

IFIB-ACT-SACT-23-02



NORTH ATLANTIC TREATY ORGANISATION

HEADQUARTERS SUPREME ALLIED COMMANDER
TRANSFORMATION 7857 BLANDY ROAD, SUITE 100
NORFOLK, VIRGINIA, 23551-2490

Invitation

for

International Bidding

IFIB-ACT-SACT-23-02

Framework Agreement for Deliverables in

Support of Analyses of Alternatives

AMENDMENT #1: CLAUSE 4 ELIGIBILITY

Bidding Instructions

0

This Enclosure is designed to assist the respective company provide HQ SACT with all necessary documents/information required. For clarification, please refer to Bidding instructions.

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BIDDING INSTRUCTIONS

1. General

This is a Firm Fixed Price deliverables contract in accordance with the HQ SACT General Terms and Conditions; **Contract Award is contingent upon funding availability; Partial bidding is not allowed.**

2. Classification

This Invitation for International Bidding (IFIB) is a NATO UNCLASSIFIED document.

3. Definitions

- (a) The “Prospective Bidder” shall refer to the entity that has indicated thereon its intention without commitment, to participate in this IFIB.
- (b) The term “Bidder” shall refer to the bidding entity that has completed a bid in response to this IFIB.
- (c) The term “Contractor” shall refer to the bidding entity to whom the contract is awarded.
- (d) The term “Contracting Officer” designates the official who executes this IFIB on behalf of HQ SACT.
- (e) “Contracting Officer’s Technical Representative” or “COTR” is the official who is appointed for the purpose of determining compliance of the successful bid, per the technical specifications.
- (f) The term “HQ SACT” shall refer to Headquarters Supreme Allied Commander Transformation.
- (g) The term “ACT” shall refer to Allied Command Transformation.
- (h) The term “NATO” shall refer to the North Atlantic Treaty Organisation.
- (i) The term “days” as used in this IFIB shall, unless otherwise stated, be interpreted as meaning calendar days.

4. Eligibility

This IFIB is open to governmental or commercial entities:

- (a) Established in a North Atlantic Treaty Organisation Alliance member nation.
- (b) Working in the required field of study and legally authorised to operate in the United States of America, at the time of bidding.
- (c) Has performed the desired past performance including size, cost and scope, as described in this IFIB. **References will be accepted in lieu of past performance.**
- (d) All proposed key personnel on this requirement must be citizens of a NATO member nation.

5. Duration of Contract

- (a) The contract awarded shall be effective upon date of award.
- (b) The base period of performance is on or about 1 April 2023 – 31 December 2023, with four (4) possible option periods, 1 January 2024 – 31 December 2024, 1 January 2025 – 31 December 2025, 1 January 2026 – 31 December 2026 and 1 January 2027 – 31 December 2027

6. Exemption of Taxes

- (a) In accordance with the agreements (Article VIII of the Paris Protocol dated, 28 August 1952) goods and services under this contract are exempt from taxes, duties and similar charges.

7. Amendment or Cancellation

- (a) HQ SACT reserves the right to amend or delete any one or more of the terms, conditions or provisions of the IFIB prior to the date set for bid closing. A solicitation amendment or amendments shall announce such action.
- (b) HQ SACT reserves the right to cancel, at any time, this IFIB either partially or in its entirety. No legal liability on the part of HQ SACT shall be considered for recovery of costs in connection to bid preparation. All efforts undertaken by any bidder shall be done considering and accepting, that no costs shall be recovered from HQ SACT. If this IFIB is cancelled any/all received bids shall be returned unopened, per the bidder's request.

8. Bidder Clarifications

- (a) Prospective Bidders should seek clarification at their earliest convenience. Any

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explanation regarding the meaning or interpretation of this IFIB, terms, clause, provision or specifications, shall be requested in writing, from the Contracting Officer. The Contracting Officer must receive such requests for clarification no later than 3 (three) calendar days prior to the bid closing date.

- (b) In lieu of a bidder's conference, HQ SACT invites bidders to submit initial technical and contractual questions not later than **15 January 2023**.
- (c) Information in response to all inquiries / requests for clarification to a prospective bidder shall be furnished to all prospective bidders at the following link: <http://www.act.nato.int/contracting> as a Question and Answer addendum. All such addendums and any necessary solicitation amendments shall be incorporated into this IFIB. Oral interpretations shall not be binding.

9. Bid closing date

Bids shall be received at HQ SACT, Purchasing and Contracting Office, no later than **01 February 2023, 0900 hours, Eastern Daylight Time, Norfolk, Virginia, USA**. No bids shall be accepted after this time and date. **No hard copy proposals will be accepted.**

10. Bid Validity

Bids shall remain valid for a period of one hundred and twenty days (120) from the applicable closing date set forth within this IFIB. HQ SACT reserves the right to request an extension of validity. Bidder shall be entitled to either grant or deny this extension of validity. HQ SACT shall automatically consider a denial to extend the validity as a withdrawal of the bid.

11. Content of Proposal

A table of contents for the entire proposal

- (a) The bidder's full name, address, Point of Contacts, Telephone, Fax number; Internet site;
- (b) Compliance statement (See Enclosure #1);
- (c) Past performance (See Enclosure #2);
- (d) Provision of technical and price volumes (See Sealed Bid Price Proposal Enclosure #3), Compliance matrix (See Annex B to Statement of Work).

12. Proposal Submission

- (a) Proposals shall be submitted electronically in a two separate PDF documents, one containing the **Technical Proposal** and one containing the **Price**

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Proposal, each e-mailed separately to:

- Technical proposal: techproposal@act.nato.int
- Price proposal: priceproposal@act.nato.int

E-mail subjects shall include the solicitation information along with company name (for example: IFIB -ACT-SACT-23-02_Tech_ABC Inc. / IFIB -ACT-SACT-23-02_Price_ABC Inc.). **Allow sufficient time in your submission should you encounter e-mail size challenges.**

- (b) **Price proposals shall be in U.S. Dollar currency.** Contractor may request payment post award in alternate currency based on agreed conversion rate.
- (c) Prices shall be on a **Firm Fixed Price Basis** and include any relevant discount schedule.
- (d) No oral bids or oral modifications or telephonic bids shall be considered.
- (e) It is the ultimate responsibility of a prospective bidder prior to submission that all proposal submissions are reviewed to ensure they meet the technical, contractual and administrative specifications and that offers meet the limitations and expressed conditions.

13. Late Proposals

- (a) It is solely the bidder's responsibility that every effort is made to ensure that the proposal reaches HQ SACT prior to the established closing date and time. Only if it can be unequivocally demonstrated that the late arrival of the bid package was the result of NATO staff negligence (mishandling) shall the bid be considered.
- (b) **A delay in an e-mail exchange due to server or size restrictions does not constitute a delay by NATO.**

14. Bid Withdrawal

A bidder may withdraw their bid up to the date and time specified for bid closing. Such a withdrawal must be completed in writing or facsimile, with attention to the HQ SACT Contracting Officer.

15. Bid Evaluation

- (a) The evaluation of bids and determination as to the responsiveness and technical adequacy or technical compliance, of the products or services requested, shall be the responsibility of HQ SACT. Such determinations shall be consistent with the evaluation criteria specified in the IFIB. HQ SACT is not responsible for any content that is not clearly identified in any proposal package.

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- (b) Due to the highly technical nature of this requirement, HQ SACT reserves the right to conduct pre-award discussions with proposed key personnel to accurately assess identified technical competencies. Discussions will be limited to the scope of this IFIB and the evaluation criteria identified in Annex A.
- (c) Proposals shall be evaluated and awarded based on the proposal(s) that represents the best overall value to NATO. The following factors are considerations:
 - Successful administrative submission of bid packages and requested documents;
 - Compliance with mandatory criteria identified on Annex A (Compliant / Non-Compliant);
 - Technical factors / pricing factors rated the following:
Technical / Price = 60/40;
 - Acceptance of HQ SACT General Terms and Conditions.

16. Proposal Clarifications

During the entire evaluation process HQ SACT reserves the right to discuss any bid with the order to clarify what is offered and interpretation of language within the bid, to resolve in potential areas of concern.

17. Award

HQ SACT intends to award a firm fixed price contract(s) to the Offeror(s) whose proposal(s) represent the Best Value offer to NATO. Partial awards are not authorized; however, HQ SACT may elect to award a framework contract to more than one offeror. Quoted rates will be used to calculate the costs of individual task orders issued against the framework agreement and shall not be considered the extent of the contract value. Rates will be evaluated in this context. In the event of multiple framework awards, HQ SACT shall rotate the issuance of task orders, when appropriate, to ensure fairness amongst contract holders.

HQ SACT will collect information from references provided by the Offeror. In regard to its past performance, contractors must provide authorization to contact references. HQ SACT reserves the right to negotiate minor deviations to the listed General Terms and Conditions to this IFIB.

18. Communications

All communication related to this IFIB, between a prospective bidder and HQ SACT shall only be through the nominated HQ SACT Contracting Officer. Designated contracting staff shall assist the HQ SACT Contracting Officer in the administrative

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process. There shall be no contact with other HQ SACT personnel in regards to this IFIB. Such adherence shall ensure Fair and Open Competition with equal consideration and competitive footing leverage to all interested parties.

19. Points of Contact:

Magdalena Ornat, ACT Contracting Officer ,
757-747-3150, magdalena.ornat@act.nato.int

Catherine Giglio, ACT Contracting Officer,
757-747-3856, Catherine.giglio@act.nato.int

Tonya Bonilla, ACT Contracting Officer,
757-747-3575, tonya.bonilla@act.nato.int

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Enclosure 1

COMPLIANCE STATEMENT TO SEALED BID IFIB-ACT-SACT-23-02

It is hereby stated that our company has read and understands all documentation issued as part of IFIB-ACT-SACT-23-02. Our company proposal submitted in response to the referenced solicitation is fully compliant with the provisions of IFIB-ACT-SACT-23-02 and the intended contract with the following exception(s); such exemptions are considered non substantial to the HQ SACT solicitation provisions issued.

<u>Clause</u>	<u>Description of Minor Deviation.</u>
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(If applicable, add another page)

Company: _____ Signature: _____

Name & Title: _____ Date: _____

Company Bid Reference: _____

Bidder's proposal must be based on full compliance with the terms, conditions and requirements of the IFIB and all future clarifications and/or amendments. The bidder may offer variations in specific implementation and operational details provided that the functional and performance requirements are fully satisfied. In case of conflict between the compliance statement and the detailed evidence or explanation furnished, the detailed evidence/comments shall take precedence/priority for the actual determination of compliance. Minor or non-substantial deviations may be accepted. Substantial changes shall be considered non- responsive.

Enclosure 2

PAST PERFORMANCE INFORMATION FORM

- (a) Contracting Entity:
- (b) Contract No:
- (c) Type of Contract (Firm Fixed Price, IDIQ, Requirements):
- (d) Title of Contract:
- (e) Description of Work Performance and Relevance to Current Acquisition
(Type of facility, capacity, estimated patronage, summary of staff used):
- (f) Contract Dollar Amount:
- (g) Period of Performance:
- (h) Name, Address, Fax and Telephone No. of Reference:
- (i) Indicate Whether Reference Acted as Prime or Sub-contractor:
- (j) Comments regarding compliance with contract terms and conditions:
- (k) Complete Contact Information for client:
- (l) Permission to contact client for reference: Yes/

No Name/Signature of Authorized Company Official

This Enclosure is designed to assist the respective company provide HQ SACT with all necessary documents/information required. For clarification, please refer to Bidding instructions in part 1 of subject solicitation.

Enclosure 3

SEALED BID PRICE PROPOSAL

SUBJECT: IFIB-ACT-SACT-23-02

The categories below are “representative” of skills required to provide deliverables at each level and proposed rates will be used to support the Basis of estimate.

Proposed rates must be fully “loaded” [G&A, O/H etc.]; however they must not include per diem (meals & lodging) and travel. Travel (and related expenses) will not be covered under this contract, but handled separately in accordance with the ACT Financial Manual.

Please find on behalf of **Insert: Company Name** to provide HQ SACT with services (collectively referred as “ITEMS”), subject to the provisions, terms and conditions stated in IFIB ACT-SACT-23-02 and the “**Insert : Company Name** Technical proposal”, submitted in accordance with solicitation provisions.

Deliverables (Refer to Annex A for further scope of each deliverable)	Base year 01 April 2023 – 31 December 2023	Option Period 1 1 January 2024 – 31 December 2024	Option Period 2 1 January 2025 – 31 December 2025	Option Period 3 1 January 2026 – 31 December 2026	Option Period 4 1 January 2027 – 31 December 2027
Project Management. <u>Deliverables:</u> Progress Reports, each 5 to 10 pages long.	\$	\$	\$	\$	\$
Workshops, Interviews, Facilitation. <u>Deliverables:</u> Facilitate half-day workshop, conduct interviews	\$	\$	\$	\$	\$
Alternatives <u>Deliverables:</u> Report detailing agreed alternatives across all DOTMLPFI lines of development.	\$	\$	\$	\$	\$
Data Collection. <u>Deliverables:</u> Report	\$	\$	\$	\$	\$
Cost Data and Assumptions List. <u>Deliverables:</u> CDAL report and spreadsheet	\$	\$	\$	\$	\$
Master Data and Assumptions List. <u>Deliverables:</u> MDAL report and spreadsheet	\$	\$	\$	\$	\$
Rough Order of Magnitude Life Cycle Cost Model. <u>Deliverables:</u> High-level summary report (2-5 pages), spreadsheet model and V&V report (2-5 pages).	\$	\$	\$	\$	\$
Schedule Model. <u>Deliverables:</u> High-level summary report (2-5 pages), schedule spreadsheet model and V&V report (2-5 pages).	\$	\$	\$	\$	\$
Risk Model. <u>Deliverables:</u> High-level summary report (2-5 pages), risk spreadsheet.	\$	\$	\$	\$	\$
Operational Effectiveness Model.	\$	\$	\$	\$	\$

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<u>Deliverables:</u> High-level summary report (2-5 pages), OE spreadsheet.					
Trade-off Analysis. <u>Deliverables:</u> Report of 10 pages, trade-off spreadsheet.	\$	\$	\$	\$	\$
AOA Report. <u>Deliverables:</u> Report of no more than 20 pages (main body) and no more than 40 pages of annexes.	\$	\$	\$	\$	\$

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Please verify and acknowledge propriety of above, by
duly completing signatures below. Authorizing

Company Official:

Printed

Name: _____

Position:

_____ Title: _____

Authorizing Company (Signature): _____, Date: _____.

Company name Witness Official:

Printed

Name: _____

Position:

_____ Title: _____

Witness Signature: _____, Date ----

Annex A

Headquarters Supreme Allied Commander Transformation

Statement of Work for Deliverables in Support of Analyses of Alternatives

01 November 2022

1. INTRODUCTION

The purpose of this Statement of Work (SoW) is to describe the scope of the contracted deliverables required in support of the North Atlantic Treaty Organization (NATO) HQ SACT Allied Command Transformation (ACT) in the Analysis of Alternatives (AoA) for Capability Requirement Briefs (CRB) and Capability Programme Plans (CPP).

NATO's Common Funded Capability Delivery (CFCD) model includes six stages focused on through lifecycle capability delivery and includes persistent collaboration between ACT and Allied Command Operations (ACO), NATO's two strategic commands. The model is focused on satisfying operational requirements with capability solutions across the spectrum of Doctrine, Organisation, Training, Materiel, Leadership, Personnel, Facilities, and Interoperability (DOTMLPFI).

The CFCD model considers a range of potential courses of action to address a requirement, including the possibility of "Adopt"-ing a solution (from Nations), "Buy"-ing (acquiring a solution from Industry), or "Create"-ing (developing a solution bespoke to NATO). The varied options are analysed across DOTMLPFI lines of development. To support the CRB and CPP, Analysis of Alternatives (AoA)¹ are conducted to provide a comparative analysis of the Operational Effectiveness, Rough Order of Magnitude (ROM) Life Cycle Costs (LCC), Schedule, Risk and Opportunities of identified alternatives, considering all DOTMLPFI aspects. *AoA in NATO's Capability Delivery Lifecycle Standard Operating Procedure* [Ref A] provides guidance to conducting AoA in support of NATO CFCD programmes.

3. SCOPE OF WORK

HQ SACT intends to issue a Framework Contract to for the scope of services identified below. Throughout the contract period of performance, NATO ACT Operational Analysis (OA) Branch may develop individual task orders to deliver work within the following analysis categories:

- **Effectiveness (Benefit) Analysis:** an analysis of the military worth and value it provides to the warfighter/user. The operational effectiveness assessment analyses the alternatives' ability to meet capability requirements/user need within context of NATO policy: How well is the capability gap met? This type of assessment relies on metrics (e.g. measures of effectiveness, measures of performance), policy context (e.g. scenarios/vignettes adopted from threats and scenarios), and appropriate analysis method(s) (e.g. multi-criteria decision analysis).

¹ Referred to as Course of Action (CoA) analysis in CRBs.

- **ROM LCC Analysis:** Development, consolidation and interpretation of cost data and estimates, the application of analogous or parametric cost estimates, or the development of cost estimating models.
- **Schedule Analysis:** Comparative analysis of timelines, including uncertainty.
- **Risk Analysis:** Analysis of risks and opportunities. Risks are defined by (1) the probability of an uncertain positive or negative event or condition and (2) the consequences, impact or severity of the uncertain event were it to occur. Risks can be described as technical, programmatic (internal) or operational (external). Risk Analysis assesses the severity and probability of occurrence of each risk.
- **Trade-off Analysis.** The combined comparative analysis takes into account costs, risks, and benefits. Tables, graphs, and narratives to enable decision-makers to identify top alternatives, or assess trade-offs. The top alternative(s) are summarized. An analytical report provides all supporting evidence for the recommendation of these alternatives.

2. WORK PACKAGES

In each order, the subset of analysis tasks required will be articulated by identifying Work Packages (WP) from the menu below:

WP-PM: Project Management. Manage the project and report regularly to the Contracting Officer Technical Representative (COTR), Technical Authority and the ACT Procurement & Contracting Office. Liaise with HQ SACT action officers to understand the requirement. Undertake regular interactions to brief progress and process clarifications; provide progress reports to the technical authorities. Every two-weeks submit a formal progress report to the COTR and the Contracting Officer, and brief progress and process clarification questions. In addition, on an as required basis, hold additional teleconference calls, as and when required. Identify, characterise and manage risks as they arise throughout the project.

Deliverables: Progress Reports.

WP-W/I/F: Workshops, Interviews, Facilitation. Conduct a workshop or interviews, virtual or in-person, to discuss, clarify and confirm requirements, be presented with, and interrogate, what data is available and what additional data is required. Shape the analyses, agree the boundaries (inclusions/exclusions), establish and agree assumptions. Employ NATO Alternative Analysis (AltA) facilitation techniques (or equivalent) to elicit information and subject matter expertise from a group of stakeholders.

Deliverables: Workshops or interviews.

WP-ALT: Alternatives. Understand the range of alternatives and help to frame the development of the analysis approach. Define and refine the set of alternatives to consider all DOTMLPFI lines of development. Mapping of Request for Information (RFI) responses to alternatives. It is anticipated that alternatives will include:

- One of more 'create' alternatives, generating a bespoke capability solution that is unique to NATO.
- One of more 'adopt' alternatives, potentially leveraging capability solutions from

one or more nations.

- One or more 'buy' alternatives using COTS or MOTS capability solutions.

Deliverables: Report.

WP-DATA. Data Collection. The supplier will collect data, drawing from previous studies, NATO available sources, open source information, and other supplier-accessible sources (closed sources). Cost data will be provided by NATO where available from Nations and industry. The supplier will further require to liaise with programme staff and stakeholders to identify and solicit additional information and data as needed. The following data may be provided *if available*:

- a. Approved Capability Requirements Brief document and other contextual documentation as needed.
- b. Descriptions of alternatives and options.
- c. Known issues for all DOTMLPFI lines of development for each of the alternatives.
- d. Data collected from current service providers (where available): lists of services, associated costs, and overall lifecycle plan for the services.
- e. Information from previous NATO programmes and projects (where available); and current in-service costs.
- f. Expected procurement and transition schedules, once alternatives are sufficiently mature to allow selection.
- g. NATO agreed inflation indices (National GDP deflator forecasts).
- h. NATO agreed foreign exchange rates.

The supplier will demonstrate ability to independently gather data relevant to Command Information Systems, Command and Control, physical Facilities, Information Technology/Software and Logistics

Deliverables: Report.

WP-CDAL. Cost Data and Assumptions List. Develop Cost Data and Assumptions List (CDAL) to record cost data with data readiness assessment, other related data and assumptions. A Cost Breakdown Structure (CBS) for the cost data, including the Data Readiness Level (DRL) of key data, and its applicability (directly or by analogy) to the analysis: develop a CBS in consultation with NATO suitable for comparative analysis. Map the available data (including supplier data sources) to the identified alternatives indicating (a) direct applicability, (b) indirect applicability (e.g. use as an analogous cost), (c) no applicability / missing data. Identify gaps in data and outline what approach and methods shall be used to assess the LCCs. Develop a cost analysis plan for the programme detailing the types of analyses (methods, models, etc.), required data gathering to fill data gaps, presentation of results, etc.

Deliverables: CDAL.

WP-MDAL. Master Data and Assumptions List. Record schedule, effectiveness and risk data, including its maturity and underpinning assumptions. Identify gaps in the data and outline what approach and methods shall be used to assess the Risk Analysis or effectiveness analysis.

Deliverables: MDAL.

WP-LCC. Rough Order of Magnitude Life Cycle Cost Model. Cost analysis of alternatives. Develop a LCC model capable of modelling the costs associated with each of the alternatives, drawing on data is available and assessed. Any cost model must be transparent to NATO, and so must either use software that NATO has access to, or is able to export inputs and outputs (with clear logic between them) to an interoperable file

standard (e.g. MS Excel). Must be Validated and Verified (V&V). Able to input 3 Point Estimates (3PEs) for component costs, further to normalisation to common economic conditions. Designed as a Monte Carlo model capable of outputting 10%, 50% and 90% confidence levels for each alternative, enabling cost risk analysis. Capable of producing results in terms of Net Present Value (NPV) to address Value-for-Money (VfM), Outturn for affordability and in constant (today's) economic conditions.

WP-LCC(a): Comparative Life Cycle Cost Analysis.

Costs of each alternative across its whole life cycle. The Life Cycle Cost Analysis takes into consideration affordability constraints, DOTMLPFI capabilities, inflation, interoperability, sustainment, and length of the lifecycle. Cost analysis requires gathering and assessment of relevant cost data from identified stakeholders. A report presenting this analysis will be appended to the Analysis of Alternatives annex within the CPP.

WP-LCC(b): Program Implementation Plan Cost Estimate.

Once a preferred alternative or set of alternatives is selected, a subsequent cost estimation is conducted to project the overall capability costs, including cost tolerances. This cost estimation will be part of the Program Implementation Plan section of the main CPP document. Cost breakdown by projects: the overall capability program is decomposed into smaller projects, each covering specific lines within the DOTMLPFI spectrum (e.g. Material solution, Training, Data Migration, etc.). Every project requires a cost estimate. These projects are described within the Project Data Sheets annexes as part of the CPP.

Deliverables: Spreadsheet model and report.

WP-SCHEDULE. Schedule Model. Schedule analysis of alternatives. Develop a model capable of modelling the schedule associated with each of the alternatives, drawing on data as available and assessed. Any schedule model must be transparent to NATO, and so must either use software that NATO has access to, or is able to export inputs and outputs (with clear logic between them) to an interoperable file standard (e.g. MS Excel). Must be Validated and Verified (V&V). Able to input 3 Point Estimates (3PEs) for component schedules. Designed as a Monte Carlo model capable of outputting 10%, 50% and 90% confidence levels for each alternative, enabling schedule risk analysis. Capable of producing results correlated to the cost model.

Deliverables: Spreadsheet model.

WP-OE. Operational Effectiveness Model. Operational effectiveness analysis of alternatives. Develop a model to assess the effectiveness of the alternatives against the requirements or other relevant programme metrics. Identify key requirements and metrics considering:

- Coherence with NATO policies and doctrine.
- Approved directives, best practices and Standard Operating Procedures (SOPs)
- The overarching goals of the programme

Define attributes or measures of operational effectiveness. Employ a Multi-Criteria Decision Analysis (MCDA) approach will be used to construct a hierarchy of OE attributes with weighted nodes. The weights will be used to describe the relative importance of each of the attributes and will be determined by programme priorities and elicited from SMEs if not quantitatively measurable. Any OE model must be transparent to NATO, and so must either use software that NATO has access to, or is able to export inputs and outputs (with clear logic between them) to an interoperable file standard (e.g. MS Excel). Must be Verified & Validated.

Conduct virtual workshops and interviews (WP-W/I/F) with SMEs or assess supporting data to score each alternative against each node of the MCDA model developed. The outcome will be a Figure of Merit (FoM), based on the score and weights, for each alternative. The OE model will provide insights into the different strengths and weaknesses of the alternatives, and sensitivity analysis will be used to explore effectiveness drivers and outputs in relation to cost and possible risks and challenges.

Deliverables: spreadsheet model.

WP-RISK. Risk Model. Identify operational and programmatic risk items for comparative analysis. Populate and collate items into a Risk Register: Risk ID, a short description. Conduct virtual workshops and interviews (WP-W/I/F) with SMEs or assess supporting data to assess probability of occurrence, impact in terms of cost and or schedule and from a technical/quality point of view, risk actions that could be invoked to manage the risk. Risk will be described as technical, programmatic or operational. Liaise with programme and technical authorities to review, amend ratings, and update actions.

Deliverables: spreadsheet model.

WP-TRADEOFF. Trade-off Analysis. Draw together the results of the LCC estimates, schedule, effectiveness and risk analysis. The approaches will highlight the trade-offs between the alternatives. Present a recommended alternative or alternatives. Use the most appropriate approach(es) (examples listed below) to determining the alternative(s) which offers the greatest likelihood of fulfilling the requirement and offers Value-for-Money for NATO:

- A comparison table highlighting effectiveness, efficiency, ROM LCC, risks, and challenges.
 - A Combined Operational Effectiveness Investment Appraisal (COEIA) plot which will map each alternative on to a two-dimensional plot with LCC on the x-axis and effectiveness on the y-axis.
 - An assessment by each line of development across DOTMLPFI.
- A commentary which presents the logical argument towards a recommendation, based on the comparison table and COEIA. Deliverables: Report.

WP-REPORT. AOA Report. The report shall be structured as follows:

1. Executive Summary
2. Main Body
 - a. Method of Analysis
 - b. Results
 - c. Recommendation
3. Annexes

At the appropriate level of detail, these sections shall include:

- Data and assumptions (referencing out to the CDAL and MDAL which will be issued at the end of the project) and summary of proposed approach.
- Definitions, ground rules, boundaries and modelling assumptions used in LCC, schedule, effectiveness and risk analysis.
- Descriptions of methods and models adopted, including references to how and why they were selected with reference to literature and best practice.
- Application of the methods.
- The results of the cost, effectiveness, risk and trade-off analysis.
- Clear identification of top or leading alternative(s).

Deliverables: Report.

3. TYPE OF CONTRACT AND PERIOD OF PERFORMANCE

- a. **Type of Contract.** This is a framework agreement for contracted deliverables IAW the SOW. Post award, task orders will be issued for specific AOA activities. The awarded contractor shall price each task order using the proposed Firm Fixed Price rates for identified deliverables in accordance with the HQ SACT General Terms and Conditions. All employer responsibilities for the Contractor Personnel performing under this contract shall lie with the contractor.
- b. **Period of Performance.** The base period of performance is 1 April 2023 – 31 December 2023, with four possible option periods, 1 January 2024 – 31 December 2024, 1 January 2025 – 31 December 2025, 1 January 2026 – 31 December 2026 and 1 January 2027 – 31 December 2027.

4. PLACE OF PERFORMANCE

The supplier will support HQ SACT staff located in Norfolk VA, USA for the performance of this contract, however will not be required to be co-located: remote support at contractor facility is preferred. No travel to other locations is expected.

5. CONTRACTOR SUPERVISION AND REPORTING

The Contracting Officer will assign a Contracting Officer's Technical Representative (COTR) to administer all technical contract details. The Contracting Officer has final authority (in consultation with the COTR) to determine if the contract/SOW should be amended, extended, modified or cancelled for evolving requirements, new tasking, and/or technical non-performance.

The technical authorities and COTR will be identified Operations Research Analysts from the SACT HQ OA Branch and CFCD Programme Directors/Coordinators as required.

- a. The COTR shall:
 - i. Resolve outstanding disputes, problems, deficiencies, and/or questions on the technical aspects of the SOW;
 - ii. Review (and approve) all Contractor duties for completeness and accuracy;
 - iii. Review the Contractor's work at a minimum of monthly, or more often if needed.
- b. The COTR's written approval of work reported and products submitted is mandatory for contractor invoices to be successfully processed.
- c. The contractor shall submit a report every two weeks to the COTR and the Contracting Officer, detailing progress on the SOW for the reporting period. The report shall include, but not be limited to, the following information:
 - i. Summary of work and status of tasks undertaken during the reporting period;
 - ii. Current or anticipated problems/deficiencies and recommended solutions.
- d. The COTR reserves the right to amend the reporting requirements to receive alternate/additional data and information on a more frequent or less frequent basis, and to request other reports that detail designated aspects of the work or methods to remedy problems and deficiencies.

6. QUALITY OF DELIVERABLE. It is expected that all deliverables are developed/delivered in high quality. Reporting deliverables should be produced at the graduate level, in English using the appropriate Microsoft Office Software program. Analyses (and their documentation) must meet the following:

- a. **Replication:** The contractor must provide a sufficiently detailed audit trail, including documentation of data and assumptions list to enable a third party to independently replicate the analyses.
- b. **Rationale:** The contractor must provide justifiable rationale for the selection of the inputs to the proposed methods and models.

7. SECURITY AND INSTALLATION ACCESS

Personnel details are to be supplied as requested to allow access to HQ SACT, if required. All contractor personnel shall abide by the security restrictions regarding carrying and using electronic devices (e.g. laptops, cell phones) in all NATO facilities. The Supplier(s) shall be responsible for satisfying the necessary clearance requirements before bringing any such device into a NATO facility.

8. CONTRACTOR ESSENTIAL TECHNICAL COMPETENCIES.

Contractor companies shall submit papers of no more than 15 pages (single-spaced) text, describing in detail:

- a. Their expertise and past experience in developing and delivering products similar to those outlined in this SOW. Contractor companies shall cite at least two past performances based on contracts held within the last ten years that are of similar scope, magnitude, and complexity to the tasks, activities, and deliverables detailed in this SOW, or succinctly state that they have no relevant, directly related or similar past performance experience. Contractor companies shall show this relevant past and present experience in a manner that is directly traceable to the requirements of the SOW. In particular, contractor companies shall show relevant experience in cost estimating and modelling for complex programmes, to include analogous estimating, parametric estimating, and the use of workshops or surveys to elicit cost, risk, OE, and schedule data. Contractor companies shall show relevant experience in accessing open and closed-source data.
- b. Contractor companies shall identify the key personnel that will deliver on the tasks and provide evidence to assure appropriate levels of experience and expertise in project management, risk analysis, multi-criteria decisions analysis, cost estimation, analysis and modelling for complex programmes.
- c. Refer to Annex B – Scoring criteria below in preparing submissions.

9. NON-NEGOTIABLE. The supplier will sign a Non-Disclosure Agreement to maintain the confidentiality of information provided by NATO, Nations, and industry.

11. APPLICABLE STANDARDS AND GUIDES

Analysis of Alternatives in NATO's Capability Delivery Lifecycle Standard Operating Procedure [Ref A] provides indicative guidance to conducting analysis in support of NATO CFCD programmes. NATO standardization recommendation (STANREC) 4755 lists

recommended practices regarding LCC estimation. NATO STANREC 4755 recommends the following standard: NATO Guidance on Life Cycle Costs ALCCP-01 (Edition B). NATO STANREC 4739 lists recommended practices regarding risk management, to include schedule.

12. REFERENCES:

- a) Analysis of Alternatives in NATO's Capability Delivery Lifecycle Standard Operating Procedure. [Ref A]
- b) Capability Requirements Brief for Maritime Science and Technology (Mar S&T).
- c) NATO - ALCCP-1 NATO Guidance on Life Cycle Costs, EDITION B, Dec 17.
- d) NATO - SRD ALCCP-1.1 NATO LCC Common Methodology, EDITON A, Oct 21.
- e) NATO STANDARD ARAMP-1 NATO RISK MANAGEMENT GUIDE FOR ACQUISITION PROGRAMMES Edition 1 Version 1 FEBRUARY 2012.

Annex B

Best Value Evaluation Matrix

Contractor's technical proposals will be assessed on the qualifications of the both the company and key personnel proposed to perform the work. Individuals' résumés will be measured against each of the criteria specified below in order to ascertain whether the individuals have adequately qualifications to be considered compliant. (HQ SACT reserves the right to conduct technical discussions of nominated candidates). **Examples of how detailed knowledge levels were attained are expected. Ultimately Contractor companies shall clearly demonstrate by providing unequivocal reference to where company/key personnel meet the criteria set forth in this solicitation (please include page number, reference to CV or links as applicable).**

Mandatory Criteria	Compliant	Non - Compliant
Demonstrated proficiency in English as defined in STANAG 6001 (Standardized Linguistic Profile (SLP) (Written and Oral). NATO: 3333		
Minimum of 2 past performance citations within the last 5 years to show that it has successfully completed work that is similar to or directly traceable to the requirements outlined in this SOW		
	Scored Criteria	
Operational analysis, including risk analysis, multi-criteria decision analysis, course of action analysis (Max. 25 pts)	<ul style="list-style-type: none"> • Wide experience in using OA / OR to support defence & government decision-making, including acquisition; specific broad experience in MCDA methods, risk identification, analysis, aggregation, and communication methods (excluding investment portfolio financial analysis); strong recent experience is consistent across the majority of named experts. (18-25 pts) • Evidence of using OA / OR to support decision-making, including acquisition; clear experience of risk analysis (excluding investment portfolio financial analysis) and MCDA; strong recent experience is clustered in small number of named experts. (12-20 pts) • Evidence of using OA / OR to support decision-making; named experts have some recent expertise. (6-14 pts) • OA experience is insufficient. (1-5 pts) 	

	<ul style="list-style-type: none"> • A score less than 6pts in this category will be considered non-compliant.
Cost estimating and modelling (Max. 19 pts)	<ul style="list-style-type: none"> • Production of cost models for a wide variety of contexts and complexities; estimation using parametric, analogous, and structured SME judgement methods for ICT (including sizing & complexity estimation) and Facilities (physical infrastructure); use of cost estimation best practices & standards; strong recent experience is consistent across the majority of named experts. (16-19 pts) • Production of complex cost models; estimation using COTS parametric software for ICT and Facilities, analogous, or structured SME judgement methods; use of cost estimation best practices & standards; strong recent experience clustered in small number of named experts. (11-15 pts) • Production of cost models; estimation of ICT and facilities using structured methods; some recent estimation experience in named experts. (7-10 pts) • Cost experience is insufficient. (1-6 pts) • A score less than 7 points in this category will be considered non-compliant
Data sourcing & gathering (Max. 18 pts)	<ul style="list-style-type: none"> • Have access to data sources for cross-domain military capability costs, and clear expertise in using these sources given high-level customer requirements; expertise in sourcing and applying project and programme generic risk lists; strong recent experience is consistent across the majority of named experts. (12-18 pts) • Have access to data sources for ICT and facilities (primarily) costs, and clear expertise in using these sources given high-level customer requirements; strong recent experience is clustered in small number of named experts. (8-14 pts) • Have access to data sources for relevant cost information but typically require substantial customer input; some recent data gathering experience in named experts. (4-10 pts) • Data gathering experience is insufficient. (1-5 pts) • A score less than 6 points in this category will be considered non-compliant
Facilitation and consultancy (Max. 18 pts)	<ul style="list-style-type: none"> • Wide experience in designing and delivering workshops, surveys, and interviews of varying complexity, in-person and remotely, to successfully elicit structured and unstructured information from technical, military, and business people; strong recent experience is consistent across the majority of named experts. (12-18 pts) • Experience in designing and delivering workshops, surveys, and interviews to successfully elicit structured and unstructured information from technical and business people; strong recent experience is clustered in a small number of named experts. (8-14 pts) • Experience in eliciting information from technical experts; some recent facilitation experience in named experts. (5-10 pts) • Facilitation and consultancy experience is insufficient. (1-6 pts) • A score less than 6 points this category will be considered non-compliant
Project and programme management analysis	<ul style="list-style-type: none"> • Wide experience leading and / or supporting project and programme definition for complex public or private sector initiatives; project definition, project delivery, and project controls

<p>(Max. 10 pts)</p>	<p>expertise, including setting and tailoring standards and mentoring project teams; strong recent experience is consistent across the majority of named experts. (6-10 pts)</p> <ul style="list-style-type: none"> • Experience in leading and / or supporting project and programme definition for large public or private sector initiatives; experience in delivering project definition and project controls products in line with recognized standards; strong recent experience is clustered in a small number of named experts. (3-7 pts) • Experience in project and / or programme delivery in line with recognised standards. (2-6 pts) • Experience in successfully managing consulting projects to deliver to time, cost, and quality. (1-4 pts) • A score of zero in this category will be considered non-compliant
<p>Security and access (Max. 5 pts)</p>	<ul style="list-style-type: none"> • The majority of named experts have current NATO or National SECRET clearance; Company has premises or facilities which are accredited to hold SECRET information by National authorities. (3-5 pts) • Some named experts hold NATO or National SECRET clearance. (2-4 pts) • At least one named expert has previously held NATO or National SECRET clearance in the past. (1-2 pts) • No evidence. (0 pts) • A score of zero in this category is NOT considered non-compliant
<p>Teaming, flexibility, and reachback (Max. 5 pts)</p>	<ul style="list-style-type: none"> • Commitment that significant reachback or teaming, if the requirement is agreed with NATO and is not captured in the original task, will be performed using an appropriate cost grade in use on that task; the supplier organization or team has a wide variety of skills available at high availability through reachback or teaming across organizations; the supplier organization or team demonstrates wide experience of reachback or teaming to address niche skills and / or short-term resource limitations. (3-5 pts) • Reachback is available and NATO cost grades on that task may be used; supplier organization has a variety of skills available through reachback or teaming across organizations. (2-4 pts) • Reachback is available, but subject to other costing arrangements; reachback timelines are subject to significant commercial discussion and / or change to tasking order. (1-2 pts) • No teaming or reachback capability to flexibly meet unexpected peaks in workload (0 pts) • A score of zero in this category is NOT considered non-compliant

HQ SACT GENERAL TERMS AND CONDITIONS DATED 01/26/2022 ARE APPLICABLE TO THIS PROCUREMENT AND CAN BE LOCATED ON THE ACT WEBSITE AT WWW.ACT.NATO.INT/CONTRACTING UNDER CONTRACTOR INFORMATION.