



## OCCAR-EA Policy Paper

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Contact address:	Central Office, OCCAR-EA Bonn Tel: + 49 228 5502 Ext 102 Fax: + 49 228 5502 Ext 100 Email: <a href="mailto:georges.peene@occar-ea.org">georges.peene@occar-ea.org</a>	

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## Record of changes

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## **1. Introduction/ Aim**

In compliance with Article 7 of the OCCAR Convention, OCCAR can manage COTS/MOTS programmes, if the Members States decide to assign such programmes to OCCAR.

The aim of this paper is to define a general policy applicable to the integration into and the management of COTS/MOTS programmes by OCCAR.

This extension of the OCCAR activities to COTS/MOTS endeavours to further facilitate and promote the establishment of cooperative programmes by offering an experienced European procurement agency in the field of armament equipment, while reaping the benefits of economy of scale. It should contribute to the better delivery of capability through the use of OCCAR's best practice, provide an opportunity for OCCAR-EA to further enhance its skills and can also be considered as a facilitator of the creation of an effective European Defence Equipment Market.

## **2. Definitions**

A COTS (commercial off-the-shelf) product can be defined as a product that is ready-made and available for sale to the general public, being neither made nor modified for solely military purposes.

A MOTS (military off-the-shelf) product is typically an off-the-shelf product that is developed or customized to respond to specifically military requirements. Because a MOTS product is already adapted and optimized for a military purpose, it can in principle be purchased and used immediately or in a very short term.

### Comments

It should be noted that the acquisition of "a ready to use" MOTS product is rather unusual, because in most of the cases the products have to satisfy specific national requirements (e.g. the integration of national sub-systems) which require a customization. Although this customization is expected in many cases to be limited to a simple adaptation of the product, it is not excluded that it would require an additional development phase, in which case the management of such a MOTS programme would fit even better in the present scope of OCCAR.

## **3. Conditions**

Not all possible MOTS and COTS programmes are suitable to be assigned in an optimal way to OCCAR. The programmes aimed at should meet the following conditions unless decided otherwise by the BoS:

- The programmes should be multinational and comply with the OCCAR-principles.
- A common core configuration and if possible a minimal common support has to be pursued by the participating nations.
- The programmes should have a specifically military application.
- The programmes should contribute to improve the competitiveness of the European defence technological and industrial base .
- The programme should have a significant size and cost

- The assignment to OCCAR of COTS/MOTS Programmes should lead OCCAR to manage the programme for the research of compliant products phase (on the basis of the military need expressed by Participating States), production phase and possibly the customization phase. This would imply that OCCAR would only play a role in the ISS-phase for the Equipment that has been acquired and/or customized by OCCAR.

#### **4. Implications of the management of COTS/MOTS programmes**

##### **4.1 Organisation**

The necessary resources inside the OCCAR-EA to be put in place to manage these programmes will be decided on a case-by-case basis and will be addressed formally in the applicable Programme Decision.

These resources could at the start be limited to those of the Central Office and evolve gradually in function of the number of programmes to one comprehensive division or to several distinct programme divisions.

##### **4.2 Supervision**

In function of the size of the programmes the necessary Programme Boards, Committees and Working Groups will be put in place to assure the necessary supervision by the participating states. In principle, technical working groups will be limited to a minimum.

##### **4.3 OCCAR membership**

Non-member Nation participation has to be in accordance with agreed OCCAR procedures but participation in OCCAR managed COTS/MOTS programmes will not be considered as fulfilling the programme participation condition of the OCCAR membership policy.

##### **4.4 Global Balance reporting**

COTS/MOTS-programmes can be taken into account in the Global Balance report if decided by the FTPC.

#### **5. Statement of policy**

The statement of policy at annex A (and only those sentences) will be advocated during all external communication events conducted by OCCAR-EA.

#### **6. Table of annexes**

Annex PP14-4-A	Statement of COTS/MOTS Policy
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## Statement of COTS/MOTS Policy

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The setup of OCCAR is sufficiently flexible to manage COTS/MOTS programmes as long as nations wish OCCAR-EA to do so, under modalities and conditions to be determined by the OCCAR Board of Supervisors.