NATO NORTH ATLANTIC COUNCIL
OTAN CONSEIL DE L'ATLANTIQUE NORD

NATO UNCLASSIFIED

16 January 2006

ACTION SHEET
C-M(2005)0108-AS1

NATO POLICY FOR SYSTEMS LIFE CYCLE MANAGEMENT

ACTION SHEET

On 13 January 2006, under the silence procedure, the Council approved the NATO Policy for Systems Life Cycle Management (SLCM) attached as Annex to C-M(2005)0108.

(Signed) B.A. GOETZE
Secretary of the Council

NOTE: This Action Sheet is part of, and shall be attached to, C-M(2005)0108 as the top sheet.

Original: English

NATO NORTH ATLANTIC COUNCIL
OTAN CONSEIL DE L'ATLANTIQUE NORD

NATO UNCLASSIFIED

30 November 2005

DOCUMENT
C-M(2005)0108
Silence Procedure ends:
13 Jan 2006 16:00

NORTH ATLANTIC COUNCIL

NATO POLICY FOR SYSTEMS LIFE CYCLE MANAGEMENT

Note by the Secretary General

1. I attach the NATO Policy for Systems Life Cycle Management (SLCM) as proposed by the CNAD, and endorsed by the NC3B, SNLC and NCS.

2. The NATO Policy for SLCM presents the principles and objectives of SLCM, how these may be implemented in NATO and by whom. The aim is to promote the acquisition of military systems for NATO that fulfil the full range of through life requirements in a cost effective manner. The significance of this aim becomes apparent when it is understood that through life costs of military systems greatly exceed the initial procurement costs.

3. This NATO Policy for SLCM, prepared by the Life Cycle Management Group under CNAD, brings into being a recommendation of the NATO Armaments Review[1] that the 'life-cycle' approach be applied in NATO armament programmes. In doing so, the policy promotes the use of the international civil standard on Systems Life Cycle Processes in the NATO approach to defence systems acquisition.

3.1. I recommend the NATO Policy for SLCM as a basis to enable the contributors to the fulfilment of NATO military capabilities to work together to achieve efficient and timely delivery of military systems that meet the military needs at affordable cost.

4. Unless I hear to the contrary by **16.00 hours on 13 January 2006**, I shall assume Council approval of this policy.

(Signed) Jaap de Hoop Scheffer

Annex 1: NATO POLICY FOR SYSTEMS LIFE CYCLE MANAGEMENT

1 Annex

Original: English

[1] C-M(99)63 Annex 1 paragraph 7.4.4.

ANNEX 1
C-M(2005)0108

NATO POLICY FOR SYSTEMS LIFE CYCLE MANAGEMENT

1. INTRODUCTION

1.1. To implement the Alliance's security tasks, the new Strategic Concept[2] calls for Forces capable of military success in a wide range of complex joint and combined operations. The required operational capabilities are listed as effective engagement, deployment and mobility, survivability of forces and infrastructure, and sustainability, incorporating logistics and force rotation. The realisation of these capabilities requires systems that are effective, deployable, survivable, reliable, maintainable, sustainable and interoperable. Inadequacy in any one of these aspects undermines the Alliance's capabilities.

1.2. Achievement of this full range of requirements needs close co-operation between all parties involved in delivering effective performance of systems throughout their life cycle. Systems Life Cycle Management (SLCM) provides an integrated, and cost-effective, approach to the delivery of defence related capability.

2. POLICY STATEMENT

2.1. To achieve an integrated approach to the delivery of defence related capabilities for NATO operations, it is Alliance policy that Nations and NATO Authorities apply the principles of Systems Life Cycle Management as elaborated in this policy document.

2.2. The North Atlantic Council approves the NATO Policy for Systems Life Cycle Management. The Conference of National Armaments Directors (CNAD) is its custodian.

3. AIM

3.1. The aim of SLCM is to optimise defence capabilities taking into account performance, cost, schedule, quality, operational environments, integrated logistic support and obsolescence over the life cycle of the system.

3.2. The NATO Policy for Standardization[3] calls for the use of civil standards to the maximum practicable extent. ISO/IEC 15288, "Systems Engineering – System Life Cycle Processes"[4], is already in use in several Nations and provides a general framework that is neutral to extant individual Nations' Acquisition Processes. Following this guidance, NATO will use ISO/IEC 15288 as the basis for implementing SLCM. This allows for traditional acquisition as well as for iterative developments and procurement cycles where necessary for the realisation of required capabilities.

[2] C-M(99)21 dated 29 April 1999.
[3] C-M(2000)54
[4] ISO/IEC (International Standards Organisation/International Electrotechnical Commission) 15288 "Systems Engineering – System Life Cycle Processes" – First edition, 1 November 2002

4. RATIONALE

4.1. System Life Cycle is the evolution over time of a system-of-interest from conception through to retirement. NATO programmes can be considered as a set of systems-of-interest.

4.2. The purpose of SLCM is to mitigate risk, reduce acquisition times and to identify, quantify and control Life Cycle Cost, from the earliest possible opportunity. SLCM will assure that the processes used across projects are consistent, harmonised, and that there is effective sharing and co-ordination of resources, information and technologies.

5. PRINCIPLES.

5.1 The application of SLCM is based on the following principles.

5.1.1 **Commitment to Systems Life Cycle Management.** This requires commitment to an integrated approach by all parties involved and the adoption of consistent processes necessary to achieve their objectives.

5.1.2 **Cooperation and Interoperability**. Nations and NATO have the responsibility to provide systems that meet the Alliance's capability and interoperability needs. Implementation of SLCM enables these needs to be met through cooperation and standardisation.

5.1.3 **Efficiency.** Effective and economic use of National and NATO resources is essential for the Alliance to sustain military operations. Implementation of SLCM better enables efficient acquisition, use, support and disposal of systems.

5.1.4 **Collaboration with Industry**. SLCM needs a close working relationship with Industry, maximum use of civil standards[5] where appropriate, full exploitation of new technologies and shared domain expertise in order to benefit from commercial best practices.

5.1.5 **Quality.** The defence capability depends to a great extent, on the quality of systems. Quality is best achieved through an integrated systems approach throughout the life cycle[6].

6. SYSTEMS LIFE CYCLE MANAGEMENT OBJECTIVES

6.1. The main goal of SLCM is to efficiently and effectively deliver, use and maintain NATO capabilities. The primary objectives are:

6.1.1. to have a common understanding of all aspects of SLCM, including operational and logistic requirements, affordability, time, schedule, quality and risk;

6.1.2. to create integrated and seamless business management practices that extend from initial concept through to retirement;

[5] C-M(2004)0009(INV) dated 25 February 2004. NATO Framework for Civil Standards
[6] AQAP 2000 – NATO Policy on an integrated system approach to Quality through the Life Cycle.

6.1.3. to establish effective collaboration between all stakeholders, with clearly defined responsibilities, throughout the life cycle;

6.1.4. to facilitate technology insertion, mid-life updates and address obsolescence based on life cycle considerations (for example - life cycle cost, upgrades);

6.1.5. to define and apply an integrated systems approach to the development, use and support of systems, that meets specified requirements to minimise acquisition time, maximise effectiveness, and minimise life cycle costs;

6.1.6. to acquire systems that fulfil operational and logistic requirements, optimise internal and external interfaces, address integrated logistics and in-service support, and minimise production, in-service and disposal impacts to the environment.

7. RESPONSIBILITIES

7.1. Nations and NATO Bodies have a collective responsibility to SLCM. The CNAD Life Cycle Management Group will monitor the implementation and update this policy as required. NATO Military Authorities, NATO Bodies and Nations, throughout all System Life Cycle stages, will maintain close coordination to ensure a common understanding and consistent application of this policy.

7.2. NATO Agencies/Projects have responsibility for application and implementation of NATO life cycle requirements in the procurement and support of NATO systems. They are invited to contribute to the development of NATO life cycle requirements through their Board of Directors and/or sponsor NATO Bodies.

7.3. NATO Military Authorities represent the NATO military user and are responsible for providing feedback to the NATO Bodies involved in NATO armaments activities on the operational performance and in-service support of systems.

8. IMPLEMENTATION

8.1. SLCM in NATO is achieved through:

8.1.1. agreement amongst Nations in the NATO Bodies on NATO policies, methods, procedures and standards concerning all system life cycle stages;

8.1.2. inclusion of life cycle standards in procurement requirements (NATO Staff Requirements);

8.1.3. close coordination and information exchange with the NATO Standardization Agency (NSA) on developments in procedures and standards organisation relevant for Life Cycle Management in general.

8.1.4. application of NATO life cycle policy, methods, procedures and standards by Nations, on a voluntary basis, in the procurement and support of systems.

9. The activities, methods, and techniques required to satisfy this policy are to be detailed in an “Implementation Guidance” to be promulgated as Allied Administrative Publication (AAP) 48.