

NATO UNCLASSIFIED RELEASABLE TO ISAF/KFOR



NORTH ATLANTIC TREATY ORGANISATION
ORGANISATION DU TRAITÉ DE L'ATLANTIQUE NORD
HEADQUARTERS, SUPREME ALLIED COMMANDER
TRANSFORMATION
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5000 FJL 0060/TT-6535/Ser: NU0579

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SUBJECT: Lessons Identified on Outsourcing NATO Logistics

DATE: 14 October 2010

REFERENCE: A. JALLC/CG/10/194, Analysis Report on Outsourcing NATO Logistics, dated 27 July 2010

1. The JALLC completed an analysis report on Outsourcing NATO Logistics (Reference A), in which key factors to pertinent planning and management of commercial logistic issues were identified. Several recommended solutions are included.
2. HQ SACT has reviewed this report, the recommendations of which should be considered in the context of concurrent studies and reports on NATO logistics contracting including the Logistics Committee Assessment and Way Ahead for Planning and Management of Logistics Contracting for NATO Operations, and the SHAPE ISAF Contract Management Action Plan. The volume of activity in logistics contracting is indicative of the high reliance on contractors in support of current operations.
3. To support action implementation, HQ SACT appoints Assistant Chief of Staff Joint Development and Sustainment (ACOS JD&S) as the responsible ACOS, and the Logistic Branch as the Office of Primary Responsibility. ACOS JD&S will task ACT action bodies as required, monitor implementation of the actions and report their progress regularly using the NATO Lessons Learned Database. The Logistic Branch Head, Col Catherine Reese is assigned as the ACT POC for the Reference report and can be contacted at Catherine.Reese@act.nato.int (telephone + 1 757- 747-3407).

FOR THE SUPREME ALLIED COMMANDER TRANSFORMATION:

For
R G Cooling
Vice Admiral, GBR N
Chief of Staff

Joint Analysis & Lessons Learned Centre - Registry -
Date-in: 15 / 10 / 10
Mail-Log-No: 659 / 10

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ENCLOSURE:

1. Staff Analysis Sheet, Analysis Report on Outsourcing NATO Logistics.

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 DATED: 14 OCT 10

STAFF ANALYSIS SHEET, ANALYSIS REPORT ON OUTSOURCING NATO LOGISTICS.

JALLC REPORT ON Outsourcing NATO Logistics		
ACT CONSOLIDATED COMMENTS		
Report Recommendation	Action Body	Comments
<p>LLLDb Item # 1070</p> <p>Documentation of Lessons identified from NATO's Use of Contract Commercial Logistic Support</p> <p>ISAF HQ and ISAF Joint Command and KFOR HQ should re-examine internal processes to ensure collection, documentation and sharing of lessons learned in accordance with Bi-SC Directive 80-6. Specifically:</p> <ul style="list-style-type: none"> - All staff should use the Observation-Discussion-Conclusion-Recommendation format to document lessons within the associated HQ and submit them to LL personnel for review by the chain of command. - After chain of command review, lessons should be entered into the NATO LLDdb directly, or may be submitted to JALLC LNO presence in ISAF at ISAF_HQ_JALLC_NS@hq.isaf.nato.int . If there are problems using the LLDdb, the lessons identified should be arranged in (Observation, Discussion, Recommendation and Conclusion) format found in Bi-SC Directive 80-6 and emailed to jallclldbpc@jallc.nato.int for processing. NATO should implement IBA's report recommendation to train KFOR and ISAF staff on the existence and use of the NATO Lessons Learned Database. 	<p>SHAPE JFC BRUNSSUM HQ ISAF NAMSA ACT JETE</p>	<p style="text-align: center;">Recommendation endorsed</p> <p>There is definitely a need to capture and make lessons identified available to all interested parties in the NATO community which the JALLC LLDdb facilitates. The recommendation of the report stresses capture of LL within the theatre without full regard to the continuous rotation of forces that results in a lack of continuity in the staffs which will may slant their perspective. Cost effectiveness and management controls of contracted support must be assessed over a longer period of time from contract initiation through termination and/or re-competition. Theatre staffs lack the perspective and history to this detailed analysis of contracted support.</p> <p>If it is decided to develop a new training for the NATO Lessons Learned Database.a Training Needs Analysis (TNA) is mandatory according to Bi-SC 75-7 (E&IT Directive). In this case a Requesting Authority (RA) should be identified and a TNA request send to ACT (ACOS JETE) for this training/course. In case of adapting an existing course (as conclusion of a front end analysis) the POI documents of the existing course needs to be adapted.</p>
<p>LLLDb Item # 1071</p> <p>Contract Management Oversight in Area of Operations</p> <p>NAMSA should continue to provide personnel for contract management directly into theatre. NAMSA and NATO should evaluate where additional expertise is needed to cover all aspects of legal, engineering and financial contract management support in theatre to prevent gaps in its oversight of commercial logistic support solutions.</p>	<p>SHAPE SPT LOG & FIA NAMSA</p>	<p style="text-align: center;">Recommendation endorsed</p> <p>NAMSA is providing valuable services in executing contracts in theatre and is as an agency is a invaluable contracting expertise for the deployed staffs. Further cost analysis and contract efficiency of NAMSA support in theatre is necessary before a blanket recommendation can be accepted. NAMSA's role as contract integrator is essential to the deployed staff but only with TCN's agreement, funding and authorities for NAMSA to act.</p> <p>The ISAF Contract Management Action Plan developed and coordinated by SHAPE SPT LOG includes an action to review the NATO contract management capability resident in ISAF and propose a more effective and efficient mechanism to manage and coordinate NATO contracts in theatre. This work will examine how NATO and NAMSA capabilities can best be employed to</p>

		deliver the required level of support.
<p>LLLDb Item # 1072</p> <p>Census Data of Personnel engaged in NATO's Use of Commercial Logistic Support in Operations SHAPE should develop a system similar to SPOT to identify and account for the contract commercial support personnel in Theatre.</p>	<p>ACT NSIB/LOG Branch</p>	<p>Recommendation endorsed</p> <p>Contractor visibility is key and essential of management of contracted support but development of an IT tool is emphasizing technology over process. The US SPOT tool works because all contractors posted to the system are under US control. In the MN environment some contractors will be under NATO contract while others are under national contract. There is reluctance and lack of procedures for the contract and contractor personnel visibility. SHAPE SPT LOG Contract Management Action Plan will address contract management and visibility.</p> <p>There are two Capability Packages (5A0053 Automated Personnel Management System and 9C0103A01 Logistics Functional Services) that will provide the capability to manage contractor personnel. As it will be several years before capabilities of these CPs are realized, it would be beneficial to procure an off-the-shelf solution such as the USA SPOT program. The USA has developed a coalition module of SPOT called TOPSS. HQ ISAF is reviewing applicability of US SPOT for NATO use. If SPOT is deemed suitable and the USA chooses to release the software to NATO then further assessment of the software will be required by NCSA.</p>
<p>LLLDb Item # 1073</p> <p>Transparency of NATO Common Funding for Commercial Logistic Support in Operations</p> <p>NATO should make greater use of the International Board of Auditors for NATO (IBA), and identify specific areas of interest to include in the IBA Programme of Work to enhance transparency, and obtain further recommendations to improve NATO arranged commercial logistic support solutions</p>	<p>SHAPE SPT FIA</p>	<p>Recommendation endorsed</p> <p>External audits are essential to contract cost efficiency and for analysis and assessment of cost benefit. ACT supports SHAPE SPT LOG assessment that IBAN may not be the correct agency for internal contract cost reviews. ACT endorses SHAPE recommendation to use internal auditing capability to provide oversight to operational contract support.</p>