

DATE: 2019-04-01

PROJECT TITLE: Fixed-Wing Search and Rescue Aircraft Replacement Project (FWSAR)

PROJECT OBJECTIVE: The Government of Canada is buying 16 CC295 aircraft equipped with advanced technology systems to support Canada's search and rescue operations, replacing the current Buffalo and Hercules aircraft performing this function. The aircraft will be based where search and rescue squadrons are currently located, in Comox, British Columbia; Winnipeg, Manitoba; Trenton, Ontario; and Greenwood, Nova Scotia.

PROJECT PHASE: Implementation

PROCUREMENT STRATEGY

Competitive Request for Proposal using a best value procurement strategy.

ACHIEVEMENTS

December 2011: The FWSAR Project Management Office was re-established. March 2012: Expenditure Authority was provided for the FWSAR project Definition phase to prepare a Request for Proposal. March 2015: The release of the Request for Proposal was approved and additional Expenditure Authority to continue the Definition phase of the project was obtained. 11 January 2016: The Request for Proposal closed with three bidders submitting six proposals. 1 June 2016: The bid evaluation was completed. 1 December 2016: Project Implementation approved and contract awarded to Airbus Defense and Space. One contract was awarded for the acquisition and the in-service support.	25 January 2018: The Comox Training Center Ground Breaking ceremony was conducted. 23 July 2018: Aircraft Critical Design Review closed. 19 September 2018: Final assembly for first FWSAR aircraft began. 31 October 2018: In-Service Support Critical Design Review closed. 08 March 2019: First aircraft rolled off the production line and commenced contractor ground testing in Spain in late March.
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KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Expenditure Authority Approval (Definition)		2012-03-29	The first aircraft is scheduled to be delivered to, and accepted by, the Government of Canada in Spain by December 2019. The first aircraft is scheduled to arrive in Canada at 19 Wing Comox, B.C. in the Spring of 2020.
Project Approval (Definition)		2015-03-26	
Request for Proposal Release		2015-03-31	
Request for Proposal Close		2016-01-11	
Bid Evaluation Complete		2016-06-01	
Project Approval (Implementation)	Fall 2016	2016-12-01	
Contract Award (Implementation)	Fall 2016	2016-12-01	
First Delivery	Fall 2019	Dec 2019	
Initial Operational Capability	2020	2020	
Full Operational Capability	2022	2022	
Effective Project Closeout	2023	2023	

FINANCIALS

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	VALUE (BY MILLIONS)
\$2400.0	
Major In-Service Support Contract (over years)	
Estimated Life Expectancy (30 years)	

TIMELINE



INDUSTRY ENGAGEMENT ACTIVITIES

To reduce risks to both the Government of Canada and to Bidders, the following industry engagement activities occurred between December 2011 and March 2015 before the release of the final Request for Proposal (RFP): conducted two industry days with over 200 participants each, seven multi-day one-on-one meetings with each industry team, and eight telephone/video conferences; all RFP documents were released to industry for review and comment via 30 Letters of Interest and 176 formal responses were received; conducted site visits of the four existing Main Operating Bases and a tour of a Joint Rescue Coordination Centre; and produced and distributed a video showing a day in the life of a search and rescue technician to ensure industry fully understood requirements.



SOCIO-ECONOMIC BENEFITS

The Industrial and Technological Benefits (ITB) policy was applied to the Acquisition and In-Service Support contracts. The total ITB obligation for FWSAR Acquisition is \$1.9B, \$1.9B in progress. Total ITB obligation for FWSAR In-Service Support is \$578M, and \$578M in progress.

*Values are updated annually. Values as of May 2018.

POINTS TO NOTE

The acquisition contract is for 6 years of acquisition (16 aircraft, a training center, and in-service support items) and the first 5 years of in-service support. The contract also includes the opportunity for the company to earn contract extensions for in-service support in increments of 1-3 years, up to an additional 15 years. This could potentially extend until the end of 2042, for a total value of \$4.7B.

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope	Green	Green	There is schedule risk to achieving the Initial Operational Capability resulting from the complexities associated with transitioning to the new fleet while maintaining the current Search and Rescue posture.
Schedule vs Re-baseline	Green	Green	
Budget (Definition)	---	---	Technical risks associated with a number of design, certification and training elements also have potential to impact project milestones.
Budget (Implementation)	Green	Green	
Human Resources	Green	Green	These risks are being actively managed, and mitigation measures are being coordinated with key stakeholders including RCAF, airworthiness authorities and the contractor.
Technical	Green	Green	