) and Defence Data Management Board.

### The Defence Policy: Strong, Secure, Engaged (SSE)

DND is implementing the *Defence Policy: Strong, Secure, Engaged (SSE)* over a 20 year horizon in order to deliver on the Government of Canada's vision of Strong at Home, Secure in North America and Engaged in the world. Existing program governance and procedures remains in place. However, all implementation activities are managed by the Associate DM, VCDS, and the CFO at the Programme Management Board (PMB). The Associate DM, VCDS, and CFO, in turn, report progress regularly to the Defence Strategic Executive Committee (DSX), with resource allocation being performed at the Investment and Resource Management Committee (IRMC). The Defence Management Committee (DMC) is used to inform its membership of the progress of SSE implementation and provides a forum for Functional Authorities to report on specific initiatives and activities. Each Functional Authority reports the status of their initiatives and activities to PMB and is supported by the SSE Coordination Committee.

Part II of this directive explains how these various governing bodies interact with projects as they evolve through the Program pipeline.

## 2.5 Project-level Governance

The governance methodology used to support projects in DND is through the matrix structure wherein the existing functional organizations commit to provide specialist services during the life of the project. The two principal lines of functional authority for projects are:

- Business ownership (Sponsor); and
- Functional delivery (Implementer).

In support of these functional authorities throughout the life of a project, project-level governance will be executed by a Project Team composed of the following key players:

- Project Leader (PL);
- Project Director (PD); and
- Project Manager (PM).

The enabling body for the execution of the governing functions by these players is called the Senior Review Board (SRB).

### Senior Review Board (SRB)

A major role for a Senior Review Board (SRB) is to ensure corporate challenge and oversight in support of DCB and Programme Management Board (PMB). It also ensures project development and management advice to the Project Leader as well as project risk and project performance management oversight. The SRB is structured in a way to ensure that the principles of accountability, responsibility and authority are maintained at the project level throughout its life cycle. Given the possible differences that may exist between the various lines of authority represented at the SRB, this directive emphasizes the need for project leadership where a single individual acts as the “honest broker” responsible for the execution of project-level governance functions. This individual is the Project Leader. The Project Leader acts as chairperson and is accountable for decisions taken at the SRB. The Project Leader is specifically named in the Project Charter and any changes in leadership must be reflected in a Charter amendment. Decisions at SRB shall be captured in a record of decisions which shall be prepared and distributed by project staff for review by all SRB members, normally within 15 working days from the meeting. Once reviewed and approved, the record of decision will be saved to the Defence Services Program Portal (DSPP) to support the Project Approval Process and saved as a record in an official records repository, such as RDIMS and GCdocs.

The membership and composition of a project SRB will also be identified in the Project Charter and approved by the Project Leader. Core SRB membership will include representation from the following organizations:

- Chief of Force Development (CFD) Analyst;
- C Prog Analyst;
- ADM (Fin) Analyst;
- ADM (IE) or delegate; and

- ADM (IM) or delegate (when project scope includes Information Management/Information Technology (IM/IT)).

Any other members can be selected as required by the Project Leader and they too will be listed in the project Charter. Note that the Project Director (PD) and the Project Manager (PM) are likely presenters (depending on the phase of the project), but they are not core members of the SRB. The Project Sponsor, if present and not acting in the role of Project Leader, forgoes its Project Sponsor hat and becomes a representative of their environment. The same applies to a Project Implementer. As for the Project Director (PD) and the Project Manager (PM), they are the voice of the Project Sponsor and the Project Implementer at the SRB but they are not members of this governing body. Ultimately, it is the named Project Leader who is in charge of making Project Management decisions, supported by advice and recommendations from the SRB members listed above. This governing methodology is critical in the maintenance of accountability for projects.

All Functional Level 1s will be invited to SRBs, receive the advance notice and review materials and be given the opportunity to provide input as dictated by circumstances.

Observers from outside DND, such as representatives from the TB Secretariat, PSPC or ISED, may be invited to attend an SRB, but will be excluded from any agenda items where internal departmental issues are discussed.

The SRB will meet at least annually to review project performance, progress and key risks. The project SRB must have a mandate for challenge. As a minimum, the agenda should focus on project risk and response strategies and the status of key parameters impacting cost, schedule and scope. Supporting documentation should be provided in advance and much of the debate conducted in advance so that the meeting has the ability to formalize the discussion. The SRB should be briefed on resources and trade-offs between time, cost, scope and performance. The SRB checklist can help develop a standard agenda, but must not become a tool for quick check off which replaces discussion and debate.

See the [Governance - Senior Review Board \(SRB\)](#) and the [Senior Review Board \(SRB\) Terms of Reference](#) for further guidance.

## 2.6 Project Team Accountability, Authority and Responsibility

The following accountability principles apply to project teams:

- A project team must abide by the policies and procedures of their respective functional organizations;
- Individual members within project committees retain their respective functional authority. Committee members are responsible for the guidance given by the committee to the Project Leader;

- The Project Leader exercises Functional Authority and is accountable for the overall management of the project to the DM. The Project Leader is supported by a Project Director (PD) and a Project Manager (PM);
- On behalf of the Sponsor, the Project Director (PD) is responsible to the Project Leader for the overall control of the operational requirements and provides guidance, as appropriate, to the Project Manager (PM) throughout the life of the project; and
- On behalf of the Implementer, the Project Manager (PM) is responsible to the Project Leader for the overall control of all project management activities within the approved and authorized resources.

### Project Leader

The overall planning, organization and coordination of a given project is led by a Project Leader. The Project Leader is a specifically named person and is ultimately accountable to the DM for the overall management of the project. Prior to Project Approval for Definition (PA Def), the Project Leader position is filled by the Sponsoring organization. Once PA Def is achieved, the Project Leader position is transitioned over to the Implementing organization. In the context of project-level governance, the responsibilities of a Project Leader take precedence over the title of Sponsor and/or Implementer.

The Project Leader is supported by a Project Director (PD) and a Project Manager (PM) throughout the project management life-cycle. The [Project Leader Terms of Reference](#) are documented in the Project Charter in accordance with the Project Approval Directive (PAD).

### Project Director (PD)

Appointed by the sponsoring Level 1 Manager, the Project Director (PD)'s role is to ensure project objectives, linked to a validated operational requirement, are established early in a project and maintained through to project completion.

To progress the project, the Project Director (PD) needs specialist input from other functional organizations using the matrix management concept. The Project Director (PD) obtains the necessary functional inputs through a combination of negotiations with functional managers and direction provided by the Project Leader, the Senior Review Board (SRB) and departmental committees.

### Project Manager (PM)

The Project Manager (PM) is appointed by the implementing Level 1 Manager. The Project Manager (PM) manages the project, while working with the Project Director (PD) to ensure the approved project activities are achieved.



### PART II – Project Approval Process (PAP)

#### Introduction

The Project Approval Directive (PAD) is the Department of National Defence's (DND) policy directive regarding project delivery, which consists of Project Approval and Project Management. It is founded upon Canadian Government policy, the Project Management Institute's best practices and the Project Management Body of Knowledge (PMBOK). It comprises decades of lessons learned and has evolved with each transformation of project policies, practices and procedures. Within the national context, DND is unlike any other institution. DND manages significantly complex projects across all spectrums (cost, complexity and scope), has a unique identity with both a CAF and DND responsibility to MND for capital acquisition and has a low risk tolerance given the need for responsible stewardship of taxpayer's dollars and the consequences of mistakes made with respect to military capability.

Project Teams shall follow the Project Approval Directive (PAD), which is segmented into two parts as follows:

#### Part I – Policy and Governance

Part I deals specifically with overarching policy. DND's acquisition process is linked to capability delivery in support of the Government's [Defence Policy](#), with project benefits/outcomes directly linked to the defence and security of Canadians and Canadian interests. Therefore, DND's project processes must be informed by a robust and sophisticated method aimed at identifying, prioritizing and delivering complex capability requirements. Governance must be synchronized and efficient to ensure all requirements, factors and risks are considered with the ultimate aim of ensuring a capable and effective CAF.

#### Part II – Project Approval Process (PAP)

Part II takes its direction from the policy-based Part I that stems from policies, directives, standards and guidance issued by the Treasury Board Secretariat (TBS), by the Privy Council Office (PCO), from the Deputy Minister's Office (DMO), and from legislation. Part II outlines the steps that need to be undertaken to assure that a consistent yet flexible, comprehensive and policy-based approach is undertaken for projects. In other words, Part II provides the Project Management direction and guidance regarding DND's project delivery. Moreover, as practices evolve, along with the evolution of standards and policies, this direction will necessarily also evolve. Part II will be reviewed and the approval of recommended changes will reside with C Prog in collaboration with DND/CAF organizations.

Part II is comprised of the following five sections:

- [Section A](#): Overview
- [Section B](#): Documentation Guides & Templates
- [Section C](#): Governance

- [Section D](#): Engagements and Miscellaneous
- [Section E](#): Glossary and References

DND/CAF personnel involved with project delivery are encouraged to liaise regularly with their CFD and C Prog Analysts to ensure the correct interpretation of direction and guidance, the latitude for flexibility in implementation, and for updates to the Project Approval Directive (PAD).



## SECTION A – OVERVIEW

Section A provides an overview of the Project Approval Process (PAP). This section applies to all DND/CAF members involved in delivering capabilities. While not exhaustive, this Section aims to provide the reader from the Project Director (PD) and Project Manager (PM) through to the L0 Level Executive (DM and CDS) with an overview of the process. Further detailed guidance is found in Sections B through E.

Section A is divided into eight chapters as follows:

- [Chapter 1](#): The Defence Services Program (DSP)
- [Chapter 2](#): General Project Information
- [Chapter 3](#): Identification (ID) Phase
- [Chapter 4](#): Options Analysis (OA) Phase
- [Chapter 5](#): Transition Periods
- [Chapter 6](#): Definition (Def) Phase
- [Chapter 7](#): Implementation (Imp) Phase
- [Chapter 8](#): Closeout Phase

## Chapter 1 – The Defence Services Program (DSP)

### 1.1 Overview

The Defence Services Program (DSP) is defined as the unified architecture of DND's approved program, which contains all DND-approved services, activities, projects, programmes, and portfolios deemed to be essential to the delivery of affordable and effective Defence services to the Government and Canadians. Within DND, programmes consist of a group of related projects and change management activities that together achieve beneficial change for the Department.

The DSP (Figure 1) can be viewed as a dual-layered pipeline encompassing all the activities executed within DND. At its core, the project pipeline ensures the delivery of Defence Procurement requirements through the Project Approval Process (PAP). The outer layer of the DSP pipeline contains all the activities conducted by various DND organisations in direct or indirect support of the project pipeline.

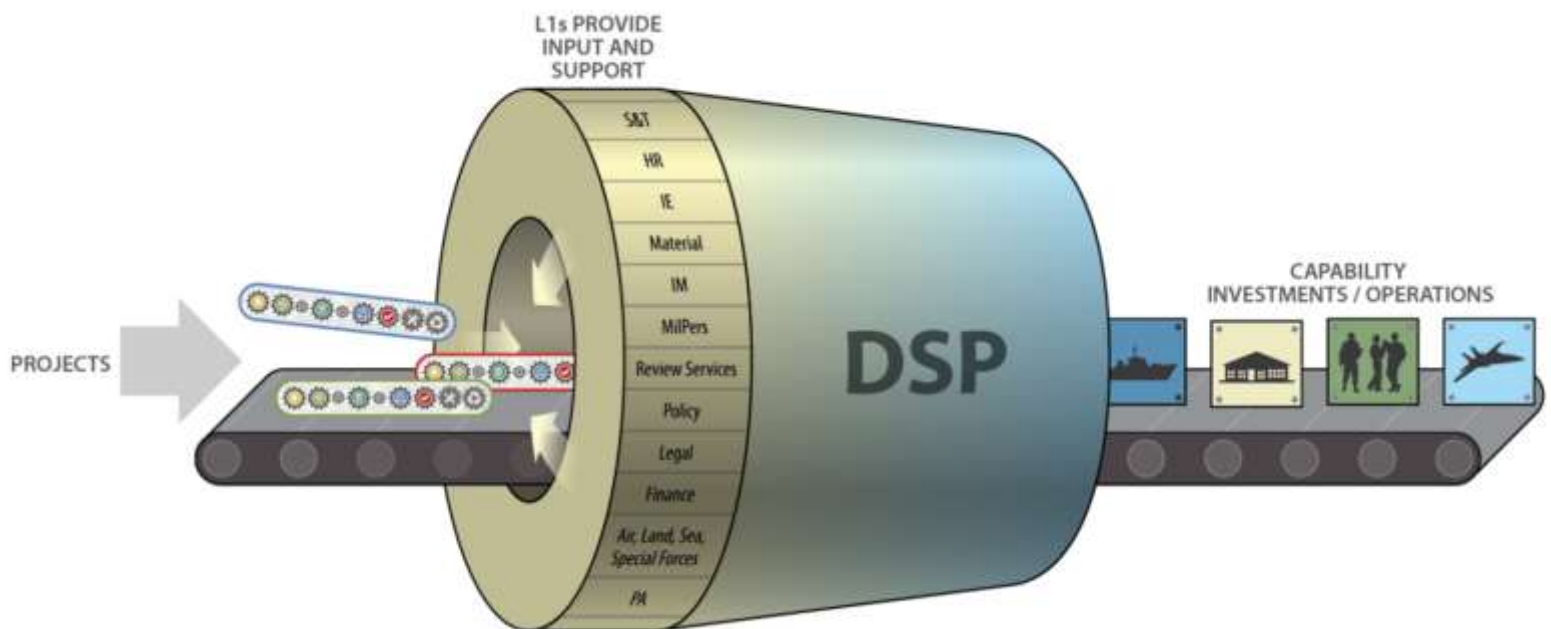


Figure 1: Defence Services Program (DSP)

## 1.2 Management of the Defence Services Program (DSP)

Although the DSP is managed on an annual basis, it contains three strategic planning timelines or “Horizons”:

- Horizon 1 (1-5 years) – Near term execution of activities with sources of funds identified in the Investment Plan (IP). The Strategic Planning Directive (SPD) lays out the foundation for the Defence Policy implementation during Horizon 1. The Defence Services Program (DSP) sets the priorities and synchronizes resourcing of Defence activities through the Business Planning (BP) Process and corporate performance measurement framework;
- Horizon 2 (5-10 years) – Mid to long term exploration and definition of activities that have a source of funds identified in the Investment Plan (IP). Initiatives, projects, and programmes with an identified source of funds are shaped and prepared for execution in Horizon 1; and
- Horizon 3 (10-30 years) – Activity in Horizon 3 is intended to understand and define long term CAF/DND requirements. Efforts will reflect current Defence Policy, but also consider the future via a Concept Driven Threat Informed Planning (CDTIP) analysis of DND/CAF. Initiatives, projects, and programmes identified in Horizon 3 will influence future Defence Policy and investment planning.

The resources required to achieve the expected results across these Horizons are identified in the Investment Plan (IP), endorsed by the DM and CDS and approved by TB.

The VCDS manages the Defence Services Program (DSP), including the L1 Business Planning process, the Defence Results Framework (DRF) and the Program Inventory structures, on behalf of the DM. The VCDS’ objective is to achieve the desired results and effective stewardship of Defence resources, supporting the accountabilities of both the DM and CDS. The VCDS approves the Force Capability Plan (FCP), which establishes the strategic capability outlook for the CAF. The VCDS also receives direction from the DM and the CDS at the Defence Strategic Executive Committee (DSX) where the Investment Plan (IP) is endorsed for furtherance to TB and the Strategic Planning Directive (SPD) is approved. VCDS is supported by the advice of the Level 1s at the Programme Management Board (PMB) and the Defence Capabilities Board (DCB).

ADM (Fin) manages expenditures within the fiscal framework and direction provided by the Investment and Resource Management Committee (IRMC) and is supported by the advice of the Level 1 Executives at the PMB.

Of note, the PERI methodology is an Investment Plan (IP) resource allocation concept that facilitates Programme risk and performance discussions. **P** – people; **E** – equipment; **R** – readiness; and **I** – infrastructure are the Investment Plan (IP) resource pillars, which must be coordinated to achieve investment balance. This concept facilitates the discussion of risk when investment adjustments are required and the mitigation measures are developed.

### 1.3 Functional Plans

The goal of functional planning is to promote standardized management practices for corporate functions in the Department's decentralized corporate management structure. Corporate functions include, but are not limited to:

- Human resource (HR) management, both military and civilian;
- Financial management and accounting;
- Information technology (IT) management;
- Real Property management;
- Management of environmental issues; and
- Materiel management.

There are three basic activities in functional planning. First, Level 1 Managers must be told what they should be doing to properly manage corporate functions within their organizations. Next, Level 1 Managers must incorporate this direction into their Business Plans. Lastly, Level 1 Managers must evaluate and report on the state of corporate functions across the whole Department.

The Defence Services Program (DSP) includes Functional Plans delivered by the functional Level 1 Managers. These include:

- Materiel Acquisition, including equipment acquisition and national procurement, is managed by ADM (Mat);
- Real Property management, including capital construction program, recapitalization, leases and licenses, and maintenance and repair, is managed by ADM(IE);
- Environment is a sub-program managed by ADM (IE) to provide environmental stewardship for properties managed by DND;
- Indigenous Affairs is a sub-program managed by ADM (IE) to ensure that DND/CAF fulfills its Indigenous obligations when planning activities;
- Technology Development is managed ADM (DRDC);
- Data is managed by ADM (DIA) to provide strategic leadership, governance and guidance to successfully transition Defence to a data-driven organization that manages data as an enterprise asset and uses it effectively for evidence-based decision making;
- Information Management is managed ADM (IM); and

- Strategic Human Resource (HR) (Intake, Development and Support) is managed by the Chief of Military Personnel (CMP), for military personnel, and by ADM (HR-Civ) for civilian personnel.

At the Programme Management Board (PMB), the Chairs will be briefed on the risk and performance expectations for functional plans early in the fiscal year and establish a review cycle to address risk and performance over the course of the year.

In concert, C Prog will assess and report to the DM and the CDS on the risk and performance at the programme level through the Departmental Results Framework (DRF) and Program Inventory.

As well, the ADM (Fin) provides monthly reports at the PMB on DND finances and advises quarterly adjustments to the allocations to be forwarded to the DM for approval at Investment and Resource Management Committee (IRMC).

## 1.4 The Investment Plan

The Investment Plan (IP) shows how resources are linked to activities, projects and programs. It identifies the activities and projects that are in the Defence Services Program (DSP) and that the VCDS and ADM (Fin) are tasked to manage on behalf of the DM. The DM and CDS grant Departmental Approval of the Investment Plan (IP), and ADM (Fin) is responsible to ensure that the Investment Plan (IP) is updated regularly as the situation dictates and send it to the TB for approval every three years.

The Capital Investment Fund (CIF), formerly referred to as the Accrual Envelope, is a dedicated source of funds in the Fiscal Framework defined on an accrual basis that establishes a ceiling for the accrual profile of DND's existing and planned tangible capital assets.

- The CIF is defined on an accrual basis and comprises a Baseline of Accrual Space (BAS) within the Fiscal Framework;
- First established in the Defence Policy approved in 2017, the CIF has an aggregate level of accrual space that is managed over a 20 year period; and
- The Baseline of Accrual Space (BAS) will be reset with a new 20 year period every three years, coinciding with the Investment Plan (IP) approvals, through a funding process that is approved by the Government of Canada.

In accordance with the [\*TB Policy on the Planning and Management of Investments\*](#), DND will “submit to Treasury Board Secretariat (TBS) on, an annual basis, an updated list of planned projects and programmes for the upcoming five years, with the associated procurement strategies or options for each, and the criteria used for prioritizing the projects and programmes included in the list”.

## Chapter 2 – General Project Delivery Information

This section provides an overview of the Project Approval Process (PAP) within DND.



**Figure 2: Project Approval Process**

### 2.1 Projects Defined

The term “project” carries multiple policy implications. The definition of the term “project” requires further clarification because it is often misunderstood in Defence project discussions. *TB Policy on the Planning and Management of Investments* defines a project as:

*An activity or series of activities that has a beginning and an end. A project is required to produce defined outputs and realize specific outcomes in support of a public policy objective, within a clear schedule and resource plan. A project is undertaken within a specific schedule, cost and performance parameters.*

Version 6 of the Project Management Body of Knowledge (PMBok) defines a project as “A temporary endeavour undertaken to create a unique product, service, or result”. Consequently, a project is characterized as “temporary”. It has a defined beginning and end, a defined scope, dedicated resources and it is “unique” – it is not a routine, enduring, or recurring operation but rather a specific set of operations designed to accomplish a singular goal.

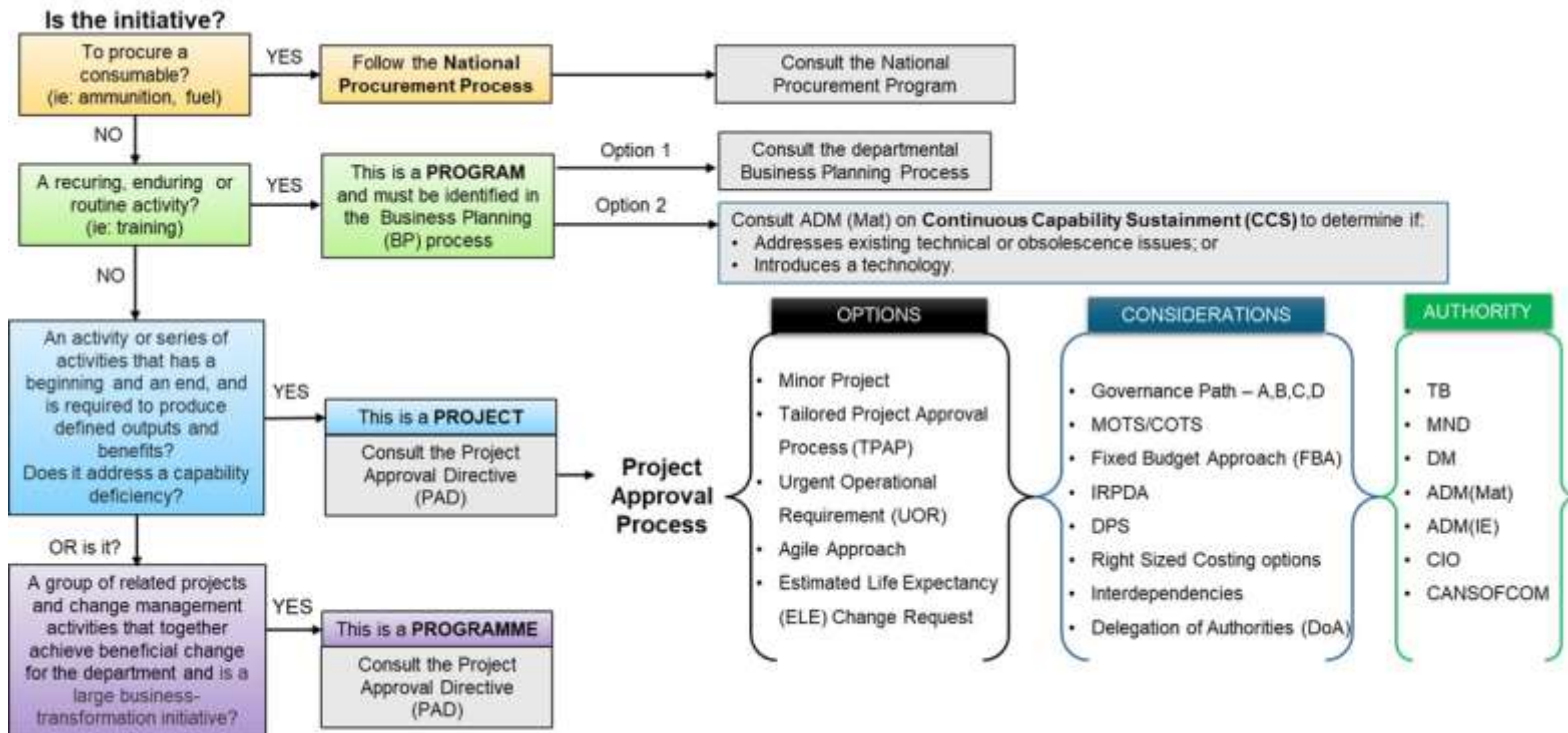
The following key elements can be seen in the above definitions:

- Project Start (Beginning)
- Project Closure (End)
- Project Scope (Work performed to deliver the product, service or result with the specified features and functions)
- Project Schedule (Milestones)
- Project Cost(s) (Resourcing)



## PROJECT APPROVAL DIRECTIVE (PAD)

To assist in selecting the most appropriate approach to address an initiative, the Sponsor of the initiative, in consultation with the VCDS and Implementer, should consider whether the initiative meets the criteria for a project as defined by TBS. The figure below can help in making this decision.



Careful consideration should be given to whether the initiative will be recurring, enduring, or routine. If the answer is yes, then the initiative is not a project under TB Policy. However, this does not preclude a Sponsor or Implementer from applying Project Management principles and/or governance to initiatives or services which, given complexity, risk, or sensitivity factors, are determined to require additional oversight. If in doubt, Sponsors and Implementers should consult ADM (Fin) and/or the VCDS (CFD/C Prog), as appropriate.

## 2.2 Agility

The *TB Directive on the Management of Projects and Programmes* requires that DND apply TB direction “in a scalable fashion commensurate with the needs of the department and the risk and complexity of the project or programme.” Furthermore, the Directive states that the Project Sponsor is responsible for “applying as appropriate, incremental, iterative, agile, and user-centric principles and methods to the planning, definition, and implementation of the project or programme.”

While Agile Procurement is not specifically defined in TB Direction, and there are no TB established processes for Agile Procurement, Departments have opportunities to leverage agile approaches in project management.

These opportunities exist within either:

- 1) the authorities granted to departments as result of their Organizational Project Management Capacity Assessment (OPMCA) rating; or
- 2) central agency led capability acquisition processes, such as those in development with Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC).

Treasury Board Policy and Direction, and the Project Approval Directive (PAD), have historically been grounded in a traditional “waterfall” approach to Project Management where a project moves sequentially from beginning to end, relying on consecutive activities, phases, and approval gates. By contrast, an agile approach is iterative and incorporates continuous feedback, change and adaption as a capability is conceived and acquired. Agile Procurement stems from concepts in the Government of Canada ([Agile Procurement - GCpedia](#)), and DND defines Agile Procurement as:

*A dynamic approach that applies cross-functional teams, collaboration, flexibility, and iterative processes. A cross-functional team typically consists of procurement officers, project or client staff, project sponsor representatives, and subject matter experts.*

Of note, DND’s OPMCA rating is the foundation which provides DND the opportunity to amend DOAs and investigate other areas of innovation within the authority of the MND. Therefore, no activity should be undertaken which places, either directly or indirectly, DND’s OPMCA at risk. This means that any initiative seeking to improve project management within DND, must also remain compliant with all extant policies and direction.

DND leverages innovative opportunities by creating a scalable and flexible suite of tools to support and enable the effective and efficient management of projects. This includes, but is not limited to, the Capital Investment Programme Plan Review (CIPPR), Tailored Project Approval Process (TPAP), Urgent Operational Requirements (UOR), Estimated Life Expectancy (ELE), Fixed Budget Approach (FBA), and changes to Delegations of Authority (DOA).

Agile Procurement is not a means for avoiding accountability and transparency in capability acquisition. Agile Procurement is not a panacea, rather it is part of the overall constellation of tools and processes available to effectively react to technological, geo-political, and operational change, and put effective, timely, and up-to-date capabilities into the hands of Canadian Armed Forces personnel.

In DND, the Project Sponsor is responsible for deciding whether an agile approach is appropriate for addressing a capability deficiency. Project Sponsors must identify how they intend to achieve the benefits of an agile approach within existing direction. Project Sponsors shall:

- Consult with CFD, CProg, ADM(Mat), CFO, ADM(CIO), and ADM(IE) as appropriate;
- Consider all available tools and procurement strategies;
- Prepare an agile procurement strategy which clearly outlines the intended process, benefits, outcomes, governance, and accountability; and



- Be prepared to assume a greater active role in shepherding the proposed agile project.

Agile Procurement remains new to government. Policy, Direction, and Processes will continue to evolve and DND will continue to position itself to leverage the opportunities that Agile Procurement provides.

For further information, the following may be consulted:

- ADM(Mat) - <http://materiel.mil.ca/en/business-functions-engineering-maintenance/software-development-process.page>
- Defence Procurement Strategy (DPS) Website – [https://www.gcpeia.gc.ca/wiki/Defence\\_Procurement\\_Strategy\\_-\\_Introduction](https://www.gcpeia.gc.ca/wiki/Defence_Procurement_Strategy_-_Introduction)
- Public Services and Procurement Canada (PSPC) - <https://www.canada.ca/en/public-services-procurement/services/acquisitions/better-buying/simplifying-procurement-process/agile.html>
- Shared Services Canada (SSC) - <https://www.canada.ca/en/shared-services/corporate/doing-business-with-us/agile-procurement.html>

## 2.3 Project Phases

An initiative/project in DND is managed through five distinct Phases of Project Management, including two transition Phases:

- Identification (ID)
- Options Analysis (OA)
- Transition to Definition
- Definition (Def)
- Transition to Implementation
- Implementation (Imp)
- Closeout

This phased approach is aimed at promoting early risk reduction and risk management before investing significant DND resources. Ultimately, the phases of an initiative/project reduce financial risk exposure, maximize human resources and ensure value for money in the achievement of Defence Services Program (DSP) outcomes.

In accordance with TB policy, DND is only required to report on project performance upon achieving Project Approval (PA) and Expenditure Authority (EA). Therefore, within DND, an initiative becomes a project after it has been approved by the Defence Capabilities Board (DCB) 2 at the completion of the Options Analysis (OA).

NOTE: To reduce confusion in this Project Approval Directive (PAD), the term project is used throughout all Phases for ease of reading.

## 2.4 Project Gating

A project phase is a period of time during which a logical grouping of activities will be performed and deliverables completed and approved (deliverables are tangible, verifiable work products). In DND, the five project phases are: Identification (ID), Options Analysis (OA), Definition (Def), Implementation (Imp), and Closeout. Collectively, project phases represent the project lifecycle.

A project gate is a key decision and control point that occurs before the next major milestone or deliverable or a new project phase begins. The gate represents a logical point at which executive “gatekeepers” can determine whether and how to proceed. Project gates effectively “open” or “close” the path leading to a subsequent project phase. Gates also provide an opportunity to assess the quality of work to date and to alter the course of the project and take remedial actions as necessary.

A gating framework defines points during the life of a project, from the early concept to post-Implementation Phases, when executive management carefully considers the project status and grants approval to proceed to the next decision point or “gate”. A defined gating process clarifies when reviews should be performed and which issues should be examined at those points in time, while still allowing flexibility for ad hoc or “health check” reviews.

In accordance with the [\*Directive on the Management of Projects and Programmes\*](#), a gating plan: 1) documents the decisions that will be taken at each gate, the evidence and information required in support of the gate decisions, the criteria used to assess the evidence, and the gate governance; and 2) reflects the specific risks of the project; input from key departmental and external stakeholders; the procurement strategy; and project dependencies and constraints.

### DND's Gating Framework

Within DND, projects are subject to the following Gating Framework consisting of seven gates:

Gate 1 – Strategic assessment of the initiative: Outcome of the Capital Investment Plan Program Review (CIPPR) and/or similar strategic prioritization process.

Gate 2 – Confirm the business need and desired outcomes: Strategic Context Document (SCD).

Gate 3 – Confirm the organization is ready to undertake the project: Business Case Analysis (BCA).

Gate 4 – Confirm that proper governance, planning and management are in place: Project Charter and Project Management Plan (PMP).

## PROJECT APPROVAL DIRECTIVE (PAD)

Gate 5 – Confirm the completeness and feasibility of the detailed project plan and definition of requirements: Project Approval Implementation (PA Imp).

Gate 6 – Confirm the ability to effectively employ a new or improved capability for which adequate infrastructure, training, staffing, security, and support is in place: Initial Operational Capability (IOC) or equivalent (such as Architectural Object Transfer (AOT)).

Gate 7 – Confirm completion, assess the extent to which the project has achieved its desired outcomes: Full Operational Capability (FOC) or equivalent.

Of note, achieving Project Approval Definition (PA (Def)) is a milestone and not a gate. The decision to proceed or not with seeking Project Approval Definition (PA (Def)) takes place during Gate 3.

See the [Gating Framework Guide](#) for further details.

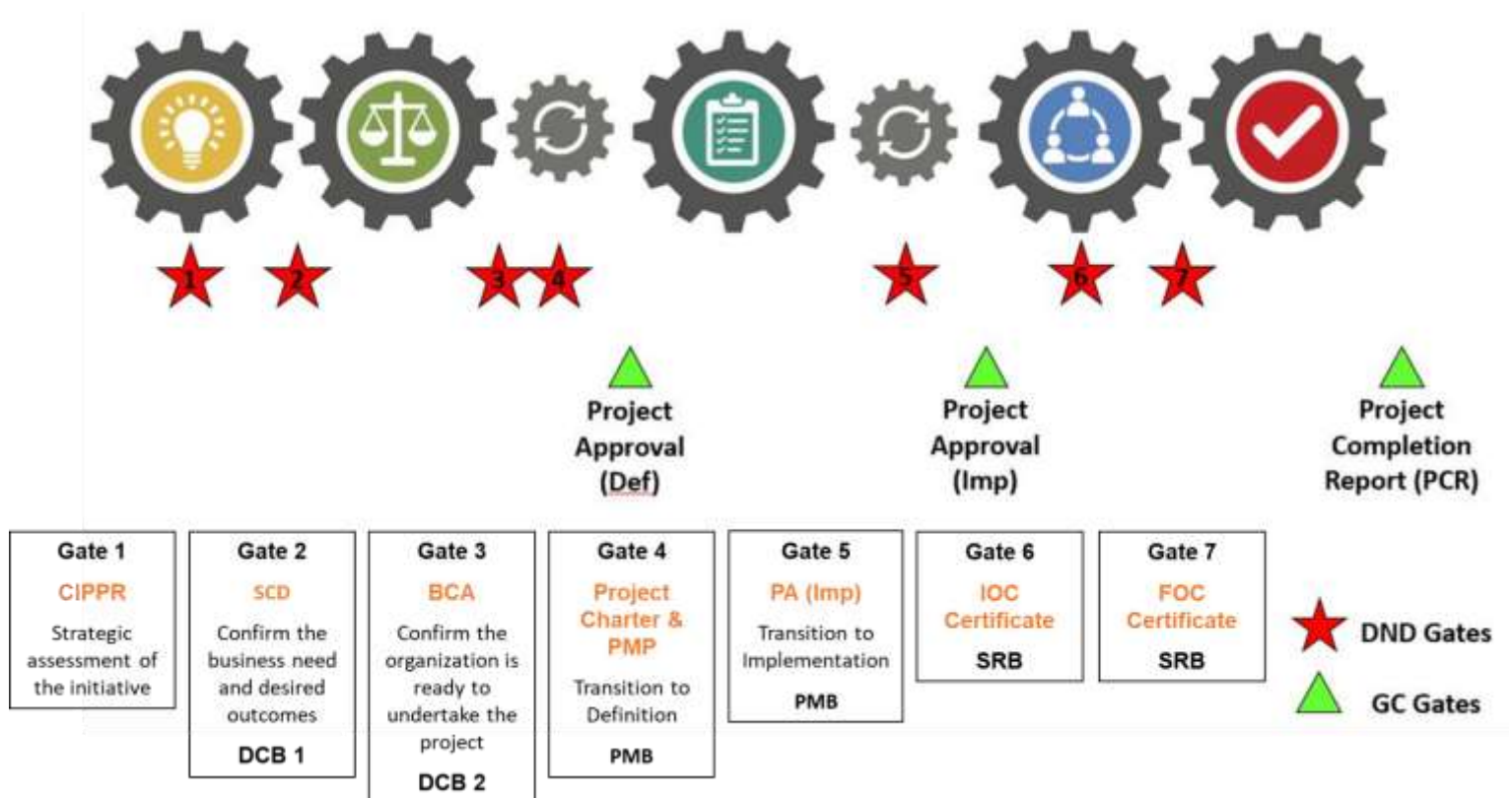
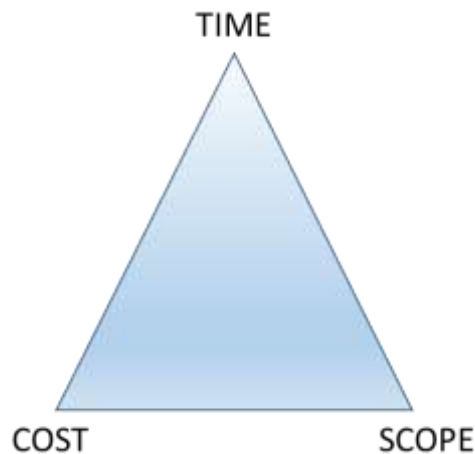


Figure 3: Gating Framework

## 2.5 Project Constraints

Within the Defence Services Program (DSP) the three key constraints are scope, schedule and cost. In addition, projects must capture and assess not only the direct project costs but also the total capability and through-life costs to achieve outcomes.



**Figure 4: Project Constraints (Iron Triangle)**

## 2.6 Project Schedule

An essential Project Management element is the notion of planning. To achieve this, scheduling is used in the synchronization of all Project Management and approval activities. In Project Management, milestones mark significant accomplishments during a project's lifecycle management. These are:

- Project Start (signaled at Defence Capabilities Board (DCB) 2)
- Project Approval for Definition (PA Def)
- Project Approval for Implementation (PA Imp)
- Contract Award
- Initial Operational Capability (IOC)
- Architectural Object Transfer (AOT) for infrastructure projects only
- Full Operational Capability (FOC)

- Project Completion Report

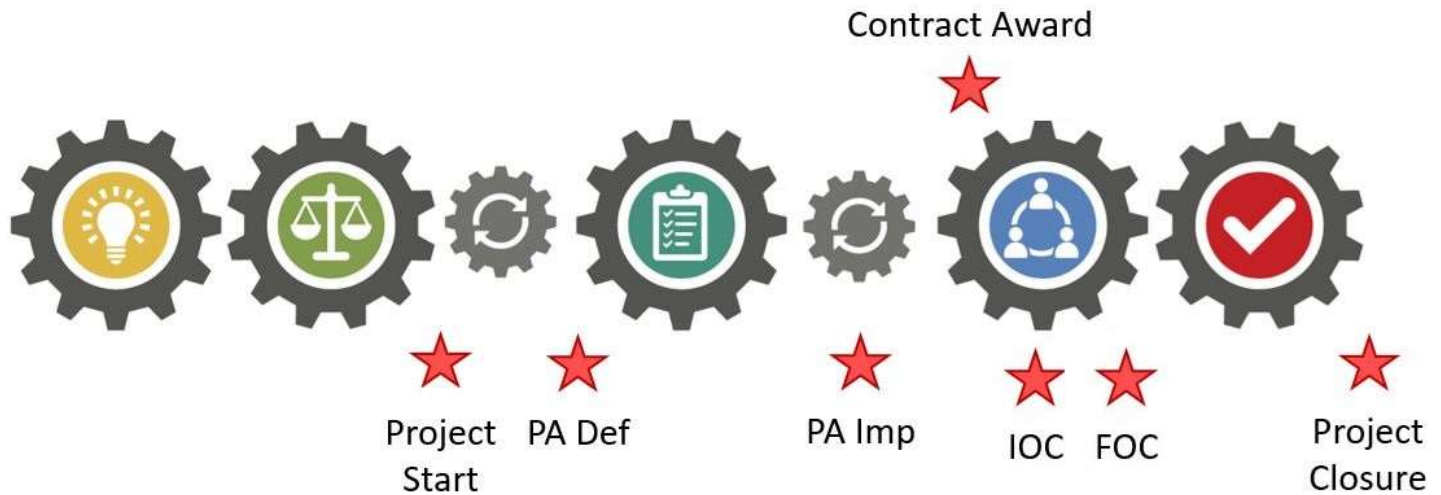


Figure 5: Project Milestones

## 2.7 Project Resourcing

By their very nature, projects are resources consumers. Therefore, proper capturing, evaluating, and substantiating of resource consumption to meet a project's mandate, is key to the effective management of the project through its entire life cycle.

### Human Resources

Introducing new capabilities may have a significant impact on CAF and civilian personnel. They may result in a stand-up of new units, relocation of personnel and changes to training, education and support services. Projects can therefore affect the military personnel management system which recruits, trains and educates, prepares and supports military personnel and their families for service to Canada.

Personnel costs, including those needed for the Project itself, represent a significant portion of the Defence Services Program (DSP). Projects must capture and address their impacts on military personnel and the military personnel management system to ensure corporate visibility and awareness. A commonly overlooked cost to a project is the cost of moving people; this could be the need to move people into a project office outside the Active Posting Season (APS), or it could be the end state need to re-balance or re-assign establishments to meet the new Full Operational Capability (FOC). Any cost deemed to be supplemental to the annual personnel move plan developed by Chief of Military Personnel (CMP) shall be borne by the project.

### Organizational Change Management (OCM)

Project driven organizational change management refers to organizational changes required to successfully deliver projects. OCM provides a proactive, structured approach to identify and address the people and organizational risks inherent in any change effort. It encompasses the processes, systems, and controls for managing the effect of new business processes, changes in structure, or cultural changes within an organization, particularly related to the people side of change management. Effective change management mitigates organizational risk in the pursuit of benefits realization. Changes resulting from the realization of benefits and implementation of projects, programmes and initiatives must take into account, and plan for, the impact on people within the context of their work.

To enable effective Organizational Change Management, CAF/DND has adopted the use of the NATO-capability lines of development DOTMLPFPI construct that must be completed by Project Teams. It is comprised of Doctrine, Organization, Training, Materiel, Leadership Development, Personnel, Facilities, Policy, and Interoperability, and, where applicable, requires plans to be developed for each component.

For further information, please consult the [DOTMLPFPI Annex template](#) and the [DOTMLPFPI Guide](#).

### *Time as a Resource*

DND has been criticized in the past for allowing projects to drag on long after the capability has been delivered. Investment projects tie-up funds and personnel resources that could be used for other initiatives. Accordingly, the time factor, both in terms of when a project takes place and how long a project is going to take, is an important consideration.

Historically, a 10-year project cycle was an idealized average. However, some projects can be achieved in much less time and some could conceivably take twice as long. A major point is that the project lifecycle will not be taken for granted and the time elements will be advised to the Project Leader at the Programme Management Board (PMB) every time a project is briefed in that forum. In particular, Project Teams may be asked to justify why a project requires more time than the average for any particular part of the work.

Projects must seek to minimize the time required to achieve project outcomes and Closeout requirements. Projects (in any phase) that become stalled (i.e. no progress at all, as opposed to a delay to a milestone) for longer than one year need to be reviewed by the PMB. It is DND's policy that completed projects will be formally closed as judiciously as possible and any unused resources will be returned to the Defence Services Program (DSP) for reallocation.

### *Estimated Life Expectancy (ELE)*

Estimated Life Expectancy (ELE) is a key data point in the life cycle management of assets. The service life of an asset should be determined on a basis that is linked with the expiration of the economic benefits. For new systems, the ELE is essentially a contract deliverable by virtue of the contractor needing to warrant an effective service life of the equipment. This will be delivered in the suppliers' language based on their engineering studies and the project engineering team will

then liaise with the intended system operator to determine the rate at which the service life will be consumed. Accordingly, the ELE will be finally stated as a number of years following FOC. This is entered into the accrual calculations for determining amortization periods and costs, and adjusted accrual planning space.

### *Changing an Estimated Life Expectancy (ELE)*

Over time the ELE may need to be adjusted. When that happens, the ELE - Change Request process is invoked in accordance with the ELE - Change Request process described in the [Guide – Estimated Life Expectancy \(ELE\) Change Request](#).

Regarding ELE changes, there are options to be considered, for example an option could be to extend the life of the system rather than replace it. In another case, betterments could also extend the life of an asset in addition to making a system more economical or more effective. Regardless of the change to the system, it can have a considerable impact on the Investment Plan by altering the accrual numbers and changing the planning space or by altering the sustainment planning space.

These changes cannot be taken unilaterally and departmental consultation is required. Staff will use the Guide to process life expectancy changes.

Note: Existing ELE efforts have been confined to equipment systems and Infrastructure. This needs to be expanded to cover other systems such as IM/IT.

## 2.8 Obtaining Chief Financial Officer (CFO) Attestation

The Deputy Minister (DM) is ultimately responsible for the development and preparation of Corporate Submissions and for obtaining MND's sign-off. In consultation with C Prog, both the ADM (Fin)/Chief Financial Officer (CFO) organization, the Project Sponsor (business owner), and the implementers ((ADM(IE), ADM(IM), ADM(Mat))) play important roles in developing the submission and in supporting due diligence for the CFO attestation.

Treasury Board policy notes that the CFO's challenge and attestation role is based on corporate financial stewardship and as an objective strategic business adviser on matters such as risk management, the examination of financial options and cost containment. Overall, the CFO is mandated to provide objective and independent advice to the Deputy Minister (DM) as the accounting officer for the department. There will be interdependencies between the Project Sponsor's role as the proposal's proponent, the implementer's role, and the CFO's overarching leadership and coordination role in financial management. Early collaboration in the proposal's development is required to manage these interdependencies and allow sufficient time to address any matters or opportunities identified through the due diligence review.

Project Teams must remember that they are delivering a capability, not just one element of a capability. Sustainment, operating and infrastructure costs related to equipment to be acquired must be identified to the same degree of accuracy as the acquisition cost and a source of funds must also be identified. Note that a project must fund infrastructure costs directly related to the



deliverable (e.g., a hangar for a new aircraft). While a project may not be expected to fund the second and third order infrastructure costs (e.g., extension to the base fire hall), the Project Sponsor must identify these costs and funding sources. Which costs are direct and which are second or third order must be determined and identified, along with implementation responsibility in the Project Brief. These cost investigations must be done as part of the DOTMLPFPI cross-functional lines of development consultations. ADM(IE) must provide Infrastructure-related inputs for capability projects, including costing input to ADM(Fin).

Note: More information on Corporate Submissions can be found on the ADM (Finance) intranet page at: <http://cfo-dpf.mil.ca/en/policy-procedure/corporate-submissions.page>.

*Assistant Deputy Minister Finance (ADM (Fin)) and the Capital Investment Fund Change Management (CIFCM) Process*

ADM (Fin), as the DND Chief Financial Officer (CFO) organization, is in charge of ensuring that the appropriate funds are used for projects.

The Capital Investment Fund Change Management (CIFCM) process is developed and implemented jointly by ADM (Fin)/Chief Financial Officer (CFO) and the VCDS. The Capital Investment Fund Change Management (CIFCM) process has been established to ensure the Investment Plan (IP) remains affordable and sustainable when changes in scope, schedule and cost requirements arise. The process provides the VCDS, Chief Financial Officer (CFO) and DM with greater visibility in how the Investment Plan (IP) is impacted by: 1) new investments; or 2) changes in scope, schedule and cost of existing investments.

*Indicative, Substantive and ROM Costs*

While the terms Indicative and Substantive costs are widely used in the Project Approval Process (PAP) vernacular and the language contained in project documentation and Corporate Submissions, project teams must understand that it is ultimately the CFO Attestation that will meet the decision-making expectations of the Deputy Minister (DM), MND, central agencies and cabinet committees in accordance with the Treasury Board [Guideline on Chief Financial Officer Attestation for Cabinet Submissions](#), the CFO Attestation hinges upon six fundamental risk-based assertions which form the main body of the CFO Attestation Letter:

1. The nature and extent of the proposal is reasonably described and material assumptions having a bearing on the associated financial requirements have been disclosed and are supported.
2. Significant risks having a bearing on the financial requirements, the sensitivity of the financial requirements to changes in key assumptions, and the related risk-mitigation strategies have been disclosed.
3. Financial resource requirements have been disclosed and are consistent with the assumptions stated in the proposal, and options to contain costs have been considered.
4. Funding has been identified and is sufficient to address the financial requirements for the expected duration of the proposal.



5. The proposal is compliant with relevant financial management legislation and policies, and the proper financial management authorities are in place or are being sought through the proposal.
6. Key financial controls are in place to support the implementation and ongoing operation of the proposal.

Within the ADM (Fin) organization, the analysis supporting the first three assertions of the CFO Attestation Letter is carried-out by Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA). The last three assertions require involvement from multiple organizations within ADM (Fin) under the umbrella of a Financial Input Committee (FIC) to support the CFO Attestation Letter.

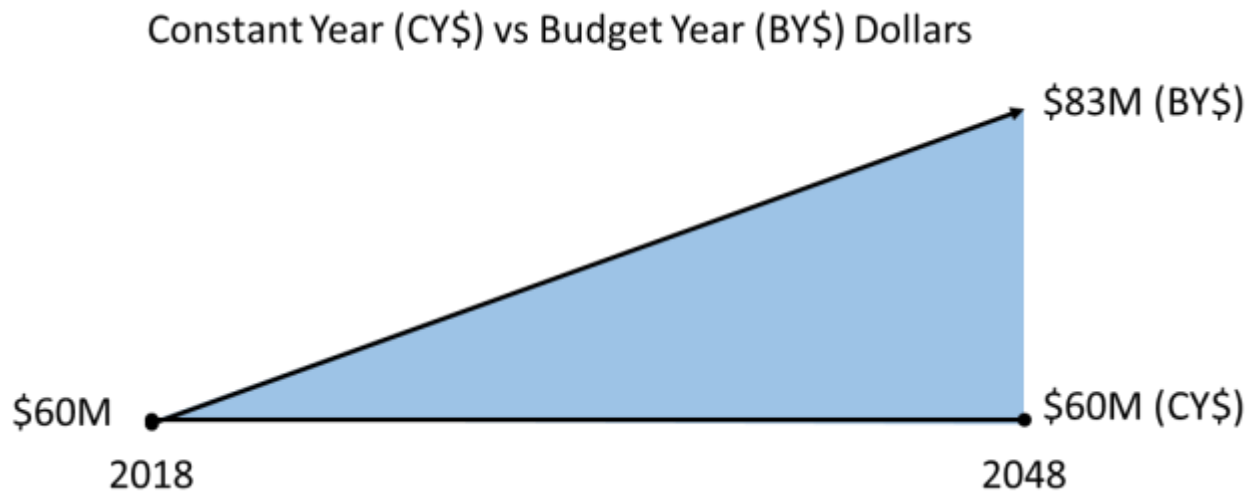
While not a recognized TB Policy Definition, the term Rough Order Magnitude (ROM) cost is also often used during the Identification (ID) Phase. Lessons learned show that Rough Order Magnitude (ROM) estimates publicized early in the development of a project can become very problematic if they find their way into the public literature including documents like the Investment Plan (IP); the publication of Rough Order Magnitude (ROM) costs must be avoided as much as possible.

The Project Brief includes Indicative costs and must demonstrate the accuracy of the overall estimate (broken down as much as possible) as well as what is included and excluded from the estimate. This is even more important when notional “projects” are identified in the out-years of DND’s planning documentation before any meaningful cost development investigations have been done and before the project has even started.

### Dollars

ADM (Fin)/CFO through Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) is responsible for the final cost estimate. The Project Team is responsible for providing the input information (cost source, scope, and time) necessary to develop the cost estimate and review the assumptions that relate to it. Project teams and implementers should provide their input in a timely manner to allow development of the final cost estimate. Calculations using current costs are the easiest means for making estimations but can be less accurate as costs typically change over the life of a project. To avoid this, the assumptions surrounding the development of dollar estimates must be clearly understood by those involved in the project.

One method for addressing these cost changes is to express project costing in terms of Constant Year dollars (CY\$) and Budget Year dollars (BY\$). Project Teams shall use Budget Year dollars (BY\$).



**Figure 6: Constant Year vs Budget Year**

### Contingency Funds

Contingency Funds are budgeted for unforeseen, possible, or chance occurrences (e.g., design changes during production or construction, errors in estimating, unforeseen changes in rates of inflation or international currency exchange). and the amount is determined through risk analysis and experience. The risk analysis is a part of the cost estimating process which falls under the responsibility of ADM (Fin)/CFO through Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA). The Project Team including the implementers, in conjunction with DCED and or DCA, will review each cost risk identified and provide any additional risk which may not have been identified. DCED or DCA then completes the quantitative analysis required to determine the contingency funds included in the funding levels of the project. All major projects include a provision for contingency. It is the responsibility of the Project Leader in consultation with the Project Senior Review Board (SRB) to ensure that Contingency Funds are used for activities within the scope of the project and in accordance with the approved risk management strategy and that projects have access to funding up to the approved Expenditure Authority (EA). It is also the responsibility of the Project Leader to ensure that unused Contingency Funds are expeditiously released back to the centre for reallocation to other requirements as the risks are retired and/or at Project Closeout.

Senior Review Board (SRB) endorsement is typically sought by the Project Leader for release of Contingency Funds. Note that the Project Leader is solely accountable and has the authority for any decisions or direction emanating from the Senior Review Board (SRB) and reports, as required, on matters related to the Senior Review Board (SRB) to the DM through the chain of command.

### Cost Estimate

Given DND's current OPMCA Class of 3, if the total cost (including tax) of an investment project reaches \$10M, it will require formal cost estimate by a dedicated Cost Analyst from either the Directorate of Cost Estimate Delivery (DCED) or Director Cost Analytics (DCA) within ADM (Fin) organization.

If the total cost (including tax) is less than \$10M, then the project is costed and validated internally within the Project Sponsor's organization.

For additional guidance, see the [Financial Administration Manual \(FAM\)](#), [Asset and Inventory Strategy and Analysis](#) and/or [Costing](#).

### Delegation of Authorities (DoA)

The Delegation of Authorities (DoA) help ensure that departmental financial resources are well managed in the delivery of programs to Canadians and safeguarded through balanced controls that enable flexibility and manage risk.

ADM (Finance), as the Department of National Defence (DND) Chief Financial Officer (CFO), leads the development and implementation of the delegation of spending and financial authorities such that:

- Delegations are in writing;
- Delegations are to positions identified by title and not to individuals identified by name; and
- The extent of delegations (full or restricted authority) are specified for each position and each type of spending and financial authority.

Authorities delegated to positions are found in DoA for Financial Administration for DND and the CAF. This policy document explains the delegation and financial management principles that govern the exercising of these authorities in DND. It also:

- includes the DoA Matrix, which shows the authorities the Minister and Deputy Minister have granted to positions.
- explains each authority and the restrictions on this authority imposed by legal or policy requirements.
- defines the DoA Matrix content, position titles, equivalent levels, and more.

The DoA Matrix includes delegated Expenditure Authority for Projects, which are contained in Column 40 – Project Expenditure Authority. It must be noted that the monetary value of Project Expenditure Authority (EA) differs between departmental organizations.

## 2.9 Project Management Approaches

Within DND, projects are managed and approved in accordance with their:

- Total cost: there are two broad categories of project management in DND: major projects (\$10M and greater) and minor projects (less than \$10M). Note: above costs include taxes, Employee Benefits Premium (EBP), and Contingency.
- Project Complexity and Risk Assessment (PCRA) (for major projects only): The PCRA level will dictate the approval and expenditure authority for major projects (albeit MND, TB Ministers or any internal delegations within DND).

Of note, minor projects are not subject to the Project Complexity and Risk Assessment (PCRA) process as they are small in size and straightforward such that Expenditure Authority (EA) has been delegated by the MND to either the DM, ADM (Mat), ADM (IE) and/or a Senior Designated Official (SDO). Consequently, minor projects follow their own Project Approval Process (PAP) as detailed in this directive.

The Defence Policy provides direction on improving Defence Procurement that includes streamlining processes and increasing approval delegations. Under the notion that “one size does not fit all” when it comes to procurement, DND will continue to seek ways to shape and advance governance, internal coordination, and approval processes to leverage its Organizational Project Management Capacity Assessment (OPMCA) in line with evolving higher level policies and guidance. To this end, DND has established a process for streamlining lower risk and complexity projects within the MND’s authority:

- Process A (Low Risk Projects): Minor Projects between \$2.5M and less than \$10M;
- At the Director level for projects under “Process B” (\$10M - \$100M and Project Complexity and Risk Assessment (PCRA) Level 1, 2 or 3);
- At the Director General (DG) level for projects under “Process C” (over \$100M and Project Complexity and Risk Assessment (PCRA) Level 1 and 2)
- L1A/Chief of Staff (COS)/Deputy Commander for projects under “Process C” (over \$100M and Project Complexity and Risk Assessment (PCRA) Level 3); and
- Assistant Deputy Minister (ADM)/Environmental Chief of Staff (ECS)/Commander for projects under “Process D” (Project Complexity and Risk Assessment (PCRA) Level 4 regardless of project value);

See the [Project Process Paths Overview](#) for further guidance.

## 2.10 Project Types

Within DND, a project can be managed in various ways. Some of the considerations that will guide the construct of a given project's type include: its risk and complexity level, delivery schedule requirements, scope, amount of Definition work required, governance (oversight) requirements, and resourcing demands (including availability of funds year over year). Early consultation with their CFD and C Prog Analysts is essential in the proper selection of a project type.

Possible project types include:

- Standard projects
- Phased projects
- Cyclical projects
- Minor projects
- Urgent Operational Requirements (UORs)
- Programmes (these were previously referred to as omnibus projects within DND)
- Programs (similar to corporate accounts)
- Portfolios

### Standard Projects

A standard project follows a standard waterfall approach to Project Management consisting of the Identification (ID), Options Analysis (OA), Definition, Implementation and Closeout Phases.

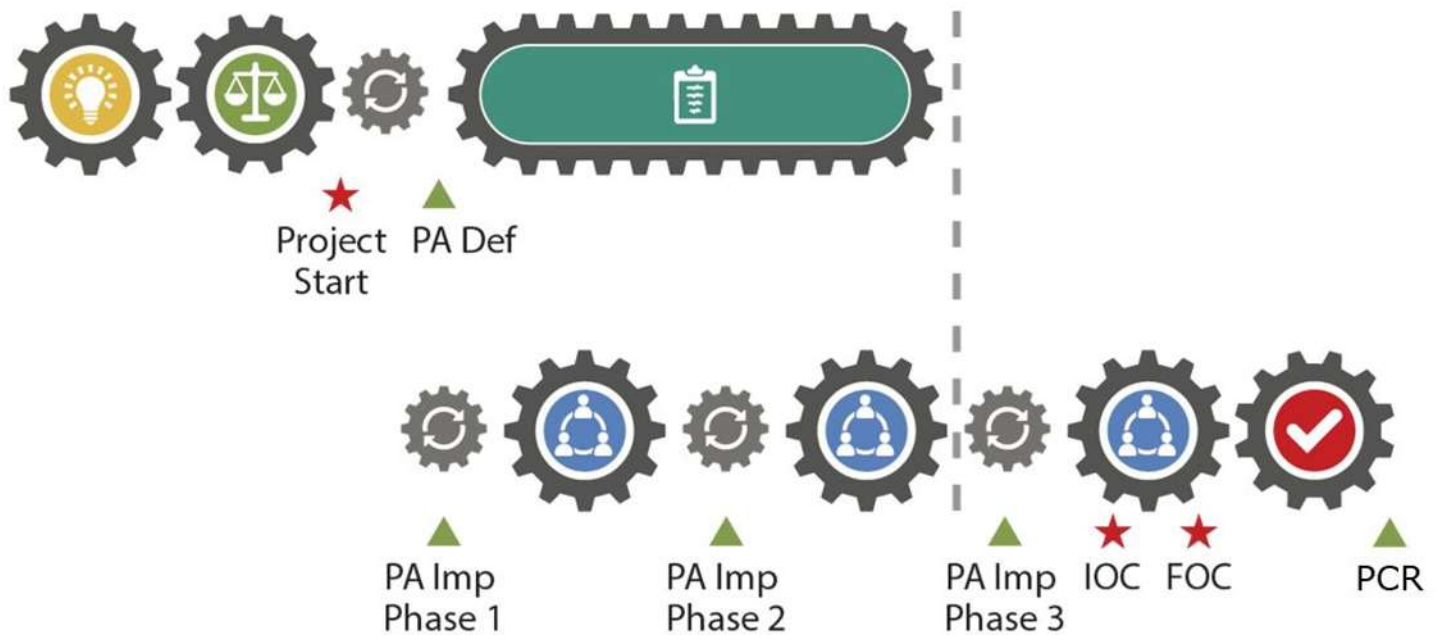


**Figure 7: Standard Project Layout**

Within this context, it is possible to accelerate the Definition Phase. This approach may be considered when the Options Analysis (OA) Phase provides information of sufficient quality, accuracy and fidelity that an additional period of study would prove redundant. The decision to accelerate (preferred over waiving) or waive Definition must be exercised with caution and only undertaken with the concurrence of the Programme Management Board (PMB), which will consider the substantive project costing and the risk.

### Multi-Phased Projects

It may be possible or preferable to implement a project in phases where each phase delivers a part of the overall capability and the full project Definition continues over a more extended time. This approach is selected when there are several deliverables that can be defined and taken into service separately, where the project will have more than one contract, and the risks are manageable.



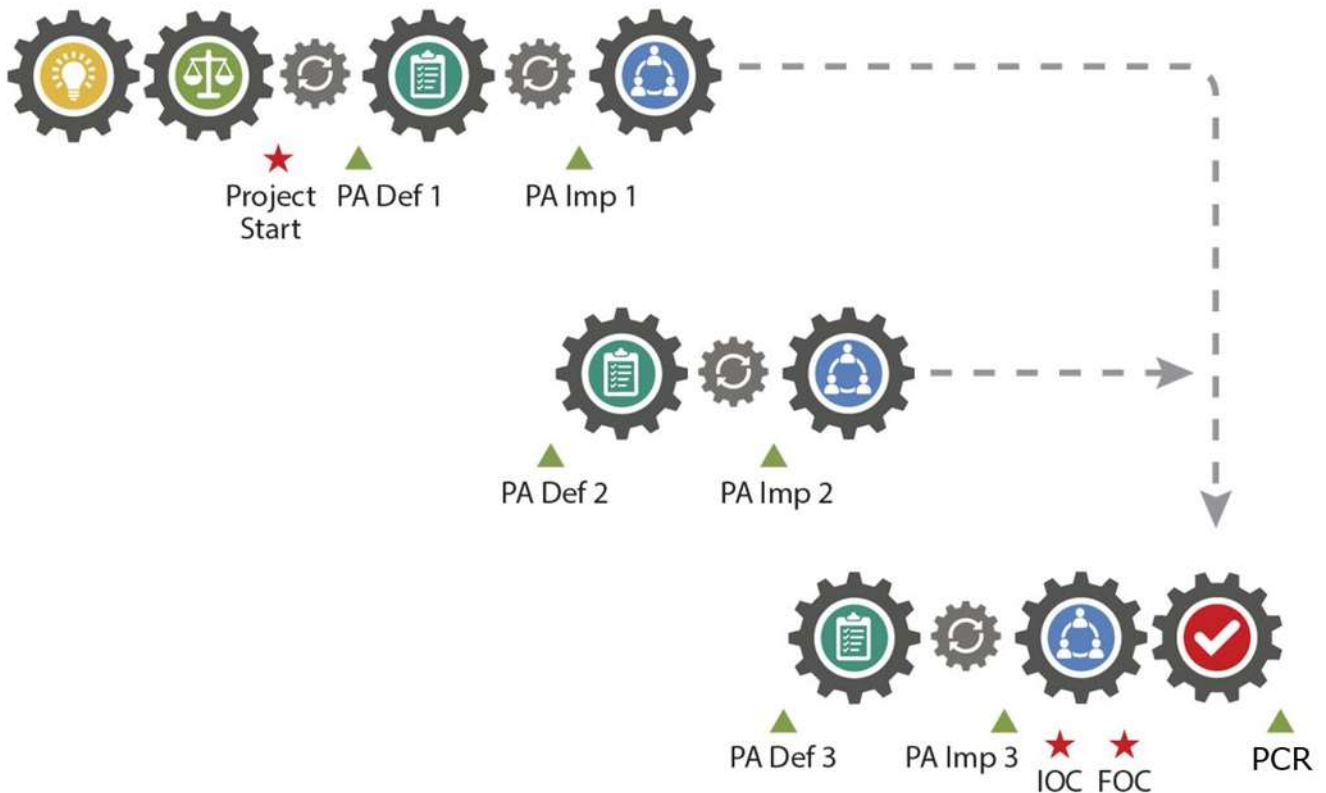
**Figure 8: Phased Project Layout**

### Cyclical Projects

Cyclical implementation management is particularly well suited for Information Management (IM) or Information Technology (IT) enabled projects where each cycle aims to deliver a useful capability, subsequent cycles build on the success, and the end product can evolve with the technology and lessons learned with each succeeding cycle; or for projects to reduce complexity and risk when dealing with unstable or emerging technologies. This project structure provides decision makers with the agility and ability to minimize risk by providing off-ramps to stop within or at the end of any cycle without losing what has proven useful.

Often in these cases the Statement of Operational Requirements (SOR) can only be defined in rather broad terms and requires continual refinement to define the exact end state. Therefore, much greater DND control is required on the governance of these projects.

Documentation requirements are slightly more intensive as the Statement of Operational Requirements (SOR) will need continual refinement to become more specific for each implementation cycle. Project Approval (PA) may not be required at the beginning of each cycle.



**Figure 9: Cyclical Project Layout**

## Minor Projects

Minor Projects are considered low cost (up to \$10M) and generally low risk. Vote 5 minor projects may be funded from several sources. Local Vote 5 (L5xx) allocations for the Level 1 Executives (for minor projects, unless part of a program). The Capital Equipment fund (C503) cannot be used for Minor Projects.

By virtue of being “minor”, cross impacts with other Groups, and other programs such as National Procurement (NP) are also expected to be negligible and therefore Project Teams would submit Project Approval (PA) requests without having produced extensive Options Analysis (OA) or Definition Phase documentation.

Consult the [Guide – Minor Projects](#) for more information.



### *Urgent Operational Requirements (UOR)*

Canada's active commitment in the global arena has produced situations where CAF personnel were rapidly deployed on operations. While the Defence Services Program (DSP) ensures investments in capabilities in accordance with evolving threats and technological advancements, there are instances where CAF personnel operate without the necessary capabilities. While these instances are rare, they are an inevitable consequences of rapidly evolving threats, varying operational environments and specific mission requirements.

The UOR process accelerates the capability development process to address such short term capability deficiencies in an expedient manner. The end state is to effect rapid approval, implementation, and delivery of capabilities in order to satisfy the immediate capability deficiency.

See the [Urgent Operational Requirement \(UOR\) Guide](#) for further guidance.

### *Programmes (previously known as Omnibus Projects)*

A programme is “a group of related projects and change management activities that together achieve beneficial change for a department”. Programmes provide a coordinated management approach as well as control of interdependencies to realize specific benefits. The individual projects under the programme umbrella have deliverables and contribute to the desired programme outcome. The approach offers much flexibility and the opportunity to implement related projects and associated capabilities as they are ready rather than delaying until the full capability scope is ready if it were managed as a single large project. On the other hand, this can entail more risk if the projects require technical or systems integration to achieve the full operating capability.

Programmes must be set up very carefully at the onset so that DND Senior Managers, and the Minister, fully understand the expected outcomes and when they will be achieved. Governance direction must clearly indicate the indicative cost DND is prepared to pay to achieve the desired outcome and the type of tailored oversight that will be put in place to monitor progress. While the exact programme governance structure may vary somewhat by programme, all programmes will need to conduct Identification (ID) and Options Analysis (OA) Phases that result in approved High Level Mandatory Requirements (HLMR) at the programme level and a preferred option in terms of what capabilities the programme will deliver and how it will be executed.

Projects within a programme are individually managed within the context of the programme and approved in accordance with the governance requirements for each project's specific cost and Project Complexity and Risk Assessment (PCRA). For example, Minor Projects within the programme will be executed as Minor Projects but draw their source of funds from the programme's funding lines. Projects other than Minor Projects will require an abbreviated Identification (ID) and Options Analysis (OA) Phase that supplements the programme level Business Case Analysis (BCA) annexes that discuss key aspects of the project including the business need, High Level Mandatory Requirements (HLMR), options reviewed and preferred option. Each project will also require a Project Complexity and Risk Assessment (PCRA) as well as own Project Approval (PA) and Expenditure Authority (EA).



## PROJECT APPROVAL DIRECTIVE (PAD)

Note that while the programme and its associated component projects will require their own Project Approval (PA) and Expenditure Authority (EA), it is acceptable to bundle component projects with the programme approval process. In deciding upon a programme approach, the following advantages and disadvantages should be considered:

<b>Advantages</b>	<b>Disadvantages</b>
Brings coherence to related projects	Increased complexity in the management structure
Separate, smaller approvals reduce complexity and risk at the project level	Need for tailored governance unique to each programme (no two programmes are identical)
Independent approvals such that projects can move when they are ready	DND may have to assume integration responsibility and risk
Streamlines the approval of minor projects in the family	Multiple decision documents
Enables the application of diverse standards across the family of projects	

There are different ways of setting up a programme and early consultation with central staff will greatly facilitate the creation process. Depending on the full scope of the program it may be necessary to consult with Treasury Board Secretariat (TBS) as well. In particular, it is important to ensure that the conditions of Project Approval (PA), Expenditure Authority (EA) and Contracting Authority (CA) clearly include any desired flexibilities in the management of the program contingency.

### Program (similar to Corporate Accounts)

The DM may authorize the use of a program approach for some enduring components of the Defence Services Program (DSP) that do not have a specified end date. A program is defined as “individual or groups of services, activities, or combinations thereof that are managed together within the Department and focus on a specific set of outputs, outcomes, or service levels”. A program is managed by a specified governance board in accordance with Defence Services Program (DSP) direction. A program is briefed annually to the Programme Management Board (PMB) to ensure that it continues to conform to the direction issued as part of the Defence Services Program (DSP) and that it has received the appropriate level of funding through the Business Planning (BP) process.

The key issue when selecting a program approach is that the nature of the enterprise is enduring and therefore must be managed as a part of the Business Planning (BP) process. While a program may eventually end when it is no longer required, in its initial inception the end date is not clear or obvious. The program approach ensures that the planned expenditures within the BP process at Level 0 for that specific program may only be re-allocated within that program.

### Portfolios and Infrastructure Construction Projects (ICP)

In addition to streamlined processes for lower risk and complexity projects, the DM may delegate authority to designated Senior Designated Officials (SDO) who have demonstrated the

capacity to exercise sound stewardship in the development and implementation of streamlined governance and processes to meet their specific needs. One example of this is to create a portfolio approach.

A portfolio is a collection of projects, programmes, subsidiary portfolios, and operations managed as a group to achieve strategic objectives.

DND currently has one recognized portfolio, the ADM (IE) portfolio with a dedicated funding envelope (CIF envelope) and delegated approval authorities (10-25M\$). Infrastructure Construction Projects (ICPs) are projects that fall under the ADM(IE) Portfolio.

The ICPs are not subject to DCB gate at ID and OA phases. ADM(IE) has internal approval mechanisms to ensure appropriate oversight and gates are applied. The ICPs over 25M\$ rejoin the departmental process at DEF phase.

## PROJECT APPROVAL DIRECTIVE (PAD)

### Comparative Explanation of Programme, Program and Portfolio

	Programme (formerly Omnibus Projects)	Program (similar to corporate accounts)	Portfolio
<b>Approval of Approach</b>	VCDS approves at Defence Capabilities Board (DCB) 1 or 2	For new programs, VCDS endorses at Defence Capabilities Board (DCB) 1 or 2; DM approves	For new portfolios, VCDS endorses at Defence Capabilities Board (DCB) 1 or 2; DM approves
<b>Project Complexity and Risk Assessment (PCRA)</b>	For each Project	For each Project	For each Project
<b>Defined start and end date</b>	Yes	No. Programs are enduring and have no end date. However, individual Projects within the program would have a start and end date.	No. Portfolios are enduring and have no end date. However, individual Projects within the portfolio would have a start and end date.
<b>High Level Mandatory Requirements (HLMR)</b>	Identified at the programme level and project level	Identified at the project level	Identified at the portfolio level and project level
<b>Documentation</b>	Business Case Analysis (BCA) for programme (coherent capability story), with annexes for projects; and standard project documentation (as required)	Standard project documentation for projects in accordance with process paths	Standard project documentation for projects in accordance with process paths
<b>Governance</b>	Defence Capabilities Board (DCB), Programme Management Board (PMB), Investment and Resource Management Committee (IRMC)	Programme Management Board (PMB), and Investment and Resource Management Committee (IRMC) for projects; and annual review at Programme Management Board (PMB)	Designated Governance Board; and annual review at Programme Management Board (PMB)
<b>Expenditure Authority (EA)</b>	Each project within a programme is approved as per their individual Project Complexity and Risk Assessment (PCRA)	Projects as per Project Complexity and Risk Assessment (PCRA)	Senior Designated Official (SDO)

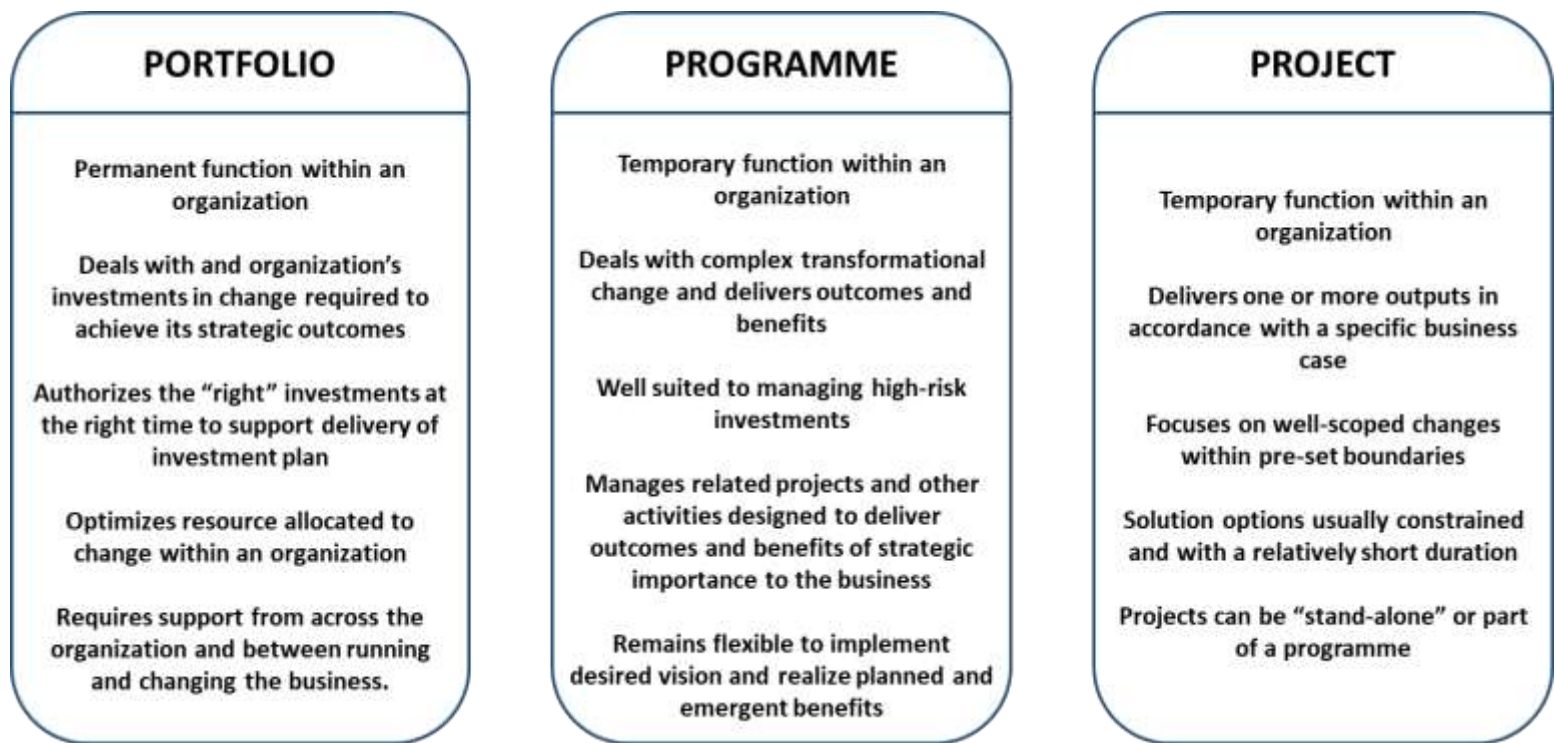


Figure 10: Comparative Explanation

## 2.11 Establishing a Project Team Organization

Early and judicious thought has to be given to the type, size and skills for a Project Team needed to develop and deliver individual investment projects. Staff should consult the ADM (Mat) guidance on Project Human Resources Management when developing plans for a Project Management Office (PMO).

### Project Team

A Project Team is led by a Project Leader and includes a Project Director (PD) and Project Manager (PM), each with complementary responsibilities, assisted by functional members. It may also include members that do not have functional responsibilities and members representing other Government departments. There are several key functions that need to be considered; these might include:

- A Systems Engineering Manager (SEM);
- A Project Control Officer (PCO);
- An Operational Requirements Manager (ORM);

- A Procurement Officer (also known as a Procurement Financial Manager (PFM));
- A Training Development Officer (TDO);
- An Integrated Logistics Systems Manager (ILSM);
- A Cross-Function Requirements Manager;
- A Security Manager;
- An Infrastructure Project Director (Infra PD) and an Infrastructure Project Manager (Infra PM);
- An IM/IT Officer; and
- A Human Resources (HR) Officer.

Accountability, Authority and Responsibility

The following accountability principles apply to projects:

- A project organization must abide by the policies and procedures of functional organizations.
- Individual members within project committees retain their normal functional authority. Committee members are responsible for the guidance given by the committee to the Project Leader.
- The Project Leader exercises normal functional authority and is accountable for the overall management of the project.
- The Project Director (PD) is responsible for the overall guidance and coordination of activities during the sponsor leadership period of a project (Identification (ID) and Options Analysis (OA) Phases). The Project Director (PD) acts as the functional authority for the operational requirement and benefits, and provides guidance, as appropriate, to the Project Manager (PM) throughout the life of the project.
- The Project Manager (PM) is responsible for the overall guidance and coordination of activities during the implementer leadership period of a project, which includes the Definition, Implementation and Closeout Phases. The Project Manager (PM) is responsible for Project Management activities within the approved resources, and works with the Project Director (PD).

### Project Organization

A project organization is created to focus the attention and resources of several functional organizations on the achievement of a common set of objectives, which do not fall entirely within the mandate of any single functional organization. A project organization is temporary and exists only for the life of a project. Occasionally, it will be decided to create a formal Project Management Office (PMO) organization.

The normal method of providing support to projects in DND is through the matrix structure wherein the existing functional organizations commit to provide specialist services to the mandated Project Director (PD) and Project Manager (PM). Thus, there are two lines of authority, exercised horizontally across the functional structures by the Project Director (PD)/Project Manager (PM) and vertically through the functional Chain of Command.

### Project Charter

The Project Charter is used to establish a mandate for a project organization and needs to articulate how the various management functions will be achieved by personnel assigned directly or through the matrix to the organization. It will also define the relationships with personnel from the other Government departments assigned to the project.

Consult the [Project Charter Template](#) for more information.

## 2.12 Commonly Misused and/or Misunderstood Terms

**Contracting Authority (CA)** in DND is the authority, delegated by the MND, to persons occupying specific DND/CAF positions or fulfilling specific organizational functions to enter into and sign contractual documents on behalf of the Department (Extracted from Financial Administration Principles, section of CAF A-FN-100-002/AG-006).

**Departmental Approval** is the internal governance approval that confirms that resources have been assigned and the project sequenced within the Defence Services Program (DSP). This approval is granted by the Programme Management Board (PMB) or the Investment and Resource Management Committee (IRMC), as required by the respective board's Terms of Reference (TOR).

**Expenditure Authority (EA)** authorizes expenditure of financial resources on a departmentally approved initiative or project. This may be approved through a Corporate Submission or as authorized by a delegation of authority.

**Project Approval (PA)** is the approval of the project performance baseline. This is granted through a Corporate Submission. Project Approval (PA) establishes the Government-approved project performance baseline in terms of in scope, schedule and cost. In theory this would happen once unless a later revision to the approved project performance baseline is required. It is to be noted that Project Approval (PA) does not automatically include the authorization to expend funds or enter into contracts.

**Project Sponsor** is the functional authority who defines the requirements for the capability to be implemented, and confirms that the delivered capability satisfies the specified requirements. The Project Sponsor represents the sponsoring organization, and is usually identified as the “business owner” of the capability to be delivered by the project. The Project Sponsor is the Office of Primary Interest (OPI) for the project during the Identification (ID) and Options Analysis (OA) Phases of a project and is represented by the Project Director (PD). When the capability requirements span across domains, Project Co-Sponsors may be required. Project Co-Sponsors shall be documented in the Project Charter, and include any required amplifying roles and responsibilities.

**Project Implementer** is the executive who defines and implements the solution to deliver the required capability identified by the Project Sponsor, once the Defence Capabilities Board (DCB) has selected an acquisition option with which to proceed following the completion of Options Analysis (OA). The Project Implementer represents the implementing organization. The Project Implementer is the Office of Primary Interest (OPI) for the project during the Definition, Implementation, and Closeout Phases of the project and is represented by the Project Manager (PM). There may be more than one Project Implementer when a capability requires significant support by all three DND implementers. The Project Charter must be explicit as to who is the lead implementer and defines, as necessary, a co-lead situation and the roles and responsibilities of the implementers. ADM(IE) may assign a Deputy PL (Infra) to ensure that the Defence capability infrastructure is adequately considered during the definition and implementation.

**Project Leader** is an executive appointee in charge of ensuring that project level accountability is maintained throughout the life of the project. In this role, the Project Leader is accountable to the DM for the successful planning and delivery of the project or program while representing the interests of the Project Sponsor. Within DND, the initial Project Leader is appointed from the sponsoring organization and once the project reaches Definition, the Project Leader responsibility is transferred to the lead implementing organization. Project Leadership cannot be shared.

**Grant, Endorse and Note** In the context of managing the Defence Services Program (DSP), decision makers grant approvals and note facts that become part of the Record of Decision (ROD). Decision makers endorse decisions they cannot legally approve. Thus decisions will often seek an “endorsement” to proceed to the higher authority. Project Senior Review Boards (SRB) endorse decisions for the Project Leader to approve or to send onwards to the approving authority.



## Chapter 3 – Identification (ID) Phase

### 3.1 Overview

The objective of the Identification (ID) Phase is to identify a DND/CAF capability deficiency for inclusion into the Defence Services Program (DSP) to enable an initiative to become a project.

Chief of Force Development (CFD) sets the strategic framework within which all the Service's Level 1 Force Development (FD) staff and Strategic Leadership can frame their Force Development (FD) activities. Chief of Force Development (CFD) is mandated to:

*Harmonize, synchronize and integrate the force development activities of the CAF in order to develop the capabilities required to produce strategically relevant, operationally responsive, and tactically decisive military forces.*

Chief of Force Development (CFD) produces a number of key documents, including the:

- Future Operating Environment (FOE)
- Concept Driven Threat Informed Planning (CDTIP) Final Report
- Force Capabilities Plan (FCP)

Chief of Force Development (CFD) has a view across the entire spectrum of Departmental capability requirements, so it can best synchronize initiatives and projects across all the services to minimize duplication of effort and ensure prioritization of procurement resources. The Chief of Force Development (CFD) ensures programs and projects have a strategic linkage (policy) and a strategic need to fulfil (capabilities). However, the mere fact that a project is linked to a strategic need does not automatically result in its approval. The project must also be fiscally achievable (Investment Plan (IP)) with adequate resources to support it (people and infrastructure).

Projects can come from:

- Government of Canada Priorities: Even when a project is directed by the Government, the DND is responsible and ultimately accountable to ensure the activity is conducted within the regulatory framework for the management of public funds.
- Operational community: Ideas for projects submitted from the operational community almost always reflect an existing or perceived operational deficiency. The source information from the operational community usually comes in the form of a Statement of Capability Deficiency (SOCD) and can be presented to the Force Development Forum (FDF) at any time and if warranted then presented to the Defence Capability Board (DCB). When a Force Employer (CJOC, CANSOFCOM, NORAD, NATO, etc.) has a Statement of Capability Deficiency (SOCD) it is submitted through the Strategic Joint Staff (SJS). The Statement of Capability Deficiency (SOCD) will be forwarded to the appropriate Level 1 and Chief of Force Development (CFD) to advise the Strategic Joint Staff (SJS) of potential support or conflicts and can be presented by the Level 1



## PROJECT APPROVAL DIRECTIVE (PAD)

Sponsor or delegate to Force Development Forum (FDF) and Defence Capability Board (DCB).

- DND Business Support Community: Ideas for projects submitted from the support community almost always reflect a deficiency rising from either a technological or economic obsolescence.
- Concept Driven Threat Informed Planning (CDTIP): CDTIP links Canadian Policy, futures assessments, and warfighting concepts to CAF capability investment, divestment, and sustainment activities identified in the Force Capability Plan (FCP). CDTIP is a key decision aid that, through the FCP, assists senior leadership in making Force Development (FD) choices concerning future capabilities.

A Project Sponsor must be designated to initiate a project that addresses an identified capability deficiency. Assistance and guidance during the Identification (ID) Phase is provided by a VCDS team comprised of CFD – Director Capability Integration (DCI) and C Prog – Director Defence Programme Coordination (DDPC) staffs. Throughout the Identification (ID) and Options Analysis (OA) Phases, the lead team will be CFD – DCI staff with the C Prog – DDPC staff in support. For the transition to Definition, Definition, Implementation and Closeout Phases, the lead team is DDPC staff with support from DCI staff.

### 3.2 Checklist – Identification (ID) Phase

*Pre-requisites (must be completed before commencing the Identification (ID) Phase)*

Not Applicable		
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*Key Documents and Activities (completed during the Identification (ID) Phase)*

Document	<a href="#">Capital Investment Program Plan Review (CIPPR) Form</a>	<a href="#">Guide</a>
Document	<a href="#">Strategic Context Document (SCD)</a>	<a href="#">Guide</a>
Document	Preliminary <a href="#">Project Complexity and Risk Assessment (PCRA)</a>	
Document	<a href="#">Project Management Plan (PMP)</a> for the Options Analysis (OA)	<a href="#">Guide</a>
Document	<a href="#">Benefits Realization Plan</a> (as part of the PMP)	<a href="#">Guide</a>
Document	<a href="#">Preliminary DOTMLPFPI</a>	<a href="#">Guide</a>
Document	<a href="#">Estimated Life Expectancy (ELE) Documentation</a>	<a href="#">Guide</a>
Governance	<a href="#">Defence Capabilities Board (DCB) 1</a>	
Engagement	<a href="#">Independent Review Panel for Defence Acquisition (IRPDA) 1</a> , as required	
System	<a href="#">Initial Entry of Initiative into DRMIS Project Systems (PS)</a>	
System	<a href="#">Initial Entry of Major Projects into DSPP</a>	
System	Enter Lessons Learned into the <a href="#">Defence Lessons Learned System (DLLS)</a>	

### 3.3 Alignment with DND/CAF Force Development and Design Process

A new initiative seeking formal “project” status must be assessed as a valid requirement within the DND/CAF capability structure. This involves investigating the alternate ways of delivering the capability or service using the Concept Driven Threat Informed Planning (CDTIP) process. The first part of the Project Approval Process (PAP) involves the Project Director (PD) entering the initiative’s information (Equipment, IT, or Infrastructure) into the Capital Investment Program Plan Review (CIPPR) form (project teams to contact their CFD DGCSI analyst to gain access to the form).

The DND/CAF Investment Plan (IP) provides the roadmap on the long term affordability and sustainability of planned DND investments, while the Defence Services Program (DSP) includes all DND-approved activities and projects. Prior to an initiative proceeding to project status, the initiative must also be assessed for affordability within the context of the Investment Plan (IP) and Defence Services Program (DSP).

The CIPPR is a decision support tool that has been mandated for use by the VCDS and Assistant Deputy Minister Finance (ADM (Fin)). The CIPPR process optimizes projects and available resources to provide funding for the best possible mix of new projects. CIPPR rationalizes the future intentions of DND/CAF with respect to capability investment. The CIPPR process supports decision-making and assists in validation of departmental recommendations to Treasury Board. Key outputs include the assessment of Departmental Benefits for projects and an optimized portfolio.

The Portfolio Management Tool (PMT) is the primary tool used by PMB to orientate portfolio discussions. It incorporates data from both CIPPR and Risk/Urgency processes. Includes assessment of cost pressures, and customized lenses can be applied based on strategic direction. The PMT is used to visualize pressures in terms of priority, risk, and urgency, and to enable discussions with potential options. PMT does not provide nor imply the approved outcome. The Portfolio Management Tool (PMT) gets reviewed (not approved) by PMB and a Key Capability List (KCL) Briefing Note endorsed by CDS and approved by DM.

### 3.4 Initial Entry of Initiative into the Defence Resource Management Information System (DRMIS) Project System Module

To create the project and to obtain a project number, Project Sponsors are to contact their respective DRMIS support organization or expected project implementor to initiate the data entry.

All Initiatives (ie: Projects in ID Phase) must be entered into the DRMIS Project System (PS) Module once one or more of the below conditions are met:

- The Project is a Minor Project; or
- The Project has formally received governance approval for a source of funds within the Investment Plan; or

- The Project has been added onto the approved Key Capabilities List; or,
- The Project is being submitted to CIPPR as an unfunded pressure seeking departmental prioritization.

Information on the DRMIS application can be found at: <http://drmis-sigrd.mil.ca/index-eng.asp>

### 3.5 Initial Entry of Initiative into the Defence Services Program Portal (DSPP)

The DSPP is controlled and administered by Chief of Programme (CProg).

Although Minor Projects are not entered into the DSPP, Major Projects shall be entered into the DSPP when one or more of the following conditions are met:

- a. The Project has a project number in DRMIS PS and the project has formally received governance approval for a source of funds within the Investment Plan; or
- b. The Project has been added onto the approved Key Capabilities List; or,
- c. The Project has been included in the approved list of Infrastructure and Environment Projects approved by MND as the list of upcoming priority projects for the Infrastructure and Environment Portfolio.

### 3.6 Documentation – The Business Case Analysis (BCA)

A Business Case Analysis (BCA) is a mandatory document that links proposed investments with program results and, ultimately, with the strategic outcomes of DND. In the Identification (ID) Phase, the completion of the first two parts of the Business Case Analysis (BCA), known as the Strategic Context Document (SCD), is required. This document is extremely important and must be written such that the average Canadian will understand why this project is important and what capability it will deliver.

In developing the BCA, consult with Chief of Force Development and Chief of Programme analysts. In addition, early consultation and coordination with Director Evaluation Force Generation and Sustainment is recommended to obtain support in the identification or development of performance outcomes and indicators

See the [Business Case Analysis Guide](#) for further guidance.

#### *Business Case Analysis (BCA) Part 1 – Business Needs and Desired Outcomes*

The first part of the Strategic Context Document (SCD) outlines the Business Needs and desired outcomes as follows:

- 1.1 – Strategic Fit
- 1.2 – Scope
- 1.3 – Dependencies and Stakeholders

*Business Case Analysis (BCA) Part 2 – Preliminary Options Analysis*

The second part of the Strategic Context Document (SCD) consists of the Preliminary Options Analysis (OA) as follows:

- 2.1 – Screening Criteria
- 2.2 – List of Possible Options
- 2.3 – Screening of Options
- 2.4 – Rationale for Discounted and Viable Options
- 2.5 – Recommendation for the Analysis of the Viable Options

High Level Mandatory Requirements (HLMR) form the basis for the evaluation of options, the development of the Statement of Operational Requirements (SOR), and provide the core of the measure of project completion. High Level Mandatory Requirements (HLMR) are critical to successful completion of a project as they describe the capability to be delivered and provide traceability during all Phases of the project. High Level Mandatory Requirements (HLMR) are essential criteria by which decision makers select amongst potential capability options, thus their importance cannot be overstated.

See the [High Level Mandatory Requirements \(HLMR\) Guide](#) for further guidance.

### 3.7 Special Considerations

During the development of the Strategic Context Document (SCD), the potential capability options that will be analyzed during the Options Analysis (OA) Phase need to be examined in some depth to develop a better estimate of the project total cost, including the potential support infrastructure costs, and the cost of the Options Analysis (OA) Phase in particular, since the Project Sponsor will have to fund the Options Analysis (OA) Phase from their Business Plan (BP). This would also be the correct time to consult with C Prog – Director Defence Programme Coordination (DDPC) to determine the type of project (standard, phased, cyclical, programme, etc.).

Another key consideration is to determine the year in which the project would need to start, in order to achieve the Initial Operational Capability (IOC) and Full Operational Capability (FOC) milestones developed during the Concept Driven Threat Informed Planning (CDTIP) process. Additionally, developing potential capability options that meet the High Level Mandatory Requirements (HLMR) is another consideration for Project Sponsors. These capability options would show varying degrees or spectrums of capability that would satisfy the identified capability gap.

DOTMLPFPI Considerations. DOTMLPFPI is the NATO capability lines of development methodology that assists the Project Team in examining the impact of the capability on various aspects of the Defence Services Program (DSP). The following different aspects are all needed in the correct proportions to deliver an operational capability:

- D – Doctrine
- O – Organization
- T – Training
- M – Materiel
- L – Leadership and Education
- P – Personnel,
- F – Facilities
- P – Policy
- I – Interoperability

Initiating the DOTMLPFPI Annex during the Identification Phase will support a more comprehensive development of the BCA and identify factors that may be critical to the capability to be delivered.

See the [DOTMLPFPI Annex](#) template and the [DOTMLPFPI Guide](#) for further guidance.

*Gender-Based Analysis Plus (GBA+) Considerations.* The Government of Canada (GC) defines Gender-Based Analysis Plus (GBA+) as an analytical tool used to assess how diverse groups of women, men and non-binary people may experience policies, programs and initiatives. The “plus” in Gender-Based Analysis Plus (GBA+) acknowledges that the analysis considers how other factors of identity (e.g. class, race, rural/urban, etc.) shape gender roles in the context of policies, programs and initiatives. This is intersectionality. The analysis examines the different gender roles played in the household, community, workplace, public institutions, economy, etc. It examines relations between and differences in power between and among women, men and non-binary persons. It also considers the impact of norms concerning masculinity and femininity rooted in cultural and institutional norms, including for different groups of men, women and non-binary persons. It considers the results of those roles in terms of differences in access to and control over resources; equal participation in decision making processes; and full realization of human rights.

A thorough preliminary Gender-Based Analysis Plus (GBA+) should be used to help define the project requirements and therefore shall be undertaken early enough to inform the Business Case Analysis (BCA). However, it is important to remember that Gender-Based Analysis Plus (GBA+) is not a one-time endeavor, but rather an ongoing and iterative process applied to inform every aspect of your project, from Identification to Closeout. Once Gender-Based Analysis Plus (GBA+) has been conducted, the identified issues should be validated and reflected in subsequent project documentation. For example, the DOTMLPFPI Annex, Project Brief, and the Statement of Operational Requirements (SOR), should reflect the findings of Gender-Based Analysis Plus (GBA+). In addition, the Summary Report of Gender-Based Analysis Plus (GBA+) should be treated as an evergreen document and updated throughout the project development, and be reflected in subsequent refinements of project documentation.

If a Gender-Based Analysis Plus (GBA+) was not conducted in the early stages of the project, an analysis should begin immediately and incorporated into ongoing project development.

See [Guide – Gender-Based Analysis Plus \(GBA+\)](#) for further guidance on how to perform a thorough analysis and guidance on how to complete Gender-Based Analysis Plus (GBA+) sections required throughout the Project Approval Directive (PAD).

*National Defence Digital Projects* National Defence Digital Projects must meet the requirements contained in Government of Canada (GC) [Policy on Service and Digital](#), the [Directive on Service and Digital](#), and the [Policy on the Planning and Management of Investments](#). CFD DGCSI Analysts will consult ADM (IM) prior to DCB 1 to ensure all requirements for a Digital Project have been considered.

Projects that meet the value and Organizational Project Management Capacity Assessment (OPMCA) ratings and dollar values contained in the Directive on Service and Digital and the Policy on the Planning and Management of Investments must:

- 1) Plan for a Defence Enterprise Architecture assessment to ensure Project alignment against GC and National Defence standards and architectural principles; and
- 2) Ensure that a Concept Case is prepared in accordance with the Concept Case Template and approved by the business owner (Assistant Deputy Minister level or above). The Concept Case for Digital Projects Template is in Appendix C (Policy on the Planning and Management of Investments), or through the following link: <https://www.tbs-sct.gc.ca/pol-cont/doc/32593-eng.docx>.

Following the assessment, the Project may have to be briefed to the GC Enterprise Architecture Review Board (EARB) in the GC Chief Information Officer Branch (CIOB) to seek endorsement on the Project's targeted architecture or final architecture. GC EARB often looks at Digital Projects from an early alignment perspective and may elect to request visibility into the final architecture prior to implementation.

Projects that do not adhere to these steps may incur delays or may not have timely access to key implementation support from central agencies, such as Shared Services Canada (SSC).

To assist with this process, ADM (IM) has a Defence Information Capability Architecture Coordination (DICA Coord) unit to arrange for architecture assessments and support the review of Project documentation by the Defence Information System Design Authority ([ISDA LoA](#)) and the [Defence Architecture Review Board](#).

Project engagement with the DICA Coord should occur early to ensure assessments are scheduled accordingly to Project timelines. The unit may be contacted via their positional mailbox at:

[mailto:+DDIMP EA Coordination - DPDGI Coordination AE@ADM\(IM\) DGIMTSP@Ottawa-Hull DDIMPEACoordination-DPDGICoordinationAE@forces.gc.ca](mailto:+DDIMP EA Coordination - DPDGI Coordination AE@ADM(IM) DGIMTSP@Ottawa-Hull DDIMPEACoordination-DPDGICoordinationAE@forces.gc.ca)

*Environmental Considerations* The federal government expects that environmental considerations have been included in the development of projects, programs, plans and policy proposals. This expectation normally requires the completion of the Environmental Impact Assessment (EIA) process prior to being brought forward for approval and implementation. An EIA is a special form of risk assessment that focuses on identifying the potential risks to the environment resulting from implementing a proposal. It also helps identify potential opportunities that may enhance environmental conditions or improve a proposal's resiliency to changing environmental conditions. The expectation is that federal departments have considered the environmental risks and opportunities during the planning of these proposals and have communicated these risks to decision-makers. For projects captured under the PAD, there are potentially two separate EIA processes that may need to be fulfilled. These include:

- [Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals](#) (known as the [Strategic Environmental Assessment Process \(SEA\)](#)); and
- The [Impact Assessment Act \(2019\)](#) or other federal environmental assessment statutes in the territories and associated with indigenous land claims (project level assessment identified under legislation).

In support of meeting the SEA requirement, work is to be undertaken to initially identify possible environmental risks and opportunities the project will need to address moving forward. This will include beginning to identify emerging concerns related to all components, as outlined in the DOTMPFPI process, needed to address the capability requirement.

See the [Guide – Strategic Environmental Analysis \(SEA\) and Project Level Environmental Impact Assessment](#) for further details on integrating Environmental Impact Assessment Processes into the process.

*Indigenous Considerations* The Government of Canada has obligations, with respect to the potential or established Aboriginal or treaty rights of the Indigenous Peoples of Canada, recognized and affirmed under section 35 of the Constitution Act, 1982. This includes the legal duty to consult, obligations set out in modern treaties and self-government agreements, as well as requirements set out in Government of Canada policies. Project leads must consider these obligations as a part of planning for a project. The Director General Indigenous Affairs within ADM (IE) and DND/CAF Legal Advisor are available to provide guidance and advice to project leads as required.

*Defence capability infrastructure (DC Infra)* is an often overlooked scope and cost element that needs to be addressed very early in the development of projects. Historical records show that



this element regularly occurs in both equipment acquisition and Information Technology (IT) enabled investments. At the Identification (ID) Phase, the Project Sponsor must engage ADM (IE) to seek input into infrastructure requirements and ability of the current portfolio to support the proposed new capabilities and the effort that will be required to develop better estimates. This shall be addressed in the DOTMLPFPI Annex, initiated during the Identification (ID) phase and further developed during the Options Analysis (OA) Phase.

Infrastructure Construction Projects (ICPs) are being managed as part of the ADM(IE) Portfolio and are not subject to DCB at ID phase. ADM(IE) has internal approval mechanisms to ensure appropriate oversight and gates are applied.

See Chapter 2 – General Project Delivery Information, Section 2.9, Portfolios and Infrastructure Construction Projects (ICP) for more information.

Ammunition and Explosives (Ammunition and Explosives (A&E)) require special consideration. Projects that may purchase new or use in-service Ammunition and Explosives (A&E) for new platforms, must consult:

- Director Ammunition and Explosive Management and Engineering (DAEME) in ADM (Mat) to determine the extent of this special requirement; and
- Strategic Joint Staff Director General Support J4 Ammunition (SJS J4 Ammo) to determine quantities as well as storage and maintenance infrastructure requirements.

This includes consulting on any Urgent Operational Requirements (UOR) for A&E, which DAEME must assess in the same manner as all in-service A&E requirements.

Cyber Mission Assurance (CMA) Considerations The Future Security Environment has evolved and now includes the cyber domain. In addition to well-understood risks to IM/IT systems and networks, other systems such as infrastructure, C4ISR and weapon systems can be vulnerable to cyber-attack. CMA involves the measures required to accomplish essential objectives of missions in a cyber-contested environment. The aim, for both C4ISR and weapon/platform systems is to ensure that the impact of adversary cyber exploitation (intelligence collection) and offensive cyber operations (degrading capabilities) is held to a level that does not impede mission success throughout their lifecycles. CMA is supported during acquisition and in-service management by the Platform Protection Program (PPP), a risk-based framework and environment-specific processes used to assess and treat cyber risk. For Platform Technology (DTB 695775) projects captured under the PAD, the [PPP Framework](#) guides Project Leaders and Implementers and enables the inclusion of CMA from the Identification Phase through to Closeout by developing a risk prioritization model and process to prioritize resources to mitigate the most critical risks.

Estimated Life Expectancy (ELE) - Change Request The ELE represents the expected period of in service life a system, expressed in fiscal years, and defined by a set of operational requirements. The approved ELE is a confirmation of the requirement to maintain the authorized capability within the specified maintenance program and the designed life-cycle. However, a



change to ELE can be triggered by a number of factors including a capability deficiency, or an engineering/maintenance advance enhancing fleet life expectancy.

It must be noted that an ELE request is not a “stand alone” action. Any request must be assessed against the Defence Services Program (DSP), and, for this reason, Chief of Force Development (CFD) must be engaged as early as possible. DCB needs to agree that the capability provided by the system is indeed required for the additional period of time, and that the ELE – Change Request is justified from a capability perspective.

If the Project Sponsor determines that the ELE extension will involve Capital acquisitions, the investment must be pursued as a Major/Minor Capital Equipment Project.

See the [Guide Estimated Life Expectancy \(ELE\) Change Request](#) for further details on the process.

### 3.8 Documentation – Project Complexity and Risk Assessment (PCRA)

The Project Complexity and Risk Assessment (PCRA) is the output of an assessment tool that determines the risk and complexity of a project for the purposes of Project Approval (PA) and Expenditure Authority (EA). A Project Complexity and Risk Assessment (PCRA) is required for all projects over \$10M. While a draft Project Complexity and Risk Assessment (PCRA) is prepared in the Identification (ID) Phase, it is in the transition to Definition where the Project Complexity and Risk Assessment (PCRA) is finalized and sent to TBS for their review. Note: TBS will review the Project Complexity and Risk Assessment (PCRA) and the service standard is to render a decision within 10 working days. The decision can be either “TBS ACK”, which means that TBS acknowledges the project is within the Minister of National Defence’s (MND) authority to approve, or “SUB REQ”, which means that a submission to TB is required.

In accordance with the [TB Policy on the Planning and Management of Investments](#) and the [Directive on the Management of Projects and Programmes](#), DND has a requirement to assess projects and acquired services for their level of complexity and risk using the mandated Government of Canada (GC) tool managed by the TBS. Based on the Project Complexity and Risk Assessment (PCRA) and DND’s Organizational Project Management Capacity Assessment (OPMCA), it is determined which projects and acquired services fall within Ministerial or TB approval.

Projects and acquired services with Project Complexity and Risk Assessment (PCRA) level at or below the DND Organizational Project Management Capacity Assessment (OPMCA) rating are within the Minister’s Expenditure Authority (EA); however, TBS retains the authority to require any of these projects to seek TB approval due to cost, qualitative complexity, risk assessment issues, or wider Government concerns.

Additionally, projects and acquired services with Project Complexity and Risk Assessment (PCRA) level at or below the DND Organizational Project Management Capacity Assessment (OPMCA) rating may be referred by the MND to TB for approval and wider consultation and consideration due to programme risk factors, external dependencies, and public interest issues.

The Project Complexity and Risk Assessment (PCRA) does not replace project risk assessments (see the [Risk Management Plan Guide](#) for further guidance), which will continue to be a DND project management requirement.

The resulting Project Complexity and Risk Assessment (PCRA) level assigned to a project determines the governance framework for the project. The Project Complexity and Risk Assessment (PCRA) levels, as defined by TB, are as follows:

- PCRA Level 1: Sustaining
- PCRA Level 2: Tactical
- PCRA Level 3: Evolutionary
- PCRA Level 4: Transformational

See the Project Complexity and Risk Assessment (PCRA) Guide and Template for further guidance at: <https://callipers-calibrage.tbs-sct.gc.ca/Logon-Connexion.aspx?lang=EN> or at <https://www.tbs-sct.gc.ca/pm-gp/doc/pcrag-ecrpg/pcrag-ecrpg01-eng.asp>. Access to Callipers must be granted by request by Director Defence Program Coordination (DDPC) in Chief of Programme.

### PCRA Approval

The PCRA does not require a signature to indicate it has been approved by Project Team leadership. The PCRA must be completed in the Callipers application, from which an Adobe pdf file must be created and then uploaded to the DSPP. This ensures the PCRA is available in support of the Project Approval Process (PAP).

Project Directors (PD) and Project Leaders (PL) engage with the Project Sponsor at various points in the PAP. In the course of this engagement, Project Sponsors must approve Project documentation, including the PCRA.

### 3.9 Documentation – Project Management Plan (PMP)

The execution of individual phases during the course of a project can be summarized into three basic sets of activities. The Project Manager (PM), or the Project Director (PD), in the absence of an assigned Project Manager (PM) will:

- Execute the project activities identified for the current phase;
- Plan activities for the following phase(s); and
- Seek appropriate approvals (Departmental and/or Project Approvals) and authorities (Expenditure and/or Contracting Authorities) for the following phase.

Planning for a project starts in earnest as soon as the decision has been made to proceed into the Options Analysis (OA) Phase in order to acquire a Defence capability. At this juncture, the Project Director (PD) will likely initiate the planning for the Options Analysis (OA) Phase. Later in the Options Analysis (OA) Phase, the assigned Project Manager (PM) will plan for the

Definition Phase, and then later, for the Implementation and Closeout Phases. In other words, planning is executed sequentially.

### Project Planning Documents

Each phase has its own set of planning documents: Management Plans document how the project is executed, Project Plans detail what is executed.

Management Plans, such as the Project Management Plan (PMP), Risk Management Plan and Schedule Management Plan, describe the processes, tools, techniques, roles and responsibilities associated with each project management discipline.

Project Plans provide the details outlining the path to project phase delivery. They consist of key project documents such as the Work Breakdown Structure (WBS), risk register, project schedules, and communications plan, to name a few.

NOTE: Historically, the Project Management Plan (PMP) only covered the Implementation Phase activities. Today, the PMP is now initiated by the Project Director (PD) during the Identification Phase to capture the elements of what was previously known as the Options Analysis Phase Plan.

### Project Management Plan (PMP) Overview for Options Analysis (OA)

A mandatory project document, the Project Management Plan (PMP) is the official top level summary document that describes how each phase of the project is executed, monitored and controlled. During the course of the project lifecycle, the Project Management Plan (PMP) is revised at each project phase.

During the Identification (ID) Phase, the Project Director (PD) and the Project Manager (PM), if assigned, develop the Options Analysis (OA) Project Management Plan (PMP). The level of details required in the Project Management Plan (PMP) to inform the reader will be commensurate to the level of complexity and risk for the project.

Subsidiary management plans, as outlined in the Project Management Plan (PMP) Guide, are produced in the Options Analysis Phase either as separate documents or integrated as annexes of the phase Project Management Plan (PMP).

The format of this template may be modified by a Level 1 to address the different Project Management environments and methodologies to support Information Technology (IT) enabled capabilities, or Infrastructure, Environmental and Acquired Services projects.

See the [Project Management Plan \(PMP\) Guide](#) for further guidance.

### Benefits Realization Plan (BRP)

A mandatory project document, the BRP is part of the PMP and will lay the basis for the management of benefits throughout the life cycle of the investment. It is important to involve all stakeholders in the process to build consensus and achieve commitment to the investment. At minimum, this includes the Project Sponsor, representatives from affected business areas and all potential benefit owners.

The benefits identified in the BRP will align with the Departmental Results Framework (DRF) and Program Inventory (PI) in consultation with Director Capability Integration (DCI) in Chief of Force Development (CFD) and Director Departmental Delivery, Results and Reporting (DDRR) in Chief of Programme (CProg).

The BRP will be updated at each gate of the DND Gating Framework to confirm that the intended benefits are still relevant and attainable. See *Governance – Gating Framework* for more information on these gates.

The benefits in the BRP will be captured, monitored and reported throughout the Project Approval Process (PAP), including reports to the appropriate governance bodies. Performance reporting on benefits will be captured and presented to the appropriate governance body.

See the [Benefits Realization Plan Template](#) for further guidance.

### Lessons Learned

At the end of the Identification Phase, it is required that all projects input their lessons learned into the [Defence Lessons Learned System \(DLLS\)](#).

## 3.10 Governance – Defence Capabilities Board (DCB)

The Defence Capabilities Board (DCB) is one of two strategic resource management boards chaired and co-chaired by the VCDS. The aim is to ensure improved challenge in the DND/CAF validation of strategic decision options on the alignment of future capabilities and a comprehensive Options Analysis (OA) examination, to better enable Ministerial and TB Submissions Defence Capabilities Board (DCB) management will be guided by the following tenets: decision support enhancing visibility to functional authorities, balanced across the DOTMLPFPI elements to result in prioritization of capabilities in the 5-20 year demand line. The demand line will be transitioned from the plan to the programme as managed by C Prog through the Programme Management Board (PMB).

### Defence Capabilities Board (DCB) 1

After the draft Strategic Context Document (SCD) has been reviewed by the CFD – Director Capability Integration (DCI) analyst, it is formally staffed within the sponsoring organization for endorsement at the Director General (DG) level. Once endorsed, it will be forwarded to CFD – Director General Capability and Structure Integration (DGCSI) for staffing to the Defence Capabilities Board (DCB)

The [Defence Capabilities Board \(DCB\) Terms of Reference \(TOR\)](#) and the [Defence Capabilities Board \(DCB\) Guide](#) provide amplifying information for Project Teams.

The approval of the Strategic Context Document (SCD) by the Defence Capability Board (DCB) 1 marks the official start of the Options Analysis (OA) Phase and the following commitments:

- The Project Sponsor commits to making operating budget resources (Personnel, Operations & Maintenance) available to conduct the project Options Analysis (OA) Phase, including the assignment of a Project Leader and a Project Director (PD), the development of a Project Charter, and the completion of the Options Analysis (OA) Phase within the approved timeline.
- The Project Implementers (IE, IM and/or Mat) commit to supporting the Options Analysis (OA) Phase of work, including the assignment of project development and management expertise for the completion of the Option Analysis (OA) Phase within the approved timeline.

### 3.11 Engagement – Independent Review Panel for Defence Acquisition (IRPDA)

Following Defence Capabilities Board (DCB) 1, the Project Sponsor will meet the IRPDA for its Independent Review Panel 1 (IRP 1) engagement. IRP 1 is usually conducted two months after DCB 1. IRPDA analysts require a period of time before the Panel engagement in order to conduct their own analysis and prepare Panel Members. This amounts to a period of 6 weeks. This should not delay or preclude a Project Team from commencing Options Analysis (OA) Phase work upon successful completion of DCB 1.

Inputs include DCB 1 file (SCD, DCB 1 PPT, and Placemat) and any other available and relevant data. Outputs of this engagement will see a RoD produced that is transposed into a IRPDA Response Matrix. This Response Matrix will be tracked and completed by the Project Director and returned to CFD and the Panel in preparation of the IRP 2 engagement. The outcome of this engagement is to identify issues and provide feedback before detailed Options Analysis (OA) work begins.

For additional information on the IRPDA process, see the Independent Review Panel on Defence Acquisition (IRPDA) Guide.

## Chapter 4 – Options Analysis (OA) Phase

### 4.1 Overview

The Options Analysis (OA) Phase builds on the preliminary analysis of options to fill the identified capability gap, and subjects each viable option identified in the Identification (ID) Phase to a rigorous analysis. Project Teams, under the Project Sponsor's direction and guidance, conduct an analysis of the options identified as 'viable' during the Identification phase, to facilitate informed choices on the best way to implement the project to achieve the capability identified through the Concept Driven Threat Informed Planning (CDTIP) process.

The Options Analysis has two distinct stages. The first stage is the analysis of the viable options identified in the Strategic Context Document (SCD), to determine a single recommended capability option. This analysis is written into the Business Case Analysis (BCA) and the option presented to DCB 2 for endorsement. The second stage is the Transition to Definition, described in the next section.

Options Analysis (OA) duration varies, and requires the successful completion of: Defence Capabilities Board (DCB) 2; Independent Review Panel for Defence Acquisition (IRPDA) review (if applicable); and, receipt of Departmental Approval to enter Definition. The Options Analysis (OA) Phase is guided by Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) until successful completion. After that point, the process is guided by C Prog – Director Defence Programme Coordination (DDPC) analysts.

Ultimately, the Options Analysis (OA) Phase results in the Defence Capabilities Board (DCB) 2 endorsing the recommended course of action so that the project can commence the transition to the Definition Phase during which Programme Management Board (PMB) grants Departmental Approval and endorses the project seeking Project Approval (PA) and Expenditure Authority (EA) from TB, the MND, or the delegated departmental authority to commence the Definition Phase.

### 4.2 Checklist – Options Analysis (OA) Phase

*Pre-requisites (must be completed before commencing the Options Analysis (OA) Phase)*

Document	Preliminary <a href="#">Project Complexity and Risk Assessment (PCRA)</a>	
Document	<a href="#">Strategic Context Document (Parts 1 and 2 of the Business Case)</a>	<a href="#">Guide</a>
Document	<a href="#">Preliminary DOTMLPFPI Annex</a>	<a href="#">Guide</a>
Document	<a href="#">Project Management Plan (PMP)</a> for Options Analysis (OA)	<a href="#">Guide</a>
Governance	<a href="#">Defence Capabilities Board (DCB) 1</a>	
Engagement	<a href="#">Independent Review Panel for Defence Acquisition (IRPDA) 1</a> , as required	

*Key Documents and Activities (completed during the Options Analysis (OA) Phase)*

Engagement	Project Launch Meeting	
Document	<a href="#">Business Case Analysis</a> (BCA) (Resubmit 1 & 2, and complete Parts 3, 4 and 5)	<a href="#">Guide</a>
Document	<a href="#">Project Charter</a>	
Document	<a href="#">Project Brief</a>	
Document	<a href="#">DOTMLPFPI Annex</a>	<a href="#">Guide</a>
Document	Preliminary <a href="#">Statement of Operational Requirements (SOR)</a>	
Document	Preliminary <a href="#">Statement of Requirements – Infrastructure (SOR-I)</a> for the proposed option	<a href="#">Guide</a>
Document	Updated <a href="#">Project Management Plan (PMP)</a> for Definition	<a href="#">Guide</a>
Document	Updated <a href="#">Benefits Realization Plan</a> (as part of the PMP for Definition)	<a href="#">Guide</a>
Governance	Annual <a href="#">Senior Review Board (SRB)</a>	
Governance	<a href="#">Defence Procurement Strategy</a>	
Document	<a href="#">Sustainment Business Case Analysis (SBCA)</a>	
Governance	<a href="#">Defence Capabilities Board (DCB) 2</a>	
Engagement	<a href="#">Independent Review Panel for Defence Acquisition (IRPDA) 2</a> , as required	
Forms	Part A (DND 4133-E) and Part B (DND 4134-E) of the Security Identification Document (SID), as required Forms can be found in the <a href="#">Defence Forms Catalogue</a>	
System	Enter lessons learned into the <a href="#">Defence Lessons Learned System (DLLS)</a>	

#### 4.3 Engagement – Project Launch Meeting (PLM)

A Project Launch Meeting (PLM) is required for all major projects in Defence. The aim of the Project Launch Meeting (PLM) is to ensure early coordination and guidance by the central staff. Project Launch Meetings (PLM) will be convened by the Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) analyst within 2 weeks of the Defence Capabilities Board (DCB) 1 approval and the following attendees (all staff level) are required:

- Chief of Force Development (CFD) / Director General Capability and Structure Integration (DGCSI) analyst (meeting organizer);
- C Prog / Director Defence Programme Coordination (DDPC) Analyst;
- Assistant Deputy Minister Finance (ADM (Fin)) Senior Coordination Officer (SCO);
- Project Director (PD); and
- Project Manager (PM).



The Project Launch Meeting (PLM) agenda will cover these critical project management areas:

- Business Case Analysis (BCA)
- Project Charter creation
- Project Complexity and Risk Assessment (PCRA)
- Project Brief
- DOTMLPFPI Annex
- Preliminary Statement of Operational Requirements (SOR)
- Policy Coverage
- Corporate Submission Requirements
  - Delivery and Expected Results (prior consultation and coordination with Director Evaluation Force Generation and Sustainment is required for this section, and they can be contacted at : <http://intranet.mil.ca/en/organizations/adm-rs/DGE/DEFGS/index.page>)
  - Gender-Based Analysis Plus (GBA+)
  - Strategic Environmental Assessment (SEA)
  - Assessment of Modern Treaty Implications (AMTI)
- Sustainment Business Case Analysis (SBCA)
- Senior Review Board (SRB) governing principles
- Defence governing principles
- Options Analysis (OA) milestones
- Project coordination requirements (in and outside of Defence)
- An overview of governmental approval pre-requisites and process
- Treasury Board Secretariat Report on Projects over \$25M

No minutes or records are necessary for the Project Launch Meeting (PLM) as it is a coordination meeting.

#### 4.4 Documentation – The Business Case Analysis (BCA)

The decision to proceed with a specific option shall be based on a completed Business Case Analysis (BCA). A project enters the Options Analysis (OA) Phase following approval of the SCD at Defence Capabilities Board (DCB) 1. This approval endorses the High Level Mandatory Requirements (HLMR), and the options to be examined throughout the Options Analysis (OA) Phase. Parts 3, 4 and 5 of the BCA are completed which, when combined with the SCD, produce the full/complete BCA.

##### *Business Case Analysis (BCA) Part 3 – Viable Options*

A more rigorous analysis of the viable options is conducted, by building on the Identification Phase (ID) analysis. The objective of Part 3 is to identify the preferred option that fulfills the capability gap: thereby satisfying the Business Need, Business Outcomes, and HLMRs. Each viable option will be examined and explored in terms of their costs and risks to support an informed investment decision. Infrastructure must be investigated for each of the viable options



as it may impact the selection of the preferred option. ADM (IE) must be leading in the development of the infrastructure concepts and assessment of risk to the Real Property Portfolio. This section of the BCA details the degree to which the viable options satisfy criteria and identifies a preferred option. As a minimum requirement, the following rated criteria will be used:

- Alignment;
- Cost;
- Cost-Benefit Analysis;
- Implementation and Capacity Considerations;
- Risk;
- Benchmark;
- Policy and Standard Considerations;and
- HLMRs.

#### *Business Case Analysis (BCA) Part 4 – Justification and Recommendation*

With the detailed analysis of each viable option complete, the objective of Part 4 is to provide a comparison summary of the viable options and to show analysis and evidence that justify the preferred option. As a minimum, the following will be addressed:

- Recommendation
- Deciding Factors
- Costs
- DOTMLPFPI
- Scope Ladder<sup>1</sup>
- Risks
- Implementation Plan

Note 1: Provide a Scope Ladder as an Annex to depict the optionality within the Preferred Option. Contrast key Project components and, or DOTMLPFPI lines of development that require resourcing. Clearly identify the Minimum Military Requirement.

#### *Business Case Analysis (BCA) Part 5 – Managing the Investment*

There are two objectives in Part 5:

- First, to outline the governance, oversight and project management.; and
- Second, to outline the outcomes, risks and performance management strategies.

Projects will follow the typical Project Approval (PA) and oversight processes that are standard practice in DND. Projects deviating from this will identify where and how the project would fit into the broader governance and oversight structure, as well as any special oversight or management processes that will be put in place. Additionally, identify the outcome, change, risk and performance management strategies that will be put in place.

#### 4.5 Documentation – Project Charter

The Project Charter is a document issued by the Project Sponsor that formally authorizes the existence of a project, and provides the Project Manager (PM) with the authority to apply organizational resources to project activities.

The Project Charter is a mandatory document that is to be developed within 90 days of entering the Options Analysis (OA) Phase and endorsed by the Senior Review Board (SRB). Although the responsibility rests with the Project Director (PD) at this phase of the project development, the draft needs to be prepared in collaboration with the Project Manager (PM) and must include reasonable broad consultation with the Functional Groups to ensure holistic capability delivery is considered from the start.

See the [Project Charter Template](#) for further guidance.

#### 4.6 Documentation – preliminary Statement of Operational Requirements (SOR)

The Statement of Operational Requirements (SOR) communicates the characteristics of the operational requirement of the capability to technical and procurement staffs and contains the critical performance criteria necessary for evaluating technical options and assisting in the post-project completion validation of system performance.

This document is the responsibility of the Project Director (PD) but should be developed with advice from the Project Manager (PM) to ensure that stated requirements are reasonably achievable from a technical perspective. It is the responsibility of the Project Director (PD) to ensure that the Statement of Operational Requirements (SOR) remains current and that appropriate action is taken should any significant amendment be required. All changes must be endorsed by the project's Senior Review Board (SRB) and Chief of Force Development (CFD), and approved by the Project Sponsor.

A Preliminary Statement of Operational Requirements (PSOR) is developed for DCB 2, with the SOR to be completed following endorsement of the preferred option at DCB 2.

See the [Statement of Operational Requirements \(SOR\) Template](#) for further guidance.

#### 4.7 Documentation – Project Management Plan (PMP)

During the Options Analysis (OA) Phase, the Project Director (PD) and Project Manager (PM), if assigned, must develop the Definition Phase Project Management Plan (PMP), which is a mandatory project document.

The level of details required in the Project Management Plan (PMP) to inform the reader will be commensurate to the level of complexity and risk for the project. Two templates are provided in this Project Approval Directive (PAD) a 'light' version and a more exhaustive version. As already indicated, the second version will see complete sections being developed in subsidiary management plans produced either as separate documents or integrated as annexes of the Project Management Plan (PMP).

Note that the Benefits Realization Plan must be updated as well.

See the [Project Management Plan \(PMP\) Guide](#) and the [PMP Template](#) for further guidance.

### *Lessons Learned*

At the end of the Options Analysis Phase, it is required that all projects input their lessons learned into the [Defence Lessons Learned System \(DLLS\)](#).

## 4.8 Special Considerations

Not all projects will have to follow the same process for Options Analysis (OA) activities, based on the cost, risk and complexity of the project. Remembering that the goal of Options Analysis (OA) activities is to allow senior leadership to endorse the preferred option, for projects that are lower cost, risk and complexity, the Project Approval Process (PAP) has been revised to ensure a more tailored approach vice a one size fits all. As directed by the Defence Capabilities Board (DCB), Project Teams may only need to develop abridged documents, and some of the external engagements may not be required.

For example, projects that involve predominantly materiel acquisition (such as logistic vehicles, aircraft, or ships), where there are a myriad of options that are complex to validate, and when the equipment is going to remain In-Service for 15 or more years, required a more fulsome options analysis compared to projects where Military Off The Shelf (MOTS) or Commercial Off The Shelf (COTS) are the preferred option, and where the expected life of the project is five years or less.

Training Development Officers (TDO), centralized under the Directorate Project Management Support Organization (DPMSO) need to be engaged during the Options Analysis (OA) Phase to determine if an Establishment Change is required in order to have a dedicated Training Development Officers (TDO) supporting the project. They become a crucial asset to the project's efficiency and success during the Definition Phase, providing professional advice on the impacts new capabilities have on Personnel and Training. The Project Team should contact them at +PMO\_DPMSO@ADM(Mat) DGMPD (Sea)@Ottawa-Hull.

*Defence Capability Infrastructure (DC Infra).* For most projects, acquisition of MOTS or COTS, new, renewed, or upgraded infrastructure may be required. The requirements must be incorporated into the equipment or Information Technology (IT) project. ADM (IE) must be contacted by the Project Sponsor at the ID stage to initiate an infrastructure assessment and infrastructure requirements validation. ADM(IE) Project Development (PD Infra) and Project

Management (PM Infra) resources will need to be assigned to the project when Defence capability infrastructure is required to complete an IT or equipment project.

Infrastructure Construction Projects (ICPs) are being managed as part of the ADM(IE) Portfolio and are not subject to DCB at OA phase. ADM(IE) has internal approval mechanisms to ensure appropriate oversight and gates are applied.

See Chapter 2 – General Project Delivery Information, Section 2.9, Portfolios and Infrastructure Construction Projects (ICP) for more information.

Enterprise level Information Technology (IT) Enabled projects involve either delivery of Information Technology (IT) enabled solutions that support business or operational functions or IT infrastructure investments. Enterprise level Information Technology (IT) enabled projects and IT projects shall follow the business case methodology and template prescribed by TBS (<https://www.canada.ca/en/treasury-board-secretariat/services/information-technology-project-management/project-management/business-case-guide.html>). When in doubt, Project Teams should contact their CFD/C Prog Analysts for confirmation.

The Munitions Supply Program (MSP) shall be taken into account if the new project plans for the acquisition of small arms, high volume usage ammunition, related munitions products, and associated stores. The Munition Supply Program (MSP), a Government of Canada (GC) program establishes and maintains strategic sources in Canada to provide assured sourcing for selected munitions, with current focus on high volume usage ammunition and small arms. As the largest user of munitions in the Government of Canada (GC), it is recommended that certain munitions procured for DND inventory be procured in Canada from our strategic sources.

Ammunition and Explosives (A&E) cost drivers can be a considerable project expense. If the project is considering purchasing new or using in-service A&E for a new platform, notable supplementary project work/deliverables and human resource requirements may come into play. The Project Team must engage DAEME and SJS J4 Ammo early in the Defence Services Program (DSP) process to ensure success. These will be continuing consultations that were started during the Identification (ID) Phase.

#### 4.9 Governance – Senior Review Board (SRB)

The Senior Review Board (SRB) is a key body providing corporate challenge and ensuring oversight at the project management level. Further, it is evidence of tailoring departmental governance as required by the [TB Policy on the Planning and Management of Investments](#) and the [Directive on the Management of Projects and Programmes](#).

##### Establishment of Senior Review Board (SRB)

The Senior Review Board (SRB) is first established by the Project Leader within three months following Defence Capabilities Board (DCB) 1. The objective of the first Senior Review Board (SRB) is to ensure the correct consultation and project support mechanisms are in place, as documented in the Project Charter and the Project Management Plan - Options Analysis (OA)

Phase. The Project Leader will seek assurance that the Options Analysis (OA) Phase will successfully deliver a recommended capability option.

The Project Charter will define the roles and responsibilities of project Stakeholders. For projects in the Options Analysis (OA) Phase, the Project Leader is appointed by the Project Sponsor.

### Frequency

The Senior Review Board (SRB) convenes no less than annually to provide an update of the project. SRB may convene on a case-by-case basis, depending on project decisions required by the Project Leader. Senior Review Board (SRB) will convene in order to endorse project documentation escalating to a higher Governance board (DCB/PMB).

### Accountabilities and Authorities

The Senior Review Board (SRB), itself as a body, has no direct accountabilities and no authorities. Accountability and authority for any decisions or direction emanating from the Senior Review Board (SRB) and documented in the Record of Decisions (ROD) rest solely with the Project Leader. Each member of the Senior Review Board (SRB) is accountable through their chain of command to the Level 1 Advisor they represent for advice given to the Project Leader at a Senior Review Board (SRB).

Further information on the Senior Review Board (SRB) can be found within both the Governance – Senior Review Board (SRB) and the Senior Review Board (SRB) Terms of Reference (TOR).

## 4.10 Governance – Defence Procurement Strategy (DPS) Governance Committee

This interdepartmental oversight committee consisting of DND, Public Services and Procurement Canada (PSPC) and Innovation, Science and Economic Development (ISED) will support the way the project deliverables will be procured and sustained. Regardless of project phase, ADM (Mat) staff are the lead interface with Defence Procurement Strategy (DPS) governance and will facilitate engagement with the Defence Procurement Strategy (DPS) Governance Committee. Parallel to engagement with the Defence Procurement Strategy (DPS) Governance Committee, the project begins work on the Sustainment Business Case Analysis (SBCA), which while not on the critical path for Project Approval (PA) and Expenditure Authority (EA), is a project document that is required during Definition.

It is possible that outcomes from the Defence Procurement Strategy (DPS) Governance Committee engagement may be required by the Project Team prior to going to Defence Capabilities Board (DCB) 2 to endorse the Options Analysis (OA) course of action; however, this is not strictly necessary.

See the [Defence Procurement Strategy \(DPS\) Governance Committee Terms of Reference \(TOR\)](#) and the [Defence Procurement Strategy \(DPS\) Governance Committee Overview](#) for further guidance.

#### 4.11 Sustainment Business Case Analysis (SBCA)

The Defence Procurement – Sustainment Initiative is a collaborative undertaking aimed at procuring tailored in-service support solutions for existing and new military equipment. Effective June 8, 2016, every new and existing military maintenance and repair procurement valued at \$20 million\* or more will follow a coherent and standardized interdepartmental approach guided by the four principles of sustainment: performance, value for money, flexibility and economic benefits. These principles will inform decision making by the applicable Defence Procurement Strategy (DPS) governance committee.

**\*Note:** This threshold applies to the estimated sustainment cost for the purposes of determining whether a Sustainment Business Case Analysis (SBCA) is required, which is calculated by evaluating the future cost of all sustainment activities to be performed by contractor(s) and other government(s) to sustain the equipment in scope until the estimated end of life. The estimated cost includes taxes and fees, but excludes divestment cost. The nature of the funding is irrelevant (Vote 1 or Vote 5).

The four sustainment principles ensure a common understanding of the values that will drive a new way of doing business. All sustainment solutions must optimize:

- **Equipment Performance:** Defence equipment that is operationally ready and mission capable.
- **Value for Money:** The required outcomes (i.e., fitness for purpose and quantity) are procured at a price commensurate with the market rate for comparable procurements.
- **Flexibility:** An adaptable and scalable support system that can be readily adjusted to changes in operational requirements and/or operating budgets.
- **Economic Benefits:** Leverage industrial benefits from defence procurements to create jobs for Canadians and economic growth for companies in Canada.

The development of a sustainment strategy via the Sustainment Business Case Analysis (SBCA) for materiel projects is part of the Project Approval Process (PAP). Consequently, early engagement with sustainment experts during Options Analysis (OA) can provide valuable information for the lifecycle-cost/benefit analysis, contribute to informed engagement with industry, and provide sustainment content for the preliminary Statement of Operational Requirements (SOR). In support of the above, the Sustainment Business Case Analysis (SBCA) should be commenced as early as feasible recognizing that the full analysis will be completed during the Definition or Implementation Phase.

See the [SBCA Guide](#) for further guidance.

#### 4.12 Governance – Defence Capabilities Board (DCB)

After the draft Business Case Analysis (BCA) has been reviewed and endorsed by the CFD – Director Capability Integration (DCI) analyst, the Business Case Analysis (BCA) is formally staffed within the sponsoring organization for endorsement at the Director General (DG). Prior to being forwarded to CFD – Director General Capability and Structure Integration (DGCSI) for staffing to Defence Capabilities Board (DCB), ADM(IE) must review and approve capability Infrastructure requirements stated in the BCA and the preliminary DOTMLPFPI. The Defence Capabilities Board (DCB) Terms of Reference (TOR) and [Defence Capabilities Board \(DCB\) Guide](#) provide amplifying information for Project Teams.

#### 4.13 Engagement – Independent Review Panel for Defence Acquisition (IRPDA)

Following DCB 2, the Project Sponsor will meet the IRPDA for its Independent Review Panel 2 (IRP 2) engagement. This will be preceded with a Staff level meeting normally a month prior to IRP 2. This should not delay or preclude a Project Team from commencing Transition to Definition work upon successful completion of Defence Capabilities Board (DCB) 2.

Inputs include DCB 2 file (BCA, PSOR, DCB 2 PPT, Placemat), IRP 1 Response Matrix, available costing data and any other available data that enables the Panel. Outputs will result in the Panel writing their advice to the Minister or delegate.



## Chapter 5 – Transition Periods

There are two transition periods in the Project Approval Process (PAP): Transition to Definition and Transition to Implementation.

### 5.1 Overview – Transition to Definition Phase

The Transition to Definition period ensures that Project Teams successfully achieve Project Approval (PA) and Expenditure Authority (EA) to commence the Definition Phase activities.

Following the Defence Capabilities Board (DCB) 2, the project will commence the Transition to Definition consisting of a number of steps to obtain the Project Approval (PA) and Expenditure Authority (EA) to commence Definition. This was once referred to as the “March to Programme Management Board (PMB).” We will now refer to it as the “Transition to Definition”. This period is under the guidance of C Prog – Director Defence Programme Coordination (DDPC) and commences with an Initial Planning Meeting (IPM) that details the timelines and deliverables required to:

- Receive Departmental Approval at Programme Management Board (PMB); and
- Develop the Corporate Submission to obtain Project Approval (PA) and Expenditure Authority (EA).

It is during this period that costing will be completed and the Project Complexity and Risk Assessment (PCRA) will be confirmed. For well-documented, staffed and prepared projects, this will normally take a minimum of 6 months for a MND submission and 9 months for a TB submission. It can be expected to take significantly longer for complex or less prepared projects.

On occasion, the work of the Options Analysis (OA) Phase leads to the conclusion that the Statement of Operational Requirements (SOR) is fully defined, Definition Phase documentation is completed, the project requirement is such that it can be implemented immediately (e.g. Military Off The Shelf (MOTS) or Commercial Off The Shelf (COTS)), and there is departmental support to proceed directly to Implementation. Under certain circumstances, the Definition Phase may be accelerated and on rare occasions, waived. The approval to accelerate or waive Definition rests with the Programme Management Board (PMB) and the Project’s Expenditure Authority (EA).

As the Project Approval Process (PAP) is a complex and evolving process, early and continuous engagement with central staff is critical. Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) and C Prog – Director Defence Programme Coordination (DDPC) analysts are a key enablers for Project Teams because, in addition to performing a central challenge function, they have exposure to and experience with the entire spectrum of projects and the best practices associated with the process. Project Sponsors are encouraged to engage with the appropriate analysts at the earliest opportunity and throughout the lifecycle of the project.



## 5.2 Checklist – Transition to Definition Phase

### *Key Documents and Activities during the Transition to Definition*

Document	Update <a href="#">Project Charter</a>	
Document	Update <a href="#">Project Complexity and Risk Assessment (PCRA)</a>	
Document	Update <a href="#">Project Brief</a>	
Document	Update <a href="#">DOTMLPFPI Annex</a>	<a href="#">Guide</a>
Document	Update <a href="#">Statement of Operational Requirements (SOR)</a>	
Document	Update <a href="#">Project Management Plan (PMP)</a>	<a href="#">Guide</a>
Document	Update <a href="#">Benefits Realization Plan</a> (as part of the PMP)	<a href="#">Guide</a>
Document	Update <a href="#">Sustainment Business Case Analysis (SBCA)</a>	
Document	Project Costing Data (see <a href="#">Costing Requirements Checklist</a> )	
Document	Risk Analysis & Risk Register (see <a href="#">Guide – Risk Management Plan (RMP)</a> )	
Activity	Update the <a href="#">Defence Services Program Portal (DSPP)</a>	
Engagement	<a href="#">Pre-Initial Planning Meeting</a> (Pre-IPM) (see checklist)	
Engagement	<a href="#">Initial Planning Meeting</a> (IPM) (see checklist)	
Document	<a href="#">Corporate Submission</a>	
Document	<a href="#">Strategic Environmental Assessment (SEA)</a>	<a href="#">Guide</a>
Document	<a href="#">Assessment of Modern Treaty Implications (AMTI)</a>	<a href="#">Guide</a>
Document	Summary of <a href="#">Gender-Based Analysis Plus (GBA+)</a>	<a href="#">Guide</a>
Document	Update the Preliminary <a href="#">Statement of Operational Requirements – Infrastructure (SOR-I)</a>	<a href="#">Guide</a>
Activity	Cost Accreditation (See 5.13 Activity – Cost Accreditation)	
Document (as required)	<a href="#">Capital Investment Fund Change Proposal (CIFCP)</a>	<a href="#">Guide</a>
Activity	Capital Investment Fund Change Impact Analysis (CIFCIA)	<a href="#">Guide</a>
Activity	Submission sign-off (following <a href="#">Programme Management Board (PMB)</a> )	
Activity	Change of <a href="#">Project Leader</a>	

### *Pre-requisites (must be completed before commencing Definition):*

Document	<a href="#">Business Case Analysis (BCA)</a>	<a href="#">Guide</a>
Document	Initiate <a href="#">Treasury Board Secretariat Report on Projects over \$25M</a> once Project Approval (PA) is obtained.	
Governance	<a href="#">Defence Capabilities Board (DCB) 2</a>	
Engagement	<a href="#">Independent Review Panel for Defence Acquisition (IRPDA) 2</a>	
Governance	<a href="#">Senior Review Board (SRB)</a>	
Governance	<a href="#">Digital Services Board (DSB)</a> <a href="#">Programme Management Board (PMB)</a>	
Governance	<a href="#">Investment and Resource Management Committee (IRMC)</a> , if required	

## PROJECT APPROVAL DIRECTIVE (PAD)

Authority	Project Approval Definition (PA(Def)) Expenditure Authority (EA)	
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### 5.3 Overview – Transition to Implementation Phase

The Transition to Implementation period ensures that Project Teams successfully achieve Project Approval (PA), Expenditure Authority (EA) and Contracting Authority (CA) to commence the Implementation Phase activities.

As the Definition Phase comes to a close and all Definition work is complete, there is another transition period with a number of steps to complete to obtain Project Approval (PA) and Expenditure Authority (EA) to enter Implementation. This was once referred to as the “March to Programme Management Board (PMB).” We will refer to it as the “Transition to Implementation.” This period is under the guidance of C Prog – Director Defence Programme Coordination (DDPC) and commences with an Initial Planning Meeting (IPM) that details the timelines and deliverables required to:

- Receive Departmental Approval at Programme Management Board (PMB); and
- Develop the Corporate Submission (if required – see Special Considerations – Streamlining the Project Approval Process (PAP))

### 5.4 Checklist – Transition to Implementation Phase

The pre-requisites below are required to achieve Implementation and not the Transition to Implementation period.

#### *Key Documents and Activities during the Transition to Implementation*

Document	Update <a href="#">Project Charter</a>	
Document	Update <a href="#">Project Complexity and Risk Assessment (PCRA)</a>	
Document	Update <a href="#">Project Brief</a>	
Document	Update <a href="#">DOTMLPFPI Annex</a>	<a href="#">Guide</a>
Document	Finalize <a href="#">Statement of Operational Requirements (SOR)</a>	
Document	Update <a href="#">Project Management Plan (PMP)</a>	<a href="#">Guide</a>
Document	Update <a href="#">Benefits Realization Plan</a> (as part of the PMP)	<a href="#">Guide</a>
Document	<a href="#">Project Costing Data</a> (see checklist)	
Document	<a href="#">Risk Analysis</a> and <a href="#">Risk Register</a>	
Engagement	<a href="#">Pre-Initial Planning Meeting</a> (Pre-IPM) (see checklist)	
Engagement	<a href="#">Initial Planning Meeting</a> (IPM) (see checklist)	
Document	<a href="#">Corporate Submission</a>	
Document	<a href="#">Strategic Environmental Assessment (SEA)</a>	<a href="#">Guide</a>
Document	<a href="#">Assessment of Modern Treaty Implications (AMTI)</a>	<a href="#">Guide</a>
Document	Update the <a href="#">Statement of Operational Requirements – Infrastructure (SOR-I)</a>	<a href="#">Guide</a>

## PROJECT APPROVAL DIRECTIVE (PAD)

Activity	Cost Accreditation (See See 5.13 Activity – Cost Accreditation)	
Document (as required)	<a href="#">Capital Investment Fund Change Proposal (CIFCP)</a>	<a href="#">Guide</a>
Activity	Capital Investment Fund Change Impact Analysis (CIFCIA)	<a href="#">Guide</a>
Activity	Submission sign-off (following <a href="#">Programme Management Board (PMB)</a> )	

*Pre-requisites (must be completed before commencing Implementation):*

Governance	<a href="#">Senior Review Board (SRB)</a>	
Governance	<a href="#">Digital Services Board (DSB)</a> <a href="#">Programme Management Board (PMB)</a>	
Governance	<a href="#">Investment and Resource Management Committee (IRMC)</a> , if required	
Document	Update <a href="#">Treasury Board Secretariat Report on Projects over \$25M</a> once Expenditure Authority (EA) is obtained.	
Authority	Project Approval (PA) Implementation (PA(imp)) Expenditure Authority (EA) Contracting Authority (CA)	

The following guidelines apply to the Transition to Definition and the Transition to Implementation Periods. When there are exceptions or variations between the two Transition Periods they are titled *Transition to Implementation (Exceptions and Variations)* under the respective section.

### 5.5 Documentation – Project Complexity and Risk Assessment (PCRA)

The Project Complexity and Risk Assessment (PCRA) is the output of an assessment tool that determines the risk and complexity of a project for the purposes of Project Approval (PA) and Expenditure Authority (EA). A Project Complexity and Risk Assessment (PCRA) is required for all projects over \$10M. Projects under \$10M do not have a Project Complexity and Risk Assessment (PCRA) prepared. While a draft Project Complexity and Risk Assessment (PCRA) is prepared in the Identification (ID) Phase, it is in the Transition to Definition where the Project Complexity and Risk Assessment (PCRA) is finalized by the Project Director (PD) and submitted to Chief of Programme (C Prog) – Director Defence Programme Coordination (DDPC) for review and promotion to TBS for their review prior to the Initial Planning Meeting (IPM).

TBS will review the Project Complexity and Risk Assessment (PCRA) and the service standard is to render a decision within 10 working days. The decision can be either “TBS ACK”, which means that TBS acknowledges the project is within the Minister of National Defence’s (MND) authority to approve, or “SUB REQ”, which means that a submission to TB is required.

See the Project Complexity and Risk Assessment (PCRA) Guide and Template for further guidance at: <https://callipers-calibrage.tbs-sct.gc.ca/Logon-Connexion.aspx?lang=EN> or at <https://www.tbs-sct.gc.ca/pm-gp/doc/pcrag-ecrpg/pcrag-ecrpg01-eng.asp>

### *Transition to Implementation Exceptions and Variations*

The Transition to Implementation Phase follows the same Project Complexity and Risk Assessment (PCRA) process as the Transition to Definition with the following exception:

- The Project Complexity and Risk Assessment (PCRA) is updated by Project Teams and submitted to C Prog – Director Defence Programme Coordination (DDPC) for review; however, the Project Complexity and Risk Assessment (PCRA) is NOT promoted to TBS unless the Project Complexity and Risk Assessment (PCRA) score has changed from the previous submission to move to a new Project Complexity and Risk Assessment (PCRA) level. Project Teams shall consult their Chief of Programme (C Prog) – Director Defence Programme Coordination (DDPC) analyst for clarification.

## 5.6 Documentation – Project Brief

The Project Brief is a living evergreen document that provides decision makers with the project narrative including a succinct summary of the project scope and links to policy, capital investment plans, governance and project management. It forms a critical component of both Ministerial and TB submissions and will require extensive review by both the C Prog – Director Defence Programme Coordination (DDPC) and ADM (Fin) – Director Corporate Submissions (D Corp S) analysts. Prior to entering into the transition Phases, the Project Brief will have been reviewed at the Director General (DG) level. The Project Brief will be supported by the: Business Case Analysis (BCA), Statement of Operational Requirements (SOR), and Project Charter.

See the [Project Brief Template](#) for further guidance.

For numerous capability projects, infrastructure is required, and the requirements need to be incorporated into the equipment or Information Technology (IT) project. At the implementation stage, ADM (IE) should have already been engaged and a PD Infra assigned if infrastructure was identified as being required to complete the project. If ADM(IE) had not been engaged, the Project Team must contact ADM(IE) to initiate an infrastructure assessment and the assignment of Project Development and Management resources to the project (as necessary). The reliability and accuracy of the Defence Capability Infrastructure (DC Infra) cost and scope estimates shall be reported in the presentation to Programme Management Board (PMB). This must be included in the body of the Project Brief and in the DOTMLPFPI Annex and approved by ADM(IE).

As well, it is important that ADM (Information Management) (ADM (IM)) is informed of any Information Management (IM) and, or Information Technology (IT) requirements in the Project Brief.

The Project Brief is regularly updated and reviewed by the Senior Review Board (SRB).

## 5.7 Documentation – DOTMLPFPI Annex

The requirement for the development of the DOTMLPFPI Annex to the Project Brief is governed by this directive.

The objective of the Capability Lines of Development (DOTMLPFPI: Doctrine, Organization, Training, Materiel, Leadership & Education, Personnel, Facilities, Policy, Interoperability) Annex to the Project Brief is to inform DOTMLPFPI discussions at the Defence Capability Board (DCB) and then Programme Management Board (PMB). The DOTMLPFPI provides stakeholders with a summary of the lines of development issues yet to be resolved for all aspects of the capability in terms of the impact of the project on the Defence Services Program (DSP).

The examination of the DOTMLPFPI lines of development must start early in the Identification (ID) Phase. The examination of the DOTMLPFPI lines of development is integral to the system engineering and project planning efforts that design the capability to be delivered, and design the project that will deliver the capability. During the Identification (ID) and Options Analysis (OA) Phases, the examination of these DOTMLPFPI lines of development must be coordinated by the Project Team, to include the Implementer organizations (IE, IM, and Mat) in a supporting role to the Project Sponsor.

During the Transition to Definition, the DOTMLPFPI Annex is refined as it is as a key document supporting the Project Brief, providing evidence of due diligence that the DOTMLPFPI capability lines of development were considered. The DOTMLPFPI analysis assists in the determination of the meaning of a Full Operational Capability (FOC) for the capability.

While the DOTMLPFPI analysis identifies the breadth of the capability to be implemented, it is also used to identify second and third order impacts, and associated related program costs (impacts on the Defence Services Program (DSP)). Where there is a related program cost that is not within the scope of the project; then the impact, associated cost, and funding source should be indicated.

The DOTMLPFPI Annex to the Project Brief is used in support of DND governance and is presented at Programme Management Board (PMB). It is not included in the Corporate Submission for Project Approval (PA) that seeks Ministerial or TB Expenditure Authority (EA). As a result, key considerations related to DOTMLPFPI aspects of the project should be described in the Project Brief, without referring to the more fulsome DOTMLPFPI Annex. Key elements of the Defence Capability Infrastructure (DC Infra) must be inserted in the Project Brief.

See the [DOTMLPFPI Annex Template](#) for [DOTMLPFPI Guide](#) further guidance.

## 5.8 Documentation – Project Charter

During the Transition Periods, the Project Director (PD) in collaboration with the Project Manager (PM) shall review and update the Project Charter that was developed in the Options Analysis Phase (OA) as required prior to the Initial Planning Meeting (IPM).

See the Project Charter Template for further guidance.

## 5.9 Documentation – Statement of Operational Requirements (SOR) and Statement of Operational Requirements – Infrastructure (SOR-I)

The Statement of Operational Requirements (SOR) and the Statement of Operational Requirements-Infrastructure (SOR-I) for Defence capability infrastructure projects (DCIP) (as applicable) that were developed in the Options Analysis (OA) Phase must be updated prior to proceeding into Definition. It is the responsibility of the Project Director (PD) to ensure that the Statement of Operational Requirements (SOR) remains current (and the responsibility of the Infrastructure Project Director (PD Infra) for the SOR-I for DC Infra), and that appropriate action is taken should any amendment(s) be required. All significant changes require endorsement by the Senior Review Board (SRB) and CFD; and approval by the Project Sponsor.

Statement of Operational Requirements – Infrastructure (SOR-I) for capability infrastructure may not be ready at this stage as the full capability requirement has yet to be defined. A preliminary SOR-I must still be presented.

See the [Statement of Operational Requirements \(SOR\) Template](#) for further guidance.

See the [Statement of Operational Requirements – Infrastructure \(SOR-I\) Template](#) for further guidance.

## 5.10 Activity – Environmental Impact Assessment (EIA)

The federal government expects the completion of an Environmental Impact Assessment (EIA) to demonstrate that the potential effects to the environment has been considered prior to being brought forward for approval and implementation. This expectation is part of federal legislation and direction from Cabinet.

Completing the EIA processes (SEA, project level assessment identified under legislation or both) will help the project comply with relevant environmental laws, support the government's environmental policy direction and potentially reduce impacts on defence activities resulting from a changing climate. It will also provide decision-makers with the information they need at various approval stages.

Many documents associated with project development and approvals in the Project Approval Process include the need to address environmental risks and opportunities. Completing the EIA process will aid in providing the information necessary for inclusion in the project development

and approval documents. The requirement to seek approval through a Corporate Submission triggers the requirements of the [Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals](#), so documentation must be completed prior to entering the Corporate Submission process.

See the [Environmental Impact Assessment Directive](#) for further guidance.

### 5.11 Engagement – Pre-Initial Planning Meeting (Pre-IPM)

The Pre-Initial Planning Meeting (Pre-IPM) is a meeting called and chaired by the C Prog – Director Defence Programme Coordination (DDPC) analyst with attendance from the Project Team, and ADM (Fin) analysts from Director Corporate Submissions (D Corp S), Director Costing (DC), and Director Budget (DB), as well as any other organization internal to DND or external who is a key stakeholder in the project.

The Pre-Initial Planning Meeting (Pre-IPM) is a project health check. The Project Team will provide all the required documents (see the Initial Planning Meeting Checklist) either in advance of the Pre-Initial Planning Meeting (Pre-IPM) or at the meeting itself, and provide an update on the scope, desired timelines and milestones.

During the Pre-Initial Planning Meeting (Pre-IPM) attendees will be expected to commit to an Initial Planning Meeting (IPM) date. The Initial Planning Meeting (IPM) should occur within 30 calendar days of the Pre-Initial Planning Meeting (Pre-IPM). If the project documentation is not mature enough at the Pre-Initial Planning Meeting (Pre-IPM) for that commitment to be made, the C Prog – Director Defence Programme Coordination (DDPC) analyst will determine if a supplementary Pre-Initial Planning Meeting (Pre-IPM) must be conducted.

The most critical timeline to be considered is normally the time required for Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) to prepare a costing plan. This requires deliberate, formal consideration at the Pre-Initial Planning Meeting (Pre-IPM).

See the [Initial Planning Meeting \(IPM\)](#) checklist for further guidance.

### 5.12 Engagement – Initial Planning Meeting (IPM)

The Initial Planning Meeting (IPM) is organized and called by the C Prog – Director Defence Programme Coordination (DDPC) analyst and co-chaired with a representative from Director Corporate Submissions (D Corp S). The Initial Planning Meeting (IPM) is the official kickoff of the timeline to achieve Project Approval (PA) and Expenditure Authority (EA).

The Initial Planning Meeting (IPM) is held approximately one month after the Pre-Initial Planning Meeting (Pre-IPM) and will only be declared successful when the project documentation and cost data has been reviewed and deemed sufficient for Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) to create a cost model and commit to a date to provide financial inputs to support a decision at Programme Management Board (PMB) (PMB).



Director Corporate Submissions (D Corp S) analysts will also be in a position to develop the Corporate Submission. If there are still unanswered questions at this meeting that would prevent a proper kickoff, a new Initial Planning Meeting (IPM) date will be scheduled once the analysts deem the file is ready to proceed.

See the [Initial Planning Meeting \(IPM\) checklist](#) for further guidance.

### 5.13 Activity – Cost Accreditation

Costing is the process where Director Costing (DC) works with the Project Team to develop a complete cost model for the project, including substantive Definition Phase costs, indicative Implementation Phase costs and indicative Operations & Maintenance (O&M), and In-Service Support (ISS) costs, broken down by year.

The length of time to complete this costing exercise will vary depending on the type and complexity of the project and it can vary between 10 weeks for a simple infrastructure project and 35 weeks or more for a complex project such as shipbuilding for instance. C Prog – Director Defence Programme Coordination (DDPC) analysts will use the appropriate timeline when scheduling the Programme Management Board (PMB). The output from costing is a Cost Report (CR) and the end goal of costing is to achieve CFO Attestation.

### 5.14 Engagement – Financial Inputs Committee (FIC)

On completion of Costing, all projects are reviewed by the Financial Inputs Committee (FIC). The Financial Inputs Committee (FIC) membership includes staff from Director Costing (DC), Director Financial Accounting (DFA), Director Budget (DB), and Director Corporate Submissions (D Corp S).

All projects are viewed in terms of the Chief Financial Officer (CFO) Assertions including financial assumptions, financial risk response and strategies, affordability, financial management authorities, accrual accounting issues, Vote distribution of funding, availability of Shared Services Canada (SSC) Assertion/Waiver, Shared Services Canada (SSC) Corporate Estimate, or Shared Services Canada (SSC) Attestation, and compliance with relevant financial management legislation and policies. In addition, the Estimated Life Expectancy (ELE) of assets are challenged and validated to ensure they are within the ranges prescribed by Government of Canada accounting standards and DND policy. The Financial Inputs Committee (FIC) is responsible for preparing recommendations and advising the Chief Financial Officer (CFO) in preparation for the review of projects at the Programme Management Board (PMB) and Investment and Resource Management Committee (IRMC).

If there is sufficient funding within the Investment Plan (IP) over the accrued timeline of the project, the cost results are released to the Project Team for inclusion in the Programme Management Board (PMB) deck.



If there is not sufficient funding, then C Prog – Director Defence Programme Coordination (DDPC) is informed and the Capital Investment Fund Change Management (CIFCM) Process commences.

See the [Capital Investment Fund Change Management \(CIFCM\) Process Guide](#) for further information.

### 5.15 Activity – Capital Investment Fund Change Management (CIFCM)

In accordance with TB Policy, the Deputy Head is responsible for ensuring that the Investment Plan (IP) remains within departmental reference levels and therefore affordable and sustainable. DND plans its capital expenditures over the life of its assets. Since most of the major capital investments are made over multiple years, the department needs to secure Government funding that reflects the full lifetime costs of projects. The *Defence Policy* introduced a new funding mechanism by securing the money needed for investments in the fiscal framework for the next 20 years (\$108 billion). This funding envelope, the Capital Investment Fund (CIF), represents the ceiling for planned capital asset investments over the period on an accrual basis. The Capital Investment Fund Change Management (CIFCM) process has been established to determine the potential effects on the Investment Plan (IP) of a particular proposal and to recommend changes within the Capital Investment Fund (CIF) that will accommodate the proposal while maintaining an affordable and sustainable Investment Plan (IP). The Capital Investment Fund Change Management (CIFCM) process also ensures that not only the resource implications are considered but also the impact on CAF capability/Force Development. The Capital Investment Fund Change Management (CIFCM) process serves to provide the CDS and DM with clear options of how cost increases or new initiatives may be accommodated within the Investment Plan (IP).

Changes and risks to the Defence Services Program (DSP) need to be anticipated, responded to and monitored in order to maintain a balanced Investment Plan (IP) that supports the attainment of Program Outcomes and Departmental Results. As the Investment Plan (IP) is based on Concept Driven Threat Informed Planning (CDTIP) and exists to deliver approved capabilities, proposed changes to the Investment Plan (IP) are always reviewed for potential effects on the delivery of capabilities and ensure that the most critical capabilities are delivered.

When there are indications that a project has insufficient funding or is encountering schedule challenges, the Capital Investment Fund Change Management (CIFCM) process is initiated. CProg, and, as required, CFD, and the Chief Financial Officer (CFO) in consultation with the Project Sponsor and Project Implementers, will recommend one or more of the following courses of action for analysis and presentation at the Programme Management Board (PMB):

- Prioritize Scope (a Capital Investment Fund Change Proposal (CIFCP) and Capital Investment Fund Change Impact Analysis (CIFCIA));
- Prioritize Cost (a Fixed Budget Approach (FBA) will be taken); and/or
- Prioritize Schedule.

Capital Investment Fund (CIF) changes must consider human resources and capability, impact on Program Outcomes and Departmental Results, as well as funding. Proposed Capital Investment Fund (CIF) changes are assessed in order to:

- Maintain affordability;
- Ensure continued alignment with Strategic Direction;
- Manage risk;
- Ensure all DOTMLPFPI elements of a proposed change are considered;
- Ensure the maintenance of a capability-based Investment Plan (IP) that delivers highest priority projects and initiatives;
- Ensure that decisions are made at the right level and at the right time;
- Consider and mitigate the cumulative effect of individual, disparate change proposals; and
- Consider and manage the potential for an impact on Horizons 2, 3 and beyond of deferred investments. C Prog will deliberately consult CFD to ensure that possible scope reductions are fully considered in the process.

*Documentation – Capital Investment Fund Change Proposal (CIFCP)*

The Capital Investment Fund Change Proposal (CIFCP) is initiated by the Project Sponsor to provide the information necessary to consider the impact of the proposed change on the Investment Plan (IP).

See the [Capital Investment Fund Change Management \(CIFCM\) Process Guide](#) and the [Capital Investment Fund Change Proposal \(CIFCP\) Template](#) for further guidance.

*Activity – Capital Investment Fund Change Impact Analysis (CIFCIA)*

The Capital Investment Fund Change Impact Analysis (CIFCIA) is a comprehensive analysis of the project issues, the impact on the Investment Plan (IP), and the proposed changes. If required, the Chief of Force Development (CFD) will conduct an offset analysis in order to identify potential sources of funds from existing projects in the Capital Investment Fund (CIF). The Capital Investment Fund Change Impact Analysis (CIFCIA) provides recommendations and options to senior management to address the proposed changes while ensuring Investment Plan (IP) integrity.

A Capital Investment Fund Change Impact Analysis (CIFCIA) is staffed by CProg for approval at the following governance boards:

- Programme Management Board (PMB) provides Departmental Approval and the Chief Financial Officer (CFO) attests to the financial aspects of the recommendation; and
- Investment and Resource Management Committee (IRMC) provides financial approval.

When determining the Investment and Resource Management Committee (IRMC) milestone date, sufficient time must be provided for Costing, Financial Inputs and the Investment and Resource Management Committee (IRMC) process.

### *Fixed Budget Approach (FBA)*

Under special circumstances, the Fixed Budget Approach (FBA) within the Project Approval Process (PAP) enables the management of a project within the available funding envelope.

A Fixed Budget Approach (FBA) is normally triggered when Assistant Deputy Minister (ADM (Fin)) provides Financial Inputs as the result of a Financial Inputs Committee indicated that a project seeking approval to move into the Definition Phase is not affordable.

The Fixed Budget Approach (FBA) process is governed by existing governance and is directed at the Defence Capabilities Board (DCB), prior to a project seeking Project Approval (Definition). FBA may also be directed at the Programme Management Board (PMB) and/or the Investment and Resource Management Committee (IRMC) as appropriate.

A Fixed Budget Approach (FBA) assists the forward momentum of the Project Approval Process (PAP) by permitting eligible projects to move more expeditiously from the Options Analysis (OA) Phase into the Definition Phase when funding challenges exist. Fundamentally, it shifts the primary focus of risk from cost and schedule to scope and schedule. A Fixed Budget Approach (FBA) identifies a core capability component to meet the High Level Mandatory Requirements (HLMR) that can be acquired within the funding envelope.

A Fixed Budget Approach (FBA) infers the Expenditure Authority (EA) to move into Definition equals Definition costs and Project Approval (PA) up to the available budget. The project proceeds to Definition with the intent of acquiring the core capability component and may establish contract options conditional should funding subsequently become available. All FBA projects must be prepared to exercise those contract options if or when DND identifies additional funding that can be used for that purpose, as directed by the Programme Management Board (PMB) and/or IRMC.

The desire to proceed with a Fixed Budget Approach (FBA) will be endorsed at Senior Review Board (SRB) and approved by Defence Capabilities Board (DCB). The Project Leader may recommend that a FBA be undertaken at an SRB but the SRB does not have the authority to approve a FBA approach nor change an FBA approach that has been approved. The Project

Sponsor must acknowledge that an approved Fixed Budget Approach (FBA) will deliver capability only up to the funded amount.

During Definition, the project will compete or negotiate a solution that weighs quantity and quality with a view to optimizing the capability output within the resources assigned and maximizing value for money. Any options that may be exercised in the future will be included in the Request for Proposal (RFP) and Statement of Work (SOW). Once the Request for Proposal (RFP) is released it is critical to assume that DND is committed to a specific procurement path and changes to the approach may carry financial, schedule or legal risk.

The Defence Capabilities Board (DCB) will exercise due diligence in its approval of the use of the Fixed Budget Approach (FBA) given the inherent scope risk to the intended capability and interdependencies within a system of systems.

Projects employing the FBA are required to be managed according to governance direction. Changes to scope, schedule, or cost will require PMB and/or IRMC review and a potential return to DCB to ensure CAF requirements can be met for other priorities competing for limited funds.

Of note, FBA projects are tracked in the same way as other projects in Defence Resource Management Information System (DRMIS), with the exception that FBA projects must update their status at a minimum, annually.

A change to a FBA approach does not require an amendment to a Corporate Submission, unless directed by PMB or IRMC. The MND reserves the right to review any project, including those employing FBA.

### Complex Submissions Working Group

A Complex Submissions Working Group (CSWG) is a staff process subordinate to the governance authority of the Programme Management Board (PMB).

A Complex Submissions Working Group (CSWG) is triggered when a Project Approval Process (PAP) issue arises that cannot be resolved through normal staff coordination. It is always required when the Senior Review Board (SRB) identifies a significant risk to schedule as noted in the Investment Plan Change Management (IPCM) process. A Complex Submissions Working Group (CSWG) is convened jointly at the call of the C Prog – Director Defence Programme Coordination and the Director Corporate Submissions (D Corp S) who are co-chairs. A Complex Submissions Working Group (CSWG) may be convened to address any complicated project issues and it can be conducted at the Director, Director General or Chief level depending on the complexity of the issue involved. In the case of a higher level Complex Submissions Working Group (CSWG) the corresponding Director Generals or Chiefs will fill the roles of co-chairs.

A Complex Submissions Working Group (CSWG) is conducted in the same manner as an Initial Planning Meeting (IPM). The normal participant list is included below along with a sample agenda. Additional participation is determined on an as required basis by the co-chairs. Formal Records of Decisions (ROD) shall be produced by C Prog – Director Defence Programme

Coordination and approved by the co-chairs. The authority of the Complex Submissions Working Group (CSWG) is limited to the authorities of the co-chairs. Decisions outside of those authorities will be referred to Senior Review Board (SRB), Defence Capabilities Board (DCB) or Programme Management Board (PMB) as deemed necessary by the co-chairs.

The normal composition of the Complex Submissions Working Group (CSWG) is as follows:

- Co-Chairs: C Prog – Director Defence Programme Coordination (DDPC) and Director Corporate Submissions (D Corp S)
- Secretary: Director Defence Programme Coordination (DDPC) analyst
- Member: Project Director (PD)
- Member: Project Manager (PM) (Implementer Representative)
- Member: ADM (Fin) representative (Submission Coordination Officer (SCO))
- Member: Director Costing (DC) representative
- Member: Director Budget (DB) Representative
- Member: Chief of Force Development (CFD) representative
- Other key staff as determined by the co-chairs

The agenda for a Complex Submissions Working Group (CSWG) is determined by the co-chairs based on the specific issues to be addressed. The normal decisions taken by the Complex Submissions Working Group (CSWG) will be to amend the submission timelines pending resolution of an agreed upon solution or direction to refer a specific problem with solution options to the appropriate governance board for dispositions.

## 5.16 Governance – Senior Review Board (SRB)

As part of the Project Approval Process (PAP) to enter Definition, the Senior Review Board (SRB) endorses:

- The Business Case Analysis (BCA) (i.e. the recommended option(s)) presented at the Defence Capabilities Board (DCB) 2.
- The package of programmatic documentation that supports the Corporate Submission for Project Approval (Definition).
- Key project documentation, including the Project Charter, Project Brief, DOTMLPFPI Annex, Statement of Operational Requirements (SOR), Project Management Plan (PMP) and Project Complexity and Risk Assessment (PCRA).
- The change of Project Leader from the Project Sponsor to the Project Implementer organization effective upon granting of Project Approval (PA) and Expenditure Authority (EA) for Definition.

In developing a presentation for the Senior Review Board (SRB) that occurs as a precursor to an appearance at the Programme Management Board (PMB), Project Teams should review the

guidance provided for presentations to the Programme Management Board (PMB) to ensure the correct decisions sought are endorsed and/or approved by the Senior Review Board (SRB). Further guidance is available from the C Prog – Director Defence Programme Coordination (DDPC) analyst assigned to the project.

#### *Transition to Implementation Exceptions and Variations*

As part of the Project Approval Process (PAP) to enter Implementation, the Senior Review Board (SRB) endorses:

- The package of programmatic documentation that supports the Corporate Submission for Project Approval (Implementation), including the: Project Charter, Project Brief, DOTMLPFPI Annex, and Statement of Operational Requirements (SOR).

### 5.17 Governance – Programme Management Board (PMB)

#### *Mandate*

The purpose of the Programme Management Board (PMB) is the management of Defence Services Program (DSP) and support to the Investment and Resource Management Committee (IRMC) in the execution of the enterprise level challenge function with respect to existing and new resourcing proposals, changes to approved capital investments in the Capital Investment Fund (CIF), as well as the implementation and management of the Defence Policy, within the Defence Services Program (DSP).

#### *Primary Focus Areas*

- Management of the Capital Program;
- Management of the Vote 1 component of the Defence Services Program (DSP);
- Oversight of the Implementation of the Defence Policy; and
- Providing advice and recommendations to the Investment and Resource Management Committee (IRMC).

#### *Programme Management Board (PMB) Documentation*

The secretarial presentation of projects to the Programme Management Board (PMB) is carefully managed because when the board members agree to pursue one investment activity they inherently reduce their flexibility to use those resources for other initiatives. Accordingly, Senior Leadership aims to position projects for success by ensuring the right resources are allocated at the right time within the Defence Services Program (DSP) framework.

Supporting documentation for the Programme Management Board (PMB) consists of at least the latest dated and signed version of the Project Brief with an attached DOTMLPFPI Annex and a briefing deck (PowerPoint format) clearly stating the decisions requested from Programme Management Board (PMB).

See the Programme Management Board (PMB) Terms of Reference (TOR) for further guidance.

## 5.18 Governance – Investment and Resource Management Committee (IRMC)

### Mandate

- To promote the effective allocation and management of DND’s available financial resources;
- The Investment and Resource Management Committee (IRMC) provides advice to the DM on Budget priorities and requirements consistent with the Defence Strategy, Government priorities, and the requirements for effective management activities for the Department; and
- The Investment and Resource Management Committee (IRMC) oversees the allocation and control of the Department’s financial resources, provides oversight of financial activities and control of risks, reviews financial policies and practices and oversees the management and progress of major investments.

### Investment and Resource Management Committee (IRMC) Overview

When approving a capital project, the Investment and Resource Management Committee (IRMC) considers the same issues as the Programme Management Board (PMB).

See the Investment and Resource Management Committee (IRMC) Terms of Reference (TOR) for further guidance.

## 5.19 Activity – Corporate Submission Process

There are two types of submissions, regulatory and non-regulatory. The DND/CAF Corporate Submissions Process applies to both. These submissions require TB, Governor in Council (GIC), MND, and/or CDS approval.

- Regulatory submissions include Queen’s Regulations and Orders (QR&O) for the CAF, as well as submissions for other regulations, statutory instruments, and Governor in Council (GIC) appointments; and
- Non-regulatory submissions are typically capital or construction project submissions, as well as HR-related submissions such as Compensation and Benefit Instructions (CBI) for the CAF, which require TB and MND approval.

The Corporate Submission process leads to three significant approval decisions: Project Approval (PA), Expenditure Authority (EA), and Contracting Authority (CA).



- Project Approval (PA): The appropriate approval authority (i.e. TB or the MND) agrees that a valid requirement has been identified and there is adequate justification for meeting that requirement through a particular project or initiative;
- Expenditure Authority (EA):
  - Ministerial Submission: The MND authorizes the expenditure of resources to fully define the initiative or to deliver the selected initiative; and
  - TB Submission: TB authorizes the expenditure of resources to fully define the initiative or to deliver the selected initiative.

The Corporate Submission process is managed by ADM (Fin) and works in parallel with the Defence Services Program (DSP) managed by the VCDS.

In developing a Corporate Submission, timing is critical. To ensure a project has obtained the proper Departmental Approval (either at the Programme Management Board (PMB) or the Investment and Resource Management Committee (IRMC) prior to the Corporate Submission being submitted to the Project Approval (PA) and Expenditure Authority (EA) (i.e. MND or TB), it is imperative that Project Leaders provide central staff with the proper documentation and information in accordance with the promulgated Initial Planning Meeting (IPM) date and that all efforts are made to ensure projects proceed for secretarial Departmental Approval from the Programme Management Board (PMB) or the Investment and Resource Management Committee (IRMC) as directed in the Departmental Program and Submission Work Plan (DPSWP). A failure to meet Initial Planning Meeting (IPM) and Programme Management Board (PMB) deadlines may result in a delayed Corporate Submission.

## 5.20 Documentation – Corporate Submission

### Main Document

The main body of a TB Corporate Submission is comprised of the following sections:

- Title and Synopsis
- Authorities Sought
- Background
- Rationale
- Design, Delivery and Implementation
- Expected Results
- Risk and Risk Responses
- Cost, Funding Requirements and Source of Funds
- Costing Due Diligence and Validation
- Departmental Contacts

A TB Corporate Submission also includes the following Appendices:



- Chief Financial Officer Attestation;
- Financial Tables;
- Delivery and Expected Results – Deputy Head Commitment;
- Cost Estimate Details;
- Risk and Risk Responses;
- Official Languages;
- Gender-Based Analysis Plus (GBA+);
- Existing Statutory and Policy Authorities;
- Project Brief;
- Treasury Board Policy;
- Strategic Environmental Assessment (SEA);
- Communications Plan; and
- Assessment of Modern Treaty Implications.

See more direction on Corporate Submissions on the ADM (Finance) intranet page at:

<http://cfo-dpf.mil.ca/en/policy-procedure/corporate-submissions.page>

### *Special Considerations – Tailoring the Project Approval Process (PAP)*

In February 2017, the MND approved a new streamlined Project Approval Process (PAP) for all projects that fall within Ministerial authority (formerly known as the Project Approval Process Renewal (PAPR)). The implementation of a tailored approach grants projects seeking Project Approval (PA) and Expenditure Authority (EA) for Definition with a conditional Project Approval (PA) and Expenditure Authority (EA) for Implementation. This can only occur if the overall Substantive costing at Implementation falls within +/-20% of the overall Indicative costing approved by the MND at Definition.

### Transition to Implementation Exceptions and Variations

As a project nears Implementation and the costing data is updated to substantive level, the Project Approval Process (PAP) governance will be managed as follows:

- If change in costing is less than +/-10% of the Project Approval approved by the MND at Definition:
  - If the total substantive project cost is between \$10M and \$50M: the project comes secretarially before the Programme Management Board (PMB) for Implementation approval; or
  - If the total substantive project cost is greater than \$50M: the project comes secretarially before the Programme Management Board (PMB) and secretarially before the Investment and Resource Management Committee (IRMC) for Implementation approval.

- If change in costing is between +/-10-20% of the Project Approval approved by the MND at Definition:
  - If the total substantive project cost is between \$10M and \$50M: the project comes before the Programme Management Board (PMB) for Implementation approval; or
  - If the total substantive project cost is greater than \$50M: the project comes before the Programme Management Board (PMB) and before the Investment and Resource Management Committee (IRMC) for Implementation approval.

Note: The Programme Management Board (PMB) and/or the Investment and Resource Management Committee (IRMC) may: 1) approve the project; 2) direct it to the MND, or 3) provide other direction as appropriate.

- If change in costing exceeds + 20% of the Project Approval approved by the MND at Definition, the project will be required to come before the MND in the form of a Corporate Submission seeking Implementation approval.
- If change in costing is greater than -20% of previously approved Project Approval the project will be assessed by C Prog and ADM(Fin) personnel to determine if a change in scope is applicable.
  - If a change in scope is not applicable, then: the project comes before the Programme Management Board (PMB) if the total cost of the project is between \$10M and \$50M or the Investment and Resource Management Committee (IRMC) for projects with a total cost greater than \$50M. The Programme Management Board (PMB) and/or the Investment and Resource Management Committee (IRMC) may: 1) approve the project; 2) direct it to MND, or 3) provide other direction as appropriate.
  - If a change in scope is applicable, then the project does not meet the parameters of the Tailored approach and must proceed with a corporate submission to MND.

For the purpose of tailoring the approach, costing is based on a completed Cost Report by the Chief Financial Officer (CFO) and is inclusive of contingency and/or allowance as applicable.

See the [Tailoring the Project Approval Process \(PAP\) Guide](#) for further details.

## 5.21 Governance – Change of Project Leadership

In keeping with the Treasury Board (TB) Policy of assigning a Senior Designated Official (SDO) to a project, there will be a Project Leader appointed throughout the project life-cycle.

Within DND, an initiative becomes a project after it has been approved by the Defence Capabilities Board (DCB) 2 at the completion of the Options Analysis (OA). Consequently,

during the Identification and Options Analysis (OA) Phases, initiatives are normally assigned a Project Leader from the Project Sponsor organization.

Upon completion of the Options Analysis (OA) Phase, when an initiative is formally recognized as a project in accordance with TB Policy, the Project Leader is normally selected from the Project Implementer organization (ADM (Mat), ADM (IE) or ADM (IM)).

The handover of Project Leader is to be formally acknowledged in writing and documented in the Project Charter. The Senior Review Board (SRB) is the board through which to document this handover. It is important to realize that the actual sponsorship of the project does not change and only in agreed instances will a Project Sponsor be the Project Implementer for his/her/their own projects.

## Chapter 6 – Definition (Def) Phase

### 6.1 Overview

The Definition Phase of a project marks the transition from determining what should be done to address a deficiency, to determining how the preferred option will be implemented. In that sense, the Definition Phase is the place where one plans a successful project. A successful project is one that is delivered on time and on budget, is achievable, is supportable and delivers operationally valid outcomes. The Definition Phase begins following the granting of Project Approval (PA) for Definition (PA (Def)) and Expenditure Authority (EA).

In DND, the Definition Phase is a Project Team effort. The Project Sponsor organization must work closely with the Project Implementer's organization to ensure a smooth transition of project responsibilities while the principles of holistic program delivery are maintained, and that the Statement of Operational Requirements (SOR) is deliverable. No project may be planned or sustained as an entity unto itself; all projects are part of the wider Defence Services Program (DSP).

The objective of the Definition Phase is to conduct studies on the selected option chosen during the Options Analysis (OA) Phase. This work leads to a further refinement of the Statement of Operational Requirements (SOR), including confirmation of feasibility, and a substantive cost estimate of the proposal. Prior to proceeding into the Transition to Implementation Phase decision process, all project costs must be validated by Departmental costing experts and receive costing and an affordability assessment.

Key deliverable of the Definition Phase is the Project Management Plan (PMP), the core of which are the Work Breakdown Structure (WBS) and schedule for the project. The Work Breakdown Structure (WBS) is a hierarchical decomposition of the total scope of the work to be carried out by the project team to accomplish the project objectives and create the required deliverables. The project schedule identifies activities (tasks), resources, responsibilities, and dependencies, and then networks the activities (tasks), which enables the estimation of the cost and risk for each deliverable as well as the critical path for the project.

Other essential elements of the Project Management Plan (PMP) typically include a Procurement and Contracting Plan, Integrated Logistics Support (ILS) Plan, Project Organization and Responsibilities matrix, Risk Management Plan, Quality Management Plan, Communications Management Strategy, and Change Management Plan. The Project Management Plan (PMP) can also include the system specifications and acceptance criterion. The Project Management Plan (PMP) can be tailored to suit the risk and complexity of the project. Generally, the greater the complexity and risk of a project, the greater the need for comprehensive planning.

## 6.2 Checklist – Definition Phase

*Pre-requisites (must be completed before starting the Definition Phase):*

Document	<a href="#">Business Case Analysis (BCA)</a>	<a href="#">Guide</a>
Document	Initiate <a href="#">Treasury Board Secretariat Report on Projects over \$25M</a> once Project Approval (PA) is obtained.	
Governance	<a href="#">Defence Capabilities Board (DCB) 2</a>	
Engagement	<a href="#">Independent Review Panel for Defence Acquisition (IRPDA) 2</a>	
Governance	<a href="#">Programme Management Board (PMB)</a>	
Governance	<a href="#">Investment and Resource Management Committee (IRMC)</a> , if required	
Authority	Project Approval (PA) and Expenditure Authority (EA)	

*Key Documents and Activities (completed during the Definition Phase):*

Activity	Formal Change of Project Leadership	
Activity	Conduct studies on the selected option approved at the <a href="#">Defence Capabilities Board (DCB)</a>	
Document	Finalize the <a href="#">Statement of Operational Requirements (SOR)</a>	
Document	Finalize the <a href="#">Sustainment Business Case Analysis (SBCA)</a>	
Document	Draft the Bid Evaluation Plan	
Document	Request for Proposal (RFP), where possible (otherwise it occurs in Implementation)	
Document	<a href="#">Project Management Plan (PMP)</a>	<a href="#">Guide</a>
Document	<a href="#">Benefits Realization Plan</a> (as part of the PMP)	<a href="#">Guide</a>
Document	Finalize the <a href="#">Statement of Operational Requirements – Infrastructure (SOR-I)</a>	<a href="#">Guide</a>
Activity	Conduct the Bid Evaluation, where possible (otherwise it occurs in Implementation)	
Activity	Review the Transition to Implementation Checklist (See Chapter 5)	
System	Enter lessons learned into the <a href="#">Defence Lessons Learned System (DLLS)</a>	

### 6.3 Activity – Defining the Selected Option and Risk Reduction

Having identified and gained endorsement to pursue an achievable preferred option, the Definition Phase focuses on defining the preferred option in sufficient detail to allow for the development of substantive estimates of scope, schedule, cost, and risk to support informed decision making such that the project can proceed into contract negotiations and into the Implementation Phase.

The main work involves translating the selected option into a detailed description of the total project, including the system, equipment, product or service, in terms of its objectives, scope of work, schedule, and cost. The team will need to confirm the project management organization, and control mechanisms including tailored decision making governance. This work is done through the completion of project studies, including the development of an appropriate Work Breakdown Structure (WBS). The Project Team needs to update the Project Management Plan (PMP), regularly document progress in the Project Brief and update other project documentation, as required.

Each successive phase of project planning is an exercise in risk management. An objective of the Options Analysis (OA) Phase was to identify and mitigate the major risks. A prime objective of the Definition Phase is to further reduce risks to DND and to the Government to manageable levels, so that approval to implement can ultimately be given with a complete awareness of all implications.

### 6.4 Documentation – Statement of Operational Requirement (SOR)

The Statement of Operational Requirements (SOR) was drafted in the Options Analysis (OA) Phase and the final baseline version of the document is completed during the Definition Phase.

There can be flexibility in the timing and some debate of whether the Statement of Operational Requirements (SOR) should be final before the Request for Proposal/Bid evaluation exercise. While intuitively you would expect to have a final Statement of Operational Requirement (SOR) before proceeding to industry, in the equipment acquisition field, experience suggests that significant negotiation takes place of what the Statement of Operational Requirements (SOR) says and what potential suppliers can or will do. This means that the truly ‘final’ Statement of Operational Requirements (SOR) signed by the Project Sponsor will often have to await these discussions.

However, the finalized Statement of Operational Requirements (SOR) will contain the approved High Level Mandatory Requirements (HLMR) and acceptance criterion. For select projects, the High Level Mandatory Requirements (HLMR) will have also been reviewed by the Independent Review Panel for Defence Acquisition (IRPDA) during the Identification (ID) and Options Analysis (OA) Phases. Therefore, any significant changes made to the High Level Mandatory Requirements (HLMR) during the Definition Phase shall be submitted to the Defence Capabilities Board (DCB) for their approval.

The Statement of Operational Requirements (SOR) is normally endorsed by the Senior Review Board (SRB) prior to being endorsed by the Chief of Force Development (CFD) and approved by the Project Sponsor.

## 6.5 Documentation – Statement of Operational Requirements – Infrastructure (SOR-I)

The Statement of Operational Requirements – Infrastructure (SOR-I) for Infrastructure Construction Projects (ICPs) follow a similar process and pattern as a capability SOR.

The SOR-I for the capability supporting infrastructure (DC Infra) for a renewed or new capability is highly dependent on the completion of the capability SOR and its concept of operations. The completion of this SOR-I may be on a different schedule, especially if infrastructure is required ahead of the capability being introduced. Close coordination with all implementers and the sponsor is key to delivering a capability on time.

## 6.6 Documentation – Project Management Plan (PMP)

During the Definition Phase, the Project Manager (PM), with the support of the Project Director (PD) must develop the Definition Phase Project Management Plan (PMP). Prior to entering the Implementation Phase, Project Managers (PM) must also consider subsidiary management plans.

Subsidiary management plans are typically structured around the Project Management Body of Knowledge (PMBOK) project management processes. There is no uncertainty about the value of those plans for successfully delivering a project. What needs to be accounted for is the extent to which those plans are developed. For a standard project, it is sufficient to cover those project management disciplines within the individual phase of the Project Management Plan (PMP). The requirement for those plans becomes more imperative as the level of complexity of the project increases. The following table provides direction as to the level of granularity required for the management plans.

Note that the Benefits Realization Plan must be updated and presented to the appropriate governance body.

See the [Project Management Plan \(PMP\) Guide](#) for more guidance.

### *Lessons Learned*

At the end of the Definition Phase, it is required that all projects input their lessons learned into the [Defence Lessons Learned System \(DLLS\)](#).

## 6.7 Documentation – Treasury Board Secretariat Report on Projects over \$25M

The Treasury Board *Directive on the Management of Projects and Programmes* requires that departments report to the Office of the Comptroller General (OCG) on all Projects with a total

cost of \$25 million or greater. Departments must collect and submit baseline Project information on scope, schedule, costs, and risks, following receipt of:

- Project Approval;
- Expenditure Authority;
- Amended Project Approval;
- Amended Expenditure Authority; and
- Project Closeout.\*

The [template](#) for this reporting was provided by the Treasury Board Secretariat (TBS) and will be updated on the PAD site as required. It applies to all projects over \$25M that receive approvals after 11 April 2021. DND has 30 calendar days following the granting of a project approval to provide the data to TBS. This requirement is a dynamic update to the OCG as projects are approved, in contrast to the annual update of projects completed at a static point in time.

Once Project Approval (PA) is granted, Directorate of Investments, Governance and Analytics (DIGA) will provide a partially completed reports to the Director Defence Programme Coordination (DDPC) Coordinator via email. The corresponding DDPC Analyst will then coordinate with the project team for completion within one week, based off the content of the recently approved submission or any other recent project documentation. The completed report will be forwarded for review to DIGA with a copy going to the DDPC Coordinator and Analyst. The report will then be submitted to the OCG via Clarity, the TBS system.

Note that for project Closeout, DIGA will complete the report based on the Project Completion Report (PCR) with no intervention from the project team. Project Leaders (PL) shall not submit their completed report directly to the OCG.

Questions may be directed via the project's DDPC Analyst or to the DIGA team.

\*Note: ADM (Finance) is responsible for submitting finalized data to Treasury Board Secretariat at Project Closeout.

### 6.8 Activity – The Request for Proposal (RFP)/Bid Evaluation Exercise (Competitions)

In almost every case, the Definition Phase of the project will result in a competition among potential suppliers of goods and services. This is the second step in demonstrating value for money, the first being the Options Analysis (OA), but it also addresses the policy requirement to ensure fair opportunities for suppliers. Procurement policy requires that even when there is thought to be only one supplier, potential contracts must be publicly announced with a waiting period to allow other potential suppliers to let themselves be known.

Under the Defence Procurement Strategy, interdepartmental consultation will be required at least with Public Services and Procurement Canada (PSPC) and Innovation, Science and Economic



Development Canada (ISED) (and Defence Construction Canada in the case of infrastructure projects) during the Request for Proposal (RFP) development process. It is recommended that the Project Team, including representation from Public Services and Procurement Canada (PSPC) and Innovation, Science and Economic Development Canada (ISED), establish an interdepartmental working group at the staff level to work through the issues, ensure cooperation at an appropriate management level and allowing all interested Departments to become engaged. It is also recommended that the Project Sponsor, as owner of the Statement of Operational Requirements (SOR), endorse the requirements and specifications that are the heart of the Request for Proposal (RFP) package to ensure consistency with the expectations established in the Statement of Operational Requirements (SOR).

It is mandatory that a bid evaluation plan be developed in advance and made available to competitors. This may be high-level or detailed depending on circumstances, but would include Definition of mandatory and rated criteria, scoring methodology and final evaluation method (i.e. lowest price, cost per point, weighted average, etc.). It is essential that DND be seen to advocate for fair and open evaluations.

## Chapter 7 – Implementation (Imp) Phase

### 7.1 Overview

The commencement of the Implementation Phase marks the transition from “project planning” to “managing the project.” The achievement of Project Approval (PA) and Expenditure Authority (EA) for Implementation (PA Imp) also signifies that DND has endorsed the Project Implementer’s readiness to deliver the specified capability and that the necessary funding as well as Project Management Personnel Resources (PMPR) are available.

Additional approvals may be required for Contracting Authority (CA). For example, the Project Complexity and Risk Assessment (PCRA) may have determined that the project could receive Project Approval (PA) and Expenditure Authority (EA) from the Minister. However, a separate Contracting Authority (CA) submission from Public Services and Procurement Canada (PSPC), or Defence Construction Canada (DCC) in the case of infrastructure projects, is required due to the contract cost exceeding internal authorities.

During the Implementation Phase, the Project Manager (PM) is responsible to ensure the execution of the Project Management Plan (PMP). Critical project management functions during this Phase include:

- Performance measurement;
- Change management;
- Scope, schedule and cost management (also known as the “triple constraint”);
- Risk management;
- Stakeholder management; and
- The transition of equipment, Integrated Logistics Support (ILS) and training to the user and sustainment communities.

It is required that all projects entering the Implementation Phase:

- conduct an environmental scan of projects of similar complexity and risk for lessons learned in the [Defence Lessons Learned System \(DLLS\)](#) and to assess the potential utility of alternative project management processes, procedures, tools and other protocol; and
- report to the appropriate governance bodies on progress and performance on the benefits identified in the Benefits Realization Plan (BRP).

The Project Leader, through the Chain of Command, remains accountable to the DM for the achievement of project objectives.

## 7.2 Checklist – Implementation Phase

*Pre-requisites (must be completed before starting the Implementation Phase):*

Governance	<a href="#">Programme Management Board (PMB)</a>	
Governance	<a href="#">Investment and Resource Management Committee (IRMC)</a> , if required	
Authority	Project Approval (PA) and Expenditure Authority (EA)	
Authority	Contracting Authority (CA) *see note below	
Document	Update <a href="#">Treasury Board Secretariat Report on Projects over \$25M</a> once Expenditure Authority (EA) is obtained	

*Key Documents and Activities (completed during the Implementation Phase):*

Authority	Contracting Authority (CA) *see note below	
Activity	Contract Negotiation and Award	
Activity	Manage the Project	
Activity	Complete construction , renovation, or site adaptation	<a href="#">Guide</a>
Activity	Maintain Project Oversight	
Document	<a href="#">Initial Operational Capability (IOC) Certificate</a>	
Document	<a href="#">Full Operational Capability (FOC) Certificate</a>	
Document	Update <a href="#">Benefits Realization Plan</a> as required	
System	Enter lessons learned into the <a href="#">Defence Lessons Learned System (DLLS)</a>	

\* Contracting Authority (CA) is achieved prior to implementation when a joint TB Submission is submitted. Otherwise, the Contracting Authority (CA) is granted early in Implementation. For Capital Construction Projects, Defence Construction Canada (DCC) enters into tendering once Project Approval (PA) Implementation has been achieved.

## 7.3 Activity – Contract Negotiation and Award

The Implementation Phase typically begins with the negotiation and award of a contract to provide the equipment, materials , services and possibly the overall solution to meet the detailed requirements and specifications developed during the Definition Phase. Once terms and conditions are agreed upon and approved, the contract is awarded.

The negotiation of contracts can often become the first exercise in the “management” of the Statement of Operational Requirements (SOR). This occurs because of the potential inability for parties to arrive at agreement on terms for cost, schedule, scope, and constraints within the Government approval of the project. A cost capability requirements trade-off list may be helpful for managing scope and as a useful tool during negotiations. It points to the need for the Project Sponsor to maintain a close relationship with the Project Team through this period and the key role of an Operational Requirements Manager. Note: This function can be performed by the

Project Director for less complex projects and should be performed by a dedicated individual, where deemed appropriate.

#### 7.4 Activity – Manage the Project (Execute the Project Management Plan (PMP))

Some of the key project management activities include the following:

##### Performance Reporting

Projects are required to monitor and report performance against the approved baseline during Implementation. This process should have been defined during the Definition Phase and documented in the Performance Management Plan.

See the [Project Performance Analysis and Project Performance Management Guide](#) for more guidance.

##### Risk Management

Risks are to be managed proactively in accordance with the project's Risk Management Plan.

Managing Change and Remaining within Authority Limits: Careful management within the limits of the Project Approval (PA) is essential. If at any time the project develops the real risk of exceeding approved limits, the Project Leader must be engaged and consideration given to initiating mitigation measures to remain within the approved limit. Exceeding approved thresholds will require seeking revised authorities for the project.

This applies to exceeding schedule or cost limits as well as delivering less than the Government-approved scope. If, at some point, the projected cash flows differs significantly from the authorized cash flows, this could have an impact on affordability on any of the years affected. Any significant change must therefore be authorized by the Programme Management Board (PMB) or Investment and Resource Management Committee (IRMC), even if the project remains within authorized limits.

Milestone Achievement: Within the Project Management Plan (PMP) key milestones will have been identified in accordance with the critical path of the project schedule, including the Initial Operational Capability (IOC) and Full Operational Capability (FOC). Of note, infrastructure and environmental remediation projects are not amenable to the Initial Operational Capability (IOC) and Full Operational Capability (FOC) designations, but shall identify measurable milestones to achieve the same performance reporting objectives, such as the Architectural Object Transfer (AOT).

The achievement of Initial Operational Capability (IOC) is a major project milestone that signifies that an initial capability has been achieved to the satisfaction of the Project Sponsor.

The achievement of a Full Operational Capability (FOC) is the next major project milestone that signifies that the project objectives have been achieved to the satisfaction of the Project Sponsor. The Project Team's focus is that of achieving a contracted operational capability within the in scope, schedule and cost limits contained in the Project Approval (PA) and in accordance with any conditions imposed by the authority who granted the Project Approval (PA). Achieving the Full Operational Capability (FOC) milestone triggers Project Closeout.

In summary, the success of the Implementation Phase is highly dependent on the work performed in Definition since it is in the former phase that the foundations for Project Implementation are built. From here, a well-crafted plan is necessary to ensure that an operational capability is delivered to the CAF, (consistent with the necessary scope, schedule and cost outlined in the Definition Phase). The capability must have the requisite quality to meet the operational requirements previously defined by the Project Sponsor.

### 7.5 Activity – Maintain Project Oversight

For day-to-day governance, the Project Leader remains accountable through the Senior Review Board (SRB). Senior management oversight, boards and tailored governance for investment projects include:

- Defence Capabilities Board (DCB)
- Infrastructure and Environment Board (IEB)
- Digital Service Board (DSB)
- Programme Management Board (PMB)
- Investment and Resource Management Committee (IRMC)

Any project could be requested to provide a situational report to Programme Management Board (PMB) and could consider volunteering such a report if risk or performance management activity suggests an impact to the Defence Services Program (DSP). The VCDS representative (the Chief of Force Development (CFD)/C Prog analyst) to the Senior Review Board (SRB) (SRB) would advise of this need.

### 7.6 Considerations for Successful Implementation:

Well-implemented projects should have:

- A well-defined and understood project scope, which is directly linked to a Statement of Operational Requirements (SOR). Underlying this is the desire of the end-users to accept and operate the project outputs.
- A clear and comprehensive schedule that permits planning, control, monitoring, diagnostics and reporting. This schedule should incorporate both the Prime Contractor's

plan and other work that must be carried out by the Crown and its subcontractors. It is therefore an Integrated Master Schedule (IMS).

- A sufficient budget that is clearly defined and supported with the necessary contingencies to address project issues arising's.
- The necessary human resources to carry out the project. Important attributes would be skilled, motivated, sufficient in number, and with a strong sense of team and project commitment.
- High Fidelity Reporting and Communications, carried out with the necessary detail and frequency, such that the appropriate actions, response, and support can occur. A vital component of this is risk management, and the communication thereof.

### Project Documentation

There are key documents that provide a foundation for a strong Implementation Phase. However, this does not mean that management of documents equals strong Project Management. The documents are just one component of Project Management; they are not an end unto themselves. Regardless, documentation is essential and it is important to appreciate what is required. Important documents include current versions of the following:

- Project Charter;
- Project Brief;
- Project Management Plan (PMP);
- Integrated Master Plan (IMP);
- Risk Management Plan;
- Action Item Database;
- Project Schedule (for Prime Contractor and Internal Activities);
- Work Breakdown Structure (WBS);
- Senior Review Board (SRB) Presentations and Minutes;
- Defence Lessons Learned System (DLLS).

Further to the above, the Statement of Work (SOW) and Contract (including amendments) become key guides to managing a project. Contract Data Requirements List (CDRL) documents, Test Reports, Requirements Traceability Matrix (linking back to Requirements), and Milestone Completion Reports are vital to achieving Initial Operational Capability (IOC) and Full Operational Capability (FOC).

The key message is that there is an extensive list of documents that must be written, revised, presented and managed. The Project Team use these documents to manage the project as it moves toward Initial Operational Capability (IOC) and Full Operational Capability (FOC).

At the end of the Implementation Phase, it is required that all projects input their lessons learned into the Defence Lessons Learned System (DLLS).

### Implementation Processes

There are a number of meetings and processes that must be carried out with sufficient frequency (in some cases weekly) in order to carry out a successful Implementation. These include:

- Reporting to Project Leader Chain of Command
- Reporting to Public Services and Procurement Canada (PSPC)
- Establishing a functioning Change Control Board
- Risk Management Reviews
- Action Item Reviews
- Contract Data Requirements List (CDRL) and Milestone Report Reviews
- Tactical Project Planning Meetings
- Meetings with Prime Contractor(s)
- Team and Staff Meetings
- Senior Review Board (SRB) preparation and completion
- Scheduling Meetings
- Budget updates
- Procurement updates
- Contract amendments and legal letters
- Documentation management and knowledge exchange
- Training and development plans
- Requirements Traceability Processes
- Security documentation reviews and processes
- Initial Operational Capability (IOC) and Full Operational Capability (FOC) requirements and compliance

Senior management oversight of projects shall be maintained throughout the full project lifecycle. Generally this is achieved through the Project Implementer 's Chain of Command meetings and the Senior Review Board (SRB) schedule. Furthermore, in the event of a significant change in circumstances that might impact the achievement of the project, the Project Leader is responsible for ensuring appropriate oversight beyond Senior Review Board (SRB), as required.

Oversight shall also be maintained over benefits management and benefits performance indicators as outlined in the Benefits Realization Plan (BRP).

Major projects approved by the TB may have specific reporting or oversight requirements. These might be exercised through a number of committees (such as the Committee of Sponsors used for the Halifax Class Modernization (HCM) project, or the regular National Shipbuilding Strategy (NSS) Secretariat meetings for the major shipbuilding projects and the Future Fighter Committee), or they may require written reports to TBS.

## Chapter 8 – Closeout Phase

### 8.1 Overview

Project Closeout is the formal notification to the Project Approval (PA) Authority that project objectives have, or in some case have not, been achieved and the capability has been delivered in accordance with the scope, conditions and limitations defined in the Project Brief. Project Closeout involves an orderly closing out of the processes that were put in place to deliver the capability, ensuring that all lessons learned are duly recorded in the Defence Lessons Learned System (DLLS) and shared, that all current liabilities have been paid, and remaining resources are released for reassignment.

Projects are closed when project objectives have been achieved, or when the project is withdrawn or cancelled. An efficient process for closing projects facilitates the timely release and reallocation of project resources (funding and personnel).

### 8.2 Checklist – Closeout Phase

*Pre-requisites (must be completed before starting the Closeout Phase):*

Document	<a href="#">Initial Operational Capability (IOC) Certificate</a>	
Document	<a href="#">Full Operational Capability (FOC) Certificate</a>	
Governance	<a href="#">Senior Review Board (SRB)</a> Decision to enter Closeout Phase	

*Key Documents and Activities (completed during the Closeout Phase):*

Activity	<a href="#">Complete the Standard Project Closeout Process</a>	
Document	<a href="#">Effective Project Closeout (EPC) Plan</a> (if applicable)	
Document	Complete <a href="#">Project Completion Report (PCR)</a>	
Document	Complete the <a href="#">Project Closeout Checklist (PCOC)</a>	
Document	Update <a href="#">Benefits Realization Plan</a> as required	
Activity	Post-implementation Review (Project Management Office (PMO) 3-6 months after)	
Activity	Transfer the Benefits Realization Plan to the Project Sponsor	
Activity	ADM (Finance) uses data from the previous Treasury Board Secretariat Reports on Projects over \$25M and the PCR for submission to Treasury Board Secretariat at Project Closeout.	
System	Enter lessons learned into the <a href="#">Defence Lessons Learned System (DLLS)</a>	



### 8.3 Activity – Standard Project Closeout Process

Project Closeout is triggered by the declaration of Full Operational Capability (FOC). In normal circumstances, the Project Manager (PM) is allowed a six month period to complete all project activities related to Closeout, as described in the Standard Project Closeout Process Guide.

The Standard Project Closeout Process enables Project Teams to undertake an orderly closing-out of the processes that were put in place to deliver the capability, ensuring that lessons learned have been duly recorded in the DLLS and shared, that all current liabilities have been paid, and that remaining resources are released for reassignment within six months of the declaration of Full Operational Capability (FOC).

### 8.4 Project Completion Report

A Project Completion Report (PCR) is a policy-mandated project document that must be delivered to the authority that originally approved the project for implementation. The Project Completion Report (PCR) is to be delivered to C Prog via the appropriate analyst. In all cases, a copy of the Project Completion Report (PCR) is sent to ADM (Fin) where the financial administration staff does the final accounting and the document is archived by the corporate services staff.

The Project Manager (PM) produces this document using the Standard Project Completion Report Template in the Project Approval Directive (PAD), with input from members of the Project Team for financials and lessons learned, etc. The Project Manager is responsible for ensuring that all the lessons learned captured in the Project Completion Report are inputted into the DLLS. When a project has a Defence Capability Infrastructure (DC Infra) component, the ADM (IE) provides the Project Team with the required details for inclusion in the final Project Completion Report (PCR).

Additional sections may be added to the Project Completion Report (PCR) to include content that the Project Leader / Project Manager (PM) deem important to communicate to the original approving authority of the project, or to document for the corporate record. If significant deviations from the template are contemplated, seek guidance from the C Prog – Director Defence Programme Coordination (DDPC) analyst assigned to the project.

### 8.5 Effective Project Closeout

When circumstances are such that it will not be possible to close the project within six months of Full Operational Capability (FOC), an Effective Project Closeout (EPC) Process is followed. The focus of the Effective Project Closeout (EPC) Process is to ensure valuable project resources (including personnel, finances, and materiel) are reallocated as soon as possible to enable successful advancement of other projects. As many of the aforementioned phase activities will be completed as soon as possible in accordance with the Effective Project Closeout (EPC) Plan which is approved by Senior Review Board (SRB) at the commencement of the Closeout Phase.

As an example, there may be contracts still open for the delivery of long-lead items, or the project may be funding an initial period of in-service support for the delivered capability. In this case, with the endorsement of the Senior Review Board (SRB) and approval by the Project Leader, a two-phased Closeout process is followed, as described in the Effective Project Closeout (EPC) Plan.

The initial phase of an Effective Project Closeout (EPC) Plan generally entails closing down as much of the project as possible, and transferring the responsibility for executing the remaining scope of the project, along with the Project Leader and Project Manager (PM) appointments, to the organization in which the Equipment Management Team (EMT) resides. The final phase of project closure occurs when all project activities are complete.

When a project is closed following the Effective Project Closeout (EPC) Process, there may be a requirement to produce the Project Completion Report (PCR) twice. The first iteration is produced after the project has completed the first pass of project closure activities that are completed typically within six months of Full Operational Capability (FOC). This first iteration includes, in PART IV – Outstanding Issues, a summary of the circumstances that led to the selection of the Effective Project Closeout (EPC) Process, and a summary of the remaining scope of work described in the Effective Project Closeout (EPC) Plan. If the remaining project work is completed in accordance with the Effective Project Closeout (EPC) Plan, then no further iterations of the Project Completion Report (PCR) are required. If at the time of final project closure, there has been a significant deviation from the Effective Project Closeout (EPC) Plan (such as an increase in scope or expenditure over Effective Project Closeout (EPC) Plan projections) then an updated Project Completion Report (PCR) is produced.

## 8.6 Document – Effective Project Closeout (EPC) Plan

The Effective Project Closeout (EPC) Plan is a detailed plan for the completion of any outstanding project work that must be finished after the declaration of an Effective Project Closeout (EPC). The responsibility for the completion of this work is normally assigned to the Equipment Management Team (EMT) and/or equivalent for infrastructure.

The Effective Project Closeout (EPC) Plan is endorsed by the Senior Review Board (SRB) and approved by the Project Leader as part of the decision to follow the Effective Project Closeout (EPC) Process.

See the [Effective Project Closeout \(ECP\) Plan Guide](#) for further guidance.

## 8.7 Document – Project Closeout Checklist (PCOC)

The Project Closeout Checklist (PCOC) is prepared when a project is ready to be closed, or when a project has completed the first round of closure activities when an Effective Project Closeout (EPC) Process has been selected to close a project.

It should be noted that projects that have been subject to Project Withdrawal or Project Cancellation also need to formally close, and the Project Closeout Checklist (PCOC) also supports the project closure process under these circumstances.

The Project Manager (PM) (or the Project Director (PD) in the case of Project Withdrawal where project leadership still rests with the Project Sponsor) completes the Project Closeout Checklist (PCOC) Template in the Project Approval Directive (PAD).

The content of the Project Closeout Checklist (PCOC) will vary slightly depending on the context of the closure.

## 8.8 Transfer of the Benefits Realization Plan (BRP) to the Project Sponsor

At Project Closure the Project Sponsor, as Business Owner, will assume responsibility for the BRP.

The Project Sponsor is responsible for the business or program area for which the project or programme has been established. The Project Sponsor is responsible for defining the required capabilities, intended business outcomes and benefits of a Project or Programme at its outset. The Project Sponsor is also accountable for achieving the business outcomes and benefits following implementation of the Project.

The Project Sponsor is responsible for undertaking any necessary change management activities to integrate the new processes into business and operations. This will position the organization to achieve the intended business outcomes and resultant benefits.

As benefits start to be realized, it is important for the Project Sponsor to track, monitor and report on benefits as described in section 4.5 of the [TB Guide to Benefits Management](#). The Project Sponsor must also measure progress against the targets in the BRP. These measures should align with performance measurement criteria in the Departmental Results Framework and other relevant strategic and planning documentation.

## 8.9 Special Considerations

### Project Withdrawal

A project may be withdrawn by a Project Sponsor if it has not been approved by the appropriate authority. In this case, a project has not received Project Approval (PA) and Expenditure Authority (EA), and/or Contracting Authority (CA) if it has not been included in either the Investment Plan (IP) or the key capabilities list. However, if the project has received funding approval or is listed as a key capability by the Chief of Force Development (CFD), the project's L1 must advise the Defence Capabilities Board (DCB) of its withdrawal. A modification of the Project Completion Report (PCR) shall be produced and will explain why the project is being withdrawn, the implications for the Capability Development Process and possible future plans for addressing the capability shortfall.

*Project Cancellation*

A project shall be formally cancelled if it has received Project Approval (PA) and Expenditure Authority (EA), and/or Contracting Authority (CA) but will end before all of the project objectives are met. The approvals would have been granted by Treasury Board, the MND or a DND manager delegated by the Minister such as the DM, Assistant Deputy Minister Materiel (ADM (Mat)) or ADM (IE). This applies to all projects that received a Project Approval (PA) from a Government authority. The Senior Review Board (SRB) endorses Project Cancellation; the Project Leader recommends Project Cancellation to the DM through the Programme Management Board (PMB).

Normally this would apply to projects in Definition or Implementation before a contract has been awarded. Once a project starts to deliver on the approved scope, a project would normally be closed rather than cancelled if not all the scope could be delivered. In these cases, the Project Sponsor would identify the deficiencies in the Full Operational Capability (FOC) Certificate.

A Project Cancellation Report shall be generated and modified to meet the specific circumstances for the project and will explain:

- Why the project is being cancelled;
- Implications for the Capability Development Process;
- Possible future plans for addressing the capability shortfall;
- The approved project baseline including in scope, schedule and cost;
- Progress along the project baseline;
- Resources planned, committed and spent;
- Resources being released; and
- Any required adjustment to the Investment Plan (IP) accrual space.

**Project Cancellation Reports** are to be delivered to C Prog – Director Defence Programme Coordination (DDPC) via the appropriate analyst. For projects approved by the TB, C Prog will forward the Project Cancellation Report (original) under cover letter to the Treasury Board Secretariat. For projects approved by the MND or within DND, Chief of Programme will forward the Project Cancellation Report (original) under a cover letter to the MND. In all cases, a copy is sent to ADM (Fin) where the financial administration staff does the final accounting and the document is archived by the corporate services staff. Events leading to the decision to cancel need to be explained; and the Lessons Learned section is important for future projects.

## **SECTION B – DOCUMENT GUIDES AND TEMPLATES**

Section B provides Project Teams with Guides and Templates associated with the various documents that are produced with the Project Approval Directive (PAD).

In some instances, Project Teams will only find a guide as the information required does not have a specific template (i.e. Statement of Capability Deficiencies (SOCD) and High Level Mandatory Requirements (HLMR)).

In other instances, the template is relatively straightforward and as such, the guide is embedded in the template itself (i.e. Project Charter).

When the project documentation is more detailed or complex, a guide and a template have been produced to enable Project Teams to develop high caliber documents.

## PROJECT APPROVAL DIRECTIVE (PAD)

### Overview – Project Documentation

The Defence Services Program Portal (DSPP) serves as a location accessible to all DWAN users for Core Project Documentation. The table below denotes those documents that shall be posted to the DSPP. Administration of the DSPP is a Chief of Programme responsibility and technical guidance on the use and maintenance of the DSPP is published by Chief of Programme and posted in the Portal itself.

<b>Core (Mandatory) Project Documentation</b>						
Note: All Core Project Documentation must be uploaded to the <b>Defence Services Program Portal (DSPP)</b>						
<b>Document (Description and Details are linked)</b>	<b>Initiated in which Project Phase</b>	<b>Initiated by</b>	<b>Required Revision (When, by whom)</b>	<b>Endorsed/ Approved by (governance body)</b>	<b>Required Signatures</b>	<b>Links / Dependencies to / with other documents</b>
Strategic Context Document (SCD) – <a href="#">Business Case Analysis (BCA -FULL)</a> Parts 1 and 2	Identification (ID)	Project Director (PD)	Prior to Defence Capabilities Board (DCB) 2 Options Analysis (OA)	Defence Capabilities Board (DCB) 1	N/A	The Business Case Analysis (BCA) is the foundational project document and feeds other documents, such as the Statement of Operational Requirements (SOR), the Project Brief and DOTMLPFPI Annex.
Strategic Context Document (SCD) – <a href="#">Business Case Analysis (BCA -LIGHT)</a> Parts 1 and 2	Identification (ID)	Project Director (PD)	Prior to Defence Capabilities Board (DCB) 2 Options Analysis (OA)	Approval may be delegated to Chief of Force Development (CFD)	N/A	The Business Case Analysis (BCA) is the foundational project document and feeds other documents, such as the Statement of Operational Requirements (SOR), the Project Brief and DOTMLPFPI Annex.
<a href="#">Project Management Plan (PMP)</a>	Identification (ID)	Project Director (PD) and/or Project Manager (PM)	Prior to each phase.  Project Director (PD) and/or Project Manager (PM)	Project Leader	Project Director (PD) and/or Project Manager (PM)	The Project Management Plan is a key documentation to be produced by a Project Manager during Definition. The plans outlined in the Project Management Plan (PMP) are to be executed during Implementation.
<a href="#">Projects Over \$25M Report</a>	Various.  Initial Submission will be prepared in Options Analysis as part of the process to enter Definition. Templates are required whenever a project receives:  a) Project Approval; b) Expenditure Authority;	Project Leader (PL)	A revised template is submitted by the Project Leader (PL) whenever a project seeks PA, EA, Amended PA, and Amended EA and upon Closeout.	Project Leader (PL)	Project Leader (PL)	The Treasury Board <i>Directive on the Management of Projects and Programmes</i> requires that departments report to the Office of the Comptroller General (OCG) on all Projects with a total cost of \$25 million or greater.  The report will be initiated by the Director Investments, Governance, and Analysis (DIGA) team and provided to project teams for finalization. Once completed, the report is returned to DIGA for furtherance to TBS-OCG.

## PROJECT APPROVAL DIRECTIVE (PAD)

	c) Amended Project Approval; d) Amended Expenditure Authority; and e) Project Closeout.					
<a href="#">Benefit Realization Plan</a>	Identification (ID)	Project Director (PD) and/or Project Manager (PM)	Prior to each phase.  Project Director (PD) and/or Project Manager (PM)	Endorsed by Project Sponsor	Project Sponsor, Project Director (PD) and/or Project Manager (PM),	The Benefits Realization Plan is a key part of the PMP and must be updated at each gate of the DND Gating Framework. At Project Closeout the Plan is transferred to the Project Sponsor for further implementation.
<a href="#">Project Complexity and Risk Assessment (PCRA)*</a>  *Using Callipers, a PCRA report must be:  1) Saved as an Adobe pdf document; and 2) Uploaded to the DSPP.  <a href="#">PCRA Tool**</a>  **The Excel version of the tool is intended to be used as a working or rough copy during the early stages of the assessment while information is being gathered. To complete the assessment, the information gathered in the Excel version should be transcribed to the online version of the assessment tool (i.e. Callipers).	Options Analysis (OA)	Project Director (PD)	Project Director updates the Project Complexity and Risk Assessment (PCRA) before the Programme Management Board (PMB).	This document must receive at least Director General level endorsement before it can be submitted to the TBS.	Project Leader	The Project Complexity and Risk Assessment (PCRA) requires the Project Brief and DOTMLPFPI Annex as part of the submission to TBS. This document must receive at least Director General level endorsement before it can be submitted to the TBS.

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<b>Core (Mandatory) Project Documentation</b>						
Note: All Core Project Documentation must be uploaded to the <b>Defence Services Program</b> Portal (DSPP)						
<b>Document (Description and Details are linked)</b>	<b>Initiated in which Project Phase</b>	<b>Initiated by</b>	<b>Required Revision (When, by whom)</b>	<b>Endorsed/ Approved by (governance body)</b>	<b>Required Signatures</b>	<b>Links / Dependencies to / with other documents</b>
<a href="#">Project Brief</a>  Provides decision makers with the project narrative including a succinct summary of the project scope and links to policy, capital investment plans, governance and project management.	Options Analysis (OA)	Project Director (PD)	Throughout the lifecycle of the project.  Each time the project brief is submitted to the TB.  Updated by the Project Director (PD) and/or the Project Manager (PM).	This document must receive at least Director General level endorsement before it can be submitted to the TBS.  ADM(IE) for Defence capability Infrastructure (DC Infra) elements.	Evergreen document that is only finalized once in Implementation.  Project Leader	A Project Brief is to be supported by a Business Case Analysis (BCA), Project Charter and Project Management Plan (PMP). The Project Brief is the key source of information for the preparation of the 2 pager. The Project Brief is a key document that accompanies the Project Complexity and Risk Analysis (PCRA) submission to TB and is an Annex to the Corporate Submission (Note: this document must be translated)
<a href="#">DOTMLPFPI Annex</a>	Options Analysis (OA)	Project Director (PD)	Ever Green document that is refreshed before every Programme Management Board (PMB) appearance.  Updated by the Project Director (PD) and/or Project Manager (PM).	This document must receive at least Director General level endorsement before it can be submitted to the TBS.  ADM(IE) for Defence capability Infrastructure (DC Infra) elements.	Evergreen document that is only finalized once in Implementation.	The DOTMLPFPI Annex is part of the Project Brief. Provides the Programme Management Board (PMB) with a summary of the project approach and a description of issues yet to be resolved for all aspects of the project in terms of the impact of the project on the Defence Services Program (DSP).
<a href="#">Project Charter</a>  Formally authorizes the existence of a project, and provides the Project Leader with the authority to apply organizational resources to project activities.	Options Analysis (OA)	Project Director (PD)	As required, on the authority of the Project Sponsor	Senior Review Board (SRB)	Project Leader	The Project Charter is used to establish a mandate for a project organization and needs to articulate how the various management functions will be achieved by personnel assigned directly or through the matrix to the organization. It will also define the relationships with personnel from the Other Government Departments assigned to the project.
<a href="#">Statement of Operational Requirements (SOR)</a>	Options Analysis (OA)	Project Director (PD)	Project Sponsor to review prior to Request for Proposal (RFP) Release	Senior Review Board (SRB)	Project Sponsor	This document is essential within the Force Development process, but also serves as a key documentation in the Request for Proposal (RFP).
Statement of Operational Requirements – Infrastructure (SOR-I)	Options Analysis (OA)	Infrastructure Project Director (PD Infra)	By Project Sponsor and ADM(IE) before design.	ADM(IE)	ADM(IE)	



## PROJECT APPROVAL DIRECTIVE (PAD)

<b>Corporate Submission Documentation</b>						
<b>Document (Description and Details are linked)</b>	<b>Initiated in which Project Phase</b>	<b>Initiated by</b>	<b>Required Revision (When, by whom)</b>	<b>Endorsed/ Approved by (governance body)</b>	<b>Required Signatures</b>	<b>Links / Dependencies to / with other documents</b>
Corporate Submission ( <a href="#">See Note 1</a> )	Transition Periods (unless tailored project approval process is in effect)	Director Corporate Submissions (D Corp S) analyst	Prior to sign-off for Project Approval Definition (PA Def) of Implementation (PA Imp) by all stakeholders through yellow-docket.	Minister of National Defence (MND) or TB	Minister of National Defence (MND) or TB	Expenditure Authority (EA) granted through approval of the corporate submission by Minister of National Defence (MND) or TB.
Delivery and Expected Results – <b>Annex of Corporate Submission</b>	Transition Periods (unless tailored project approval process is in effect)	Director Corporate Submissions (D Corp S) analyst	Prior to sign-off for Project Approval Definition (PA Def) of Implementation (PA Imp) by all stakeholders through yellow-docket.	Minister of National Defence (MND) or TB	Minister of National Defence (MND) or TB	Annex of Corporate Submission
<a href="#">Gender-Based Analysis Plus (GBA+) – Annex of Corporate Submission</a>	Transition Periods (unless tailored project approval process is in effect)	Director Corporate Submissions (D Corp S) analyst	Prior to sign-off for Project Approval Definition (PA Def) of Implementation (PA Imp) by all stakeholders through yellow-docket.	Minister of National Defence (MND) or TB	Minister of National Defence (MND) or TB	Annex of Corporate Submission
<a href="#">Strategic Environmental Assessment (SEA) – Annex of Corporate Submission</a>	Identification /Options Analysis but completed when during the Transition Period to Definition	Project Director (PD) with support from Level 1 Environmental Specialist Staff	Prior to sign-off for Project Approval Definition (PA Def) of Implementation (PA Imp) by all stakeholders through yellow-docket.	Minister of National Defence (MND) or TB	Minister of National Defence (MND) or TB	Annex of Corporate Submission
<a href="#">Assessment of Modern Treaty Implications (AMTI) – Annex of Corporate Submission</a>	Transition Periods (unless tailored project approval process is in effect)	Director Corporate Submissions (D Corp S) analyst	Prior to sign-off for Project Approval Definition (PA Def) of Implementation (PA Imp) by all stakeholders through yellow-docket.	Minister of National Defence (MND) or TB	Minister of National Defence (MND) or TB	Annex of Corporate Submission

**Note 1: Corporate Submissions** Information for Corporate Submissions, including all associated and required templates, can be found on the ADM (Finance) intranet page at: <http://cfo-dpf.mil.ca/en/policy-procedure/corporate-submissions.page>.

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Other Key Project Documentation						
Note: All Key Project Documentation must be uploaded to the <b>Defence Services Program Portal (DSPP)</b>						
Document (Description and Details are linked)	Initiated in which Project Phase	Initiated by	Required Revision (When, by whom)	Endorsed/ Approved by (governance body)	Required Signatures	Links / Dependencies to / with other documents
Capital Investment Program Plan Review (CIPPR) Form <a href="#">(See Note 2)</a>	Identification	Project Director (PD)	Revised for each Capital Investment Program Plan Review (CIPPR)	Project Sponsor  ADM(IE) for Defence capability Infrastructure (DC Infra) elements.	Project Sponsor	The outputs of CIPPR, an assessment of Departmental Benefit for projects and an optimized portfolio, contribute to the Portfolio Management Tool (PMT). This is the primary tool used by PMB to orientate portfolio discussions, incorporating data from both CIPPR and Risk/Urgency processes. The Portfolio Management Tool (PMT) gets reviewed (not approved) by PMB and a Key Capability List (KCL) Briefing Note endorsed by CDS and approved by DM.
<a href="#">Sustainment Business Case Analysis (SBCA)</a>	Options Analysis (OA)  Should be commenced as early as feasible recognizing that the full analysis will be completed during the Definition or Implementation Phase	Project Manager (PM)	N/A	Defence Procurement Strategy (DPS) Governance Committee	Project Leader	Early engagement with sustainment experts during Options Analysis (OA) can provide valuable information for the lifecycle-cost/benefit analysis, contribute to informed engagement with industry, and provide sustainment content for the preliminary Statement of Operational Requirement (SOR). Note: SBCA do not apply to Infrastructure projects.
<a href="#">Cost Breakdown Structure</a>	Options Analysis (OA)	Project Manager (PM)	Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) prior to Initial Planning Meeting (IPM)	N/A	N/A	Project costing data is used by the Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) to produce substantive cost estimates for the Definition Phase as well as indicative estimates for the Implementation Phase. Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) will conduct quality control on the costing data prior to Initial Planning Meeting (IPM), therefore the Project Manager (PM) must provide the complete costing data prior to Pre-Initial Planning Meeting (Pre-IPM).
Request for Information (RFI)	Options Analysis (OA)	Project Manager (PM)	N/A	Public Service Procurement Canada (PSPC)	Project Sponsor	The objectives of a Request for Information (RFI) is to collect information from Industry regarding ability to provide the equipment and associated technical information as detailed in the Statement of Operational Requirements (SOR), and to

## PROJECT APPROVAL DIRECTIVE (PAD)

						use the information and feedback obtained to help develop costing models and Procurement Strategy as part of the Defence Procurement Strategy (DPS) Governance Committee
Letter of Interest (LOI)	Transition to Definition Phase	Project Manager (PM)	N/A	Public Service Procurement Canada (PSPC)	Project Sponsor	Letter of Interests (LOI) are released by Public Service Procurement Canada (PSPC) on Buy and Sell, and will include either a Price & Availability (P&A) or a Request for Information (RFI)

**Note 2: CIPPR Form** Requests for access to the CIPPR Submission SharePoint Library are granted through the CIPPR SharePoint site at [http://collaboration-vcds-vcemd.forces.mil.ca/sites/DGCSI/CIPPR/Component\\_Lib/CIPPR\\_Dashboard.aspx](http://collaboration-vcds-vcemd.forces.mil.ca/sites/DGCSI/CIPPR/Component_Lib/CIPPR_Dashboard.aspx)). Access will be required for everyone tasked to contribute to the completion of the CIPPR Project Forms. If you do not have access you can request it by sending a request via the automated message box and clicking on the **Send Request** button.

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Other Key Project Documentation						
Note: All Key Project Documentation must be uploaded to the <b>Defence Services Program Portal (DSPP)</b>						
Document (Description and Details are linked)	Initiated in which Project Phase	Initiated by	Required Revision (When, by whom)	Endorsed/ Approved by (governance body)	Required Signatures	Links / Dependencies to / with other documents
Request for Proposal (RFP)	Definition	Project Manager (PM)	N/A	Sponsor, Public Service Procurement Canada (PSPC), and Innovation, Science and Economic Development (ISED)	Project Implementer	The Request for Proposal (RFP) contains technical specifications and deliverables that bidders must compete for. Once the winner bidder has been determined after the Bid Eval, the Request for Proposal (RFP) then becomes the contract.
<a href="#">Capital Investment Fund Change Proposal (CIFCP)</a>	When costs exceed budget allocation in Capital Investment Fund (CIF), could occur in more than one phase	Project Director (PD)	Prior to submission to Investment and Resource Management Committee (IRMC) by key stakeholders	N/A	Project Sponsor	Will initiate the Capital Investment Fund Change Impact Assessment (CIFCIA) process
<a href="#">Initial Operational Capability (IOC) Certificate</a>	Implementation	Project Director (PD)	N/A	Senior Review Board (SRB)	Project Sponsor	The achievement of Initial Operational Capability (IOC) is a major project milestone that signifies that an initial capability has been achieved to the satisfaction of the Project Sponsor.
<a href="#">Full Operational Capability (FOC) Certificate</a>	Implementation	Project Director (PD)	N/A	Senior Review Board (SRB)	Project Sponsor	The achievement of a Full Operational Capability (FOC) is a major project milestone that signifies that the project objectives have been achieved to the satisfaction of the Project Sponsor.
<a href="#">Effective Project Closeout (EPC) Plan (if applicable)</a>	Closeout *when project cannot be closed within 6 months of Full Operational Capability (FOC)	Project Manager (PM)	N/A	N/A	Project Leader	This document provides a plan for completing any remaining Closeout activities following the Effective Project Closure.
<a href="#">Project Completion Report (PCR)</a>	Closeout	Project Manager (PM)	N/A	N/A	Project Leader	N/A
<a href="#">Project Closeout Checklist (PCOC)</a>	Closeout	Project Manager (PM)	N/A	Senior Review Board (SRB)	Project Leader	N/A
Estimated Life Expectancy (ELE) - Change Request <a href="#">Contact DDPC for documentation</a>	Any	Project Director (PD)	Prior to Defence Capabilities Board (DCB)	Defence Capabilities Board (DCB)	ADM (Mat) VCDS	N/A
Senior Review Board (SRB) Records of Decision	Identification	Project Leader	SRB Members	Project Leader	Project Leader	SRB Presentation

## Guide – Statement of Capability Deficiency (SOCD)

### 1 Definitions

**Sponsor:** The organization that has the operational requirement to be met by the project.

**Capability:** The ability to deal with the risks identified in scenarios or the risks associated with actual operations. Includes the availability of personnel and materiel as well as quantitative and qualitative assessment.

**Capability Requirement:** Capability required by the CAF to meet Defence Policy, Defence Objectives and Defence Commitments.

**Capital Project:** A project specifically intended to acquire or improve a capital asset. A project to improve a capital asset is considered to be a capital project when the performance, value or capability of that asset is significantly increased or its useful life is extended by more than one year.

**Equipment:** All non-expendable items needed to outfit or equip an individual or an organization.

**Readiness:** The ability of a force, at a given time, to deliver for a specified period the military response for which its war establishment was designed.

**Minor Project:** Minor projects are defined as projects for the one-time acquisition of new equipment, materiel and/or services where the total project value does not exceed \$10M or for the recurring acquisition of replacement equipment and materiel where the individual item value does not exceed \$1M.

### 2 Writing Guide

#### Background

The Statement of Capability Deficiency (SOCD) is a document that may be produced by any level to identify an existing or future deficiency in the operational capabilities. This guidance does not apply directly to those Statements of Capability Deficiency (SOCD) written specifically for Minor Projects.

Note: The Statement of Capability Deficiency (SOCD) should not be confused with a Statement of Operational Requirement (SOR). The Statement of Operational Requirement (SOR) is a document created by requirements staff to communicate the characteristics of the operational requirements to technical and procurement staff.

#### Information Required

A clear statement of the capability deficiency to be resolved by the project is the single most important component of the Statement of Capability Deficiency (SOCD). In doing so, the following questions, broadly divided into three main sections, must be addressed in the document:

What is the capability deficiency? That is, what is the problem that needs to be resolved? Why does the requirement exist? The following points should be considered when answering these questions:

- Is it a response to a new policy, a new tasking, a changing threat, safety issues, obsolescence, and/or increased operating costs? Use mission/operational terms to describe it.
- Make pertinent linkages to doctrine and threat assessments. How does the deficiency relate to Government/DND policy?
- If possible, the deficiency should be described in both quantitative and qualitative terms. Care should be taken to express the problem as a capability deficiency rather than a specific equipment deficiency.
- In terms of time, how urgently does the deficiency need to be rectified?
- The technical specifications of a particular piece of hardware or details of the anticipated solution must not be included.
- How is the requirement being met now?
- What is the impact of maintaining the status quo, i.e. the consequences of not taking action? Include military, domestic, international, industrial, socio-economic, and cost factors if pertinent.

*Format*

The main body consisting of as many pages (generally two) as necessary to describe the requirements or deficiency adequately. Standard military writing formats apply.

## Guide – Portfolio Management Tool (PMT)

### 1 Introduction

The Portfolio Management Tool (PMT), adopted in 2019, is the primary tool used by PMB to orientate portfolio discussions. It includes assessment of cost pressures and customized lenses can be applied based on strategic direction.

PMT is used to:

- Visualize pressures in terms of priority, risk and urgency.
- Enable discussions with potential options.

PMT does not:

- Provide a final answer/option to departmental pressures.
- Provide/imply the approved outcome.

The PMT incorporates data from both the Capital Investment Program Plan Review (CIPPR) and the Risk/Urgency processes.

### 2 Capital Investment Program Plan Review (CIPPR)

The CIPPR tool optimizes projects and available resources to provide funding for the best possible mix of new projects.

CIPPR rationalizes the future intentions of DND/CAF with respect to capability investment. The CIPPR process supports decision-making and assists in validation of departmental recommendations to Treasury Board.

Key outputs include:

- Assessment of Departmental Benefit for projects.
- Optimized portfolio.

Questions pertaining to the CIPPR process can be addressed to <mailto:cippr@forces.gc.ca> or found within the CIPPR Sharepoint site: [CIPPR Dashboard \(mil.ca\)](#)

### 3 Risk Mitigation Analysis

Risk Mitigation Analysis identifies risks that projects will address and how much those risks will be reduced after delivery.

Risk characterized relative:

- Likelihood
- Impact
- Urgency
- Controllability

Key output:

- Assessment of Risk Mitigation.

### 4 Project Benefit Model

The three measures used to determine the project's benefit to the department are combined into a single measure, the Project Benefit.

The framework developed is flexible enough to allow leadership to provide different weightings to each of the individual measures.

As part of a sensitivity analysis on the three variables, the CIPPR working group generated portfolios with various combinations of weightings. Although the weightings did have an impact, the impact was not as significant as expected. This was not surprising, because it emphasizes that National Policy, Departmental direction and Sponsor priorities are all aligned and moving in a similar direction. Instead, the viability of a project within a portfolio is far more impacted by the financial supply than the variations in the relative aspects of project value.

Regardless, specific weightings were required to proceed. In November of 2014, IRMC provided guidance to the CIPPR working group that portfolios should be generated with a 70% weighting on National Policy, 20% weighting on Departmental Impact and a 10% weighting on Sponsor Priority.



## Guide – High Level Mandatory Requirements (HLMR)

### 1 Introduction

Requirements are documented in various ways and with varying degrees of detail during the project approval process. High Level Mandatory Requirements (HLMR) are the first and most strategic statement of requirements that Force Development staff and project teams will prepare. The HLMR collectively describe the capability requirements of a project, which, if delivered, would resolve the identified capability gap. HLMR play a critical role in internal governance processes by serving as a high-level, binding agreement between internal approval authorities (the Defence Capability Board (DCB)) and the project team regarding the capabilities to be delivered.

The objectives of HLMR in the project approval process are to:

- Ensures projects apply and follow a common standard;
- Improves the alignment of projects with the department's Concept Driven, Threat Informed - Planning Process;
- Clarifies the expression of a project's main capability requirements to senior leaders; and
- Underpins the Preliminary Options Analysis and Rated Criteria Analysis of the identified capability options within the Business Case Analysis (BCA).

It is recognized that CAF/DND projects vary widely in scope and complexity and the number of HLMR will vary between projects. In some cases where the solution performs a single role, there may only be one HLMR. For complex multi-function systems there may be a considerable number of HLMR.

### 2 Requirement

Maintaining clear traceability between HLMR and subsequent technical requirements in the Statement of Operational Requirements (SOR) is a key task for project teams. This will provide evidence and ensure that what is finally delivered by the project at Initial Operational Capability (IOC) and Full Operational Capability (FOC) provides the CAF/DND with the same level of capability described in the HLMR and within the same scope (boundaries and inclusions) approved by the DCB.

Project staff are encouraged to consider Measures of Capability (MoC) and NATO Capability Codes/Statements. MoC describe dimensions of each capability and provide a set of measurement scales for capabilities. Capability Codes and Capability Statement provide a common language and express capability requirements along the DOTMLPFI lines of development (DOTMLPFI: Doctrine, Organization, Training, Materiel, Leadership & Education, Personnel, Facilities, Policy and Interoperability).

See your Chief of Force Development Analyst for information on NATO Capability Codes/Statements.

Identification Phase. HLMR are initiated in the Identification Phase, and ultimately approved by the DCB. DCB 1 will approve the Strategic Context Document (SCD), thus achieving Gate 2 of DND Gating Framework. HLMR expand upon the Business Need and are written into BCA Part 1 – Strategic Context. The Business Need and HLMR should be aligned to the Force Capability Plan (FCP). HLMR are used as the Screening Criteria of Business Case Analysis (BCA) Part 2 – Preliminary Options Analysis. Any capability option that does not meet all the HLMR is not viable and is discounted.

Options Analysis Phase. HLMR are used within Business Case Analysis (BCA) Part 3 – Detailed Analysis, as one of the Rated Criteria which contribute to identifying the preferred capability option. While all Viable Options being analyzed must satisfy all HLMR, the analysis here will determine which capability option demonstrates advantage, or not, over other options in satisfying the HLMR.

HLMR can evolve and be refined as a Project progress through the OA Phase. Projects are to ensure BCA Part 1 and 2 are updated accordingly and carry this analysis forward into BCA Part 3. Projects will seek Senior Review Board (SRB) endorsement of refined HLMR and approval at DCB 2:

- **APPROVE:** Refined HLMR

HLMR are then written into the Statement of Operational Requirements (SOR) document, serving as the foundation for the “Must-Have” requirements and follow-on technical requirements. The Must-Have requirements in a Statement of Operational Requirements (SOR) must not create a project requirement which exceeds the capability effects described in the HLMR.

Definition Phase. HLMR remain the guardrails throughout the Project Approval Process, serving as requirement traceability, oversight and accountability. The Statement of Requirements (SOR) continues to take shape, as a clearer understanding of exactly what is to be delivered is developed and is finalized. HLMR continue to be the parent requirement, from which functional and non-functional technical requirements will be developed. The SOR Requirements Table, the Requirement Traceability Matrix, and Requirements Management Plan will be enabling tools for requirement traceability. The complete definition of project’s requirements is a Gate 5 objective.

Any significant changes made to the HLMR during the Definition Phase shall be submitted to the DCB for their approval. A significant change is defined as a new HLMR, the removal of an HLMR, or a change that increases the Ideal Effectiveness Level.

Implementation Phase. HLMR are critical to successful completion of a project as they describe the capability to be delivered and provide traceability during all phases of the project. HLMR serve as a robust oversight and accountability framework for final project delivery. Project

Directors are to validate HLMR development progress, acknowledging the HLMR will be fully realized at Full Operational Capability (FOC) in accordance with the Statement of Requirements (SOR). The Senior Review Board (SRB) will endorse, and Project Sponsor approve the Initial Operational Capability (IOC) and Full Operational Capability (FOC) Certificates.

### 3 HLMR Development

HLMR expand upon the Business Need statement, which is the project's primary descriptor, that identifies the core issue, addressing the capability gap, problem or opportunity.

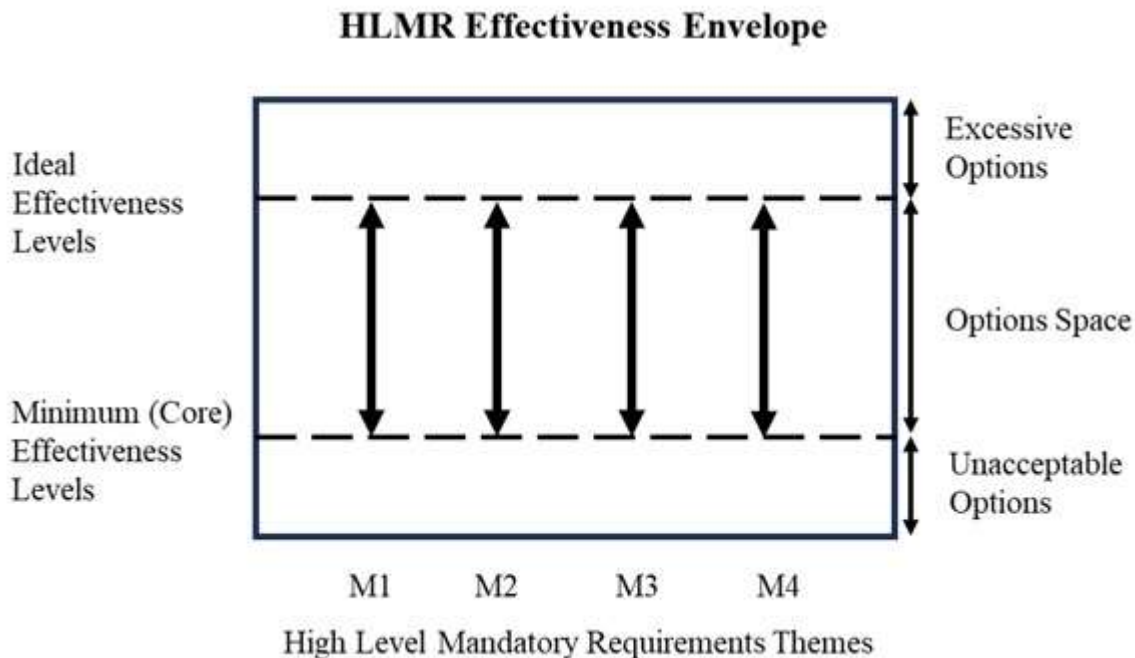
Projects must have a clear and defensible explanation of the capability gap and understand the minimum capability required to address the gap. The Force Development and Design (FD&D) processes will have conducted capability gaps analysis. One output of the FD&D process is the Concept Driven Threat Informed Planning (CDTIP) Final Report (formerly Capability Based Plan (CBP) Final Report) which identifies capability gaps and risk from a joint capability lens. The follow on output, the Force Capability Plan (FCP), combines the findings of multiple Force Development and Design (FD&D) processes, culminating in a framework which maps Force Development and Design (FD&D) initiatives to the capability gaps they address.

The Joint Capability Framework (JCF) is a hierarchical expression of capabilities that the CAF could employ. The purpose of the framework is to divide the CAF's entire capability portfolio into manageable portions. The JCF provides a lexicon to link analysis of the required capabilities to the force structure. It provides a frame of reference for the capability options developed to improve the future force. See your Chief of Force Development Analyst for information on JCF.

HLMR are distinct from other expressions of requirements. These include the increasing level of technical detail found within documents such as the Statement of Requirements (SOR), System Requirements Document (SRD), Sub-System Specifications, Statement of Work (SOW), and Contract Data Requirements List (CDRL). Whereas HLMR serve to assist strategic-level decision making within the CAF/DND, the more detailed technical requirements facilitate external dialogue with industry, and ultimately, the establishment of contracts with suppliers.

Projects define their desired Business Outcomes within the Business Case Analysis and include these within the Submission's Results Appendix. HLMRs may support the realization of desired Business Outcomes.

The HLMR must be expressed in terms of what the end use can do if the project is successful, or in other words, the effects that can be delivered that will mitigate the identified capability gap. They describe what can be achieved with the project's deliverables and outputs to the end user, but without describing what those deliverables are. HLMR enable trade space by expressing minimum and ideal levels of effectiveness, wherever possible. (See graphic below)



This will allow senior leaders to fully and accurately assess whether the HLMR reflect an appropriate scale and scope of investment. Weaknesses in the explanation of any of these elements – capability gap, HLMR, or desired business outcomes – increase the risk of miscommunication among key stakeholders, significant approval delays; and ultimately, prolonged gaps in CAF/DND capabilities.

When developing HLMR, it is essential that project teams consult their DCI/CFD analysts who, in collaboration with the Defence Research and Development Canada (DRDC) Centre for Operational Research and Analysis (CORA), can provide further perspective and advice based on the specific characteristics of the project. To note, while DRDC CORA plays an important role in providing independent advice on the development of HLMR, they do not have formal authority to approve or change HLMR, nor are they responsible for the fulfillment of the HLMR over the course of the project.

### HLMR Principles

The development of HLMR is a challenging task. As each project is unique, there is no “one size fits all” approach for the creation of HLMR. There is a natural tension between the desire to state definitive, specific requirements early in the project approval process, and the desire to retain sufficient flexibility to evolve requirements over time. However, there is risk inherent in having HLMR that are too specific or too general; the art is in finding the right balance. For instance, if the HLMR will be out-of-date or irrelevant before the project concludes, then they are not sufficiently high-level. In contrast, if the HLMR do not convey enough information to adequately describe the intended scale, scope and function of the capability, they are not specific enough.

## PROJECT APPROVAL DIRECTIVE (PAD)

When drafting HLMR, project teams should consider whether the HLMR reflect all of the six principles highlighted below – taken together, they demand a careful balance between specificity and flexibility. For complex projects with multiple components, project teams may wish to consider developing separate sets of HLMR for each component, to ensure that the below criteria are adequately met. To the extent possible, project teams should avoid relying on footnotes to provide supporting detail for HLMR.

**Clarity** – Each HLMR must articulate, without ambiguity and in non-specialist language, a capability requirement directly related to addressing the capability gap that is the basis for the project. Acronyms and technical language should be avoided as much as possible;

**Essentiality** – Each HLMR must represent a distinct requirement that must be met for the project to succeed in addressing the capability gap;

**Results Orientation** – Each HLMR must describe the specific capability and/or effect that must be delivered rather than a specific solution or product so as to not limit the range of potentially viable capability options;

**Sufficiency** – Each HLMR must provide enough detail to enable decision makers to fully understand the minimum – or “core” – level of capability required;

**Measurability** – Each HLMR must be measurable to enable a pass/fail evaluation of each potential capability option, and to determine project success or failure. This criterion does not necessarily demand a quantitative measurement; the evaluation can also be based on qualitative criteria; and

**Comprehensiveness** - HLMR for the project must collectively define all of the key capability elements required to ensure the capability gap will be fully addressed.

### Identifying HLMR Themes

A helpful first step in developing HLMR is to identify HLMR Themes that derive from the Business Need statement. Common themes are highlighted in the table below. Not all of the themes below will be applicable, and additional themes (e.g. mobility) may be necessary to encompass all critical operational requirements for a given project, particularly in the instance of institutional projects.

MoC	Common HLMR Themes	
	Theme	Type of Operational Capabilities Addressed
Effectiveness	Lethality	The ability of the system to detect, target, engage and destroy specified threats. this is considered in conjunction with threat types and the levels of precision/low-yield weaponry required to minimize collateral damage when required.

## PROJECT APPROVAL DIRECTIVE (PAD)

	Survivability	The ability to continue operating (in the mission area) despite adversary action (graceful degradation/crew protection). This considers opponent's capabilities and environmental threats to a force element and its ability to effectively defend against them.
	Preparedness	The level of training (L 1-10) required to perform assigned Tasks.
	Environmental Resilience	The ability to perform assigned tasks within identified level of effect from weather or natural local biological conditions.
	Duration	The ability to perform its function without interruption over a specific period of time.
	Fidelity	The ability of a Force Element to achieve its affect to a required level of precision.
Interoperability	Operational Complexity	The ability to interact with a number and types of actors the Force Element or System needs to interact with.
	Technical	The ability of the Force Element or System to work with and be connected to what technical CAF/DND systems & IT services.
	Data/Information	The type of information to be fused/analyzed/distributed by the Force Element or System.
Sustainment	Deployability	Ability to strategically deploy a Force Element to AO in a timely, efficient, and cost-effective manner.
	Integration Time	The Force Element's or System's ability to fully integrate once arriving in AO and be operationally effective.
	Defence Supply Chain	Ability to provide materiel support to maintain operational effectiveness of the Force Element.
	Interchangeability	Ability to act coherently and effectively with our closest Allies to deliver tactical, operational, and strategic sustainment effects collectively, striving for interchangeability.
	Operational Support	Ability of a Force Element to maintain itself or be maintained at the necessary level of combat power to achieve its mission.
Responsiveness	Reach	The ability to operate at a specified distance from its support base
	Range	The ability of the Force Element or System to project an effect at certain distances.

## PROJECT APPROVAL DIRECTIVE (PAD)

	Time to Target	The ability to deliver a capability when required or ordered, assuming it is already in theatre of operations. To include the command support and targeting processes to deliver the effect.
Flexibility	Adaptation	Ability to alter force organization and work processes, when necessary, as the situation and/or environment changes.
	Throughput	The capacity for the solution to process inputs, such as students to be trained or contracts to be issued.
	Upgradability / Growth Capacity	The ability to be upgraded or updated over the lifetime of the capability, such that embedded information technology can be kept current and operationally relevant.
	Physical capacity	The physical size/shape/volume of the solution, such as the size of ship that can be handled in a dry dock, the number of aircraft protected in a hangar, or the amount of cargo/personnel that needs to be moved.
Infrastructure		The ability to identify real property needed to support any identified defence capability requirement(s) and adequately capture & plan for the resources required for real property.

When a project could foreseeably be required to deliver substantively new or modified capabilities in the areas of training, IT services or infrastructure, it is recommended that the project consider creating HLMR. Correspondingly, BCA Part 1 Scope-Boundaries section should then highlight training, IT services and/or infrastructure requirements as within the project scope. Additionally, the Project should capture primary, secondary and third order effects within the DOTMLPFPI Annex, as these requirements, risks and costs will need to be addressed by the Project team.

When determining whether training, IT services and/or infrastructure should be included as HLMR, project teams should consider whether those elements could have an impact on the option selected, along with the HLMR principles of “comprehensiveness” & “essentiality.” If these elements are fundamental components of the capability itself, they should be included as an HLMR. Regardless of whether training, IT services and infrastructure are considered as HLMR, the SCD and BCA should always include a clear rationale for how training, IT Services and infrastructure considerations are addressed. The infrastructure elements of the SCD and BCA, within an HLMR, constraints or restraints, must be reviewed and approved by ADM(IE).



### Development of HLMR Measures

Since HLMR are used during evaluation of the project options within BCA Part 2 and 3, the development of the Statement of Requirements (SOR), and in determining successful completion of the project, HLMR must be measurable. A good measurable HLMR will:

- Be easy to evaluate with a clear pass / fail criterion, with a clear minimum level;
- Be qualitative or quantitative in nature, as applicable;
- Be identified in the Statement of Requirements (SOR), serving as the foundation for the “Must-Have” or “Essential” requirements<sup>1</sup> and follow-on functional, non-functional requirements, and technical requirements.

1. Note: The “Must-Have” or “Essential” requirements in a Statement of Requirements (SOR) must not create a project requirement which exceeds the capability effects described in the HLMR.

HLMR must define the ‘what’ but not the ‘how,’ ensuring that the focus of a project is on capabilities rather than the specific attributes of a solution. To help projects convey the intended extent of the capability to decision-makers (i.e., how much ‘what’ is enough), each HLMR should be measurable against one or more proposed quantitative or qualitative measures. Project teams are highly encouraged to draw evidence to support the HLMR and associated measures from war-games, experiments set within Force Development & Design scenarios, operational vignettes, as well as environmental assessments and analysis.

When devising measures for the HLMR, Force Development staff and project teams should keep in mind the HLMR principle of “sufficiency.” As per Figure 1 above, Project teams should convey a sense of the core capability component, which is the minimum capability that can be acquired that will meet the minimum requirement for operations. Senior decision makers will then understand the line below which a delivered capability would not be operationally useful and/or may provide an insufficient improvement over the status quo. While a capability amount above that minimum level may ultimately be recommended, it must be clearly justified on a risk mitigation and value-for-cost basis.

## 4 Differentiating HLMR from Constraints/Assumptions

Constraints and Assumptions are identified separately within the BCA and should not be confused with HLMR. HLMR describe what effects the deliverables are expected to be able to do. Constraints are usually limitations placed upon the project by external factors, such as, political, legal, technological, budgetary, regulatory factors or another L1. Assumptions are the expectations of the project team regarding the investment and departmental support that will be provided to enable the project (i.e. allocation of budget, project management personnel, etc). Note, however, that the correct placement of these types of considerations in project documentation should be assessed on a project-by-project basis. The following are examples of items that should normally be viewed as Constraints or Assumptions:



- Standards. Compliance with health and safety standards, GBA Plus policies, airworthiness standards, environmental standards or emissions policies. These are limitations applied to the project and do not come from the operational end user. They are thus usually Constraints. That said, if these are key aspects in the project, then they may need to be captured in HLMR.
- Sustainment. Sustainment requirements are applicable to all projects addressing potential capital equipment procurement or construction projects. Sustainment planning “upfront” enables the requirements and acquisition communities to provide a system with optimal availability and reliability at an affordable cost. Sustainment is usually an Assumption.
- Human Resources. Human Resource requirements and GBA Plus considerations for future equipment and services are an important constraint on the CAF force structure. Assumptions/Constraints may put limits on the Human Resources to be considered.
- Schedule. Desired project schedules or delivery dates are Constraints.
- Training, IT services and infrastructure. As noted in the section above, if the project involves minimal to no investment in training, IT services and/or infrastructure, then these considerations can reasonably be captured in Assumptions or Constraints.
- Procurement approach. Considerations associated with the procurement approach, for example, that all equipment be procured Commercial or Military Off-the-Shelf (i.e. COTS or MOTS), can often reasonably be captured as a Constraint. That said, if this is a key driver in the project, then it may need to be captured in HLMR.

## 5 HLMR Examples

The following are good examples of (HLMR):

HLMRs	Description
<b>HLMR #1 - Upgradability/Growth</b>	The ability to rapidly integrate commercial-off-the-shelf software and hardware in the future.
<b>HLMR #2 – Awareness</b>	The ability to provide clinical decision support to healthcare providers both during individual clinical encounters and when monitoring the health of the overall patient population, up to and including the entire CAF.
<b>HLMR #3 - Interoperability</b>	The ability for patients to view their electronic health record and contribute to it, schedule appointments, and support secure communications with their designated healthcare providers.
<b>HLMR #4 - Interoperability</b>	The ability to share CAF-designated portions of the electronic health record between the CAF and NATO healthcare providers.
<b>HLMR #5 – Interoperability</b>	The ability to share CAF-designated portions of the electronic health record between the CAF and external Canadian healthcare providers.

## PROJECT APPROVAL DIRECTIVE (PAD)

HLMRs	Description
<b>HLMR #6 – Interoperability</b>	The ability to electronically document clinical encounters and store clinical information for all the health care provider disciplines in the CAF/DND.

The next examples are weaker HLMR examples:

HLMRs	Description	Analysis
HLMR #1	The ability to perform all of the current and anticipated missions and tasks effectively and efficiently.	This is not a clear statement of a capability. It does not answer the question “what specifically will I be able to do?”
HLMR #2	To provide a system that will be certified, qualified and approved for flight operations by a suitable regulatory body.	Although the meaning or intent of this brief statement is clear, it is not a statement of a capability (the ability to do something). Instead, it describes the characteristics of a solution. We cannot consider “certified safe to fly” as a capability. It should describe what we will be able to do if we have that air platform operating. “Airworthiness” should be considered as a constraint.

## 6 Guidance to Project Team

Well-developed HLMR are linked to project success. Any issues with the HLMR will have follow-on effects throughout the remainder of the project. It is recognized that the development of HLMR is challenging and that many of the Project Directors (PD) in CAF/DND have not had specific training in their development. To develop sound HLMR, the following guidance is provided to the Project Director (PD):

Assistance. The first step in developing HLMR is to contact your DCI/CFD analyst, who are supported by Defence Research and Development Canada (DRDC)’s Centre for Operational Research and Analysis (CORA). While not subject matter experts on L1 projects, they have seen a broad spectrum of HLMR and can serve as valuable advisors.

Early in the Identification Phase, CFD staff facilitate a Capability Launch Meeting (CLM). HLMR initiation and development will be one agenda item. HLMRs will be reviewed again leading up to the DCB 1, for consistency with HLMR guidance.

Workflow. It is recommended that HLMR be developed using the following steps:

- The capability gap and Measure of Capability (MoC) risk areas are confirmed;
- Drivers for Change drafted;

- Business Need Statement drafted;
- Business Outcomes drafted;
- Consider the effects, via the HLMR Themes, required to realize the Business Need Statement;
- Consider the effects required to realize the Business Outcomes, where appropriate;
- Remove all repetition and overlap from the list of capability effect statements;
- Assign initial measures (Minimum and Ideal) to each HLMR, where appropriate, corresponding to the outcome that the HLMR supports.

Level of Specificity. The level of specificity in HLMR is often contested, and frequently challenged in the review and approval process. There are proponents of a “purist” approach, in which the HLMR strictly describes a capability without any specificity at all, and there are proponents of including detail in HLMR. In determining the level of specificity, a guiding principle is to express HLMR in such a way as to leave open space for innovative thinking and real choice as to how to address the capability gap.

This is what the DND/CAF adoption of Force Development and Design requires that we do, and it ensures we are planning around capabilities rather than around platforms. It is why HLMR are recommended to be worded as “an ability to do...” However, projects are not all equal. In some cases, such a modernization to an in-service platform, it makes sense to be more specific because it is not realistic to consider scrapping a platform which still has plenty of potential (although it is still necessary to demonstrate that the upgrade options are more cost effective than any replacement option). Thus, the appropriate level of specificity will vary from project to project.

Common Lessons. The following list captures common lessons in HLMR development that have been assessed to date:

- HLMR should express the capability requirement in a manner that leads to qualitative and quantitative measures which, in turn, should be described in detail in the SOR. It may contain numerical requirements (e.g., speed, temperature, standards and weight) when there is an operational value to do so, or when the HLMR would be rendered meaningless without being quantified.
- Every HLMR should be independent from other HLMR, else there could be overlapping and contradictory requirements later in the process or impacts on option evaluation.
- An HLMR must be clear, concise and free of acronyms, such that it is understandable without subject matter expertise or specific military training. As the HLMR are central to the DND Project Approval Process (PAP), they will be scrutinized not only by DND personnel but also Third Party review.
- All HLMR must link to the Business Need. It has been observed that in many cases the HLMR stray outside of the scope of the project and specify capabilities and requirements outside of the expected outcome of the project.
- Operational requirements in the SOR shall be presented in a table linking all operational requirements and measures to their corresponding HLMR. If there is a bona fide operational requirement in the SOR that cannot be traced to a HLMR, then there is either an HLMR missing or an extant HLMR must be adapted.

## 7 Guidance to Analysts

DCI/CFD analysts will use support from the Defence Research and Development Canada (DRDC) - Centre for Operational Research and Analysis (CORA) [Strategic Planning Operations Research Team (SPORT)] to confirm the following:

- All HLMR are correlated with the Business Need;
- The Business Need is supported by HLMR;
- The HLMR description is a statement describing a required ability;
- The HLMR are independent and not overlapping in scope;
- The HLMR are not easily inferred from one of the other HLMR;
- That the HLMR are clear and concise;
- That each HLMR is measurable; and
- That the HLMR are not describing a constraint or assumption;

## 8 Conclusion

Project documentation must include a clear audit trail or golden thread, which encompasses an explanation of any metrics, how they were derived, and their significance to the overall project. A rigorous, well-rounded view of the problem space, via the Capability Gap, that the project must address will allow decision-makers to assess the appropriateness of the HLMRs, the minimum level of capability being established by the project, and greatly enhance the ability of projects to obtain necessary approvals in a timely manner. Project teams should keep the reader in mind and ensure that the key elements of their argument regarding capability investment are clear, well-organized and consolidated within project document to the maximum extent possible.

## Guide – Business Case Analysis (BCA)

### 1 Introduction

This guide should be used in conjunction with the DND/CAF specific [Business Case Analysis \(BCA\) Template](#).

The results of the Identification (ID) and Options Analysis (OA) Phases of the Project Approval Process (PAP) are documented within the Business Case Analysis (BCA). The Business Case Analysis (BCA) is used to inform senior decision makers and is one of the required elements of the submission for Expenditure Authority (EA). The Business Case Analysis (BCA) must clearly and concisely detail a consistent and traceable logic flow from business need to a recommended option. It must be written with minimal military and technical jargon, in clear language that can be understood by all readers.

This Guide will provide the additional detail required for the development of the Business Case Analysis (BCA) within DND and provide essential process updates. It will, in particular, provide a primer on where DND's process differs from that of the TBS, what the commonly accepted and successful DND project practices are, and how the Project Director (PD) and Project Analyst can streamline and improve documentation development.

The table below correlates the phases and sections of the Business Case with the corresponding portion of the Project Approval Process (PAP) in which they are completed.

Business Case	Business Case Parts	Corresponding location within Project Approval Process (PAP)
The Strategic Context, Project Scope, and Preliminary Analysis	Part 1 Business Needs and desired outcomes	Identification (ID) Phase: Parts 1 and 2 together are completed in Identification (ID), and constitute the Strategic Context Document (SCD). Parts 1 and 2 are completed before Defence Capabilities Board (DCB) 1.
	Part 2 Preliminary Options Analysis	
Detailed Analysis, Management, and Capacity	Part 3 Viable options	Options Analysis (OA) Phase: Parts 3-5 are completed in Options Analysis (OA), and the whole of Parts 1-5 constitutes the full Business Case Analysis (BCA). The full Business Case Analysis (BCA) is completed before Defence Capabilities Board (DCB) 2.
	Part 4 Justification and Recommendation	
	Part 5 Managing the Investment	

## 2 Qualities of a Strong Business Case Analysis (BCA)

Alignment. Throughout the document, it should be clearly shown that the project is well aligned at the policy, strategic and operational levels. The Government of Canada (GC) and CAF documents generally serve at the policy and strategic levels, while coherence with Concept Driven Threat Informed Planning (CDTIP) serves to demonstrate alignment at the operational level.

Clarity. The Business Case Analysis (BCA) must articulate, in non-specialist language and without ambiguity, a logically defensible business case to address the business need (i.e. capability gap) that is the basis for the project.

Readability. The Business Case Analysis (BCA) must be easy to follow, with a clear development of concept, requirement and solution such that non-military officials can consume the document and make informed decisions. Pictures may be used when they will enhance comprehension of items being discussed or described.

Consistency. The Business Case Analysis (BCA) is a multi-part document covering complex topics and analysis. It is critical that all presented elements be consistent throughout the document. In particular, dollar amounts, quantitative and qualitative assessments, and geographic regions must not vary throughout the document.

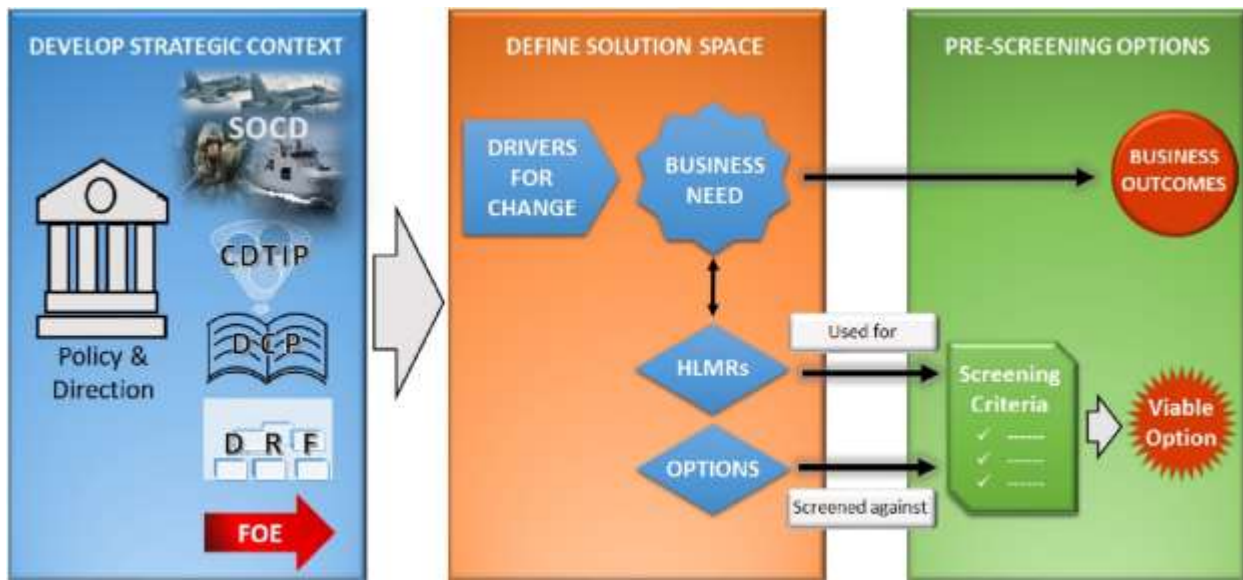
Traceability. The reader should be able to easily trace the logic from the Drivers for Change section of the Business Case Analysis (BCA) through to the Recommended Option.

Defensibility. The Business Case Analysis (BCA) is the primary document for gaining Departmental Approval and it directly supports the request for Project Approval (PA) and Expenditure Authority (EA). As appropriate, the Business Case Analysis (BCA) will be supported with documented comparative analysis of allies' and Government of Canada (GC) research papers, appropriate third party studies, buy/lease cost comparisons, and industry best practices.

Abbreviations: The use of abbreviations should be limited to ensure readability of the document. The use of common abbreviations that are found in the Defence Terminology Bank are acceptable..

## 3 Key elements in the Business Case Analysis (BCA)

The Project Linkages diagram C1 below illustrates the logical linkages that are required within the Business Case Analysis (BCA). A business need and drivers for change are derived from the strategic environment and Statements of Capability Deficiency (SOCD). The Business Need describes the reasons for which a project is being initiated and drives the development of High Level Mandatory Requirements (HLMR). The Business Outcomes describe the high level benefits that will result from the project being completed. A screening process is used to evaluate the options and determine which are viable. This is followed by further development of the options, additional evaluation, and the production of a recommended option or options.



**Figure 12: Project Linkages**

### Business Needs

The project team, with consultation from the stakeholders, shall craft a statement of Business Need which sets the scope for the analysis conducted during the Identification (ID) Phase and helps ensure this analysis is focused. This statement should draw upon the Force Capability Plan (FCP) and conclusions from Concept Driven Threat Informed Planning (CDTIP), which describe the capability gap, and/or end user capability shortfalls. It should capture the fundamental essence of the capability deficiency and/or user requirement.

The statement of Business Need should:

- Be short – no more than two sentences;
- Be focused – enough to uniquely characterise a single capability gap;
- Have nouns and verbs drawn from the relevant capability framework and any analyses that identify the capability gap;
- Be traceable to a statement in extant Force Capability Plan or other high-level direction;
- Be classified at the appropriate level. The potential benefits to the project of providing a level of detail that would lead to a security classification should be weighed against the constraints that classification imposes;
- Articulate only the essential elements that define the capability gap;



- Not be quantified – unless the statement is meaningless without quantification; and
- Be free of jargon.

### Examples of Business Need Statements

#### Example 1.

*“The Royal Canadian Air Force (RCAF) requires a system that can “provide safe lifting, mechanical handling, and loading of all CF188 fighter aircraft externally mounted stores and weapons to configure the aircraft for its missions and tasks.”*

Analysis. This statement meets all of the criteria above. It is short, focused and jargon free, and it does not indicate the quantity of systems or specify which system should be procured.

#### Example 2.

*“The Army requires a Warfighting capability operated by War fighters which will be complementary to the current and future army. It must be able to provide persistent, real-time Intelligence, Surveillance, Target Acquisition and Reconnaissance (ISTAR) in order to enhance self-defense and generate tactical advantage for units in the field. This will empower Commanders with a persistent Intelligence, Surveillance, Target Acquisition and Reconnaissance (ISTAR), extend the range of self-defense, provide low observable surveillance and improve targeting in order to adequately counter threats faced by joint forces across the full spectrum of operations.”*

Analysis. The description is lengthy (the first sentence does not say anything of substance), somewhat repetitive and provides a level of detail that is unnecessary to convey the basic capability need. In this case, a review might recommend that the second sentence alone could be the core of a good business need statement. The last sentence provides unnecessary explanation of why the capability is needed. The explanation will exist elsewhere in the Business Case Analysis (BCA) documents; and

An improved version of this Business Need statement is: *“The Army needs a persistent over the horizon Intelligence, Surveillance, Target Acquisition and Reconnaissance (ISTAR) capability to enhance self-defence and tactical advantage for units in the field.”*

#### Example 3.

*“Current employment of simulation training for multiple Royal Canadian Air Force (RCAF) fleets has produced inadequate operational and training outcomes. The status quo restricts crew availability for the operations of some fleets, while for others, limits simulator training in critical aircraft safety procedures due to configuration differences between the Royal Canadian Air Force (RCAF) aircraft and the off-site simulators. Simulation needs to be exploited to the maximum extent possible to improve readiness*



*and safety, reduce use of aircraft flying hours to satisfy training requirements, increase aircrew production, and reduce aircrew upgrade timelines.”*

Analysis. This example is too long. It describes some of the problems (the drivers for change) with aircrew training but does not clearly state what the capability need is. As well, the clear implication is that simulation based training is the solution and the business need must be capability focused (what will I be able to do?); and

An improved version of this Business Need statement is: *“The Royal Canadian Air Force (RCAF) needs a new aircrew training system that will generate improved readiness, safety, operational and training outcomes and reduce flying hours.”*

### Assumptions, Constraints and Dependencies

Assumptions. An assumption is something presumed to be true when there is inadequate evidence to call it a fact. Assumptions about scope, schedule and cost often need to be made in order for a project to advance. Assumptions can be derived from an extrapolation of facts from limited data, expectations of future outcomes based on precedents, and information believed to be true based on the credibility of its source. Assumptions which, if proven false, would adversely impact the project should be treated and documented as risks. Assumptions should be made with care, because they can affect the credibility of the project if they are unrealistic or are proven to be wildly inaccurate in the course of time.

Constraints. Constraints are factors that must be accounted for when planning the project. They are mainly restrictions imposed on the project itself, rather than restrictions on the deliverable outputs of the project. Traditionally, the “iron triangle” of project management constraints are scope, schedule and cost, but many other constraints can be considered, including project resources (number and experience level of Project Team personnel), contract provisions, privacy, security considerations that include but not limited to industrial security, information management security and physical security, intellectual property considerations, environmental concerns, and legal requirements. Constraints can be considered as real-world limits or restrictions on the project.

Dependencies. Dependencies are tasks, and events that occur outside the Project Team’s control that must happen before the project can progress. These can include deliverables from other projects, service providers or other stakeholders. For example, a project may be one of several within a program of projects that, together, constitute a required capability. Dependencies, like assumptions, can have a significant impact on project outcomes. A clear description of dependencies makes it possible to examine the benefits of reducing dependencies and conversely, the potential risks and costs of increasing or maintaining dependencies. Understanding the dependencies between projects assists the program manager in making decisions to achieve the desired outcome.

The Business Case Analysis (BCA) template provides a sample chart format which shows dependencies and their potential impacts to the project. The sample format is not

prescriptive, and consideration should be given to employing dependency diagrams when a complex project has several linkages.

Inclusion of operational scenarios. When developing the detailed Statement of Business Need, it is useful to include realistic operational scenarios to provide a holistic view of how a capability is interdependent with other capabilities and how it can fill the capability gap. The operational scenarios should also include the consequences of not having access to the capability and provide specific examples.

### Business Outcomes

Business outcomes are the expected high-level results or benefits that will be achieved as a result of the project. They should not be confused with outputs, which are the services or goods that the project will deliver. The business outcomes will be used to indicate project success. Defining the outcomes at the outset will contribute significantly to demonstrating the value to be derived from the project. In summary, the Business Need describes a problem, the High Level Mandatory Requirements (HLMR) describe what the solution must do, and Business Outcomes describe the expected value to the organization of having solved the problem.

Business outcomes should be clearly defined, measurable, and developed with stakeholder involvement. It is important to avoid the use of vague terms (e.g. improved, enhanced, streamlined, effective, etc.) in writing business outcomes, to the extent possible. One way to identify the business outcomes is through the adoption of the Outcome Management (OM) approach. Detailed information on this approach is found in the [Outcome Management Guide and Tools](#).

Requirements Traceability Matrix					
Project Name:					
Project Description:					
Capability Gap	Drivers for Change	Business Need	Business Outcomes	Benefits	HLMRs

Note: The Requirements Traceability Matrix has been adapted from the Project Management Body of Knowledge (PMBOK) Guide, issued by the Project Management Institute (PMI)

### Developing Options

The options are first presented in Part 2 (Preliminary Options Analysis) of the Business Case Analysis (BCA). In this part the descriptions are written at the highest level possible that has

sufficient detail to apply the screening criteria. The viable options are then refined throughout the analysis with detailed option descriptions contained in Part 3 (Viable Options).

Options within the Project Approval Process (PAP) are different approaches to fully or partially meet the Business Need. It is essential that both the screening and rated criteria can be clearly applied to provide a sound assessment and understanding of what each option will deliver. Frequently observed problems in option descriptions include:

- Inadequate descriptions of the capability an option would provide;
- A lack of differentiating detail between options;
- A focus on procurement solutions rather than methods of achieving required capabilities. Options should describe how the capabilities are met, not how they can be acquired; and
- Insufficient explanations of why options are or are not viable.

### Evaluation Criteria

DND has tailored Part 2 (Preliminary Options Analysis) of the TB Business Case Template to better assess military requirements, improve readability, and provide a more disciplined assessment of options. Specifically, in Part 2 all options are initially screened against the High Level Mandatory Requirements (HLMR), and other initial screening criteria if appropriate, to determine viability. Later, in Part 3 (Viable Options), viable options are assessed in greater detail using rated criteria. Rated criteria may include the High Level Mandatory Requirements (HLMR) from Part 2 and introduce corporate criteria including risk, funding, organizational capacity, return on investment, and any other criteria that are significant to decision makers, which may include elements of DOTMLPFI, Concept Driven Threat Informed Planning (CDTIP) - Measures of Capability, and program alignment factors from the Departmental Resource Framework.

Screening and rated criteria are described below:

- Developing Screening Criteria. Screening criteria are single measurable statements, normally consisting of the High Level Mandatory Requirements (HLMR) and Business Outcomes. Each of the criteria must be easily measured on a binary, pass / fail basis. The screening criteria will be detailed within Part 2 of the Business Case Analysis (BCA), just prior to describing the options.
- Developing Rated Criteria. Rated criteria are used within Part 3 of the Business Case Analysis (BCA) after the options have been fully developed. They describe how well an option meets the High Level Mandatory Requirements (HLMR) and Business Outcomes. The complete set of rated criteria must cover, at a minimum, relevant corporate criteria and any Business Outcomes which are not related to the High Level Mandatory Requirements (HLMR) or corporate criteria. The rated criteria must be easily assessed

## PROJECT APPROVAL DIRECTIVE (PAD)

with an appropriate rating system. Each rated criteria will be succinctly explained in a single paragraph detailing how it will be measured. It is important that a short, clear explanation of the rating system methodology is provided.

### Presentation

Presenting the analysis. The screening criteria should be pass/fail, not rated, in Part 2. An example is provided below.

Screening Criteria – Pass/Fail High Level Mandatory Requirements (HLMR)	Options				
	Option 1 – Status Quo	Option 2 –	Option 3 –	Option 4 –	Option 5 –
HLMR 1	Pass	Pass	Pass	Pass	Pass
HLMR 2	Fail	Fail	Pass	Pass	Pass
HLMR 3	Fail	Pass	Pass	Pass	Pass
HLMR 4	Fail	Pass	Pass	Pass	Pass
HLMR 5	Fail	Pass	Pass	Pass	Pass
Other criteria as applicable	Fail	Pass	Pass	Pass	Pass

The results of the more detailed option analysis are presented in Part 3 (Viable Options) and Part 4 (Justification and Recommendation). In Part 3, all criteria (including each **High Level Mandatory Requirements** (HLMR) and all corporate criteria) will be presented with a rating system. An example is provided below using a simple numeric scoring system.

Rated Criteria	Option 1	Option 2	Option 3	Option 4	Option 5
High Level Mandatory	0	0	5	10	10
Programmatic Alignment	0	5	10	10	5
Cost/Benefit Analysis	0	7.5	15	15	15
Implementation and Capacity	0	5	15	7.5	7.5
Risk	0	0	15	7.5	7.5
Other criteria as applicable					
<b>FINAL SCORING</b>	<b>0</b>	<b>17.5</b>	<b>60</b>	<b>50</b>	<b>45</b>

This system can be further refined by assigning a weighting to each of the groups of scored criteria: High Level Mandatory Requirements (HLMR), corporate criteria and Business Outcomes. For example, the group of High Level Mandatory Requirements (HLMR) might be assigned a weighting of 40%, Business Outcomes 30% and corporate criteria 30%. To ensure

transparency in the process, the scoring and weighting systems must be clearly described and the assigned values and weights must be explained and substantiated. CFD – Director General Capability and Structure Integration (DGCSI) analysts should be consulted for advice when developing the rating system.

Presenting the Recommended Option. Part 4 (Justification and Recommendation) of the Business Case Analysis (BCA) presents the recommended option. This part summarizes the analysis of the recommended option and clearly detail the deciding factors. This is particularly important in the case where the highest scoring option in Part 3 is not selected.

### Best Practices

Find below a compiled list of common issues and best practices based on the experience of the CFD – Director General Capability and Structure Integration (DGCSI) analyst, Defence Capabilities Board (DCB) results, and feedback from Independent Review Panel for Defence Acquisition (IRPDA).

- The Project Approval Process (PAP) process is somewhat fluid and responsive to the concerns of the day, which can generate uncertainty in templates, formats, content, etc. It is essential that Project Teams engage the project analysts early and frequently throughout the processes.
- The storyline and logical linkage of the document is critical to making a sound and defensible case. This is a focus of the central analysis for the file and is essential to the project's success at The Independent Review Panel for Defence Acquisition (IRPDA) if required. Early focus on Business Needs, Outcomes, High Level Mandatory Requirements (HLMR), and options provide a logical and traceable argument.
- When projects come before the Independent Review Panel for Defence Acquisition (IRPDA), it is important to have a sense of comparable parallel projects/initiatives and collaboration with Canada's allies to help establish "benchmarking".
- The CFD – Director General Capability and Structure Integration (DGCSI) analyst will check Part 1 for project linkages, assumptions, constraints and boundaries. There should be consideration and mention of Concept Driven Threat Informed Planning (CDTIP), Force Capability Plan (FCP) and the Program Inventory.
- The description and application of the screening and rated criteria is important. At a minimum the screening and rated criteria must cover the business outcomes and High Level Mandatory Requirements (HLMR). Any option that does not meet all of the screening criteria should be deemed not viable. The status quo option will be retained as a baseline, even if it is not viable.
- The CFD – Director General Capability and Structure Integration (DGCSI) analyst will ensure that all business outcomes are related to at least one High Level Mandatory Requirements (HLMR) and at least one screening criteria.

- The CFD – Director General Capability and Structure Integration (DGCSI) analyst is concerned with dollar values, discrepancies in the tables, the treatment of risk, confirmation of stakeholder engagement and concurrence, the clarity of stated advantages and disadvantages, and the individual strengths and weaknesses of options.
- While not assessed by central agencies, stakeholder analysis, engagement, and management is important to the success of the project. Organizations and people who are affected by a project, who have influence or power over it, or have an interest in its successful or unsuccessful outcome should be identified, engaged early in the development of High Level Mandatory Requirements (HLMR), concur with potential options, and participate in the development of the Statement of Operational Requirements (SOR) during Options Analysis (OA).
- The CFD – Director General Capability and Structure Integration (DGCSI) analyst will ensure that the information in Parts 3 and 4 is consistent. They will ensure that the scoring is clear and complete, review the dollar figures, confirm the narrative is consistent, and verify that the information contained in the tables is consistent with the text.

## Guide – Urgent Operational Requirement (UOR)

### 1 Overview

Canada's active commitment in the global arena have resulted in CAF members being rapidly deployed on operations. While the DND Capital Program ensures investments in capabilities in accordance with evolving threats and technological advancements, there have been instances where there are missing capabilities that are critical to mission success. While these instances are rare, they are an inevitable consequences of rapidly evolving threats, conducting operations in the varied environments and unforeseen operational situations. A UOR is a mechanism that enables the DND/CAF to respond swiftly to capability gaps that threaten mission success. While the most likely user of the process will be force employers (i.e. Canadian Joint Operations Command – CJOC) it is not limited solely to them.

The UOR process accelerates the major and minor capital acquisition process to address short term (i.e. Horizon 1) capability deficiencies in an expedient manner. The end state is to affect speedier approvals, delivery and implementation of capabilities to address the needs of an operation. This accelerated process is achieved by first identifying the problem, aligning DND/CAF resources to investigate potential solutions and then implementing approved solutions in an efficient and swift manner. The following tenets are to be employed to ensure that UORs are addressed quickly but in a considered manner:

- Selective Criteria: UORs are time sensitive and it may not be possible to address all aspects of a capability gap so the identification of the essential capabilities required for mission success and operational risks are paramount to inform effective decision-making;
- Swift Capability Deployment: High technological readiness level (TRL) (i.e. Military-off-the-Shelf: MOTS or Commercial-off-the-shelf: COTS) solutions should be considered ahead of lower readiness solutions to ensure rapid fielding. If low TRL solutions are the only viable option, only the minimal capability development or integration work should be done;
- Preparedness of Senior Leadership to accept greater process risk to expedite delivery: Senior Leadership should direct which governance activities (i.e. DCB 1 and 2) or project gateways (i.e. IRPDA) can be conducted concurrently or deferred/bypassed based on operational and programmatic risks;
- Prioritization of resources to Urgent Operational Requirements (UOR) over normal priority projects or activities by the responsible Sponsor, Implementer and central staffs (i.e. costing, Departmental Project Submission Work Plan – DPSWP and submission writing); and
- Communication: As UORs require multiple inter/intra-departmental stakeholders, it is critical that the department is aligned in order to harness the organization's full capacity to swiftly address a UOR.

As DND capital funding and human resources are limited, it is important that UORs be validated as thoroughly as time permits to ensure that the wider impact on the capital program is well understood before undertaking a UOR. The following sections outline the DND/CAF process to ascertain how a UOR should be addressed. It will also contain specific directives for DND staff involved in the submission process in order to address UORs in an expedited manner. While this guide will attempt to address most envisioned situations, it is not exhaustive as highly unique



situations drive this process. All stakeholders, at multiple levels, will need to ensure that UORs are not slowed by uncertainty and should engage CFD and CProg for any clarification without delay. Lastly, although UORs need to move quickly, corporate documentation is critical to the defensibility of the decisions undertaken by the DND/CAF, maintaining knowledge continuity during vulnerable staffing periods (i.e. Annual Posting Season) and in seeking project approval and expenditure authorities. Therefore notes, records of discussion/decisions and formal documentation will be produced, even in arrears, and placed on the Defence Services Programme Portal (Major Capital Projects only) by the Sponsor, Implementer or VCDS.

Note: Major capital projects are governed directly by Treasury Board (TB) policy and sub directives and any UOR resulting in a major capital project must have the necessary documentation described within the PAD to successfully get project approval and expenditure authorities as described in the Delegations of Authority.

## 2 Process for UOR: Non-Capital Procurement

The UOR process is meant to address the capital procurement of non-existent capabilities within the CAF. Typically, most procurements for CAF stocked items should be executed as part of the normal business planning process, with the pressure being identified as part of the quarterly business plan returns. However, in the event that a non-capital procurement SOCD is identified that an L1 HQ does not believe they can resolve through the normal business planning process (i.e. Emergency Contracting Authority), the affected L1 should first contact CProg before endorsing a UOR. If no satisfactory source of funds or a special situation exists, CProg will advise the affected L1 if the SOCD should be endorsed as a UOR for onward movement to SJS.

## 3 Generation, Qualification and Validation

### Step 1a: Problem Statement – Statement of Capability Deficiency

To initiate the process, a Statement of Capability Deficiency (SOCD) should be prepared by the affected unit, formation or L1 organization. The [SOCD Guide](#) can be found within the PAD; however, the following items should be highlighted within the SOCD:

- Risks related to not addressing the capability gap;
- Relevant details of the operational environment such as terrain, weather, allied forces (i.e. how the solution needs to fit within a wider framework), political situation, details related to the threat.
- Timelines: Key operational date(s) that the solution must be delivered by. While non-specific terms such as “as soon as possible/immediately” may be used, this criterion may result in speed becoming the most important factor in the selection of a solution. Specific timelines help ensure that better solutions are not bypassed during the options analysis phase; and
- Points of contact: Guidance on whom the Sponsor or Implementer should contact to further refine the problem space/operational situation. As situations change or evolve, Sponsor and affected L1 should liaise closely to ensure that problem definition is captured correctly.



While proposed solutions can be included within a SOCD, the SOCD should not be written in a manner that precludes other possible solutions as stated solutions may not be available for procurement (i.e. supply chain issues, controlled goods from partner nations, etc) and introduce delays as the Sponsor and affected L1 will be forced to re-do the problem definition (Step 1a). As well, an SOCD is not the same as a Statement of Requirements (SOR), which is generated by the Sponsor, it should be focused on describing the operational environment and problem in an easily understandable manner as it forms the basis for procurement documentation (i.e. Part 1 of the BCA – Strategic Context Document) and informs Options Analysis.

### Step 1b: L1 Endorsement

The SOCD is then reviewed by the generating L1 Headquarters to identify if they, or another L1, have the means to rectify the capability gap or if it requires immediate attention from the SJS. This step ensures that the SJS is not unnecessarily engaged in a matter that can be readily addressed with existing CAF capabilities thereby ensuring the quick delivery of a potential solution. When the initiating L1 verifies that no solution exists, it should draft a UOR cover letter endorsing the SOCD and send both items to SJS for action.

### Step 2a: Qualification of UOR - Initiation

When a UOR is received by SJS for review, the following information must be compiled to analyze the UOR to determine if it will be validated by the Director of Staff (DOS) SJS for action:

- Confirmation that policy coverage related to addressing the capability gap exists (OPI: SJS);
- Validating the operational risks (OPI: SJS);
- Developing options and potential solutions (OPI: L1 Sponsor);
- Rough-Order-of-Magnitude Costs (ROM) (OPI: L1 Sponsor with support from L1 Implementer); and
- Potential trade-offs that the SJS needs to consider in re-directing DND/CAF resources to address a UOR (OPI: VCDS).

If the SJS preliminary scan indicates that a UOR may be required, the validation process commences when SJS issues a “Letter of Initiation” otherwise SJS will notify the initiating L1 via the “Letter of Rejection”. The “Letter of Initiation” should:

- Formally acknowledges the UOR;
- Outlines the stakeholders required to gather requisite information for joint staff review;
- Provides coordinating instructions/direction (i.e. release of national operational stocks) to the affected L1;
- References policy coverage if it exists or if the policy coverage does not exist and the preliminary SJS assessment indicates that the UOR is valid, includes guidance to the L1s describing any other information requirements necessary to seek GC approval;
- Identifies the L1 Sponsor, who is responsible for developing the capability requirements and options;

- Identifies, the L1 Implementer, who is responsible for assisting the Sponsor in developing ROM costs, and coordinating and executing procurement and other implementation activities in concert with the Sponsor;
- Tasks the VCDS to coordinate the staff efforts of the Sponsor and Implementer L1s as well as provide the formal response to SJS regarding the aforementioned information.

#### Step 2b UOR Qualification – Options Analysis, Costing/Availability and Identifying a Source of Funds

The Sponsor's preliminary step is to design options as quickly as possible, favouring existing MOTS or COTS solutions that best address the UOR. If the desired solutions is manageable by the Sponsor or Implementer (i.e. Minor Capital Project, Business Planning Pressure) then the Sponsor, with concurrence from the Implementer, should advise VCDS if the solution can be managed within existing resources. If resourcing the activity, creates immitigable pressures, the Sponsor will advise the VCDS, who will work with the CFO, to identify another source of funds or formally advise SJS of funding shortfalls which may need to be addressed through a governmental request for additional resources.

If addressing the UOR requires a major capital project, the Sponsor shall convene a regular working group that will be conducted ideally weekly but, at a minimum, monthly. The working group will include key stakeholders and subject matter experts to rapidly design options. Based on problem complexity, the sponsor should seek guidance to ensure designed options adequately address the UOR. When the Sponsor is seeking guidance on matters related to the extant Investment Plan (IP) or Force Capability Plan (FCP) which may mirror an already planned capability project guidance will come from Defence Capability Board (DCB) for a UOR, which VCDS will convene based on the recommendations of the Sponsor through CFD. If the guidance is related to the employment of the solution, the Sponsor and Implementer will consult the affected L1.

When a Sponsor is satisfied that the initial options meet the requirements of the UOR, the Sponsor and Implementer will conduct industry engagement to develop ROM costs and availability (Price & Availability – P&A) for the options. It is important that ROM costs are not solely used for option selection as it may result in wasted time re-costing a solution if the selected vendor is unable to provide the solution in a timely manner. If the options require personnel, specialized training, etc, the Sponsor will also commence identifying personnel and equipment requirements that will be part of the options along with the associated impacts to the reallocation of these resources to address the UOR.

Throughout the development of ROM costs and options analysis, the VCDS is consulted for:

- HLMR Validation - Major Projects (>\$10M) only;
- Source of funds (i.e. Operational Funding Allowance, Minor Capital Project Funding, Capital Investment Funds from donor projects, etc) to inform funding options;
- Programmatic impacts (i.e. potential delays to existing TB/MND/Departmental submissions) to supporting a UOR;
- Impacts to the Force Capability Plan.

Based on the options, the Sponsor will provide a recommendation on capability management (i.e. retention/divestment) to CFD. If there are potential impacts to the FCP or if the options are expected to be a major project (>\$10M), CFD shall convene a DCB to provide additional guidance during options analysis. As a pre-requisite to DCB, the Sponsor will brief the affected L1 and other key stakeholders on the options analysis and recommended option to obtain the affected L1's concurrence. Once DCB has selected an option, CFD will determine if an engagement with IRPDA is required. CProg will identify a source of funds and identify any programmatic trade-offs as part of the VCDS recommendations. The VCDS recommendations will be formalized in letter from VCDS (drafted by CProg) to SJS for review.

Note: The UOR process is outlined in detail in Figure 13. Level 1 requirement directorates such as Director Naval Requirements (DNR), Director Land Requirements (DLR), Director Air Requirements (DAR), or Director Strategic Readiness (DSR) are not to be involved in any costing or options analysis until receipt of the SJS "Letter of Initiation" from Step 2a.

## PROJECT APPROVAL DIRECTIVE (PAD)

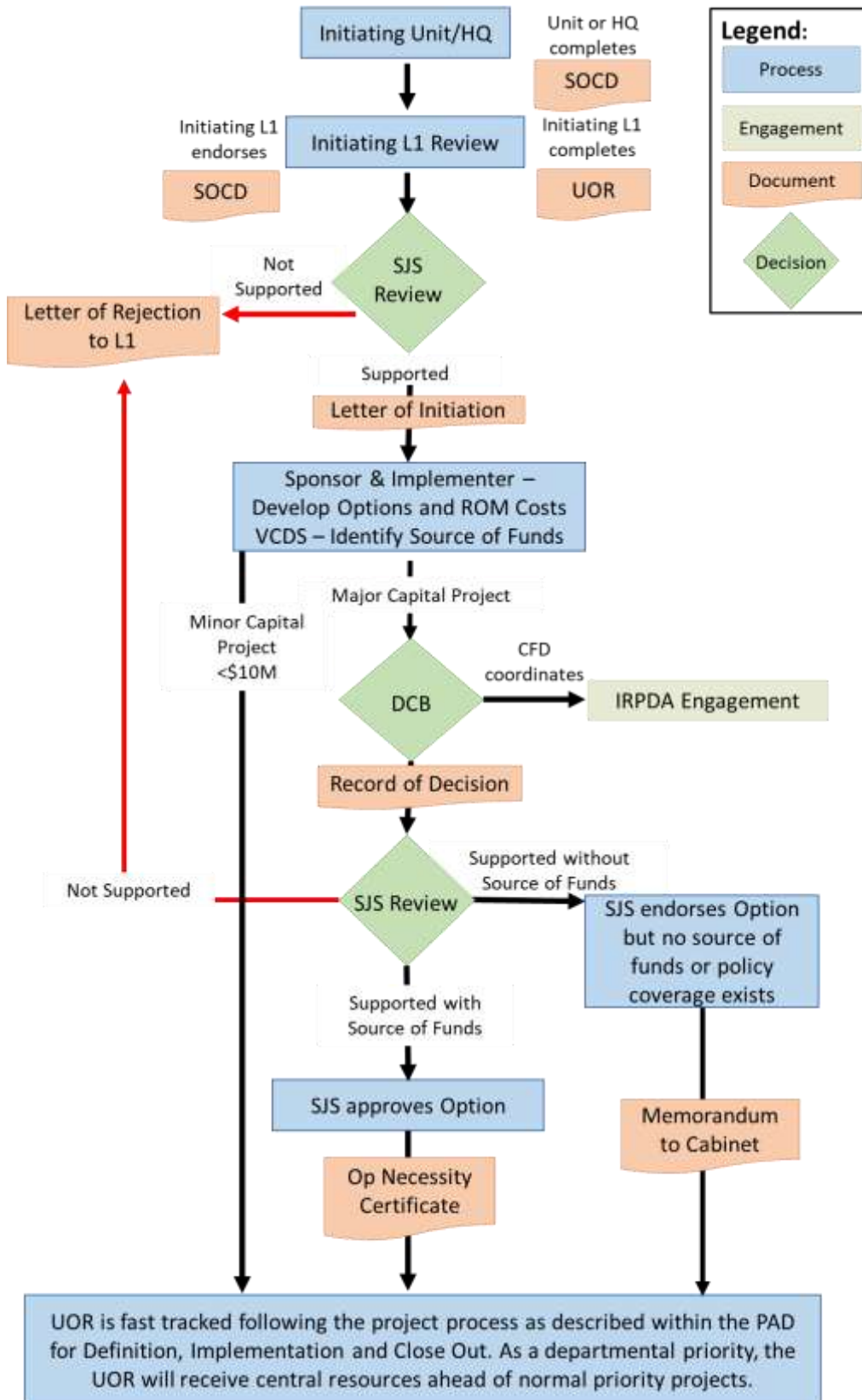


Figure 13: DND/CAF Urgent Operational Requirements (UOR) Process

### Step 3 UOR Qualification – Validation of UOR

When the requisite information is gathered DOS SJS will convene the joint staff to determine the validity of UOR. If the DOS SJS is satisfied that the UOR is valid and that the necessary resources exist within the DND/CAF to execute the solution, SJS will issue the “Operational Necessity Certification” directing the DND/CAF to build the capability. If DOS SJS is satisfied that the UOR is valid but either policy coverage or resources do not exist, it will seek the necessary authorities and resources from the GC through a memorandum to cabinet prior or concurrently (depending on GC advice) to issuing the “Operational Necessity Certification”. If the UOR is not supported, SJS will advise the originating L1 formally via letter. Validation of the UOR is considered the end of the options analysis phase and commences the transition to definition/implementation of a major capital project.

### Step 4 Process for UOR – Minor Project (<\$10M)

The Minor Capital Program that currently reside within L1 (Royal Canadian Navy (RCN), Canadian Army (CA), Royal Canadian Air Force (RCAF), and Canadian Special Operations Forces Command (CANSOFCOM) is a streamlined and efficient process for Project Approvals (PA). Projects with values that can be executed under this category should leverage this existing process as much as possible. Upon receipt of the “Operational Necessity Certification”, all minor cap UOR shall have resource priority over other routine equipment and re-capitalizing minor projects. This includes the designation of Project Directors (PD), Technical Authority (TA), and Procurement Officers.

## PROJECT APPROVAL DIRECTIVE (PAD)

UOR – Minor Project (<\$10M) will follow the process outlined below:

Serial	Action	OPI
1	DOS SJS tasks applicable L1 Sponsor and Implementer to execute the Minor Project via “Operational Necessity Certification”	DOS SJS
2	Sponsor and Implementer assign Project Director, Project Manager/Technical Authority and Procurement Officer	L1 Sponsor and Implementer
3	Procurement Activities	L1 Sponsor and Implementer
4	Once procurement plan is established, project team will coordinate Implementation activities with affected L1.	L1 Sponsor, Implementer and affected L1
5	Implementation Activities	Affected L1
6	Force Generation, in-service support and sustainment	L1 Sponsor and Implementer
7	Declaration of UOR Redundancy (if required)	Affected L1, Sponsor and Implementer
8	Project Closeout Activities	L1 Sponsor and Implementer

### 5a Process for UOR – Major Projects (>\$10-\$100M)

Major capital projects will move slower than minor capital projects as the level of review and documentation to approve a submission is significantly greater but all effort shall be made to reduce timelines by delivering just enough documentation to inform decision-making at each governance gateway. Furthermore, project teams are expected to reduce schedule in each phase or concurrently seeking approval for definition and implementation phases to deliver the solution as quickly as possible.

Major capital projects, which are PCRA Level 1 or 2 and less than \$100M, follow a swifter process than major capital projects >\$100M as the Deputy Minister, ADM(Mat), and ADM(IE) possess delegations of financial authority to authorize these activities. Using the normal PAD process for a major capital projects, these submissions will be directed to the DM or appropriate implementer based on the project’s value determined at Financial Inputs Committee (FIC). The table below illustrates the roles and responsibilities for the various stakeholders throughout the process for this type of project.

Serial	Action	OPI
1	Following DCB, DOS SJS tasks Sponsor, Implementer and CProg to execute the Major Capital Project via “Operational Necessity Certification”	DOS SJS
2	Project team stood up and synchronizes stakeholders under the leadership of the Sponsor.	L1 Sponsor, Implementer, VCDS and other key stakeholders

## PROJECT APPROVAL DIRECTIVE (PAD)

3	Project Documentation starts development: Business Case Analysis (Light), DOTMLPFPI, Defence Procurement Strategy, Defence Services Programme Portal site creation, project number assigned, etc	L1 Sponsor, Implementer and VCDS
4	Project Team determines Definition and Implementation Activities	L1 Sponsor and Implementer
5	Project Team determines Project Approval Approach	L1 Sponsor, Implementer and VCDS (CProg)
6	Project brief and Project Complexity and Risk Assessment (PCRA) questionnaires to be completed and submitted. If project is Level 1 or 2, it continues along this process path or switches to the process outlined in Section 7 – Major Capital Projects (>\$100M) at serial 8.	L1 Sponsor/CProg
7	TBS acknowledges PCRA for project and authorities	VCDS (CProg)
8	If the project value is within the L1 Implementer's Delegation of Authority, the project will prepare a submission IAW their guidance. If the project value falls within the DM's Delegation of Authority, the project will advance a DM submission to Programme Management Board (PMB) for Departmental Approval and then to the DM.	VCDS (CProg), L1 Sponsor and Implementer, ADM(Fin)
9	DM/Implementer Submission Approved	L1 Sponsor, Implementer, VCDS (CProg) and ADM(Fin)
10	Definition Phase	L1 Sponsor and Implementer
11	Departmental Implementation (TPAP) Approval/TB lifting of conditions (Streamlined Submission)	VCDS (CProg), L1 Sponsor and Implementer, ADM(Fin)
12	Implementation Activities	Sponsor/Implementer/Affected L1
13	Declaration of UOR Redundancy (if required)	Affected L1, Sponsor and Implementer
14	Project Close Out Activities	Sponsor/Implementer
15	If required, the capability gap is addressed by the Concept Driven Threat Informed Planning (CDTIP) process	L1 Sponsor, Implementer and VCDS (CFD)

### 5b Process for UOR – Major Projects (>\$100M)

Major Project UOR >\$100M will likely take more time than the first two project types as the level of approval rests with either the MND or TB depending on the PCRA assessment. In order to pursue these higher level authorities higher quality documentation is required and all project governance gateways must be met. The UOR process will still seek to reduce timelines by privileging sequencing for governance and corporate submission. Consultations with CFD and CProg staffs can lead to customizing documentation essential to passing through each governance gateway, minimizing schedule within each phase and concurrently seeking approval



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for definition and implementation phases. The table below illustrates the roles and responsibilities for the various stakeholders throughout the process.

Serial	Action	OPI
1	Following DCB, DOS SJS tasks Sponsor, Implementer and CProg to execute the Major Capital Project via “Operational Necessity Certification”	DOS SJS
2	Project team stood up and synchronizes stakeholders under the leadership of the Sponsor.	L1 Sponsor, Implementer, VCDS and other key stakeholders
3	Project Documentation starts development: Business Case Analysis (Light), DOTMLPFPI, Defence Procurement Strategy, Defence Services Programme Portal site creation, project number assigned, etc	L1 Sponsor, Implementer and VCDS
4	Project Team determines Definition and Implementation Activities	L1 Sponsor and Implementer
5	Project Team determines Project Approval Approach	L1 Sponsor, Implementer and VCDS (CProg)
6	Project brief and Project Complexity and Risk Assessment (PCRA) questionnaires to be completed and submitted	L1 Sponsor/CProg
7	TBS acknowledges PCRA for project and authorities	VCDS (CProg)
8	Departmental Approval commences via Initial Planning Meeting (IPM) and Programme Management Board (PMB). UOR will make use of the tailored approach unless otherwise directed by CProg.	VCDS (CProg), L1 Sponsor and Implementer, ADM(Fin)
9	MND/TB Definition/Implementation Submission developed (based on serial 5)	L1 Sponsor, Implementer, VCDS (CProg) and ADM(Fin)
10	Definition Phase	L1 Sponsor and Implementer
11	Departmental Implementation (TPAP) Approval/TB lifting of conditions (Streamlined Submission)	VCDS (CProg), L1 Sponsor and Implementer, ADM(Fin)
12	Implementation Activities	Sponsor/Implementer/Affected L1
13	Declaration of UOR Redundancy (if required)	Affected L1, Sponsor and Implementer
14	Project Close Out Activities	Sponsor/Implementer
15	If required, the capability gap is addressed by the Concept Driven Threat Informed Planning (CDTIP) process	L1 Sponsor, Implementer and VCDS (CFD)



## 5c Process for UOR – Major Projects Best Practices

Upon receipt of the “Operational Necessity Certification”, the Sponsor and Implementer, in conjunction with CProg, will develop the project approval strategy that best meets the UOR. Regardless of the project type (i.e. standard, multi-phased, cyclical, etc), the project will need to prepare the PCRA questionnaire, project brief, DOTMLPFPI and any other documentation identified by CProg to advance a PCRA to Treasury Board. As UORs are extremely evolutionary, project teams need to ensure that the project documentation remain both succinct and coherent. Keeping good records is critical to both the rapid delivery of the desired solution in a manner that is defensible to public scrutiny and ensuring departmental coherency.

In coordination with PSPC, Sponsor L1s need manage industry engagements carefully to ensure that the best information is used for decision-making. It is critical that project teams assess information carefully to ensure that the DND/CAF does not commit too early to a particular vendor or procurement strategy (i.e. sole-source), especially for projects that are considering low Technology Readiness Level solutions or products with uncertain availability. Early committal may result in wasted time that could have been used to canvass the wider industry. It is also essential that procurement risks be clearly identified and mitigated to ensure timely delivery of equipment.

As part of the Project Gating, the project team may look to seek conditional Expenditure Authority for Implementation within the Definition submission (i.e. MND TPAP/TB Streamlined Submission) wherever possible to minimize the number of processes required to get approvals for Implementation. As such, every effort should be made to realistically appraise the quality of available costing information to ensure that wishful information is not used to drive MND or TB submissions.

Upon approval, the Sponsor and Implementer will carry out all of the Implementation (i.e. IOC, FOC) and Project Close activities as per the normal project process, outlined in the PAD. The Implementation phase can also be leveraged to properly document work from previous phases that may have accrued to advance a project quickly. It is possible that the delivered solution does not completely meet the affected L1’s needs and so constant engagement is necessary to ensure that the delivered solution is integrated, supported and managed with the employing organization.

## 6 Responsibilities of DND Senior Leadership for Urgent Operational Requirements (UOR)

The UOR process requires a high level of support from DND/CAF senior leadership to be successful. As UORs can save lives, provide essential capabilities and enable mission success senior leaders need to assume programmatic risks by reallocating personnel and financial resources from other projects to address UORs. Without this sense of urgency, UORs, especially Major Capital Projects, can slow down and jeopardize mission success thereby damaging the institutional reputation of the DND/CAF.

Furthermore, UORs also present an organizational challenge by instilling uncertainty. As time is short and the SOCD information is frequently sparse, UORs can have a disruptive effect on

subordinate staff that are used to working on project submission in a deliberate manner. As such, senior leadership plays a critical role in ensuring that the critical stakeholders are involved throughout the process, subordinate staff understand the amount of information needed to advance decision-making and directing which corporate documentation can be produced in arrears. Wherever possible, Senior Leaders should identify where processes should be streamlined (i.e. shortened pre-briefing cycles, secretarial decision-making, etc) to ensure that all of the constituent parts required for a successful TB/MND submission are produced as swiftly as possible while still respecting TB and DND policies regarding major capital procurement.

Approval authorities must also remain cognizant of the second order effects of UORs. While UORs satisfy short term specific requirements; it is possible that they do not contribute to long term capability development for the CAF. Fiscal and personnel resources that are diverted to deliver UORs could negatively impact existing major projects by stripping them of funding and project staff. Therefore, UOR recommendations and operational certification must be carefully scrutinized before a UOR is formally declared.

## **Guide – Strategic Environmental Analysis (SEA) and Project Level Environmental Impact Assessment**

### **1 Integration of Environmental Considerations**

#### **Purpose**

To outline the integration of environmental considerations into project development associated with the project Phases.

#### **Background**

The DND/CAF are accountable for the impact that defence projects and activities have on the environment. As part of [DND's Code of Environmental Protection and Stewardship](#), personnel are expected to integrate environmental concerns with other relevant concerns such as operations, finance, health and safety and economic development in decision making.

Assessing and integrating environmental risks and opportunities is part of the project risk assessment/risk management process and carrying out this work as part of the risk assessment process will support compliance with environmental laws; align with Government expectations pertaining to the environment; and reduce impacts on defence activities from a changing environment. In most cases this work is also necessary in order to comply with federal environmental impact assessment obligations, specifically, the [Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals](#) (known as the Strategic Environmental Assessment process (SEA)), the [Impact Assessment Act \(2019\)](#) or other federal statutes (known as project level assessments identified under legislation).

All Strategic Environmental Assessment Templates are located on the Department of National Defence (DND) Environmental Impact Assessment (EIA) Portal. Access to the portal must be requested by following instructions on the login page at: <https://admie-smaie.ottawa-hull.mil.ca/EIA/default-eng.asp>

#### **General Timeline**

As a best practice, the Identification of environmental risks and opportunities should start during the Identification (ID) / Options Analysis (OA) Phase when possible alternatives to address a capability requirement are being considered. This will allow for the identification of broader strategic issues such as whether the requirement will contribute to environmental concerns at the regional, national or international level; whether it aligns with the Government's environmental policy direction or whether the requirement will contribute to environmental issues that DND/CAF is already trying to manage. As more detailed information is gathered during the Options Analysis (OA) and Definition Phases, effort should continue to identify and address risks and opportunities as the project develops.

The requirement to seek Project Approval (PA) and Expenditure Authority (EA) through a Corporate Submission triggers the requirements of the Cabinet Directive on the Environmental

Assessment of Policy, Plan and program Proposals, so the risk to the environment will need to be communicated.

Actions planned to reduce environmental risks and enhance opportunities that were integrated into the project during Options Analysis (OA) and Definition Phases should be implemented as part of the project and progress communicated during the Closeout Phase.

## 2 Project Identification (ID)

### Overview

Work is undertaken to identify a capability requirement including elements to support that capability DOTMLPFPI and identify high level mandatory requirements as well as high level risks. The intent is to obtain approval to develop a project to address the capability requirement and have resources assigned to enter the Options Analysis (OA) Phase.

During this phase, work is undertaken to identify possible environmental risks and opportunities the project will need to address moving forward. This will include beginning to identify emerging concerns related to all components needed to address the capability requirement as part of the DOTMLPFPI exercise. This information can be captured in Preliminary Scan Template, which can be found in the [Environmental Impact Assessment Portal](#). At the end of the Identification (ID) Phase, it is intended that the environmental objectives (opportunities) that the capability requirement will need to achieve will be factored into the Options Analysis (OA) and the Definition Phase and communicated through the project documentation. It will also identify preliminary areas of environmental concern (risks) that will need to be addressed during project development. Information gathered during the Identification Phase will provide decision makers with the mandatory environmental objectives (opportunities such as supporting the achievement of goals or targets associated with federal or departmental sustainable development strategies) that should form part of the project as well as identify areas of environmental risk that will need to be addressed as the project develops.

**Note:** As the capability requirement being developed during the Identification (ID) Phase is not yet considered a project and as there is no requirement for MND/TB or Cabinet approval at this phase, there is no Strategic Environmental Assessment (SEA)/Project level assessment identified in legislation requirement. However at this phase, the high level strategic issues/environmental objectives that the capability requirement will need to consider should start being identified as risks and opportunities and included as they will support the completion of Strategic Environmental Assessment (SEA)/Project level assessments later in the process. This will also support evaluation at the Options Analysis (OA) Phase.

### Process/Guidance

The Office of Primary Interest (OPI) responsible for bringing forward the capability requirement during the Identification (ID) Phase should:

- Engage the Environmental Specialist Staff (ESS) of the affected organization and familiarize them with the capability requirement to help identify environmental risks and opportunities that should be investigated. In consultation with the Environmental Specialist Staff (ESS), the Office of Primary Interest (OPI) will need to consider if the capability requirement has the potential to contribute to the goals or targets of the Federal Sustainable Development Strategy (FSDS) or the Defence Environment and Energy Strategy (DEES).
- As part of the DOTMLPFPI exercise, identify whether the proposal will require new equipment, infrastructure/ real property, Information Technology enabled requirements or ammunition and explosives. Each will have differing environmental requirements as a result of their potential environmental impacts that may need to be considered as the capability requirement moves through the Project Approval Process (PAP). Examples could include range contamination from a new weapons systems, expanded infrastructure requirements to address new equipment, new equipment that may have new technology or hazardous materiel that may have environmental impacts that are not yet known. Identify other stakeholders that will be providing input in these areas as you will need to coordinate to identify potential environmental risks and opportunities.

At the end of the Identification Phase, the proposal for the capability requirement should be able to initially answer:

- Are there Government/defence environmental objectives (Federal Sustainable Development Strategy (FSDS)/Defence Environment and Energy Strategy (DEES)) that intersect with the proposal for the capability requirement? Or do we know when these can be addressed in the project development?
- Considering how and where the capability will operate are there existing environmental obligations/issues/lessons learned or environmental trends being detected/observed now? For example what environmental issues is DND/CAF having to deal with that this capability requirement may effect? Note: This could require coordination from other Level 1 Executives or the Base/Wing/Formation Level in regards to lessons learned of existing issues. It is recommended that projects search the DLLS for lessons learned related to existing issues and engage with other Level 1 Executives or the Base/Wing/Formation Level as required.
- What are the energy requirements and type required for the capability and are there possibilities for alternative or renewable energy to be investigated?
- What are the possible risks to the proposal in relation to a changing climate, both impacts to Greenhouse Gas (GHG) productions as well as the impacts to the project resulting from a changing climate?
- Will the proposal for the capability requirement likely cause some indigenous or public concerns that may need to be considered as the requirements moves forward? Are these related to environmental issues?

The Preliminary Scan Template can be used to capture this initial information as it will likely be required later on in the development of the Detailed Analysis and possibly a project level assessment.

The requirement to seek Project Approval (PA) and Expenditure Authority (EA) through a Corporate Submission triggers the requirements of the [Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals](#) and should initiate the Strategic Environmental Assessment (SEA) process at the start of the Options Analysis (OA) Phase. At this point complete Step 1 of the Preliminary Scan Template.

Engage Public Affairs to determine whether there are current or anticipated public concerns over the initiative. Consider whether these concerns can be linked to an environmental issue.

### Documentation

At the end of the Identification (ID) Phase, the project documentation should:

- Identify the strategic environmental objectives that the project will achieve;
- Provide an indication as to whether the proposal could contribute to achieving federal or departmental environmental goals and targets;
- Identify areas of environmental risk or opportunity that need to be addressed moving forward; and
- Identify that the approval process will need to include the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals (unless it does not require MND, Cabinet or TB approval; elements associated with proposal that may present an environmental risk).

This information could be captured in the Preliminary Scan Template.

## 3 Options Analysis Phase (OA Phase)

### Overview

The intent is to consider various options to obtain the capability requirement and seek approval on an option as well as approval for the project to proceed to the Definition Phase. In many cases, a Corporate Submission is associated with the Definition phase so the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals will have to be fulfilled.

During this phase, work continues to identify environmental obligations or objectives that should be included as requirements in the project and to identify and avoid major environmental risks

and enhance opportunities related to obtaining the capability requirement. It's possible that the Options Analysis (OA) could include comparing the differences in the anticipated environmental obligations, risks and opportunities between options to obtain the capability (e.g. how the options compare in terms of meeting environmental objectives set earlier). As the project may require approvals at the MND, Cabinet or TB level to move to the definition phase, the OPI responsible for developing the project through the options analysis phase should complete the SEA Process (the Preliminary Scan and when required Detailed Analysis by the end of the OA phase). If other organizations will be responsible for the definition and implementation this information should be provided as part of the handover.

At the end of the Options Analysis (OA) Phase, project documentation should be able to initially answer:

- What legal environmental requirements have to be met as part of the project (this can be updated at the Definition Phase)? This would include:
  - Relevant domestic legislative and regulatory requirements that need to be considered as part of the projects development. The list of regulatory requirements is extensive (See the [Annex](#) for examples) and support from environmental experts is recommended;
  - Proposed or forthcoming legislation or regulations that may affect the design or delivery of the project;
  - Relevant international requirements (treaties, commitments or standards) if the initiative will be operating outside of Canada; and
  - Federal Government commitments driven through Government of Canada and United Nations goals and targets contained in the:
    - Federal Sustainable Development Strategy (FSDS);
    - Greening Government Strategy (GGS);
    - Defence Environment and Energy Strategy (DEES); and
    - Strong, Secure, Engaged (SSE).
- Are there existing departmental processes in place to deal with the areas of environmental concern that will be integrated as part of the project?
- What are the areas of environmental concern that may be impacted by the project that will be addressed during the Definition Phase to further define the risk and mitigate when feasible?
- What, if any, Strategic Environmental Assessment (SEA)/project level assessments processes will need to be followed and completed prior to seeking approval to proceed to the Implementation Phase?



Process/Guidance

As the project may require approvals at the MND or TB level to move to the Definition Phase, the Office of Primary Interest (OPI) is responsible for developing the project through the Options Analysis (OA) Phase should begin completing the Strategic Environmental Assessment (SEA) Process, which could be a two-step process. Dependent upon the type and scope of project, completing the Strategic Environmental Assessment (SEA) process may require completion of both the Preliminary Scan Template (which is the first step of the Strategic Environmental Assessment (SEA) process) and, when required, a Detailed Analysis which is the second step of the Strategic Environmental Assessment (SEA) process. Information on these steps can be found in the Departmental Guidance on the Strategic Environmental Assessment Process.

When completing this work, the Office of Primary Interest (OPI) needs to:

- Engage the Environmental Specialist Staff (ESS) of the affected organization early in the Options Analysis (OA) Phase for guidance and support to complete the Preliminary Scan Template and if necessary the Detailed Analysis.
- Analyze as part of the option analysis how project options being considered will meet high level environmental objectives and legal environmental obligations.
- Determine whether the legal obligations and meeting high level mandatory objectives mentioned above can be integrated directly into the Statement of Operational Requirements (SOR) or will need to be analyzed further during the Definition Phase.
- Determine if other types of assessments will be completed in the Definition Phase. For example, dependent upon the project, Office of Primary Interests (OPI) may:
  - Need to complete a project level assessment identified under legislation such as the [Impact Assessment Act \(2019\)](#); or
  - Need to review and possibly update the Preliminary Scan or if required, Detailed Analysis, as a Corporate Submission will most likely be required.
- The relevant information gathered from the Preliminary Scan needs to be reflected in the Risk Management Plan, the Options Analysis Report and the Business Case Analysis. The Preliminary Scan should be placed in the appropriate system of record, records repository, and the Defence Services Program Portal (DSPP) along with the other documentation that demonstrates that environmental risks and opportunities were considered during development of the project.

**Note:** To demonstrate that the requirements under the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals were initiated early in the development of the project, the date in which Part 1 (Initial Check) of the *Strategic Environmental Assessment (SEA) Template* is completed is the date in which the Strategic Environmental Assessment (SEA) process was started.



- Summarizing information from the Options Analysis (OA) report within the Project Brief will form the basis of the information necessary to include within the Corporate Submission document to fulfill the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals.

### Documentation

At the end of the Options Analysis (OA) Phase, the project documentation should identify how the option meets the high level environmental objectives, the relevant or proposed legislative regulatory obligations that the project must include to remain compliant; other elements associated with the project that may present environmental risks or opportunities; and any other assessment processes (environmental or other) that need to be completed during the Definition Phase.

Statement of Operational Requirements (initial draft): Begin integrating environmental requirements by including the environmental objectives and obligations that the project may need to conform with to operate effectively, in order to meet legislative/regulatory requirements and areas that will align with Government or departmental environmental goals and targets.

Risk Management Plan: Include environmental risks identified during the Options Analysis (OA) Phase that could impact progress of the project and initial risk response, which could include existing departmental processes to manage these issues.

Options Analysis Report/Business Case: Identify options analyzed and if/how environmental requirements were used in comparing options. Also identify preferred option and the areas of the environment that require further analysis and the Strategic Environmental Assessment (SEA)/project level assessment identified under legislation that needs to be completed in the Definition Phase by the implementing organization.

Project Brief: Summarize the environmental issues and outstanding risks that are present and whether further information and analysis will be included in the Definition Phase.

Corporate Submission: Information from the Project Brief is integrated into the Corporate Submission (if MND or TB submission is required) to fulfill the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals.

## 4 Definition Phase (Def Phase)

### Overview

This phase includes work to complete studies and project plans on how the preferred option will be implemented successfully. It also includes documentation to seek approval to proceed to the Implementation Phase.

During this phase, information from the Options Analysis (OA) Phase will be used to scope how any outstanding environment concerns will be analyzed in the Definition Phase and work towards further defining the environmental risks and maximize environmental opportunities that will be integrated into project documents and actioned during Implementation.

At the end of the Definition Phase, the project documentation should include measures that will satisfy environmental objectives and obligations and minimize environmental risks associated with the preferred option in support of the project implementation.

### Process/Guidance

As the project will require approvals at the MND, Cabinet or Treasury Board (TB) level to move to the Implementation Phase, Office of Primary Interest (OPI) responsible for developing proposal documentation during the Definition Phase are expected to fulfill the Strategic Environmental Assessment (SEA)/project level assessments process' that apply to the project in order to further define identified environmental objectives and integrate them into the Implementation documentation for the project. The Office of Primary Interest (OPI) is expected to fulfill the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals when submitting the project for approval to proceed to the Implementation Phase. To begin conforming to these requirements, the Office of Primary Interest (OPI) may need to review and update if necessary information requirements prescribed in the Preliminary Scan or the Detailed Analysis that was completed during the Options Analysis (OA) Phase, or comply with the requirements of [Impact Assessment Act \(2019\)](#) and complete a project level assessment.

Specifically for equipment projects subject to [ADM\(MAT\) General Instruction 1-42 Conducting Environmental Assessment](#), the OPI is expected to ensure that the completion of a Due Diligence Equipment Environmental Assessment as a deliverable of the Equipment Acquisition Contract.

The purpose of conducting a Due Diligence Equipment Environmental Assessment is to ensure that equipment is managed in an environmentally responsible manner. This is achieved by identifying and analyzing potential risks of equipment on the environment and personnel through its lifecycle phases, i.e., test and evaluation following production, operation and maintenance, and demilitarization and disposal. The aspects to be considered include but not limited to hazardous products used to service the equipment, the components of the equipment containing hazardous substances, emission and exhaustion, noise and ground pressure, etc.

Conducting Due Diligence Equipment Environmental Assessments enhances the capability of EMTs/CPMs/WSMs to respond to new requirements from evolving environmental regulations and to remain compliant during in-service equipment management. By incorporating necessary precautions or regulatory requirements identified in the due diligence Equipment Environmental Assessments into relevant Canadian Forces Technical Orders (CFTOs) and other technical documentations, and communicating to the users and maintenance personnel, adverse impact of equipment on the environment and personnel can be minimized. A due diligence Equipment Environmental Assessment also supports equipment disposal planning activities.

When completing this work the Office of Primary Interest (OPI) needs to:

- Engage the Environmental Specialist Staff (ESS) of the affected organization for guidance on the appropriate Strategic Environmental Assessment (SEA)/project level assessment processes to be followed and relevant requirements. This could include the review and updating of information of the Preliminary Scan or Detailed Analysis to conform to the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals or the completion of a project level assessment. At its completion, the Office of Primary Interest (OPI) should seek the Environmental Specialist Staff's (ESS) review of the completed Strategic Environmental Assessment (SEA)/project level assessment process.
- Discuss with stakeholders regarding outstanding concerns that need to be addressed as part of the Strategic Environmental Assessment (SEA)/project level assessment process; lessons learned from similar types of initiatives and identify measures or processes that may already be in place to reduce risks.
- Consider the relevant information gathered from the Strategic Environmental Assessment (SEA) process, any studies undertaken and the completed project level assessment (when required) and reflect it in the finalized Risk Management Plan, the Statement of Operational Requirement, and Statement of Work. These documents should be placed in the appropriate system of record, records repository, and the Defence Services Program Portal (DSPP) along with the other documentation that demonstrates that environmental risks and opportunities were considered during development of the project.
- Summarizing information from the relevant documents listed in para above within Project Brief which will form the basis of informing the Corporate Submission document.
- At the Corporate Submission process the environmental analysis completed during the project development process is summarized within the Corporate Submission so there should be no additional analysis done related to the environmental risks associated with the project at that time.

### Documentation

At the end of the Definition Phase, the project documentation should be finalized and contain the information taken from the environmental work completed throughout the project development in order to satisfy environmental obligations and minimize environmental risks in support Implementation of the project.

Statement of Operational Requirements: Update, if necessary, with any information obtained during the Definition Phase.

Risk Management Plan: Update to include any further environmental risks identified during the Definition Phase that could impact progress of the project and the risk response.

**Statement of Work:** Identify measures that need to be included in the design or Implementation of the project in order to avoid or minimize potential negative impacts and support those that will be beneficial to the environment, and facilitate environmental compliance and risk mitigation during project implementation as well as in-service equipment management and disposal planning.

**Project Brief:** Update to summarize the environmental issues and any remaining environmental risks and how the project will manage them.

**Corporate Submission:** Information from the Project Brief is integrated into the Evidence Base Analysis Tool annex of the Corporate Submission (if MC or TB submission is required) to fulfill the requirements of the Cabinet Directive on the Environmental Assessment of Policy, Plan and program Proposals.

### 5 Implementation Phase (Imp Phase)

#### Overview

During this phase, projects having received the authorizations required to enter into contracts focus on achieving capability requirements within the in scope, schedule and cost limits. As part of the Implementation Phase, risks identified during the planning phases will need to be managed and any lessons learned captured. At the end of the Implementation Phase the capability requirement will be delivered and operational.

#### Process/Guidance

Project oversight is necessary to ensure the measures identified to address environmental risks and opportunities are implemented. As part of the Implementation Phase the Office of Primary Interest (OPI) should:

- Assign responsibilities to monitor, as required, the Implementation of measures. Some projects may also have specific reporting requirements that will need responsibilities assigned.
- Engage the Environmental Specialist Staff (ESS) of the affected organization to support oversight of activities.
- Capture any lessons learned related to environmental risks/ opportunities or implementing measures to address these risks/opportunities in the DLLS.

#### Project Closeout

At the time of project Closeout, documentation associated with the Strategic Environmental Assessment (SEA) and project level assessment (if one was required), should be placed in the appropriate system of record, records repository, and the Defence Services Program Portal

(DSPP) along with the other documentation that demonstrates that environmental risks and opportunities were addressed as part of the implementation of the project. Any lessons learned or outstanding issues relating to identified environmental risks and opportunities should be documented in the DLLS and as part of the Project Completion Report (PCR).

**Guide – Assessment of Modern Treaty Implications**

For more information, please consult and fill out the [Guided Template for Assessing Modern Treaty Implications](#).

## Guide – Gender-Based Analysis Plus (GBA+)

### Background

In 1995, all United Nations (UN) members adopted the Beijing Declaration and Platform for Action to advance the goal of women's equality. This included the commitment by all member states to integrate a gender perspective into legislation, public policy, programs and projects. In 1995, Canada launched the [Federal Plan for Gender Equality](#) which directed individual departments and agencies to assume responsibility for undertaking gender-based analysis as appropriate within their operational spheres of activity. Implementation of this approach was anticipated to be phased in over five years as departments and agencies developed the expertise and capacity to carry out the analysis. In 2015 the Auditor General of Canada's second audit of the implementation of Gender-Based Analysis found that "in the 20 years since the Government committed to applying gender-based analysis (GBA) to its policy decisions, a GBA framework has been implemented in only some federal departments and agencies."

In April 2016, Status of Women Canada, the Privy Council Office and the Treasury Board Secretariat released the [Action Plan on Gender-Based Analysis \(2016-2020\)](#), renewing the Government's commitment to Gender-Based Analysis Plus (GBA+). Since the launch of this plan, Cabinet and central agencies have been rigorous and consistent in requiring evidence of Gender-Based Analysis Plus (GBA+) and information on how its findings have shaped the policy, project or initiative.

Canada's Defence Policy, *Strong, Secure, Engaged*, commits the Canadian Armed Forces "to demonstrating leadership in reflecting Canadian ideals of diversity, respect and inclusion, including striving for gender equality and building a workforce that leverages the diversity of Canadian society." Strong, Secure, Engaged (SSE) initiative 12, commits to "integrate Gender-Based Analysis Plus (GBA+) in all defence activities across the Canadian Armed Forces and the Department of National Defence, from the design and implementation of programs and services that support our personnel, to equipment procurement and operational planning."

### Overview

This guide provides information on how to use Gender-Based Analysis Plus (GBA+) as an analytical process to support project management as outlined in the Project Approval Directive (PAD).

There are four parts to this Guide:

1. Qualities of a strong Gender-Based Analysis Plus (GBA+)
2. What is Gender-Based Analysis Plus (GBA+)
3. Integrating Gender-Based Analysis Plus (GBA+) throughout the Project Approval Directive (PAD) process
4. Best practices for applying Gender-Based Analysis Plus (GBA+)

This Guide also includes one annex: Annex A: Human Systems Integration and Gender-Based Analysis Plus (GBA+).

For questions or additional information regarding Gender-Based Analysis Plus (GBA+), please contact the Director Gender, Diversity and Inclusion.

### 1 Qualities of a strong Gender-Based Analysis Plus (GBA+)

Intersectionality: The “plus” in Gender-Based Analysis Plus (GBA+) refers to Intersectionality. A strong analysis will consider gender *and* other intersecting identity factors (e.g. class, race, rural/urban, etc.) in assessing and identifying the impact of projects / program on diversity and diverse groups of Canadian populations and populations in CAF theatres of operation.

Integrated: While it is required to develop Gender-Based Analysis Plus (GBA+) specific summaries within various deliverables throughout the Project Approval Directive (PAD), it is also expected that the findings are evident throughout all of the projects’ various specific documents and plans (e.g. a risk discovered from your Gender-Based Analysis Plus (GBA+) should be included in your risk management plans, and a training consideration discovered should be included in your training plans).

Defensibility: The findings of Gender-Based Analysis plus (GBA+) should be supported by solid evidence that is applicable to the gender and other identity factors of the target groups impacted by the initiative, and be well documented.

Measurability: Clear Gender-Based Analysis Plus (GBA+) monitoring and evaluation measures and indicators are incorporated into the management of the project.

### 2 What is Gender-Based Analysis plus (GBA+)

The Government of Canada (GC) defines Gender-Based Analysis Plus (GBA+) as an analytical process used to assess how diverse groups of women, men and non-binary people may experience policies, programs and initiatives.

The “plus” in Gender-Based Analysis Plus (GBA+) acknowledges that the analysis considers how other factors of identity (e.g. class, race, rural/urban, etc.) shape gender roles in the context of policies, programs and initiatives. This is intersectionality. The analysis examines the different gender roles played in the household, community, workplace, public institutions, economy, etc. It examines relations and differences in power between and among women, men and non-binary persons. It also considers the impact of norms concerning masculinity and femininity rooted in cultural and institutional norms, including for different groups of men, women and non-binary persons. It considers the results of those roles in terms of differences in access to and control over resources; equal participation in decision making processes; and full realization of human rights.

The three purposes for doing Gender-Based Analysis Plus (GBA+):



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- Duty: undertaking a Gender-Based Analysis Plus (GBA +) ensures that the benefits do not accrue unequally to some, and that the risks are not unequally borne by others.
- Utility: a Gender-Based Analysis Plus (GBA +) can improve design, diagnose deficiencies, develop better targeted programs, that take into account diverse users or clients.
- Values: a Gender-Based Analysis Plus (GBA +) is undertaken to promote equality, diversity and inclusiveness by addressing barriers and gaps.

The findings of Gender-Based Analysis Plus (GBA+) should inform the design, development and management of every aspect of your project. It is an iterative process, that builds upon and further develops the analysis, options, and responses as more data, information, and a deeper understanding evolves about the roles of, and relations between, women, men and non-binary persons, and how these may result in issues of differential access, participation, control, utility, and/or impact of the project or its elements.

The key elements of the process and their purpose are described in the table below.

A more detailed list of guiding questions to use when performing a Gender-Based Analysis Plus (GBA+) can be found in Annex A.

Step	Element	Description	Actions
1	Identify the Issues	Examine the issue/problem that the project aims to address from an intersectional gender perspective.	<ul style="list-style-type: none"> <li>• Identify the targeted users and those indirectly impacted.</li> <li>• Define the targeted users according to gender and other intersecting identity factors (e.g., age, CAF rank, ethnicity, culture, disability, etc.).</li> <li>• Consider the unique needs and diversity of the users to determine who is likely to benefit and who is likely to be negatively affected and which groups that are likely to experience differential access.</li> <li>• Think broadly about the impacts of this project, including future training, employment requirements, policy/process updates and ongoing maintenance and management systems that could cause differential access or impacts (e.g. do not limit the scope of your analysis to the product being procured, rather the broader environment it will affect)</li> <li>• Document identified issues in the Summary Report of Gender-Based Analysis Plus (GBA+)</li> </ul>
2	Challenge Assumptions through research, gathering evidence and consultations	Validate, adjust, or deepen what is understood about the potential for differential impacts of the project to the target groups identified in the previous step	<ul style="list-style-type: none"> <li>• Collect sex or gender-disaggregated data and data on other relevant identity factors, on the users and those indirectly impacted.</li> <li>• If data gaps exist, they should be identified as an issue and a plan put in place to address them.</li> <li>• Knowledge about users and those indirectly impacted should be further informed through research by collecting and reviewing reports, studies, and research</li> </ul>

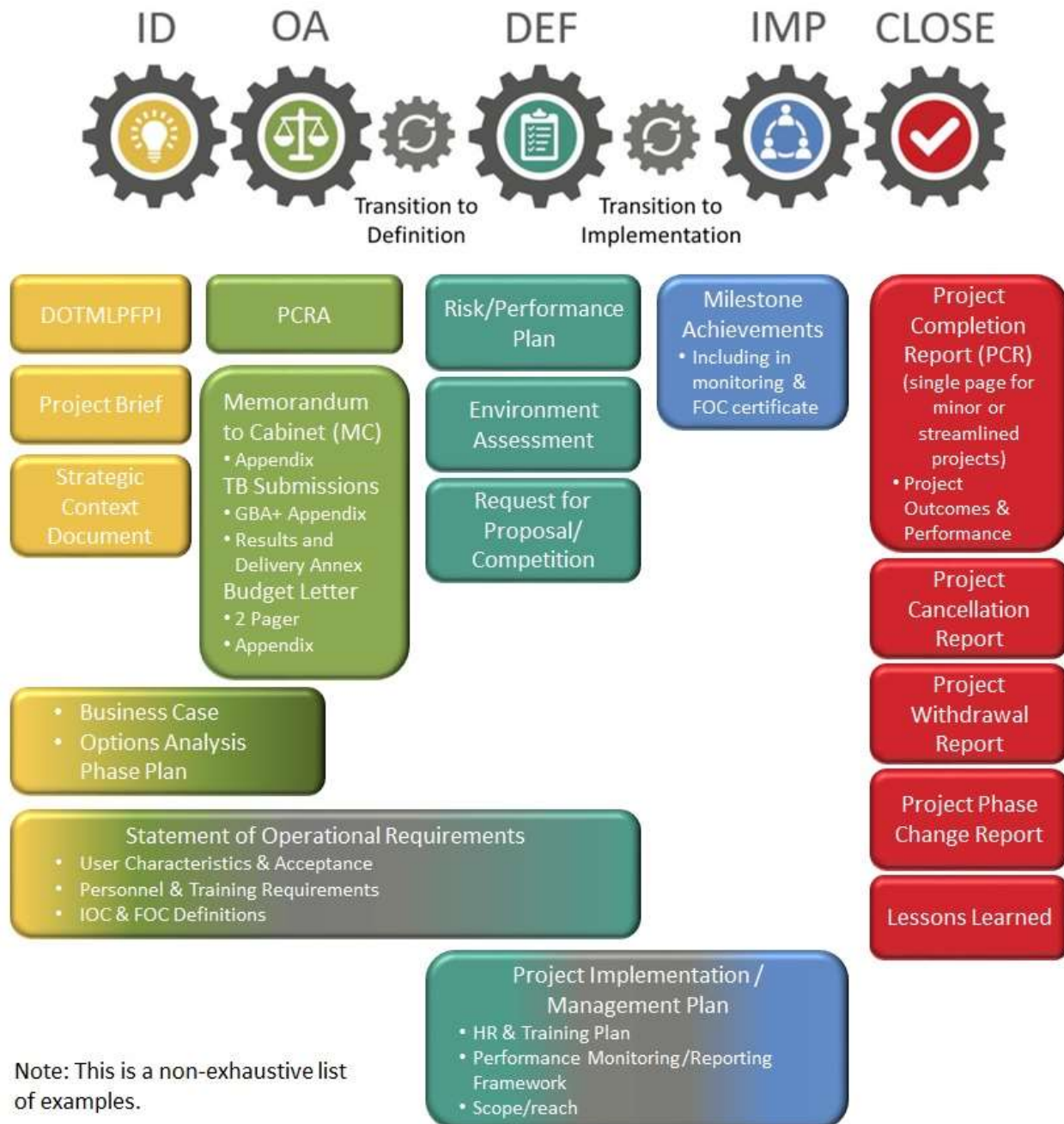
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			<p>undertaken by others on sex, gender and diversity-related issues relevant to the project.</p> <ul style="list-style-type: none"> <li>• Identify potential issues that have not been previously identified</li> <li>• Consultations with intended users and those indirectly impacted will serve to deepen and develop a sound understanding of the potential for differential impacts of the project.</li> <li>• Document Data sources and research undertaken in the Summary Report of Gender-Based Analysis Plus (GBA+).</li> </ul>
3	Options and Recommendations for responding to Gender-Based Analysis Plus (GBA+)	Draw upon the results of data collection, research and consultation to develop options and recommendations for subsequent stages of project design and implementation.	<ul style="list-style-type: none"> <li>• Set out specific and relevant measures or recommendations that have or will be integrated into the design of the project to address the issue(s) identified. These may include: <ul style="list-style-type: none"> <li>○ Responses to address a potential for differential access and impacts identified in the previous steps.</li> <li>○ Measures the Project Team was unable to take at the current stage of the project and will be deferred to a later stage.</li> <li>○ Identify Gender-Based Analysis Plus (GBA+) risks that have the potential to arise in another phase of the project.</li> </ul> </li> <li>• Highlight your plan to address data gaps.</li> <li>• Measures to ensure that Gender-Based Analysis Plus (GBA+) issues are addressed or further analysis undertaken if the project or elements of it will be delivered through a third party (e.g. an academic institution, industry association, etc.).</li> <li>• Update the Summary Report of Gender-Based Analysis Plus (GBA+) to add any data gaps as an issue. If applicable, research lessons learned of other initiatives to validate proposed mitigations identified.</li> </ul>
4	Monitoring and follow-up	To assess how various target groups are being impacted by the project	<ul style="list-style-type: none"> <li>• Identify indicators and data sources that can be used to assess the effectiveness of the initiative from a Gender-Based Analysis Plus (GBA+) perspective</li> <li>• Keep in mind gender and identity factors when designing feedback mechanisms (e.g. will some groups feel hesitant to provide feedback based on their identity factors, will all groups have access/ ability to provide feedback if a tech solution is identified).</li> <li>• Describe what actions will be taken if new issues arise, or if measures or mitigations that were implemented do not perform as expected.</li> <li>• Update the Summary Report of Gender-Based Analysis Plus (GBA+) to add issues identified through evaluating the project and lessons learned from the project.</li> </ul>

### 3 Integrating Gender-Based Analysis Plus (GBA+) throughout the Project Approval Directive (PAD) process

## PROJECT APPROVAL DIRECTIVE (PAD)

The draft image on the following page illustrates where Gender-Based Analysis Plus (GBA+) issues should be reflected during the Project Approval Process (PAP) (i.e. Identification, Options Analysis, Definition, Implementation and Close Out). This is not an exhaustive list and Project Teams should adhere to Project Approval Directive (PAD) instructions to ensure that Gender-Based Analysis Plus (GBA+) issues are being captured and reflected at the required phases in the project cycle.



**Figure 16: Gender-Based Analysis Plus (GBA+) within context of the Project Approval Process**

The Project Approval Directive (PAD) directive includes mandatory Gender-Based Analysis Plus (GBA+) sections within certain project management deliverables in order to ensure that gender and diversity issues are articulated, validated, and that responses are proposed to mitigate Gender-Based Analysis Plus (GBA+) issues, and are integrated into the design of the project.

### *Summary Report of Gender-Based Analysis Plus (GBA+)*

As elements of Gender-Based Analysis Plus (GBA+) occur across project phases, commence documenting and maintaining a robust record of the entire Gender-Based Analysis Plus (GBA+) process from the beginning. This will include data gathered, literature reviewed, consultations undertaken, findings and issues identified, options considered and proposed, and details on how Gender-Based Analysis Plus (GBA+) has informed the design and implementation of the project.

It is recommended that the project team create and maintain a shared filing system for this information as it will be an indispensable resource for unpacking these issues further, sharing information, and developing and maintaining the Summary Report of Gender-Based Analysis Plus (GBA+).

Begin developing and maintaining the Summary Report of Gender-Based Analysis Plus (GBA+) as soon as you begin gathering data, reviewing research, and identifying issues and continue this practice throughout the project. This document will serve to inform the Project Team and others of the issues related to gender and other identity factors that will or could have an impact on the project.

The summary report should be viewed as a “living document” and updated each time gender and other identity factor issues are identified and/or addressed. The format of the Summary Report of Gender-Based Analysis Plus (GBA+) aligns with the structure and content required for the Gender-Based Analysis Plus (GBA+) Appendix for Ministerial or Treasury Board submissions.

### *Business Case Analysis (BCA) and Gender-Based Analysis Plus (GBA+)*

A thorough preliminary Gender-Based Analysis Plus (GBA+) should be used to help define and scope the project and therefore shall be undertaken early enough to inform the Business Case Analysis (BCA).

While the Business Case Analysis (BCA) includes two mandatory Gender-Based Analysis Plus (GBA+) sections (described in the sections below), the findings of the preliminary analysis should also inform and be evident throughout the entire document.

Also, while the DOTMLPFPI Annex document is not required until the Options Analysis (OA) Phase, Project Teams must consider all DOTMLPFPI elements-including the Gender-Based Analysis Plus (GBA+) elements- during the development of their Business Case Analysis (BCA).

See DOTMLPFPI and Gender-Based Analysis (GBA+) of this guide for further guidance.

## PROJECT APPROVAL DIRECTIVE (PAD)

If a Gender-Based Analysis Plus (GBA+) was not conducted prior development of the Business Case Analysis (BCA), it should be completed immediately and incorporated into ongoing project development.

*Section 1.2.2 of the Business Case Analysis: Drivers for Change* should include reference to gender equality and diversity commitments that the project will or could contribute to, or that may have an impact upon the project. These could include, for example, any of the six goals expressed in [Canada's Gender Results Framework](#): Education and Skills Development, Economic Participation and Prosperity, Leadership and Democratic Participation, Gender-Based Violence and Access to Justice, Poverty Reduction, Health and Wellbeing, and/or Gender Equality Around the World.

*Section 1.2.6 of the Business Case Analysis: Assumptions* should include relevant assumptions about how systems or technologies affect humans, and about human behavior, abilities and relationships based on gender and other identity factors that are critical to the outcomes of the project or critical to Canadian commitments to gender equality and human rights.

Examples of potential Gender-Based Analysis Plus (GBA+) related assumptions are described in the table below.

Project Assumptions (Sample format with information that should be discussed in this section)				
Number	It is assumed that:	Effects on Project:	Reliability Level: Low/Medium/High	Strategies if not Realized*
	Demographic bias is embedded in biometric systems due to limited diversity in datasets used for their development.	Marginal - because DRDC/DGMPRA will be engaged to conduct GBA+ of available biometric systems and specifications for suppliers to ensure bias is eliminated.	Medium	If demographic bias is not, or cannot be eliminated, guidance will be developed for users to recognize and mitigate errors.
	It is assumed that women's representation in the CAF will increase up to 25% by 2025.	Adjustments will be required to training and base facilities to accommodate increased numbers of women at these facilities.	Medium	Design and configuration that is flexible and phased in to align with projected demographic transition.
	The equipment will be designed and developed to be equally useable and effective for all users.	Additional efforts will be made to expand the 2012 Canadian Forces Anthropometric Survey dataset which is not proportionately representative of the female CAF population.	Medium	Conduct limited anthropomorphic survey using 3D scan methodology of underrepresented groups at select bases.

*DOTMLPFPI and Gender-Based Analysis Plus (GBA+)*

The guidance below presents some points to consider for each element of the DOTMLPFPI.

**Doctrine.** Describe the potential contribution of the project to concepts and doctrines that require gender and diversity as an element of capability, commit to gender equality and inclusion outcomes, including Canada's Gender Results Framework and Women, Peace, and Security commitments, the Chief Professional Conduct and Culture (CPCC) Culture Evolution Strategy and the GBA Plus Enterprise Approach, etc.

**Organization.** When identifying requirements for new organizations, collect and use data on intersectional identity factors for the persons who staff the organization. Undertake research and consultations to understand the potential for differential issues of access, barriers, or privileges experienced by those who will operate the capability, in order to inform design of the organization. How to do that:

- Statistics Canada data (possibility to request specific data sets for targeted needs)
- Environmental scan
- Consultations on needs and access: People consulted should reflect the diversity of the Canadian population
- GBA Plus training through Women and Gender Equality

**Training.** Identity-based barriers or challenges to be addressed to develop effective and equitable training. When identifying requirements for new skills, manuals, training courses, requirements for training facilities, etc., collect and use data on gender and other identity factors for the persons who will operate and maintain the system. Undertake research and consultations to understand the potential for differential issues of access, barriers, or privileges experienced by those who will be trained in order to inform design of training and requirements for facilities.

**Materiel.** Based on data and information on suppliers, users, providers of equipment, services and maintenance, identify potential differential function, access, participation, and impacts based intersectional identity factors such as gender, age, race, education, income, etc.

**Leadership & Education.** Gender and other identity-based barriers or challenges to be addressed to develop effective and equitable leadership and educational programs.

**Personnel.** When considering the physical and cognitive capabilities necessary for the system, the qualifications and experience required, in the context of selection, recruitment and career development, consider also the barriers and constraints, access, entitlements and privileges experienced by groups based on gender and other identity factors including age, education, health, ability and disability, race and culture. Consider if there is a risk that systemic marginalization or discrimination experienced by some identity groups in Canadian society or the institution will continue to play out in the context of the system? If so, how will these barriers be addressed?



Consider also barriers or constraints the system could impose on some persons based on gender and/or other identity factors. For example, the minimum body weight requirements for ejection seat systems disproportionately exclude women due to their smaller body size and other persons of smaller stature.

**Facilities.** Consider known and potential facilities issues related to access and use, safety and security can impact different groups depending on intersectional identity factors such as religion, indigenous considerations, gender identity, sexual orientation, family composition, etc. Given the enduring nature of infrastructure, identify demographic trends related to relevant identity factors that could indicate potential future issues. Identify potential for differential impact, access, or participation, including participation in decision making, based on gender and other identity factors related to infrastructure requirements and use, and environmental use and impacts.

**Policy.** Integrate Gender-Based Analysis Plus (GBA+) in all defence activities across the Canadian Armed Forces and the Department of National Defence, from the design and implementation of programs and services that support our personnel, to equipment procurement and operational planning.

**Interoperability.** When considering interoperability, gather and use data and information on relevant identity factors of intended users of the system to identify potential for differential impact of system elements on different individuals. Consider how differences in gender, age, occupation, language, ability or disability, culture, status, etc., may impact upon how people read, operate, understand, or are affected by design elements. Consider, for example, that biometric interfaces such as vocal command and facial recognition systems do embed biases and work less well for some identity groups than others.

#### 4 Best practices for applying Gender-Based Analysis Plus (GBA+) to project planning processes

Beyond using Gender-Based Analysis Plus (GBA+) as an analytical tool to better define and understand the project, Gender-Based Analysis Plus (GBA+) should inform formation of Project Teams, how to consult with key stakeholders, for improving communications and providing decision makers with valuable information.

##### *Project Team Creation*

- The Project Team should include a member with expertise in Gender-Based Analysis Plus (GBA+). A number of DRDC scientists possess Gender-Based Analysis Plus (GBA+) expertise and should be considered and engaged early on to support the project. If relevant Gender-Based Analysis Plus (GBA+) expertise cannot be identified, the Project Team should consult early with the Director Gender, Diversity and Inclusion (DGDI) or the Strategic Joint Staff Directorate, Integrating of Gender Perspectives (DIGP).
- Diversity on teams enhances innovation and productivity, enabling Project teams' greater capacity to identify opportunities as well as blind spots. Consider diversity both in terms

of expertise as well as identity factors (e.g., rank, age, ethnicity, gender, etc.). Diversity on Project teams also implies adopting work styles that foster and advance gender equity, diversity and inclusion.

### *Stakeholder identification and inclusive engagement*

- Gender-Based Analysis Plus (GBA+) should inform the identification of stakeholders and how to engage with them. Consider the gender and diversity factors of those affected by the project, and how they can be engaged to ensure the best possible result for all intended users or beneficiaries.
- Apply Gender-Based Analysis Plus (GBA+) when designing consultations and engaging with stakeholders. Pursue broad consultations with diverse groups of DND/CAF members, Canadians and other groups who are likely to be impacted by the project whether directly or indirectly. Broad consultation helps to ensure the project is informed by multiple viewpoints as generalizations drawn from consultations with limited stakeholder representation are vulnerable to blind spots. When planning consultations explore how voices that are usually left out, can be heard. To the extent possible, reduce barriers that affect underrepresented or marginalized groups and consider issues such as accessibility, location and travel, and socio-economic factors (e.g., caring for dependents) as they all have the potential to affect someone's ability to participate in a consultation process.
- Consider using multiple types of engagement methods (e.g., in person meetings, online consultations, etc.) and when/if seeking feedback on a project design (e.g., needs assessments, trials, user-testing, etc.), include representation from the full range of potential users. This measure helps to identify and mitigate identity-based factors that could result in differential use, access, impact, or benefit.

### *Inclusive Communications*

- Use inclusive language and imagery when developing communication materials as this helps to demonstrate support for diversity and consideration of various identity factors (e.g., age, rank, ethnicity, language, etc.).
- Identify the target audiences and develop messaging that is likely to resonate with the target audience.
- Words and images matter. The wrong choice of words or images can cause harm by perpetuating stereotypes or by making some groups feel excluded. Whenever possible, images and language should challenge harmful stereotypes.
- Consider different forms of communications as this will help ensure that the key messages reach the target audiences.



- Share the project results: consider how Project Team will share or discuss the Gender-Based Analysis Plus (GBA+) results within the organization as this will demonstrate due diligence, foster buy-in with stakeholders, and identify areas for further action.

### *Governance and Accountability*

- Decision makers are accountable to ensure Gender-Based Analysis Plus (GBA+) is used to develop better targeted projects that take into account diverse users and the impact of projects on diverse groups of people. Gender-Based Analysis Plus (GBA+) is also done to ensure that benefits do not accrue unequally to some, and that the risks are not unequally borne by others. When the Project Team goes to the Senior Review Board (SRB), Programme Management Board (PMB), Defence Capabilities Board (DCB), and other governance committees, the Project Team can expect to be questioned about how Gender-Based Analysis Plus (GBA+) has influenced the project. Presentations, reports and other materials submitted to decisions-makers should clearly illustrate that the project was informed by Gender-Based Analysis Plus (GBA+). When potential differential impacts are identified, this needs to be communicated to the decision makers.
- The documentation of how the Project Team has applied Gender-Based Analysis Plus (GBA+) needs to demonstrate the following:
  - That the Project Team applied Gender-Based Analysis Plus (GBA+) to the initiative.
  - The sources of evidence the Project Team drew on.
  - The findings of Gender-Based Analysis Plus (GBA+).
  - Differential risks, impacts, or function.
  - How those findings used to adjust the design of the project.
  - The difference that those adjustments to the project will make.
  - The performance measurement strategy and indicators related to the Gender-Based Analysis Plus (GBA+) findings.
  - How the Project Team will know it has worked?

### *Lessons Learned and Handing off the Project*

- When the project moves between different parts of the planning (e.g., from Project Sponsor to Project Implementer), make sure that Gender-Based Analysis Plus (GBA+) findings are clearly indicated and shared. This includes:

- An accurate and up-to-date Summary Report of Gender-Based Analysis Plus (GBA+) and instructions on how to find the full collection of Gender-Based Analysis Plus (GBA+) data, research and analysis that has been undertaken (the project's shared filing system for Gender-Based Analysis Plus (GBA+)).
- Ensuring that the documents referred to in the summary report are available to others (e.g., uploading the documents to project management databases and online portals) and classified appropriately (e.g., do not classify as secret unless there is a valid reason).

#### Annex A: Human Systems Integration and Gender-Based Analysis Plus (GBA+)

Human Systems Integration (HSI) can contribute to undertaking Gender-Based Analysis Plus (GBA+) because it examines dimensions of human diversity that are physical, psychological and cognitive.

However, it is insufficient as Gender-Based Analysis Plus (GBA+) because the discipline does not require examination of socially constructed dimensions of identity, such as the behaviors and roles people adopt or are assigned because of their gender, race, religion, culture, society, institutions occupations, health, ability or disability, sexual orientation, marital/family status, income, etc. Examination of socially constructed dimensions of gender and other identity factors is essential to Gender-Based Analysis Plus (GBA+).

The table below presents Human Systems Integration (HSI) domains and some Gender-Based Analysis Plus (GBA+) considerations for each domain when applying Gender-Based Analysis Plus (GBA+). The considerations and examples presented are illustrative, and depending upon the nature of the system, other considerations related gender and other identity factors would be important to consider.

Human Systems Integration Domain	Gender-Based Analysis Plus (GBA+) considerations.
Manpower <sup>1</sup>	<p>When determining the most efficient and cost-effective mix of manpower and contract support necessary to operate, maintain, provide training and support the system, consider also the gender and diversity profile of the people who will operate the system.</p> <p>Consider identity factors including gender, age, education, geography, culture, etc. Does it reflect the profile of Canadian society? The institution? The industrial sector? Are there demographic gaps or concentrations according to job function or level?</p>

<sup>1</sup> "Manpower" is the term this discipline formally uses to describe this domain by practitioners of Human Systems Integration (US) and Human Factors Integration (UK).

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Personnel	<p>When considering the physical and cognitive capabilities necessary for the system, the qualifications and experience required, in the context of selection, recruitment and career development, consider also the barriers and constraints, access, entitlements and privileges experienced by groups based on gender and other identity factors including age, education, health, ability and disability, race and culture.</p> <p>Consider if there is a risk that systemic marginalization or discrimination experienced by some identity groups in Canadian society or the institution will continue to play out in the context of the system?</p> <p>Consider also barriers or constraints the system could impose on some persons based on gender and/or other identity factors. For example, the minimum body weight requirements for ejection seat systems disproportionately exclude women due to their smaller body size and other persons of smaller stature.</p>
Training	<p>When identifying requirements for new skills, manuals, training courses, requirements for training facilities, etc., collect and use data on gender and other identity factors including on education, culture, geography, etc., for the persons who will operate and maintain the system. Undertake research and consultations to understand the potential for differential issues of access, barriers, or privileges experienced by those who will be trained in order to inform design of training and requirements for facilities.</p> <p>Consider also the representation of different identity groups in training literature and virtual systems – avoid stereotypes and ensure it is respectful, and representative.</p>
Human Factors Engineering (HFE)	<p>When considering equipment design, workstation/ console design, workplace layout, maintenance access and ease of maintenance, user interface design, function allocation (between humans and automation), working environments, etc. gather and use data and information on gender and other identity factors of intended users and maintainers of the system to identify potential for differential impact of system elements on humans based on gender and identity factors.</p> <p>Consider how differences in gender, age, occupation, ability or disability, culture, status, etc., may impact upon how people read, operate, understand, or are affected by design elements.</p> <p>Consider, for example, that biometric interfaces such as vocal command and facial recognition systems do embed biases and work less well for some identity groups than others.</p>
Health Hazards	<p>When considering exposure to physical hazards (exposure to toxic material , electric shock, mechanical injury, extreme heat/cold, electro-magnetic radiation, optical hazards, etc.), consider also potential for psychological duress</p>

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	<p>and social hazards that are gender and/or identity-based including gender-based violence, racism, religious persecution, etc.</p> <p>Consider also that different roles, attitudes and behaviours (impulsiveness, risk-taking, prudence, etc.) shaped by gender and other identity factors, including health, ability or disability, culture, etc. may aggravate or mitigate health hazards.</p> <p>Consider also that behaviours and practices shaped by gender, age, social, cultural factors, may also affect health post exposure based on differential reactions or practices. For example, could an institutional culture that valorizes strength incline one to conceal or underplay the impact of an injury?</p>
System Safety	When considering sources of human error, effects of misuse or abuse, external and environmental hazards, consider also information and data on differential access and entitlements and on risk-taking, misuse and abuse behaviours by humans based on gender and other identity factors.
Survivability	When considering the protection characteristics of a system (e.g., life support, body armor, helmets, plating, egress/ejection equipment, air bags, seat belts, electronic shielding, etc.), and when considering escape systems for personnel and system survivability, consider also the differential protection needs of humans based on gender and other identity factors including education, institutional, social and cultural factors.
Habitability	<p>When considering that factors of working conditions and accommodations necessary to sustain the morale, safety, health, and comfort of the user population contribute directly to personnel effectiveness and mission accomplishment, consider also information and data on differential conditions and accommodations that are necessary to sustain the morale, safety, health, and comfort of the user population based on gender and other identity factors including occupation, health, income, sexual orientation, marital/family status, culture, etc.</p> <p>Consider, for example, whether the working environment needs to accommodate trans persons, nursing mothers, injured personnel, etc.</p>
Environment	When considering environmental factors such as water, air, land, space, cyberspace, markets, organizations, ecology, etc. consider also human behavior and its variances based on gender and other identity factors including education, geography, social, cultural, institutional factors such as conservation practices, and waste management practices

## Guide – Tailoring the Project Approval Process (PAP)

### 1 Overview

In February 2017, the MND approved a new streamlined Project Approval Process (PAP) for all projects that fall within Ministerial authority (formerly known as the Project Approval Process Renewal (PAPR)). The implementation of a tailored approach grants projects seeking Project Approval (PA) and Expenditure Authority (EA) for Definition with a conditional Project Approval (PA) and Expenditure Authority (EA) for Implementation. This can only occur if the overall Substantive costing at Implementation falls within +/-20% of the overall Indicative costing approved by the MND at Definition. Projects for which costing falls below -20% will be considered on a case-by-case basis to determine if a change in scope is applicable.

For the purpose of tailoring the approach, costing is based on a completed Cost Report by the Chief Financial Officer (CFO) and is inclusive of contingency and/or allowance as applicable.

### 2 Authorities Sought

To benefit from this tailored approach, upon entering Definition phase, the corporate submission associated with projects for which the MND is the Project Approval (PA) and Expenditure Authority (EA) will include a paragraph in the “Authorities Sought” section as follows:

- Conditional expenditure authority (EA) for the implementation of the [name of project] at an indicative total cost estimate of \$ZZZ (\$BY), including GST/HST of \$ZZ (\$BY). Expenditure Authority for implementation will follow the Tailored Project Approval Process. Please note that, as part of the Tailored Project Approval Process, the Minister of National Defence will be briefed if costs exceed the total project approval funding envelope at the implementation phase.

The Corporate Submission will also include a description of the TPAP governance process as presented in Section 3 (Transition to Implementation) of this document.

Also note that in accordance with *Appendix D: Programme Approval, Project Approval and Expenditure Authority*, [\*TB Directive on the Management of Projects and Programs\*](#), projects that have received PA and EA and which subsequently experience an issue that:

- does not change the total estimated cost such that it exceeds expenditure limits (Expenditure Authority) approved by the Approving Authority (MND or Delegated Authority);
- does not significantly change the anticipated outcomes and benefits identified at time of approval; and
- does not significantly change the project baseline established at time of approval.

Do not require a revised submission and may continue to be managed within the established governance and delegated authority applicable to the project.

When cost variation is within 20% of the previously obtained PA, the condition can be lifted by PMB or IRMC without returning to MND for EA.

### 3 Tailored Project Approval Process Flow

All projects within MND authorities proceed through Identification (ID) and Options Analysis (OA) as outlined in this Directive.

#### Transition to Definition

Preparations to employ the Tailored Approach commences during the Options Analysis (OA) Phase. In particular, the Project Team needs to be aware that to benefit from the Tailored Approach, the final costing realized at the time of the Project Approval Implementation (PA (Imp)) decision must fall within the specified parameters approved in the Project Approval Definition (PA (Def)) Corporate Submission. Project Teams are cautioned to take care in developing accurate information supporting costing at the time of the Definition Phase to include the DOTMLPFPI elements.

#### Transition to Implementation

For projects seeking to benefit from the Tailored Approach, the critical juncture occurs when the project approaches the Senior Review Board (SRB) in advance of seeking Expenditure Authority (EA) for Implementation. At that Senior Review Board (SRB), the Project Leader will need to consider the results of the Definition Phase as they pertain to the Conditional Approval granted in the Project Approval Definition (PA (Def)) Corporate Submission before deciding if the project can proceed along the Tailored Approach. Foremost among these considerations are the results of the costing effort to support the Project Approval Implementation (PA (Imp)) as they compare to the Project Approval Definition (PA (Def)) Corporate Submission and the funding available in the Investment Plan (IP).

The options available to the Project Leader are:

- As it pertains to the requirement for a submission to seek approval to enter Implementation:
  - If change in costing is less than +/-10% of previously approved Project Approval (PA): the project comes secretarially before the Programme Management Board (PMB) if the total cost of the project is between \$10M and \$50M or secretarially before the Investment and Resource Management Committee (IRMC) for projects with a total cost greater than \$50M;
  - If change in costing is between +/-10-20% of previously approved Project Approval (PA): the project comes before the Programme Management Board (PMB) if the total cost of the project is between \$10M and \$50M or the Investment and Resource Management Committee (IRMC) for projects with a

total cost greater than \$50M. The Programme Management Board (PMB) and/or the Investment and Resource Management Committee (IRMC) may: 1) approve the project; 2) direct it to MND, or 3) provide other direction as appropriate; and

- If change in costing is greater than +/-20% of previously approved Project Approval (PA): the project will be required to come before the MND in the form of a Corporate Submission seeking Expenditure Authority (EA) for Implementation.
- If change in costing is greater than -20% of previously approved Project Approval the project will be assessed by C Prog and ADM(Fin) personnel to determine if a change in scope is applicable.
- If a change in scope is not applicable then: the project comes before the Programme Management Board (PMB) if the total cost of the project is between \$10M and \$50M or the Investment and Resource Management Committee (IRMC) for projects with a total cost greater than \$50M. The Programme Management Board (PMB) and/or the Investment and Resource Management Committee (IRMC) may: 1) approve the project; 2) direct it to MND, or 3) provide other direction as appropriate.
- If a change in scope is applicable, then the project does not meet the parameters of the Tailored approach and must proceed with a corporate submission to MND.
- If the Cost Report is not yet ready, assess that the project is not yet ready to proceed, and defer pending further considerations.
- As it pertains to the requirement to submit a Capital Investment Fund Change Proposal (CIFCP):
  - If the project's substantive cost estimate for Implementation is within the funding in the Investment Plan (IP), no Capital Investment Fund Change Proposal (CIFCP) is required; or
  - If the project's substantive cost estimate for Implementation exceeds the funding in the Investment Plan (IP), the project will require a Capital Investment Fund Change Proposal (CIFCP).

It should be noted that the completion of the total project substantive cost estimate is critical in the decision on how the project will proceed, and that this estimate includes all aspects of scope schedule and cost (including DOTMLPFPI). Project Teams are cautioned to ensure that sufficient costing information on all aspects of project cost is available in sufficient time for the Cost Report to be completed prior to the Senior Review Board (SRB). Early and frequent engagement with the C Prog – Director Defence Programme Coordination (DDPC) Analyst and the Director Corporate Submissions (D Corp S) Analyst is essential to ensure that the project arrives at this juncture prepared and that central staffs are coordinated to support.



## 4 Preparing a Secretarial Submission

Upon the decision of the Project Leader to proceed with a secretarial submission to the Programme Management Board (PMB) or via Programme Management Board (PMB) to the Investment and Resource Management Committee (IRMC) to lift the conditions specified in the PA (Def) Corporate Submission, the following actions should be coordinated between the Project Team and C Prog – Director Defence Programme Coordination (DDPC) Analyst.

- The working version of the Departmental Program and Submission Work Plan (DPSWP) is amended by the C Prog – Director Defence Programme Coordination (DDPC) Analyst to reflect that a Purple Docket will be raised;
- The project will be secretorially presented at the Programme Management Board (PMB) to:
  - Approve the lifting of the Conditional Expenditure Authority (EA) received by the MND at Definition and grant Expenditure Authority (EA) for Implementation as per the tailored approach (applies to projects between \$10-\$50M). This may require amended Project Approval, amended Expenditure Authority (EA) for Definition and/or amended Expenditure Authority (EA) for Implementation, which may be granted by the Programme Management Board (PMB); or
  - Endorse the lifting of the Conditional Expenditure Authority (EA) received by the MND at Definition and seek the Investment and Resource Management Committee (IRMC) grant Expenditure Authority (EA) for the Implementation as per the tailored approach (applies to projects above \$50M), including any amendments to existing PA or EAs of the project.
- The project will be presented secretorially at the Investment and Resource Management Committee (IRMC) to:
  - Approve the lifting of the Conditional Expenditure Authority (EA) received by the MND at Definition and grant Expenditure Authority (EA) for the Implementation as per the tailored approach (applies to projects above \$50M). This may require amended Project Approval, amended Expenditure Authority (EA) for definition and/or amended Expenditure Authority (EA) for Implementation, which may be granted by the Investment and Resource Management Committee (IRMC).
- The C Prog – Director Defence Programme Coordination (DDPC) Analyst will coordinate with Project Teams and Central Staffs to create the Purple Docket and ensure it contains the following information:
  - The previously Definition Phase approved Project Approval (PA) and Expenditure Authority (EA) Corporate Submission;



- The Project Brief (must be signed within one year);
  - The approved Cost Report (CR);
  - The Capital Investment Fund Change Proposal (CIFCP) and the Capital Investment Fund Change Impact Analysis (CIFCIA), as required;
  - The Project Leader endorsed Project Complexity and Risk Assessment (PCRA); and
  - A Briefing Note (BN) from the Project Sponsor to the Programme Management Board (PMB) and/or the Investment and Resources Management Committee (IRMC) as appropriate, seeking secretarial approval to lift conditions to proceed to Implementation.
  - **NOTE:** The Programme Management Board (PMB) Record of Decision or the Investment and Resource Management Committee (IRMC) Record of Decision (as required) approving the lifting of the Conditional Expenditure Authority (EA) received by the MND at Definition and grant Expenditure Authority (EA) for the Implementation will be added to the Purple Docket once received.
- Once compiled, the Purple Docket is sent to D Corp S for corporate filing.
  - The complete Purple Docket will be staffed for coordination and sign-off to the Programme Management Board (PMB) through the C Prog – Director Defence Programme Coordination (DDPC).

## Guide – Project Management Plan (PMP)

### Hierarchy of Management Plans

In the context of DND projects, Project Plans are structured hierarchically. As illustrated in Figure 17, individual phase Project Management Plans (PMP) sit at the top level. Next are the subsidiary management plans, followed finally, by the operational plans.



Figure 17: Hierarchy of Project Phase Management Documents

### Level 1: Project Management Plan

The Project Management Plan (PMP) is the official top level summary document that describes how each phase of the project is executed, monitored and controlled. During the course of the project lifecycle, there are three different versions of the Project Management Plan (PMP), one for Options Analysis, Definition and Implementation phases. While the version titled Project Management Plan (PMP) is linked to the execution of the Implementation Phase, there is requirement to produce the following versions:

- The Options Analysis (OA) Phase Plan, documenting the planning of the Options Analysis Phase and produced early in Options Analysis.
- The Definition Phase Plan, documenting the planning of the Definition Phase and produced by the end of the Options Analysis Phase.
- The Project Management Plan (PMP) to cover the Implementation Phase and developed prior to seeking Project Approval (PA) and Expenditure Authority (EA) for the Implementation Phase.

For the purpose of this section, the generic term Project Management Plan (PMP) will be used to indicate the three different versions.

As a living document, the three evolutions of the Project Management Plan (PMP) provide the primary means of communication to members of the Project Team, senior management and other key stakeholders. From the convention above, the plan will transition from one document to another (e.g. Options Analysis (OA) Phase Plan to the Definition Phase Plan to the Project Management Plan (PMP) as the project transitions from one phase to the next.

The versions of the Project Management Plan (PMP) may include project baselines, subsidiary management plans and other project planning documents. The Project Management Plan (PMP) will generally have the following characteristics:

- A stand-alone document. While the Project Management Plan (PMP) may refer to lower level plans, it should provide the reader with a comprehensive coverage of key aspects of the project.
- Complement to the Project Charter. The Charter provides the Project Team with its “marching orders” while the Project Management Plan (PMP) describes how the objectives described in the Charter will be achieved.
- Include project baselines in terms of in scope, schedule, cost and risk, and defines the baseline against which project progress will be measured.
- An indicator of the level of project planning.
- It describes the project organization, and assigns responsibilities for the completion of Work Packages to functional managers within the project organization.
- Reference to project management process plans.
- Reference to supporting functional plans.
- Reference to supporting data repositories where the detailed planning data that generated the project baselines is maintained.

The scope and complexity of the project will dictate the level of details required for the management plans. For standard projects defined by a Project Complexity and Risk Assessment (PCRA) levels 1 and 2, a single integrated Project Management Plan (PMP) is sufficient, dismissing the requirement for subsidiary management plans. For complex projects, Project Complexity and Risk Assessment (PCRA) levels 3 and 4, a more detailed management plan is required, reinforced by a set of subsidiary management plans.

## Level 2: Management Plans

Subsidiary management plans are typically structured around the Project Management Body of Knowledge (PMBOK) project management processes. There is no uncertainty about the value of those plans for successfully delivering a project. What needs to be accounted for is the extent to which those plans are developed. For a standard project, it is sufficient to cover those project management disciplines within the individual phase project management plan. The requirement for those plans becomes direr as the level of complexity of the project increases. The following table provides direction as to the level of granularity required for the management plans.

Management Plan	Project Complexity and Risk Assessment (PCRA) 1	Project Complexity and Risk Assessment (PCRA) 2	Project Complexity and Risk Assessment (PCRA) 3	Project Complexity and Risk Assessment (PCRA) 4
<b>Project Management Plan (PMP):</b>				
– Option Analysis Phase Plan	☑	☑	☑	☑
– Definition Phase Plan	☑	☑	☑	☑
– Implementation Phase Plan	☑	☑	☑	☑
<a href="#">Change Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Communications Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Cost Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Quality Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Risk Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b> <sup>1</sup>
<a href="#">Requirements Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Schedule Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Stakeholder Management Plan</a>	Included	Included	<b>Separate</b>	<b>Separate</b>
<a href="#">Resources Management Plan</a>	Included	Included	Included	Included
<a href="#">Procurement Management Plan</a>	Included	Included	Included	Included
<a href="#">Performance Management Plan</a>	Included	Included	Included	Included <sup>2</sup>
<a href="#">Scope Management Plan</a>	Included	Included	Included	Included
<a href="#">Benefits Realization Plan</a>	Included	Included	Included	Included

Notes:

<sup>1</sup>Risk Management Plan includes a section on Integrated Schedule/Cost Risk Analysis or Quantitative Risk Analysis

<sup>2</sup>Performance Measurement Plan documents Earned Value Management

### Level 3: Other Subsidiary Management Plans

Another group of subsidiary management plans are produced to support the technical professional disciplines present in a Project Team. Those documents are developed by the functional manager who is responsible for managing that particular aspect of the project. With this approach, it is critical to ensure that the points of integration between each functional discipline identified, and responsibility assigned appropriately.

Although the scope of these management plans will vary depending on the scope of the project, they are identified as:

- System Engineering Plan;
- Integrated Logistic Support Plan; and
- Procurement Plan (sometime referred to as the Procurement Master Plan).

Other management plans can be prepared as required. When planning the structure of the Project Management Plan (PMP), the Project Manager and functional managers should identify overlapping areas in the hierarchy of the project plans, and resolve and “process ownership” or process integration issues as the development of each plan gets underway. The lists of sub-plans provided below provide a number of examples of overlap to be resolved.

When supporting management plans address aspects of the project with a high risk in terms of meeting project objectives, a summary of the management plan should be provided in the main body of the Project Management Plan (PMP) in a way that includes the results of associated risk analysis, and presents the responses that have been built into the plan to address the risks.

There should be a clear distinction made between the supporting management plans generated by the Project Team to govern the work that will be done either by the Project Team or under contract, and the equivalent plans that may be called up for a contractor to produce that governs the contractor’s work. There needs to be a clear flow-down of requirements from the project’s management plans into the contract Statements of Work (SOW) to ensure that management plans generated by the contractor integrated cleanly with the equivalent management plan generated by the project.

#### Systems Engineering Plan (SEP)

The Systems Engineering Plan (SEP) helps projects develop their Systems Engineering (SE) approach, providing a firm and well-documented technical foundation for the acquisition, in-service support and disposal of any defence system. The Systems Engineering Plan (SEP) is created to address [DAOD 3033-0](#) requirements to document technical risk and systems engineering processes needed to deliver an integrated capability. It should be developed as early as possible during the planning stages for a system acquisition or major system overhaul such as a mid-life upgrade. The associated Configuration Management (CM) Plan must be established during the definition phase of the system life cycle and be enforced through each subsequent stage until disposal as per [DAOD 3034-0](#). The Project Manager may choose to write the SEP as a stand-alone plan, or as a sub-plan of the Project Management Plan (PMP).

Development of the SEP is governed by [D-01-010-001/SG-001, Standard for the Preparation of a Systems Engineering Plan](#).

See the [Systems Engineering Management](#) page for further guidance.

### *Integrated Logistic Support (ILS) Plan*

The Integrated Logistic Support (ILS) plan may be a stand-alone plan, or integrated within the System Engineering Plan (SEP). Development of the Integrated Logistic Support (ILS) Plan is governed by [A-LM-505-001/AG-001 Guidance Manual – Integrated Logistics Support](#).

The ILS Plan may include, or reference, a number of sub-plans:

- Maintenance Support Plan \*
- Materiel Supply Plan \*
- Initial Provisioning Plan \*
- Repair and Overhaul Plan \*
- Packaging, Handling, Storage and Transportability Plan \*
- Deployment Plan
- Facilities Plan
- Personnel Requirements Plan
- Training and Training Devices Plan;
- Computer Resources Plan;
- Obsolescence Management Plan ; and
- Others as required.

\* Note that the content for these sub-plans is further detailed in the [Supply Administration Manual \(SAM\)](#).

The SAM also includes chapters on Materiel Identification, Materiel Planning and Forecasting, Procurement and Acquisition of Materiel as well as the management criteria for materiel in differing custodial arrangements.

These requirements must be considered upfront to ensure that the supply chain for the acquisition is established.

### Procurement Plan

The development of the Procurement Plan is governed by the [Procurement Administration Manual](#) (PAM) 3.1 Develop the Procurement Plan.

Other supporting management plans may include:

- Industrial and Technology Benefits Plan, including an Indigenous Benefits Plan (if not included in the Procurement Plan)
- Security Plan (SRCL, SID, TRA and Security Design Brief)
- Certification and Accreditation Plan
- Infrastructure Plan (facilities design, construction and fit-up)
- Others as required

### Operational Project Plans

Each phase Project Management Plan (PMP) should identify where the baseline data contained in the operational project plans resides. At a minimum the following operational project plans need to be identified:

#### Requirements

- Operational: Statement of Operational Requirements (SOR), High Level Mandatory Requirements (HLMR)
- Technical: System Requirement Document (SRD) or other similar document

#### Scope

- Project Work Breakdown Structure (WBS) developed to the work package level

#### Cost

- Cost Breakdown Structure and Financial Inputs

#### Schedule

The project schedule is the plan for executing project work. The schedule details when work will be performed, the duration of that work, dependencies between the work elements, resources, and key milestones. Importantly, the schedule highlights the critical path of the project; that is, the sequence of activities that represents the longest path through a project, which determines the shortest possible duration.

The project schedule is thus one of the most important sub-plans of the Project Management Plan. Overoptimistic, or poorly developed schedules, can lead to delays in the achievement of the initial and final operational capability, loss of trust, erosion of funding, and increased risk. Delays in schedule could also result in capability gaps, the need for costly life extensions, or require the procurement or leasing of an interim capability.

### Risk

- Project Risk Register
- Risk Breakdown Structure (RBS)

### Human resources

- Organizational Chart
- Organizational Breakdown Structure (OBS)

Detailed planning to the work package level (as identified in the Work Breakdown Structure (WBS)) is essential to demonstrate that the Project Manager (PM) has a thorough understanding of the work to be executed to deliver the project in each phase. Each work package is assigned a lead, a functional manager in the Project Team responsible for the work package, who shall endorse the different baselines (in scope, schedule, cost and risk) before starting execution. The different operational project plans are approved by the project authority before starting project execution for the applicable project phase. Information contained in the operational project plans set the baseline to monitor the progress of the project.

### Benefits Realization Plan (BRP)

A Benefits Realization Plan (BRP) must be in place at the time of Project Approval and summarized in the Project Brief and Business Case Analysis. At a minimum, a BRP must contain the following elements:

- A summary of benefits and how they align to departmental and Government of Canada priorities
- Roles and responsibilities for managing benefits.
- Identification of the Project Sponsor as the business owner responsible for the implementation of the BRP after Project closure.
- Information on how benefits will be measured, their metrics, and, if baseline information is not currently available, the date when this information can be expected.
- A schedule which includes a summary of when the planned benefits are expected to be realized.
- Transition activities and dependencies needed to integrate new capabilities into business and operations.
- Risks and issues specific to the realization of benefits.
- Dis-benefits associated with the Project and how they will be mitigated.
- Approval signatures.

Project Teams must use the BRP Template to develop their Plan.

### Format



The level of details required in the Project Management Plan (PMP) to inform the reader will be commensurate to the level of complexity and risk for the project. Two templates are proposed, a 'light' version and a more exhaustive version. As already indicated, the second version will see complete sections being developed in subsidiary management plans produced either as separate documents or integrated as annexes of the Project Management Plan (PMP).

The format of these two templates may be modified at the Level 1 level to address the different project management environments and methodologies to support Information Technology (IT) enabled, Infrastructure, Environmental and Acquired Services projects. Once a Level 1 organization has promulgated a Project Management Plan (PMP) standard, it should be under configuration management.

## Guide – Project Performance Analysis and the Project Performance Management Plan

This guide provides amplification on:

- Performance Analysis;
- Project Performance Management Plan; and
- Project Performance Reporting Schedule.

### 1 Performance Analysis

#### Overview

Managing based on performance is recognized as an essential element of evolving management practices. Nowhere is performance more critical to DND than in the realm of project management. With the portion of DND's annual budget that is allocated annually to executing these projects, there is a fundamental requirement that our projects demonstrate value for money and that projects are assessed regularly based on objective performance information.

The key elements of project performance can be categorized broadly as:

Scope/Reach: these measures assess the extent to which a project remains true to its initial intent, in terms of purpose and scope.

Schedule: these measures assess the extent to which a project remains on schedule to deliver Initial Operational Capability and Full Operational Capability (FOC) according to the plan.

Budget/Expenditure: these measures assess the extent to which the project is remaining within its annual expenditure plan, as well as the overall Expenditure Authority (EA).

Although formal project level performance reports are required (at Senior Review Board (SRB)) at least every 12 months, Project Leaders are responsible for the ongoing management of the performance of their projects. Project performance information may be leveraged more frequently to inform other corporate reporting requirements of senior leadership. Managing to the performance expectations means anticipating risks to the project in terms of their impact on meeting agreed performance standards, and taking appropriate intervening action to manage these risks wherever possible.

*“Project Baseline” as Scope, Cost or Schedule*

Experience has shown that over time Project Teams can lose sight of the Project Baseline. It is important to recognize that the Project Approval (PA) and Expenditure Authority (EA) (TB, MND, ADM (IE) in most cases) approved the Project Baseline in the Corporate Submission. It is accepted that this Project Baseline is high level and there is a certain flexibility before one might have to go back to the approving authority to change the Project Baseline.

To determine the need to return to the approving authority, the Project Leader must consider the impact of the change in scope, schedule or cost on the outcome. The Project Leader must always consider if the deviations being experienced to date (and looking forward) are likely to change the outcome (scope) within the constraints of schedule and cost that were previously authorized by the approving authority. Significant shifts to Project Baseline are defined as follows:

A significant change to scope is a change that would result in a project being unable to deliver on its High Level Mandatory Requirements (HLMR). A significant change to cost is a change to the project that will shift cash profiles to a different Fiscal Year (FY). A significant change to schedule is any change greater than 365 days (regardless of fiscal year).

## 2 Performance Management Plan

*Overview*

The Performance Management Plan (PMP) should be developed at the outset of the project. At a minimum, it must include the following elements:

- A performance measurement framework, which details the performance indicators and associated targets for the three categories (Scope, Cost, Schedule) of performance; and
- A schedule for review of project performance, to serve performance reporting requirements within the Project Team, at Senior Review Boards (SRB).

Earned Value Management (EVM) is a supplementary method that can be used by contractors to measure, report and forecast cost and schedule performance against an agreed upon contracted baseline plan. EVM data provides supplementary information that contributes to periodic project performance assessments. EVM is most appropriate in complex and higher risk projects where there is an associated design and development contract. The Project Manager must consult their Contracting Authority (CA) to determine whether the contract type(s) within a given project are appropriate for EVM. If appropriate, EVM must be included in the Request for Proposal, Project Performance Management plan and contracted in accordance with the National Defense Industrial Association Earned Value Management Systems Intent Guide to the EIA Standard for EVMS (EIA-748).

Further guidance can be found at [Project Performance Management | About Project Management | Project Management | Business Functions | Materiel Group \(mil.ca\)](#).

*The Performance Measurement Framework*

Standard performance indicators should be used for all projects; however, additional indicators may be used if applicable to the project outcomes.

## PROJECT APPROVAL DIRECTIVE (PAD)

The following table summarizes the required performance indicators:

Category	Indicator	Threshold	Frequency	Data Source
Scope / Reach	# changes to project definition	Green: < 1 Yellow: 2 Red: > 2	Annually	Project Files / IPCIA
Time / Schedule	% slippage to the next planned milestone	Green: < 10% Yellow: 10-20% Red: >20%	Quarterly	Project Files / Defence Services Program Portal (DSPP) / Defence Resource Management Information System (DRMIS)
	% slippage of Initial Operational Capability (IOC)/ Full Operational Capability (FOC)	Green: < 10% Yellow: 10-20% Red: >20%	Annually	Project Files / Defence Services Program Portal (DSPP) / Defence Resource Management Information System (DRMIS)
Budget / Expenditure	% Expenditure Authority (EA) spent, committed & forecast	TBD	Annually	Project Files / Defence Services Program Portal (DSPP) / Defence Resource Management Information System (DRMIS)
	# submitted IPCIA requesting additional resources (\$, NP, personnel)	Green: < 0 Yellow: 1 Red: > 1	Annually	Project Files / IP Tracking
	% actual expenditure vs. forecast (plan)	Q2:  Green: 35 – 65% Yellow: <35 or >65% Red: <10% or >90%  Year-End:  Green: >90% Yellow: 80 - 90% Red: < 80%	Semi-Annually	Project Files / Defence Resource Management Information System (DRMIS)

All performance indicators must be tracked not only for the current reporting period, but also for the project to date (i.e. relative to the originally approved Project Baseline). Reporting both sets of statistics enables decision makers to get a sense of not only what are the most recent issues, but also what the impact of all issues has been over the life of the project. To support these performance trends, a brief explanation and/or analysis must be provided.

When changes have been formally approved – by the Project Leader (PL) following appropriate consultation with CFD, C Prog and Chief Financial Officer (CFO) – (changes to scope, cost or schedule) for the purposes of reporting in future periods, these values can be re-baselined to the last approved value. For example, if a milestone is approved to be slipped outward then future assessments of adherence to that milestone can be measured against the new milestone date. See the example below for a more detailed explanation.

- At the beginning of Q1, the next planned approval is set for September 2019
- In April 2019, the milestone is approved to slip to January 2020
- Q1 results (Apr-Jun): report slippage of 4 months
- Q2 results: no slippage (assuming the project approval remains in January 2020)

Staff Note: When reporting project to date statistics, no such re-baselining of values can occur.

### 3 Project Performance Reporting Schedule

Each time a project is brought to Senior Review Board (SRB), the Project Manager (PM) must provide an update on the performance of indicators as detailed in the performance measurement framework. At a minimum, the Project Manager (PM) must present an update to Senior Review Board (SRB) once every 12 months.

Performance updates to Senior Review Board (SRB) should include not only current period performance, but also a trend of past performance, expected future performance where forecasts are available, and a summary of the project performance to date. A brief analysis or explanation of performance is to be provided. In addition, any risks to future performance should be highlighted. The Project Manager (PM) will be expected to speak to the impact of any performance deficiencies or risks. Brief details on each of these items are to be captured in the standard Project Performance template, and circulated to members prior to the Senior Review Board (SRB) meeting.

On a quarterly basis, Project Manager (PM) are to compile an update of the performance indicators (those that have updated values since the last review). These reviews are intended to support Project Team decision making; however, they will also inform the performance update delivered to Senior Review Board (SRB) on an annual basis, as well as updates to senior leadership as requested.

If at or before any of these interim quarterly reviews, a given performance indicator hits a “Red” threshold, an unscheduled performance update must be brought to the next possible Senior Review Board (SRB). Early detection of these performance issues must involve senior level

decision making on whether to accept the performance and its associated risks, or to take corrective action.

## Guide – Risk Management Plan (RMP)

### 1 Overview

The Risk Management Plan (RMP) is a necessary component of the Project Management Plan (PMP) and often, for more complex projects with a large number of external influences (i.e. joint projects with Other Government Departments (OGDs) like Public Services and Procurement Canada (PSPC), Shared Services Canada (SSC), etc.), the Project Brief contains a section describing the high-level risks to DND. These documents form the basis for all project work and describe how the project will be executed, monitored and controlled. As such, they must be completed as early in the project as possible, but no later than during the Options Analysis (OA) Phase. As the project progresses, both will mature and be updated frequently with changes approved by the Project Leader to ensure they remain consistent with overall project objectives.

The Risk Management Plan (RMP), as a minimum, must:

- Show how the Project Team intends to guard against the threats and take advantage of the opportunities revealed by risk analysis;
- Clearly define the roles and responsibilities of key project personnel, the methodology to be followed that is specific to the project including a description of risk categories, definitions of risk probability and impact, along with stakeholders' tolerance levels;
- Articulate how the project plans to address risks to in scope, schedule and cost elements, particularly how the projects intends to track, report, and manage risks;
- Include a description of how the project intends to approach the use of contingency as a risk mitigation tool;
- Describe how the actual risks, including the risk analysis will be revisited as the project unfolds; and
- Detail the events that would trigger higher level project reviews.

### 2 Risk Identification and Analysis

Each project will have its own unique set of risks that may or may not fall into one of the risk categories. Risk identification first involves determining the input or baseline (i.e. scope statement, cost estimates, human resources plan, etc.) from which the uncertainty of future events/outcomes stems. The cause of the risk can then be clearly identified and categorized by type. The output of risk identification is the ability to answer the what, when, where, why, and how something could happen. Answering these key questions allows the project to explore the 'so what' through risk analysis.



### Standards for Risk Likelihood and Impact

The likelihood and impact of each project risk shall be measured. There are two useful techniques when analyzing risks: quantitative and qualitative. It is highly encouraged that projects use quantitative analysis wherever possible.

The quantitative analysis of risks involves conversion of the possible future uncertain events ('what-if' scenarios) and their outcomes into dollars. This creates a common standard that allows comparison between options, and therefore a rational selection process. The process allows managers to assess and compare the potential costs and benefits of various options and to select the best choice. Alternatively, it costs out the consequences of a determined course of action. Further, as the process is clearly documented, it reduces the time required by those reviewing a decision to understand influencing factors.

A qualitative analysis is slightly more subjective and used when the risk involves impact where it is not always possible to quantify the risk outcome solely in monetary terms (i.e. impacts on health and safety, compliance with statutory requirements, etc.). Also, technical performance and operational capability can be difficult to quantify.

This apparent emphasis on dollars should not be construed as advocating that projects would buy their way out of risk situations even if it does suggest that adding money to the project might be one way of reducing risk. Project Teams need to get to the point where all potential mitigation measures have been thoroughly applied and tested and only then might the team propose the use of contingency funding, properly identified as such, to address the aggregate residual risk.

### Risk Aggregation Requirements

Projects will be required to provide:

- Aggregation of cost risks;
- Aggregation of schedule risks;
- Aggregation of scope risks; and
- Aggregation of cost, schedule and scope aggregates to determine overall risk.

When aggregating project risks to determine the overall level, consider the following questions:

- What is the relative impact of the risk compared to the other risks on the project?
- What is the likelihood of the risk occurring?
- When is this risk likely to occur within the project timeline?

### Documentation – Project Brief

The Project Brief shows that the project has carried out risk analysis and it provides a summary of the main risks along with the associated impact posed to the project or the Defence Services Program (DSP). The risk assessment section of the Project Brief shall be written in the style of an executive summary and will have five sections:

- Overall Project Risk Assessment;
- Risks to Cost;
- Risks to Schedule;
- Risks to Scope; and
- Risks to the Defence Services Program (DSP)

Given that the Project Brief is a living document, the assessment should highlight changes (if any) since the previous version of the document. All of the risk categories contained in the Risk Register, including economic, technological, human resources, procurement and environmental shall be incorporated in the Project Brief as applicable.

## 3 Project Risk Register

The Project Team is encouraged to create a Risk Register, to track project risks, in a format best suited to their project. The Risk Register shall, at a minimum, contain the following information:

- Risk Category;
- Risk Title and Description;
- Probability of occurrence;
- Impact on schedule, cost and scope;
- Risk Level;
- Risk Response;
- Action Plan(s); and
- Residual Risk.

The [Defence Enterprise Risk Management Guidelines](#), Annex C provides a sample Risk Register should you wish to adopt that format. Projects may include more information in their registers as appropriate. The following paragraphs will provide guidance with respect to what information should appear under the heading.

### Risk Category

The risk category provides an indication of what factors are influencing the risk. There are many categories and some risks may be influenced by more than one. The primary influencing factor is what needs to be identified. Common risk categories include:

- **Political:** Address issues related to, but not limited to loss of federal political support leading to loss of funding, risks to the commitments made under International Treaties and

adverse audit findings from the Office of the Auditor General (OAG) or failure to honour Canada's commitment to International Treaties such as the 'Ottawa Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction'.

- **Economic:** Address issues related to, but not limited to economic outlook for Canada, market conditions and capacity and capability within Canadian industry.
- **Socio-cultural:** Address issues related to, but not limited to loss of acceptance of CAF missions by Canadians, loss of support by Canadians for Defence, adverse media coverage of the Defence demographic profile of nationally available skilled workforce and competition among Canadian employers for limited skilled national workforce.
- **Technological:** Address issues related to, but not limited to a complete change in technology or introduction of a new technology. Can include:
  - Maturity of technology for capital acquisition;
  - Introduction of cutting edge technology, which can be viewed as both risks and opportunities;
  - Technological obsolescence during the acquisition cycle; and
  - Risks associated to the Information Technology implementation.
- **Environmental:** Addresses issues related to the impact the project will have on the environment as well as the potential effects of the environment on the project. Information from the Environmental Impact Assessment Process (Strategic Environmental Assessment or Project-Level Environmental Impact Assessment) could identify risks related to but not limited to:
  - Air Quality and Emissions;
  - Water Quality and Quantity;
  - Impacts to Ecosystems, Wildlife or Fisheries;
  - Use and disposal of hazardous materiel and/or site contamination;
  - Noise pollution;
  - Conflict with existing or potential land or natural resource uses; and
  - Potential Effects from Climate Change.
- **Legal:** Address issues related to, but not limited to:
  - Changes to the domestic regulatory framework;
  - Stress on the military justice system (e.g. Court Martial);
  - Demands of the civilian justice system and international protocols; and
  - Aboriginal Land Claims.
- **Strategic Management:** Address issues related to, but not limited to alignment with Defence mandates and outcomes or added value of your project to Defence.

- **Procurement:** Address issues related to, but not limited to:
  - Procurement Strategy;
  - Numbers of potential suppliers and willingness;
  - Numbers of contracts and sub-contracts for the Project; and
  - Contract Management.
- **Human Resources:** Address issues related to, but not limited to the availability of personnel with appropriate skills and the staffing of new positions.
- **Business:** Address issues related to, but not limited to non-availability of contracts at the start of the project or delay in receiving proper inputs from the customer or business analyst may lead to business risks.
- **Project Management Integration:** Address issues related to, but not limited to:
  - Project organization and structure;
  - Project Management Plan;
  - Risk Management; and
  - Governance.
- **Project Requirements:** Address issues related to, but not limited to the definition of the Statement of Operational Requirements (SOR) and its implementation.
- **Infrastructure:** Address issues related to, but not limited to improper planning / resourcing / execution of the capability infrastructure for the project may lead to schedule and cost overruns.
- **IT Infrastructure:** Address issues related to, but not limited to improper planning of infrastructure / resources may lead to risks related to slow network connectivity or complete failure of connectivity at the delivery sites.
- **Process:** Address issues related to, but not limited to:
  - Incorrect application of process and deviation from guidelines; and
  - New employees allocated to the project not trained in the correct procedures.
- **Information Security:** Address issues related to, but not limited to the security of information like confidentiality or integrity of customer's personal / business data. The Access rights / privileges failure will lead to leakage of confidential data.
- **Industrial and Physical Security:** Address issues related to, but not limited to, project and and/or program security with regards to contracts, goods, services, construction and leases by:

- Applying the DND/CAF security risk management process and best practices [link to Chapter 3];
  - Organizing, planning and conducting security risk assessments;
  - Accepting risk in accordance with the DND/CAF Security Risk Acceptance Matrix [Chapter 3, Table 3];
  - Identifying strategic and operational level security risks;
  - Reporting any security risks to L1s that are higher than “Medium” which cannot be treated;
  - Reporting to the DGDS all risks accepted at the Significant, high or very high within their organization or when baseline line security measures as determined by the NDSODs cannot be applied;
  - Consulting with the DGDS regarding all risk response actions that involve external agencies;
  - Documenting risk acceptance decisions and treatment actions; and
  - Maintaining a security risk register to monitor the level and treatment status of residual security risks.
- **Project Interdependence:** Address issues related to, but not limited to reliance upon other projects to provide necessary interfaces, deliverables, capability, etc., that affect cost, schedule, resources, achievement of Initial Operational Capability (IOC) or Full Operational Capability (FOC), etc.
  - **Inter-Departmental:** Address issues related to, but not limited to reliance upon other Government departments regarding schedule, capacity, etc.
  - **Inter-Governmental:** Address issues related to, but not limited to reliance upon other governments regarding schedule, cost data, Foreign Military Sales (FMS), Letter of Request (LOR), Letter of Acceptance (LOA), essential information and decisions, etc.
  - **Other:** Any other category, please specify it.

*Risk Title and Description*

The description of the risk should be such that someone not working on the project is able to understand what the risk is.

*Probability of Occurrence*

Indicate the likelihood that the risk will occur using the score information as detailed in Section 4 below.

### Impact on Scope, Cost and Schedule

Provide the impact of the risk on each of the in scope, cost and schedule of the project, using the score information as detailed in Section 4 below.

### Risk Level

Using the probability and impact scores, determine the overall level for each risk, using the Risk Heat Map as detailed in Section 4 below..

### Risk Treatment

Depending on the impact to scope, schedule and cost, the risk may be within the tolerance levels for the project to determine how to deal with the risk. The risk treatment can consist of one of five options:

- **Avoid:** The planned activity, task or project is cancelled thereby eliminating the likelihood that the risk will occur;
- **Transfer:** The risk associated with an activity, task or project is transferred horizontally or escalated to an appropriate level within the organization. Transfer may also include to a third party (often through insurance). Despite transference, the leadership remain fully accountable for the success of the activity, task or project;
- **Accept:** An acceptance or “do nothing” approach may be employed when the effort to mitigate or eliminate the risk is not justified. In this case the strategy is to either develop a contingency plan to execute when the event happens or to do nothing until the risk occurs, and then react to deal with its impact;
- **Mitigate:** Action(s) taken prior to the occurrence of the risk to reduce the likelihood that the risk will occur, or reduce the impact if it does occur, or both. Mitigation is similar to risk avoidance however the action taken has only had a limited effect, it has not eliminated the risk; and
- **Monitor:** This is a valid risk treatment option when there is insufficient risk information. The risk will be monitored on regular basis and risk treatment decision will be made at a future date when there is sufficient clarity and/or when the risk level rises above the tolerance level.

### Action Plan(s)

Provide description of actions to be taken in response to a risk. Must describe what you are going to do and when you are going to do it.

*Residual Risk*

Provides an assessment of the risk remaining after it has been responded to by project team. This assessment should include an assessment of likelihood and impact on cost, scope and/or schedule.

#### 4 DND/CAF Risk Matrix

The following measures of project risk likelihood, risk impact, risk levels, and resulting risk matrix are derived from the [Defence Enterprise Risk Management Guidelines](#), approved by the VCDS. Although the Guidelines outline the method for assessing, addressing, and monitoring enterprise or corporate risks (DND/CAF-level risks), the same measurement methods can be applied to project risk.

*Qualitative Measures of Likelihood*

Each risk is assigned a Likelihood rating, ranging from Rare to Almost Certain. The definitions for each Likelihood rating are listed below.

<b>Likelihood</b>	<b>Definition</b>
5 Almost Certain	Expected to occur in most circumstances
4 Likely	Will probably occur in most circumstances
3 Possible	Could occur at some time
2 Unlikely	Not expected to occur
1 Rare	Occurs in exceptional circumstances only

Figure: Qualitative Measures of Risk Likelihood

*Qualitative Measures of Impact*

Each risk is assigned an Impact rating, ranging from Insignificant to Severe. This table provides guidance on some criteria that may assist organizations with assessing the impact of risks in various categories (e.g. political, environment and legal). While criteria and categories may vary depending on the organization, the application of these guidelines must be consistent.

<b>Impact Rating</b>	<b>Impact</b>
5 Severe	Would stop achievement of functional goals/objectives
4 Major	Would threaten functional goals/objectives
3 Moderate	Necessitates significant adjustment to overall function

## PROJECT APPROVAL DIRECTIVE (PAD)

2 Minor	Would threaten an element of the function
1 Insignificant	Lower consequences/impact that still allow functional goals/objectives to be fully achieved

Figure: Qualitative Measures of Risk Impact



### Risk Level

The combination of Likelihood and Impact for each risk would produce an overall Risk Level from Low to Very High, defined as follows:

#	Risk Level	Definition
VH	Very High	Upward reporting and detailed action plan required
H	High	Detailed action plan required
S	Significant	Needs senior management attention
M	Medium	Specify management responsibility
L	Low	Manage by routine procedure

Figure: Risk Levels

### Risk Heat Map

When displaying impact, likelihood and risk level, a risk heat map is a useful tool. On such a map, the prioritization or ranking of the risks is based on the analysis that was completed to determine the likelihood and impact of the identified risks. The risks are mapped into the following grid to determine the overall threat to the accomplishment of objectives.

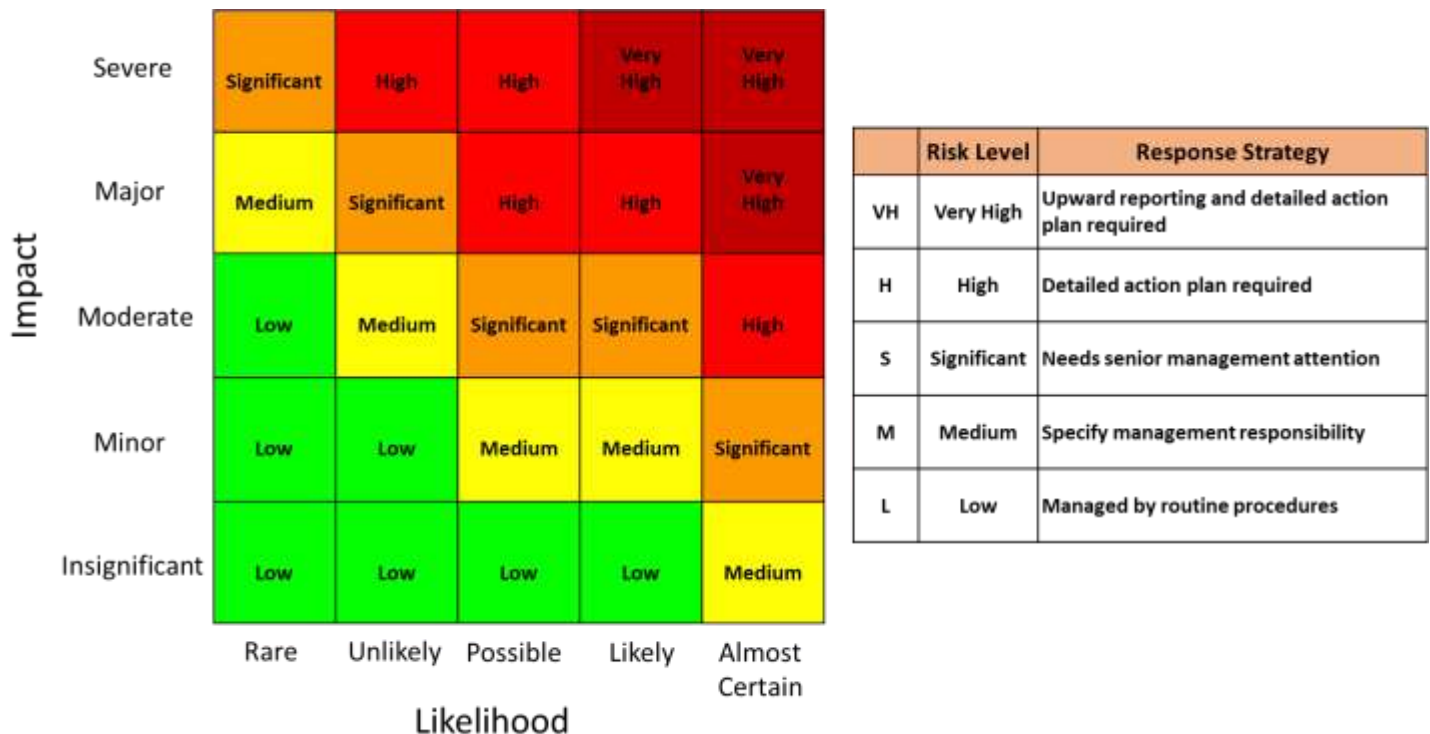


Figure 18: Risk Heat Map

## 5 Risk Tolerance Levels and Reporting Requirements

The level of risk the Project Leader is prepared to accept is known as the risk tolerance level. Relating to projects, there are two sets of risk tolerance levels. There are those that are set by the project leadership for varying project risks which allow them to determine the appropriate risk response and those set by DND for the impact of risks on scope, schedule and cost which detail what is within the Project Leader's area of responsibility and what will need to be referred to the Project Approval (PA) authority.

### Project Risk Tolerance Levels

The Project Leaders and stakeholders may be willing to accept varying degrees of risk depending on the level of uncertainty, rewards that may be gained by taking the risk or available contingency to mitigate the risk. It is the project leadership's responsibility to determine the degree, amount, or volume of risk that the project is willing to withstand. The project should explore various options when determining their tolerance levels; whether they use a certain measure (i.e. time delay, cost) along with a level of uncertainty, the overall risk level (Significant, High, etc.), or the maximum number of risks that the Project Leader believes they can effectively plan for and manage. Once the project leadership decides upon the threshold for the risk tolerance level for risk response planning, the approach shall be documented in the Risk Management Plan.

### Departmental Risk Tolerance Levels

Each project seeking approval for the Definition or Implementation Phase includes a baseline for scope, schedule and cost as part of the submission process. The project approving authority (TB, MND or other) approved these baselines and the project is expected to adhere to them. That being said, latitude exists and there is some flexibility before a project must return to the approving authority to request an adjustment to the baseline.

Relating to risk, the Project Team needs to determine if the impact of a certain risk will alter the scope, schedule, and cost from that which the approving authority agreed to. The Departmental and Government of Canada risk tolerance levels for changes to cost are very low and well defined. However, the in scope, schedule and cost risk tolerance levels are somewhat open to interpretation and depend highly on the risk attitude of the organization.

The following table provides the approved DND risk tolerance levels for the impact of a risk on the scope, schedule and cost baselines for major projects. Minor Projects within the authority of Level 1s are subject to risk tolerance levels established by that Level 1.

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	Impact Scales of Risk on Project Baseline		
Project Baseline	Low	Medium	High
Scope*	Scope decrease barely noticeable, no impact on effectiveness	Minor areas of scope affected, overall objectives still being achieved	Major decreases in scope, marginal, or worse, effectiveness
Schedule**	0–6 month delay to <b>Initial Operational Capability (IOC)</b> or <b>Full Operational Capability (FOC)</b> milestone date	6–12 month delay to <b>Initial Operational Capability (IOC)</b> or <b>Full Operational Capability (FOC)</b> milestone date	12+ month delay to <b>Initial Operational Capability (IOC)</b> or <b>Full Operational Capability (FOC)</b> milestone date
Cost	Insignificant cost increase, mitigated with or without the use of contingency	Requires use of all remaining contingency	Cost increases beyond the capacity of contingency to mitigate must follow the Investment Plan Change Management Process
Level of Referral for Risk Response	Project Leader through <b>Senior Review Board (SRB)</b>	Project Leader through <b>Senior Review Board (SRB)</b>	<b>Project Approval (PA)</b> Authority if required as determined by Programme Management Board

\* These levels apply only to decreases in scope to remain within approved baselines for cost and schedule. Any increase in scope requires an endorsement from the CFD and potentially a submission to the Project Approval (PA) Authority.

\*\*Milestones are approved when Project Approval (PA) is granted. They are not changed, unless there is a new Project Approval (PA) (i.e. milestones are set at Project Approval for Definition (PA (Def)) and can be reset at Project Approval for Implementation (PA (Imp))). The Project Leader, through the Senior Review Board (SRB), does not approve a change in a milestone. This table is not an approval matrix. It is a risk tolerance matrix. It needs to be read in conjunction with the following paragraph. The Project Leader, through the Senior Review Board (SRB), can note the fact of the possible change in date and accept the risk, unless the change is so high that the risk must be elevated to the Programme Management Board (PMB) to determine the risk response.

### Reporting Requirements based on risk level

Once a risk has been identified, analyzed and the impact determined, the risk may be avoided, accepted, mitigated, or monitored if it is within project and departmental tolerance levels. However, if it is outside tolerance levels or there is too much uncertainty surrounding the risk, it must be transferred/escalated to higher authority to determine the appropriate risk response. Any project, in Definition or Implementation, that determines a risk to have an overall risk level of High, must be escalated to the Programme Management Board (PMB) to determine the

appropriate risk response. Risk responses for risks below that level are at the discretion of the Project Leader.

## Guide – Standard Project Closeout Process

### 1 Objective

To undertake an orderly closing-out of the processes that were put in place to deliver the capability, ensuring that lessons learned have been duly recorded in the Defence Lessons Learned System (DLLS) and shared, that all current liabilities have been paid, and that remaining resources are released for reassignment within six months of the declaration of Full Operational Capability (FOC).

The achievement of Full Operational Capability (FOC) is the trigger to close a capital project and departmental policy requires the Standard Project Close process to occur within six months of the date of Full Operational Capability (FOC).

The achievement of Full Operational Capability (FOC) is approved by the Project Sponsor and is typically endorsed by the Senior Review Board (SRB). The final SRB for a project is the “Closeout” Senior Review Board (SRB) which endorses the Project Closure Report. Projects in the Close-Out phase of the Project Approval Process are required to convene an annual SRB until such time as the Project Close-Out report has been endorsed.

### 2 Key Steps

The steps described below are a guide to the tasks to be undertaken to achieve a Standard Project Close.

#### Step 1: Confirm that Full Operational Capability (FOC) has been achieved and certified

- See [Full Operational Capability Certificate](#) for further details.

#### Step 2: Reallocate Project Management Personnel Requirements (PMPR) positions

- Military Project Management Personnel Requirements (PMPR) positions are valuable assets. As soon as the required project work has been completed, the Project Manager (PM) will return these positions for reallocation to other projects.
- Civilian Project Management Personnel Requirements (PMPR) are moved to another Project Management Personnel Requirements (PMPR) or Full Time Equivalent (FTE) position.

#### Step 3: Reallocate or dispose of Project Management Office (PMO) equipment

- The Procurement Officer (PO) will ensure all loaned Government Furnished Equipment (GFE), excess Government Supplied Materiel (GSM) and Government Furnished Information (GFI) that was acquired for the Project Management Office (PMO) have either been returned In-Serviceable condition or disposed of, as applicable.

- The Procurement Officer (PO) will ensure that all the terms and conditions stipulated in the loan agreement concerning the return of the loan are respected and actioned. If equipment was acquired under lease, the leases must be terminated or transferred if the equipment is to be used by the Equipment Management Team (EMT)
- Note: The DND Loan Policy Authority is Directorate of Disposal, Sales, Artefacts and Loans (DDSAL)

Step 4: Complete the turnover of in-service responsibility

- A project cannot be closed until the in-service responsibility is turned over to the Equipment Management Team (EMT) leader in the appropriate Equipment Programme Management (EPM). If the Equipment Management Team (EMT) organization is insufficient to handle the work of the in-service management of the new capability, it is the responsibility of the project to initiate changes to the Equipment Management Team (EMT) organization early in the life of the project. Review the Responsibility Handover Plan and confirm that all of the activities described in “[EMT Handover](#)” have been completed. Once the turnover has been completed, prepare the “Handover Certificate” with supporting Equipment Management Team (EMT) Responsibility Handover Checklist, which is co-signed by the Project Manager (PM) and Equipment Management Team (EMT) Manager. The scope of the checklist will vary from project to project, should initially be developed as part of the Responsibility Handover Plan, and updated as the Implementation Phase of the project unfolds. The signing of the Handover Certificate marks the formal handover of management responsibility for the in-service management of the equipment and support system.
- Note: The Project Manager (PM) and the Equipment Management Team (EMT) Leader, may be the same person. However, it is important, for accuracy and historical purposes that the activities described in “EMT Handover” are done and the “Handover Certificate” with supporting checklist is prepared.

Step 5: Return accountable items held by the project to the Supporting Supply Facility

- Any borrowed, accountable items held by the project office, DND units or other Government agencies must be returned to the Supporting Supply Facility in accordance with A-LM-007-100/AG-001 Supply Administration Manual (SAM).

Step 6: Arrange for the management and/or disposal of crown owned production tooling, test equipment and controlled goods

- Make arrangements for the in-service management or disposal of Crown owned production tooling, test equipment and materiel. See “[Materiel Group Instruction \(MGI\) 8-9 – DND Policy – Control of Special Production Tooling/Special Test Equipment](#)” and “[Materiel Management Instruction \(MMI\) 1400 Management of Special Production Tooling and Special Test Equipment](#)” for guidance in this area

- The directives for Controlled Goods have been incorporated in the [Supply Administration Manual](#) A-LM-007-100/AG-001

*Step 7: Handover the Intellectual Property Responsibility to the EMT*

Confirm all Intellectual Property (IP) rights are delivered and/or returned:

- Review the Intellectual Property (IP) terms in all contracts to ensure that they are satisfied
- Ensure DND is in possession of all Intellectual Property (IP) rights that DND has purchased throughout the project:
  - Did the contractor(s) disclose all the Background and Foreground Intellectual Property (IP) under the contract(s)?
  - Were technical documents sent to the Directorate Supply Chain Operations (DSCO) so that they can be appropriately coded and/or marked?
  - If rights to the source codes were purchased, did DND receive the source codes?
  - Were DND Background Intellectual Property (IP) returned, if required under contracts?

Confirm all Intellectual Property (IP) rights are tracked:

- Was an inventory of all Intellectual Property (IP) rights kept?
- Did the inventory include essential data such as the licensed rights to DND, the terms of the licenses, and name of the owners? Refer to the [Intellectual Property \(IP\) inventory template](#) and [example](#) for guidance

Confirm whether there are additional Intellectual Property (IP) rights that are required for the in-service phase

- Does DND have all the necessary Intellectual Property (IP) rights to conduct in-service? Were all the Intellectual Property (IP) items identified in the Concept of Support (COS) document satisfied
- Prepare a project Intellectual Property (IP) portfolio for handover to the Equipment Management Team (EMT). The portfolio should include two main elements
- An inventory of all Intellectual Property (IP) rights and related documentation (such as copy of license agreements). This is essential to enable the Equipment Management Team (EMT) to further manage the Intellectual Property (IP) rights

- As required, update the Intellectual Property (IP) plan. The Intellectual Property (IP) plan is based on the Concept of Support (COS). Ensure that all the Intellectual Property (IP) requirements in the Concept of Support (COS) are satisfied. If additional Intellectual Property (IP) rights are required, the updated plan should address how they will be acquired

Hand over the Intellectual Property (IP) portfolio to the Equipment Management Team (EMT).

Step 8: Ensure all project work has been completed

- The Project Manager (PM), in consultation with the project resource assigned responsibility for each element of project work:
  - Reviews the Implementation Phase work breakdown structure (WBS) to verify that work associated with the lowest levels of the work breakdown structure (WBS) (work package level) has been completed
  - Reviews the Implementation Phase schedule to verify that each activity has been completed
- For each contract that is not yet closed, the Procurement Officer and Technical Authority (TA) review the contract status to ensure that all goods and services have been received and accepted in accordance with the contract, and applicable receipting processes have been followed.

Step 9: Ensure all contracts and Procurement Instruments are closed

- The project Procurement Officer closes contracts after acceptance of deliverables and ensures files are prepared for archiving with main project files. This is done in accordance with direction in the [Procurement Administration Manual \(PAM\) 6.0 – Close Procurement](#).

Step 10: Ensure all project documentation has been archived

- Archive remaining project documentation.
- Information on Records Management is maintained on the Information Management (IM) Group [Records Management](#) site. This site includes links to Records Disposition Instructions and Records Management Services National Capital Region (NCR), who can provide further information on the archiving of project documentation.
- The Project Manager (PM) will ensure that information concerning the administration and protection of controlled goods are transferred for use by the Equipment Management Team (EMT) during the lifecycle of these items



- Ensure procurement files are archived with technical and project files
- There will be a shipping cost for archiving large quantities of documents. Ensure you do not Closeout your Defence Resource Management Information System (DRMIS) accounts before this cost has been paid
- Post the Project Completion Report (PCR) on the [Defence Services Program Portal \(DSPP\)](#)

*Step 11: Reconcile Defence Resource Management Information System (DRMIS) and release unused project funds*

Actions to be taken in Defence Resource Management Information System (DRMIS)

- The Procurement Officer (PO) will
  - ensure that all payments have been processed
  - ensure that all final holdbacks have been released, if applicable
  - reduce all open commitments, pre-commitments and funds reservations to expenditure level and set them to complete in the system
  - reconcile any outstanding Payable at Year-end (PAYE)
  - ensure that reconciliation between commitments and contracts are completed and documented (e.g. foreign exchange variances, contract escalation)
  - adjust the cost plan in Defence Resource Management Information System (DRMIS) to reflect final project expenditures
- The EMT Leader/Project Manager (PM) will
  - verify that all linked Plant Maintenance orders have been closed
  - verify if all activities and milestones have been confirmed
- If time reporting is being used, the EMT Leader will do a “last call” for timesheets and verify that all time has been reported in Defence Resource Management Information System (DRMIS) Cross Application Timesheets (CATS)

Release of unused project funds

- The Procurement Officer (PO) will initiate actions to release unused project funds. Contact your comptroller to arrange with the applicable Funds Centre Budget

Coordinator for the transfer of unused payment budget to the appropriate higher level Fund Centre.

Work in progress (WIP) reconciliation/settlement

- The Procurement Officer (PO) will engage Divisional Comptroller Asset Accounting Officer (DCAAO) to complete the following:
  - Ensure that a final settlement is run and verify that all cost collectors have zero balance
  - After the month end Fixed Asset postings from source systems have been received and completed in DRMIS reconcile the Work in progress (WIP) account balance, to the penny, for the capital cost of the project
  - Investigate and correct any discrepancies when there is a difference in the General Ledger Account Balances within Defence Resource Management Information System (DRMIS) related to Capital assets
  - Enters any credit adjustment for Work in progress (WIP) Reconciliation in Defence Resource Management Information System (DRMIS)

Step 12: Update the Project Brief to reflect the completed state of the project.

- The Project Brief is a living document that is maintained in a current state throughout the life of the project, such that it is available for presenting both project history and current facts to senior management at any time. As such, the Project Manager (PM) updates the Project Brief to reflect the completed state of the project. The final version of the Project Brief is approved by the Project Leader.

Step 13: Ensure that Lessons Learned have been captured

- Ensure that Lessons Learned have been entered into the Defence Lessons Learned System (DLLS). Key Lessons Learned are summarized in the Project Completion Report.

Step 14: Finalize the Project Completion Report (PCR)

The Project Manager (PM) prepares the Project Completion Report (PCR) which is a mandatory project document. See the Project Completion Report for further details.

Step 15: Update Milestones and Project State in Defence Resource Management Information System (DRMIS)

- Ensure that Lessons Learned have been entered into the Defence Lessons Learned System (DLLS); the key lessons learned are summarized in the Project Completion Report and uploaded to the Defence Services Program Portal (DSPP)..

*Step 16: Prepare the Project Closeout Checklist (PCOC)*

- The Project Manager (PM) prepares the Project Closeout Checklist (PCOC), which is a mandatory project document. See Project Closeout Checklist for further details.

*Step 17: Staff and distribute the Notice of Project Closure*

- Once these steps have been completed, the Project Manager (PM) staffs a Notice of Project Closure – Project Completion memorandum/letter for signature of the Project Leader as official notification to the original Project Approval (PA) authority and key departmental stakeholders that the project is complete.

## **Guide – Effective Project Closeout (EPC) Plan**

The Effective Project Closeout (EPC) Plan is a detailed plan for the completion of any outstanding project work that must be finished after the declaration of an Effective Project Close. The responsibility for the completion of this work is normally assigned to the Equipment Management Team (EMT).

The Effective Project Closeout (EPC) Plan:

- Describes the scope of the outstanding work that has been approved by the Senior Review Board (SRB) for completion following the declaration of an Effective Project Close, and the strategies associated with the completion of the work
- Provides the schedule for completing the work
- Identifies any transitions related to changes in the appointments Project Leader and Project Manager
- Identifies the Organization(s)/office of primary interest (OPI)(s) responsible for the completion of the work
- Establishes the cost plan and budget that has been allocated to complete the work
- Details any contracts that have been established to complete the work
- Provides progress status on the completion of the outstanding work
- Identifies any issues and potential contingent liabilities
- Describes the outstanding administrative closure activities that must be completed
- Describes the planned application of Defence Resource Management Information System (DRMIS) project status codes to applicable Work Breakdown Structure (WBS) elements to support the work to be undertaken
- Describes the results of risk identification, risk analysis and risk response planning activities associated with the outstanding work

The Effective Project Closeout (EPC) Plan should briefly describe the intent for continued use, modification, or abandonment of the project management process described in the Project Management Plan (PMP). Alternatively, if the Effective Project Closeout (EPC) Plan is considered to be a “Stand-alone” plan, divorced from the Project Management Plan (PMP), then the project management processes to be applied should be described, or where existing, common processes within the organization can be referenced.

## Guide – Minor Projects

### 1 Minor Project Initiation

The requirements for a Minor Project generally come from the:

- Operational community: Ideas for projects submitted from the operational community almost always reflect an existing or perceived operational deficiency. The source information from the operational community usually comes in the form of a Statement of Capability Deficiency (SOCD);
- DND Business Support Community: Ideas for projects submitted from the support community almost always reflect a deficiency rising from either a technological or economic obsolescence; or
- Concept Driven Threat Informed Planning (CDTIP): During the course of developing DND's capability posture, the need for new investments will be identified.

The Minor Project Template is available at : [Minor Project Template](#).

### 2 Project Team

At a minimum, the Project Team for a minor project over \$2.5M will include a:

- Project Leader: normally comes from the sponsoring organization since the projects are relatively straight forward and funded by the Project Sponsor.
- Project Director: normally comes from the sponsoring organization since the projects are relatively straight forward and funded by the Project Sponsor.
- Project Manager: may be from a wing, base or outside organization such as Defence Research and Development Canada (DRDC). For ADM (IE) Minor Projects, the Project Manager can be from Defence Construction Canada (DCC), but must have a DND/CAF Project Manager's supervision as DCC does not have access to IERIS.
- Procurement Officer: may be from a wing, base or outside organization such as Defence Research and Development Canada (DRDC).

### 3 Minor Project Phases

Minor projects do not normally span longer than two or three years from beginning to end and typically follow the same Project Approval Process (PAP) Phases as major projects. However, the PAP Phases may be abbreviated or combined depending on the complexity and risks associated with the minor project. For example, it is not uncommon for Definition Phase work to

be completed during the Options Analysis (OA) Phase. Project Management principles outlined in the PAD should be adhered to for minor projects.

In support of the PAP Phases, the following key activities must be completed:

- Identification, Options Analysis, and/or Definition Phase activities as required, including allocation of funds;
- Obtain Project Approval (PA) and Expenditure Authority (EA) to commence Implementation Phase activities; and
- Closeout the minor project.

### Identification, OA and Definition Phase Overview

The output of a minor project during these Phases is as follows:

- Identification of the deficiency or requirement;
- Identification of recommended option(s) and selection of preferred option;
- Identification of the funding source (Vote 1 or Vote 5);
- Identification of the procurement strategy;
- Detailed costing; and
- Development of the Minor Project template.

Level 1 Managers must ensure that higher risk minor projects have an appropriate level of oversight and that due diligence is used in the approval process to ensure success of these projects. This should include appropriate Identification, Options Analysis (OA), and Definition Phase(s) to identify the operational requirements, ascertain the substantive cost and develop the Project Management Plan (PMP) for the Implementation Phase.

The level of effort during Options Analysis must be commensurate with the complexity of the project. Any cross impacts (with other Groups, with other programs such as National Procurement (NP) or infrastructure impact for building, adapting, or maintaining supporting infrastructure) must be identified and all stakeholders must sign-off on the project and recurring in-service support costs. Normally cross impacts are expected to be negligible and therefore Project Teams would submit Project Approval (PA) requests without having produced extensive Options Analysis (OA) or Definition Phase documentation. However, more complex minor projects may require more extensive Options Analysis (OA) and some Definition Phase work. In these cases all documentation required to move to Implementation must be in place prior to Project Approval (PA). This may include a Statement of Operational Requirements (SOR) to provide the Project Manager with the appropriate information to produce a Statement of Work that meets the operational need.

### Cost Estimates and Cost Validation

Cost estimates are critical to Minor Projects since they typically move straight to Implementation once they are approved. Therefore, Minor Projects Template must include a substantive cost estimate.

For minor projects under \$2.5M, it may not be of value to attempt to integrate full up costs into project estimates given that many of these costs are already planned and integrated into the Project Sponsor organization's business planning process (e.g. personnel costs and indirect costs).

Cost validation is more like a staff check rather than a full investigation and "Programme" approval is granted by C Prog after the funding source has been agreed. This approval is given to the programme. For instance, the L501 funds are assigned to the Royal Canadian Air Force (RCAF) for the Royal Canadian Air Force (RCAF) Minor Projects programme and approval is inherent to the Royal Canadian Air Force (RCAF) through this funding source.

### Funding Source

Prior to seeking Project Approval (PA) and Expenditure Authority (EA), a funding source and type (Vote 1 or Vote 5) must be identified. Each Level 1 or department is responsible to develop a process for prioritizing and allocating funds to new projects and existing multi-year projects. At a minimum, the process must include:

- Identification of the funding source for minor projects; and
- Prioritization of both new and existing minor projects.

Vote 1 funding comes from the Business Planning cycle and is a Level 1 responsibility. Vote 5 funding comes from the appropriate Vote 5 budget. Each Level 1 and Implementers have their respective Vote 5 allocation. The process for allocating funding to minor projects is at the discretion of each Level 1. Each Level 1 must document their process for approving and allocating funds to minor projects in the Identification (ID), Options Analysis (OA) and Definition Phases.

### Project Risk

The Treasury Board Standard for Project Complexity and Risk requires that all projects with a total estimated cost exceeding \$2.5M, including all applicable taxes complete a Project Complexity and Risk Assessment (PCRA). As a result of the approval of DND's Organizational Project Management Capacity Assessment (OPMCA), the value above which DND is required to complete a Project Complexity and Risk Assessment (PCRA) has been increased to \$10M.

A Project Complexity and Risk Assessment (PCRA) is not required for minor projects. Instead, individual Project Leaders shall evaluate and monitor the risk and complexity of their respective projects to ensure that: projects are accurately assessed to determine their levels of risk and complexity for the purposes of Project Approval (PA) and expenditure, and that projects are managed in a manner that is consistent with the assessed level of complexity and risk.

### Obtain Project Approval (PA) and Expenditure Authority (EA) for Implementation

The minimum requirement for minor projects over \$2.5M is a completed Minor Project Template with the appropriate signatures on the sign-off page. The Minor Project template is a very streamlined Business Case Analysis (BCA) that provides the approving authority with the appropriate level of detail to grant Project Approval (PA) and Expenditure Authority (EA) for the minor project. It is critical that all Phases of the project be completed with enough detail and analysis to mitigate any risks.

The Minor Project Template is mandatory for minor projects over \$2.5M in order to obtain Project Approval (PA) and Expenditure Authority (EA). The following considerations should be taken into account when filling out the Minor Project Template:

- Synopsis of the proposal;
- Cost and source of funds;
- Program Inventory alignment;
- Project Description and Background;
- Project Status;
- Project Interdependencies;
- Environmental Assessment;
- Risk Assessment;
- Indigenous Procurement Assessment;
- Gender Based Analysis Plus (GBA+) Assessment;
- Security Assessment;
- IM/IT Assessment;
- Infrastructure Assessment;
- Cash flow;
- Personnel, Operation and Maintenance Costs;
- Project Schedule; and
- Procurement Strategy.

For Project Approval (PA) and Expenditure Authority (EA), minor projects do NOT require:

- A Minor Project Template (if the minor project is below \$2.5M (see note 1)
- A formal Cost Report (CR)
- A Project Complexity and Risk Assessment (PCRA)
- A Statement of Operational Requirements (SOR) (see note 2)
- A Project Brief
- A dedicated Senior Review Board (SRB) (see Note 3)
- An Independent Review Panel on Defence Acquisition (IRPDA) engagement

Note 1:

Each Level 1 is responsible to ensure that due diligence in the oversight of minor projects is being taken. For minor projects valued at less than the L1 Expenditure limit, Level 1s and designated project authorities shall determine the appropriate approach and approval. Additional processes or direction will be documented by the individual Level 1 Managers, as required.



For instance minor projects under \$2.5M, such as recapitalization of vehicles, maintenance and repair infrastructure projects, IM/IT Recap procurement of miscellaneous equipment for wings or bases, low risk UXO and environmental projects do not require a Minor Project Template or a Project Closeout Checklist. Minor projects must still obtain Project Approval (PA) and Expenditure Authority (EA) and be closed in DRMIS within three months of the procurement. For the purposes of minor projects (including IM/IT) expenditures, Commanders of the Commands and DOS SJS are considered to be Level 1s.

### Note 2:

While a Statement of Operational Requirements (SOR) is optional for minor projects, a Project Leader may direct a Project Team to produce one, as required. For ADM (IE) minor projects, if a Statement of Operational Requirements (SOR) is not produced, then at a minimum, a Statement of Work (SOW) describing the scope of work must be generated.

### Note 3:

While a Senior Review Board (SRB) is not mandatory, for more complex minor projects, Project Teams are highly encouraged to consider annual SRBs as part of their governance.

### Note 4:

ADM(IE) must be contacted for any projects requiring change, upgrade, expansion, or construction of a new facility. ADM(IE) must be a signatory to the L1 minor project to ensure infrastructure requirements have been validated, funded and will be executed and overall impact to the Real Property portfolio considered.

### Vote 5 Minor Project (Capital Project)

A Minor Project is a project small enough and straightforward enough that specific capital (i.e. Vote 5) Expenditure Authority (EA) has been delegated by MND down into the Department to DM, ADM (Mat), ADM (IE) and Level 1 Executives generally. This is in fact the only remaining investment category that is defined by an Expenditure Authority (EA) limit. This means that minor projects will not normally pass through the Programme Management Board (PMB) chain. However, there is a requirement for Level 1 Executives to report to the Programme Management Board (PMB) on an annual basis to provide an update on their Minor Projects to ensure due diligence and reporting to maintain the integrity of the Defence Services Program (DSP).

For the purpose of a Minor Project, the Expenditure Authority (EA) limits include contingency, as well as all applicable taxes.

### Exceeding the Project Approval (PA) or Expenditure Authority (EA) Limit

If Minor Project costs escalate and are likely to exceed the available contingency, the Project Leader has three options as follows:

- De-scope the project;
- Cancel the project; or
- Seek additional funding as follows.

If the Minor Project will exceed Project Approval (PA) but not the departmental Expenditure Authority (EA), then the project must seek project funding increase from the Expenditure Authority (EA);

If the Minor Project will exceed the departmental Expenditure Authority (EA) limit then Expenditure Authority (EA) must be obtained from MND.

If a funding increase is not approved by the departmental Expenditure Authority (EA) or the MND, then the Project Leader must ensure all expenditures are within the approved limit by either de-scoping or cancelling the project.

### Governance

Level 1 Executives must provide Programme Management Board (PMB) with an update on how their Vote 5 allocation was spent each FY. These presentation will be yearly or at intervals determined by Programme Management Board (PMB).

### Delegation of Authorities

To determine their organization's Project Expenditure Approval authority Project Teams should consult the [Delegation of Authorities \(DoA\) for Financial Administration for DND and the CAF](#) and specifically the [DoA Matrix](#).

## Project Closeout

A single page project completion letter would suffice for most Minor projects. It must include a comparison between the approved project scope, schedule and cost and the delivered project scope, schedule and cost with an explanation of any variances. It also must attest to the capitalization of the goods (if required) and closure of the project in Defence Resource Management Information System (DRMIS). Lessons Learned should be inputted into the Defence Lessons Learned System (DLS).

The project Closeout letter must be produced and signed by the Project Manager. It is sent to the Project Leader and Fund Manager for the project. The Project Closeout letter must be uploaded to Defence Resource Management Information System (DRMIS).

**Guide – Defense Capability Infrastructure (DC Infra)****1 Integrating Infrastructure***Purpose*

This guide highlights, complements and regroups direction and guidance found throughout the PAD on planning infrastructure to support capability acquisition and renewal, referred to as Defence Capability Infrastructure (DC Infra). DC Infra Projects are distinct from Infrastructure Construction Projects (ICPs), which are managed as part of the ADM(IE) Capital Construction Program. ADM(IE) has internal approval mechanisms to ensure appropriate oversight and gating are applied to ICPs.

*Background*

The requirement plan infrastructure for new or renewed capability acquisition is influenced by the state of the DND Real Property portfolio and the impact on this portfolio of an infrastructure solution as part of the capability acquisition.

The DND Real Property portfolio is old, in poor condition and declining, increasingly ill-suited for current and future missions of the CAF, and unaffordable. It would take significant effort, time, and money to upgrade the entire portfolio. The DND Real Property Portfolio Strategy addresses some elements, but the strategy is not fully resourced. Therefore, when considering basing a new capability, it cannot be assumed that the current infrastructure will be able to support the new assets, equipment, and personnel. Early planning and the identification of the necessary infrastructure requirements and funding source become critical in the overall capability planning process.

Infrastructure is often a key enabling and/or supporting element of a DND/CAF capability, whether current, renewed, or new. Infrastructure may affect the implementation, Initial Operating Capability (IOC), and/or Final Operating Capability (FOC). It may hamper the capability's optimisation and possibly its full efficiency. Inadequate infrastructure could even endanger operators and assets.

Further, innovative infrastructure solutions to renew and improve the affordability of the Defence portfolio and contribute to the Government of Canada's greening objectives, and partnerships with other federal departments, provincial and municipal services, and the industry take time to develop.

Therefore, it is important to identify infrastructure requirements very early in the Identification (ID) Phase to seek out the optimal solution for the capability and to ensure timely delivery of the required infrastructure.

## 2 Project Identification (ID) Phase

### Overview

The ID Phase is critical to identifying possible infrastructure requirements and integrating them into the wider Defence Real Property Portfolio Strategy. Basing options of the new or renewed capability can be best influenced in this phase. Further, infrastructure considerations are not limited to major construction. They must also include minor retrofits to one or numerous buildings on various bases and wings, minor construction, and opportunities to optimize and consolidate the portfolio.

### Process/Guidance

Initiative Initiation. Sponsor Force Development organizations should be in constant discussion with ADM(IE) to help and support the development of possible basing options for new initiatives. ADM(IE) should be invited/informed of sponsor FD forums. The use of Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, Facilities, Policy, Interoperability (DOTMLPFPI), which is not only a document listing the enabling/supporting elements but it also a guide to the development process, is essential to guide reflection on those enabling/supporting elements, including infrastructure.

Capability Investment Program Plan Review (CIPPR) (Gate 1). Sponsors propose a Rough Order of Magnitude (ROM) figure to CFD to assess the availability of the financial resources to pursue the initiative. The proposal is reviewed/costed by ADM(Fin). Although it may be tempting to keep the value low to obtain the financial support, omitting key elements (such as infrastructure, construction, renovations, adjustments, and life cycle costs) may endanger the financial support obtained at CIPPR and, ultimately, the establishment of the capability. ADM(IE) must be contacted to discuss basing and possible infrastructure solutions and to provide a ROM estimate of related infrastructure costs.

Defence Capability Board 1 (DCB 1) (Gate 2). The critical element of DCB 1 is the Strategic Context Document (SCD) and the High-Level Mandatory Requirements (HLMRs). There may be an infrastructure HLMR. If so, ADM(IE) must have been partner in developing this HLMR and approve the infra HLMR. If there is no infra HLMR, infrastructure requirements assessment must be included in the brief, either under a DOTMLPFPI or under the constraints/restraints of the project documentation. In either case, again ADM(IE) must have been engaged in the infrastructure aspects of the capability project and have reviewed and approved the infrastructure requirements prior to DCB.

### Documentation

For all documentation, ADM(IE) must be contacted to draft/support, verify, and approve the infrastructure content in the various documents prior to the documents being sent to DCB 1.

**DOTMLPFPI.** A skeleton DOTMLPFPI should be initiated to collate infrastructure and other DOTMLPFPI factors that affecting or could affect the introduction and operation of the capability.

High Level Mandatory Requirements (HLMRs)/Constraints/Restrains. Infrastructure requirements and assumptions must be catalogued within project documentation. If housing or basing the capability is essential to the operations of the capability, an infrastructure HLMR must be written. If not, infrastructure requirements and assumptions must be present in the constraints/restraints.

Strategic Context Document (SCD). If infrastructure is part of, or contributes to, the deficiency of the current capability, this must be clearly stated in the SCD.

Infrastructure Options Cost Estimate. When presenting capability options to DCB 1, all options, viable and nonviable, must have an infrastructure assessment completed by ADM(IE), including the status quo option. The status quo infrastructure may be so inadequate that the capability status quo cannot be a viable option. There may be a significant infrastructure cost or challenge associated with some options, rendering them nonviable.

Project Management Plan (PMP) for the Option Analysis (OA) Phase. It is critical that the PMP identifies resources, financial and personnel (PMPRs), for ADM(IE) to support the OA phase, as ADM(IE) does not possess these resources for capability projects.

Benefit Realization Plan (BRP). The capability could also bring benefits to the Real Property portfolio (as well as environment and Indigenous aspects). These benefits must be identified early in the ID phase and incorporated in the capability BRP. ADM(IE) must review and approve the infrastructure, environmental, and Indigenous benefits identified in the plan.

### 3 Option Analysis Phase (OA Phase)

#### Overview

During this phase, capability options are refined, and one is selected to be presented to DCB 2 to be fully developed in the Definition Phase. Sound infrastructure solutions must be devised and adequately costed for the proposed options, as they might be significant in the selection of the preferred capability option. ADM(IE) portfolio planners, infrastructure project development officers, and infrastructure project managers must be involved. An ADM(IE) Project Director will be assigned to lead this effort to support the sponsoring capability project team.

Note that by the end of the OA, the capability infrastructure solution could be far enough defined that its implementation could be initiated prior to the overall project Implementation (Imp) Phase. Building new or major renovations take a long time and must be initiated as soon as sufficient information is available to support development of project approval documentation.

Several preliminary investigations are required prior to building new, expanding, or renovating a facility.

### Process/Guidance

For all documentation, ADM(IE) must be contacted to draft/support, verify, and approve the infrastructure content in the various documents prior to the documents being sent to DCB 2.

1<sup>st</sup> Senior Review Board (SRB). An ADM(IE) representative must be present. This is normally the IE Infra PD that is assigned at ID Phase and/or the IE Portfolio Manager in DGPR.

Infrastructure content of the presentation must be developed by ADM(IE). Documentation for the SRB must be sent to ADM(IE) for review two weeks prior to the meeting.

DCB 2 (Gate 3). The capability infrastructure solutions for all options to be presented at DCB 2, including the preferred option, must be sufficiently defined for ADM(IE) to estimate the costs.

### Documentation

Project Charter. ADM(IE) must be identified as a core member in the charter. The person representing ADM(IE) at SRBs may change over the life of the project to reflect the best interest of ADM(IE) and provide the best support to the project team.

Business Case Analysis (BCA). Capability options identified in the BCA must contain information on the infrastructure requirements, including life cycle costs, second order infrastructure effects, and associated infrastructure divestments.

HLMR. Infrastructure HLMR, if present, must be finalized.

DOTMLPFPI. The infrastructure element must be refined. ADM(IE) must write and approve this infrastructure element of the DOTMLPFPI.

Project Brief. Infrastructure requirements, constraints, and restraints must be part of the project brief. If ADM(IE) has determined there is no infrastructure requirement, the statement must be included in the brief. ADM(IE) must write and approve the infrastructure section in the Project Brief.

Statement of Operational Requirement – Infrastructure (SOR(I)). For the preferred option, a SOR(I) is to be developed by ADM(IE). This document will drive the request for necessary expenditure authority (EA) for the infrastructure work to be undertaken during the capability definition phase. Ideally, there should be one EA for the definition activities, which encompasses both the equipment and infrastructure activities. However, in certain circumstances, infrastructure may require an EA(Def) and an early EA (Imp). If a SOR(I) cannot be fully developed, a preliminary SOR(I) will be developed to further refine the infrastructure costs of the capability. ADM(IE) L1 level must sign off on this document.

Infrastructure Cost Estimates. Cost estimates for all infrastructure solutions supporting the capability options, including the preferred option, must be provided by ADM(IE). Infrastructure sustainment and life cycle costs, in addition to building new or renovating facilities, will (and must) also be identified by ADM(IE).

Project Management Plan (PMP) for Definition (Def). The PMP must identify resources – both financial and personnel (PMPRs) – for ADM(IE) to support the Def phase, as ADM(IE) does not possess these resources.

## 4 Transition from Option Analysis to Definition

### Overview

During this phase, a decision must be taken to include Expenditure Authority (EA) to undertake infrastructure-related work supporting the future capability during the Def Phase. Work that must be initiated could include, but is not limited to: soil analysis, partial design of the infrastructure, land purchase, and land decontamination.

### Process/Guidance

For all documentation, and especially the financial documentation (infrastructure estimates and request for PMPR), ADM(IE) must provide all input and approve the infrastructure content in the various documents prior to the documents being sent to PMB.

Pre-Initial Planning Meeting (Pre-IPM) and Initial Planning Meeting (IPM). ADM(IE) must be invited to both pre-IPM and IPM.

PMB (Gate 4). The project team must provide a pre-brief to ADM(IE), ensuring that infrastructure-related issues are coordinated prior to PMB. EA for Infrastructure must be discussed. Ideally, ADM(IE) is invited when pre-briefing the sponsor as well as other implementer L1s.

Project Approval Submission. Where infrastructure is included in a capability project, ADM(IE) must sign the Project Approval Document at the L1 Level.

## 5 Definition Phase (Def Phase)

### Overview

During this phase, the project team determines how the selected preferred option will be implemented. The work leads to a further refinement of the capability Statement of Operational Requirements (SOR), including confirmation of feasibility and a substantive cost estimate of the proposal.



The infrastructure portion of the capability may be on a different/faster schedule, if the infrastructure requirements have been finalized, to ensure the required facilities are in place by the time equipment, personnel, and training arrive. Expenditure authority (EA) is required with the Project Approval – Definition to initiate infrastructure studies, works, design and possibly early Implementation Authority for construction/renovation/upgrade.

### Process/Guidance

Change in Project Leadership. Once in the Def phase, the Project Leader (PL) changes from the sponsoring organization to the implementing organization. For most capability projects, the PL will be from ADM(Mat). ADM(IE) may assign an infrastructure Deputy PL for capability projects requiring significant infrastructure. The Project Charter must be amended and reflect the roles and responsibilities of this infrastructure Deputy PL.

PMB (Gate 5). The project team must provide a pre-brief to ADM(IE), ensuring that infrastructure related issues are coordinated prior to PMB. When pre-briefing the sponsor and/or the primary implementer, ADM(IE) should also be invited.

Amended Project Approval – Definition (Rev PA (Def)). There could be a need to obtain additional Expenditure Authority (EA) during Def to implement the infrastructure solution, if the authority was not sought at PA (Def) and it is critical that the facilities be delivered ahead of the equipment and personnel arrivals. ADM(IE) will work with the project team to obtain the necessary authority.

### Documentation

SOR(I). The final SOR(I) must be completed by an ADM(IE) Infrastructure PD. The finalized document must be reviewed and approved by ADM(IE) at the L1 Level.

Project Management Plan (PMP) for Implementation (Imp). Resources for ADM(IE), personnel (PMPRs) and activities, must be identified by ADM(IE). ADM(IE) must review and endorse the PMP prior to PMB for PA(Imp).

Benefits Realization Plan. A review of real property, environmental, and Indigenous benefits must be completed by ADM(IE) prior to submission to PMB.

## 6 Implementation Phase (Imp Phase)

### Overview

During this phase, equipment is delivered, personnel arrive at the new location, and training takes place. The infrastructure or temporary facilities must be ready ahead of those activities.

The infrastructure solution is finalized and delivered. ADM(IE) will plan with the L1 when users may occupy/use the facility, corresponding to the facility Interim Operating Capability



(IOC). Full Operating Capability (FOC) for infrastructure is achieved when known/identified deficiencies are corrected.

### Process/Guidance

Progress Monitoring and Coordination. For a successful capability delivery, all elements of the capability must be delivered on time, on budget, and coordinated. SRBs are meant to provide project updates. There may be a requirement for a closer delivery coordination between the lead implementer, the sponsor, and ADM(IE) dependent on the magnitude/complexity of the infrastructure requirements.

## 7 Project Closeout

### Overview

Project Closeout is the formal notification and process that project objectives have been delivered in accordance with the scope, conditions, and limitations defined in the Project Brief, and liabilities have been paid.

The Closeout for the capability infrastructure project(s), although similar in process, may take longer to achieve because of warranties of elements of the facilities and settlement of outstanding claims. ADM(IE) will provide the Project Team with the necessary support and information. Project Completion Report (PCR) may be delayed while the infrastructure closeout is finalized.

### Documentation

Project Completion Report (PCR). When an infrastructure component was part of the capability, ADM (IE) will provide the Project Team with the required details for inclusion in the final Project Completion Report (PCR).

## Guide – Estimated Life Expectancy (ELE) - Change Request

### 1 Initiation

The requirement for an Estimated Life Expectancy (ELE) Change Request to sustain, or divest, a current capability is determined by the degree to which a capability's deficiency can be addressed by an affordable investment in the capability that also demonstrates value. Typically, it is the business owner or operational authority, as the Request Sponsor, who initiates the ELE - Change Request.

It must be noted that an ELE - Change Request is not a “stand alone” action. Any request must be assessed against the Defence Services Program (DSP), and, for this reason, Chief of Force Development (CFD) must be engaged as early as possible. DCB needs to agree that the capability provided by the ELE - Change Request is indeed required for the additional period of time.

### 2 Documentation

Documentation supporting the ELE Change Request is accessed by contacting [Director Defence Programme Coordination \(DDPC\)](#) in Chief of Programme (VCDS).

Like any other Project, the Request will include other Project documentation required in the Project Approval Process Phases.

### 3 Completing the ELE - Change Request

Although the Project Sponsor is responsible for completing supporting documentation, they must consult with and obtain approval from the appropriate sponsoring organization in Assistant Deputy Minister (Materiel). These organizations are:

- Director General Aerospace Equipment Program Management (DGAEPM)
- Director General Land Equipment Program Management (DGLPEM)
- Director General Maritime Equipment Program Management (DGMEPM)

In addition, the Project Sponsor must consult with:

- Director Cost Estimate Delivery (DCED) in Assistant Deputy Minister (Finance);
- Director Materiel Group Comptrollership (DMG Compt) in Assistant Deputy Minister (Materiel);
- Assistant Deputy Minister (Infrastructure and Environment);
- Assistant Deputy Minister (Information Management);
- Director Capability Integration (DCI) in Chief of Force Development (CFD); and
- Director Defence Programme Coordination (DDPC) in Chief of Programme (CProg).

*DCED*

DCED analysts will provide guidance and direction on the Cost Estimating Requirements as contained in the [Cost Estimating Requirements: Pre-IPM Checklist](#).

*DCI and DDPC*

DCI and DDPC analysts will review ELE - Change Requests along with other supporting Project documentation.

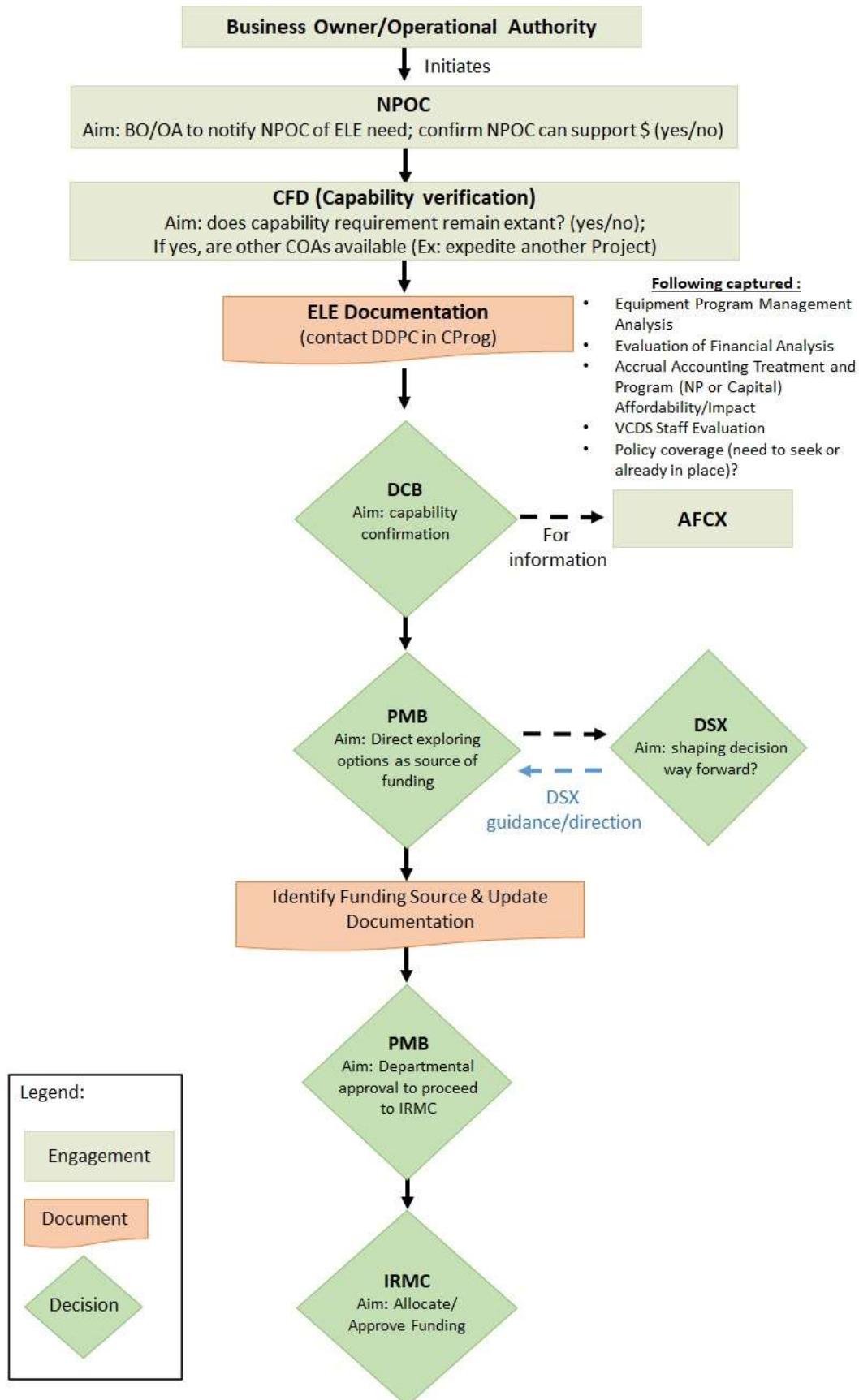
*ADM (IE) and ADM (IM)*

ADM (IE) and ADM (IM) analysts will review will provide direction respectively on Defence Capability Infrastructure (DC Infra) and Information Management investments.

## 4 Governance

The ELE – Change Request will follow the process in the flow chart below.

## PROJECT APPROVAL DIRECTIVE (PAD)



## Guide – Capital Investment Fund Change Management (CIFCM) Process

### 1 Initiation

This guide establishes a formal Capital Investment Fund Change Management process. It is developed and implemented jointly by the Chief Financial Officer (CFO)/Assistant Deputy Minister (Finance (ADM(Fin))) and the Vice Chief of Defence Staff (VCDS). The aim of the Capital Investment Fund Change Management Process is to ensure long-term affordability and sustainability of the Capital Investment Fund (CIF), while providing flexibility to deliver on DND/CAF mandate.

### 2 References

The following references should be read in conjunction with this guide:

- A. *Policy on the Planning and Management of Investments* - Treasury Board of Canada, Secretariat
- B. Strong Secure Engaged – Department of National Defence

### 3 Treasury Board Policy Requirements

As per reference A, Treasury Board introduced the *Policy on the Planning and Management of Investments* in 2021 replacing the *Policy on Investment Planning: Assets and Acquired Services*. The new policy has a wider scope and requires all Government departments to develop a five-year Investment Plan (IP) that describes how they plan to use their resources. Decisions are based on an assessment of full life-cycle costs and demonstrate best value and sound stewardship. The IP includes information on investments in both assets and acquired services.

### 4 Definitions

**Acquired services** are services obtained through formal arrangements, such as contracts, memorandum of understanding and letters of agreement, to support internal or external clients or stakeholders in achieving specific outcomes.

**Assets** are tangible and intangible items of value that have a future life beyond one year, whether they are Crown-owned, leased or accessed through other arrangements. Examples of assets include: land, buildings, machinery and equipment, infrastructure and works, computer hardware and software, weapons, vehicles, ships, boats and aircraft.

An **investment** is the use of resources with the expectation of a future return, such as an increase in output, income or assets, or the acquisition of knowledge, or capacity.

**Investment Planning** is the process of allocating limited DND resources to both existing and new assets and acquired services that are essential to program delivery and is influenced by and supports departmental strategic planning.

The **Capital Investment Fund** is a dedicated source of funds in the Investment Plan, defined on an accrual basis that establishes a 20-year ceiling for the accrual profile of DND's existing and planned tangible assets.

The **Capital Investment Fund Refresh** is a triennial process to establish a new 20-year ceiling for the CIF that captures updated accrual profiles for DND's existing and planned tangible assets.

## 5 Purpose of the CIF Change Management Process

The CIF Change Management process has been established in order for the CIF to remain affordable and sustainable even as changes in costs and capability requirements arise. The process is coordinated by VCDS / Chief of Programme (C Prog) with input from VCDS / Chief of Force Development (CFD), ADM(Fin) /Director Budget (DB), and ADM(Fin) /Director Capital Investment and Analysis (DCIA). It serves to provide the VCDS, CFO and DM with greater visibility of how the CIF is impacted by:

- a. New projects entering the IP/CIF that have not been included in the Capital Investment Program Plan Review (CIPPR); or
- b. Providing options to address cost pressures as projects seek approval, as well as highlight financial/capability risks if project scope or offsets are impacted.

## 6 New Investments

### Identification of New Investments

CFD is the strategic-level leader in Defence Force Development. CFD informs policy and strategy through future security analysis and concept development. CFD provides the strategic context and a top-down approach, to bring coherence to capability planning and capability management. In terms of identifying new investments CFD promulgates several documents that serve to guide force development efforts, including the Force Capability Plan (FCP) and the Concept for the Future Force (CFF). The FCP is the culmination of the Concept-Driven, Threat-Informed Planning (CDTIP) process (formerly Capability Based Planning) and identifies gaps (current and future) between the roles and missions directed by the Government for the CAF and the existing operational capabilities of the Forces. The CFF is the first of what will be a series of capstone documents that articulates key concepts regarding the future operating environment and provides direction regarding priorities for force development. These documents should be referred to when assessing new investment initiatives. In addition, other organizations such as Chief of Combat Systems Integration (CCSI) are working on departmental guidance to inform broader institutional investments in specific areas including digitalization, sustainment, and joint integration. New investments may also be initiated in response to urgent operational requirements or newly emerging needs. In all these cases the investments will be assessed against existing force development needs/direction as well as overall urgency.

## **Prioritization of New Investments**

Level 1s prepare investment proposals to address capability gaps. These proposals must be prioritized as funding is limited. CFD utilizes the CIPPR process to annually review new and existing capital equipment projects in Identification (ID), Options Analysis (OA), and Definition (Def). The CIPPR process assesses projects against Departmental priorities to establish a prioritized list that is used to inform strategic investment discussions, including CIFICIA discussions.

The norm is that all new proposals for capital equipment projects estimated over \$10M will be assessed in CIPPR and will not seek funding at Programme Management Board (PMB) and Investment and Resource Management Committee (IRMC) via the CIFICIA process until they have completed the ID and OA phases of the project approval process and have been formally costed by ADM(Fin) staff. On an exceptional basis, in the circumstances of extreme urgency, a new investment proposal will be considered outside of the CIPPR process with the approval of CFO, CFD and C Prog. These will still need complete an accelerated ID and OA phase (as detailed in the PAD) and formal costing before seeking funds at PMB and IRMC via a CIFICIA. Once authorized, new investment proposals are included in the CIF and begin the approval process.

## **7 Changes to Existing Investments**

### **Returning Project Funds to the Capital Investment Fund (CIF)**

There is currently no formally established process to return funds to the CIF. Should a project have a surplus of funds, engagement should first occur with C Prog staff who will consult with ADM(Fin) to analyze the situation and determine the appropriate way forward. When a project has been granted Project and Expenditure Authorities, a submission will be required to reduce authorities before the return can take place. Other situations may permit the use of an alternate processes; for example, projects in ID/OA returning funds will require IRMC approval.

### **Capital Investment Fund Change Proposal (CIFCP) Triggers**

The CIF provides a foundation upon which DND can continue to deliver SSE and execute operations, not only in this five-year planning horizon but also well into the future. However, as capability requirements change and costs rise, there may be changes required to the investments included in the CIF. A change may be triggered in the following specific circumstances:

- a. A new investment proposal needs authorization;
- b. An investment requires an increase in funding;
- c. Sponsor identifies sustainment or operating costs (ISS) of capital (equipment and infrastructure) projects that cannot be funded from existing allocations; or

- d. If a significant change in the investment's annual cash flow forecasts and associated accrual forecasts is identified in the cyclical financial reviews, VCDS or ADM(Fin) staff may require the Sponsor to submit a CIFCP.

### **Capital Investment Fund Change Management Process**

If either an L1 Sponsor or ADM(Fin) staff, identifies an issue that may result in a change to the CIF, they advise the appropriate C Prog/Director Defence Programme Coordination (DDPC) analyst. The analyst collects the information to determine the requirement for a Capital Investment Fund Change proposal (CIFCP).

The Capital Acquisition and ISS Risk-Based Affordability Framework (RBAF) was approved by the DM in April 2022. It is designed to streamline governance and support ADM(Fin) decisions on the affordability of projects coming forward with ISS and Capital shortfalls. The conditions for the RBAF are as follows:

- a. Capital Acquisition:
  - i. Threshold of \$20M;
  - ii. If a project is deemed unaffordable by \$20M or less, the CFO can deem it affordable through the RBAF should sufficient CIF unallocated funding (also known as CIF Whitespace) be available. The CFO submits the approval to PMB secretariially for information; and
  - iii. If the project is unaffordable by more than the threshold, the Level 1 Sponsor is required to submit a CIFCP for the entirety of the funding pressure, not only the incremental amount above \$20M.
- b. ISS Affordability:
  - i. If a project meets one of the two conditions below, the project is deemed affordable:
    - a) The ISS shortfall is under \$10M over the 20-year affordability period, the CFO can deem the ISS affordable. The CFO submits the approval to PMB secretariially for information; or
    - b) The ISS shortfall is over \$10M and under \$20M and less than 15% of the overall ISS required over the 20-year affordability period, the CFO can deem the ISS affordable. The CFO submits the approval to PMB secretariially for information.
  - ii. Once the CFO assumes \$10M of ISS risk in any given FY over the 20-year affordability period, projects will be reviewed on a case-by-case basis, notwithstanding the thresholds above. In addition, these thresholds



will be reviewed periodically to ensure they continue to reflect a reasonable risk acceptance.

Projects with pressures not deemed affordable via the RBAF must follow the below CIFCP process. Additionally, if the change is triggered by a new investment that is not included in the current CIF, it must be cross-checked against the FCP. If the project is determined to be a valid capability requirement, the Level 1 Sponsor is required to submit a CIFCP.

The CIFCP must include:

- a. Issue/Requirement;
- b. Background;
- c. Decisions requested;
- d. Detailed cause of the funding pressure:
  - i. Change of scope;
  - ii. Schedule delay;
  - iii. Inflationary; or
  - iv. Other, fully explained.
- e. Internal mitigation efforts;
  - i. De-scoping options. The options must be executable, costed, and operational risks of the de-scoping must be identified.
  - ii. Identification of the risks of cancelling or delaying the project.
- f. Identify any potential implications with SSE commitments.
- g. Identify any associated components of the IP, such as project interdependencies and pan-domain impacts; and
- h. Outline any second or third order effects on sustainment, personnel and operating budgets.

VCDS/CProg and as required, ADM (Fin) staff conduct an assessment of both the CIFCP and any other projects that may be affected by the proposed change with an aim of producing a Capital Investment Fund Change Impact Analysis (CIFCIA). The CIFCIA document contains a comprehensive analysis of all risks and benefits associated with the investments. It provides options and recommendations to senior management to address funding shortfalls while ensuring the affordability and sustainability of the CIF. To produce the CIFCIA:

- a. The CProg/DRPRM staff:

- i. Liaises with the appropriate staffs;
    - a) DDPC analyst;
    - b) VCDS/CFD; and
    - c) ADM (Fin)/DB and DCIA.
  - ii. Coordinates the completion of the CIFCIA;
  - iii. Provides programmatic impact analysis including schedule, capacity, degree of urgency, historical performance, horizontal considerations and governance for:
    - a) HR (civilian and military);
    - b) Infrastructure;
    - c) Equipment; and
    - d) Operations and Maintenance requirements or potential business planning issues.
- b. VCDS/CFD staff:
  - i. Identifies project offsets including the associated impacts:
    - a) Offsets may be identified as cancellations or deferrals of lower priority projects; or
    - b) Reduced expenditure authority of approved projects.
- c. ADM(Fin)/DB, DCIA staff:
  - i. Determine if the proposed investment is affordable within the 20-year period of the CIF through the Financial Inputs Committee (FIC).
  - ii. Determine if the associated incremental ISS requirements are affordable within DND's existing reference levels.
  - iii. Provides input on the financial viability of the potential offsets identified by VCDS/CFD.

VCDS/CProg presents the CIFCIA to PMB for consideration of endorsement. If the investment is a project of under \$50M with a PCRA of 2 or less or an acquired services contract of \$20M or less, PMB may authorize it. In this case, the CIF is subsequently updated with the revised costs from the submission, including updates to offsetting projects (if applicable), and the investment moves forward with a corporate submission for DM, MND or Treasury Board approval. If the investment is a project of over \$50M or has a PCRA of 3 or more or an acquired services contract of \$20M or more, PMB is required to endorse it for submission to IRMC. If PMB endorses the proposal, it is submitted for authorization by IRMC. If a proposal is authorized by IRMC, the CIF is subsequently updated with the revised costs from the submission, including

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updates to offsetting projects (if applicable), and a submission is staffed to the appropriate authority for approval, concluding the CIFCP/CIFCIA process.

## SECTION C – GOVERNANCE

Section C provides Project Teams with an overview of the governing principles within DND.

### Governance – Gating Framework

#### 1 Overview

A gating framework defines points during the life of a project, from the early concept to post-Implementation Phases, when leadership carefully consider the project status and grants approval to proceed to the next decision point or “gate”. A defined gating process clarifies when reviews should be performed and which issues should be examined at those points in time, while still allowing flexibility for ad hoc or “health check” reviews.

In accordance with TB Policy, a gate decision meeting convenes a forum of key stakeholders and resource owners, as necessary, to decide whether the project will pass through a given gate and proceed to the next phase and what conditions, if any, will apply. Within DND/CAF this will be achieved through the existing L0, L0.5 and L1 governance system.

In preparation for gate decisions, governance board members will be informed of, and able to confirm, the following:

- The business imperative, strategic alignment, and business case;
- Project performance up to the gate in question, including confirmation of delivery and acceptance of expected deliverables;
- The appropriate mitigation of risks, management of changes, initiation of action plans to address outstanding issues, and identification of any requirements for broader mid-course corrections;
- The scope and plan for the next phase and the criteria to be met before proceeding to the next gate;
- An updated high-level plan to take the project through the remaining steps to successful completion; and
- The necessary supporting action and decisions, including firm resource allocation commitments.

## 2 DND Gating Framework

Within DND, gate decisions occur within existing governance boards as illustrated in the following table:

Gate	Within Project Phase	Relevant for Process Path(s)				Gate Objective (Why)	Review issues/ considerations	Core review item(s) for this gate	Governance Board
1	ID**	A	B	C	D	Strategic assessment of the initiative.	Validate the rationale for the project; Assess departmental benefit of initiative; Assess financial and implementation viability of initiative	Capital Investment Program Plan Review (CIPPR) output	Investment and Resources Management Board (IRMC)
2	ID**		X	X	X	Confirm the business need and desired outcomes.	Validate the strategic context and feasibility of the proposed project	Strategic Context Document (SCD)	Defence Capabilities Board (DCB)
3	OA**		X	X	X	Confirm the organization is ready to undertake the project.	Confirm Business Case is thorough, complete and compelling	Business Case Analysis (BCA)	Defence Capabilities Board (DCB)
4	OA**		X	X	X	Confirm that proper governance, planning and management are in place.	Confirm that proper governance, planning and management are in place.	Project Charter and Project Management Plan (PMP)	Senior Review Board (SRB), with approval by Project Leader
5	Transition to Imp	X	X	X	X	Confirm the completeness and feasibility of the detailed project plan and definition of requirements.	Ensure a detailed plan provides a firm baseline for managing and tracking, and that unknowns are reduced to a minimum	Departmental Approval of project	Programme Management Board (PMB)
6	Imp		X	X	X	Confirm the ability to effectively employ a new or improved capability for which adequate infrastructure, training, staffing and support is in place.	Confirm in accordance with the Statement of Operational Requirements (SOR)	Initial Operational Capability (IOC) Certificate	Endorsed Senior Review Board (SRB) Approved by Project Sponsor
7	Transition to Closeout	X	X	X	X	Confirm completion, assess the extent to which the project has achieved its desired outcomes.	Confirm in accordance with the Statement of Operational Requirements (SOR)	Full Operational Capability (FOC) Certificate	Endorsed Senior Review Board (SRB) Approved by Project Sponsor

**\*\*Note:** Infrastructure Construction Projects (ICPs) are being managed as part of the ADM(IE) Portfolio and are not subject to DCB at ID & OA phases. ADM(IE) has internal approval mechanisms to ensure appropriate oversight and gates are applied.

See Chapter 2 – General Project Delivery Information, Section 2.9, Portfolios and Infrastructure Construction Projects (ICP) for more information.

All other gates still apply, as outlined in above table.

## **Governance – Senior Review Board (SRB)**

The Senior Review Board (SRB) is a key body providing corporate challenge and ensuring oversight at the project management level. It is evidence of tailoring departmental governance as required by the *TB Policy on the Planning and Management of Investments* and the *Directive on the Management of Projects and Programmes*.

### **1 Mandate**

The primary role for a Senior Review Board (SRB) is to ensure corporate challenge and oversight of Capital Equipment Projects, understanding how they contribute to CAF/DND capabilities, as well as providing project development and management advice to the Project Leader.

### **2 Establishment**

The Senior Review Board (SRB) is first established within three months following approval of a project Strategic Context Document (SCD) by the Defence Capability Board (DCB), after the Project Charter and the Options Analysis (OA) Phase Plan are ready for review and endorsement. The objective of the first project Senior Review Board (SRB) is to ensure the correct consultation and project support mechanisms are in place, as documented in the Project Charter and the Options Analysis (OA) Phase plan. The Project Leader will seek assurance that the Options Analysis (OA) Phase will successfully deliver a recommended capability option.

The Senior Review Board (SRB) convenes under three circumstances. First, no less than annually to provide an update of the project. Secondly, the Senior Review Board (SRB) may convene on a case-by-case basis, depending on project decisions required by the Project Leader. Lastly, key gateways will trigger Senior Review Board (SRB) meetings, in order to endorse project documentation such as the Business Case Analysis (BCA), Statement of Operational Requirements (SOR) or Corporate Submissions, prior to these project files being escalated to higher Governance boards: Defence Capability Board (DCB) and Programme Management Board (PMB).

### **3 Composition**

The Senior Review Board (SRB) is composed of the following:

#### Chair:

A Senior Review Board (SRB) is chaired by the Project Leader. Senior Review Board (SRB) may be co-chaired by the Sponsor and the Implementer; in such cases, one of the co-chairs will be the Project Leader (Sponsor for projects in Identification (ID)/ Options Analysis (OA) and the Implementer for projects in Definition/Implementation/Closeout). The Project Leader remains solely accountable for decisions taken.

Members:

The Senior Review Board (SRB) core membership will include:

- Project Leader;
- CFD Analyst;
- CProg Analyst;
- ADM (Fin) Analyst;
- ADM (IE) or delegate; and
- ADM (IM) or delegate (when project scope includes Information Management/Information Technology (IM/IT)).

Note that the Project Director (PD) and the Project Manager (PM) are likely presenters (depending on the phase of the project), but they are not core members of the Senior Review Board (SRB).

Observers/attendees:

Other Organizations' representatives can be invited on a case-by-case basis when there is a particular interest or potential input required. CCSI Analyst to attend when there is an integration/interoperability nexus.

## 4 Decisions

The Senior Review Board (SRB) meeting briefing package shall follow the format established by the Project Leader, or by the Level One Advisor (L1A) if the responsibility of Project Leader has been delegated from the L1A. The Project Director (PD) shall ensure the Senior Review Board (SRB) Presentation follows the format directed by the Level 1 Organization and incorporates embedded Defence analytics and capability assessment tools.

Decisions taken at Senior Review Board (SRB) are those of the Project Leader. Decisions are not delegated or shared. Decisions shall be captured in a Record of Decisions. Typical decisions include but are not limited to:

- Project Leader approval of the Project Charter;
- Project Leader approval of the Project Management Plan – Options Analysis;
- Endorse the forwarding of the Business Case Analysis (BCA) to the Defence Capability Board (DCB);
- Endorse the forwarding of the Corporate Submission to the Programme Management Board (PMB) to seek Departmental Approval and Expenditure Authority (EA);
- Endorsing the change of Project Leader from the Project Sponsor to the Project; Implementer effective upon achieving Project Approval (PA) and Expenditure Authority (EA) for Definition;
- Endorsing the Preliminary Statement of Operational Requirements (PSOR) and Statement of Operational Requirements (SOR);

- Endorsing the Statement of Operational Requirements – Infrastructure (SOR-I), when infrastructure is required for a capability;
- Approving the release of contingency. Contingency may be released by the Project Leader with the unanimous agreement of the core members;
- Endorsing project withdrawal or cancellation;
- Endorsing recommended changes to Project Baseline Milestones.
- Endorsing IOC / FOC;
- Endorsing the Project Closeout Report (PCR); and
- Noting Status of the project.

As outlined in the Guide - Project Performance Analysis and the Project Performance Management Plan section, it is important that Project Teams do not lose sight of Project Baseline. Baseline milestones are approved when Project Approval (PA) is granted. They are not changed, unless there is a new Project Approval (PA) (i.e. milestones are set at Project Approval for Definition (PA (Def)) and can be reset at Project Approval for Implementation (PA (Imp))).

The Project Leader, through the Senior Review Board (SRB), does not approve a change in a milestone. The Project Leader, through the Senior Review Board (SRB), will either endorse, or not, the fact of the possible change in schedule, scope, and cost. The PL will accept the risk as decided upon by the approving authority.

Significant changes to Project Baseline are defined as follows:

- A significant change to scope is a change that would result in a project being unable to deliver on its High Level Mandatory Requirements (HLMR).
- A significant change to cost is a change that will shift cash profiles to a different Fiscal Year (FY).
- A significant change to schedule is any change greater than 365 days (regardless of fiscal year).

### Project Team Authorities, Responsibilities and Duties

See the [Senior Review Board \(SRB\) Terms of Reference](#).



## **Terms of Reference – Senior Review Board (SRB)**

### **1 Responsibilities**

The Senior Review Board (SRB) is responsible to ensure corporate challenge and oversight of Capital Equipment Projects, understanding how they contribute to CAF/DND capabilities, as well as providing project development and management advice to the Project Leader.

### **2 Duties**

This includes, but is not limited to, the following:

- Ensuring project teams comply with the policies and procedures imposed by higher authorities;
- Establishing procedures for the conduct of Senior Review Board (SRB) meetings;
- Resolving differences and frictions between Project Stakeholders;
- Reviewing all recommended proposals to change the project baseline;
- Understanding how projects contribute to capabilities, and the interdependencies therein, in order to realize the Joint Force;
- Reviewing project documentation which may include, but is not limited to: Project Charter, the Project Management Plans (PMPs), Business Case Analysis (BCA), the Statement of Operational Requirements (SOR), the Statement of Operational Requirements - Infrastructure (SOR-I), the Project Schedule, the Risk Assessment for projects which fall within the MND's delegated authority, the Procurement Plan, the Project Completion Report. DOTMLPFPI and Gender-Based Analysis Plus (GBA+);
- Reviewing options presented by the Project Team to the Project Leader;
- Reviewing and endorsing Project Approval (PA) documents before these documents are forwarded for Departmental Approval and Expenditure Authority (EA);
- Ensuring that Contingency Funds are used for activities within the scope of the project and are expended only as a result of “un-forecasted events” beyond the project team’s control which make it impossible to get the deliverables for the originally estimated price;
- Monitoring and reviewing DOTMLPFPI component progress, including issues of finance, personnel, contracting, engineering, and integrated logistics support;

- Reviewing and recommending to the Project Leader changes to the Statement of Operational Requirements (SOR), Statements of Work (SOW), specifications or risk assessments;
- Ensuring that the Project Team and the SRB conduct a Lessons Learned analysis and add the results to the [Defence Lessons Learned System \(DLLS\)](#); and
- Establishing a cohesive DND position for any forum involving Other Government Departments.

### 3 Project Interfaces

The Project Team will interface with a significant number of stakeholder groups throughout its lifecycle. The interface with the National Defence Headquarters (NDHQ) matrix will be through the functional Chain of Command. Contact with Operational Commands shall be through the Sponsoring Organization.

All contact with the public shall be through the Sponsor Public Affairs Section, or through the Communications Advisor/ ADM (PA) as appropriate.

### 4 Responsibilities - Central Staff

Chief of Force Development (CFD): Throughout all phases of a project, the CFD analyst will attend all Senior Review Board (SRB) and advise the Project Leader of any significant capability and project risk to scope and schedule, and ensure that the mitigation/response for such risk is identified and recorded in the Record of Decision (ROD). Scope and/or schedule risk that will impact the delivery of a capability must be identified to CFD to determine if the project should be re-evaluated by the Defence Capabilities Board (DCB).

Chief of Programme (C Prog): Throughout all phases of a project, the C Prog analyst will attend all Senior Review Boards (SRB) and advise the Project Leader of any significant project risk to project cost and schedule, and ensure that the mitigation/response for such risk is identified and recorded in the Record of Decision (ROD). Cost risk that will require funding beyond the current Capital Investment Fund (CIF) envelope must be identified to C Prog to determine if the project will require a Capital Investment Fund Change Proposal (CIFCP). The C Prog analyst will provide advice on the Project Approval Process (PAP), as required.

Chief of Combat Systems Integration (CCSI): Throughout all phases of a project, the CCSI analyst will attend all Senior Review Boards (SRB) and advise the project Leader of any significant capability and project risk pertaining to Joint integration and interoperability, ensuring that such risk is identified and recorded in the Record of Decision (ROD).

ADM (Fin): The ADM (Fin) analyst will advise the Project Leader of any significant risk to the programme arising from project risk to schedule and the potential change to cash phasing against

the accrual envelope. Schedule risk that will impact cash phasing must be reported to ADM (Fin).

Central staff need to raise concerns at the Senior Review Board (SRB) and close the loop within their respective organizations.

## Terms of Reference – Project Leader

### 1 Overview

The Project Leader is the appointed individual and single point of accountability who leads the project. In this role, the Project Leader is accountable to the DM for the successful planning and delivery of the project or program while representing the interests of the Project Sponsor. Within DND, the Project Leader for the Identification (ID) and Options Analysis (OA) Phases is from the sponsoring organization and transitions to the implementing organization for the Definition, Implementation and Closeout Phases.

### 2 Appointment

The Project Leader is initially drawn from the Project Sponsor's organization. During the Identification (ID) Phase, there is no formal appointment of a Project Leader, as the project has not yet been established in the Defence Services Program (DSP). A Project Leader is identified from within the Project Sponsor's Organization when (or soon after) the Defence Capabilities Board (DCB) approves the formal initiation of the project and the commencement of the Options Analysis (OA) Phase. The appointment of the Project Leader by the Project Sponsor is formalized when the Project Sponsor approves the initial version of the Project Charter that is presented to Senior Review Board (SRB) for endorsement within three months of the formal start of the project.

By default, the role of Project Leader is assigned to a Level One advisor (L1). The management level to which the Project Leader role may be delegated is based on the Project Complexity and Risk Assessment (PCRA) level and the cost estimate associated with the project, in accordance with the risk DND is willing to assume:

- Assistant Deputy Minister (ADM)/Environmental Chief of Staff (ECS)/Commander for projects under "Process D" (over \$100M and Project Complexity and Risk Assessment (PCRA) Level 4);
- L1A/Chief of Staff (COS)/Deputy Commander for projects under "Process C" (over \$100M and Project Complexity and Risk Assessment (PCRA) Level 3);
- At the Director General (DG) level for projects under "Process C" (over \$100M and Project Complexity and Risk Assessment (PCRA) Level 1 and 2); and
- At the Director level for projects under "Process B" (\$10M - \$100M and Project Complexity and Risk Assessment (PCRA) Level 1, 2 or 3).

### 3 Accountability

The Project Leader assumes DND's responsibility for the management of the project, which includes its overall planning, organization and coordination. The Project Leader is accountable to the DM, through the Chain of Command, for:

- The overall management of the project in accordance with TB and departmental policies, directives, standards and guidelines;
- The establishment of an adequate project management framework and the development and maintenance of a Project Management Plan (PMP) to a suitable level of detail, for detailed project Definition and to complete project Implementation;
- The full Definition of the scope of the project including the wider interests of the Government; and
- The Definition for objectives in terms of a performance management baseline (scope, schedule and cost) for each phase of the project, the achievement of each defined objective.

### 4 Authorities

The DM delegates authority for the overall management of the project to the Project Leader.

### 5 Responsibilities

The Project Leader is responsible for:

- The overall management of the project, including chairing appropriate committees and boards, for which the Project Leader (PL) is accountable to the DM;
- Ensuring that progress is made towards approved project outcomes, benefits, outputs, and baseline milestones;
- Ensure conflicts within the Project Team are resolved;
- Ensuring that an appropriate degree of authority is delegated to the Project Director (PD) and Project Manager (PM) and that they fulfill their responsibilities in accordance with the Project Approval Directive (PAD);
- Ensuring compliance with appropriate management practices, consistent with the methods and procedures for the management of project in DND;
- Ensuring the early and continued participation of third parties whose mission or interest may affect or be affected by the project;
- Ensuring through the Project Charter and with other Group Principals involved, that delegated authority of all functional organizations is fully understood, coordinated and documented in any Service Level Agreement (SLA); and
- Ensuring that Gender-Based Analysis Plus (GBA+) has been conducted and is integrated into project documentation.

### 6 Duties

As chairperson of the Senior Review Board (SRB), and with the advice of the Senior Review Board (SRB) members, the Project Leader shall:

- Recommend approval of the Project Charter, as delegated authority permits, to the Senior Review Board (SRB);

- Ensure conflicts between participants are resolved in cognizance of a project objectives and constraints;
- Be accountable for the expenditure of Contingency Funds and is to ensure that such expenditure is consistent with the approved scope of the project, is reviewed and agreed upon by the Senior Review Board (SRB) members prior to commitment of the funds, and is documented;
- Ensure that progress is made towards the approved project outcomes, benefits, outputs, and baseline milestones, and that corrective action is taken whenever necessary;
- Ensure that an appropriate degree of authority is delegated to the Project Director (PD) and Project Manager (PM) consistent with good management practices and in keeping with Treasury Board and, or DND Policy;
- Ensure that the Project Director (PD) and Project Manager (PM) plan, organize and coordinate all of their assigned activities in accordance with approved Departmental direction and established functional organization procedures;
- Ensure compliance with appropriate management practices, consistent with the methods and procedures for the management of projects in DND;
- Ensure the early and continued participation of any third party whose mission or interest may affect or be affected by a project;
- Ensure, through agreement with the Group Principals involved, that delegated authority of all functional organizations is fully understood, coordinated and documented in the Project Charter;
- Ensure that the necessary resources are provided to the Project Team in a timely manner, within the bounds of the (approval/expenditure) status of the project and any other senior guidance;
- On behalf of the Senior Review Board (SRB), inform both the Project Sponsor and Project Implementers in writing that the Project Leadership has transferred; and
- Report to the Project Sponsor annually on the implementation progress for all assigned FCP projects.

## Terms of Reference – Project Sponsor

### 1 Overview

The Project Sponsor is the functional authority for defining the operational requirements for the capability to be implemented, and for confirming that the delivered capability satisfies the specified requirements.

The Project Sponsor guides the evolution of the project from the point at which a capability deficiency is identified, through the formal initiation of the project by the Defence Capabilities Board (DCB) at the conclusion of the Identification Phase, through the Options Analysis (OA) Phase to the point at which the preferred option is recommended to the Programme Management Board (PMB) for Departmental Approval, and through the Project Approval (PA) and Expenditure Authority (EA) for the project to enter the Definition Phase. As such, the Project Sponsor is responsible for (with appropriate input from the implementing organization):

- Developing the Strategic Context Document (SCD) and Business Case Analysis (BCA);
- Recommending the preferred option to the Defence Capabilities Board (DCB);
- Planning and conducting Options Analysis (OA);
- Initial planning of the Definition and Implementation Phases of the project; and
- Support the development of the Corporate Submission for Project Approval (PA) and Expenditure Authority (EA).

The Project Sponsor represents the sponsoring organization, and is normally the “business owner” of the capability to be delivered by the project. The role of Project Sponsor is associated with an organizational position, and not with the specific person who is filling the position.

Each Sponsoring Organization for major projects typically contains one or more organizational entities (typically the “requirements” directorates) whose responsibilities include identifying capability deficiencies, defining operational requirements for the capability, identifying options to address satisfy the capability requirements, and conducting an business case / Options Analysis (OA) to recommend an option to senior management on which approval of the project to deliver a new capability will be based.

### 2 Appointment

The Project Sponsor is typically the Group Principal (L1) of the Sponsoring Organization. The organizational position and name of the Project Sponsor is identified in the Project Charter.

The assignment of the Project Sponsor is confirmed when the project is formally initiated by the Defence Capabilities Board (DCB) at the end of the Identification (ID) Phase and the Defence

Capabilities Board (DCB) directs the Project Sponsor to proceed with the Options Analysis (OA) Phase.

### 3 Accountabilities

The Project Sponsor is responsive to the:

- Project Implementers;
- VCDS, in the role of Chair of Defence Capabilities Board (DCB); and
- VCDS, in the role of Co-Chair of the Programme Management Board (PMB).

Specific accountability for meeting project objectives is assigned to the individually named Project Leader. The Project Sponsor is accountable through departmental governance for ensuring that organizational processes and resources exist at a level that makes it possible for the Project Leader to succeed in meeting the objectives of the Identification (ID) and Options Analysis (OA) Phases.

### 4 Authorities

The following are requirements extracts from the *TB Policy on the Planning and Management of Investments* and the *TB Directive on the Management of Projects and Programmes*:

- Ensuring that all projects have a Project Sponsor who is:
  - Designated at the outset of the Identification (ID) Phase;
  - The single point of accountability; and
  - At the appropriate management level to be accountable for successful Implementation of the project.
- The Project Sponsor is responsible for the following:
  - The Identification through to the Closeout of the project; and
  - Documenting roles and responsibilities, and delegating authorities through a Project Charter.

The Project Sponsor has functional authority as derived from the Project Sponsor's own functional organization.

For matters related to the project, additional authorities only as delegated in writing by the DM, and documented in the Project Charter.

The Project Sponsor:

- Endorses the Strategic Context Document (SCD) (for approval by the Defence Capabilities Board (DCB) 1);



- Endorses the Business Case Analysis (BCA) for approval by the Defence Capabilities Board (DCB) 2;
- Approves the Statement of Operational Requirements (SOR) (endorsement by the Chief of Force Development (CFD) is also required);
- Approves Initial Operational Capability Certificate (IOC); and
- Approves Full Operational Capability Certificate (FOC)

## 5 Responsibilities – General

Responsibilities of the Project Sponsor related to a specific project are typically delegated down through the functional organization to the Project Director (PD). Refer to the Project Director – Terms of Reference guidance for further information.

Throughout the project lifecycle, the Project Sponsor is responsible for:

- Appointing a Project Director, and providing direction and support as required from initiation of the Identification (ID) Phase through to the Closeout of the project;
- Developing High Level Mandatory Requirements (HLMRs), constraints, and DOTMLPFI considerations for assigned projects in collaboration with VCDS staff;
- As functional authority for the specification of operational requirements and supporting concepts of operation and support, approval of each formally issued version of the Statement of Operational Requirements (SOR);
- Ensuring continuing alignment of the project with Government and departmental goals, priorities, outcomes and policies, and with the funding levels identified in the Investment Plan (IP);
- Approvals of major scope (performance), schedule and cost trade-offs (may require further approval of the project Expenditure Authority (EA)); and
- Ensuring that the secondary and tertiary impacts of implementing the capability have been identified, as have the costs and funding sources to address these impacts.
- Reporting to DCB annually on the implementation progress for all FCP assigned initiatives/projects.

Upon project completion, throughout the lifecycle of the product/service, the Project Sponsor is responsible for the realization of benefits throughout the life cycle of the capability delivered by the Project or Programme.

## 6 Responsibilities – Identification Phase

Specific responsibilities of the Project Sponsor during the Identification Phase include:

- Approving the initiation of the Identification Phase of the project, and providing direction and guidance to the Project Director assigned to the project in terms of high level content of the Strategic Context Document (SCD) (Parts 1 and 2 of the Business Case Analysis (BCA))
- Providing resources required to conduct the Identification (ID) Phase, typically from within the sponsoring organization's Operations and Maintenance (O & M)) operating budget identified in their Business Plan,
- Endorse the Strategic Context Document (SCD) for approval by the Defence Capabilities Board (DCB) to formally initiate the project at the completion of the Identification (ID) Phase

## 7 Responsibilities – Options Analysis (OA) Phase

Specific responsibilities of the Project Sponsor during the Options Analysis (OA) Phase include:

- Where necessary, providing strategic guidance to the development of the Project Charter.
- Providing resources required to conduct the Options Analysis (OA) Phase, typically from within the sponsoring organization's Personnel, Operations and Maintenance Cost (P, O&M)) operating budget identified in their Business Plan, and achieving the objectives of the Options Analysis (OA) Phase within the standard two-year period.
- Ensuring early engagement of the Project Implementer and other key stakeholders to support Options Analysis (OA), business case and project planning activities.
- Endorse the Business Case Analysis (BCA) for approval by the Defence Capabilities Board (DCB).
- Approving the submission to Programme Management Board (PMB) to seek Project Approval (PA) to enter Definition.

During the period that project leadership resides within the sponsoring organization, it should be noted that it is the implementing organization in which the expertise for conducting the technical aspects of option analyses and for planning a project resides. A precondition for a successful project is therefore the provision of sufficient support by the implementing organization to the sponsoring organization to conduct this work during the Identification and especially the Options Analysis (OA) Phases of a project.

## 8 Responsibilities – Definition Stage

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Sponsor during the Definition stage include:

- Conducting the handover of the Project Leader role to the Project Implementer organization as agreed and documented in the Project Charter.
- Ensuring availability of subject matter experts from the sponsoring organization (or field organizations represented by the sponsoring organization) to support the Project Team as required to conduct Definition Phase work.
- Supporting the Project Implementers to achieve the objectives of the Definition Phase
- Approving the submission to PMB to seek Project Approval (PA) to enter Implementation.
- Approving the Corporate Submission – Project Approval (Implementation) submitted to central staffs for staffing to the Expenditure Authority (EA).

## 9 Responsibilities – Implementation Stage

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Sponsor during the Implementation stage include:

- Ensuring availability of resources from the sponsoring organization (or field organizations represented by the sponsoring organization) to support the Project Team as required to conduct Implementation Phase work; and
- Certifying (jointly with the Project Implementers) the delivery of the required operational capability by confirming the achievement of Initial Operational Capability and Full Operational Capability (FOC).

## 10 Responsibilities – Closeout Stage

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Sponsor during the Closeout stage include:

- Ensuring availability of resources from the sponsoring organization (or field organizations represented by the sponsoring organization) to support the Project Team in the Closeout of the project and transition to the support organization.

## 11 Responsibilities – Post Closeout

Benefits Realization Management (BRM) makes a distinction between outputs and benefits. Projects have traditionally focused on the delivery of a capability as an output at Project close out. Benefits Realization Management (BRM) ensures Projects are also focused on how a capability provides benefits beyond Project completion. As such, Benefits Realization Management (BRM) includes a requirement to track performance and conduct regular evaluations of benefits, beyond Project Closeout.

See Section 1.3 Benefits Realization Management (BRM) for further information. Consult the [TB Guide to Benefits Management](#) for more information.

## **Terms of Reference – Project Implementer**

### **1 Overview**

The Project Implementer defines and delivers the required capability, once the Defence Capabilities Board (DCB) has selected the option for the capability with which to proceed following the completion of Options Analysis (OA).

The Project Implementer is a level one advisor (L1) (or delegate), and represents the implementing organization. The role of Project Implementer is associated with an organizational position, and not with the specific person who is filling the position.

Within each implementing organization, there are typically one or more organizational entities whose responsibilities include the delivery of new capabilities.

### **2 Appointment**

The Project Implementer is typically the Group Principal (L1) of the implementing organization. The implementing organization is normally the Group that has design authority, lifecycle support and sustainment responsibility for the prime mission system of the capability being delivered.

Delegation of the Project Implementer role to a lower level of senior management within the implementing organization may occur. The organizational position and name of the Project Implementer is identified in the Project Charter.

The assignment of the Project Implementer occurs when the project is formally initiated at the Defence Capabilities Board (DCB).

### **3 Accountabilities**

Specific accountability for meeting project objectives is assigned to the individually named Project Leader. The Project Implementer is more generally accountable through the chain of command for ensuring that organizational processes and resources exist at a level that makes it possible for the Project Leader to succeed during the Definition and Implementation stages of the project.

### **4 Authorities**

The Project Implementer has normal functional authority as derived from the Project Implementer's own functional organization.

For matters related to the project, additional authorities only as delegated in writing by the DM, and documented in the Project Charter.

## 5 Reporting Relationships

Responsive to:

- Project Leader
- Project Sponsor
- VCDS, in the role of chair of the Defence Capabilities Board (DCB) and Programme Management Board (PMB)

## 6 Responsibilities – General

Responsibilities of the Project Implementer related to a specific project are typically delegated down through the functional organization to the Project Manager. Refer to the Project Manager – Terms of Reference guidance for further information.

Throughout the project lifecycle, the Project Implementer is responsible for:

- Appointing a Project Manager once tasked as the Project Implementer at the Defence Capabilities Board (DCB)
- Providing direction and support as required through to the Closeout of the project;
- Providing a business environment that includes the acquisition and support business processes and supporting matrix resources that enable the achievement by the Project Leader of objectives for each stage of the project and for the overall project.

## 7 Responsibilities – Identification Phase

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Implementer during the Identification stage include:

- On request from the Project Sponsor, providing subject matter expert support to the assist the Project Director to conduct the activities described under Responsibilities – Project Sponsor during the Identification stage. Note that functional expertise in most of these activities, with the exception of developing operational requirements, resides within the Project Implementer’s organization. The provision of this support is typically coordinated by the Project Manager.

## 8 Responsibilities – Options Analysis Phase

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Implementer during the Options Analysis (OA) stage include:

- Supporting the Options Analysis (OA) stage of the project by providing subject matter expert support to the assist the Project Sponsor to conduct the activities described under Responsibilities – Project Sponsor – Terms of Reference during the Options Analysis

(OA) stage. The provision of this support is typically coordinated by the Project Manager.

- Supporting the Project Sponsor in the achievement of objectives of the Options Analysis (OA) stage within the normal two-year time frame or as otherwise defined in the Project Charter
- Identify the specifically named person that will fill the role of Project Leader once project leadership transitions to the implementer's organization, and assist the Project Sponsor with the planning of this transition.

## 9 Responsibilities – Definition Phase

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Implementer during the Definition stage include:

- Facilitate the handover of the Project Leader role to the Project Implementer organization as agreed and documented in the Project Charter
- Supporting the Project Leader and Project Manager as required to facilitate the achievement of the objectives of the Definition stage within the normal two-year time frame or as otherwise defined in the Project Charter.

## 10 Responsibilities – Implementation Stage

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Implementer during the Implementation stage include:

- Supporting the Project Leader and Project Manager as required to facilitate the achievement of the objectives of the Implementation stage as defined in the Project Charter

## 11 Responsibilities – Closeout Phase

In addition to those described in the Responsibilities – General section above, specific responsibilities of the Project Implementer during the Closeout stage include:

- Supporting the Project Leader and Project Manager as required to facilitate the closure of the project and the transition of responsibility for in-service support to the appropriate Equipment Management Team (EMT)

## Terms of Reference – Project Director

### 1 Overview

The Project Director (PD) is the functional authority for the operational requirement, and leads the effort to identify and obtain approval for the preferred option to satisfy the operational requirement.

### 2 Appointment

The Project Director (PD) is appointed from and acts on behalf of the Project Sponsor's organization.

### 3 Responsibilities - General

The Project Director's (PD) general areas of responsibility are:

- Represent and report through the normal Chain of Command to the Group Principal of the sponsoring organization;
- Acting as the functional authority for operational requirements;
- Act as the link between the Project Team and the user organizations;
- Execute overall Project/Program guidance and coordination of Project Approval Process activities, on behalf of the Project Sponsor, including the preparation and staffing of the documents necessary to obtain Departmental Approval and resource allocation;
- Coordinate Project/Program activities, when delegated, including the preparation and staffing of program decision documents;
- Retain functional authority for the Statement of Operational Requirements (SOR) and approve operational and cost/capability trade-off decisions subject to the approval and direction of the functional authority and Chain of Command on operational priorities;
- Maintenance of the Defence Services Program Portal (DSPP)/Defence Resource Management Information System (DRMIS) data until Project Approval for Definition (PA (Def));
- Plan and schedule activities in support of Project/Program outcomes, benefits, outputs and baseline milestones within the National Defence Headquarters (NDHQ) functional matrix;



- Represent the Senior Review Board (SRB) Chairperson or functional superior as appropriate in working level discussions, negotiations, etc. during the sponsor leadership period;
- Arrange for the preparation and approval of decision documents and their supporting documentation as required, including Project Charter, Project Management Plan – Options Analysis (PMP-OA), Project Complexity and Risk Assessment (PCRA), Strategic Context Document (SCD), Business Case Analysis (BCA), Statement of Operational Requirements (SOR), Project Approval (PA) for Definition (PA(Def)), Project Approval (PA) for Implementation (PA(Imp)) and Project Closeout Report (PCR);
- Ensure that the Gender-Based Analysis Plus and Strategic Environmental Assessment (SEA) is conducted and integrated into project analysis and documentation;
- Prepare or assist in the preparation of other Government documentation (e.g. Memoranda to Cabinet, Project Brief, Treasury Board Submission, Treasury Board Progress Reports, Interdepartmental Memoranda of Understanding (MOU) as directed by the appropriate Project/Program committee or the Project Leader;
- Prepare and submit intra/inter-departmental Project/Program status/progress reports as required during the sponsor leadership period; and
- Report to Project Sponsor annually on the implementation progress for all FCP assigned initiatives/projects.

#### 4 Responsibilities - Identification Phase

Specific responsibilities of the Project Director during the Identification Phase include:

- In conjunction with the Project Manager, if assigned, determine the total personnel resources required to carry out the Identification (ID), Option Analysis (OA), and Definition Phases of the Project/Program, and also specify those personnel resources (positions/person years) that cannot be provided by the sponsoring organization;
- Provide direction as appropriate to the Project Team regarding the character and extent of the assigned activities during the sponsor leadership period, particularly the conduct of Development Studies;
- Conduct, have conducted, or draw from, relevant capability studies and analyses, to define and support project related statements. Consider the threat, the CAF Core Missions and Defence Outputs, the operational deficiencies, the Joint Capability Framework (JCF), Measures of Capability and Concept Driven Threat Informed Planning (CDTIP) Final Report, the DOTMLPFPI components, the capability Preliminary Options,

operational requirements and interdependencies, and their compatibility with departmental policy;

- Understand how assigned projects contribute to and nest within the Joint Capability Framework (JCF);
- Develop High Level Mandatory Requirements (HLMRs), constraints, and DOTMLPFPI considerations for assigned projects in collaboration with VCDS staff;
- Identify to Governance the current and desired Capability Levels and the Minimum Military Requirement (MMR) needed to mitigate the capability gap. Where applicable, identify ideal military requirements. This leaves option space to Governance, as it identifies unacceptable versus excessive capability options;
- Ensure the Strategic Context Document (SCD) statements accurately reflect the operational deficiency;
- Ensure the project scope, boundaries and inclusions for any planned request for resources is based directly or indirectly on a valid requirement (or in the case of R&D, is directed toward established departmental objectives);
- Ensure that members of the Project Team prepare and provide relevant studies and analyses, as appropriate, that define and support the Project/Program. Consider related statements of the capability options, DOTMLPFPI specifications, costs, scheduling, development activity, tests and evaluation, ensuring their compatibility with departmental policy and the approved operational requirements that are to be satisfied. This may include the supervision of funded contracts during the sponsor leadership period; and
- Develop the Project Charter and Project Management Plan – Options Analysis.

## 5 Responsibilities - Option Analysis Phase

Specific responsibilities of the Project Director during the Options Analysis (OA) Phase include:

- In conjunction with the Project Manager, re-evaluate the total personnel resources required to carry out the Option Analysis (OA), and Definition Phases of the Project/Program, and also specify those personnel resources (positions/person years) that cannot be provided by the sponsoring organization;
- Provide direction as appropriate to the Project Team regarding the character and extent of the assigned activities during the sponsor leadership period, particularly the conduct of Development Studies;
- Conduct, have conducted, or draw from, relevant capability studies and analyses, to define and support project related statements. Consider the threat, the CAF Core Missions

and Defence Outputs, the operational deficiencies, the Joint Capability Framework (JCF), Measures of Capability and Concept Driven Threat Informed Planning (CDTIP) Final Report, the Force Capability Plan (FCP), the DOTMLPFPI components, the capability options, operational requirements and interdependencies, and their compatibility with departmental policy;

- Ensure that members of the Project Team prepare and provide relevant studies and analyses, as appropriate, that define and support the Project/Program. Consider related statements of the capability options, DOTMLPFPI specifications, costs, scheduling, development activity, tests and evaluation, ensuring their compatibility with departmental policy and the approved operational requirements that are to be satisfied. This may include the supervision of funded contracts during the sponsor leadership period;
- Develop the Business Case Analysis and Preliminary Statement of Operational Requirement (PSOR). Ensure statements accurately reflect the operational deficiency. Obtain Senior Review Board endorsement and Defence Capability Board (DCB) approval prior to commencing the Definition Phase.
- Ensure the project scope, (inclusions and outputs) for any planned request for resources is based directly or indirectly on a valid requirement (or in the case of R&D, is directed toward established departmental objectives). Maintain a Requirements Traceability Matrix;
- Identify to Governance the Preferred Option which:
  - Best mitigates the Measures of Capability deficiencies and risks identified in the Concept Driven Threat Informed Planning (CDTIP) Final Report and Force Capability Plan (FCP), or other strategic direction;
  - Best addresses the mandated Rated Criteria; and
  - Identifying applicable DOTMLPFPI considerations.
- Develop a Scope Ladder, identifying the Minimum / Core operational requirement and the Full / Ideal Operational requirement and contract this to Risk; and
- Monitor the trade-off analysis of each option affecting schedule, cost and performance objectives, and consult the Functional Authority for direction on priorities for the selection the preferred option which best meets the operational requirements within Project/Program constraints.

## 6 Responsibilities - Definition Phase

Specific responsibilities of the Project Director during the Definition Phase include:

- Make or seek approval on decisions which affect achievement of HLMRs, time, cost and performance objectives established for a Project/Program;

- Refine and re-validate the Statement of Operational Requirement (SOR), in an iterative process, and obtain its approval prior to the Implementation Phase, using the knowledge gained from the Definition Phase studies to make it realizable (i.e. technically feasible and financially affordable);
- Ensure the final Project Approval for Definition (PA(Def)) represents a manageable Project/Program from the viewpoint of the Project Manager and other stakeholders; and
- With the cooperation and advice of the Project Manager, act as a focal point, through Director General Public Affairs, for public relations and dealing with the media when directed by the Project Leader.

## 7 Responsibilities - Implementation Phase

Specific responsibilities of the Project Director during the Implementation Phase include:

- Monitor the Implementation Phase activities and provide support to the implementing organization as necessary;
- Escalate to the appropriate authority decisions with respect to significant changes which impact the satisfaction of the HLMRs or operational requirements;
- Participate in decisions which impact the project cost, schedule and performance objectives; and
- Represent the Sponsor organization in Project Team discussions and report to the committee(s) for resolution of problems which are beyond the mandate of the Project Directive as detailed in the Charter.

## 8 Responsibilities – Closeout Phase

- Approve the Project/Program Completion Report prepared by the Project Manager;
- Confirm and report with evidence to the Project Leader and Project Sponsor that the identified capability gap has been mitigated by the project: the Joint Capability Framework and applicable Measure of Capability results have been recorded and the High-Level Mandatory Requirements (HLMRs) have been met;
- Pass to the Project Sponsor organization the Benefit Realization Management (BRM) Plan. Throughout the lifecycle of the product/service, the Project Sponsor is responsible for the realization of benefits throughout the life cycle of the capability delivered by the Project or Programme.

## 9 Duties

The Project Director shall:

- Prepare and obtain approval of all mandatory Project/Program documents;
- Ensure all necessary functional organization inputs are incorporated in the identification of resources and activities required for Project/Program Definition;
- Manage resources during Identification (ID) and Options Analysis (OA) Phases;
- During Definition: participate in decisions with respect to the fulfillment of Project/Program objectives; provide concurrence to all changes concerning cost, schedule and performance; approve and document all operational requirement changes; re-validate the Statement of Operational Requirements (SOR), to include HLMRs; and
- Monitor the Implementation Phase and participate in decision making with respect to changes which impact on operational requirements, cost, schedule or performance objectives.

**Terms of Reference – Project Manager**

The Project Manager is responsible for the overall direction and of coordination of activities during the implementer leadership period of a project. The Project Manager coordinates and integrates activities across multiple, functional lines to acquire the option selected by the Defence Capabilities Board (DCB) and achieve project objectives in terms of scope/performance, cost and schedule. Early involvement of the Project Manager to support the Project Director in the conduct of Options Analysis (OA) and project planning activities while project leadership which rests with the sponsoring organization is critical to ensure project success.

**Responsibilities**

The Project Manager's areas of responsibility are to:

- Represent and report through the normal Chain of Command to the Group Principal of the implementing organization;
- In the sponsor leadership period, provide support to the Project Director and ensure that planning activities necessary for the Implementation of the Project/Program are undertaken;
- Manage the team of management specialists engaged in carrying out the activities of a Project/Program; and
- Manage project management activities during the implementer leadership period of the Project/Program.
- Provide assistance to the Project Director in the production of, and changes to, the Sponsor's mandatory documents;
- Recommend endorsement of changes to the decision documents and major contractual arrangements to the Project Implementer ; and
- Prepare and submit intra/interdepartmental Project/Program status/progress reports as required during the Project/Programme.

During the Identification and Option Analysis Phases:

- Provide the Project Director with the costing and technical estimation of each option and assist in the determination of Project/Programme management resources (e.g. funding, materiel, etc.) required;
- Ensure that members of the matrix Project Team prepare and provide relevant studies and analyzes as appropriate that define and support Project/Programme related statements of

the technical options, specifications, costs, Implementation schedule, development activity, tests and evaluation, staffing ramifications including training, logistic and maintenance support; and ensure their compatibility with departmental policy and the approved operational requirements that are to be satisfied;

- Ensure the requisite Implementation documents are prepared and contracts let as necessary;
- Ensure that defence industrial preparedness considerations (sustainment planning) are adequately addressed by the Project/Programme;
- Lead for Defence Procurement Strategy (DPS) / procurement matters with the support of applicable procurement organizations;
- In conjunction with the Project Director, ensure the necessary Definition and coordination of all project management personnel requirements and validate requests for incremental personnel presented by NDHQ agencies tasked to support the Project/Program; and
- Coordinate the distribution of Project/Programme plans, ensuring appropriate preparations are made for the end product's successful introduction into the In-Service stage in accordance with the Lifecycle Management System (LCMS).

**During the Definition and Implementation Phases:**

- Manage activities in accordance with the approved Project Management Plan (PMP) and ensure that the Project Director is advised immediately of any developments which could lead to changes to Project/Program performance, schedule or cost;
- Ensure problems and differences are resolved at the lowest possible level;
- Coordinate functional organization inputs and prepare requisite Implementation documentation;
- Coordinate all requests for Implementation support from the NDHQ functional organizations and from the ECS(s);
- Advise the Project Director, Project Leader and Senior Review Board (SRB) of any significant developments which may affect a Project/Program in meeting its objectives and identify what corrective actions have been or should be taken;
- During the Implementation Phase only, with the cooperation and advice of the Project Director, act as a focal point, through Director General Public Affairs, for public relations and dealing with the media when directed by the Project Leader;

- Ensure that all approved Project/Program objectives are met, within assigned resources;
- Ensure the end product meets the technical specification derived from the Statement of Operational Requirements (SOR) as coordinated with the Project Director;
- Ensure effective transition to the In-Service stage; and
- Responsible to prepare the Project/Program Completion Report.

Duties

The Project Manager shall:

- Manage all Project/Program resources through the tasking of functional organizations in accordance with the authority delegated to them;
- Coordinate inputs from functional organizational units to studies and analyses that define and support Project/Program related specifications, costs, Implementation schedule, tests and evaluations, training, facility, logistics, engineering and maintenance support;
- Provide assistance to the Project Director in the production of and changes to all mandatory Project/Program documents;
- Coordinate the preparation of the Project Management Plan (PMP), with the concurrence of the concerned functional organizations, ensuring appropriate preparations are made for successful introduction of the capability packages that constitute the Project/Program;
- Manage the resources assigned to the Project/Program; and
- Advise Senior Management of any significant developments which may affect the Project/Program in meeting its objectives and what corrective action has been or should be taken.



## Governance – Defence Procurement Strategy (DPS) Governance Committee

### 1 Core Principles and Guidelines for the Governance of Procurements Context

The Defence Procurement Strategy (DPS) Governance Committees includes a new governance structure to enable more effective whole of Government decision making. This new structure centers on committees at the Ministerial, DM and Assistant Deputy Minister levels that will provide senior level oversight and decision making on Defence and major Canadian Coast Guard (CCG) procurements. While these bodies will oversee priority procurements and address other issues as required, most procurements will continue to be managed at the Director General-level or below. Consequently, there is a need to streamline and standardize governance at these levels to support effective whole-of- Government decision making.

### 2 Purpose

The core principles and governance guidelines outlined in this document are intended to be a starting point for fostering a whole of Government approach to decision making while recognizing that there is no “one size fits all” solution given the variety in scope and complexity of individual procurements. Implementation of these principles and guidelines will facilitate the alignment of procurement processes and ensure appropriate involvement of, and support to, senior level governance committees. They apply to all Defence procurements, including capital acquisitions and operations and maintenance- related procurements, as well as Canadian Coast Guard (CCG) procurements over \$100 million with a National Security Exception. They do not apply to infrastructure related projects.

### 3 Core Principles

The intent of the new Defence Procurement Strategy (DPS) Governance Committee is to enable joined-up decision making on Defence and Coast Guard (CG) procurement files, ensuring that implicated departments are appropriately consulted and agree by consensus to the procurement approach being taken. In particular, Defence Procurement Strategy (DPS) Governance Committee will ensure early whole of Government engagement on the cost, capability and industrial benefit trade- offs in support of the timely delivery of equipment. The Defence Procurement Strategy (DPS) Governance Committee will also manage an issue resolution process that will facilitate the early Identification of issues, regular monitoring of issue status and timely escalation to the Assistant Deputy Minister level and DM level as required for early, decisive resolution.

Generally speaking, departments should strive to reach consensus and resolve issues at the lowest level possible. However, governance committees can choose to “*push up*” issues for consideration by the next level of governance if consensus cannot be reached or if there is an issue deemed worthy of more senior knowledge and oversight.

Key factors that should be taken into consideration when deciding when it is appropriate to push up issues include assessments of risk, complexity and sensitivity. Similarly, more senior

committees may choose to “pull up” procurements if there are concerns about timely progress or broader strategic trade-off issues. These committees may subsequently choose to “push down” procurements for continued oversight at a lower level of governance once key decisions are made or issues are addressed.

## 4 Procurement Governance Guidelines

### Key Procurement Milestones

Defence Procurement Strategy (DPS) Governance Committee should be engaged at the following key milestones in the procurement cycle (Vote 1 programs need to identify points in their procurement cycle which meet the intent of these key milestones):

- **Early in Options Analysis:** to approve plans for inter-departmental cooperation, assessment of economic leveraging eligibility, and the coordinated approach to industry engagement.
- **Late in Options Analysis:** to approve the procurement strategy and develop consensus on strategic trade-off decisions.
- **Pre Request for Proposal release:** to approve the Request for Proposals approach and provide oversight of how decisions on trade-offs are implemented.

It is recognized that the procurement cycle does not necessarily unfold in a neat, linear manner – for example, requirements issues could come up multiple times during the procurement process. As a result, the milestones above are provided as guideposts but should not preclude the engagement of governance anywhere on the procurement continuum should a significant issue of concern arise.

Defence Procurement Strategy (DPS) Governance Committee should also be engaged as required to approve decisions on trade-offs made during the contract negotiation and/or Implementation Phase.

### Issue Resolution

Individuals responsible for managing procurements will continue to be expected to exercise sound judgement when determining what issues should be brought to Defence Procurement Strategy (DPS) Governance Committee. These could include, but are not limited to:

- Changes to requirements midway during the procurement that may affect cost, schedule or the procurement strategy, or concerns that the requirements are not sufficiently supported;
- Lack of consensus on the approach to economic leveraging (i.e. use of Canadian Content Policy; Industrial and Technological Benefits Policy; Value Propositions);

- Lack of consensus on how the results from stakeholder engagement are being reflected;
- Identification, consideration and mitigation of legal risks with any given approach; and
- Lack of consensus on trade-off decisions arising during the post-Request for Proposal contract negotiation or Implementation Phase.

Project Managers and technical authorities should regularly update Directors and Director Generals on procurements and bring to their attention any significant (current or anticipated) roadblocks to successful and timely execution of the procurement within the agreed scope, budget and schedule. Directors and Director Generals will be expected to notify the Secretariat of significant issues as they arise to facilitate regular reporting to Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC). The Secretariat will monitor the status of these issues and will recommend escalation as required to ensure their timely resolution.

#### *Establishing Director- and Director General-level Committees*

Project or program values will initially be used to determine the appropriate level of governance for providing oversight. This means, decisions whether to “bundle” individual requirements for the purposes of developing a procurement strategy, determining the leveraging approach or establishing required level of oversight should be made at the level that reflects the total value of the project or program. Following decisions regarding bundling, the level of governance should be established based on individual procurement values.

Director-level Committees should be struck for procurements valued between \$20 million and \$100 million to exercise oversight on inter-departmental cooperation, industry engagement activities, trade-offs, and procurement strategies including approaches to economic leveraging. Ongoing procurement management and issues resolution should occur as much as possible at the Director level but if consensus cannot be achieved, the Secretariat should be notified and the procurement brought forward to a higher level of governance.

Director General-level Committees should be struck for procurements valued at \$100 million and above to exercise oversight on inter-departmental cooperation, industry engagement activities , trade-offs, and procurement strategies including approaches to economic leveraging. Ongoing procurement management and issues resolution should occur as much as possible at the Director General level but if consensus cannot be achieved, the Secretariat should be notified and the project/program brought forward to a higher level of governance.

Procurement Review Committees (PRC) / Advisory Committee on Repair & Overhaul (ACRO) will continue to fulfill the procurement review function for procurements under \$20 million. The role of these committees will be reviewed following the Implementation of other elements of the governance structure in line with the Defence Procurement Strategy (DPS) Governance Committee’s objective of streamlining procurement processes.

As noted previously, senior level committees may choose to “*pull up*” specific procurements for a higher level of governance oversight. Procurements pulled up in this manner by Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC) will be placed on a priority project list that is updated regularly. These committees may subsequently choose to “*push down*” procurements for continued oversight at a lower level of governance once key decisions are made or issues are addressed.

#### *Operations of Director- and Director General- Committees*

Committee membership should comprise representatives from the core departments concerned with the Defence or Canadian Coast Guard (CCG) procurement (i.e., Public Services and Procurement Canada (PSPC), DND/ Canadian Coast Guard (CCG), and Innovation, Science and Economic Development Canada (ISED)). Other implicated Government departments and agencies (e.g., Global Affairs Canada (GAC), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Regional Development Agency Contacts (RDA) will be invited to attend and given the opportunity to decide whether and when to participate.

Committees should be chaired by the Public Services and Procurement Canada (PSPC) Acquisitions Branch Director General (Director Major Project Services (DMPS), Sustained Strategic Asset Management Services (SSAMS), Services and Technology Acquisition Management Sector (STAMS), etc.) or Director with responsibility for the particular procurement in question and administratively supported by Public Services and Procurement Canada (PSPC).

The frequency of meetings should be guided by the key milestones and issues outlined above. Close coordination with the Secretariat is encouraged to ensure timely management of meetings in advance of any required Assistant Deputy Minister Committee (ADMC) discussions.

Committees should be guided by the issue or decision required when determining the format of meetings. Routine decisions may be most efficiently obtained via secretarial approval (e.g., via email); however, in-depth discussion and issue resolution should continue to be facilitated through in-person meetings, teleconferences or similar.

Decision making would be by consensus of core departments. If a core member is unable to attend, an alternate may be identified; the alternate will have full decision- making authority on behalf of that member. Members are accountable for the decisions of the Committee, which will be documented and, as necessary, signed by all members.

### **5 Role of the Defence Procurement Strategy Secretariat**

The Defence Procurement Strategy Secretariat acts as a coordinating and Implementation oversight function for the Defence Procurement Strategy as a whole. It provides strategic analysis and advice with a whole of Government perspective, organizes meetings of the Assistant

Deputy Minister Committee (ADMC) and the Deputy Minister Governance Committee (DMGC), and supports the Chairs in leading effective discussions.

The Secretariat will notify Directors and Director Generals of the appropriate points of contact within the Secretariat who will remain up to date on key issues on their files, monitor progress, and advise as necessary should an issue require senior level attention.

At the Director General-level and below, the Secretariat will provide guidance to acquisition teams regarding templates to be used to bring issues forward for discussion, such as a proposed plan for industry engagement. These templates are intended to standardize, to the extent possible, presentations to ensure that governance committees are provided the appropriate information and level of detail to ensure focused, effective decision making. It is recognized, however, that issues will vary from procurement to procurement and therefore the templates will provide flexibility to provide information or considerations that may be unique to each project.

Director and Director General-level committees should provide their summaries of discussion/decision for projects/programs to the Secretariat as a means to monitoring their progress and advising senior management should their intervention be necessary to “pull up” an issue to the Assistant Deputy Minister or DM level. Summaries of discussion/decision should be appropriately robust as to provide an audit trail including a clear articulation of what was decided and the rationale for decisions taken.

In addition, Director and Director General-level committees are requested to provide the Secretariat with the records of decision specifically relating to the assessment of eligibility for application of leveraging tools (including value propositions) and the recommended approach to application when applicable. These records of decision should be appropriately robust as to provide an audit trail, including a clear articulation of what was decided, the rationale for decisions taken and attest to the interdepartmental consensus on the decisions. The Secretariat will be responsible for tracking the status of leveraging approaches and reporting regularly to Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC).

Consistent with this approach, acquisition staff will be requested to provide information to the Secretariat on a regular basis to support timely updates for Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC) on the status of major Defence and Canadian Coast Guard (CCG) procurements.

To support the timely progress of procurements, DGs should inform the Secretariat of significant issues arising during the course of procurements and seek the Secretariat’s guidance and advice on the appropriate venue for resolution of the issue.

When an issue is taken to the Assistant Deputy Minister or DM level for discussion due to inability to resolve issues at a lower level, it is strongly encouraged that departments nevertheless consult each other and ensure full awareness at the Director and DG level before a document or issue is presented to Assistant Deputy Ministers.

## **Terms of Reference – Defence Procurement Strategy (DPS) Governance Committee**

### **1 Purpose**

The purpose of this Terms of Reference (TOR) is to outline the roles, responsibilities, and governance structure for the Implementation, management and oversight of the Government of Canada's Defence Procurement Strategy and related procurements.

These Terms of References will be reviewed and updated as needed, subject to approval by the Deputy Minister Governance Committee (DMGC).

### **2 Defence Procurement Strategy Objectives**

The objectives of the Defence Procurement Strategy (DPS) Governance Committee are to:

Deliver the right equipment to the CAF and the Canadian Coast Guard (CCG) in a timely manner by:

- Ensuring early and continuous industry and client engagement in the procurement process;
- Publishing an annual Defence Capabilities Blueprint that outlines potential Department of National Defence (DND) procurements; and
- Establishing an independent, third party review of military High Level Mandatory Requirements (HLMR), as well as strengthening the DND internal challenge function.

Leverage purchases of eligible Defence and major Canadian Coast Guard (CCG) procurements to create jobs and economic growth in Canada by:

- Using a weighted and rated Value Proposition (VP) to assess bids for eligible Defence and major Canadian Coast Guard (CCG) procurements, supporting Canada's Key Industrial Capabilities (KICs);
- Implementing an Export Strategy to support international sales opportunities and participation in global value chains; and
- Establishing an independent, third party Defence Analytics Institute which will provide expert analysis to support the objectives of the Defence Procurement Strategy (DPS) and its evaluation.

Streamline Defence procurement processes by:

- Adopting a new governance regime to ensure streamlined and coordinated decision making for eligible Defence and major Canadian Coast Guard (CCG) procurements;
- Establishing a Defence Procurement Strategy Secretariat operating within Public Services and Procurement Canada (PSPC) to ensure close coordination among key departments; and
- Reviewing the current DND delegated authority to purchase goods and services to achieve more efficient procurement practices.

### 3 Existing Ministerial Authorities

The governance regime described herein operates within the context of Ministers' existing statutory authorities.

### 4 Working Group of Ministers

A Working Group of Ministers will be established with a mandate to ensure Ministers' existing statutory authorities are exercised in a coordinated manner, enabling Defence and major Canadian Coast Guard (CCG) procurements to proceed in a timely, efficient manner.

In carrying out this mandate, the Working Group of Ministers will provide a forum for discussion, including guidance, issue resolution, and direction in the Implementation of the Defence Procurement Strategy and guidance on individual procurements as appropriate.

Decisions will continue to be presented to Cabinet for approval through established processes.

The Working Group of Ministers will be chaired by the Minister of Public Services and Procurement Canada (PSPC) and include the Ministers of National Defence, Industry, International Trade, and, for those matters relating to Canadian Coast Guard (CCG) procurements, the Minister of Fisheries and Oceans. The President of the TB will be included as an *ex officio* member.

Operations of the Working Group of Ministers will be governed by the Terms of Reference established separately by that body.

### 5 Deputy Minister Governance Committee

A Deputy Minister Governance Committee (DMGC) will be established as the senior body responsible for the Implementation of Defence Procurement Strategy initiatives and the timely progress of Defence and major Canadian Coast Guard (CCG) procurements. The Deputy Minister Governance Committees (DMGC) specific mandate will be to oversee the coordinated, whole of Government approach to decision making under the Defence Procurement Strategy (DPS) Governance Committee.



The Deputy Minister Governance Committee (DMGC) will also keep the Working Group of Ministers apprised of issues and seek guidance on trade-offs at key decision points in the procurement process.

In carrying out this mandate, the Deputy Minister Governance Committee (DMGC) will undertake the following activities:

- Decisions, oversight and due diligence, including but not limited to, the areas of:
  - Early and continuous engagement of industry;
  - Analysis of options and the resulting procurement strategies;
  - Application of economic leveraging policies, including the Industrial and Technological Benefits Policy and Value Propositions;
  - Consideration of trade-offs related to capabilities, cost, the timely delivery of equipment, and benefits to Canada;
  - Streamlining of acquisition processes; and
  - Assessment of the effect of Implementation of the Defence Procurement Strategy.
- Consultation of independent third parties as appropriate.
- Approval of the Defence Procurement Strategy (DPS) performance measurement strategy and monitoring of performance indicators on an ongoing basis;
- Provision of regular reports to the Working Group of Ministers on issues arising during the Implementation of the Defence Procurement Strategy and related procurements;
- Consultation with the Working Group of Ministers on key trade-offs during the procurement process; and
- Issues resolution, including escalation to the Working Group of Ministers as required.

The Deputy Minister Governance Committee (DMGC) will be chaired by the Deputy Minister of Public Services and Procurement Canada (PSPC) and include the Deputy Ministers of DND, Innovation, Science and Economic Development Canada (ISED), Fisheries and Oceans Canada, and International Trade (IT) (i.e., regular members). The Privy Council Office (PCO), Treasury Board of Canada Secretariat (TBS), Finance Canada (Fin) and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) are *ex officio* members. DND may include representation from the CAF at Deputy Minister Governance Committee (DMGC) meetings, as required, to provide military advice to the Deputy Minister Governance Committee (DMGC) on issues that could impact capability requirements.



Regular members reach decisions by consensus within the context of their departmental accountabilities and with a whole of Government perspective. Notwithstanding the objective of consensus, the Chair of the Deputy Minister Governance Committee (DMGC) has a mandate to ensure issues are resolved in a timely manner. *Ex officio* members observe and provide a challenge function to inform the Deputy Minister Governance Committees (DMGC) decisions.

Quorum requires the presence of all regular members. Members can only be replaced by an Associate Deputy Minister or as approved by the Chair. *Ex officio* members can be replaced by their designated alternate. Any other participant must be cleared by the Secretariat.

## 6 Assistant Deputy Minister Committee (ADMC)

An Assistant Deputy Minister Committee (ADMC) will be established with a mandate to support Deputy Minister Governance Committees (DMGC) activities and oversee the Implementation of joined-up decision making processes at the operational level. The Assistant Deputy Minister Committee (ADMC) will also act as a forum for early issue Identification and resolution.

In carrying out this mandate, the activities of the Assistant Deputy Minister Committee (ADMC) will include, but are not limited to, the following:

- Reviewing and approving documentation prepared for Deputy Minister Governance Committee (DMGC) consideration;
- Identifying and reaching consensus on key issues requiring Deputy Minister Governance Committee (DMGC) discussion or decision;
- Establishment and oversight of processes for identifying procurements that may require senior level oversight by Assistant Deputy Minister Committee (ADMC) or Deputy Minister Governance Committee (DMGC);
- Establishment and oversight of processes for joined-up decision making at the Director General level and below; and
- Providing regular reports, and advice or recommendations as required, to Deputy Minister Governance Committee (DMGC).

For procurements selected for senior level oversight, Assistant Deputy Minister Committee (ADMC) will be responsible, as required, for decisions, oversight and due diligence including but not limited to, the areas of:

- Analysis of options and the resulting procurement strategies;
- Application of economic leveraging policies, including the Industrial and Technological Benefits Policy and Value Propositions; and

- Consideration of trade-offs related to capabilities, cost, timely delivery of equipment, and benefits to Canada.

The Assistant Deputy Minister Committee (ADMC) will be chaired by the Assistant Deputy Minister of the Acquisitions Branch of Public Services and Procurement Canada (PSPC), and include Assistant Deputy Minister's from DND, Innovation, Science and Economic Development Canada (ISED), Department of Fisheries and Oceans (DFO), and Global Affairs Canada (GAC) (i.e., regular members). The Privy Council Office (PCO), TBS, Finance Canada (Fin) and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) are *ex officio* members. The Chair may invite other Government of Canada representatives to support discussions as required. DND may also include representation from the CAF at Assistant Deputy Minister Committee (ADMC) meetings, as required, to provide military advice to the Assistant Deputy Minister Committee (ADMC) in discussions of issues that could impact capability requirements.

Regular members reach decisions by consensus and within the context of their departmental accountabilities. *Ex officio* members observe and provide a challenge function to inform the Assistant Deputy Minister Committee's (ADMC) decisions and recommendations. Quorum requires the presence of all regular members or their designated alternates. Members can only be replaced by their designated alternate or as approved by the Chair.

## 7 General Provisions – Governance Committees

In fulfilling their respective roles, both the Deputy Minister Governance Committee (DMGC) and the Assistant Deputy Minister Committee (ADMC) shall:

- Support the Defence Procurement Strategy (DPS) Governance Committee's objective of streamlining procurement processes by ensuring the level of governance oversight is aligned with the nature of the issue or procurement;
- Oversee the development and Implementation of policies, processes and procedures deemed necessary by each Committee for the successful Implementation of the Defence Procurement Strategy (DPS) Governance Committee and the timely progress of procurements;
- Consider the results of independent third party reviews; and
- Meet as required, but normally not less than once every two months.

Meeting agendas and documentation for the Deputy Minister Governance Committee (DMGC) and Assistant Deputy Minister Committee (ADMC) shall be approved by their respective Chairs, through the Secretariat, prior to distribution. Meeting documentation must be received by the Secretariat at least four working days prior to a scheduled meeting. If documents are not received prior to this deadline, the relevant item will be rescheduled to a future meeting, unless otherwise determined by the Chair.

The Secretariat will aim to provide Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC) members with documentation three days prior to a scheduled meeting or as soon as possible thereafter. The Secretariat will also aim to provide Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC) members with information on the action items arising from their respective meetings within five working days of each meeting.

## 8 Defence Procurement Strategy Secretariat

A full-time Secretariat will be established and operate within Public Service and Procurement Canada (PSPC). The Secretariat will include resources with a broad range of expertise including procurement, industrial analysis, Defence, operations, communications and policy analysis. Staff from other Defence Procurement Strategy (DPS) Governance Committee member departments may be seconded to the Defence Procurement Strategy (DPS) Governance Committee on a rotational basis; such secondments shall be Global Affairs Canada (GAC) personnel may be requested to inform and assist the work of the Secretariat.

In the short term, a cost recovery agreement for the operation of the Secretariat will be negotiated between Public Services and Procurement Canada (PSPC) and DND and between Public Service and Procurement Canada (PSPC) and Director Financial Operations (DFO) from a more permanent and flexible funding model will be explored for the longer term.

The Secretariat supports the work of and is accountable to the Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC). The Secretariat will bring together the perspectives of departments while leaving existing mandates and accountabilities intact to ensure streamlined and effective decision making and issue resolution. The Secretariat will advise the Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC), as appropriate, on the use of independent third parties to enhance oversight, impartiality and rigor. The Secretariat will provide strategic oversight, policy and procurement analysis and advice, visibility and coordination in its role supporting the governance structure, including early engagement of departments and industry as appropriate. Specifically, in implementing the Defence Procurement Strategy, the Secretariat will lead in the following areas: issues identification and resolution; performance measurement and evaluation; as well as transparency and coordinated communications.

### Issues Identification and Resolution

The objective of the Defence Procurement Strategy (DPS) Governance Committee issue Identification and resolution process is to ensure that significant issues arising during the Implementation of the Defence Procurement Strategy or individual procurements are resolved in a timely, effective manner. Issues that will be considered by Defence Procurement Strategy (DPS) Governance Committee could include, but are not limited to:

- Changes to requirements midway during the procurement that may affect cost, schedule or procurement strategy, or concerns that the requirements are not sufficiently supported;

- Lack of consensus on the approach to economic leveraging;
- Lack of consensus on how the results from stakeholder engagement are being reflected;
- Identification, consideration and mitigation of legal risks; and
- Lack of consensus on trade-off decisions arising during the post-Request for Proposal contract negotiation or Implementation Phases.

Departments will strive to resolve issues on a consensus basis at the lowest level possible; however, escalation will be used as required to achieve timely, effective resolution. The Defence Procurement Strategy (DPS) Governance Committee's issue resolution process includes five steps:

Step 1: Director Level (if applicable);

Step 2: DG Level;

Step 3: Assistant Deputy Minister Level through the Assistant Deputy Minister Committee (ADMC);

Step 4: Deputy Minister level through Deputy Minister Governance Committee (DMGC); and as appropriate

Step 5: Ministerial Level through the Working Group of Ministers.

Individuals responsible for managing procurements will continue to be expected to exercise sound judgement when escalating issues for resolution. Departments should strive to resolve issues as soon as possible, and escalate issues to the next level if consensus cannot be achieved within 15 working days.

The Secretariat will be responsible for monitoring the status of key issues and providing regular reports to Assistant Deputy Minister Committee (ADMC) and Deputy Minister Governance Committee (DMGC). The Secretariat will also recommend escalation and/or continued oversight at the Assistant Deputy Minister Committee (ADMC) or Deputy Minister Governance Committee (DMGC) levels as required to facilitate the timely, effective resolution of issues.

#### *Performance Measurement and Evaluation*

The Secretariat will establish a Defence Procurement Strategy performance measurement strategy that will include measurement of progress against the three objectives of the Defence Procurement Strategy (DPS) Governance Committee as well as Identification of procurement process performance indicators.

In support of the development and Implementation of the performance measurement strategy, the Secretariat will:

- Provide support to project leads on establishment of project agreements and timelines for defence and major Canadian Coast Guard (CCG) procurements;
- Monitor and report performance of defence and major Canadian Coast Guard (CCG) procurements; and
- Provide recommendations for improvements to the acquisition process of defence and major Canadian Coast Guard (CCG) procurements.

### Transparency and Coordinated Communications

The Secretariat will lead the development and Implementation of a communication protocol to meet the objectives of transparency and openness while supporting appropriate public disclosure. This will include, but is not limited to, the following:

- Reports to Parliament and other public reports;
- Tracking of Access to Information and Privacy (ATIP) requests related to Defence Procurement Strategy (DPS) Governance Committee initiatives and procurements governed by Assistant Deputy Minister Committee (ADMC) or Deputy Minister Governance Committee (DMGC). All departments are required to share their relevant Access to Information and Privacy (ATIP) requests and responses with the Secretariat, as appropriate; and
- Regular updates to a dedicated website.

## 9 Defence Procurement Strategy (DPS) Roles and Responsibilities

### All Departments

Each Deputy Minister Governance Committee (DMGC) and Assistant Deputy Minister Committee (ADMC) member department is responsible for:

- Working cooperatively with other member departments to achieve the Government's objectives for Defence procurement;
- Exercising their respective responsibilities for major Defence and Canadian Coast Guard (CCG) procurement via the Defence Procurement Strategy governance structure in a "joined-up" fashion to ensure a whole of Government approach to meeting the Government's objectives for Defence procurement, including making timely and

appropriate trade-offs among capabilities, cost, timeliness and leveraging economic benefits; and

- Ensuring early, frequent and continuous engagement with stakeholders to achieve the objectives of the Defence Procurement Strategy.

*Department of National Defence (DND)*

- DND is responsible for defining requirements and conducting cost and options analyses of Defence equipment.
- DND has primary responsibility for undertaking the following activities outlined in the Objectives section of these Terms of Reference:
  - Providing military advice with regard to capability requirements;
  - Publishing an Defence Acquisition Guide;
  - Establishing an independent, third party review of High Level Mandatory Requirements (HLMR), as well as strengthening the DND internal challenge function; and
  - Identifying ways to streamline its existing procurement processes.

*Public Services and Procurement Canada (PSPC)*

- Public Services and Procurement Canada (PSPC) is responsible for procuring goods and services for Federal departments and agencies.
- Public Service and Procurement Canada (PSPC) has primary responsibility for undertaking the following activities outlined in the Objectives section of these Terms of Reference:
  - Managing the adoption of a new regime to ensure streamlined and coordinated decision making and issue resolution for eligible Defence and major Canadian Coast Guard (CCG) procurements;
  - Establishing a Defence Procurement Strategy Secretariat operating within Public Service and Procurement Canada (PSPC) to support and facilitate the work of the Working Group of Ministers, Deputy Minister Governance Committee (DMGC) and Assistant Deputy Minister Committee (ADMC), and to develop and implement a performance measurement strategy for the Defence Procurement Strategy.
  - Reviewing the current DND delegated authority with a view to streamlining procurement processes and practices; and

- Identifying ways to streamline its existing procurement processes.

*Innovation, Science and Economic Development Canada (ISED)*

Innovation, Science and Economic Development Canada (ISED) has lead responsibility for:

- Developing an approach to Value Propositions (VP) generally;
- Engaging bidders and Canadian industry through industry days to present the approach and gather feedback and finalize the procurement-specific VP approach; and
- Leading on the Government's response to the interim Defence Analytics Institute (DAI) recommendation.

*Global Affairs Canada (GAC)*

- Global Affairs Canada (GAC) is responsible for fostering the expansion of Canada's international trade and commerce.
- Global Affairs Canada (GAC) has primary responsibility for undertaking the following activity outlined in the objectives section of these Terms of Reference:
  - Implementing an Export Strategy to support international sales opportunities and participation in global value chains.

*Department of Fisheries and Oceans (DFO)*

Department of Fisheries and Oceans (DFO) from Oceans and Fisheries Canada is responsible for the Canadian Coast Guard (CCG), which owns and operates the federal Government's civilian fleet, and provides key maritime services contributing to the safety, accessibility and security of Canadian waters. The Canadian Coast Guard (CCG) is responsible for defining requirements and conducting cost and options analyses of Canadian Coast Guard (CCG) equipment.



## **Governance – Defence Capability Board (DCB)**

### **1 General**

The Defence Capabilities Board (DCB) is one of two VCDS-chaired strategic management boards that provide oversight, guidance and direction to the Project Approval Process (PAP); the second being the Programme Management Board (PMB). The mandate of the Defence Capabilities Board (DCB) is to provide the VCDS, on behalf of the DM/CDS, with situational awareness and decision support in the execution of the governance function over DND/CAF capability development.

This board serves as the approval authority for all Strategic Context Documents (SCD) and Business Case Analysis (BCA) prior to completing Costing and Treasury Board or Ministerial submissions, thereby ensuring Level 0 strategic alignment.

The Defence Capabilities Board (DCB) is a governance gateway at two junctures in the Project Approval Process (PAP). Defence Capabilities Board 1 (DCB) approves the Strategic Context Document (SCD). Defence Capabilities Board 2 (DCB) approves the Business Case Analysis (BCA), authorizes the formal start of a project, and provides direction to the project to engage the Programme Management Board (PMB) to seek Project Approval (PA) and Expenditure Authority (EA). When projects are in the Definition Phase and make changes to scope and/or High Level Mandatory Requirements (HLMR), a return to Defence Capabilities Board (DCB) may be required to obtain approval.

Central to the Defence Capabilities Board (DCB) oversight is the Business Case Analysis (BCA) and the Strategic Context Document (SCD). The Strategic Context Document (SCD) is a sub-component of the Business Case Analysis (BCA), consisting of Step 1 (Business Needs and Desired Outcomes) and Step 2 (Preliminary Options Analysis) of the five sections of the Business Case Analysis (BCA). Guidance for writing a Strategic Context Document (SCD) and Business Case Analysis (BCA) can be found in Section B.

### **2 Scheduling**

The Defence Capabilities Board (DCB) agenda is prepared approximately one month before the Defence Capabilities Board (DCB) takes place. The agenda is prepared by Directorate of Strategic Coordination in consultation with Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) staff and staffed to Chief of Force Development (CFD) for approval.

Project Leaders are to confirm that they are ready for the Defence Capabilities Board (DCB) through their Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) analyst. Once the project and the analyst are in agreement that the project will be ready, the project registers using the DCB Event Registration Form. The information gathered on this form is to fully populate Defence Capabilities Board (DCB) trackers and the NDHQ Executive Meeting Coordination (NDHQ Executive Meeting Coordination (NEMC))



SharePoint site. The NDHQ Executive Meeting Coordination (NEMC) is where the agenda and board membership pre-reading materials are posted.

Projects not funded through the Investment Plan (IP) or by being on the Approved Portfolio are not normally permitted access to the Defence Capabilities Board (DCB) (with the exception of Investment and Resource Management Committee (IRMC) Approved Key Projects, UOR and ELE – Change Requests). This ensures that resources are only expended on projects for which funding is assigned or intended to be assigned (i.e. key capability projects). Requests for exception to this direction are to be made by the project team through their Chain of Command (CoC) to Chief of Force Development (CFD).

Timeline. This is the step by step process projects go through for a Defence Capabilities Board (DCB):

- 55 working days prior to the Defence Capabilities Board (DCB), the Project Leader reviewed Business Case Analysis (BCA)/Strategic Context Document (SCD) must be submitted to the CFD – Director General Capability and Structure Integration (DGCSI) to enable a review. This review is conducted by the CFD analyst, ADM(Pol), ADM(DRDC), ADM(IE), ADM(IM), and Chief of Combat Systems Integration (CCSI). This will be returned to the Project Director for refinement and Project Sponsor endorsement;
- 20 working days prior to the Defence Capabilities Board (DCB), the draft agenda is prepared and submitted to Chief of Force Development (CFD) for approval as Executive Secretary;
- No later than 17 working days prior to the Defence Capabilities Board (DCB), the project provides Project Sponsor reviewed Strategic Context Document (SCD) / signed Business Case Analysis (BCA), accompanying slide deck (English only), placemat and PSOR (if DCB 2) to their Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) Analyst, along with any supporting documentation. The CFD Analyst prepares their advice to the VCDS which is called a ‘Yellow’;
- 7-13 working days prior to the Defence Capabilities Board (DCB), Chief of Force Development (CFD) hosts a Pre-Brief as a dry run of the Defence Capabilities Board (DCB) and the final stage of the analysis. Project Teams are required to present their project. CFD uses this opportunity to make recommendations for a successful engagement and to forewarn of possible questions. Revisions following the CFD Pre-Brief are not uncommon. If the resulting revisions are substantial, the project may be rescheduled for the following month’s Defence Capabilities Board (DCB). Projects will provide their final slide deck in both official languages 48 hrs following this brief. Documents are uploaded to the DCB Library following this Pre-Brief by the CFD Analysts;

- 5 working days prior to the Defence Capabilities Board (DCB), documents are uploaded onto the NDHQ Executive Management Committee (NEMC) SharePoint site for distribution to the board membership;
- 2 to 6 working days prior to the Defence Capabilities Board (DCB), the VCDS hosts a Pre-Brief, which includes CFD, C Prog, DGCSI, and DCI. Project Teams are not required or normally permitted to attend;
- 2 working days prior to the Defence Capabilities Board (DCB), the VCDS hosts a Pre-Brief. Project Teams are not required or normally permitted to attend;
- 1 day prior to the Defence Capabilities Board (DCB), the project will provide their final slide deck in both official languages.
- On the day of the Defence Capabilities Board (DCB), project teams are to be available 15 minutes prior to their allocated Defence Capabilities Board (DCB) time slot.

Following the Defence Capabilities Board (DCB), The Director of Strategic Coordination (DSC) 3-2 prepares the official Record of Decision (ROD). The Record of Decision (ROD) is circulated to the presenters for verification prior to being staffed to VCDS for approval.

### 3 Documentation

Documents. The Defence Capabilities Board (DCB) focuses primarily on the strategic context and the capability to be delivered by the project.

- Defence Capabilities Board (DCB) 1. The Defence Capabilities Board (DCB) 1 submission consists of a completed Strategic Context Document (SCD) (Business Case Analysis (BCA) Step 1 and 2), a placemat and a presentation.
- Defence Capabilities Board (DCB) 2. The Defence Capabilities Board (DCB) 2 submission consists of a completed Business Case Analysis (BCA) (Parts 1 through 5, including Vote 5 and cost of ownership estimates, and a cost-benefit analysis for each option), a placemat, a presentation, and the Preliminary Statement of Operational Requirements (PSOR).

Presentations. Staff preparing briefings to Defence Capabilities Board (DCB) shall adhere to the direction for Executive Committees known as the 10-minute/7-slide rule as is highlighted in the VCDS directive on Strategic Governance Boards and Committees. This means that items should be presented within a 10 minute time limit and be restricted to a maximum of 7 slides. As the slide decks become part of the formal record of the Strategic proceedings, animated slides are not permissible and will not be accepted. Charts, diagrams and other useful slide material should be reserved in back-up slides and provided as pre-reading material to the Defence Capabilities Board (DCB) membership to enhance their understanding.

**Translation.** Translations are the responsibility of the Project Team. Project presentations shall be provided in both English and French so that they may be posted in both official languages in accordance with the Official Languages Act. Submission of project documentation to support analysis and pre-briefs is normally in English. The translated slide deck is required no later than 48 hrs following the Pre-Brief to CFD..

**Classified Materials.** The Defence Capabilities Board (DCB) can work with classified materials although it complicates distribution. Whenever practicable, projects are requested to consider keeping slide decks unclassified and keep classified points to their verbal remarks. This request should not be followed if it compromises the intent of the Defence Capabilities Board (DCB) engagement. Classified materials are posted for distribution to the Defence Capabilities Board (DCB) membership via the Consolidated Secret Network Infrastructure (CSNI) Web Publishing site.

**Secretarial Submissions.** A Secretarial Submission to the Defence Capabilities Board (DCB) is a formal submission for approval of project materials without a formal presentation. In most cases, these occur when the Defence Capabilities Board (DCB) has approved a Strategic Context Document (SCD) or Business Case Analysis (BCA) but minor amendments are required. The decision as to whether the proposed changes require a Secretarial or In-Person submission is made by Chief of Force Development (CFD) on the advice of the Director Strategic Coordination (DSC). In these cases, a Secretarial Submission is normally approved if the amendments do not include the following:

- High Level Mandatory Requirements (HLMR) revisions that fundamentally alter the scope or cost of the project;
- Scope changes that impact operational capabilities of other Level 1s;
- Costing revisions that exceed +/- 30%;
- Increases to the Project Complexity and Risk Assessment (PCRA);
- Schedule changes greater than 6 months for Defence Capabilities Board (DCB) 2 or Programme Management Board (PMB) appearances; and
- Significant changes to the capability supporting infrastructure.

Documentation required to support Secretarial Submissions is fundamentally the same as for Defence Capabilities Board (DCB) 1 or Defence Capabilities Board (DCB) 2 except that no formal slide deck is required (although it may be called for nonetheless). A Briefing Note (BN) from the sponsor to the VCDS requesting the secretarial review will initiate the consideration for scheduling. The decision for a secretarial review rests with Directorate of Strategic Coordination (DSC) with the advice of Chief of Force Development – Director General Capability and Structure Integration (DGCSI).

Once a secretarial review is approved, the Chief of Force Development – Director General Capability and Structure Integration (DGCSI) Analyst prepares their yellow with Centre for Operational Research and Analysis (CORA) and ADM (Pol) inputs as appropriate. Directorate of Strategic Coordination (DSC) 3-2 prepares a letter of approval for Chief of Force Development (CFD) recommendation and the VCDS's approval. The VCDS signature stands as approval with the caveat that the Defence Capabilities Board (DCB) membership will have an opportunity to review the package and comment at the Defence Capabilities Board (DCB) Round Table.

## 4 Outcomes

Defence Capabilities Board (DCB) 1 is conducted with the Strategic Context Document (SCD) being the prime document under consideration. The Strategic Context Document (SCD) provided is a portion of the Business Case Analysis (BCA) and does not have a signature page. Defence Capabilities Board (DCB) decision responsibilities are:

- APPROVE: The Strategic Context of the Capital Investment Proposal and the completion of the Identification Phase;
- APPROVE: The Options Analysis (OA) Phase Plan and the Project Milestones;
- APPROVE: The delegation of the BCA to CFD, in accordance with Process Paths B or C (See [Overview of Process Paths](#));
- DIRECT: That Project Sponsor will deliver the Business Case Analysis (BCA) to Defence Capabilities Board (DCB) within a specified timeframe (expressed in month/year);
- DIRECT: That the Project Sponsor will include the substantive cost of the Options Analysis (OA) Phase in the annual business plan;
- DIRECT: That the Project Sponsor will appoint a Project Team within a Project Charter within the first three months;
- DIRECT: That the Project Sponsor will ensure the completeness, accuracy and currency of all information posted to Defence Resource Management Information System (DRMIS) and the Defence Services Program Portal (DSPP);
- NOTE: The intent is that this initiative will follow Process Path B, C or D in accordance with the PAD;
- GATING DECISION; and
- NOTE: Any additional points as required. (Examples: Note that the Project intends to seek a waiver for the Definition Phase and proceed directly to Implementation, Note the completion of the Identification (ID) Phase).

Defence Capabilities Board (DCB) 2 is conducted with the fully approved and signed Business Case Analysis (BCA) being the prime document under consideration. Defence Capabilities Board (DCB) 2 decision responsibilities are:

- APPROVE: The Preferred Option of the Business Case Analysis (BCA); and
- DIRECT: The project proceeds to the Programme Management Board (PMB) for the Definition Phase.
- NOTE: The intent is that this initiative will follow Process Path B, C or D in accordance with the PAD;
- NOTE: This initiative is now formally designated as a Project in accordance with TB Policy; and
- GATING DECISION.

Decision/Action Tracking. A register of all outstanding action items is maintained by the Defence Capabilities Board (DCB) Secretariat on the NDHQ Executive Management Committee (NEMC) SharePoint site under the Governance Forward Agenda.

## **Terms of Reference – Defence Capabilities Board (DCB)**

### **1 Mandate**

To provide the Vice Chief of the Defence Staff (VCDS), on behalf of the Deputy Minister (DM) and the Chief of the Defence Staff (CDS), with the situational awareness and decision support regarding Defence capability requirements and investments, informing the Investment Plan and key Defence governance bodies including the Investment and Resource Management Committee (IRMC) and the Programme Management Board (PMB). Defence Capabilities Board will serve as the approval authority for all Strategic Context Documents (SCD) and Business Case Analyses (BCA), and enable projects to complete both Identification and Options Analysis prior to seeking Project Approval and Expenditure Authority.

### **2 Frequency**

DCB will be held monthly, at the call of the Chair for a period of time not to exceed three hours. For planning purposes, DCB will ideally occur sometime in the last two weeks of the month.

### **3 Context**

DCB is a strategic capability and resource management board chaired by the VCDS. The aim of DCB is to validate and approve Capital Equipment and information management / information technology projects that are proposed by sponsors. DCB will ensure that the scope, high level mandatory requirements (HLMR) and proposed options are aligned with strategic direction and identified Canadian Armed Forces' (CAF) requirements. DCB will ensure that the proposed capability investment will provide good benefit to the Department for the proposed funding. In essence, DCB provides a strategic challenge function to validate capability investment, thereby facilitating Cabinet and Treasury Board submissions.

DCB management will be guided by the following tenets: decision support enhancing visibility to functional authorities, balanced across the DOTMLPFPI (Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, Facilities, Policy, Interoperability) elements to result in approval of capabilities to be delivered in the 5-20 year time span. On completion of DCB 2, projects will be transitioned from the plan to the Programme as managed by Chief of Programme (C Prog) through PMB.

## 4 Membership

Membership is based on the premise that all capabilities discussed at DCB meetings are linked directly to Defence operating capabilities and that members have the proper authority to inform Board discussions and decisions. Members must be fully prepared to discuss and challenge proposals in detail to enable decisions on what, when and how much capability is required. The primary members should therefore be the Level 1A (L1A) or Chief of Staff (COS) level executives. If the L1A/COS is not available, a named Director General (DG) level representative can be sent to attend the meeting but Chief of Force Development (CFD) has the authority to reject the participation of the representative if not deemed to be of the appropriate level.

## 5 Standing Composition of Defence Capabilities Board (DCB)

Chair:	VCDS
Standing Member	RCN
Standing Member	CA
Standing Member	RCAF
Standing Member	CJOC
Standing Member	CANSOF
Standing Member	NORAD
Standing Member	CFINTCOM
Standing Member	ADM(Fin)
Standing Member	ADM(IE)
Standing Member	ADM(IM)
Standing Member	ADM(MAT)
Standing Member	ADM(Pol)
Standing Member	ADM(DRDC)
Standing Member	C Prog
Standing Member	Director Gender, Diversity & Inclusion
Executive Secretary:	CFD
Secretary:	DSC
DCB Observer:	Director IRPDA

Level 1 Executives and Command Executives (including JAG / CFINTCOM) are welcome to attend DCB if they or their organization is presenting an item or if they feel an item on the agenda is relevant to their organization. All L1s and Commands will be sent an invite to attend and will have a seat at the table provided they send a representative of the appropriate level (e.g. Director General). No Level 1 Executive should feel that they are excluded from DCB; however, they are free to assess each agenda and attend as they deem appropriate.

## 6 Roles and Responsibilities

### The Chair of the Defence Capabilities Board (DCB):

VCDS is the Chair of DCB. On occasion, this duty is delegated to either D/VCDS or CFD, acting on behalf of the VCDS. The Chair:

- Convenes the board;
- Makes decisions within the mandate of the board;
- Establishes appropriate decision making processes to achieve the aim(s) of the board;
- Sets agenda and creates meeting schedule (regularity);
- Establishes risk management processes;
- Ensures that board members' opinions are solicited and considered; and
- Provides orientation to all board members.

### Member's Responsibilities:

- Effectively represent the views of their respective L1 organizations or functional responsibilities;
- Provide strategic advice on future capability investments and divestments;
- Provide Risk and Impact assessments on future capability planning resulting from L0 decisions and direction;
- Provide the departmental challenge function to projects being brought forward to DCB for review and approval of the SCD and BCA phases;
- Provide validation and endorsement where applicable to project scope to all projects throughout the Project Approval Process (PAP);
- Provide strategically focused advice on transformative issues and initiatives;
- Provide Defence Strategic Executive Committee (DSX) with advice on key elements of the strategic environment as future departmental-level strategy options are considered and to provide guidance on strategic issues;
- Provide advice on future capability investments and divestments that is informed by Gender-Based Analysis Plus (GBA+);
- Support Defence Management Committee (DMC) by providing strategic context to inform Defence planning and governance; and
- Support PMB by linking program activities to Defence (L0) strategy.

### Executive Secretary

CFD is the Executive Secretary to DCB and Directorate of Strategic Coordination (DSC) provides secretarial support to DCB with the Directorate of General Capability and Structure Integration (DGCSI) providing analytical support.

### Chief of Force Development (CFD) DSC:

- Develops the DCB agenda (DSC 3-2 is OPI);
- Provides secretarial support to DCB;



## PROJECT APPROVAL DIRECTIVE (PAD)

- Provides dissemination of relevant information to board members via SharePoint and/or hand delivery as applicable (classification dependent); and
- Provides timely records of decision/discussion.

### Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI):

- Provides detailed analytical and strategic decision support to Defence Capabilities Board (DCB) with respect to capability and force structure requirements;
- Works with Project Sponsors to ensure Business Case Analysis (BCA) content and structure, and supporting documentation, are appropriate. Specific attention is paid to the capability business need, scope (to include High Level Mandatory Requirements (HLMR)), and capability options.
- Liaison with ADM(Pol) for policy alignment. Liaison with Defence Research and Development Canada (DRDC) Centre for Operational Research and Analysis (CORA) for High Level Mandatory Requirements (HLMR) validation. Liaison with ADM(IE) and ADM(IM) to confirm stakeholder engagement regarding assumptions, constraints, boundaries and risks;
- Analyzes files, project documentation, strategic initiatives, new capabilities and force structures being proposed or delivered to ensure alignment with Treasury Board Policy, the Force Capability Plan and Defence Team Establishment Plan (DTEP), and consults C Prog Director Defence Programme Coordination (DDPC) analyst regarding any initial programmatic issues or concerns; meets the strategic requirements for inclusion in the Investment Plan (IP); and
- Provides the “yellow” briefing note (BN) to accompany each Defence Capabilities Board (DCB) agenda topic.

### Staff Observers at Defence Capabilities Board (DCB):

Support staff may attend meetings with their Board members when it is deemed necessary to have support staff present to provide information on a topic being championed at the Defence Capabilities Board (DCB) by their respective organization. This provision is specific to the agenda and not an open invitation.

**Terms of Reference – Digital Services Board (DSB)**

The Digital Services Board (DSB) Terms of Reference (ToR) can be found at: [DSB ToR](#)

## Terms of Reference – Infrastructure and Environment Board (IEB)

### 1 Purpose

Infrastructure and Environment (IE) governance bodies have been established to ensure open, transparent decision making and oversight of various aspects of Infrastructure and Environment (IE) in support of Defence programs. The Infrastructure and Environment Board (IEB) provides strategic advice and corporate guidance to the Assistant Deputy Minister (Infrastructure and Environment) on infrastructure and environment matters. The purpose of Infrastructure and Environment Board (IEB) is to ensure that the performance of the Infrastructure and Environment (IE) portfolio and the enabling real property management is regularly and systematically assessed for Canadian Armed Forces (CAF) operational suitability and relevance, utilization, efficiency, condition and financial performance. The primary goal is to ensure that Infrastructure and Environment (IE) performance is meeting expectations and focused on enabling the Canadian Armed Forces (CAF) capabilities.

### 2 Composition

The Infrastructure and Environment Board (IEB) is composed of the following membership:

ROLE	ORGANIZATION
<b>Chair</b>	Assistant Deputy Minister Infrastructure & Environment (ADM(IE))
<b>Vice-Chair</b>	Chief of Staff Infrastructure & Environment (COS(IE))
<b>Core Membership</b>	VCDS / Chief of Staff VCDS / Chief of Force Development (CFD) VCDS / Chief of Programme (C Prog) Director of Staff (DOS), Strategic Joint Staff (SJS) Chief of Staff Assistant Deputy Minister Materiel (COS ADM(Mat)) Deputy Commander Royal Canadian Navy (Dcomd RCN) Deputy Commander Canadian Army (Dcomd CA) Deputy Commander Royal Canadian Air Force (Dcomd RCAF) Assistant Chief of Military Personnel Canadian Joint Operations Command (CJOC) Canadian Special Operations Forces Command (CANSOFCOM) Assistant Deputy Minister Finance (ADM (Fin CS)) / Director General Financial Management (DG Fin Mgmt) Chief of Staff Information Management (COS (IM)) Assistant Deputy Minister (Defence Research and Development Canada) (ADM (DRDC) / Director General Science and Technology Corporate Services (DGSTCS) Disaster Response Team (DRT) Canadian Forces Intelligence Command (CFINTCOM)

<b>Supporting Membership</b>	<p>Director General Infrastructure and Environment Governance, Policy and Strategy (DGIEGPS)</p> <p>Director General Program Requirements (DGPR)</p> <p>Director Infrastructure and Environment Comptrollership (DIEC)</p> <p>Director General Infrastructure and Environment Engineering (DGIEES)</p> <p>Comd Real Property Operations Group / DG FNS</p> <p>The Canadian Forces Housing Agency (CFHA)</p> <p>Director General Budget (DGB)</p> <p>(DGSPi)</p> <p>(DGESM)</p>
<b>Coordination</b>	<p>Director General Infrastructure and Environment Governance, Policy and Strategy (DGIEGPS) / Director Infrastructure and Environment Strategy and Policy (DIESP)</p>

### 3 Decision Making

The Infrastructure and Environment Board (IEB) is a senior decision making board for IE. The Infrastructure and Environment Board (IEB) engages L1s with the ultimate goal of improving the management of IE activities and performance.

### 4 Meetings

The Infrastructure and Environment Board (IEB) will meet every four months (April, August, and December), normally in the afternoon of the third Wednesday of these months, and as deemed necessary by the Chair.

#### Sub-Committees and Working Groups

The sub-committees of Infrastructure and Environment Board (IEB) are as follows: Infrastructure and Environment Strategic Council (IESC); Infrastructure and Environment Strategic Management Committee (IESMC); Infrastructure and Environment Portfolio Management Committee (IEPMC); and Real Property Operations Committee (RPOC). The sub-committees are required to provide the Infrastructure and Environment Board (IEB) with status updates.

The Infrastructure and Environment Board (IEB) may, from time to time, establish other sub-committees and/or working groups to support its requirements. In such instances, a chair, or vice-chairs, will be appointed and given a specific mandate and time frame. Once appointed, chairs will be required to produce the Terms of Reference (TOR) for approval by Infrastructure and Environment Board (IEB), and ensure the Terms of References (TOR) of sub-committees and working groups are current and clearly reflect their assigned mandate.

### 5 Responsibilities

The Infrastructure and Environment Board (IEB) is responsible for the following activities:

- monitoring Infrastructure & Environment (IE) performance and Level 1 expectations and addressing issues through recommendations where appropriate;
- overseeing significant change initiatives, including Defence Renewal Team from Infrastructure & Environment (IE) initiatives;
- soliciting feedback from the most senior levels of the Defence Infrastructure & Environment (IE) community to support decision making for enhanced performance and continual improvement;
- ensuring that investment and resource decisions are consistent with departmental priorities and strategies;
- strengthening linkages between resources, performance and results; and
- providing guidance and direction to subordinate sub-committees and working groups.

### Information Management

Infrastructure and Environment Board Board (IEB) documentation and products will be managed by the secretariat and posted on the Infrastructure & Environment (IE) Governance SharePoint site, available at link below, to facilitate easy access by all Infrastructure & Environment (IE) Board members and stakeholders. Committee documents will be provided according to the timelines presented below to ensure members have sufficient time to review items.

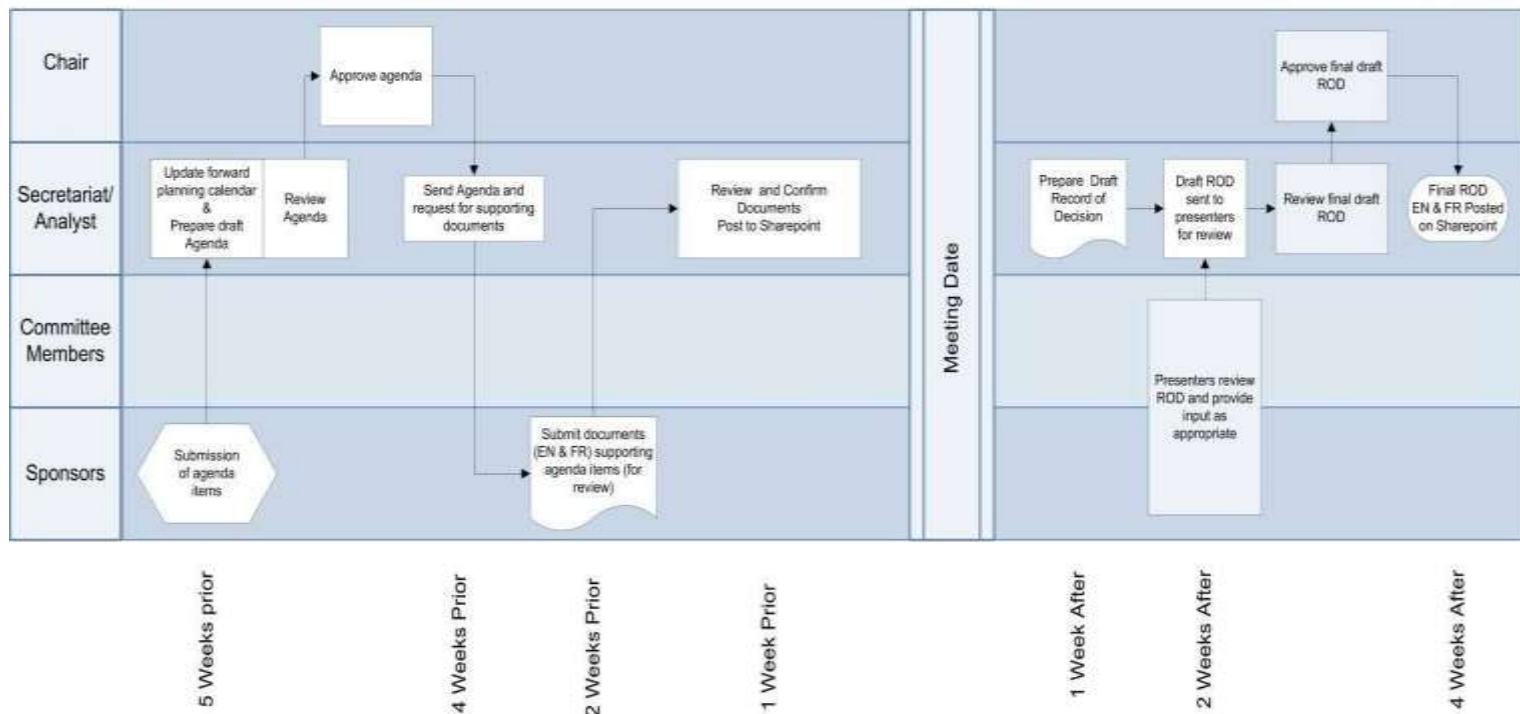
Infrastructure & Environment (IE) Governance SharePoint site :

<https://collaboration-admie-smaie.forces.mil.ca/sites/IEIMF/systems/ADMIE%20Governance/default.aspx>

# PROJECT APPROVAL DIRECTIVE (PAD)

Draft for discussion

## Timelines for Governance Committees



Note: Failure to meet these deadlines may result in the item being removed from the Agenda.

Figure 21: Timelines for Governance Committees

## **Governance – Programme Management Board (PMB)**

### **Definition**

The Programme Management Board (PMB) is an internal DND governance body which provides the VCDS, Senior Associate Deputy Minister and the Chief Financial Officer (CFO) with decision support and advice with respect to the composition of the Investment Plan (IP) and the management of elements of the Defence Services Program (DSP). The primary focus of Programme Management Board (PMB) is to support the Investment and Resource Management Committee (IRMC) in the execution of the enterprise level challenge function with respect to new investment proposals and changes to approved investments in the Investment Plan (IP), and the Implementation and management of elements of the Defence Services Program (DSP).

### **1 Management of Board Operations**

Programme Management Board (PMB) is managed by C Prog through the NDHQ Executive Management Committee (NEMC) SharePoint site. The site has controlled access; staff requiring access to this site must make application to their L1 Executive Assistant (EA).

The C Prog – Directorate Defence Programme Coordination (DDPC) creates the annual standing agenda, which is tabled at Programme Management Board (PMB) by the Executive Secretary in December. This plan serves as a heads-up in regards to major items to be considered and for which individual members will need to prepare either as presenters or decision makers. The listing of projects is based on the returns from the C Prog Departmental Program and Submission Work Plan (DPSWP) letter. The agenda is updated regularly and includes a forecast for two meetings in advance at all subsequent meetings of the Board.

The standard agenda for the meeting is divided into five parts as follows:

- Part One: The Defence Policy
- Part Two: Secretarial Approvals
- Part Three: Projects for Discussion
- Part Four: Program Briefs
- Part Five: Other Business

### **2 Making Application to the Board for Decisions/Direction**

A Sponsoring Level 1 Executive will make a proposal to the Board by submitting a:

- Project Brief for a capital investment project proposal;
- Program Brief as a report to the Programme Management Board (PMB); or

- Memorandum to the Programme Management Board (PMB) for a Defence Services Program (DSP) adjustment, out-of-sequence Business Plan (BP) pressure or a new arising that might impact the Defence Services Program (DSP).

The Sponsoring Level 1 Executive's proposal shall be supported by documentation to allow Members to review the proposal in advance of the meeting.

A project proposal shall always be supported by a Project Brief (Word) with an attached DOTMLPFI Annex, and a presentation (PowerPoint). The PowerPoint will not always be briefed at the Board.

A Program Brief shall always be supported by presentation (PowerPoint).

A Memorandum to the Programme Management Board (PMB) will normally be stand-alone but could be supported by a Briefing Note (BN). A presentation (PowerPoint) is optional.

Staff preparing briefings for Programme Management Board (PMB) shall adhere to the direction for Executive Committees known as the 10-minute/7-slide rule. This means that items should be presented within a 10 minute time limit and be restricted to a maximum of 7 slides. In the role of Executive Secretary, C Prog has the authority to allow exceptions to this rule depending on the circumstances. Such exceptions must be discussed in advance of sending long presentations into the Secretariat. Staff must recognize that long briefing decks will be provided to members as advance background material but will not likely be briefed. Sample briefing templates are available on the PMB intranet site at <http://intranet.mil.ca/en/committees-pmb.page>.

All presentations and documents are to be sent to the applicable C Prog – Director Defence Programme Coordination (DDPC) Analyst no later than 15 working days prior to the Programme Management Board (PMB) to allow Board members and their staff time to prepare for the Board's deliberations. The presentations shall be provided in both English and French so that they may be posted in both official languages, in accordance with the Official Languages Act.

### 3 Templates

- Functional Program Brief
- Define A Project
- Implement A Project

### 4 The Process

#### Secretarial Approvals:

As a default position, Major Projects should expect to seek a secretarial approval from the Programme Management Board (PMB). In practical terms, this means that the project documentation required for the Board is provided to C Prog – Director Defence Programme Coordination (DDPC) for review and uploaded to the [NDHQ Executive Management](#)



[Committee](#) (NEMC) SharePoint site for member review as detailed above. If the co-chairs and the standing members are in agreement with the decisions sought, the approval is read into the minutes of the Programme Management Board (PMB). There is no need to discuss the project at Programme Management Board (PMB). If however, there are known issues to be discussed, or during the secretarial review process issues are raised, the project will be moved from the Secretarial Approvals of the Programme Management Board (PMB) agenda to the files for discussion section, and a fulsome discussion will be held before any decisions are rendered.

Note: Bilingualism and PMB. Programme Management Board (PMB) can operate effectively in either official language. Presenters should speak to their item using the language they are most comfortable with and how they can be the most effective in getting their points across. The documentation must be delivered in two separate versions, one in French and one in English. Written documents may be side by side, but decks alternating between French and English are not recommended as they do not meet the requirement for full French and full English versions.

At the time an investment project is seeking approval to enter the Definition Phase, Programme Management Board (PMB) and/or Investment and Resource Management Committee (IRMC) must be advised on:

- the full range of options that were investigated and the clear reasons why the *not recommended* options were eliminated from further departmental consideration;
- the rationale which support the recommended option;
- the *indicative* impact that Implementation of this project will have on the Defence Services Program, including the initial long term support strategy;
- their continuing commitment to support the project as detailed in the Project Charter;
- a valid Cost Report (CR) for the *substantive* estimate of the cost of the Definition Phase of work and the expected completion date of the Definition Phase;
- the Definition Phase plan in detail including any agreed contractor competition strategy and the procurement strategy;
- an *indicative* cost estimate broken down by year for Implementation and the expected duration of the Implementation Phase;
- an *indicative* accrual cash flow profile for Implementation if the project is funded from the Accrual Envelope; and
- *indicative* Operations and Maintenance (O&M) steady state incremental costs and confirmation that the recurring O&M can or cannot be funded from existing reference levels.

All projects will go through a secretarial approval process unless specifically called upon to present at the Programme Management Board (PMB). All project documents (Project Brief and DOTMLPFPI Annex) are due to the Director Defence Programme Coordination (DDPC) Analyst at Programme Management Board (PMB) minus 15 working days. The Yellow Template is then filled out by the Director Defence Programme Coordination (DDPC) Analyst and sent to ADM (Fin).

At Programme Management Board (PMB) minus 10 working days, the Programme Management Board (PMB) Secretary will upload all project related documents to the NDHQ

Executive Management Committee (NEMC) SharePoint site and send an email to the Standing Members requesting secretarial approval. Standing Members are to review documents and provide comments and concurrence to +PMB - CGP@VCDS C Prog@Ottawa-Hull no later than Programme Management Board (PMB) minus 5 working days. Co-Chairs will be advised that the membership have secretarially endorsed the project/agenda item. The decisions approved by the Co-Chairs will be read into the Record of Decision (ROD), at the next scheduled Programme Management Board (PMB).

*Projects for Discussion:*

The presentation of projects to Programme Management Board (PMB) has to be managed carefully because when the members agree to pursue one investment activity they inherently reduce their flexibility to use those resources for something else. Accordingly the entire defence team has to ensure that all of the correct things are in place and preferably with a minimum of conditions so that the project is positioned to be successful.

Supporting documentation consisting of at least a power point briefing deck, the latest version full Project Brief with a signature page showing all decisions requested and with an attached DOTMLPFPI assessment must be delivered to the Members of the Programme Management Board (PMB) at least 10 working days in advance of the meeting. This 10-day advance is required to allow sufficient time for the Members staff to conduct a review of the proposal and prepare a recommendation for the Member. It has become routine to also provide a briefing deck.

To meet the Programme Management Board (PMB) Members delivery date, the supporting package has to be delivered to the C Prog Analyst at least 15 days in advance of Programme Management Board (PMB). These additional 5 working days are required to schedule the item, allow for staff review including the preparation for ADM (Fin) comments, prepare the annotated agenda and have the supporting documentation successfully loaded into the NDHQ Executive Management Committee (NEMC) SharePoint tool.

Approval to Commence Project Definition

Sponsors take projects before Programme Management Board (PMB) to seek “Departmental Approval” to enter the definition phase of project development. In granting this approval VCDS will commit substantive programme resources to achieving the agreed cost, schedule and scope of the definition work package. At the same time VCDS will commit the indicative programme resources to implement the full project within the context of the Investment Plan and he/she/they may impose constraints or conditions that the Sponsor will be expected to address before returning for that next approval.

The presentation should speak to the decisions being requested and not simply talk about the project no matter how exciting or technologically excellent it may be. The Sponsor’s opening remarks and the presentation should, follow the 10min/7 slide rule. Points to be addressed include programme impacts (near term and long term), DOTMLPFPI (cross impacts), tailored governance to ensure the success of the definition phase, risk and expected project performance. A sample deck for a definition presentation to Programme Management Board (PMB) is found

on the Programme Management Board (PMB) website for Approval to Commence Project Implementation

#### Approval to Commence Project Implementation

Sponsors take projects before Programme Management Board (PMB) to seek “Departmental Approval” to implement a substantively planned project through to completion and Closeout. In granting this approval VCDS commits programme resources to implement the project and to support the outcome for its planned life expectancy. This is a major decision because our Defence Services Program (DSP) policy says that we will plan to support new systems to 100% readiness.

The presentation should speak to the decisions being requested and not simply talk about the project no matter how exciting or technologically excellent it may be. The Sponsor’s opening remarks and the presentation should follow the 10min/7 slide rule. Points to be addressed include programme impacts (near term and long term), DOTMLPFPI (cross impacts), tailored governance to ensure project success, risk and expected project performance with some emphasis on the two key milestones of Initial Operational Capability and Full Operational Capability (FOC) (or equivalent milestones).

The presentation to Programme Management Board (PMB) will be supported by the latest version of the full project brief with a signature page. The DOTMLPFPI annex may be waived depending on the circumstances. The slide deck is optional at the discretion of the Project Leader, and might only consist of a Decision slide which would be presented to the Programme Management Board (PMB).

#### Amending Project Approvals:

Sponsors take projects to Programme Management Board (PMB) to seek “Departmental Approval” to proceed with the implementation strategy for projects set up as omnibus, phased, cyclical or potentially gated projects. In these cases the presentation will ask VCDS to note the progress and achievements to date, to approve the next step and revise the performance baseline for future project reporting.

The presentation to Programme Management Board (PMB) will be supported by the latest version of the full project brief with a signature page. The DOTMLPFPI annex may be waived depending on the circumstances. The slide deck should be short and to the point so that the entire presentation will not take longer than 10 minutes.

#### Revising Project Approvals:

Project Leaders are required to seek “Departmental Approval” to revise previously given approvals or conditions that impact the Programme and part of the discussion at Programme Management Board (PMB) will be the need to endorse a submission to the higher Government authority. It is expected that the circumstances will have been thoroughly discussed at the Project

Senior Review Board (SRB) and the Project Leader's "way ahead" proposal has been supported at that lower staff level.

There are occasions when projects cannot progress in accordance with the approved (by a Government authority) plan and project baseline. Although this is often talked about as a "significant variance" there is no standard, agreed definition of the word "significant" and Project Directors/Project Managers are not allowed to make their own definition. The requirement to formally revise a project approval is very often negotiated by program staff including CFD, C Prog, ADM (Fin) and TBS, and often with advice from the Assistant Deputy Minister (Review Services) (ADM(RS)) staff regarding the Department's audit and review accountabilities. The 'revision' addresses the project performance baseline of scope, cost and schedule.

Staff Note: Cost increases above the project expenditure authority should not be confused with internal protocols for the Capital Investment Fund Change Proposal (CIFCP) applications to Investment and Resources Management Committee (IRMC). There is zero allowance for exceeding the project Expenditure Authority (EA).

Reporting Back to Programme Management Board (PMB):

On occasion, a Sponsor, Implementer or Project Leader will be asked to report back to the Programme Management Board (PMB). This most often occurs when senior managers have imposed conditions on the project or when senior managers have lost awareness of project status. Such reports will conform to the issue but will always be supported by the latest version of the project brief.

Program Briefs and Other Business:

Program Briefs and Other Business will follow similar timelines. Documents are due to the Director Defence Programme Coordination (DDPC) Analyst no later than Programme Management Board (PMB) minus 15 working days and uploaded to the [NDHQ Executive Management Committee](#) (NEMC) SharePoint site no later than Programme Management Board (PMB) minus 10 working days.

Programme Management Board (PMB) Pre-Brief Cycle:

Director Level, Director General Level, and Co-Chair Level Pre-Briefs will occur between Programme Management Board (PMB) minus 2 to 8 working days based on availability.

Post- Programme Management Board (PMB) Cycle:

Draft Record of Decisions (ROD) are submitted to C Prog for review then uploaded to the NDHQ Executive Management Committee (NEMC) SharePoint for Standing Member review and comments no later than 10 working days post- Programme Management Board (PMB) prior to being forwarded to Co-Chairs for final endorsement. Approved Record of Decisions (ROD) will be posted to NDHQ Executive Management Committee (NEMC) SharePoint no later than 15 working days post-Programme Management Board (PMB).



## **Terms of Reference – Programme Management Board (PMB)**

### **1 Mandate**

The purpose of the Programme Management Board (PMB) is the management of the Defence Services Program (DSP) and support the Investment and Resource Management Committee (IRMC) in the execution of the enterprise level challenge function with respect to existing and new resourcing proposals, changes to approved capital investments in the Capital Investment Fund (CIF), as well as the implementation and management of the Defence Policy, within the Defence Services Program (DSP).

Programme Management Board (PMB) will be held semi-monthly at the call of the Co-Chairs for a period of time not to exceed three hours.

### **2 Primary Focus Areas**

- Management of the Capital Program;
- Management of the Vote 1 component of the Defence Services Program (DSP);
- Oversight of the Implementation of the Defence Policy; and
- Providing advice and recommendations to the Investment and Resource Management Committee (IRMC).

### **3 Responsibilities and Authorities**

For the Management of the Capital Program, the Programme Management Board (PMB) will:

- Operate within the funding framework approved by the Investment and Resource Management Committee (IRMC). This framework shall establish ceilings on the total investment value of new capital investments, amendments to previously approved investments, and the associated operating and sustainment costs;
- Grant Departmental Approval to enter (or amend) the Definition Phase (or Implementation Phase) for projects between \$10-50M including those that require additional sources of funds so long as the total project cost does not exceed \$50M;
- Grant Conditional Departmental Approval to enter (or revise) the Definition Phase (or Implementation Phase) for projects above \$50M that require additional sources of funds;
- Endorse forwarding the Capital Investment Fund Change Proposal (CIFCP) to the Investment and Resource Management Committee (IRMC) for the project to enter the Definition Phase (or Implementation Phase) for projects over \$50M that require an additional source of funds;
- Endorse forwarding the project to the Investment and Resource Management Committee (IRMC) to seek approval of the Assistant Deputy Minister Infrastructure and

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Environment (ADM IE) funding offsets generated within the Assistant Deputy Minister Infrastructure and Environment (ADM IE) portfolio for reallocation;

- Endorse forwarding the Corporate Submission to the MND or TB to seek (or amend) Project Approval (PA) and Expenditure Authority (EA) for the Definition Phase (or Implementation Phase);
- Approve a Fixed Budget Approach or project seeking to enter the Definition Phase;
- Approve the lifting of the Conditional Expenditure Authority (EA) received by the MND at Definition and grant Expenditure Authority (EA) for the Implementation as per the tailored approach (applies to projects between \$10-\$50M);
- Endorse the lifting of the Conditional Expenditure Authority (EA) received by the MND at Definition and seek the Investment and Resource Management Committee (IRMC) grant Expenditure Authority (EA) for the Implementation as per the tailored approach (applies to projects above \$50M);
- Note the incremental (or no net increase) to In-Service Support (ISS) costs;
- Endorse the forwarding of the Infrastructure and Environment \$10M-\$25M portfolio to the Investment and Resource Management Committee (IRMC) for approval;
- Endorse any other SDO portfolios or capital equipment programs established within Defence through bi-annual engagements: immediately following in-year allocations (April/May); feeding into the L0 Business Planning submissions (Oct/Nov); and
- Approve the Departmental Programme Submissions Work Plan (DPSWP), which will identify the Defence Services Program (DSP) objectives with regards to capability requirements and project priorities.

For the Management of the Vote 1 component of the Defence Services Program (DSP), the Programme Management Board (PMB) will:

- Manage the Defence Services Program (DSP), including the Business Planning Process and provide resource allocation recommendations to the Investment and Resource Management Committee (IRMC);
- Ensure linkages between departmental priorities, risks, and key departmental commitments and frameworks;
- Assess Vote 1 investment proposals;
- Grant Departmental Approval of Vote 1 investment proposals between \$20M-\$50M;

- Endorse forwarding Vote 1 investment proposals above \$50M to the Investment and Resource Management Committee (IRMC);
- Provide the Defence Strategic Executive Committee (DSX) with regular updates on the Programme Management Board (PMB) recommendations and decisions; and
- Endorse the Defence Team Establishment Plan (DTEP).

For the Oversight of the Implementation of the Defence Policy, the Programme Management Board (PMB) will:

- Oversee the Implementation of the Defence Policy;
- Monitor resources assigned to agreed activities in the Defence Policy;
- Establish risk management processes;

To support the Investment and Resource Management Committee (IRMC), the Programme Management Board (PMB) will:

- Recommend resourcing decisions to produce the Defence Services Program (DSP) Plan for the next three Fiscal Years as defined through the Business Planning Process;
- Provide resource impact assessments to Investment and Resource Management Committee (IRMC), or the Deputy Minister;
- Establish risk management processes;
- Recommend financial adjustments as a result of new or revised policies to the Deputy Minister or Investment and Resource Management Committee (IRMC) for approval; and
- Reporting financial decisions made by Programme Management Board (PMB) to Investment and Resource Management Committee (IRMC) at financial review periods and as required.

#### 4 Executive Membership

The Programme Management Board (PMB) is co-chaired by the VCDS, Senior Associate Deputy Minister (SADM), and the Chief Financial Officer (CFO). Each Co-Chair may delegate duties to an appropriate representative, if required. C Prog manages the Programme Management Board on behalf of the Co-Chairs.

The Chairs:



- Convene the Board;
- Make decisions within the mandate of the Board;
- Establish appropriate decision making processes to achieve the aim(s) of the Board;
- Establish risk management processes;
- Ensure that Board members’ opinions are solicited and considered; and
- Provide orientation to all Board members.

## 5 Programme Management Board (PMB) Membership and Representation

Four Standing Members provide a full scope of advice in managing the business of the Department. Standing Members may be represented at the Board; however, representatives are restricted to L1A/COS level executives. L1 Representatives provide advice regarding the specific interests of their L1. L1 Representatives may be represented at the Board; however, representatives are restricted to L1A/COS level executives:

- L1 Representatives effectively represent the views of their respective Level 1 organizations or functional responsibilities;
- Standing Members ensure that horizontal perspectives are brought to the attention of the board;
- Standing Members and L1 Representatives provide pertinent information to the Board in a timely manner for agenda items they are responsible for;
- Standing Members and L1 Representatives support the Chairs in the decision making process by contributing their professional and personal expertise.

## 6 Standing Composition of the Programme Management Board (PMB)

<b>Role</b>	<b>Title</b>
Co-Chair	Senior Associate Deputy Minister (SADM)
Co-Chair	Vice Chief of the Defence Staff (VCDS)
Co-Chair	Chief Financial Officer (CFO)
Standing Member	Assistant Deputy Minister Materiel (ADM (Mat))
Standing Member	Assistant Deputy Minister Information Management (ADM (IM))
Standing Member	Assistant Deputy Minister Infrastructure and Environment (ADM (IE))
Standing Member	Chief of Programme (C Prog)
Executive Secretary	Director Defence Programme Coordination (DDPC)

Secretary                      Programme Management Board (PMB) Secretariat and/or Director  
Defence Programme Coordination (DDPC) Coordinator

Level 1 Executives may attend the Programme Management Board (PMB) if they are presenting an item, or if they feel an item on the agenda is relevant to their organization. No Level 1 Executive should feel that they are excluded from the Programme Management Board (PMB); however, they are free to assess each agenda and attend as they deem appropriate.

## 7 Executive Secretary

Director Defence Programme Coordination (DDPC) is the Executive Secretary for the Programme Management Board (PMB) and is responsible to C Prog and responsive to the Co-Chairs in this capacity. The C Prog team provides secretarial support to the Programme Management Board (PMB) in the form of analytical support and Programme reports.

### C Prog/DGDFP provides:

- Results of CIFCIA, and recommendations for CIF adjustments and updates
- Analysis support for personnel and establishment issues
- Analysis support for corporate level business plan adjustment proposals and Defence Services Program (DSP) quarterly reviews

### C Prog/DDPC provides:

- Agenda and meeting schedule (regularity)
- Analytical support to the Board
- Programme briefs and supporting materials
- Project Briefs and supporting materials

### C Fin Management/Director General Budget provides:

- Financial advice on Departmental funding Supply and Availability
- Financial assessments of proposals
- Financial performance updates

### Programme Management Board (PMB) Secretariat/Director Defence Programme Coordination (DDPC) Coordinator provides:

- Secretarial support to the Board
- Development of the Programme Management Board (PMB) agenda
- Issues management and decision tracking
- Dissemination of relevant information to Board members in a timely manner
- Provision of timely records of decision and agenda promulgation
- Provision of records of decision

*Observers at Programme Management Board (PMB)*

Support staff may attend meetings of Programme Management Board (PMB) Requests for additional attendees are to be sent to the +PMB - CGP@VCDS C Prog@Ottawa-Hull for authorization.

## Terms of Reference – Investment and Resource Management Committee (IRMC)

### 1 Mandate

- To promote the effective allocation and management of the Department of National Defence's available financial resources
- The Investment and Resource Management Committee (IRMC) provides advice to the DM on Budget priorities and requirements consistent with the Defence Policy, Government priorities, and the requirements for effective management activities for the department
- The Committee oversees the allocation and control of the Department's financial resources, provides oversight of financial and control of risks, reviews financial policies and practices and oversees the management and progress of major investments

### 2 Primary focus areas

The Investment and Resource Management Committee (IRMC) provides high-level financial direction within a broad corporate governance framework.

### 3 Responsibilities

Ensures that all investment and resource decisions are fully aligned with and support National Defence priorities and strategies as described in Canada's Defence Policy, guidance provided by the Government and the Minister and the Department's Departmental Plan (DP).

Promotes the efficient and effective use of financial resources with respect to specific investment proposals and ongoing operations. This includes providing recommendations to the DM on:

- Budget allocations within the Department
- Management of in-year pressures and shortfalls
- The affordability of the Investment Plan (IP), including which proposals should proceed and which should be deferred or rejected
- Appropriate financial resource management policies, directives, processes and reports
- Initiatives to strengthen linkages between resource, performance and results
- Opportunities for reallocations as required
- Maintenance of renewal of departmental assets and infrastructure

Reviews the affordability of all strategic investment project proposals and ensures that each:

- Has a comprehensive statement of overall scope and well defined objectives that support National Defence's strategic direction
- Is in line with the Defence capability assessment and the enterprise risk profile
- Is supported by a fully documented problem Definition, option analysis, detailed planning, execution, Closeout report and benefits realization commensurate with its size and complexity

## PROJECT APPROVAL DIRECTIVE (PAD)

- Has been costed accurately, including on a full lifecycle basis consistent with direction provided by Treasury Board or departmental policies
- Has identified source of funds for all years
- Has an appropriate project management governance and accountability structure for its size and complexity

Monitors the overall progress of the integrated Investment Plan and its key projects, including considering requests for re-profiling, requests for additional funding, and assessing periodically whether the results achieved merit for continuation of the project.

### 4 Membership of Investment and Resource Management Committee (IRMC)

Role	Organization		
Chair	DM		
Members:	CDS	Senior Associate Deputy Minister	Associate Deputy Minister
	VCDS	Chief Financial Officer (CFO)	Assistant Deputy Minister Materiel (ADM (Mat))
	CAF Senior Commander ( <i>Appointed by CDS</i> )		
In Attendance:	Director of Staff, Strategic Joint Staff (DOS SJS)	Chief of Staff, Finance Chief Supply (COS Fin CS)	Chief of Programme (C Prog)
	Director General Financial Management (DG Fin Mgmt)	Defence Renewal Team (DRT) Lead	Executive Assistant Deputy Minister (EA DM)
	Senior Associate CDS	Senior Associate VCDS	Director General Strategic Finance & Financial Arrangements (DG SFFA)
	Director General Defence Force Planning (DGDFFP)	Assistant Deputy Minister (ADM (RS))	Canadian Forces Chief Warrant Officer (CFCWO)
Exec Sec	Director Budget (DB)		

Notes:

- Other Level 1 Executives may be invited to attend at the request of the Chair
- No replacements for members or those in attendance is authorized

## SECTION D – ENGAGEMENTS & MISCELLANEOUS

### Overview of Process Paths

DND has established a process for streamlining lower risk and complexity projects within the MND's authority:

- Process A (Lower Risk Projects): Minor Projects between \$2.5M and less than \$10M;
- Process B (Lower Risk Projects): Major Projects between \$10M and \$100M with a Project Complexity and Risk Assessment (PCRA) of 1, 2 or 3;
- Process C (Medium Risk Projects): Major Projects equal to or greater than \$100M with a Project Complexity and Risk Assessment (PCRA) of 1, 2 or 3; and
- Process D (Higher Risk Projects): Major Projects with a Project Complexity and Risk Assessment (PCRA) of 4.

	<b>Process A (Lower Risk Projects)</b>	<b>Process B (Lower Risk Projects)</b>	<b>Process C (Medium Risk Projects)</b>	<b>Process D (Higher Risk Projects)</b>
	<b>Minor Projects between \$2.5M-\$10M</b>	<b>Projects between \$10M-\$100M Project Complexity and Risk Assessment (PCRA) 1,2,3</b>	<b>Projects equal to or greater than \$100M Project Complexity and Risk Assessment (PCRA) 1,2,3</b>	<b>Project Complexity and Risk Assessment (PCRA) 4</b>
<b>Documents</b>	Minor Project Template; approved by Level 1 Sponsor or Implementer	Business Case Analysis (BCA) (light*; approval may be delegated to Chief of Force Development (CFD))	Business Case Analysis (BCA) (medium*; approval may be delegated to Chief of Force Development (CFD))	Full Business Case Analysis (BCA); approved by Defence Capabilities Board (DCB) 1 and 2
	Other docs are at L1/Imp discretion	Project Charter	Project Charter	Project Charter
		Project Complexity and Risk Assessment (PCRA) in Callipers	Project Complexity and Risk Assessment (PCRA) in Callipers	Project Complexity and Risk Assessment (PCRA) in Callipers
		Project Brief and DOTMLPFPI Annex	Project Brief and DOTMLPFPI Annex	Project Brief and DOTMLPFPI Annex
		Statement of Operational Requirements (SOR)	Statement of Operational Requirements (SOR)	Statement of Operational Requirements (SOR)
		Project Management Plan (PMP) (Light)	Project Management Plan (PMP) (Medium)	Project Management Plan (PMP) (Heavy)

# PROJECT APPROVAL DIRECTIVE (PAD)

	<b>Process A (Lower Risk Projects)</b>	<b>Process B (Lower Risk Projects)</b>	<b>Process C (Medium Risk Projects)</b>	<b>Process D (Higher Risk Projects)</b>
<b>Governance</b>	Annual report to Programme Management Board (PMB) on what was accomplished in previous Fiscal Year and what is planned for next Fiscal Year	Defence Capabilities Board (DCB) 1 and 2 (may be combined by exception; i.e. expedite Options Analysis (OA) if sufficient details during Identification (ID))	Defence Capabilities Board (DCB) 1 and 2 (may be combined by exception; i.e. expedite Options Analysis (OA) if sufficient details during Identification (ID))	Defence Capabilities Board (DCB) 1 and 2
		Programme Management Board (PMB)	Programme Management Board (PMB) / Investment and Resource Management Committee (IRMC)	Programme Management Board (PMB) / Investment and Resource Management Committee (IRMC)
		Defence Procurement Strategy (DPS) for greater than \$20M	Defence Procurement Strategy (DPS)	Defence Procurement Strategy (DPS)
		No Independent Review Panel on Defence Acquisition (IRPDA) engagement	Independent Review Panel on Defence Acquisition (IRPDA) engagement	Independent Review Panel on Defence Acquisition (IRPDA) engagement
		MND Submission (for Definition); tailored approach for Implementation	MND Submission (for Definition); tailored approach for Implementation	TB Submission

\*Level of fidelity for a “light” or “medium” BCA will be at the discretion of the DG CSI analyst in consultation with project staff.





## **Terms of Reference – Force Development Forum (FDF) and Force Development Forum – Executive (FDFX)**

### **1 Mandate**

The Force Development Forum (FDF) and Force Development Forum – Executive (FDFX) are engagements convened by Chief of Force Development (CFD) at which key Force Development and Design (FD&D) stakeholders gather to discuss ongoing and future FD&D work, and for open discussion on common FD&D issues. These discussions inform Chief of Force Development (CFD) in the synchronization of Force Development activities across the DND/CAF, on behalf of the VCDS, to build and maintain a balanced set of operational capabilities.

FDFX, chaired by CFD, is a small group comprising the FD&D DGs from L1s engaged in DND/CAF-level FD&D. FDFX focuses on frank discussion concerning FD&D priorities and issues, and provides a vital, executive-level, advice and steering function. FDFX enhances cross-L1 alignment and harmony of FD&D efforts, thereby enhancing joint interoperability within the CAF and with allies and partners, and better integration with government capabilities. FDFX also serves as a forum to discuss, assess, align, and enhance FD&D presentation material destined for AFC/AFCX, as well as discuss implementation of FD&D direction and guidance from AFC/AFCX.

The broader FDF, chaired by Chief of Force Development (CFD) and including broader representation of FD&D stakeholders, focuses on information exchange through presentations, round-table updates, and breakout sessions. A further strength lies in its role to build and strengthen networks within the CAF FD&D community of practice.

### **2 Frequency**

FDFX and FDF are typically each held twice per year, with extraordinary sessions called by the Chair (CFD) as required. FDFX is typically two hours and the FDF is generally three hours.

### **3 Role of the Membership**

Members are requested to attend meetings when called and add their expertise to the discussions. The strength of the forum is foremost, the interactive discussion. At any time, members are welcome to bring agenda items forward for discussion through the FDF secretariat (CFD Director of Strategic Coordination staff). Topics should be of a joint nature, or have influence on the development of joint capabilities, where shared intent or impact exists between multiple FDF members. Strategic level topics that will influence the future of Force Development activities are also encouraged. Informed by FDFX/FDF presentations and discussion, members are enabled in the preparation of their L1 principals for L0 and L0.5 engagements such as AFC, AFCX, and DCB when required.

#### 4 Membership

Role	FDFX	FDF
Chair	CFD	CFD
Members	VCDS – CCSI VCDS – DGCSI VCDS – DG RES RCN – DGNFD CA – COS Army Strat RCAF – DG Air & Space FD SJS – DG SER SJS – DG Sp CJOC – DG Rdns NORAD – DD J8 CANSOFCOM – Dir DFD CFINTCOM – DGIE CMP – Dep DGMP Strat & DSD CPCC – COS ADM(IM) – DG ICFD	VCDS – CCSI VCDS – DGCSI VCDS – DG RES RCN – DGNFD CA – COS Army Strat RCAF – DG Air & Space FD SJS – DG SER CJOC – DG Rdns CJOC – CO CFWC NORAD – DD J8 CANSOFCOM – Dir DFD CFINTCOM – DGIE CMP – Dep DGMP Strat & DSD CMP – COS CDA CPCC – COS ADM(Mat) – CMatP ADM(Fin) – C Fin Mgmt ADM(IE) – COS(IE) ADM(IM) – DG ICFD ADM(DRDC) – DG RDI ADM(DRDC) – DG RPD ADM(DRDC) – MSU CO ADM(DIA) – COS ADM(Pol) – DG SD Pol ADM(HR-Civ) – COS HR-Civ CCSI – Dep CCSI CFD – DCI CFD – DCapA CFD – DSI
Observers	CCSI – Dep CCSI CFD – DCI CFD – DCapA CFD – DSI FVEY Mil Attaches	C Prog – DDPC C Prog – DDFP IRPDAO Defence Advisory Board (DAB) FVEY Mil Attaches
Secretary	DSC	DSC

\*others may be invited to FDFX or FDF depending on the subjects on the agenda

## **Engagement - Independent Review Panel for Defence Acquisition (IRPDA)**

### **1 Mandate**

Independent Review Panel for Defence Acquisition (IRPDA) is mandated to challenge projects that meet any of the following criteria:

- Projects with a total estimated cost of \$100M or more calculated in Budget Year dollars (exclusive of taxes);
- Memoranda of Understanding (MOU) that could lead to a project where the total value of the expenditure under the Memoranda of Understanding (MOU) plus the potential procurement cost is estimated at \$100M or more;
- Projects with a Project Complexity and Risk Assessment (PCRA) that exceeds the authority delegated by TB to the MND under the Organizational Project Management Capacity Assessment (OPMCA);
- Projects identified for TB approval by the TBS or referred for TB approval by the MND; and
- Projects identified for challenge by the MND and/or DM.

### **2 Independent Review Panel for Defence Acquisition (IRPDA) Core Areas of Interest**

While each Independent Review Panel for Defence Acquisition (IRPDA) engagement will be different depending on the project, their core areas of interest are:

- Proposed Project. Gap to be addressed, strategic alignment of proposal with Government policies and decisions, fit with other planned and current DND/CAF and key allies' capabilities, risks, and rationale for the proposed options.
- High Level Mandatory Requirements (HLMR). Methodology for the development of requirements and key judgements made, quality of requirements, level of operational effectiveness reflected in requirements, alignment of requirements and preliminary Statement of Operational Requirements (SOR), and level of project complexity associated with the requirements.
- Procurement Context. Potential suppliers, potential within Canadian industry, risks with schedule, in-service support, cost drivers, and cost assumptions.

### **3 Independent Review Panel for Defence Acquisition (IRPDA) Engagement Types**

Projects that meet the Independent Review Panel for Defence Acquisition (IRPDA) review criteria have two mandatory engagement points (Independent Review Panel (IRP) 1 and 2) and supplementary engagement points as follows:

- Initial Engagement (Independent Review Panel 1): Once a project has received endorsement of its Strategic Context Document (SCD) by the VCDS at the Defence Capabilities Board (DCB), the Independent Review Panel for Defence Acquisition (IRPDA) will engage to examine the Strategic Context Document (SCD). This review seeks to identify issues and provide feedback before detailed Options Analysis (OA) work begins.
- Final Engagement (Independent Review Panel 2): After a project has received endorsement of its Business Case Analysis (BCA) by the Defence Capabilities Board (DCB) during Options Analysis (OA), the Independent Review Panel for Defence Acquisition (IRPDA) will engage to examine the Business Case Analysis (BCA) and preliminary Statement of Operational Requirements (SOR). This is the final engagement of the review panel and builds upon the first session for a given project.
- Supplementary Engagement (as necessary): Independent Review Panel for Defence Acquisition (IRPDA) will engage with DND/CAF regarding issues identified by the Independent Review Panel for Defence Acquisition (IRPDA) during the initial engagement or subsequently during the Options Analysis (OA) Phase. These additional engagements will normally take place at the Independent Review Panel for Defence Acquisition (IRPDA)'s regular meetings, either at the discretion of Independent Review Panel for Defence Acquisition (IRPDA) or at the request of DND/CAF.

#### 4 Independent Review Panel for Defence Acquisition (IRPDA) Engagement Process

Scene Setter briefs are not mandatory and may be requested by the Independent Review Panel for Defence Acquisition (IRPDA) office, or offered by the Project Sponsor, to provide relevant context or technical information that will assist the Panel in its review of the project. There is no set format and these normally happen the month before Independent Review Panel 1 (IRP). The Independent Review Panel for Defence Acquisition (IRPDA) office will provide advice to Project Teams on the appropriate format for the briefing. Presentations for Scene Setters are required five business days prior to the meeting.

The Independent Review Panel for Defence Acquisition (IRPDA) office communicates directly with Chief of Force Development (CFD) – Directorate of Strategic Coordination (DSC), Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) and the Project Team. It is expected that all formal communication between the Independent Review Panel for Defence Acquisition (IRPDA) and DND will be copied to Chief of Force Development (CFD) – Directorate of Strategic Coordination (DSC), and Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI) as appropriate, to support the Chief of Force Development (CFD)'s Force Development role and increase the value of the

analyses executed within Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI).

Chief of Force Development (CFD) – Directorate of Capability Integration (DCI) is responsible for prioritizing and sequencing the projects to be reviewed by the Independent Review Panel for Defence Acquisition (IRPDA), and for ensuring that documentation provided to Independent Review Panel for Defence Acquisition (IRPDA) is the current, approved version. The Independent Review Panel for Defence Acquisition (IRPDA) office will schedule the date, time, and location of the engagement. The Independent Review Panel for Defence Acquisition (IRPDA) office will coordinate and communicate the details to Chief of Force Development (CFD) – Directorate of Capability Integration (DCI), the Project Team, and other DND/CAF staff as required. All meeting attendance will be at the discretion of the Chair of the Independent Review Panel for Defence Acquisition (IRPDA), and normally consists of the Project Sponsor, Chief of Force Development (CFD) and Chief of Force Development (CFD) – Director General Capability and Structure Integration (DGCSI).

This is the step by step process to proceed through an Independent Review Panel for Defence Acquisition (IRPDA) engagement (of note, while this is a most beneficial engagement to receive independent advice, Independent Review Panel for Defence Acquisition (IRPDA) is not a gate in the Project Approval Process (PAP):

- 30 business days prior to an engagement: submission of Defence Capabilities Board (DCB) approved documents to the Independent Review Panel for Defence Acquisition (IRPDA) office;
- Scene Setter brief, if requested by the Independent Review Panel for Defence Acquisition (IRPDA) office or the project, requires all briefing material 5 business days prior to engagement; and
- Post-engagement: A follow-up email containing the Panel's key recommendations and next steps concerning the project will be sent by the Executive Director of the Independent Review Panel for Defence Acquisition (IRPDA) office to the Project Sponsor representative (normally the Director General (DG)), Chief of Force Development (CFD), and other representatives from DND/CAF who participated in the engagement (e.g. group representatives at the Director General (DG) level).

Independent Review Panel for Defence Acquisition (IRPDA) analysts will consult with Project Teams, as well as other relevant Subject Matter Experts (SME), in advance of a formal engagement session with the Panel in order to provide all appropriate information and analysis to the Panel and to facilitate the engagement.

## **Terms of Reference – Independent Review Panel for Defence Acquisition (IRPDA) Engagements**

### **1 Context**

The Defence Procurement Strategy (DPS) aims to deliver the right equipment to the CAF in a timely manner, leverage these purchases to create jobs and growth, and streamline procurement processes.

One of the core elements of the Defence Procurement Strategy (DPS) is the implementation within Department of National Defence (DND) of an independent, third party challenge function related to the requirements for major procurements. This new challenge function will be carried out by the Independent Review Panel for Defence Acquisition (IRPDA).

### **2 Mandate**

Independent Review Panel for Defence Acquisition (IRPDA)'s mandate under the Defence Procurement Strategy (DPS) is to help validate the requirements for major military procurement projects by providing independent, third party advice to the MND and DM before MND or TB approval for these projects is sought.

Independent Review Panel for Defence Acquisition (IRPDA) is mandated to challenge projects that meet any of the following criteria:

- Projects with a total estimated cost of \$100M or more calculated in Budget Year dollars (exclusive of taxes);
- Memoranda of Understanding (MOU) that could lead to a project where the total value of the expenditure under the Memoranda of Understanding (MOU) plus the potential procurement cost is estimated at \$100M or more;
- Projects with a Project Complexity and Risk Assessment (PCRA) that exceeds the authority delegated by TB to the MND under the Organizational Project Management Capacity Assessment (OPMCA);
- Projects identified for TB approval by the TBS or referred for TB approval by the MND; and
- Projects identified for challenge by the MND or DM.

### **3 Engagement methodology**

The desired outcome for all projects will be to ensure that the requirements in the documentation going to the MND or TB for approval are clearly and appropriately stated. To facilitate this outcome without creating unnecessary delays in the process, the Independent Review Panel for

Defence Acquisition's (IRPDA) approach will be based on early and, as required, ongoing engagement with DND/CAF.

More specifically, the Independent Review Panel for Defence Acquisition (IRPDA) will engage as follows:

- Following the project Identification (ID) Phase, the Independent Review Panel for Defence Acquisition (IRPDA) will examine the Strategic Context Document (SCD). This initial engagement will take place as soon as possible after the Strategic Context Document (SCD) has been endorsed by the Defence Capabilities Board (DCB). This engagement will help the Panel identify issues and provide feedback before the detailed work on options begins;
- Following the Options Analysis (OA) Phase, the Independent Review Panel for Defence Acquisition (IRPDA) will examine the Business Case Analysis (BCA), which includes the results of the Options Analysis (OA) and the selection of the preferred option, and the preliminary Statement of Operational Requirements (SOR). This final engagement will take place as soon as possible after the Business Case Analysis (BCA) has been endorsed by the Defence Capabilities Board (DCB) and the preliminary Statement of Operational Requirements (SOR) has been approved; and
- Between these initial and final engagements, the Independent Review Panel for Defence Acquisition (IRPDA) will, as necessary, engage with DND/CAF regarding issues identified by the Independent Review Panel for Defence Acquisition (IRPDA) during the initial engagement or subsequently during the Options Analysis (OA) Phase. These additional engagements will normally take place at the Independent Review Panel for Defence Acquisition (IRPDA)'s regular meetings, either at the discretion of the Independent Review Panel for Defence Acquisition (IRPDA) or at the request of the DND/CAF. The objective of these additional engagements will be to ensure that, to the greatest extent possible, issues identified by the Panel are addressed before the final engagement point.

The issues examined during any particular engagement will depend on the phase of project development. However, the overall engagement approach for all projects will be designed to ensure the Independent Review Panel for Defence Acquisition (IRPDA) is able to draw clear, independent conclusions about the proposed project and the stated requirements. The core areas of interest to the Independent Review Panel for Defence Acquisition (IRPDA) are as follows:

Proposed Project: the nature of the capability gap and how the project will address it; the extent to which the project is aligned with Government policies and decisions; the fit with other current and planned DND/CAF capabilities; the fit with the capabilities of key allies; the risks associated with not moving forward with the project; and the rationale for the options examined; and

- Requirements: methodology for development of High Level Mandatory Requirements (HLMR) and key judgments made; quality of High Level Mandatory Requirements



(HLMR); level of operational effectiveness reflected in High Level Mandatory Requirements (HLMR); level of project complexity associated with High Level Mandatory Requirements (HLMR); and alignment between High Level Mandatory Requirements (HLMR) and preliminary Statement of Operational Requirement (SOR).

In addition, the Independent Review Panel for Defence Acquisition (IRPDA) will consider the procurement context to ensure that its perspective is broad and deep enough to make the challenge process credible and useful for decision making within the broader context of the Defence Procurement Strategy. This may include, depending on the stage of project development, consideration of other core areas related to the broader procurement context and relevant to requirements: potential suppliers; potential role of Canadian industry; risks associated with the project schedule; anticipated in-service support concept; key cost drivers in High Level Mandatory Requirements (HLMR) and preliminary Statement of Operational Requirements (SOR); and assumptions used to estimate costs.

To assist those developing project proposals to prepare for the challenge process, the Independent Review Panel for Defence Acquisition (IRPDA) will maintain and make available to DND/CAF personnel a list of key questions in each of these core areas of interest. The principles that will help guide the Panel's expectations with respect to High Level Mandatory Requirements (HLMR) are contained within these Terms of References.

#### 4 Access to documentation and personnel

The Independent Review Panel for Defence Acquisition (IRPDA) will have full access to all available written information used in the development of projects, including:

- Relevant documentation on the project prepared by the staffs of the Project Sponsors;
- Relevant documentation on current and future DND/CAF capabilities, and current and future capability gaps, prepared by the Chief of Force Development (CFD) organization;
- Relevant documentation on the project prepared by other groups within DND including Materiel, Science and Technology (S&T), Information Management (IM), Policy, Finance, and Infrastructure and Environment (IE);
- Relevant background information including investment planning documentation, strategic context material and threat assessments; and
- Documentation prepared for the Defence Capabilities Board (DCB) meetings including briefing books and material prepared for the Defence Capabilities Board (DCB) Chair.

The Independent Review Panel for Defence Acquisition (IRPDA) will also have full access, through appropriate channels, to both senior managers and specialized expertise within the DND/CAF including:



- The Defence Capabilities Board (DCB) Chair and VCDS senior staff;
- Chief of Force Development (CFD) and staff;
- Project Sponsors and their requirements staff;
- The Assistant Deputy Minister (ADM) Materiel and staff; and
- Assistant Deputy Ministers (ADM) and their staff from Defence Research and Development Canada (DRDC), Information Management (IM), Policy (Pol), Finance (Fin), Infrastructure and Environment (IE) and other parts of DND/CAF, as required.

In addition, the Independent Review Panel for Defence Acquisition (IRPDA) will also engage, as appropriate, Other Government Departments (OGD) and external stakeholders to provide additional context and support. For the largest and most complex projects, the Chair of the Independent Review Panel for Defence Acquisition (IRPDA) may request that the DM engage specialized expertise under contract to assist the Panel with its analysis and recommendations.

## 5 Communication of Results

Following its final engagement, the Independent Review Panel for Defence Acquisition (IRPDA) will provide formal written advice to the MND and DM. This Independent Review Panel for Defence Acquisition (IRPDA) statement will also include any additional perspective the Independent Review Panel for Defence Acquisition (IRPDA) believes might be useful to the MND and DM to help them understand the stated requirements for the project and how these might relate to their decisions or strategies going forward.

Following earlier engagements, including the initial engagement, the Panel may also choose to put its advice in writing. In this case, the Independent Review Panel for Defence Acquisition (IRPDA) will provide this written statement to the DM who will make it available to appropriate senior officials within DND/CAF and, as appropriate, keep the MND informed.

## 6 Membership

A Chair and four other members will be appointed to the Independent Review Panel for Defence Acquisition (IRPDA) by the Governor in Council. Term lengths will be determined during the appointment process.

## 7 Meetings

The following principles will be applied with respect to Independent Review Panel for Defence Acquisition (IRPDA) meetings:

- At least three members are required for a quorum;

- If the Chair is not able to attend, an Acting Chair will be appointed by the Chair in consultation with the DM;
- Attendance by the CAF/DND personnel at Independent Review Panel for Defence Acquisition (IRPDA) meetings will be at the invitation of the Chair;
- The Executive Director of the Independent Review Panel for Defence Acquisition (IRPDA) Office will attend all meetings as Executive Secretary;
- Meetings shall be conducted monthly, or as required, at the call of the Chair; and
- Follow-on discussions about projects after the initial engagement will normally take place during scheduled monthly meetings.

## 8 Responsibilities

The primary responsibilities of the Independent Review Panel for Defence Acquisition (IRPDA) are as follows:

- In support of the objectives of the Defence Procurement Strategy (DPS), execute the independent, third party challenge function within DND to help validate requirements for major military procurement projects;
- Engage DND/CAF personnel to examine the foundational logic for these projects and make an independent assessment about whether:
  - The capability gap is defined in a way that is relevant and appropriate;
  - The High Level Mandatory Requirements (HLMR) are consistent with the principles listed in the Guide – High Level Mandatory Requirements (HLMR);
  - The Strategic Context Document (SCD) and Business Case Analysis (BCA) are coherent in relation to the defined capability gap and the High Level Mandatory Requirements (HLMR); and
  - The preliminary Statement of Operational Requirements (SOR) is aligned with the High Level Mandatory Requirements (HLMR);
- Provide appropriate feedback about project proposals to DND/CAF personnel attending meetings;
- Ensure that all information received, and created, in the course of carrying out the work of the Independent Review Panel for Defence Acquisition (IRPDA) is handled in accordance with Government and departmental security policy and practices; and

- Provide written advice, as well as any additional perspective that might be useful, to the MND and DM before MND or TB approvals for the project are sought.

The primary responsibilities of the Chair are as follows:

- Ensure that the Independent Review Panel for Defence Acquisition (IRPDA) fulfills its mandate as outlined in the Defence Procurement Strategy and these Terms of Reference (TOR);
- Ensure that the Panel's feedback and advice takes account of the views of all members; and
- Provide direction to the Independent Review Panel for Defence Acquisition (IRPDA) Office to ensure the Independent Review Panel for Defence Acquisition (IRPDA) receives the analysis, advice and support required to deliver on its mandate.

The primary responsibility of members is to prepare for and engage in Independent Review Panel for Defence Acquisition (IRPDA) discussions in a way that helps the Panel provide timely feedback to DND/CAF stakeholders and sound advice to the MND and DM.

## 9 Support Office

A support office with full-time staff from within DND/CAF will facilitate and support the work of the Independent Review Panel for Defence Acquisition (IRPDA). This office will administratively report to the DM and be accountable to the Chair of the IRPDA for providing the Independent Review Panel for Defence Acquisition (IRPDA) with the analysis, advice and support required to fulfill its mandate. The tasks of this office will include:

- Providing a day-to-day presence for the Independent Review Panel for Defence Acquisition (IRPDA);
- Providing administrative and logistical support to the Independent Review Panel for Defence Acquisition (IRPDA);
- Monitoring the evolution of projects in order to provide advice on and help establish the Independent Review Panel for Defence Acquisition (IRPDA)'s agenda;
- Ensuring the Independent Review Panel for Defence Acquisition (IRPDA) has full access to DND/CAF documentation and personnel;
- Conducting analysis of projects to identify issues and assist the Independent Review Panel for Defence Acquisition (IRPDA) in determining the extent of engagement required;

## PROJECT APPROVAL DIRECTIVE (PAD)

- Providing the Independent Review Panel for Defence Acquisition (IRPDA) with advice and strategic context related to projects;
- Monitoring follow-up actions and provide advice on the need for, and timing of, follow-on engagements; and
- Maintaining strong, effective relationships within DND/CAF and with other Government departments and stakeholders.

## Overview – Industry Engagements

### 1 General

Engagements with industry occur during all phases of a project's life. The formality of the engagement will vary depending on the phase, the purpose of the engagement, and the industry to be engaged (e.g. Canadian vs. American industry). The information gathered during engagements with industry will enable a project to refine requirements, validate procurement strategies, facilitate costing, and finally solicit bids through a Request for Proposal (RFP). Efforts to include Indigenous businesses in Industry Engagement activities should be made and documented across all phases.

### 2 Identification (ID)

Informal engagements are regularly conducted by the requirements directorates. These engagements typically take the form of meetings with industry representatives facilitated by defence lobbyists, and enable requirements staffs to remain up-to-date on capabilities and services currently available on the market. Outlook Briefs provided at the annual Canadian Association of Defence and Security Industries (CADSI) and Canadian Security Conference (CANSEC) also enable industry to gauge the CAF's interest in advancing capabilities. The information gathered from the informal engagements during Identification (ID) can be used to refine requirements, develop strategic options, and inform policy decisions.

### 3 Options Analysis (OA)

Once a project starts and enters Options Analysis (OA), engagements with industry will remain informal, but become more focused. With the strategic options to be analysed and endorsed at the Defence Capability Board (DCB) 1, the project should solicit specific information from industry that will aid in discriminating between the viability of the options and final determination of the recommended option to be endorsed by the Defence Capabilities Board (DCB) 2. By this phase, Project Teams should have a general understanding of the availability of capabilities or services in industry that could meet their requirements. An Industry Engagement Plan will be developed as part of the Defence Procurement Strategy Governance 1.

### 4 Transition to Definition

As a project begins its transition to Definition, the Project Team will conduct more formal engagements with potential vendors. These engagements are conducted by Public Services and Procurement Canada (PSPC) on behalf of the project. Public Services and Procurement Canada (PSPC) will release a Letter of Interest (LOI) on Buy and Sell requesting either a Price & Availability (P&A) or a Request for Information (RFI) soliciting feedback from vendors. The objectives of a Request for Information (RFI) are to:

- Collect information from Industry regarding ability to provide the equipment and associated technical information as detailed in the Statement of Operational Requirements (SOR);
- Use the information and feedback obtained to help develop costing models and Procurement Strategy as part of the Defence Procurement Strategy (DPS) Governance Committee;
- Use the information and feedback obtained to help develop a potential, future Request for Proposal (RFP); and
- Provide Industry information about the requirement and obtain suggestions and feedback.

## 5 Definition

To confirm vendor interest and further validate a Statement of Operational Requirements (SOR), a draft Request for Proposal (RFP) is frequently used to conduct a final engagement with industry prior to a project releasing a final Request for Proposal (RFP) and commencing the transition to Implementation.

## 6 Transition to Implementation

The final engagements with industry prior to formal contract negotiations with a winning vendor depends significantly on the project's Procurement Strategy. Typically, this takes the form of a Request for Proposal (RFP) but can vary based on specific project requirements and will be detailed in the Industry Engagement Plan developed during Options Analysis (OA). A notable exception to this norm is the Foreign Military Sales (FMS) Case, which is used when acquiring certain equipment from the United States of America (USA). Public Services and Procurement Canada (PSPC) assists the project with drafting a Letter of Request (LOR), to which the United States of America (USA) Government will reply with an Official Price and Availability.

## Overview – Shared Services Canada

### Overview

Shared Services Canada (SSC) has a centralized approach for the intake of Information Technology business requests that was adopted to provide its customers with consistency, agility and efficiency In-Service delivery from intake to implementation.

ADM (IM)/Director General Information Management Director General Information Management Technology and Strategic Planning (DGIMTSP)/Director Business Relationship Management (DBRM) is DND's responsible Single Point of Contact for working with Projects to submit IT business requests to Shared Services Canada (SSC).

The Enterprise Business Intake and Demand Management (EBIDM) team at Shared Services Canada (SSC) is responsible for supporting ADM (IM)/ Director General Information Management Technology and Strategic Planning (DGIMTSP)/Director Business Relationship Management (DBRM) by managing the overall process and tools for the intake of Information Technology business requests.

### Business Requirements Document (BRD)

Customer Information Technology business requests are processed quickly and accurately when clear and thorough business requirements are defined up-front in the Business Requirements Document (BRD).

The Business Requirements Document (BRD) is the single mandatory document customers must complete to submit a business request. It captures the information Shared Services Canada (SSC) needs to prepare a cost estimate for a proposed solution.

A Business Requirements Document (BRD) Guide is available that explains how to complete the Business Requirements Document (BRD). If you have further questions, ADM (IM)/ Director General Information Management Technology and Strategic Planning (DGIMTSP) / Director Business Relationship Management (DBRM) can help you complete the relevant sections.

Business Requirements Document (BRD) v5.1a is currently being accepted by Shared Services Canada (SSC). Business Requirements Document (BRD) v4.0 will be accepted until May 31, 2019.

Please refer to the website [IT Business Requests – Centralized intake \(ssc-spc.gc.ca\)](https://ssc-spc.gc.ca) to help you complete the Business Requirements Document (BRD).

### Why is the BRD important?

The Business Requirements Document (BRD) is the primary document clients need to complete to submit a business request to Shared Services Canada (SSC) in order to scope the work and

provide the initial costing. It was created to bring consistency to how business requirements are gathered across Shared Services Canada (SSC) clients.

***Successful requests = clear scope/requirements. This is the first step.***

Client Information Technology business requests can be processed quickly and accurately when clear and thorough business requirements are defined up-front in the Business Requirements Document (BRD). From a client perspective, the Business Requirements Document (BRD) is a single form to provide business requirements to all Shared Services Canada (SSC) service lines. From a Shared Services Canada (SSC) perspective, the Business Requirements Document (BRD) ensures these requirements and supporting details are captured in a consistent way which makes it easier and quicker to scope and cost the work. Taking the time to clearly identify business requirements up-front is time well spent!

### **What type of information is captured in the Business Requirements Document (BRD)?**

The Business Requirements Document (BRD) captures the level of information Shared Services Canada (SSC) Solution Development and Service Lines need to create a high-level solution to get to an indicative cost. If a substantive cost is required, then more detailed information will be requested from client contacts after the Business Requirements Document (BRD) has been submitted.

### **Who should complete the Business Requirements Document (BRD)?**

Ideally, the Business Requirements Document (BRD) should be completed by someone who understands the needs of the business as well as all applicable specialists (this is usually the responsible Project technical OPI). This way, all of the business and relevant technical requirements will be captured. Clients should work with Director Business Relationship Management (DBRM) 3 for support in completing the request.

### **What do I do with the Business Requirements Document (BRD) when it is complete?**

Completed Business Requirements Documents (BRD) should be sent to Director Business Relationship Management (DBRM) 3 for processing.

### **Who owns the Business Requirements Document (BRD) form & where can I get a copy?**

The Business Requirements Document (BRD) is owned and supported by Shared Services Canada's (SSC) Enterprise Business Intake & Demand Management (EBIDM) Team. The Enterprise Business Intake & Demand Management (EBIDM) team works with Director Business Relationship Management (DBRM) 3 and Business Requirements Document (BRD) content owners in each of the service lines to ensure the Business Requirements Document (BRD) reflects their needs.



## Where can I go if I have further questions?

[DBRM 3](#) will help you complete the Business Requirements Document (BRD) and answer any questions you may have.

## The Business Requirements Document (BRD) Guide

The website [IT Business Requests – Centralized intake \(ssc-spc.gc.ca\)](#) provides valuable information on how to complete each field in the Business Requirements Document (BRD).

## Assistant Deputy Minister (Information Management)

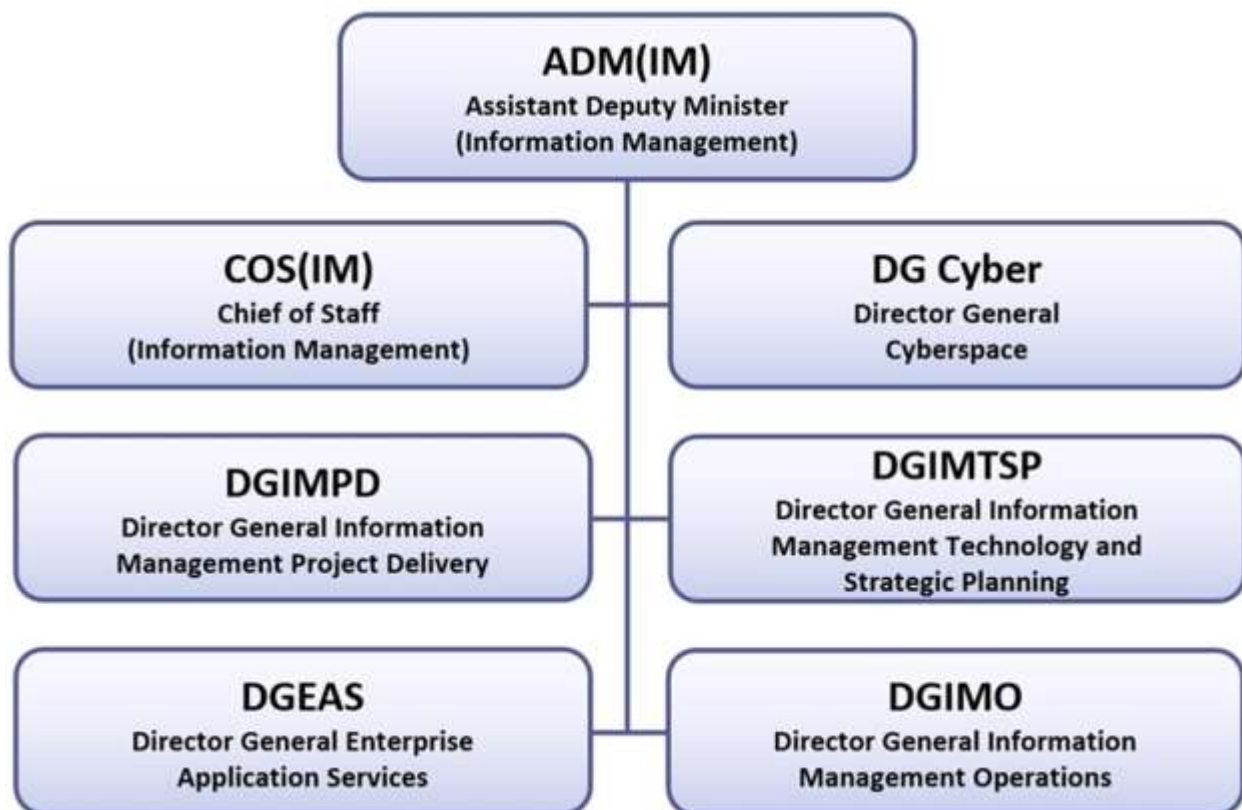
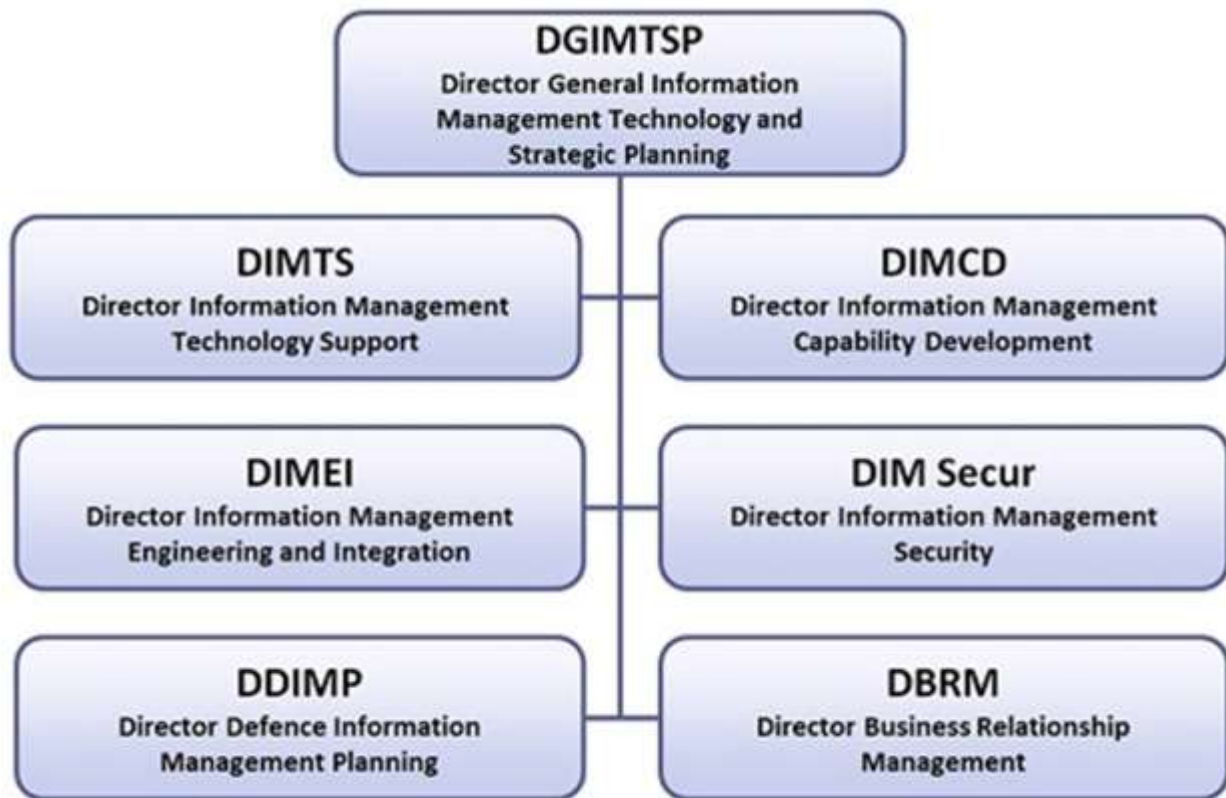


Figure 22: Assistant Deputy Minister (Information Management)

## Director General Information Management Technology and Strategic Planning (DGIMTSP)

Director General Information Management Technology and Strategic Planning's (DGIMTSP) mission is to establish strategic and tactical direction on Information Management/Information

Technology Program transformation for DND/CAF. Director General Information Management Technology and Strategic Planning (DGIMTSP) supports CAF operations, departmental priorities, and Government objectives by ensuring seamless and timely access to trusted information, intelligence, and technology in a secure environment.



**Figure 23: Director General Information Management Technology and Strategic Planning (DGIMTSP)**  
**Director Business Relationship Management (DBRM)**

Director Business Relationship Management (DBRM) provides centralized client portfolio management, delivering business intake and demand management processes across the departmental Information Management/Information Technology Program. In addition, Director Business Relationship Management (DBRM) is responsible for coordinating client liaison with Shared Services Canada (SSC), the department's external Information Management/Information Technology service provider.

Director Business Relationship Management (DBRM) 3 is responsible for Shared Services Canada (SSC) engagement on V5 Capital Projects in terms of cost estimate and attestation coordination for TBS capital projects. Director Business Relationship Management (DBRM) 3 also facilitates the advancement of national evolve/transform initiatives and projects. Business relationship management focuses on situational awareness, liaison, and communication to Director Business Relationship Management (DBRM) clients, including alternative escalation methods into Information Management Group.

# PROJECT APPROVAL DIRECTIVE (PAD)

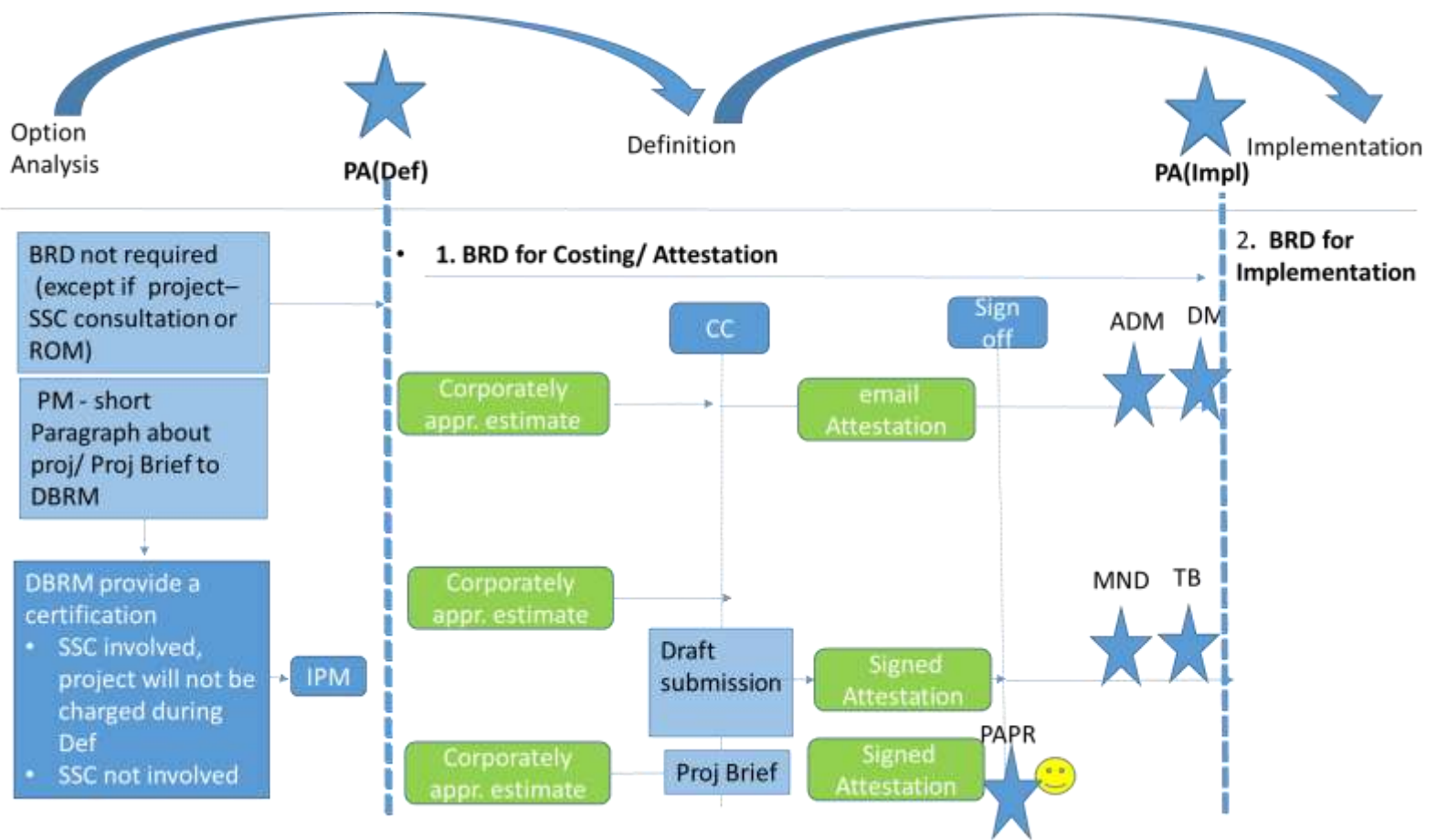


Figure 24: Director Business Relationship Management (DBRM)

PA (Def)



## Project seeking PA(Def)

### Option Analysis

- BRD not required
- Project to provide Project Brief/ short paragraph describing the project



- DBRM will provide a certification
  - SSC involved, no charges during Def phase; or
  - SSC not involved

- Certification used for [IPM](#)

Figure 25: Project seeking PA(Def)

PA (Imp)



## Projects seeking PA (Imp)

### Definition

- BRD is required for Costing/ Attestation



- DBRM submit completed BRD to SSC

- SSC will provide:
  - Corp Approved estimate
  - Attestation

- Corp Approved estimate used for [CC](#) (\*\*New since 09 Oct \*\* date to be delivered before "Pre-IPM")
- Attestation used for [CFO](#) ( \*\* New since 09 Oct" date to be delivered before" CC")

Figure 26: Project seeking PA(Imp)

## **Guide – Departmental Program and Submission Work Plan (DPSWP)**

### **1 Purpose**

The purpose of the Departmental Program and Submission Work Plan (DPSWP) is to communicate within DND a focused plan to deliver the DND/CAF projects and submissions. The Departmental Program and Submission Work Plan (DPSWP) is also intended to improve the predictability of the Project Approval Process (PAP) and ensure the efficient use of dedicated resources.

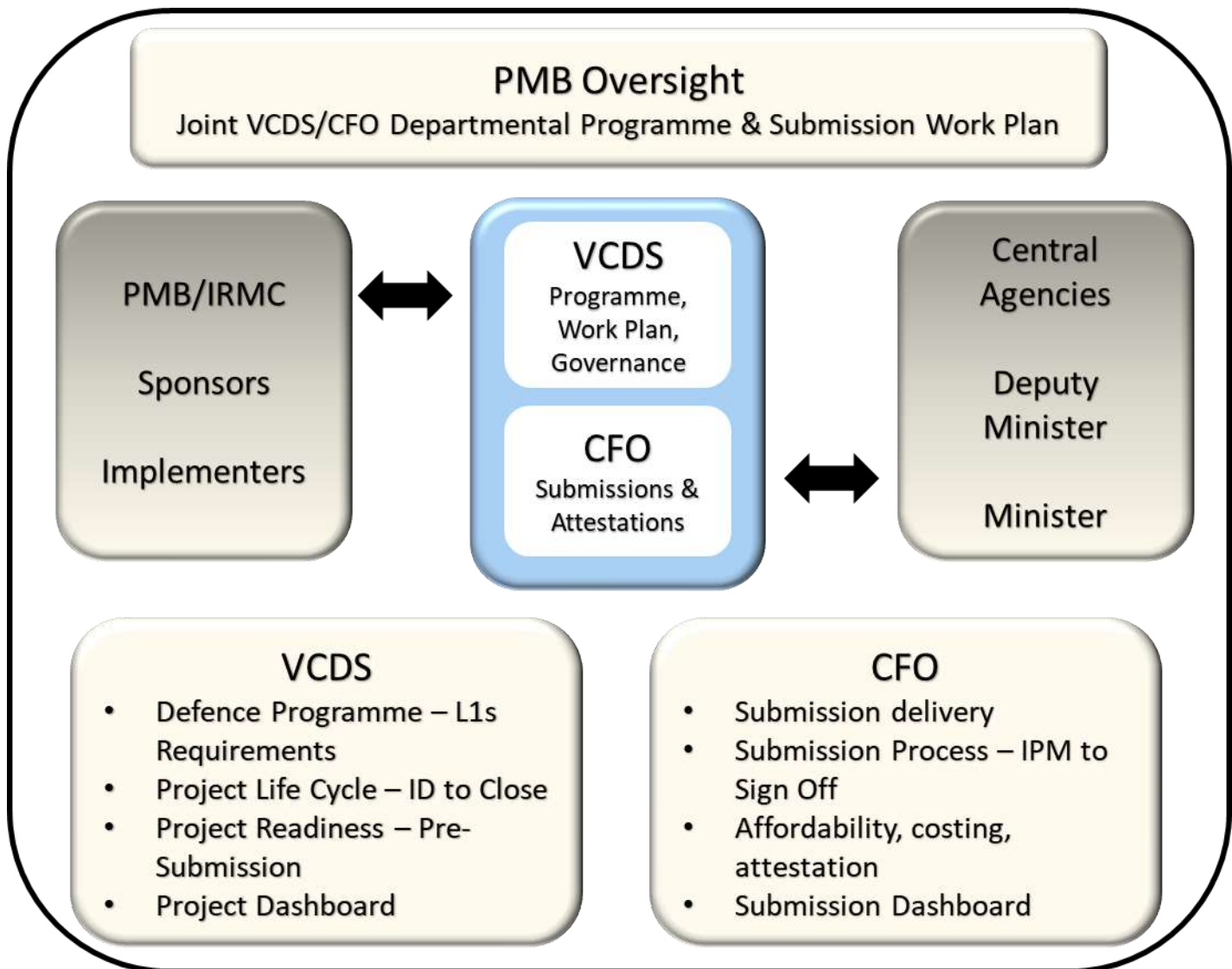
The Departmental Program and Submission Work Plan (DPSWP) is to be co-signed by the VCDS, Assistant Deputy Minister (ADM), and Chief Financial Officer (CFO). The VCDS signature identifies Defence Programme objectives with regards to capability requirements and project priorities in accordance with the timelines prescribed in the Departmental Program and Submission Work Plan (DPSWP). The Chief Financial Officer (CFO) signature confirms available finances and his/her/their commitment to advance all submission activities in accordance with the timelines prescribed in the Departmental Program and Submission Work Plan (DPSWP).

### **2 Departmental Program and Submission Work Plan (DPSWP) Description**

The Departmental Program and Submission Work Plan (DPSWP) is based on the work of the VCDS and the Assistant Deputy Minister (Finance) staff to assess and prioritize all affordable DND files likely to seek approval over the next 18 months. The Departmental Program and Submission Work Plan (DPSWP) is developed with input from the Level 1 Executives as to their capacity to advance files and their desired timeline to deliver capability to DND/CAF in accordance with the Force Capability Plan (FCP) and Defence Capabilities Blueprint developed by Chief of Force Development (CFD) on an annual basis. The Departmental Program and Submission Work Plan (DPSWP) is the Programme view of DND projects and submissions.

The Programme Management Board (PMB) is the governance body for the Departmental Program and Submission Work Plan (DPSWP) (see Figure 28). C Prog will formally present the Departmental Program and Submission Work Plan (DPSWP) to the Programme Management Board (PMB) for approval along with mid-year refreshes with support from the Director Corporate Submissions (D Corp S). Programme Management Board (PMB) oversight institutionalizes the Departmental Program and Submission Work Plan (DPSWP) as a DND commitment.





**Figure 27: DND/CAF Program & Submissions Governance and Roles**

At the beginning of each Parliamentary session, Director Corporate Submissions (D Corp S). compiles a “Key and Upcoming Submissions” list, drawn from the Departmental Program and Submission Work Plan (DPSWP). The goal is to communicate those priority files of particular interest to TBS and/or the Minister’s Office (MNDO), where submissions seeking TB or MND approval are executable within the current Parliamentary session (approximately next six months). This list is kept up to date with the Departmental Program and Submission Work Plan (DPSWP).

While the Departmental Program and Submission Work Plan (DPSWP) is approved annually, a working version of the Departmental Program and Submission Work Plan (DPSWP) will be maintained by the C Prog – Director Defence Programme Coordination Coordinator (DDPC Coord), and published weekly on the Departmental Program and Submission Work Plan (DPSWP) Management SharePoint at <https://collaboration->

[vcds.forces.mil.ca/sites/C%20Prog/DDPC/DPSWP/Forms/AllItems.aspx](https://vcds.forces.mil.ca/sites/C%20Prog/DDPC/DPSWP/Forms/AllItems.aspx) to reflect changes as a result of issues or opportunities that arise.

### 3 Strategic considerations

The following considerations apply to the development of an affordable and executable Departmental Program and Submission Work Plan (DPSWP):

*Affordable:* The files are included in the Capital Investment Fund (CIF), Investment Plan (IP), and/or a notional source of funds has been identified through the Capital Investment Program Plan Review (CIPPR) process.

*Executable:* The files that meet the criteria on the Submission Readiness Test (see below) will be assigned corporate resources (costing and project/file management) to develop the Corporate Submission and manage the approval process. The Departmental Program and Submission Work Plan (DPSWP) is designed such that the list of files for the next six months is well developed and should be considered as executable. Conversely, the list of files for the follow-on 12 months is less well developed and therefore should not be considered as readily executable. The progress of individual files is monitored to ensure that only mature and executable files are included on the next Key and Upcoming Submissions list generated for the follow-on Parliamentary session (following six months.)

*Capability Assessment Urgency:* Capital Equipment and Infrastructure files are assessed (high, medium, low) based on the priority of capability delivery as assessed by Chief of Force Development (CFD) in collaboration with the Level 1 Executives. Redlines (i.e. reasons why a Project Approval (PA) must be obtained by a specific date) must be identified to (C Prog) as soon as Level 1s become aware of them;

*Submission Readiness Test:* The Submission Readiness Test is a qualitative assessment of a file performed by Central Staff, consisting of Chief of Force Development (CFD), C Prog, and Director Corporate Submissions (D Corp S). The analysis determines the state of readiness to proceed with the inclusion of the file in the Departmental Program and Submission Work Plan (DPSWP). The test includes, but is not limited to:

- Policy Coverage: The proposed file has Policy cover (if required);
- Funding: In the case of a project, the file is sufficiently developed to proceed with the Project Approval Process (PAP). In other words, the file is included in the CIPPR portfolio, has a source of funds, and has a plan to achieve Defence Capabilities Board (DCB) 2 endorsement of the Business Case Analysis (BCA) within the required timeline to achieve file approval;
- Sponsor/Implementer Human Resources: The Project Management Office (PMO) is sufficiently resourced to support the submission pre-requisites requirements (Project Director (PD), Project Manager (PM) and Procurement Officer, at a minimum);
- Documentation: The file has sufficiently developed the project documentation;



- Costing: The file has adequate cost estimates or has sufficient costing information maturity to support its development;
- Central Costing Resources: The Costing Center (CCD) is sufficiently resourced to validate the financial requirements of the submission and manage the Chief Financial Officer (CFO) attestation; and
- Central Resources: Director Corporate Submissions (D Corp S) is sufficiently resourced to develop the submission and manage its approval.

## 4 Principles

The Departmental Program and Submission Work Plan (DPSWP) is designed for deliberate “over-planning” and represents what DND should be doing in accordance with the Force Capability Plan (FCP). The full Departmental Program and Submission Work Plan (DPSWP) list includes more projects/files than historic norms would indicate has been achieved. However, all the files included in the Departmental Program and Submission Work Plan (DPSWP) are sufficiently advanced to allow “over-delivery” in instances where files become ready to proceed with a Corporate Submission, either due to increased capacity to support more files, or to substitute for files that are delayed for one reason or another.

The “Key and Upcoming Submissions List” will set clear expectations with DND Senior Officials and TBS to deliver on target within the current Parliamentary session. While some approval schedule adjustments might be required due to internal and external factors, these should not be the norm.

The file slippage rate will be kept to a minimum and adjusted “executable” timelines will be approved by C Prog – Director Defence Programme Coordination and the Director Corporate Submissions (D Corp S) on a weekly basis (via the Weekly Tracker Meeting).

Should an Urgent Operational Requirement (UOR) or other emerging Government priorities arise, all relevant staff will work together to secure the necessary approvals. The working version of the Departmental Program and Submission Work Plan (DPSWP) will be updated accordingly. This may include decisions to lower the relative priority of files to ensure that adequate resources are available for higher priority files.

## 5 Departmental Program and Submission Work Plan (DPSWP) Development

The Departmental Program and Submission Work Plan (DPSWP) development, and supporting “Submission Readiness Test”, is led by C Prog – Director Defence Programme Coordination in collaboration with the Director Corporate Submissions (D Corp S). They are supported by Chief of Force Development (CFD), Center for Costing in Defence (CCD), Director Financial Planning and Analysis (DFPA) and Level 1 representatives.

**Development Cycle.** The Departmental Program and Submission Work Plan (DPSWP) cycle is aligned with Parliamentary sessions and synchronized with the Capital Investment Fund (CIF) updates. The Departmental Program and Submission Work Plan (DPSWP) follows a six-month cycle where development is initiated in September/March and targets a December/June approval of the Plan for the following spring/winter session.

**Development Workflow.** Figure 28 provides the Departmental Program and Submission Work Plan (DPSWP) workflow diagram.

**Development Roles.** Figure 29 includes the main roles and responsibilities related to the development of the Departmental Program and Submission Work Plan (DPSWP).

Figure 29: Roles and Responsibility Matrix

ADM Fin/CFO (D Corp S/CCD)	VCDS (C Prog/CFD/DDPC/DCI)	Sponsor/Implementer (Project OPIs)
<b>1. An executable and affordable Departmental Program and Submission Work Plan (DPSWP)</b>		
<ul style="list-style-type: none"> <li>– Establish submission timelines</li> <li>– Assess costing readiness</li> <li>– Confirm source of funds and Capital Investment Fund (CIF) for identified requirements</li> <li>– Support development of annual and mid-year refresh</li> <li>– Develop the Key and Upcoming Submission List based on Departmental Program and Submission Work Plan (DPSWP)</li> <li>– Obtain Programme Management Board (PMB) approval of Key and Upcoming Submission List</li> </ul>	<ul style="list-style-type: none"> <li>– Establish Project Approval (PA) timelines</li> <li>– Review Business Plan (BP) Priorities</li> <li>– Identify capability requirements and submission priorities</li> <li>– Conduct Capital Investment Program Plan Review (CIPPR) review</li> <li>– Assess submission readiness</li> <li>– Lead the development of annual and mid-year refresh</li> <li>– Obtain Programme Management Board (PMB) approval of Departmental Program and Submission Work Plan (DPSWP)</li> </ul>	<ul style="list-style-type: none"> <li>– Provide Business Plan (BP) priorities</li> <li>– Provide C Prog with Level 1 submission requirements</li> <li>– Project management and resources</li> <li>– Support readiness assessment</li> </ul>
<b>2. Submission development and approval</b>		
<ul style="list-style-type: none"> <li>– TB/MND scheduling</li> <li>– Investment and Resources Management</li> </ul>	<ul style="list-style-type: none"> <li>– Programme Management Board (PMB) scheduling</li> <li>– C Prog approval of draft version</li> </ul>	<ul style="list-style-type: none"> <li>– Provide project information</li> <li>– Review of draft version</li> <li>– Level 1 concurrence with final version</li> </ul>

## PROJECT APPROVAL DIRECTIVE (PAD)

<ul style="list-style-type: none"> <li>Committee (IRMC) scheduling</li> <li>– DGCIPA approval of draft version</li> <li>– ADM (Fin) approval of final version</li> <li>– Support PMB/IRMC presentations</li> </ul>	<ul style="list-style-type: none"> <li>– VCDS approval of final version</li> <li>– Present to Programme Management Board (PMB)/Investment and Resources Management Committee (IRMC) for endorsement and/or approval</li> </ul>	<ul style="list-style-type: none"> <li>– Support Programme Management Board (PMB)/Investment and Resources Management Committee (IRMC) presentations</li> </ul>
<b>3. Departmental Program and Submission Work Plan (DPSWP) management and monitoring</b>		
<ul style="list-style-type: none"> <li>– Approve Departmental Program and Submission Work Plan (DPSWP) adjustments</li> <li>– Manage Submission Dashboard</li> <li>– Enforce submission timelines</li> <li>– Provide feedback to senior management and Programme Management Board (PMB)/Investment and Resources Management Committee (IRMC) presentations</li> </ul>	<ul style="list-style-type: none"> <li>– Chair weekly tracker meeting</li> <li>– Approve Departmental Program and Submission Work Plan (DPSWP) adjustments</li> <li>– Manage working version of Departmental Program and Submission Work Plan (DPSWP)</li> <li>– Enforce project timelines</li> <li>– Provide feedback to senior management and Programme Management Board (PMB)/Investment and Resources Management Committee (IRMC) presentations</li> </ul>	<ul style="list-style-type: none"> <li>– Meet Departmental Program and Submission Work Plan (DPSWP) timelines</li> <li>– Provide status updates</li> </ul>

### 6 Departmental Program and Submission Work Plan (DPSWP) Approvals and Updates (including the “Key and Upcoming Submissions List”)

The annual Departmental Program and Submission Work Plan (DPSWP) is developed by the VCDS team (C Prog and Chief of Force Development (CFD)) in collaboration with ADM (Fin) team and Level 1 teams. The draft Departmental Program and Submission Work Plan (DPSWP) is endorsed by both C Prog – Director Defence Programme Coordination (DDPC) and the Director Corporate Submissions (D Corp S) before being presented for approval by Programme Management Board (PMB).

The following authorities have been established as part of the Departmental Program and Submission Work Plan (DPSWP) governance model:

***Programme Management Board (PMB):*** The Departmental Program and Submission Work Plan (DPSWP) is approved by the Programme Management Board (PMB) in December (Annual

Update) and June (Mid-Year Refresh) of each year to confirm Departmental agreement with submissions priorities. Regular update presentations will be made to Programme Management Board (PMB) in order to keep Programme Management Board (PMB) members aware of changes to files seeking approval.

***Weekly Meetings:*** The working version of the Departmental Program and Submission Work Plan (DPSWP) is reviewed on a weekly basis at the C Prog – Director Defence Programme Coordination/ Director Corporate Submissions (D Corp S) weekly tracker meeting and is updated accordingly. The weekly Strategic Look Ahead Meeting (SLAM) is used to keep senior officials and the Minister’s Office (MNDO) aware of the upcoming approvals. In the case of significant changes, the Programme Management Board (PMB) Co-Chairs will be briefed secretarially for approval and to determine if a Programme Management Board (PMB) or senior officials briefing is required.

## 7 Obtaining Project Approval (PA) and Expenditure Authority (EA)

In 2016-2017, ADM (Fin) led an initiative to assess and streamline the Corporate Submission process (CSP). Included within the recommendations of this initiative (often referred to as the Poulin report) was a reaffirmation of the critical role of the Initial Planning Meeting (IPM) in the process and the need to formalize and document the Initial Planning Meeting (IPM) as part of the management process for the overall Corporate Submission process.

The goal of the Initial Planning Meeting (IPM) is to ensure a common understanding of the requirements and seek commitment from all participants to deliver the submission as planned. The Initial Planning Meeting (IPM) is a critical submission process activity that marks the starting point for all Corporate Submission drafting.

Observations have revealed that the level of project readiness at the Initial Planning Meeting (IPM) can vary significantly. In 2018, a Pre-Initial Planning Meeting (Pre-IPM) was introduced to Project Approval Process (PAP) to ensure projects were ready to proceed and eliminate potential delays and compressed timelines as a result of incomplete information.

The decision to schedule an Initial Planning Meeting (IPM) is taken in collaboration with Director Corporate Submissions (D Corp S) and Director Costing (DC) based on the information received during the Pre-Initial Planning Meeting (Pre-IPM).

## 8 Early Engagement Phase (Pre- Initial Planning Meeting (IPM))

The Pre-Initial Planning Meeting (Pre-IPM) is a meeting called and chaired by C Prog – Director Defence Programme Coordination (DDPC) with attendance from the Project Team, and ADM (Fin) analysts from Director Corporate Submissions (D Corp S), Director Costing (DC) and Director Budget (DB), as well as any other organization internal to DND or external who is a key stakeholder in the project.

The Pre-Initial Planning Meeting (Pre-IPM) is a project health check. The Project Team will provide all the required documents either in advance of the Pre-Initial Planning Meeting (Pre-

IPM) or at the meeting itself, and provide an update on the scope, desired timelines and milestones. Central Staff Analysts will assess the following:

*Project Readiness.* To ensure a smooth project transition to the Corporate Submission process, project readiness must be assessed prior to the Initial Planning Meeting (IPM).

*Project Documentation.* For most typical projects to be ready for an Initial Planning Meeting (IPM), Project Teams must have developed their Project Brief, Project Charter, Statement of Operational Requirements (SOR), and Project Complexity Risk Assessment (PCRA). Different types of Corporate Submissions may require different stakeholders and different documents ahead of the Initial Planning Meeting (IPM). These documents and information are required to inform the drafting of the Corporate Submission and its annexes.

*Project Costing.* Of particular importance at the Initial Planning Meeting (IPM) is the Project Team's readiness to provide cost data such that Director Costing (DC) staff can begin the costing exercise. Historically, it is the costing exercise that can take the most time, so ensuring timely cost data is important to the success of every project. The most critical timeline to be considered is normally the time required for Director Costing (DC) to prepare a costing plan. This requires deliberate, formal consideration at the Pre-Initial Planning Meeting (Pre-IPM).

During the Pre-Initial Planning Meeting (Pre-IPM) attendees will be expected to commit to an Initial Planning Meeting (IPM) date. The Initial Planning Meeting (IPM) should occur within 30 calendar days of the Pre-Initial Planning Meeting (Pre-IPM). If the project documentation is not mature enough at the Pre-Initial Planning Meeting (Pre-IPM) for that commitment to be made, the C Prog – Director Defence Programme Coordination (DDPC) analyst will determine if a supplementary Pre-Initial Planning Meeting (Pre-IPM) must be conducted.

See the Initial Planning Meeting (IPM) checklist for required documents.

## 9 Submission Phase (Initial Planning Meeting (IPM))

The Initial Planning Meeting (IPM) is organized and called by the Chief of Programme (C Prog) – Director Defence Planning and Coordination (DDPC) analyst and co-chaired by the Director Defence Planning and Coordination (DDPC) analyst and the Director Corporate Submissions (D Corp S) analyst. The Initial Planning Meeting (IPM) is the official kickoff of the timeline to achieve Project Approval (PA) and Expenditure Authority (EA).

The Initial Planning Meeting (IPM) is held approximately one month after the Pre-Initial Planning Meeting (Pre-IPM). A week prior to the Initial Planning Meeting (IPM), the C Prog – Director Defence Programme Coordination (DDPC) analyst in collaboration with Director Corporate Submissions (D Corp S) and Director Costing (DC) will determine if the project is ready to proceed.

At the Initial Planning Meeting (IPM), the Project Team will provide a brief summary of the project and its developments; articulate the project's policy cover and key governance decisions;

and outline the Corporate Submission proposals or authorities being sought (see meeting agenda for further details).

Director Corporate Submissions (D Corp S) analysts will also be in a position to develop the Corporate Submission. If there are still unanswered questions at this meeting that would prevent a proper kickoff, a new Initial Planning Meeting (IPM) date will be scheduled once the analysts deem the file is ready to proceed. See the Initial Planning Meeting (IPM) checklist for required documents.

The Initial Planning Meeting (IPM) is expected to result in a commitment to an overall timeline for Project Approval (PA) and Expenditure Authority (EA) and will only be declared successful when the project documentation and cost data has been reviewed and deemed sufficient for Director Costing (DC) to create a cost model and commit to a date to provide financial inputs to support a decision at Programme Management Board (PMB).

An assessment and review of recent Initial Planning Meeting (IPM)'s, has indicated several practices that are precluding Project Teams from successfully achieving meeting objectives. These include:

*Meeting Scheduling.* Most Initial Planning Meeting (IPM)'s have been scheduled on short notice, without background material circulated or shared. This has not provided the requisite time to assign submission analysts to files, and for them to review any project documentation to have productive and informed discussions at the Initial Planning Meeting (IPM);

*Meeting Agenda.* Discussions have focused on background information and on the project and not been forward looking on what is required to deliver a submission. More often, the discussion has focused on whether the project is ready to proceed;

*Meeting Participation.* Some Initial Planning Meetings (IPM) were held in the absence of key stakeholders that have a key role to play in ensuring success of the meeting. In other cases, Initial Planning Meetings (IPM) were held secretarially thus not allowing for a forum to discuss issues and agree on a way forward to deliver a successful submission;

*Project Readiness.* Some projects coming in for an Initial Planning Meeting (IPM) have not had the required documentation of financial data to allow them to move into the development of a submission. Despite these Initial Planning Meetings (IPM) being held, they failed to achieve their objective; and

*Records of Decision.* Rarely are minutes taken or a record of decision produced for Initial Planning Meetings (IPM). This has resulted in commitments made at the Initial Planning Meeting (IPM) not being met, and schedules slipping for key products required to advance submission development.

To resolve the above mentioned issues, early engagement between the Project Teams and Central Staff Analysts is imperative. Records of Decision (ROD) are to be drafted and shared via email

with all the attendees and posted to the Defence Services Program Portal (DSPP) within 10 working days of the Initial Planning Meeting (IPM).



**Initial Planning Meeting (IPM) Checklist****Project:** \_\_\_\_\_**Date:** \_\_\_\_\_

The following documents/actions must be completed for the Pre-Initial Planning Meeting (Pre-IPM). During the meeting, Central Staff will answer any Project Team concerns/questions and provide additional guidance as required to ensure readiness for the Initial Planning Meeting (IPM). After the Pre-Initial Planning Meeting (Pre-IPM), Central Staff have 20 working days to review the info provided by the Project Team and determine file readiness to proceed with an Initial Planning Meeting (IPM).

**1 Due at the Pre-Initial Planning Meeting (Pre-IPM)**

- ☐ Business Case Analysis (BCA)
  - Signed version uploaded to the Defence Services Program Portal (DSPP)
- ☐ Project Charter
  - Signed version within one year prior to the Initial Planning Meeting (IPM) date uploaded to the Defence Services Program Portal (DSPP)
- ☐ Project Complexity and Risk Assessment (PCRA)
  - For Project Approval for Definition (PA (Def)) Draft reviewed and endorsed by Director level within 6 months of Initial Planning Meeting (IPM)
  - For Project Approval for Definition (PA (Def)) DDPC Analyst reviewed (DDPC Section Head to approve and promote to TBS prior to the Initial Planning Meeting (IPM))
  - For Project Approval for Implementation (PA (Imp)) revised Draft reviewed and endorsed by Director level within 6 months of Initial Planning Meeting (IPM)
  - For Project Approval for Implementation (PA (Imp)) Director Defence Programme Coordination (DDPC) Analyst reviewed (Director Defence Programme Coordination (DDPC) Section Head to approve (only promoted to the TBS prior to the Initial Planning Meeting (IPM) if there is a change in the Project Complexity and Risk Assessment (PCRA) level)
- ☐ Project Brief
  - Final Draft reviewed and endorsed by Director level within 6 months of Initial Planning Meeting (IPM) date
  - This version will accompany the Project Complexity and Risk Assessment (PCRA) to TBS
- ☐ DOTMLPFPI
  - Reviewed by Director level within 6 months of Initial Planning Meeting (IPM) date
- ☐ Statement of Operational Requirements (SOR)



- Most recent approved version
- ☐ Definition Phase Plan (PA (Def)) / Project Management Plan (PA (Imp))
  - Most recent Draft version
- ☐ Project Costing Data
  - As per the Director Cost Estimate Delivery (DCED) and Director Cost Analytics (DCA) checklist (see Part IV below)
- ☐ Risk Assessment
- ☐ Defence Services Program Portal (DSPP) Updated
- ☐ Senior Review Board (SRB) to endorse proceeding to Project Approval for Definition (PA (Def))/Project Approval for Implementation (PA (Imp)) planned
- ☐ Strategic Environmental Assessment (SEA)
- ☐ Consultation with Defence Procurement Strategy (DPS) Governance Committee
- ☐ Consultation with Shared Services Canada (SSC)

## 2 Initial Planning Meeting Outline

### Introduction (5 min)

Director Defence Programme Coordination (DDPC) to identify key organizational representatives on the file (Director Corporate Submissions (D Corp S), Director Costing (DC), Director Budgeting (DB), Assistant Deputy Minister Review Services (ADM (RS)), ADM (IM), Assistant Deputy Minister Policy (ADM (Pol))).

### Project Status (15min)

Project Teams to:

- Identify key project developments and governance decisions
- Provide scope, schedule, and cost assessment
- Provide assessment of organizational risks as a function of time of Project Approval (PA)

Director Defence Programme Coordination (DDPC) to:

- Confirm project readiness and required document completion (review of checklist at Part I)
- Outline the project and articulate policy coverage and/or drivers (Director Defence Programme Coordination (DDPC) in collaboration with Director Corporate Submissions (D Corp S) analyst to confirm ready to proceed from a policy coverage perspective for

## PROJECT APPROVAL DIRECTIVE (PAD)

Project Approval for Definition (PA (Def)) and/or previous submission for Project Approval for Implementation (PA (Imp))

### Submission Requirements (10 min)

Director Costing (DC) to provide Financial Input date (this date is a critical milestone in the Corporate Submission process)

Director Corporate Submissions (D Corp S) to:

- Outline the submission proposals or authorities being sought
- Provide projected submission approval date
- Identify and discuss potential roadblocks

To declare an Initial Planning Meeting (IPM) successful, all stakeholders commit to complete the key tasks within the agreed and specified timelines:

<b>Key Tasks / Deliverables</b>	<b>Data Requirement</b>	<b>Responsible Stakeholder</b>
2-Pager/Submission Outline	Project Brief and Charter	Director Corporate Submissions (D Corp S)
Costing ground rules and assumptions document	Cost Data from OPI	Director Costing (DC)
Cost Report (CR) and Financial Tables	Cost Data from OPI	Director Costing (DC)
Corporate Submission Delivery and Expected Results Appendix	Project Brief	ADM(RS), Director Corporate Submissions (D Corp S)
Corporate Submission Risk and Risk Response Appendix	Project Brief	Director Corporate Submissions (D Corp S)
Corporate Submission Gender-Based Analysis Plus (GBA+) Appendix	Project Brief and Charter	Director Corporate Submissions (D Corp S)
Full Strategic Environment Assessment (SEA), if applicable	Corporate Submission	Level 1 Environmental Specialist Staff, Director Corporate Submissions (D Corp S)
Modern Treaty Assessment, if applicable	Project Brief	Assistant Deputy Minister Infrastructure & Environment (ADM(IE))
Shared Services Canada (SSC) Waiver, Certification, and/or Attestation (as required)	Corporate Submission	DBRM, Director Costing (DC)

## PROJECT APPROVAL DIRECTIVE (PAD)

IPM Record of Decision (including RODs for failed IPMs)	IPM	Director Defence Programme Coordination (DDPC)
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### 3 Invitation List (at a minimum)

#### DDPC (Director Defence Programme Coordination)

- DDPC Analyst and associated Section Head (see contact list at Part V)
- +DDPC Calendar@VCDS DDPC@Ottawa-Hull

#### Director Corporate Submissions (D Corp S)

- D Corp S analyst and associated Manager

#### Director Costing (DC)

- ++NDHQ DG FIN MGT D Cost S Coord@ADM(Fin) D Cost S@Ottawa-Hull

#### Director Budget (DB)

- Hotte A@ADM(Fin) DB@Ottawa-Hull

#### DPRRM (Director Planning, Resources and Risks Management)

- Dodd LK@VCDS DPRRM@Ottawa-Hull

#### ADM (IM)

- Sirbu C@ADM(IM) DBRM@Ottawa-Hull

#### Assistant Deputy Minister Policy (ADM (Pol))

- As required

Level 1 Reps including Project Director/Project Manager as appropriate

### 4 Capital Project Cost Estimating Requirements – Pre-Initial Planning Meeting (Pre-IPM) Checklist

Consult the [Cost Estimating Requirements: Pre-IPM Checklist](#) for instructions on how to complete the Capital Project Cost Estimating Requirements.

### **Costing Requirements Checklist**

Consult the [Cost Estimating Requirements: Pre-IPM Checklist](#) for instructions on how to complete the Costing Requirements Checklist.

## Projects Acquiring Ammunition & Explosives

### INTRODUCTION

Ammunition and Explosives (A&E) refers to any device that contains energetic materiel or substance that is of energetic materiel. Examples of such items include bullets, missiles/rockets, torpedoes, as well as signalling devices, flares/chaff, and cartridge/propellant actuated devices. The formal definition of the terms Ammunition and Explosives can be found in [Defence Administrative Orders and Directives \(DAOD\) 3002-0: Ammunition and Explosives](#).

A&E Materiel Acquisition and Support (MA&S) – an integration of technical, safety, regulatory, logistical, interchangeability, and force posture and readiness considerations – is a highly specialized domain. Its body of knowledge encompasses a large amount of departmental and national/international agreements, publications and instruments, which include a variety of statutes, guidelines, standards and directives. A&E is a strategically and centrally-managed consumable-commodity group for which minimum procurement lead-times often exceed two to three years, necessitating early and concerted planning. As a departmental Centre of Excellence on A&E through-life materiel management and engineering, Director Ammunition and Explosives Management and Engineering (DAEME) provides advice to project and technical authority staff. A separate office in SJS DG Support / Director Ammunition Capability Integration (DACI) / J4 Ammunition (SJS J4 Ammo) ensures conformity to the DND/CAF Exemption for the Explosives Act through proper warehousing of A&E, and must therefore be consulted for direction and guidance on the requirement for infrastructure including type, siting, explosive licencing and assistance with the calculation of force generation (training) and force employment (operational) quantities. The importance of early consultation between Project Teams, DAEME and SJS J4 Ammo cannot be overstated. Projects desiring a level of support beyond that of advice may pursue additional support from A&E MA&S service providers (e.g., by negotiating a service level agreement with DAEME; letting a contract to a commercial service provider; etc.).

### PROJECT AMMUNITION & EXPLOSIVES (A&E) ACCOUNTABILITIES

When the scope of a Project involves A&E, the Project Team, in collaboration with the applicable Project Sponsor, Force Generator and Force Employer and SJS DACI, is accountable for A&E certification, Type Classification, infrastructure requirements and determination of A&E stockpiles for force generation and force employment (Strategic Reserve / contingency stock). References with respect to these processes include:

- [Defence Administrative Orders and Directives \(DAOD\) 3002](#) series
- C-09-005-007: A&E Safety Manual – Volume 7, Certification of Ammunition, Explosives and Accessories for Use;
- D-09-002-009: Standard – Procedures for the Type Classification of Ammunition and Explosives; and
- D-09-002-010: Standard – Assessment of the Safety and Suitability for Service of Ammunition and Explosives.

## PROJECT AMMUNITION & EXPLOSIVES (A&E) REQUIREMENTS

When the scope of a project involves procuring new or using in-service A&E, the Project Team must consult DAEME and SJS J4 Ammo starting in the Identification (ID) Phase to:

- establish approved standalone Statements of Operational Requirements (SOR) for A&E items;
- ensure that A&E items meet the performance parameters set out in their Statements of Operational Requirements (SOR);
- establish annual training stock (minimum quantity of two years) and Strategic Reserve / contingency stock quantities. Note that Strategic Reserve / contingency stock is considered strategic stock required to maintain 30 days of mid to high-intensity sustained operations in accordance with National Defence Policy;
- define infrastructure requirements for A&E storage and maintenance;
- attain long term procurement strategy approval by Public Services and Procurement Canada (PSPC);
- attain authorization, in accordance with Part 3 of Canada's Explosives Regulations;
- attain Safety and Suitability for Service (S<sup>3</sup>) validation;
- attain approval for use;
- attain Type Classification approval;
- deliver A&E items along with their associated training aids, logistical tools/equipment, manuals, technical orders, data packages, etc.; and
- collect logistical data for the determination of storage requirements including:
  - o Net Explosive Quantity (NEQ) per item in Kgs
  - o NEQ per pallet in Kgs (as applicable)
  - o Hazard Classification Code (Hazard Division and Compatibility Group)
  - o NATO Stock Number
  - o Nomenclature and use of item
  - o Quantity of items per storage unit (box, can, cannister, barrel etc.)
  - o Quantity of storage units per pallet (as applicable), Weight per storage unit (Kgs)
  - o Weight per pallet (as applicable) (Kgs)
  - o Volume per storage unit (m<sup>3</sup>)
  - o Volume per pallet (as applicable)
  - o Maximum stacking height of storage unit or pallet (e.g. 4 pallets high, 3 cannisters high etc.)

Any ammunition that a Project Team acquires will become national stock, controlled by SJS J4 Ammo for its allocation and storage location assignment (in collaboration with Project Sponsor). Project Teams and L1s must therefore inform SJS DACI / J4 Ammo of their recommended storage locations for Force Generation. Strategic Reserve / Contingency stocks will be held at Canadian Forces Ammunition Depots (CFAD). By exception, other locations could be used to support rapid deployment requirements.

PROJECT AMMUNITION & EXPLOSIVES (A&E) PROGRAM CONSIDERATIONS

Within the DND/CAF Ammunition Program, work with respect to three process-frameworks demand particularly significant levels of effort and time. When the scope of a project involves procuring new or using in-service A&E, the Project Team must develop a grounded understanding of these framework concepts as soon as circumstances permit:

- Ammunition Safety and Suitability Board (ASSB) Validation. DND/CAF ensures the safety and suitability for service ( $S^3$ ) of A&E through a 2-step certification process consisting of  $S^3$  validation by the Ammunition Safety and Suitability Board (ASSB) and approval for use by an L1.  $S^3$  validation ensures that A&E designs do not pose unacceptable risk to personnel, materiel or the environment in all expected service environments and that A&E functions reliably in its intended role. The Project Team must complete A&E  $S^3$  evaluations under the supervision of a Qualified Ammunition Technical Authority (QATA) and attain validation by the ASSB, prior to seeking an L1 advisor's approval for use of the A&E.
- Munitions Supply Program (MSP) Sourcing Decision. The MSP is a Government of Canada (GoC) strategic procurement program, consisting of Government-franchised strategic-sourcing agreements, for sustaining Canada's domestic munitions industrial base. When DND procures new A&E, the case must be presented to the MSP Governance Committee for decision as to whether the A&E should be considered for sourcing through a MSP industry partner. The Project Team must consult the MSP Governance Committee, in collaboration with SJS DACI, no later than early in the Options Analysis (OA) Phase. The Project must perform any business case analyses with respect to near and long term A&E sourcing options that the Committee deems appropriate.
- Ammunition and Explosives (A&E) Type Classification Approval. A&E Type Classification is the process of comprehensively collecting, analyzing and collating information, to result in a compendium for A&E through-life materiel management. The five pillars of A&E Type Classification are: operational requirements; procurement strategy;  $S^3$ ; integrated logistics support; and production. When a project procures new A&E, the Project Team is the de facto interim Technical Authority and Supply Manager of the A&E. To transfer A&E technical authority and supply manager responsibilities to the NDHQ functional matrix, the Project must attain Type Classification approval by a recipient L3 organization within the NDHQ functional matrix (e.g., Director Ammunition and Explosives Management and Engineering (DAEME) or other Equipment Management Team (EMT) directorate). Until such A&E Type Classification approval is attained, the Project Team (or the L3 organization within which the Project's implementation staff administratively reside) retains all A&E Technical Authority and Supply Manager responsibilities. To ensure that a smooth and successful transfer of responsibilities occurs prior to Project Closeout, the Project Team must proactively collaborate with its intended recipient L3 organization as soon as circumstances permit, so that the Project may meaningfully identify and acquire the requisite information for A&E Type Classification approval starting no later than in the Definition Phase.

PROJECT AMMUNITION & EXPLOSIVES (A&E) COST DRIVERS

Project scope involving procurement of new A&E or use of in-service A&E, requires the Project Team to ensure the project funding envelope accounts for Project obligations to deliver mandatory A&E related work/deliverables including, but not limited to:

- A&E and auxiliary items
  - 100% of A&E used prior to Type Classification approval and Full Operational Capability (FOC) sign-off (e.g., S<sup>3</sup> testing, trials, demonstrations, initial cadre training, weapon commissioning, etc.);
  - 100% of the approved Strategic Reserve / contingency stock quantity, available for use upon type classification approval and FOC sign-off;
  - 200% of the approved annual training stock quantity, available for use upon type classification approval and FOC sign-off; and
  - 100% of the in-service auxiliary items required by the A&E (e.g., dummy / display / 3D models; training aids and instruction packages; special test and tooling equipment; etc.), available for use upon Type Classification approval and FOC sign-off.
- Certification
  - S<sup>3</sup> data / information, as well as testing and evaluation work (to include funding for Qualified Ammunition Technical Authority (QATA) project personnel or service support); and
  - platform approval (e.g., airworthiness, seaworthiness, etc.).
- Integrated Logistics Support
  - infrastructure work to support any new security, logistics or maintenance requirements created by the introduction into service of the A&E;
  - operator, logistics and maintenance personnel conversion training; and
  - logistics support documentation (e.g., ballistic templates and firing tables; render-safe procedures; demilitarization and logistical disposal plans; surveillance plans; DND / CAF technical publications etc.).
- Production
  - technical data packages;
  - production testing work and equipment (e.g., proofing; first article and lot acceptance testing; North Atlantic Treaty Organization (NATO) interchangeability testing; etc.);
  - A&E for use as a reference lot; and
  - investment costs to meet Canadian content policy relevant considerations, as deemed applicable by the MSP Governance Committee (e.g., manufacturing licence agreements; non-recurring engineering; intellectual property access and transfer; etc.).



## SECTION E – GLOSSARY

Accrual Space	The difference between total ‘budgetary’ supply and total ‘budgetary’ demand in a given fiscal year. This unused “space” is available for new accrual budget initiatives. For accrual initiatives and non-capitalized assets plus annual amortization expenses generated by accrual projects/assets will consume the Accrual Space.
Activity	Is an operation or work process internal to a department, which uses inputs to produce outputs, e.g., training, research, construction, negotiation, investigation, investment planning and execution, etc.
Agile Procurement	A dynamic approach that applies cross-functional teams, collaboration, flexibility, and iterative processes. A cross-functional team typically consists of procurement officers, project or client staff, project sponsor representatives, and subject matter experts.
Ammunition	A device charged with explosives, propellants, pyrotechnics, initiating composition or nuclear, biological or chemical materiel, for use in military operations, and includes a non-charged or inert replica of such a device.
Ammunition Safety and Suitability Board (ASSB)	The Ammunition Safety and Suitability Board (ASSB) is the focal point for matters relating to Ammunition & Explosives (A&E) safety and suitability for service (S3) under the direction or control of the MND. Its function is to review the Ammunition & Explosives (A&E) S3 assessments independent of the pressures of operations, production and procurement and provide Level 1 Executives with an impartial appraisal and recommendation of the S3 of complete Ammunition & Explosives (A&E) items or independent weapon system components containing energetic materiel.
Benefit Owner	The benefit owner ensures that the benefits of any change and investment proposal are clearly defined, managed and realized. They are responsible for the realization of an individual benefit. This person must also ensure that all enabling and business changes not delivered by the project are managed and in place when required to support and contribute to benefits realization. An investment may have multiple benefit owners but the tasks are often performed by the business owner.
Betterments	Betterments are expenditures relating to the alteration or modernization of an asset that appreciably prolong the item’s period of usefulness or improve its functionality (vs. a repair, which maintains an asset’s functionality). Where a cost cannot easily be differentiated between a repair and a betterment, the cost should be expensed in accordance with the accounting principle of conservatism.

## PROJECT APPROVAL DIRECTIVE (PAD)

	If a capital asset that has been written down and removed from service is subsequently returned to service, its book value should not be written up. Only betterments that have been made to bring the asset back into service should be added to the book value.
<b>Budget Year Dollars (BY\$)</b>	Costs in Budget Year dollars reflect the purchasing power of the dollar in the year the cost is incurred. Budget year dollars include the effect of inflation/deflation. Prior year costs stated in Budget Year dollars are the actual costs incurred in those years. Future year costs are the projected values that will be paid out in future years. They reflect the costs in terms of funding requirements for the project, activity, or item. Within DND, the rates of inflation (which vary according to the commodity being described) are developed in the DND Economic Model. Since the Economic Model is endorsed by the TB, DND \$BY are accepted by Government as an accurate prediction of future costs for which costing is provided.
<b>Business Planning</b>	Level 1 Business Planning is the annual process of requesting incremental funding (above notional or baseline amounts), using all strategic direction as the basis of resource demands. Once approved by the Deputy Minister at the Investment and Resource Management Committee (IRMC), the L1 business plan becomes an L1's "marching orders" to subordinate level managers.
<b>Capital Investment Planning Tool</b>	The Capital Investment Planning Tool (CIPT) is the primary source for construction project information in DND. All projects with a value greater than \$2.5M are entered in the CIPT Database managed by DRPP 4 to track, measure and report on the Corporate Capital Construction Program.
<b>Capital Investment Program Plan Review (CIPPR)</b>	Capital Investment Program Plan Review (CIPPR) is a decision support tool that has been mandated for use by the VCDS and Assistant Deputy Minister Finance (ADM (Fin)). From the CIPPR process, the CIPPR portfolio consisting of three annexes are presented to the Investment and Resource Management Committee (IRMC) for approval.
<b>Capital Construction Program</b>	The departmental 10-year construction plan listing projects valued \$1 million and above, detailing new construction, recapitalization, betterment, acquisitions, capital leases, transfers and potential disposal revenues/expenditures.
<b>Chief of Force Development (CFD)</b>	The Chief of Force Development (CFD) will harmonize, synchronize and integrate the force development and design (FD&D) processes of the CAF, in order to develop the capabilities required to produce strategically relevant, operationally responsive, and tactically decisive military forces.

## PROJECT APPROVAL DIRECTIVE (PAD)

Chief of Programme (CProg)	The Chief of Programme Division supports the Vice Chief Defence Staff (VCDS) in providing leadership for corporate strategy management processes through objective analysis and sound advice on strategic planning options and resource allocations as well as measuring and reporting to Government on Departmental performance in executing the Defence mission.
Closeout	A project ends when it has delivered on its desired outcomes, or has been cancelled or withdrawn.
Concept Driven Threat Informed Planning (CDTIP)	CDTIP is a key decision aid that, through the Force Capability Plan (FCP), assists senior leadership in making Force Development (FD) choices concerning future capabilities. A systematic approach to Force Development that aims at providing advice and context for senior leader capability decisions. CDTIP involves interpreting policy and defining the capability that you wish to be able to demonstrate and employ in the future and then work back to find changes that have to put in place to get there.
Constant Year Dollars (CY\$)	Costs in constant year dollars reflect all prior year, current, and future costs at the level of prices of a base year. \$CY is used in initial cost calculations, because just about all “available” cost data exists in today’s dollars. Constant dollars truly reflect the cost of the project, activity, or item, net of inflation/deflation. Where the meaning to be conveyed is “in the dollars of a given base year”, the expression “constant dollars”, with the base year given is used.
Contingency	Is an existing condition or situation involving uncertainty as to possible gain or loss to an individual or organization that will ultimately be resolved when one or more future events occur or fail to occur (in a financial context); or simply an unforeseen or chance situation which may require action (in a general context).
Contingency Funds	Contingency funds or allowance is that portion of the total estimated cost of a project that is provided to allow the Project Manager some flexibility to meet unforeseen changes in costs without retracing the approval process.
Contracting Authority (CA)	Contracting Authority (CA) in DND is the authority, delegated by the MND, to persons occupying specific DND/CAF positions or fulfilling specific organizational functions to enter into and sign contractual documents on behalf of the Department (Extracted from Financial Administration Principles, section of CAF A-FN-100-002/AG-006).
Contract Award	<p><a href="#">The Procurement Administration Manual (PAM) 4.2</a> Describes the following contract award process to fulfill DND procurement requirements:</p> <ul style="list-style-type: none"> <li>• DND Contract award</li> <li>• PSPC Contract award</li> <li>• DCC Contract Award (to be published)</li> </ul>

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	<ul style="list-style-type: none"> <li>SSC Contract Award (to be published)</li> </ul>
Contract Options	In the context of a Fixed Budget Approach (FBA), contract options are defined as the capability gap between the core capability component and the full capability requirement as defined by Defence Capabilities Board (DCB).
Core Capability Component	In the context of a Fixed Budget Approach (FBA), the core capability component is the minimum capability that can be acquired that will meet the High Level Mandatory Requirements (HLMR), thus ensuring the Project Sponsor can meet the minimum requirement for operations.
Defence Capabilities Board (DCB)	The Defence Capabilities Board (DCB) is an internal DND governance body which provides the VCDS, on behalf of the DM / CDS, with situational awareness and decision support in the execution of the governance function over Defence Procurement. This board is the approval authority for all Strategic Context Documents (SCDs) and Business Case Analysis (BCAs) prior to completing the Costing and Treasury Board of Canada (TB) or Ministerial submissions and ensures L0 strategic alignment.
Defence Services Program (DSP)	The Defence Services Program (DSP) is defined as the departmental programme, which contains all departmentally approved activities and projects deemed to be essential to the delivery of affordable and effective Defence services to the Government and Canadians. The Defence Services Program (DSP) conforms to Government policy and is expressed in resource terms. Resources include: People; Capital (physical) assets; and Financial.
Defence Service Programme Portal (DSPP)	The primary source for project information in DND. The database supports the departmental capability-based planning process. All projects with a value greater than \$5 million must be entered in the DSPP.
Defence Strategic Executive Committee (DSX)	The Defence Strategic Executive Committee (DSX) is a forward looking committee that forms part of the larger governance structure of the Defence institution, and operates within the strategic environment framed by Canada's Defence Policy, L0 Strategy and the Investment Plan (IP). Defence Strategic Executive Committee (DSX) establishes the planning basis for and approves L0 Strategy.
Defence Team Establishment Planning (DTEP)	The Defence Team Establishment Plan (DTEP) collects information from the CAF/DND group principals and commands regarding personnel pressures with respect to Regular Force (Reg F), Reserve Force (Res F), and Civilian (Civ) human resources stemming from proposed growth initiatives relating to changed business processes or

	<p>capability development projects. Where the DOTMLPFPI analysis related to a capital project highlights the need for additional personnel (Reg F, Res F, and Civ) the PD should consult with their respective L1 Organization and Establishment (O &amp; E) staff and Directorate of Structures Integration (DSI) staff to identify options to effect the required changes and determine the requirement for a DTEP submission.</p> <p>DTEP is an annual cycle which collects all the known human resource pressures within the department with a view to analyzing and assessing the relative priority and merit of the various pressures for investment in the form of newly created positions or reallocation of existing establishment through a methodical, objective and data-driven analysis of the total departmental demand. The benefits associated with the DTEP approach include:</p> <ul style="list-style-type: none"> <li>• Exploitation of a scientifically grounded customized business intelligence tool that enables leadership choices regarding changes to human resource allocations;</li> <li>• Characterizing the depth and breadth of human resource pressures;</li> <li>• Enabling the identification of organization and establishment challenges facing the CAF and DND; and</li> <li>• Focused, single source of change recommendations to departmental human resource allocations.</li> </ul> <p>More information relating to the DTEP process and cycle can be found at the following SharePoint site: <a href="https://collaboration-vcds-vcemd.forces.mil.ca/sites/DGCSI/MYEP/default.aspx">https://collaboration-vcds-vcemd.forces.mil.ca/sites/DGCSI/MYEP/default.aspx</a></p>
Definition Phase (Def)	<p>Definition (Def) Phase of a project marks the transition from determining what should be done to mitigate a deficiency, to determining how the preferred option will be implemented. Project Teams assess the feasibility, achievability and affordability of the selected capability option(s) and develop the necessary implementation plans for approval. To obtain approval, a Corporate Submission is submitted to the appropriate authority. The main outcome of the Definition Phase is the granting of Project Approval (PA) and Expenditure Authority (EA).</p>
Departmental Approval	<p>Departmental Approval is the internal governance approval that confirms that resources have been assigned and the project sequenced within the Defence Services Program (DSP). This approval is granted by the Programme Management Board (PMB) or the Investment and Resource Management Committee (IRMC), as required by the Terms of Reference (TOR).</p>

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Departmental Results Framework (DRF)	The Treasury Board Policy on Results establishes the Departmental Results Framework (DRF) of appropriated organizations as the structure against which financial and non-financial performance information is provided for estimates and parliamentary reporting. The Departmental Results Framework consists of the department's Core Responsibilities, Departmental Results and Departmental Result Indicators.
Disaggregated data	Disaggregated data refers to data broken down by age, race, ethnicity, income, education, etc. This is sometimes referred to as sex- or gender-disaggregated data.
Diverse groups of people	Diverse groups of people – Groups of people are not homogeneous. A variety of factors such as ethnicity, socio-economic status, ability, sexual orientation, migration status, age, faith, gender identity and geography interact with sex and gender to contribute to different lived experiences.
Diversity	Diversity consists of the conditions, expressions and experiences of different groups identified by age, culture, ethnicity, education, gender, disability, sexual orientation, migration status, geography, language and religious beliefs (and other factors).
Discrimination	Discrimination refers to exclusion, prejudice or restriction of opportunity because of one's belonging to a category of people or things (e.g. gender, disability, religion, age, ethnicity, etc.)
Endorse	To support or sustain.
Environmental Impact Assessment (EIA)	An analytical process that systematically examines the possible environmental consequences of the implementation of activities, programs, plans and policies.
Expenditure Authority (EA)	Expenditure Authority (EA) authorizes expenditure of financial resources on a departmentally approved initiative or project. This may be approved through a Corporate Submission or as authorized by a delegation of authority.
Expense	An accounting concept reflecting the consumption of assets as reflected in the Financial Statements (i.e. cost of resources consumed in and identifiable with the operations of the accounting period).
Explosive	Explosive has the same meaning as in Canada's Explosives Regulations – anything that is made, manufactured or used to produce an explosion or a detonation or pyrotechnic effect, and includes anything prescribed to be an explosive by the regulations, but does not include gases, organic peroxides or anything prescribed not to be an explosive by the regulations.
Financial Inputs (FI)	Financial Inputs is defined as the completion of a review of the project by the Financial Inputs Committee and the formal provision



## PROJECT APPROVAL DIRECTIVE (PAD)

	of ADM (Fin) consolidated comments to the appropriate governance board.
Fixed Budget Approach (FBA)	Under special circumstances, the Fixed Budget Approach (FBA) within the Project Approval Process (PAP) enables the management of a project within the available funding envelope.
Force Capability Plan (FCP)	<p>The Force Capabilities Plan (FCP) is developed based on the output of a Concept Driven Threat Informed Planning (CDTIP) cycle. It provides a broad overview of the entire strategic CAF capability portfolio, defines future requirements based on future trends and assesses what capability areas require Investment, Divestment and Sustainment (IDS) decisions. The Force Capabilities Plan (FCP) (classified) is issued by the CDS and is available through CFD – Director General Capability and Structure Integration (DGCSI). The Force Capabilities Plan (FCP) Looks beyond CAF capabilities and Concept Driven Threat Informed Planning (CDTIP) to include and integrate:</p> <ul style="list-style-type: none"> <li>• C2/management and corporate services, and</li> <li>• Defence Team Establishment Plan, to look holistically across the Department and CAF and to support the IP.</li> </ul>
Force Development (FD)	A system of integrated and interdependent processes used to identify, conceptualize and implement necessary changes to existing capabilities or to develop new capabilities.
Force Employer	An operational level commander responsible for force employment.
Full Operational Capability (FOC)	Full Operational Capability (FOC) is the ability to effectively employ a delivered capability for which the required infrastructure, training, staffing and support are fully in place as detailed in the Statement of Operational Requirements (SOR). Full Operational Capability (FOC) is unique to each project and is determined by the Project Sponsor and accepted by the Project Implementer as a project performance objective. This becomes a major part of the project transition as it signals the end of the Implementation Phase.
Functional Member	A Functional Member is all the additional subject matter experts that may be required and assigned to a Project Team.

## PROJECT APPROVAL DIRECTIVE (PAD)

Functional Planning	In the DND corporate model, Level 1 Managers have relatively complete management authority within their jurisdiction. However, some corporate functions like human resources, finance, information management, materiel, and infrastructure must be uniformly managed across the department. Functional planning strives to promote uniform management of corporate functions by having those Level 1 managers who are primarily responsible for managing corporate functions provide management guidance to their peers.
Future Operating Environment (FOE)	The Future Operating Environment (FOE) characterizes plausible warfighting conditions, identifying opportunities and challenges in the distant future to inform long-term Force Development and Design Activities and concept development. This is retained at the Classified level.
Gender-Based Analysis Plus (GBA+)	Gender-Based Analysis Plus (GBA+) is an analytical process used to assess how diverse groups of women, men and non-binary people may experience policies, programs and initiatives. The “plus” in Gender-Based Analysis Plus (GBA+) acknowledges that the analysis considers how other factors of identity (e.g. class, race, rural/urban, etc.) shape gender roles in the context of policies, programs and initiatives. Gender-Based Analysis Plus (GBA+) examines the different gender roles played in the household, community, workplace, public institutions, economy, etc. It examines relations between and differences in power between and among women, men and non-binary persons. It also considers the impact of norms concerning masculinity and femininity rooted in cultural and institutional norms, including for different groups of men, women and non-binary persons. It considers the results of those roles in terms of differences in access to and control over resources; equal participation in decision making processes; and full realization of human rights.
Gender Equality	Gender equality refers to equal rights, responsibilities and opportunities for women, men and non-binary people. Equality refers to the state of being equal while equity refers to the state of being just, impartial or fair. However, equality of opportunity by itself does not guarantee equal outcomes for women, men and non-binary people.
Gender Sensitivity	Gender sensitivity refers to being aware that there are both biological and gender differences between diverse groups of people and including sex and gender as socially important variables.
Grant	Formal conferment, legal assignment.



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Identification (ID)	The objective of the Identification (ID) phase comprises the activities under the leadership of the Sponsor organization that result in the formal initiation of a new project in the Defence Services Program (DSP). A capability deficiency is identified, options to resolve the deficiency are analyzed, high level requirements developed, and a project is initiated to deliver a solution that satisfies the high level requirements. The main outcome of the Identification (ID) Phase is the approval of the Strategic Context Document (SCD).
Independent Review Panel for Defence Acquisition (IRPDA)	The Independent Review Panel for Defence Acquisition (IRPDA) mandate is to validate the requirements for major military equipment procurement by providing independent, third party advice to the MND and the DM before MND or TB approval for these projects is sought. While DCB and PMB are internal DND governance mechanisms, the IRPDA is an independent body.
Independent Review Panel 1	Once a project has received endorsement of its Strategic Context Document (SCD) by the VCDS at DCB and confirmation of its affordability in the DSP by the DM at the IRMC, the IRPDA will examine the SCD. This review seeks to identify issues and provide feedback before detailed Options Analysis (OA) work begins.
Independent Review Panel 2	After a project has received endorsement of its Business Case Analysis (BCA) by DCB during OA, the IRPDA will examine the BCA and preliminary SOR. This is the final engagement of the review panel and builds upon the first session for a given project.
Independent Review Panel Supplementary Engagement	The IRPDA will engage with DND/CAF regarding issues identified by the IRPDA during the initial engagement or subsequently during the OA Phase. These additional engagements will normally take place at the IRPDA's regular meetings, either at the discretion of the IRPDA or at the request of DND/CAF.
Indicative Costs	Indicative cost estimates are supported by standardized costs and research. The level of detail would encompass granularity of planned expenditures to all cost items greater than 10% of contract value supported by multiple quotes from vendors, Identification of component parts, and plans for positions by rank. The actual price of the contract will be within +/- 25 % of an indicative number. Indicative estimates are sufficiently accurate to allow for project approval but not sufficiently accurate to warrant expenditure authorization of a cost objective.
Indicators	Indicators refer to the types of results that a policy, program or service wants to achieve. Indicators explain how you are going to measure and monitor the achievements of the desired changes, quantitatively or qualitatively.

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Information Management	A discipline that directs and supports effective and efficient management of information in an organization, from planning and systems development to disposal or long term preservation.
Information Technology	Includes any equipment or system that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. It includes all matters concerned with the design, development, installation, and Implementation of information systems and applications to meet business requirements.
Initial Operational Capability (IOC)	The Initial operational capability (IOC) is the first attainment during Implementation of the minimum ability to effectively employ a new or improved capability for which adequate infrastructure, training, staffing and support is in place, both for the new capability and the organization that is employing it. The Initial Operational Capability (IOC) is unique to each project and is identified in the project Statement of Operational Requirements (SOR). The Project Sponsor determines the detailed quantifiable Initial Operational Capability (IOC) requirements and the Project Implementer accepts these as project performance objectives.
Initial Planning Meeting (IPM)	The Initial Planning Meeting (IPM) is expected to result in a commitment to an overall timeline for project approval, and to the delivery to D Corp S of any additional information or documents required for the submission that all stakeholders can agree to.
Intersecting factors	Intersecting factors – People are members of more than one community at the same time and live multiple, layered identities. For example, a woman who is also a new immigrant and a senior can be viewed as belonging to three separate identity groups. Intersecting factors refers to the point where these considerations overlap or intersect to create additional opportunities and/or barriers that may not exist for only one of these considerations, alone. Intersecting factors are where identity factors intersect and could create considerations of interest that may not exist for each individual consideration on their own. Reinforcing structures of benefit/oppression in ways that are unique for intersecting identities.
Intersectionality	<p>Intersectionality – Gender-Based Analysis Plus (GBA+) research, drawing on the intersectionality model, produces more accurate knowledge and evidence about how people actually live their lives. As a guide to research, Gender-Based Analysis Plus (GBA+) enables researchers to consider the following:</p> <ol style="list-style-type: none"> <li>1. Multiple aspects of identity are dynamic and socially constructed (e.g., gender, ethnicity, class, sexuality and ability are fluid and flexible);</li> </ol>

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	<ol style="list-style-type: none"> <li>2. Multiple aspects of identity do not operate in isolation but are interactive (e.g., gender is both shaped and influenced by other factors);</li> <li>3. No one aspect of identity is necessarily more important than any other (e.g., even if gender is considered in a research project, it may not be as important as other aspects); and</li> <li>4. Each issue or problem under investigation requires a different set of aspects of identity (e.g., sometimes it might be gender, ethnicity and class; other times it could be geography, gender and ability).</li> </ol>
<b>Investment and Resource Management Committee (IRMC)</b>	The Investment and Resource Management Committee (IRMC) provides high-level financial direction within a broad corporate governance framework.
<b>Investment Plan (IP)</b>	The Investment Plan (IP) is the departmental plan for investment in capabilities to enable DND/CAF to meet Government policy objectives of modern, combat-ready forces with the necessary equipment and infrastructure to make them effective and sustainable in the performance of their missions. Only files in Definition or Implementation are included in the Investment Plan (IP).
<b>Lifecycle Management</b>	The effective and efficient management of investments along the entire continuum, from the identification of a requirement to the disposal and replacement of the asset acquired to meet the requirement. The phases of lifecycle management include planning, acquisition, use and maintenance, and disposal/Closeout.
<b>Major Projects</b>	Major projects are defined as projects for the one-time acquisition of new equipment, materiel and/or services where the total project value inclusive of tax equals to or exceed \$10M.
<b>Minor Projects</b>	Minor projects are defined as projects for the one-time acquisition of new equipment, materiel and/or services where the total project value inclusive of tax does not exceed \$10M or for the recurring acquisition of replacement equipment and materiel where the individual item value does not exceed \$1M.
<b>Note</b>	Set down as something to be remembered or observed.
<b>Options Analysis (OA)</b>	In the Options Analysis (OA) Phase, sufficient analysis and planning is conducted to enable DND senior management to make an informed decision on the best way to proceed with an investment project to implement the required capability. The main outcome of the Options Analysis (OA) Phase is the approval of the Business Case Analysis (BCA).
<b>Organizational Project</b>	The Organizational Project Management Capacity Assessment (OPMCA) determines the capacity for a Department to manage

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Management Capacity Assessment (OPMCA)	<p>projects and supports the DM by bringing to light areas of strengths, potential weaknesses and opportunities for investment. There are five OPMCA Classes:</p> <ul style="list-style-type: none"> <li>• Base: Unassessed</li> <li>• Level 1: Sustaining</li> <li>• Level 2: Tactical</li> <li>• Level 3: Evolutionary (current level for DND as of 2018)</li> <li>• Level 4: Transformational</li> </ul>
PERI (People; Equipment; Readiness; and Infrastructure)	<p>The PERI methodology is an Investment Plan (IP) resource allocation concept that facilitates Programme risk and performance discussions. P – people; E – equipment; R – readiness; and I – infrastructure are the Investment Plan (IP) resource pillars, which must be coordinated to achieve investment balance. This concept facilitates the discussion of risk when investment adjustments are required and the mitigation measures are developed.</p>
Planning	<p>Analysis and evaluation of the ways in which L1 requirements can be met using a lifecycle management approach (for example, include modifications, conversions, repairs, replacements and transfers as opportunities). Needs are assessed in terms of expected contribution to program administration, operational requirements, and service delivery.</p>
Portfolio	<p>A portfolio includes projects, programs, and operations managed as a group to achieve strategic objectives. Note: The only approved portfolio within DND is the Infrastructure and Environment \$10-\$25M portfolio.</p>
Program	<p>Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.</p>
Program Inventory	<p>Identifies all of the Department's Programs and describes how resources are organized to contribute to the Department's Core Responsibilities and Results.</p>
Programme	<p>A group of related projects and change management activities that together achieve beneficial change for a department.</p>
Programme Management	<p>Programme management is the coordinated management of projects and change management activities to achieve beneficial change.</p>
Programme Management	<p>The Programme Management Board (PMB) is an internal DND governance body which provides the VCDS, Senior Associate</p>

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Board (PMB)	Deputy Minister and the Chief Financial Officer (CFO) with decision support and advice with respect to the composition of the Investment Plan (IP) and the management of elements of the Defence Services Program (DSP). The primary focus of Programme Management Board (PMB) is to support the Investment and Resource Management Committee (IRMC) in the execution of the enterprise level challenge function with respect to new investment proposals and changes to approved investments in the Investment Plan (IP), and the implementation and management of elements of the Defence Services Program (DSP).
Project	An activity or series of activities that has a beginning and an end. A project is required to produce defined outputs and realize specific outcomes in support of a public policy objective, within a clear schedule and resource plan. A project is undertaken within specific time, cost and performance parameters.
Project Approval (PA)	Project Approval (PA) is the approval of the project performance baseline. This is granted through a Corporate Submission. Project Approval (PA) establishes the Government-approved project performance baseline in terms of in scope, schedule and cost. In theory this would happen once unless a later revision to the approved project performance baseline is required; this could be the result of a significant increase (i.e. 10%) in the cost, slippage in the Initial Operational Capability or Full Operational Capability (FOC) by a year or more, or a change in the scope of the investment (particularly if it will deliver less capability than promised to the approving authority). It is to be noted that Project Approval (PA) does not automatically include the authorization to expend funds or enter into contracts.
Project Approval Directive (PAD)	The Project Approval Directive (PAD) identifies policies and provides procedural direction and guidance on the approval process for projects, activities and initiatives requiring resource funding in the Defence Services Program (DSP). The main focus of the instrument is to detail the program level decision making and approval processes followed and the project management practices employed to implement the Defence Services Program (DSP) within approved and allocated resources.
Project Approval Definition (PA Def)	The authority to initiate a project in terms of its intended operational requirements, including approval of the objectives of the project Definition Phase and any associated expenditures. Sponsoring departments submit for Project Approval (PA (Def)) when the project's complete scope has been examined and costed, normally to the indicative level, and when the cost of the project Definition Phase has been estimated to the substantive level.

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Project Approval Implementation (PA Imp)	The approval of the objectives (project baseline), including the cost objective, of the project Implementation Phase and provides the necessary authority to proceed with Implementation. Sponsoring Departments submit for Project Approval (PA (Imp)) when the scope of the overall project has been defined and when the estimates have been refined to the substantive level.
Project Baseline	Project Baselines (or project milestones) are approved by the Defence Capabilities Board (DCB) or when Project Approval (PA) is granted. They are not changed, unless there is a new Project Approval (PA) (i.e. milestones are set at Project Approval for Definition (PA (Def)) and can be reset at Project Approval for Implementation (PA (Imp)) or during an amended Project Approval (PA). The Project Leader, through the Senior Review Board (SRB), does not approve a change in a milestone. The Project Leader, through the Senior Review Board (SRB), can note the fact of the possible change in date and accept the risk, unless the change is so high that the risk must be elevated to the Defence Capabilities Board (DCB) and/or Programme Management Board (PMB) to determine the risk response.
Project Brief	The project brief ensures that the MND or Treasury Board ministers have a thorough understanding of the proposed initiative by providing additional detail and/or context not contained in the Corporate Submission. The project brief is an iterative document that progressively reflects the state of the project with each update and shows the relationship between the project, government priorities, departmental priorities, and long-term strategic planning objectives and outcomes.
Project Complexity and Risk Assessment (PCRA)	The Project Complexity and Risk Assessment (PCRA) is a 64 question assessment used to benchmark a project in 7 categories to determine the appropriate level of oversight required.
PCRA Level 1 (Sustaining)	Project has low risk and complexity. The project outcome impacts only a specific service or specific program, and risk mitigations for general project risks are in place. The project does not consume a significant percentage of departmental or agency resources.
PCRA Level 2 (Tactical)	A project rated at this level affects multiple services within a program and may involve more significant procurement activities. It may involve some information management or information technology (IM/IT) or engineering activities. The project risk profile may indicate that some risks could have serious impacts, requiring carefully planned responses. The scope of a tactical project is operational in nature and delivers new capabilities within limits.
PCRA Level 3 (Evolutionary)	As indicated by the name, projects within this level of complexity and risk introduce change and new capabilities and may have a fairly extensive scope. Disciplined skills are required to successfully manage evolutionary projects. Scope frequently spans programs and



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	may impact one or two other departments or agencies. There may be substantial change to business process, internal staff, external clients and technology infrastructure. IM/IT components represent a significant proportion of total project activity.
PCRA Level 4 (Transformational)	The draft PCRA from the Options Analysis Phase is finalized by the PD and approved by the Project Sponsor. Before getting the sponsor to sign-off on the PCRA, it is recommended that the PD have the DDPC analyst review and provide comments and suggestions, as DDPC has experience with what TBS is looking for in the wording to the questions. Once approved by the Project Sponsor, the PCRA is promoted in Callipers to the DDPC analyst, followed by the appropriate DDPC Section Head who will promote the PCRA to TBS for review, along with an email to the TBS analyst with a synopsis of what the project will be seeking.
Project Director	The Project Director is the functional authority for the operational requirement, and leads the effort to identify and obtain approval for the preferred option to satisfy the operational requirement. The PD acts on behalf of the Project Sponsor's organization.
Project Implementer	The Project Implementer is the executive who defines and implements the solution to deliver the required capability, once the Defence Capabilities Board (DCB) has selected an acquisition option with which to proceed following the completion of Options Analysis (OA). The Project Implementer represents the implementing organization. There may be more than one Project Implementer when a capability requires significant support by all three DND implementers. The Project Charter must be explicit as to who is the lead implementer and defines, as necessary, a co-lead situation and the roles and responsibilities of the implementers. ADM(IE) may assign a Deputy PL (Infra) to ensure that the Defence capability infrastructure is adequately considered during the definition and implementation.
Project Leader	The Project Leader is the appointed individual and single point of accountability who leads the project. In this role, the Project Leader is accountable to the DM for the successful planning and delivery of the project or program while representing the interests of the Project Sponsor. Within DND, the Project Leader for the Identification (ID) and Options Analysis (OA) Phases is from the sponsoring organization and transitions to the implementing organization for the Definition, Implementation and Closeout Phases.
Project Life cycle	A collection of generally sequential project phases whose name and number are determined by the control needs of the organization or organizations involved in the project. A life cycle can be documented with a methodology. In Defence, the Project life cycle is detailed in the PAD.

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Project Manager	The Project Manager is responsible for the overall direction and of coordination of activities during the implementer leadership period of a project. The Project Manager coordinates and integrates activities across multiple, functional lines to acquire the option selected by the Defence Capabilities Board (DCB) and achieve project objectives in terms of scope/performance, cost and schedule. Early involvement of the Project Manager to support the Project Director in the conduct of Options Analysis and project planning activities while project leadership rests with the sponsoring organization is critical for project success.
Project Management	The systematic planning, organizing and control of allocated resources to accomplish identified project objectives and outcomes. Project management is normally reserved for focused, non-repetitive, time-limited activities with some degree of risk, and for activities beyond the usual scope of program (operational) activities.
Project Management Body of Knowledge (PMBoK)	The Project Management Body of Knowledge is a set of global standards, guidelines, rules and characteristics for project, program and portfolio management.
Project Management Office (PMO)	A Project Management Office (PMO) at DND is a formal organization created for the life of a given project to focus the attention and resources of several functional areas on the achievement of a common set of objectives. A PMO serves at integrating horizontal program functions which do not fall entirely within the mandate of a single functional organization.
Project Management Plan (PMP)	The Project Management Plan (PMP) is the official top level summary document that describes how each phase of the project is executed, monitored and controlled. During the course of the project lifecycle, there are three different versions of the Project Management Plan (PMP): one for Options Analysis (OA), one for Definition (Def), and one for Implementation (Imp).
Project Scope	Project scope is the capability or outcome that a project commits to deliver. In the case of projects considered by the Defence Capabilities Board (DCB), Scope is defined by the High Level Mandatory Requirements, Assumptions, Constraints and Boundaries that are found in the Defence Capabilities Board (DCB) approved Strategic Context Document (SCD) for a given project.



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Project Sponsor	The Project Sponsor is the functional authority who defines the requirements for the capability to be implemented, and confirms that the delivered capability satisfies the specified requirements. The Project Sponsor represents the sponsoring organization, and is usually identified as the “business owner” of the capability to be delivered by the project.
Project Start	The start of a project occurs once the Defence Capabilities Board 2 (DCB 2) has approved the Business Case Analysis (BCA) and directed the Project Team to initiate the approval process to enter Definition
Project Team	A Project Team is led by a Project Leader and includes a Project Director (PD) and Project Manager (PM), each with complementary responsibilities, assisted by functional members. It may also include members that do not have functional responsibilities and members representing other Government departments.
Resources	The resources include different Votes of money as Vote 1 resources (e.g. personnel) are needed to identify, plan and deliver capability. Vote 1, Vote 5 or even Vote 10 resources will be used to actually buy the service or equipment. In all cases, the Investment Plan (IP) will define investment levels.
Risk Register	This is a record of identified risks including results of analysis and planned responses.
Rough Order Magnitude (ROM)	Rough Order Magnitude (ROM) estimates are preliminary estimates based upon Project Team knowledge and preliminary market research. Generally, the actual price of a contract will be within +/- 40 % of the Rough Order Magnitude (ROM) number; however, large variability can exist. Project Teams should exercise caution when using Rough Order Magnitude (ROM) estimates as they can seed management expectations with very little due-process and analysis supporting them. Rough Order Magnitude (ROM) estimates are not sufficiently accurate to warrant project approval or expenditure authorization of a cost objective.
Second and Third Order Effects	This departmental jargon refers to the side effects and cross impacts that the Implementation of an investment project may make on the Defence Services Program (DSP). As an example, an new aircraft fleet may require a new hangar (a direct impact, which should be funded by the investment project) and it may drive the need to upgrade the facilities of the local fire hall at some point (a second order effect that could be done separately from the investment project) and it could take up space that is currently used as a Recreation Centre (a third order effect that can be addressed at some future time).
Senior Designated Official (SDO)	A senior designated official is the person responsible for assisting the deputy head in fulfilling his/her/their function-specific policy requirements.

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Senior Review Board (SRB)	<p>The Senior Review Board (SRB) is a departmental committee that supports the Project Leader in the successful delivery of the capability for which an investment project has been established. There are two major components to the role of the Senior Review Board (SRB):</p> <ul style="list-style-type: none"> <li>• To provide “corporate challenge” and stakeholder oversight of the project; and</li> <li>• To advise the Project Leader on the development and management of the project, with a focus on providing cross-functional input to discussions on project risk and performance.</li> </ul>
Standard Project	<p>A standard project follows the four standard project management Phases of Options Analysis (OA), Definition, Implementation and Closeout. Standard projects generally exhibit a straightforward homogenous deliverable, simple contracting (a main contract of some sort), the need for a Definition Phase and manageable risk.</p>
Statement of Capability Deficiency (SOCD)	<p>The Statement of Capability Deficiency (SOCD) is a document that maybe produced to identify an existing or future deficiency in the operational capabilities.</p>
Statement of Operational Requirements (SOR)	<p>Project Sponsor’s documentation of the operational requirements stated as the performance objectives of the project in qualitative and quantitative terms. The Statement of Operational Requirements (SOR) is normally expressed in operational or mission terms and related to the Department’s mandate or program accountability.</p>
Strategic Context Document (SCD)	<p>The Strategic Context Document (SCD) is a sub-component of the Business Case Analysis (BCA), consisting of Step 1 (Business Needs and Desired Outcomes) and Step 2 (Preliminary Options Analysis) of the five sections of the Business Case Analysis (BCA).</p>
Strategic Environmental Assessment (SEA)	<p>The identification of environmental risks and opportunities through the SEA process should begin during the identification/option analysis phases when possible alternatives to address a capability requirement are being considered and can be compared. The SEA process should be revisited as the project develops and more information is gathered during the options analysis and definition phases. The SEA must be completed prior to entering the Corporate Submission process.</p>
Strategic Planning Directive (SPD)	<p>The purpose of the Strategic Planning Directive (SPD), formerly known as <i>The Defence Plan</i>, is to ensure the alignment of the Department’s financial resources to the activities necessary to fulfill its defence policy obligations, and therefore serves as a planning direction for the forthcoming resource cycle. In essence, the SPD is aimed at holistically emphasizing L0 priorities in DND in order to</p>

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	promote a risk-based approach to short and long-term investments in the Defence Services Program (DSP).
Substantive Costs	Substantive cost estimates stem from a highly detailed cost breakdown of planned expenditures for all elements greater than 3% of contract price. The granularity would show evidence of a detailed plan for all expenditures identifying, for example, PY positions (rank and Military Occupation (MOC) specific), planned training courses, itemized list of spares and components, Historical equipment/infrastructure costs, actual usage, meters, etc. The actual price of the contract will prove to be within a band of values less than 15 % of the substantive number (+/- <15%) because of the research and supporting documents. Substantive cost estimates are sufficiently accurate to warrant both project approval and expenditure authorization of a cost objective.
Tailored Approach	Any project that is less than \$10M is considered a minor project and is therefore not subject to the full Project Approval Process (PAP). Projects above \$10M but less than \$20M are not subject to DPS activities; however, Projects above \$20M are subject to DPS activities and therefore require a SBCA. For new acquisitions/projects or existing sustainment solutions that do not meet this threshold value, practitioners are expected to optimize the four sustainment principles and may consult the appropriate Centre of Expertise (CoE) for help. Projects that are within the Organizational Project Management Capacity Assessment (OPMCA) rating of the Department (currently those projects at a PCRA of 3 or less) are within the authority of MND; therefore, all approvals remain within the department.
Urgent Operational Requirement (UOR)	Urgent Operational Requirement (UOR) is the term given to a capability deficiency (i.e. equipment or construction) to meet a specific operational requirement that was not formally captured within the CIF or Business Planning Process. When endorsed the CDS, UORs are prioritized highly within the departmental work plan/business plan so that deliverables are implemented quickly to support operations. Normally, UORs are a Vote 5 procurement and does not apply to operational or sustainment related activities.
Vote 1 (Operating Expenditure)	Vote 1 funding is used to pay for operations and maintenance and includes the costs of using and maintaining equipment and infrastructure, communication, and professional services.
Vote 5 (Capital Expenditure)	The Capital Expenditures Vote 5 must be used for the acquisition, production, or construction of those items classified, for accounting purposes in accordance with FAM 1020-4, Capital Assets, as Tangible Capital Assets, including Betterments, Capital Leases, Leasehold Improvements, and Asset Pooled Items (API).

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Vote 10 (Grants and Contributions)	<p>This type of Vote is used when the grants and contributions expenditures in a given program equal or exceed \$5 million. Inclusion of a grant, contribution, or other transfer payment item in Main or Supplementary Estimates imposes no requirement to make a payment, nor does it give a prospective recipient any right to the funds. It should also be noted that in the vote wording, the meaning of the word “contributions” is considered to include “other transfer payments” because of the similar characteristics of each.</p>
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