



Australian Government



DEFENCE INDUSTRY &
INNOVATION



Delivery of the Defence Industrial Capability Plan

Defence Industry and Innovation



Project Overview

The Government has committed to investing \$195 billion over the next 10 years in building Australia's defence capability. This represents new opportunities for industry, and means Defence and industry will need to work together to deliver the capability our military needs. The Defence Industrial Capability Plan (DICP) will provide the Government's vision for Defence industry and describe the opportunities for Australian Industry over the next 10 years, and the support available to industry working in the Defence sector.

Central to the DICP is the concept of Sovereign Industrial Capabilities (SICs), which will be developed through focused research, analysis and consultation. An enduring Sovereign Industrial Capabilities Assessment Framework (SICAF) will be produced to enable the continuous identification and evolution of candidate SICs.

Project Objectives

Through focused research, analysis and consultation, this project seeks to:

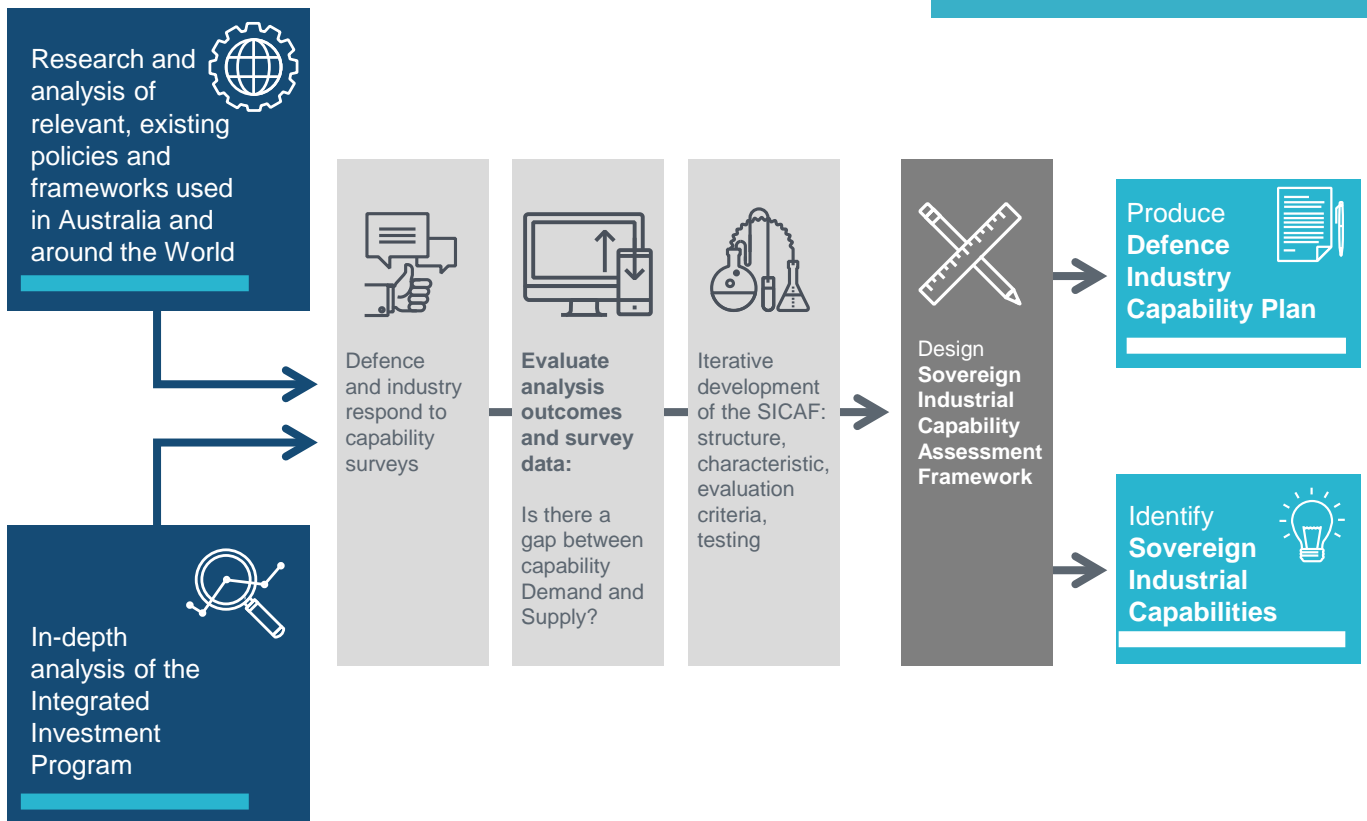
- Establish an industrial baseline of defence industry capabilities;
- Develop the Sovereign Industrial Capability Assessment Framework (SICAF);
- Describe and identify Australia's SICs; and
- Produce the Defence Industrial Capability Plan (DICP), providing direction for Australian industry over the next 10 years, in particular where organisations may look to invest and grow.

But this is only the beginning. The needs of Defence and the capabilities of industry will continue to evolve over time, and we need to stay abreast of this. The tools, processes and policies established over the coming months will provide the foundation for future iterations of this work and development of industry policy for years to come.

Methodology: How will we approach this significant body of work?

Critical to the success of the project will be regular, targeted and meaningful consultation with key stakeholders throughout the project including various Australian Government departments and agencies, state and territory governments, the Department of Defence, Defence industry, academia, industry bodies and research organisations.

At a high level, our approach includes the following activities:



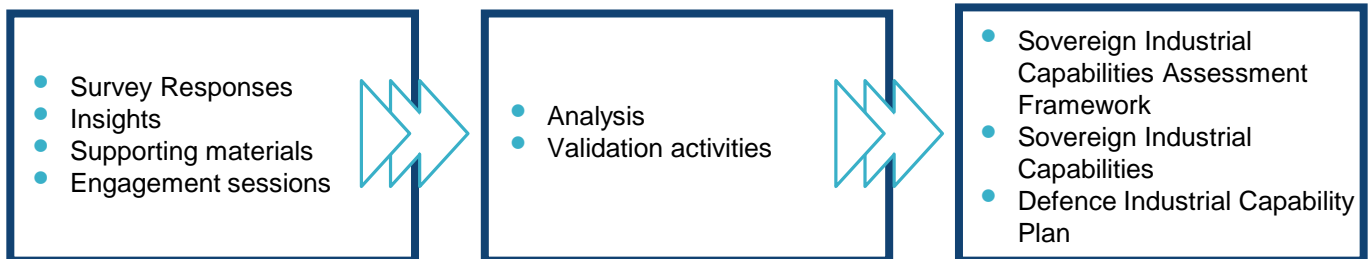
The Survey

- One version for Defence, one version for industry
- Launches November 28, 2016
- Will enable the demand of Defence and supply of industry to be measured and used in ongoing analysis
- Available online (see page 7 of this brochure for the links)

How can Defence and Defence industry contribute?

This project is a seminal piece of work and relies on strong engagement and stakeholder participation. We will be holding face to face meetings, information sessions and forums in each state and territory to ensure we capture your perspective. We will also be undertaking capability assessment surveys and providing updates to all stakeholders via email, and through state and territory government and local industry associations.

Your unique perspective is vital to the success of this initiative. You can assist us by completing the survey, emailing or calling to provide your insights and ideas or materials, or participating in small group workshops to build the SICAF and ensure your views are heard. The contribution of the stakeholders both internal and external to Defence will be essential in order to produce meaningful and effective outcomes.



Frequently Asked Questions



What is an 'industrial capability'?

The Defence Industry Policy Statement (DIPS) describes industrial capabilities in the Defence context as

"any information or knowledge; technology or technology application; invention or innovation; platform, system or equipment; profession, skill or discipline; that can be provided by Australian industry in full to enable the ADF to deliver a military effect or for Defence to achieve a Defence capability outcome"



What will it mean for those capabilities identified as SICs?

It is anticipated that the development of the SICAF, and preparation of the DICP, would directly guide Defence's investments and interventions in the market. Defence will take a deep interest in identified SICs and, when considered necessary, deliver a range of measures to support.

Complementary to the Australian Industry Capability (AIC) Program, where companies are encouraged to grow local industry and domestic supply chains as part of a major contract, it is also anticipated that an SIC will be 'pulled forward' by Defence outside of any direct commercial need to ensure it is accessible and capable when the ADF requires it. Exactly how Defence deals with companies that are involved in SICs will be shaped through analysis and consultation, and will be described in the DICP.



What is a 'Sovereign Industrial Capability' (SIC)?

The DIPS describes SICs as those industrial capabilities

"that are so important to Australian Defence missions that they must be developed or supported by Australian industry because overseas sources do not provide the required security or assurances we need. As such, it is critical that the industry base associated with these capabilities is maintained and supported by Defence as sovereign industrial capabilities."



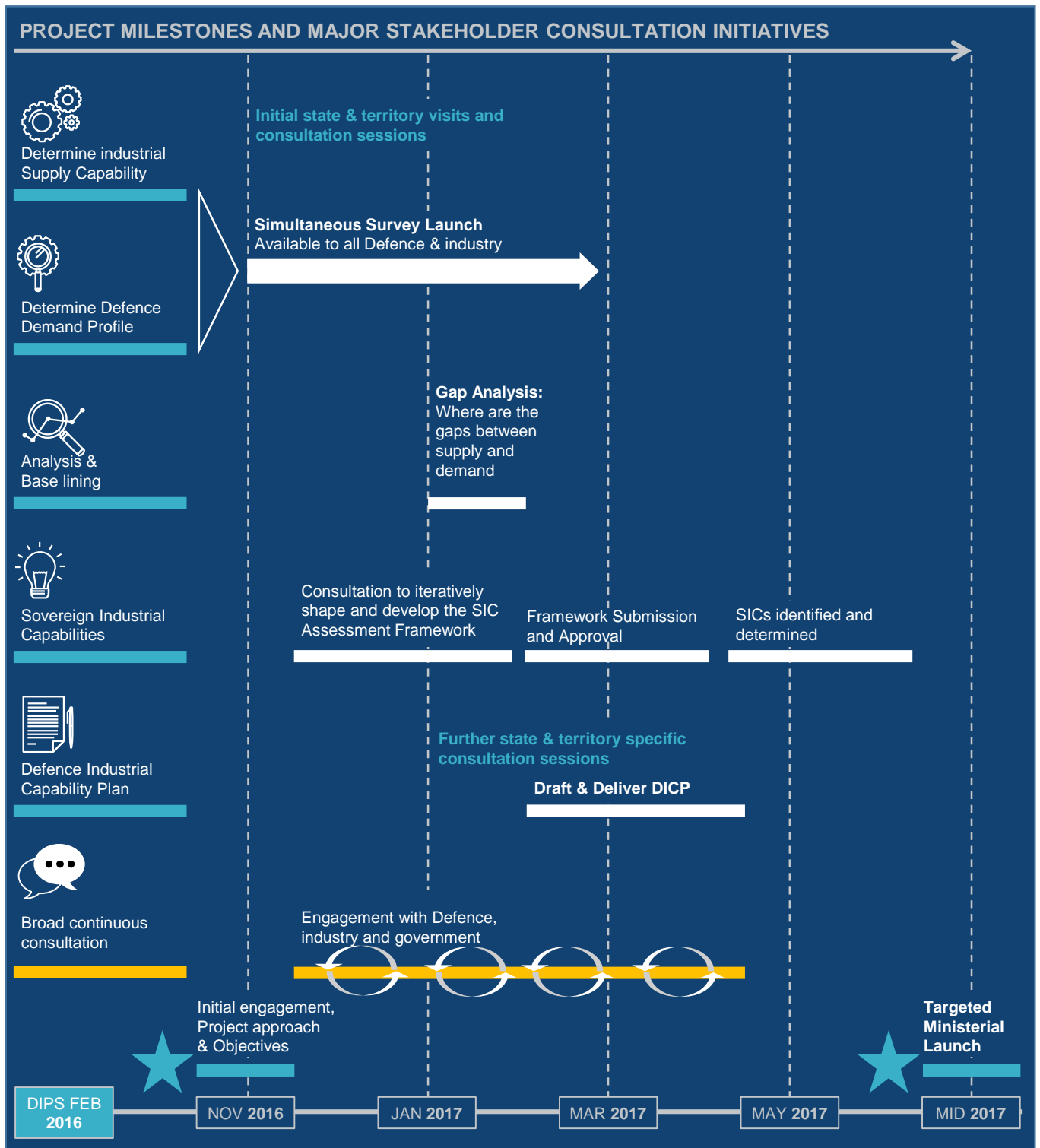
Why should I complete the survey?

Through the survey, we are seeking to develop a national industrial capability baseline.

One version of the survey focuses on the demand of the Department of Defence, and will be completed by Defence employees ranging from Capability Managers through to Program Managers, Enablers and System Program Offices. A separate version of the survey focuses on the supply capabilities of Australia's Defence industry, and will be completed by representatives from the Primes, Small-to-Medium Enterprises (SMEs), academia and research organisations.

Your input is vital if we are to develop recommendations and action based on accurate data. Without considered input from Defence and Defence industry we risk developing a set of SIC that do not accurately reflect Defence's needs or the capabilities of Australian industry.

High level overview



How Can I Contribute?

The project team is very interested in hearing from you.

Please feel free to:

- Schedule a meeting by calling or emailing a project team member below
- Attend a briefing session in your state or territory
- Complete the survey:
 - Defence:
<https://dricdns2016.questionpro.com>
 - Defence industry:
<https://dricco2016.questionpro.com/>

Who do I Contact?

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