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20 October 2011

NOTICE
AC/305(EAPC)N(2011)0016

LOGISTICS COMMITTEE (LC)

**BACKGROUND INFORMATION IN PREPARATION OF THE
OPERATIONS LOGISTICS CHAIN MANAGEMENT (OLCM)
SENIOR LOGISTICIANS' STEERING BOARD (SLSB)**

Note by the Staff Officer

1. At the request of Allied Command Transformation (ACT) two background documents, located at Annexes 1 and 2, are being distributed to the Nations in preparation for the 26 October Senior Logisticians' Steering Board on OLCM.
2. As a reminder, participants should note that the SLSB will meet from 09:00hrs to 12:00hrs on Wednesday, 26 October 2011 in the Brosio Room, adjacent to the Cafeteria at NATO Headquarters. As indicated in the calling Notice, participants should have advised the LC Secretariat of their intent to participate (e-mail danielsen.michael@hq.nato.int) or Fax: +32.2.707.4843 in this SLSB. For those participants who have not yet responded, please do so as soon as possible.

(Signed) M. DANIELSEN

2 Enclosures

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Original: English

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Bi-SC PAPER

OPERATIONAL LOGISTIC CHAIN MANAGEMENT (OLCM)

27 August 09

The Problem

NATO policy notes that: 'Nations and NATO authorities have a collective responsibility for logistic support of NATO's multinational operations. This collective responsibility encourages nations and NATO to cooperatively share the provision and use of logistic capabilities and resources to support the force effectively and efficiently'¹. NATO policy also notes that: 'Nations have the ultimate responsibility for equipping, individually or by co-operative arrangements, the provision of required logistic resources to support the forces assigned to NATO during peace, crisis and conflict'². NATO has no organic logistic capabilities however it has a responsibility to facilitate and where appropriate to manage theatre logistic operations, employing multinational and commercial support solutions to optimal effect, to enable nations to satisfy their obligations in the most effective and efficient manner.

Adoption of a collective approach to logistics has thus far proved a challenge. Indeed, current NATO logistic operations are characterised by equipment, financial and manpower inefficiencies; independent and often uncoordinated, unnecessarily redundant national support systems; incomplete visibility of available logistic resources, resulting in wasted opportunities, and the needless provision of additional supplies and insufficient logistic decision support.

The Requirement

To enable Collective Responsibility for logistics NATO requires the capability to:

- Enable SHAPE, JFCs and nations to conduct near real time 'strategic' **collaborative logistic planning** to facilitate the joint development of logistic concepts, plans and support solutions, prior to deployment.
- Enable SHAPE and nations, during the Operations Planning Process (OPP), to jointly consider **multinational and commercial support solutions** and **enable nations to select those options that best provide a collective solution for their particular needs**.

¹ MC 319/2 paragraph 9.

² MC 319/2 paragraph 20.

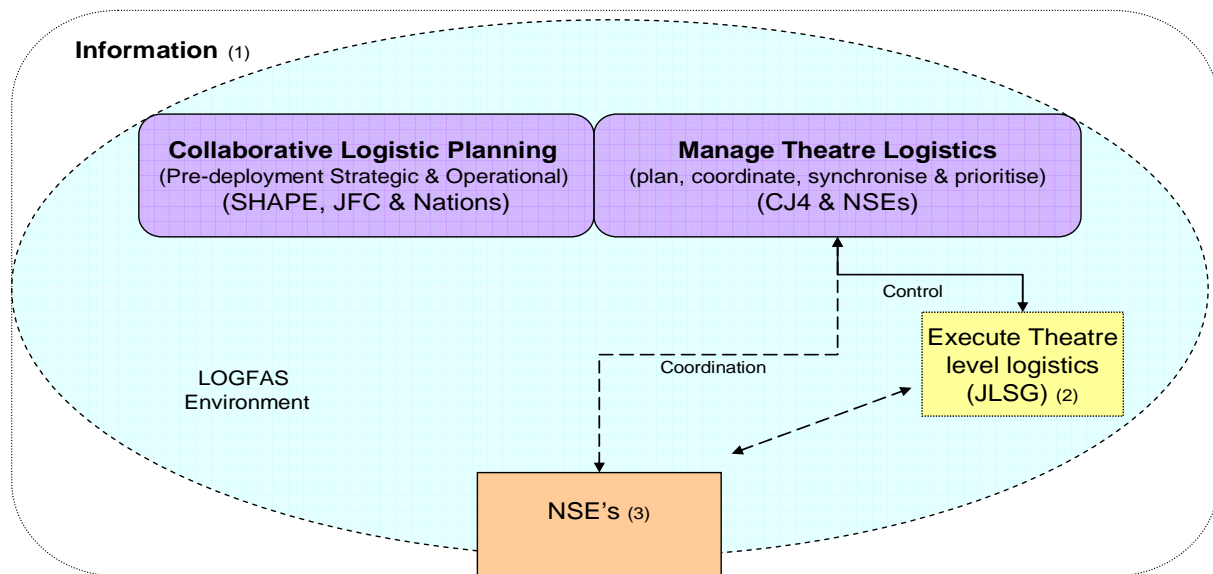
- Enable the CJ4 to conduct near real time 'operational' **collaborative logistic planning** with National Support Elements (NSEs) in the JOA, and to facilitate **nation to nation coordination**.
- Enable the CJ4 to **prioritise, synchronise and coordinate** Theatre logistic operations and broker logistic solutions amongst NSEs.
- Enable delivery of tactical level logistic support at the Theatre level, i.e. RSOM, supply and distribution etc.

The Solution

Operational Logistic Chain Management (OLCM) is a **joint venture between NATO and nations**. OLCM enables NATO and nations to collaboratively plan and manage logistic operations to ensure that national, Host Nation (HN) and commercial capabilities are employed to optimal effect. It provides for the effective and efficient use of resources to deliver improved support solutions. OLCM builds upon current NATO logistic doctrine, incorporates emerging NATO transformation ideas, exploits new technologies and incorporates Lessons Identified from operations as and when appropriate. As such, OLCM is **the next phase in the evolution in NATO logistics – enabling logistic Collective Responsibility**.

At the core of OLCM are two fundamental functions: **collaborative logistic planning and management** of Theatre logistic operations. Under OLCM these two functions are harmonised with the former setting the conditions to facilitate multinational logistic operations and the latter providing the centralised management of Theatre level logistics – governed by the aspiration and commitment of the nations. Figure 1 summarises the relationship between collaborative logistic planning and logistic management that is essential to improving logistic support – underpinned by timely relevant information and C4I (LOGFAS).

Key Capability Elements – Plan & Manage



Notes:

1. Information (Resources, Requirements and Processes) is a critical OLCM enabler. Information requirements are agreed with nations in advance. The UOR for Project 44 details information requirements.
2. Employing assigned national, Host Nation or commercial support options to provide logistic support with minimum logistic footprint.
3. Nations opting to use NATO managed Theatre logistics coordinate requirements with CJ4 & JLSG.

Figure 1

The Benefits

The benefits of OLCM are:

- Improved logistic planning and management.
- Nations have **early engagement in the ACO OPP**.
- Nations can **influence development of logistic plans**.
- The OPP will identify **multinational and commercial support solutions that nations may adopt, in part or in whole**.
- Nations will be able to **coordinate bi and multilateral arrangements to deploy and sustain their forces**.
- **Optimises capabilities, creates economies of scale, reduces duplication of effort and competition for resources** in the Joint Operations Area (JOA).
- **Improved logistic coordination and solution brokerage between NATO and NSEs** in the JOA.

How

OLCM is not a 'silver bullet' solution to the many challenges faced, nor is it simply an information system – though it will exploit technological opportunities. However, OLCM will deliver a comprehensive array of logistic management capabilities that combine to enhance logistic support to those deployed on operations. Figure 2 provides a representation of logistic operations in an OLCM environment.

Quality information is crucial to effective management. OLCM must therefore capture visibility of logistic resources, requirements and processes to enable NATO and nations to employ resources to optimal effect. Information, captured from various sources, including reports from nations³, will be managed in the LOGFAS environment.

The Methodology

- OLCM will be enabled using improved C4I systems, which allow NATO to facilitate collaborative logistic planning and management, and provide for nation to nation coordination.
- NATO (CJ4) will manage (prioritise, synchronise and coordinate) Theatre level logistic operations – as agreed with nations during the OPP.
- NATO (JLSG) will execute Theatre level logistic support, using assigned national, Host Nation or commercial support options – as agreed with nations, during the planning process.
- Nations will support the OPP and contribute appropriate capabilities to support Theatre level logistic operations, as part of their Collective Responsibility.
- Nations will deploy and provide tactical level support for national contingents under national arrangements - using national or cooperative arrangements.

The Way Ahead

OLCM will be **developed using the DOTMLPFI approach to ensure delivery of a comprehensive solution** set. ACT have developed a Programme of Work (POW) that details the OLCM development process. The POW is a dynamic document and will evolve as the programme matures; it currently includes:

- Project 44. Project 44 will deliver the visibility required to enable the CJ4 and nations to plan and manage logistic operations. The UOR has been published.
- Project 46. Project 46 will deliver the management aspects that will enable the CJ4 to plan and manage theatre logistic operations. The UOR will be published by December 2009.

³ As agreed with nations in advance.

ENCLOSURE 1
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- Logistic Collaborative Planning Process. ACO J4 have the lead for development of a collaborative Logistic Operations Planning Process (LOPP) that is harmonised with the SHAPE OPP, enables early engagement of nations in the OPP and facilitates adoption of multinational support solutions.
- DJSE / JLSG Implementation. ACO J4 have the lead for development of the DJSE and JLSG capabilities that will provide the organisational and procedural baseline for future logistic C2 and establish clear logistic authorities. The draft DJSE and JLSG Standard Operating Procedures (SOPs) will provide a set of common logistic SOPs for all future NATO operations.
- RSOM. ACT and ACO will review and refine doctrine relating to RSOM taking into account lessons identified on operations.
- Distribution Operations. ACT have the lead for development of Distribution Operations model for the future, exploiting ideas and lessons from work on ADAMS, EVE, CORSOM and current operations. This will incorporate supply of Common User Items.
- NATO Logistic Information Exchange. ACT has the lead on work to define NATO Logistic Information Exchange requirements. This work will need to engage NATO and national partners to ensure consensus and prevent duplication of effort.
- Doctrine Review and Rewrite. ACT has the lead for a review and rewrite of all NATO Doctrine to ensure it is consistent with the OLCM concept.
- Training Review. ACT has the lead for a review of Training to ensure that publications reflect the OLCM principles and practices and that future training at NATO centres and schools employs a common and consistent approach.

Capability Delivery

Initial Operating Capability (IOC) – 4QTR 2013 will deliver:

- Revised business process.
- Revised logistic procedures for the planning, prioritisation, synchronisation and coordination of logistic operations.
- Clear articulation of logistic authorities, roles, tasks and responsibilities.
- Theatre logistic (DJSE & JLSG) SOPs.

Full Operating Capability (FOC) – 4QTR 2014 will deliver:

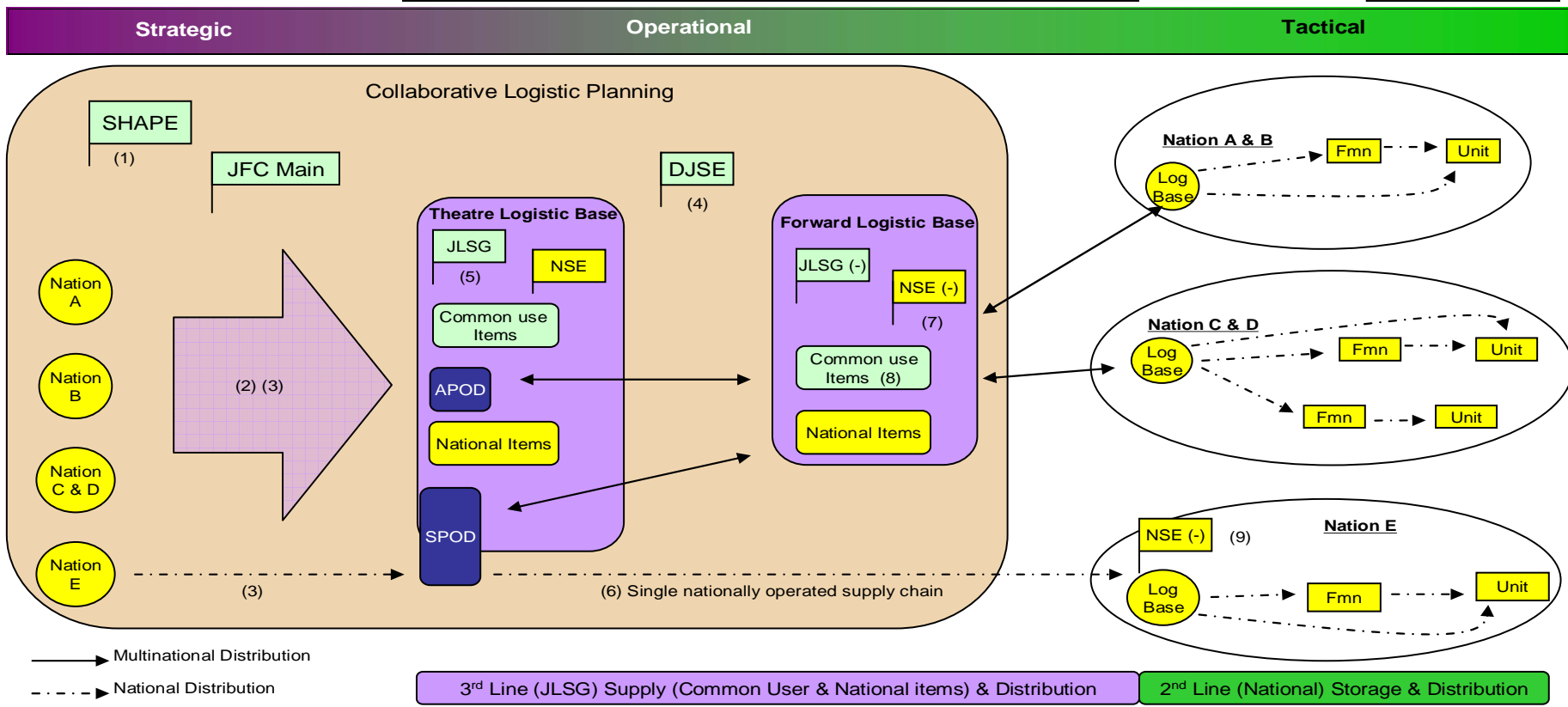
- Collaborative logistic planning capability.
- Situational Awareness through visibility of available logistic requirements, processes and resources as agreed with nations.
- Decision support capability to plan and manage effective and efficient logistic support.

- Authority, tools, processes to execute theatre level logistic support.
- Capability to integrate and synchronise logistic support from nations, Host Nation (HN) and NATO agencies.
- Collaborative information environment enabled by a data interface between national and NATO systems.
- Capability to manage the flow of logistic resources into, within and out of the JOA.
- Ability to track and shift assigned logistic resources in accordance with the Force Commanders intent.

Figure 2

OPERATIONS LOGISTICS CHAIN MANAGEMENT

As at: 20090825



Notes:

1. SHAPE, JFC & nations conduct collaborative logistic planning during the Operations Planning Process (OPP) to develop the logistic plan and logistic force structure - optimising multinational and commercial support options.
2. The AMCC will coordinate and deconflict movement to the Joint Operations Area (JOA) with nations and other relevant agencies.
3. Nations deploy forces using national or collective arrangements.
4. The CJ4 conducts collaborative logistic planning with JLSG & NSEs, and will prioritise, synchronise and coordinate Theatre (Operational) level logistic operations.
5. The JLSG executes RSOM and Theatre level logistic operations in accordance with the CJ4 plan using assigned national, HN or commercial logistic resources and coordinates logistic requirements with NSEs.
6. Nations manage national supply chains operating independently in the JOA.
7. NSEs will base themselves where most appropriate to coordinate logistic support.
8. Common Use Items will be determined during the OPP, but are typically Class I (Fresh and Bottled Water), Class III, and certain Logistic Services.
9. NSEs are responsible for Tactical (2nd Line) logistic support for national contingents under national or collective arrangements.

OLCM – 10 KEY POINTS

Dated: 26 Aug 09

The following 10 key points regarding OLCM.

1. OLCM is the next phase in the evolution of NATO logistics - enabling **Collective Responsibility** as a **joint venture** between NATO and nations.
2. OLCM provides **visibility of logistic resources, requirements and processes**, as agreed by nations, to improve logistic planning and management.
3. Two key enablers: **Collaborative Logistic Planning** (prior to and during ops) and centralised **Management** of Theatre level logistic operations.
4. Enables Collective Responsibility through **early engagement of nations in the SHAPE Operations Planning Process** (OPP) to help develop Logistic Concept and Plan and **facilitates consideration and selection of multinational¹ and commercial support solutions**.
5. NATO (CJ4) to **prioritise, synchronise and coordinate** Theatre level logistic support.
6. NATO (JLSG) **coordinates logistic support with NSEs and executes Theatre level logistic operations²** using assigned national, Host Nation (HN) and Commercial support solutions – **optimising capabilities and creating economies of scale**.
7. Nations responsible for tactical level logistics – **using individual or collective arrangements**.
8. OLCM delivers processes and tools to facilitate **nation to nation collaboration**.
9. Not just a new information system – **a comprehensive DOTMLPFI solution set**.
10. Nations can **commit information and resources to enable Collective Responsibility**, or operate independently.

¹ For example: bi and multi-lateral agreements, LLN, RSLN etc.

² For example: RSOM, Distribution, Common User Item supply, ITAS etc.