

Treaties Committee Answers to Questions on Notice March 14 – DCNS Australia Part One

Chair Mr Robert : *If 25 firms have been through the pre-qualification process, how many firms have requested to go through that process and how many have popped out. (page 48) -*

A: The activity in which DCNS has been engaged for the past twelve months has not been an open call to Australian industry. Rather we have taken a targeted approach to establishing, as a first outcome, certainty that at least two companies can be judged as technically capable – providing a verified response to the Supplier Pre-Qualification Questionnaire for each of the 125 technology areas in the 'standard' level of equipment. This is a design-led activity and a broader approach to the market will take place later in the decade once the design is closer to finalisation. Since the pre-qualification 'Flash Audit' involves a half-day visit per company, DCNS has focused on pre-qualifying those companies it needs to visit to satisfy the key requirement.

As of 20 March, 44 companies had been through the pre-qualification process successfully. Two companies had received partial clearance and one company, although very capable, was assessed as being more suitable to supply electronic components to DCNS suppliers rather than being a potential DCNS supplier itself. All of those companies were approached by DCNS to arrange the Pre-Qualification.

Chair Mr Robert : *How many French firms have been pre-qualified/audited?*

A: The pre-qualification has been conducted only with Australian companies.. Any relationship between existing (and qualified French DCNS suppliers) is invariably identified early in the process since that will be key to subsequent Transfer of Technology.

Senator Kitching: One of the issues we discussed was the leaking of information in relation to the Scorpene submarines. There is a committee of inquiry going on in France. Are you able to enlighten us on the details? (Page 44)

A: *DCNS has filed a criminal complaint against unknown persons on the grounds of, notably, breach of trust before the Paris Public Prosecutor. This serious matter is thoroughly investigated by the French national authorities. We are bringing all our support to conduct these investigations which are covered in France by the secrecy of the investigation.*