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Assessment of Mutual Logistics Support Arrangements



October 2020

1259-3-00055 (ADM(RS))

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Acronyms and Abbreviations

ADM(Fin)	Assistant Deputy Minister (Finance)
ADM(IE)	Assistant Deputy Minister (Infrastructure and Environment)
ADM(Mat)	Assistant Deputy Minister (Materiel)
ADM(RS)	Assistant Deputy Minister (Review Services)
ARA	Accountability, Responsibility and Authority
CA	Canadian Army
CADTC	Canadian Army Doctrine and Training Centre
CAF	Canadian Armed Forces
CANSOFCOM	Canadian Special Operations Forces Command
CJOC	Canadian Joint Operations Command
DAOD	Defence Administrative Orders and Directives
DMPP	Director Materiel Policies and Procedures
DND	Department of National Defence
DRMIS	Defence Resource Management Information System
FY	Fiscal Year
JAG	Judge Advocate General
LSSS	Logistics Support, Supplies and Services
MLSA	Mutual Logistics Support Arrangements
MOU	Memorandum of Understanding
OCI	Office of Collateral Interest
OPI	Office of Primary Interest
PSPC	Public Services and Procurement Canada
RCAF	Royal Canadian Air Force
RCN	Royal Canadian Navy
TB	Treasury Board

Results in Brief

To support the Department of National Defence (DND) and the Canadian Armed Forces' (CAF) mission to provide combat-effective, multi-purpose forces domestically and internationally, Canada may engage allied nations and their militaries for mutual cooperation in combined exercises, training or other cooperative efforts. Mutual Logistics Support Arrangements (MLSA) are agreements that enable the CAF to acquire and reciprocate the logistics support, supplies and services (LSSS) needed for troops to uphold their responsibilities and fulfill operational requirements at home and abroad.

Transactions performed under these arrangements must reflect fairness and prudence in the spending of public funds and make appropriate use of government resources, in alignment with applicable policies and legislation. For fiscal year (FY) 2018/19 the Department reported MLSA transactions totalling \$71.7 million. As such, in support of the Department's efforts to modernize the management of MLSAs, a request was made to Assistant Deputy Minister (Review Services) (ADM(RS)) to assess whether DND/CAF's MLSA transactions are executed in compliance with applicable departmental policies and guidance, and meet Treasury Board (TB) reporting requirements.

Overall Assessment

MLSAs are generally being used as intended. Updated policies, with additional guidance on application and management of MLSA-related activities and standardized reporting and enhanced validation will improve visibility of departmental MLSA usage and the quality of reported information.

Findings and Recommendations

Governance. While all transactions sampled complied with the definition of LSSS, some transactions were not linked to a formal MLSA. The interim policy directive should be updated and finalized to support the consistent application, management and documentation of MLSA-related activities.

Reporting and Oversight. While annual reports are submitted to TB as required, the reporting process is inefficient and requires improvement. MLSA activities are managed and reported differently across the Department. Further, reported data is generally not validated. Implementation of a validation process combined with future Defence Resource Management Information System (DRMIS) input enhancements and capabilities would enhance the overall reporting process and improve data quality.

Note: Please refer to [Annex A—Management Action Plan](#) for the management response to the ADM(RS) recommendations.

1.0 Introduction

1.1 Background

DND and the CAF have a mission to provide combat-effective forces at home and abroad to protect Canada and Canadians. Fulfillment of the departmental mandate requires continued implementation of Canada's Defence Policy: *Strong, Secure, Engaged*, and ensuring that the CAF has the capabilities and equipment required to uphold their responsibilities both domestically and internationally.

To provide the necessary capabilities and level of readiness expected of the CAF, the Department has numerous instruments available depending on need and circumstance. While abroad, one such instrument is a non-contractual, non-legally binding blanket agreement allowing for the exchange of goods and services between Canada and foreign forces. This international, negotiated instrument is called a Mutual Logistics Support Arrangement (MLSA).

1.1.1 Mutual Logistics Support Arrangements

MLSAs are a unique type of Memorandum of Understanding (MOU) that establish frameworks for mutual cooperation and interoperability between the CAF and defence organizations of another nation for combined exercises, training, deployments, operations or other cooperative efforts. MLSAs are highly flexible instruments designed to facilitate reciprocal provision of specific LSSS between the named cooperating defence forces. Food, water and transportation petroleum are examples of LSSS that can be obtained or provided under an MLSA. The definition and scope of LSSS is very specific. The provisions under an MLSA may not exceed the definition as prescribed.¹

The LSSS provided may be reimbursed by either cash payment or the reciprocal provision of support, supplies or services, or a combination of the two. MLSAs are designed to supplement and not replace other normal means of providing or procuring support. As such, MLSAs may be considered only after following normal procurement mechanisms, in order of precedence:

- a) The CAF's existing in-house resources and capabilities;
- b) Pre-facilitated procurement instruments established in advance by Public Services and Procurement Canada (PSPC) such as Standing Offer and Supply Arrangements; and,
- c) Contracting through PSPC when there is sufficient time for PSPC to respond and meet operational requirements or under contracting authorities delegated to the Minister of National Defence.

The establishment, ongoing management and renewal of MLSAs between DND/CAF and other foreign militaries are guided by the *Interim Policy Direction – Mutual Logistics Support Arrangements*,

¹ Definition and scope of LSSS: food, water, billeting, transportation (including airlift) petroleum, oils, lubricants, clothing, communications services, medical services, ammunition, base support (and construction incident to base operations support), use of facilities, training services, repair and maintenance services and port services. It also includes the temporary use of general purpose vehicles and other non-lethal items of military equipment to the extent that such use is permitted under the national laws of the signatories.

superseding *Canadian Forces Administrative Orders 36-42*. The Direction was published in 2012 to serve as an interim policy while previous policy authorities were to undergo revisions and updates.

One of the commitments DND made in the process was to modernize the management of MLSAs including improving the definition of responsibilities for management of MLSA activities at the program level; improving visibility of the department’s use of MLSAs; instituting annual reporting to TB; and updating its internal policy direction. Updates to the internal policy were to be completed in two stages and take the form of multiple Defence Administrative Orders and Directives (DAOD). *DAOD 7014-1, Memoranda of Understanding Development* defines the MLSA and refers Offices of Primary Interest (OPI) to the interim policy for direction and awareness. The interim direction continues to serve as the main departmental policy for the development and use of MLSAs.

1.1.2 Authorities and Responsibilities

MLSAs are established under the authority of the Minister of National Defence. Table one identifies the Accountabilities, Responsibilities and Authorities (ARA) of key stakeholders related to the establishment and ongoing management of MLSAs.

Role	Is responsible for.../Has authority to...
Assistant Deputy Minister (Finance) (ADM(Fin))	<ul style="list-style-type: none"> The DND/CAF functional authority for financial management that is responsible for policies, processes and rules governing financial transactions² related to MLSAs. (Not in scope of Assessment. Scope limited to the review of Interim Policy Direction – MLSAs)
Assistant Deputy Minister (Materiel) (ADM(Mat))	<ul style="list-style-type: none"> The DND/CAF functional authority for materiel acquisition that is responsible for policies and processes governing the establishment, revision, renewal and use of MLSAs.
Commanders of unit/formation/mission	<ul style="list-style-type: none"> Authority to apply the provisions of approved MLSAs within the parameters of the interim policy, including the authority to negotiate specific implementing arrangements or other transactions with counterparts in cooperating foreign forces.
Judge Advocate General (JAG)	<ul style="list-style-type: none"> The DND/CAF policy authority for MOUs that is responsible for establishing policies and rules governing their establishment.

Table 1. Key stakeholders’ authorities and responsibilities. This table outlines the key stakeholders along with their authorities and responsibilities related to MLSAs.

1.2 Rationale

The assessment was conducted at the request of ADM(Mat), the departmental functional authority for MLSAs to support the Department’s efforts to modernize the management of MLSAs.

² The rules governing financial transactions includes the accounting and reporting.

1.3 Objective

The objective of this assessment is to assess whether DND/CAF's MLSA transactions are executed in compliance with applicable departmental policies and guidance and meet TB reporting requirements. The scope, assessment exclusions and methodology are included in [Annex B](#).

1.4 Assessment Criterion

MLSAs are used and recorded in compliance with policy requirements.

- A. Transactions are exercised in accordance with MLSA authorities.
- B. MLSA-related transactions are recorded accurately in the departmental system of record, to support internal and external reporting.

2.0 Findings and Recommendations

2.1 Governance

While the LSSS exchanged met the definition under the interim policy, existing directives should be updated to support the consistent application and management of MLSA-related activities.

We expected to find:

- Policies and directives provide clear guidance on the use and management of MLSAs, including well-defined ARAs.
- The LSSS exchanged meet the approved definition under the MLSA interim policy.
- Files contain evidence to demonstrate that required procurement mechanisms for LSSS are considered prior to using MLSAs.

2.1.1 MLSA Interim Directive

The MLSA interim policy provides a definition of LSSS and exclusions, rules and limitations in negotiating MLSAs, conditions of use, and identifies the key stakeholders and authorities responsible for the arrangements. Interviewees with several user groups described MLSAs as a diplomatic tool with foreign forces and further emphasized the importance of MLSAs as flexible instruments to meet operational requirements. Interviewees also suggested that the interim policy is not overly prescriptive. While a certain level of flexibility is necessary to account for differences in user operations, systems and processes, ambiguous policies may result in inconsistent interpretation and application.

The interim policy, as the main source of information for MLSA users, provides minimal detail on the execution, ongoing management and reporting of MLSA-related activities including guidance on how users can demonstrate compliance with usage conditions. For example, while the interim policy explains what an MLSA is, it does not differentiate an MLSA from other forms of MOU.³ This lack of clarity may create confusion amongst user groups, thereby affecting what is ultimately included and reported to TB as MLSA-related activities.

To assess whether transactions reported in the L1 MLSA Annual Reports (further explained in section 2.2.1) were associated with formalized MLSAs, the assessment team examined a sample of those transactions reported against lists of approved Arrangements. Three such lists were available: an official list included in the interim policy (found in [Annex C](#)); one from Director Materiel Policies and Procedures (DMPP), the group that sends the annual reporting call letter; and one from the JAG MOU group, the custodian of approved MLSAs and MOUs. The list provided by DMPP included 27 instruments (15 of which are unique to DMPP). JAG's list included 21 instruments (eight of which are unique to JAG); and

³ An MOU may be considered an MLSA if the memorandum explicitly defines and includes the blanket list of eligible LSSS that can be exchanged under the arrangement. MOUs created for the provision of a specific good or service may not be considered an MLSA, but rather an international MOU.

there was an overlap of 12 instruments found on both lists. Sampled transactions across L1 MLSA Annual Reports contained an additional six instruments not recognized by either DMPP or JAG. This discrepancy highlights that there is no complete list of MLSAs available to support validation efforts. A visual representation of the exercise can be found in Figure 1.

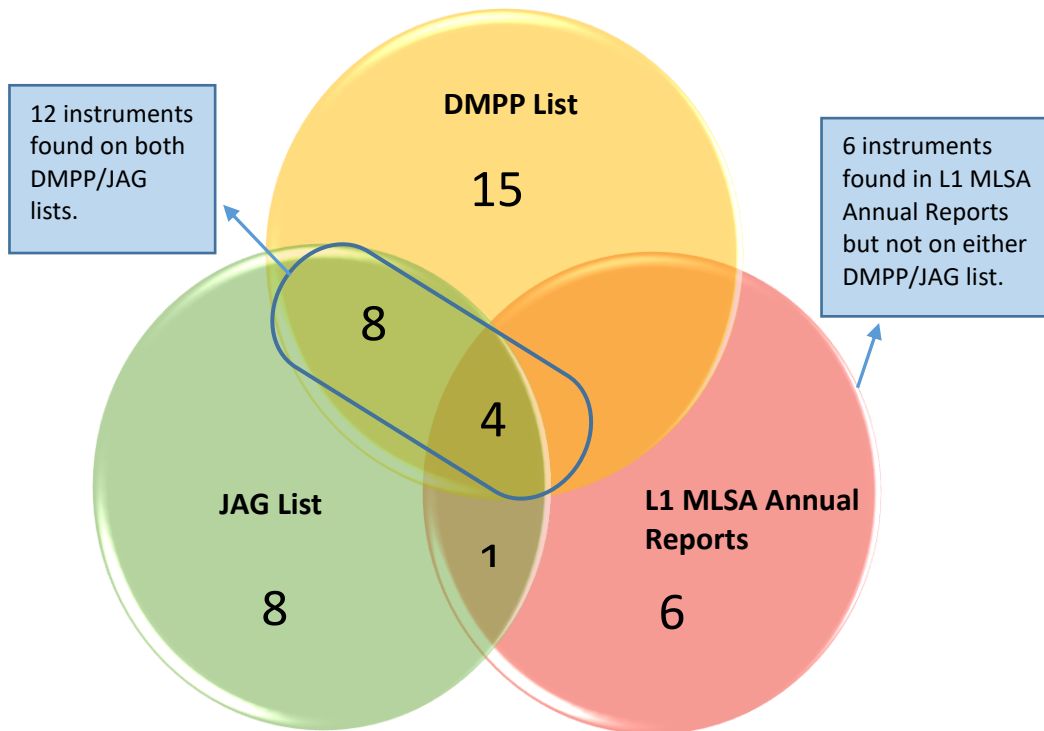


Figure 1. Instrument List Comparison. This Venn diagram shows the overlap of instruments for the three lists of arrangements available.

The exercise found that transactions listed in the L1 MLSA Annual Reports were linked not only to MLSAs, but also to other MOUs, draft MLSAs and other procurement instruments, suggesting that the understanding of what constitutes an MLSA is different between L1 user groups.

While non-MLSA transactions may share similar attributes as MLSA transactions and may have been reported for the sake of transparency, it also suggests that policies should be clarified to provide additional guidance so that the determination and differentiation of an MLSA transaction is not subject to user interpretation. Further clarification on the distinction of an MLSA from a conventional MOU or other instrument, along with a single aggregate list between functional and policy authorities would improve overall management, support users in the application and reporting of MLSA activities.

2.1.2 File Review

A total of 41 MLSA transactions were reviewed to determine if:

- LSSS exchanged or procured under MLSAs comply with the approved definition and scope as per the interim policy;
- Normal procurement mechanisms for LSSS are considered prior to using MLSAs;
- The subject transaction could be executed within the assigned resource envelope of the given unit/mission/operation; and
- MLSA transactions are accurately registered into applicable management information systems.

File review and analysis of the 41 transactions found the following:

- LSSS for all transactions were found to conform to the definition and scope under the interim policy;
- Several transactions were not associated with formal MLSAs, but with other MOUs or instruments like the North Atlantic Treaty Organization Standardized Agreements;
- Minimal evidence to assess whether other mechanisms and means of procurement were considered prior to the use of MLSAs;
- Minimal evidence to assess whether the subject transactions could be executed within the resource envelope of the associated unit/mission/operation; and
- Majority of the transactions reviewed were able to be reconciled against figures reported in DRMIS. Reporting to DRMIS is discussed further in section 2.2.2.

Notable Practice

The Canadian Army Doctrine and Training Centre (CADTC) employs a declaration on its Section 32 form requiring the responsible Commanding Officer to confirm that the LSSS procured comply with the policy, and that other means of procurement have been considered prior to using MLSAs. A sample of the Section 32 form can be found in [Annex D](#).

Without fully documented MLSA transaction files it is unclear if the appropriate instrument was used and may increase the risk of not meeting competitive expectations to support fair and transparent procurement practices. Improved policy clarity may provide support to users in how they can demonstrate compliance, consistent application and usage without removing the MLSA's intended flexibility.

2.1.3 Conclusion

MLSAs are important tools in procurement and relationship management for the CAF with allied nations and foreign militaries. While transactions in the file sample fell within the limits of those set out in the interim policy directive, files generally contained minimal supporting documentation to demonstrate compliance with usage conditions. Additional clarity and guidance in existing policies should support users in the overall application and management of MLSA activities.

ADM(RS) Recommendation

1. To support accountability, continuity and appropriate justification/documentation, it is recommended that ADM(Mat), in consultation with functional authorities and stakeholders:
 - a) Review, update and finalize the MLSA Interim Policy and DAOD 7014 to clarify ARAs; and
 - b) Develop and disseminate Standard Operating Procedures to standardize the classification, management and documentation of MLSA-related activities.

OPI: ADM(Mat)

OCI: JAG, RCN, CA, RCAF, CJOC, CANSOFCOM, ADM(Fin), ADM(IE)

2.2 Reporting & Oversight Mechanisms

While a formal reporting process is in place, enhanced validation and monitoring are needed to increase the visibility of departmental MLSA activity and support consistent, accurate and complete reporting information.

We expected to find:

- A reporting process for MLSA-related activities in place.
 - Oversight and validated reporting occurring at both the operational and functional levels.
 - MLSA transactions are accurately registered into applicable management information systems.
-

2.2.1 Reporting Mechanism

MLSA-related activities are reported to TB on an annual basis. The process is initiated with a call letter and reporting template sent by ADM(Mat) to all L1 organizations. Upon completion, the spreadsheet templates are sent back to ADM(Mat) and subsequently reported to TB on overall MLSA activities. While there is a formal reporting structure in place, the process requires additional guidance and validation to ensure transactions are consistently reported, validated and complete.

Interviews with user groups and review of transactions found that some figures reported to ADM(Mat) were estimates as opposed to actual costs. Additionally, one of the sample files reviewed found that cost recoveries or adjustments may not be reflected in reporting. In this specific case, Canada, as a framework nation for an international exercise, had agreed to pay for LSSS up front on behalf of other nations. While Canada recovered these costs individually after the exercise, the original amount paid was reported in the MLSA totals as opposed to the net recovered amount.

It is the L1 organizations' responsibility to report on their MLSA use and activities for the year. Each environment has its own internal roll-up process for producing this figure. Interviews with user groups and DMPP confirmed that figures reported are not regularly validated both within the environments and

by ADM(Mat), as there is no formal oversight or validation process to manage reporting. While an informal review may be conducted at DMPP, this is heavily reliant on its capacity, knowledge of the subject and nature of the transactions being reported.

Recognizing that flexibility in the management of MLSA transactions is needed to account for operational differences, consistent reporting standards are necessary to ensure that amounts reported to TB are in compliance with applicable financial policies.

For example, fuel transactions are treated differently between the Air Force and Navy.⁴ While the Navy reports the dollar differential between outgoing and incoming fuel costs, as shown in Figure 2, the Air Force reports all transactions in the given year, thus reporting a gross figure. From Figure 2, the gross volume of fuel transactions between Canada and the USA during the noted six-month period was \$12,913,221 – comprised of the USA providing Canada with \$11,079,549 of fuel and Canada providing the USA with \$1,833,673 of fuel. While the differential method is used for payment settlement purposes, reporting the differential of \$9,245,876 as overall MLSA activities under-represents the true value of fuel exchanged by \$3,667,345 for that six-month period alone. This variance may be significantly larger if extrapolating to account for activities with other nations, and for the entire fiscal year.

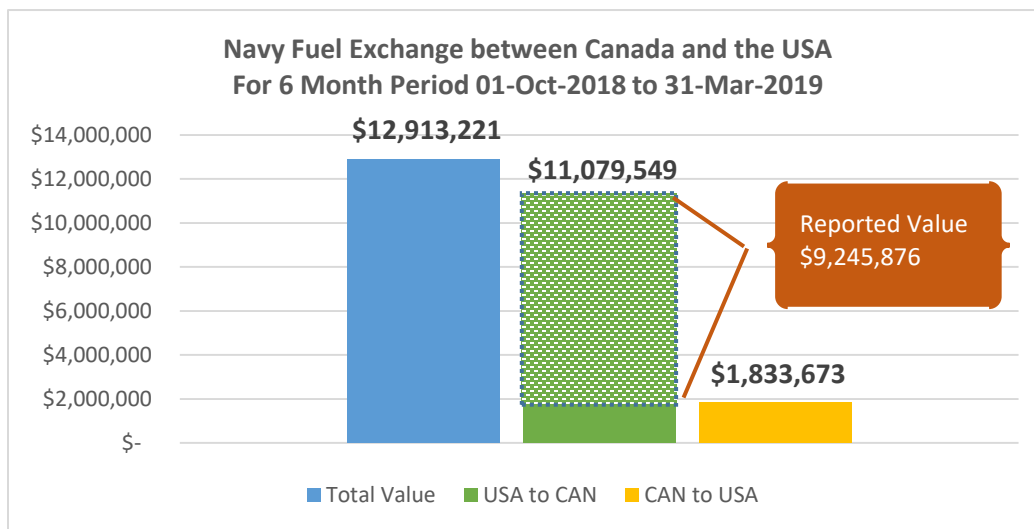


Figure 2. Navy Fuel Exchange between Canada and USA. This bar graph shows the navy fuel exchange between Canada and the USA from October 1, 2018 to March 31, 2019.

Both methods of differential and gross reporting of MLSA activities are currently accepted by ADM(Mat) for TB annual reporting. While allowing flexibility in transactions at the operational level is an important trait of MLSA management, reporting should be applied consistently across the environments to ensure that the amounts reported are both an accurate reflection of activity levels and in compliance with financial management and reporting requirements. Accepting all forms of reporting, combined with

⁴ Fuel transactions account for roughly 95% of total MLSA transactions.

limited L1 validation and oversight of the amounts, affects the totality and accuracy of the data available to inform senior management decision making, and to fulfill reporting requirements to TB.

2.2.2 Defence Resource Management Information System

The MLSA interim policy requires that all relevant financial and materiel accounting transactions be properly registered in the appropriate management information system. According to the interim policy, any actual transactions can be processed through DRMIS and direct deposits and cheques be processed through the Standard Payment System managed by Director Military Pay and Allowances Processing.

From a review of sampled transactions, a majority of transactions reported were able to be reconciled against information reported in DRMIS. Transactions with discrepancies between the L1 MLSA Annual Reports and the associated invoices/DRMIS may be attributed to estimates being reported on the call letter spreadsheet while invoices and DRMIS reflect actual amounts paid.

The current reporting process is not automated and is labour intensive, which increases the risk of errors and omissions. Since each environment applies their own method of data entry into DRMIS, information available to support MLSA transactions also varies.

ADM(Mat) is aware of this issue and adds the caveat to the TB annual submission that states the manual effort involved in identifying and gathering of the required data to produce the report remains a “best effort” and more comprehensive reporting capability is anticipated as system improvements are delivered in the future. In addition, interviews within ADM(Mat) indicate that DRMIS improvements are underway to improve the labeling and tagging of MLSA transactions. This identification standardization initiative will assist L1 reporting and improve the accuracy of the data being reported.

2.2.3 Conclusion

While a formal reporting structure is in place and transactions are being registered into DRMIS, additional guidance around the scope of reporting is required. Data entry standardization is needed to ensure information is correctly captured to improve MLSA data quality. Without clear direction, sufficient oversight and validation of the data, there is a risk that information may not be accurate and reliable. Establishing an oversight and validation function and data enhancement in DRMIS would promote consistency across the L1s and strengthen the overall integrity of the information reported.

ADM(RS) Recommendation

2. It is recommended that ADM(Mat), in collaboration with end users and functional authorities, establish a process to support effective monitoring and reporting of MLSA activities. This should include:
 - a) L1 attestation of reporting information;
 - b) Clarification of external reporting requirements; and
 - c) MLSAs be considered for financial controls monitoring.

OPI: ADM(Mat)

OCI: JAG, RCN, CA, RCAF, CJOC, CANSOFCOM, ADM(Fin), ADM(IE)

ADM(RS) Recommendation

3. It is recommended that ADM(Mat), in collaboration with end users, establish standardized DRMIS input requirements for MLSA transactions to support complete and reliable MLSA data.

OPI: ADM(Mat)

OCI: JAG, RCN, RCAF, CA, CJOC, CANSOFCOM, ADM(Fin), ADM(IE)

3.0 General Conclusion

MLSAs are important diplomatic tools that afford the CAF the flexibility to exchange and procure the necessary supplies and services to meet operational requirements. While the LSSS exchanged complied with the definition under the interim departmental policy, existing directives and guidance should be updated and finalized to provide additional details on differentiating factors of an MLSA. Additional clarity and guidance in existing policies to demonstrate compliance with usage conditions, and to support overall management should support users in the application and reporting of MLSA activities.

The current reporting process is labour intensive and increases the risk of errors and omissions. Reporting is completed through the use of a standardized call letter, but the calculation and compilation of transactions is managed independently by the environments with minimal validation and oversight. As such, figures required to be reported to TB are not a complete reflection of total MLSA activities for the period. Validation at the operational and functional levels, along with future DRMIS enhancements to improve labelling and identification should improve the reporting process and data integrity.

Annex A—Management Action Plan

ADM(RS) uses recommendation significance criteria as follows:

Very High—Controls are not in place. Important issues have been identified and will have a significant negative impact on operations.

High—Controls are inadequate. Important issues are identified that could negatively impact the achievement of program/operational objectives.

Moderate—Controls are in place but are not being sufficiently complied with. Issues are identified that could negatively impact the efficiency and effectiveness of operations.

Low—Controls are in place but the level of compliance varies.

Very Low—Controls are in place with no level of variance.

ADM(RS) Recommendation (Moderate)

1. To support accountability, continuity and appropriate justification/documentation, it is recommended that ADM(Mat), in consultation with functional authorities and stakeholders:

- a) Review, update and finalize the MLSA Interim Policy and DAOD 7014 to clarify ARAs; and
- b) Develop and disseminate Standard Operating Procedures to standardize the classification, management and documentation of MLSA-related activities.

Management Action

Action 1.1

ADM(Mat) will consult with JAG and L1 stakeholders to update the MLSA policy while ensuring:

- a) ARAs are in alignment with DAOD 7014;
- b) Standard Operating Procedures are developed and incorporated into the new policy; clearly articulating policy requirements used to classify, manage and document MLSA activities.

OPI: ADM(Mat)

OCI: JAG, RCN, CA, RCAF, CJOC, CANSOFCOM, ADM(Fin), ADM(IE)

Target Date: March 2021

ADM(RS) Recommendation (Moderate)

2. It is recommended that ADM(Mat), in collaboration with end users and functional authorities, establish a process to support effective monitoring and reporting of MLSA activities. This should include:

- a) L1 attestation of reporting information;

- b) Clarification of external reporting requirements; and
- c) MLSAs be considered for financial controls monitoring.

Management Action

Action 2.1

ADM(Mat) will consult with L1 stakeholders to develop effective monitoring and reporting of the following MLSA activities:

- A) Update the call letter process to require L1 attestation of reported information;
- B) Engage stakeholders to clarify reporting requirements; and,
- C) Engage ADM(Fin) representatives to consider financial control monitoring.

OPI: ADM(Mat)

OCI: RCN, CA, RCAF, CJOC, CANSOFCOM, ADM(Fin), ADM(IE)

Target Date: June 2022

ADM(RS) Recommendation (Moderate)

3. It is recommended that ADM(Mat), in collaboration with end users, establish standardized DRMIS input requirements for MLSA transactions to support complete and reliable MLSA data.

Management Action

Action 3.1

ADM(Mat) will collaborate with end users to identify and prioritize DRMIS requirements for MLSA transactions and will then submit this requirement to ADM(IM)/DRMIS through the Integrated Business Requirements Planning process.

OPI: ADM(Mat)

OCI: JAG, RCN, CA, RCAF, CJOC, CANSOFCOM, ADM(Fin), ADM(IE)

Target Date: June 2022

Annex B—Assessment Scope and Methodology

Scope

The scope of this assessment included the review of policies and directives in place to develop and manage MLSAs, including lists of formalized arrangements from the interim policy and provided by key stakeholders. A selection of transactions from the FY 2017/18 and FY 2018/19 reports to ADM(Mat) were reviewed, along with any supporting documentation and invoices, and corresponding DRMIS records.

The assessment work was conducted from January 2020 to February 2020 inclusive.

Scope Exclusions

The following were excluded from the scope of this assessment:

- Establishment and negotiation of MLSAs, including the reasonableness of terms and conditions;
- Adequacy and suitability of LSSS procured to meet operational requirements;
- Transactions not on the most recent reports to ADM(Mat) for FYs 2017/18 to 2018/19; and
- Timeliness and accuracy of invoice and payment processing, and reporting to DRMIS.

Methodology

The assessment results are based on the following:

- Review of relevant policies and directives that support the use and management of MLSAs;
- Interviews with subject matter experts within the functional authority organization, and within user organizations on the execution and reporting processes;
- File review of select transactions included in the FY 2017/18 and 2018/19 MLSA report to ADM(Mat):
 - Transactions reviewed across multiple MLSAs, and environments (CJOC, Navy, Air Force, and Army);
 - Reconciliation of those transactions against reporting on DRMIS; and,
- Analysis of MLSA listings provided by functional and policy authorities against transactions reported by the environments to ADM(Mat).

Annex C—List of MLSAs Included in the 2012 Interim Policy

Country	Name of Instrument	Date Approved	Status
Australia	Arrangement between DoD and DND Concerning Mutual Support	8 Sep 2009	Current Indefinite period
Austria	MOU between Ministry of Defence of Austria and DND Concerning Mutual Support	16 Oct 2003	Current Indefinite period
Hungary	MOU between MOD of the Republic of Hungary and DND Concerning Mutual Support	21 June 2001	Current Indefinite period
Italy	MOU between DND and MOD of the Italian Republic Concerning the Provision of Mutual Logistic Support	28 Oct 2009	Current Indefinite period
Korea	MOU between MND of the Republic of Korea and DND Concerning Mutual Logistics Support	22 Sep 2010	Current Indefinite period
Netherlands	MOU between the Department of National Defence of Canada and the Ministry of Defence of the Kingdom of the Netherlands Concerning Mutual Support	2 Jul 2002	Current Indefinite period
New Zealand	Arrangements between the New Zealand Defence Force and the Department of National Defence Concerning Mutual Support	7 Dec 1999	Current Indefinite period
United Kingdom	MOU between the MOD of the United Kingdom of Great Britain and Northern Ireland and the Department of National Defence Concerning Mutual Logistic Support	17 Jul 2009	Current Indefinite period
United States	MOU between the Department of Defense of the United States of America and the Department of National Defence of Canada Concerning Acquisition and Cross-Servicing	28 Feb 2007	Current Indefinite period

Table C-1. List of countries with MLSAs in place and included in the 2012 Interim Policy.

Annex D—Army CADTC LSSS Section 32 Form

LSSS SECTION 32 FORM (MLSA or other International Arrangement)

Exercise Name: _____

Type of LSSS required: _____

Expenditure Initiation Authority (EIA) has been provided for the fin code below by one of the following:
 Att'd email* from RC Mgr _____ Or as signed below _____

_____ Printed Name, Position _____ EIA Signature _____ Date _____

Section 32 Authority

\$ _____ are to be committed against Cost Centre _____ Fiscal Year _____
 for this requirement and utilized for the payment of invoice(s) resulting from the subject procurement with another Military.

FINANCIAL INFORMATION

Cost Centre		IO	
G/L		Commitment #	
Fund			

By signing this form, I am confirming that I have a valid Delegations of Authority form for Section 32 for the financial coding in the amount above.

_____ Printed Name, Position _____ Signature _____ Date _____

Commanding Officer or Appointed Designate Certification IAW ADM (Mat) Policy on MLSAs (para 15):
 Use of a MLSA provides the best response to this operational requirement for LSSS; the proposed transactions are IAW the DND/CF Policy Directive on MLSAs and consistent with the language and intent of the relevant MLSA. The requirement is funded and will be recorded in DRMIS. The following normal mechanisms have been considered and cannot be used:
 CF existing in-house resources and capabilities;
 Pre-facilitated procurement instruments established by PSPC such as the SO/SA; or
 Contracting through PSPC or utilizing DND contracting authority.

The following items are NOT being obtained under this request:
 Weapon systems, Major End Items or Inventories of Spare Parts
 Items prohibited from transfer by laws of one or both parties
 Items that should be contracted direct with a supplier

_____ Printed Name of CO or designate _____ Signature _____ Date _____

Logistic support, supplies and services (LSSS) are specifically defined as food, water billeting, transportation (including airlift), petroleum, oils, lubricants, clothing, communications services, medical services, ammunition, base support (and construction incident to base operations support), storage services, use of facilities, training services, spare parts and components, repair and maintenance services, calibration services, port and airport services, and the temporary use of general purposes vehicles and other non-lethal items of military equipment to the extent that such use is permitted under the national laws of the signatories.

* Note: any format is acceptable as long as it contains full fin code, date of approval, type of goods/services, \$ amount, signature, signature block (full name, rank and position) and type of authorization given.

Using an MLSA does not equate to a DoA column but it is subject to TB Contracting Limits.

Figure D-1. Section 32 form used by the CADTC for MLSA Logistics Support, Supplies and Services.