

## Capability Acquisition and Sustainment Group (CASG) and Naval Shipbuilding and Sustainment Group (NSSG) - Top 30 Acquisition Projects as identified in the 2023-24 Portfolio Budget Statements

Domain/Project Name	Project number and phase	Government Approvals at Second Pass <sup>1,2</sup>	Subsequent Government Approvals - Scheduled <sup>3</sup>	Subsequent Government Approvals - Scope Variation <sup>4</sup>	Real Cost Variation <sup>5</sup>	Transfer <sup>6</sup>	Foreign Exchange Variation <sup>7</sup>	Price Indexation <sup>8</sup>	Total Approval <sup>9</sup> <sup>10</sup>	Comment
		\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
New Air Combat Capability	AIR 6000 Phase 2A/B	2,752	10,515	0	-3	-8	2,849	351	16,456	Subsequent Government Approvals - Scheduled: Government approved Stage 2 in April 2014 for an additional 58 aircraft (refer to Major Projects Report (MPR) 2021-22). Real Cost variation: Minor adjustment in 2012 related to foreign exchange budget (refer to MPR 2021-22). Transfer: Transfer of facilities project elements (refer to MPR 2021-22).
Multi-mission Unmanned Aircraft System	AIR 7000 Phase 1B	2,071	-	-	-4	18	48	0	2,134	Real cost variation: August 2009 Government decision to defer the project, excess funds returned to Government after the completion of First Pass approved scope (-\$1.3m). Force Structure Plan amendment in June 2020 (-\$2.2m) (refer to MPR 2021-22). Transfer: Air Force Headquarters initiated a budgetary adjustment to allow for greater flexibility for reprogramming and to reduce pressure on the Air Force operating budget. (refer to MPR 2021-22).
Ground Based Air & Missile Defence Enhancement	LAND 19 Phase 7B	1,274	-	-	-	-	-42	-	1,233	Foreign exchange adjustments only.
Enhanced Maritime Strike For Air Combat Capability	AIR 3023 Phase 1	748	-	-	-10	16	-3	-	751	Real Cost Variation: March 2023 Funding transfer to Security & Estate Group for earth covered storage facilities. Transfer: FY2021-22 transfer from Capability Manager budget codes to the new project codes.
Long Range ISREW Aircraft	AIR 555 Phase 1	2,166	-	-	-3	46	151	-	2,360	Real cost variation: April 2015 update to pre-First Pass Project Development Fund to progress the project through continued engagement with stakeholders (refer to MPR 2021-22). Transfer: FY2022-23 predominantly a transfer from Security and Estate Group due to savings in the facilities elements of the project.
Advanced Growler Development	AIR 5349 Phase 6	3,222	-	-	-	-3	-18	-	3,200	Transfer: FY2021-22 transfer from Capability Manager for project administrative budget (\$3.2m) as well as a transfer to Security and Estate Group (-\$6.6m).
Multi Domain Joint Strike - Air Launch	AIR 6004 Phase 2	498	-	-	-	7	53	-	558	Transfer: FY2021-22 transfer from Capability Manager budget codes to the new project codes.
Weapons & Countermeasures for Air Combat Capability	AIR 6000 Phase 3	760	-	-	-	-	50	-	810	Foreign exchange adjustments only.
Lead-In Fighter Capability Assurance	AIR 5438 Phase 2	586	-	-	-	-	-	-	586	No adjustments.
MQ-28A Ghost Bat	DEF 6014 Phase 2	451	-	-	-	-	3	-	454	Foreign exchange adjustments only.
P-8A Maritime Patrol & Response Aircraft System	AIR 7000 Phase 2	3,578	1,720	-20	-65	3	496	21	5,732	Subsequent Government Approvals - scheduled: Original Second Pass approval in 2014 was for eight aircraft, with subsequent approval in 2016 (\$1.295bn) to expand the fleet to 12, and a subsequent approval in 2020 to further expand the fleet to 14 (\$425m). Subsequent Government Approvals - Scope Variation: June 2020 Real Cost Decrease by the Capability Manager as a result of identified savings. This reduction has not impacted delivered capability or scope of the project (\$20.3m) (refer to MPR 2019-20). Real cost variation: July 2010 Hand back of contingency funding due to retirement of specific Increment 1 Memorandum of Understanding risks (\$21.7m); December 2011 reallocation of funding to Defence Support and Reform Group to develop AIR 7000 Phase 2B facilities requirements (\$38m) (refer to MPR 2019-20). Transfer: FY2017-18 transfer from Defence Science and Technology Group (\$1m) and FY2021-22 transfer from Capability Manager for project administrative budget.
Growler Airborne Electronic Attack Capability	AIR 5349 Phase 3	1,155	1,789	-	-395	-	958	-	3,508	Subsequent Government Approvals - scheduled: Combined pass approval was received in 2012 for modification of Super Hornet aircraft to EA-18G Growler configuration, and acquisition of associated equipment. These subsequent approvals include 12 new Growler Aircraft approved in 2013 (\$1.486bn), Approval for inclusion of additional Growler Enabling capabilities in 2014 (\$201m), and additional approval for acquisition and integration of CEA systems into the Mobile Threat Training Emitter System in 2017 (\$103m) (refer to MPR 2019-20). Real cost variation: Transfer to the estate project, correction of error in initial allocation, and retirement of contingency (refer to MPR 2019-20).
Air to Air Weapons for Joint Strike Fighter	AIR 6000 Phase 5	893	-	-	-	-	9	-	902	Foreign exchange adjustments only.
Enhanced HF Communications Re-Modernisation Program	JP 9101 Phase 1	854	-	-	-	-4	-3	-	848	Transfer: FY2022-23 transfer to Security and Estate Group for facilities aspects.
Multiple Tactical Data Link Network	JP 9347 Phase 1	556	-	-	-	-	10	-	565	Foreign exchange adjustments only.
Main Battle Tank Upgrade, Combat Engineering Vehicles	LAND 907 Phase 2	2,066	-	-	-	-	217	-	2,283	Foreign exchange adjustments only.
Mounted Combat Reconnaissance Capability	LAND 400 Phase 2	5,763	-	-	-	-	-105	-	5,657	Foreign exchange adjustments only.
MRH Rapid Replacement	LAND 4507 Phase 1	3,355	-	-	-	3	14	-	3,372	Transfer: FY2021-22 transfer of early access funding (\$3m) to support operating costs and costs associated with the Industry Mobilisation Contract.

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		\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
Armed Reconnaissance Helicopter (ARH) Replacement	LAND 4503 Phase 1	3,875	-	-	-	-	517	-	4,393	Foreign exchange adjustments only.
Protected Mobile Fires	LAND 8116 Phase 1	1,288	-	-	-	-	28	-	1,316	Foreign exchange adjustments only.
Special Operations Capability Enhancement	LAND 1508 Phase 1	356	-	-	-	-19	3	-	340	Transfer: Predominantly funding transferred to Security and Estate Group and other transfers in accordance with the approved governance framework for the project.
ADF Small Arms Replacement	LAND 159 Phase 1	454	-	-	-	-4	14	-	463	Transfer: Funding returned to Capability Manager for project administrative costs.
Tactical Training Vehicles	LAND 121 Phase 5B	1,170	-	-	-	32	-31	0	1,170	Transfer: Budget adjustment for Phase 3B of \$30m was approved by Government in 2018. The adjustment from Phase 3B was returned to Phase 5B in FY2023-24 (refer to MPR 2021-22).
ADF Deployable Health	JP 2060 Phase 3	406	-	-	-	-	-4	-	401	Foreign exchange adjustments only.
Tactical Unmanned Aerial Vehicles Upgrade	LAND 129 Phase 3	362	-	-	-	-	10	-	371	Foreign exchange adjustments only.
Joint Counter Improvised Explosive Device	LAND 154 Phase 4	659	-	0	-	-10	3	-	653	Transfer: \$10m transferred to the sustainment product for the sustainment of capability elements delivered by the project.
Hunter Class Frigate - Design and Construction	SEA 5000 Phase 1	6,184	-	-	-	-6	-17	-	6,161	Transfer: Budget transfers to Security and Estate Group and Navy.
Arafura Class Offshore Patrol Vessel	SEA 1180 Phase 1	3,639	-	-	-	0	25	-	3,664	Foreign exchange adjustments only.
Navy Guided Weapons Sub-Program	SEA 1300 Phase 1	4,256	-	-	-	1,690	318	-	6,264	Transfer: Government approved scope and funding for Evolved Sea Sparrow Missile Block 2 in 2021-2022 (categorised as a Transfer due to funding transferring between programs).
Hobart Class Destroyer - Aegis Capability Upgrade	SEA 4000 Phase 6	963	-	-	-	-7	-7	-	949	Transfer: Transfer to Security and Estate Group.

Notes:

1. Government Approvals at Second Pass represents the initial and/or second pass approved budget amount for the project, loaded in the Defence Corporate Budget Management System.
2. Major capital equipment projects are managed in two stages: a definition stage, which is funded at first pass, and an acquisition stage, which is funded at second pass. There also may be multiple passes through Government in obtaining approvals for the various phases of a project.
3. Subsequent Government Approvals - Scheduled represents all subsequent Government Approvals since the Original and/or Second Pass Government Approval and endorsement, where these were scheduled with the Government within Defence's Integrated Investment Program.
4. Subsequent Government Approvals - Scope Variation are approved by Government to address a formal scope increase or decrease, that were not originally scheduled for the project.
5. Real Cost Variation represents an increase, or decrease in the value of a project, that is not related to changes in scope.
6. Transfer of funding from one approved project element to another to support holistic achievement of overall project scope. This would typically be within the holistic approval of a single Integrated Investment Program Project across different Delivery Groups. This can also include transfers to sustainment to deliver residual project scope upon closure.
7. Foreign Exchange Variation represents the impact on the project approval value caused by changes in budgeted foreign exchange rates.
8. Price Indexation represents the impact on the project approval value caused by the change in budgeted price indexation rates. This process was discontinued after the 2010-11 Portfolio Budget Statements.
9. Figures may not add due to rounding.
10. All figures as at 2023-24 Portfolio Budget Statements and represent the Military Equipment Acquisition budget allocated to CASG and NSSG for each project.

Capability Acquisition and Sustainment Group (CASG) and Naval Shipbuilding and Sustainment Group (NSSG) projects

	Number of projects			Total project value (\$m)		
	CASG	NSSG	CASG/NSSG Total	CASG	NSSG	CASG/NSSG Total
Major projects in the Top 30	27	3	30	66,781	10,774	77,555
Major projects outside of Top 30	92	31	123	41,522	21,376	62,898
Total major projects	119	34	153	108,303	32,150	140,453
% of major projects in the Top 30 compared to total major projects	23%	9%	20%	62%	34%	55%
% of major projects outside of the Top 30 compared to total major projects	77%	91%	80%	38%	66%	45%

Notes:

1. Figures as at 2023-24 Portfolio Budget Statements.
2. Any projects restructured to Guided Weapons and Explosive Ordnance Group in July 2023 are included in the count as CASG/NSSG, as the above table reflects the delivery group at 2023-24 Portfolio Budget Statements.