Project Data Summary Sheet

Project Number	**LAND400 Phase 2**
Project Name	**MOUNTED COMBAT RECONNAISSANCE CAPABILITY**
First Year Reported in the MPR	2019-20
Capability Type	Replacement
Capability Manager	Chief of Army
Government 1st Pass Approval	Dec 14
Government 2nd Pass Approval	Mar 18
Budget at 2nd Pass Approval	$5,762.7m
Total Approved Budget (Current)	$5,775.6m
2024–25 In-year Budget	$382.4m
Complexity	ACAT I

Section 1 – Project Summary

1.1 Project Description

LAND400 Phase 2 will acquire the Boxer 8x8 Combat Reconnaissance Vehicle (CRV) to meet Army's land combat reconnaissance requirements. The project is approved to acquire 211 vehicles, additional modules, training systems and support systems to replace the in-service capability provided by the Australian Light Armoured Vehicle.

1.2 Current Status

Cost Performance

In-year

As at 30 June 2025, Financial Year (FY) 2024-25 expenditure was $351.5m against FY 2024-25 budget of $382.4m. The year-end underspend is primarily due to a delay in explosive ordnance delivery and is partially offset by the delay to the execution of the Contract Change Proposal (CCP) for the Refund on Development Costs (RODC).

Project Financial Assurance Statement

As at 30 June 2025, LAND400 Phase 2 has reviewed the project's approved scope and budget for those elements required to be delivered by Defence. Having reviewed the current financial and contractual obligations of Defence for this project, current known risks and estimated future expenditure, Defence considers, as at the reporting date, there is sufficient budget remaining for the project to complete against the agreed scope.

Contingency Statement

The project has not spent contingency in FY 2024-25.

Schedule Performance

The project has successfully achieved both Initial Materiel Release (IMR) (with exceptions) and Initial Operational Capability (IOC). The project schedule was adjusted on 16 December 2024 through an Integrated Baseline Review (IBR) to incorporate a series of contractual changes, principally focused on incorporating capability improvements and addressing supply chain delays and workforce availability. The project experienced delays in the exit of some design reviews and is working intensively with Rheinmetall Defence Australia Pty Ltd to ensure the achievement of Final Operational Capability (FOC), however this achievement is at very high risk. A revised and approved Materiel Acquisition Agreement (MAA) with forecasted dates is expected in Quarter 4, 2025 aligned with the outcomes of the Defence Strategic Review.

On the 21 March 2024, the Heavy Weapon Carrier Procurement Agreement was signed and through the negotiation process, the legal and commercial arrangements between Australia and Germany included relevant conditions to ensure that LAND400 Phase 2 will have schedule priority over, and not be negatively impacted by the production of the German Heavy Weapon Carrier vehicles.

Materiel Capability/Scope Delivery Performance

The project achieved IMR with exceptions in June 2021 and achieved IOC in June 2022.

Final Materiel Release (FMR) and FOC scope has had no materiel change.

1.3 Project Context

Background

Government First Pass Approval occurred in December 2014 for a replacement CRV. An assessment prior to First Pass Approval identified that current Military Off-The-Shelf solutions were unlikely to meet all of Army's capability requirements. Government Second Pass Approval occurred in March 2018 with Rheinmetall Defence Australia Pty Ltd as the preferred tenderer to deliver the Australianised Boxer 8x8 CRV. In August 2018, Defence signed the acquisition contract for 211 Boxer CRV, to be delivered in two blocks.

The Smart Buyer Process was introduced to Defence during 2016 and became a mandatory requirement for Defence projects during 2017. As the new process was introduced after LAND400 Phase 2 had approached the market, it was not feasible to implement it within the timeframe available.

In June 2022, Defence, through acceptance of the Block I Boxer CRV achieved IOC on schedule. The Block II Boxer CRVs will be substantially built and assembled in Australia consistent with the transition of technology, manufacturing techniques and assembly line production to Australia. There will remain some vehicle subsystems for which the transfer of manufacture or assembly from Europe to Australia is not cost-effective and will continue to be sourced from Europe. Final assembly, integration, set to work, and testing of these elements will occur in Australia.

In June 2023, the project was elevated to the Capability Acquisition and Sustainment Group (CASG) Group Watch List due to project complexity and the growing risk to schedule for the delivery of Block II vehicles.

On the 14 December 2023, Defence advised via letter that the stop payment related to Recovery Detailed Design Review (DDR) was released with the formal submission of the DDR entry criteria assessment.

A new stop payment was enacted in June 2025 for the late delivery of Reconnaissance Vehicle (RECON) 28 and is expected to be lifted in early August 2025.

On 27 June 2024, the project was elevated to a Project of Interest (POI) due to the complexity associated with the parallel delivery of LAND400 Phase 2 and the German Boxer Heavy Weapon Carrier Procurement agreement, together with ongoing schedule pressure on LAND400 Phase 2 to achieve its FOC milestone.

The criteria that the POI status will be assessed against:

- Rheinmetall Defence Australia Pty Ltd must achieve Commonwealth of Australia (CoA) approval of an assured baseline through the conduct of an IBR by December 2024. (Complete).
- Rheinmetall Defence Australia Pty Ltd must meet all key milestones in the revised schedule throughout calendar year 2025.
- Rheinmetall Defence Australia Pty Ltd must achieve delivery of 20 Heavy Weapon Carrier vehicles in calendar year 2025 while prioritizing LAND 400 Phase 2 vehicles.
- Rheinmetall Defence Australia Pty Ltd to address LAND 400 Phase 2 supply chain shortages through an approved Supply Chain Remediation Plan.

On the 20 August 2024, Defence advised via letter to invoke a stop payment due to the delayed delivery of the vehicle known as RECON 18.

On 16 December 2024, the project completed the IBR negotiations with Rheinmetall Defence Australia Pty Ltd providing a measurable Contract Master Schedule (CMS). The “Stop Payment” was lifted when the CoA accepted the second Block II Boxer CRV RECON 18 on 18 December 2024 as well as receiving a CMS detailing an achievable program and related artefacts to the satisfactory to the CoA.

The Boxer CRV will form part of Army’s modernised Armoured Fighting Vehicle capability, until its life-of-type.

Uniqueness

LAND400 Phase 2 is unique for two reasons. Firstly, Australia is the first nation acquiring a Boxer vehicle with a manned-turret, a variant that other countries have expressed an interest in. Secondly, the project is acquiring a uniquely designed Reconfigurable Driver Training Simulator – a system that was designed in Australia, won an Essington-Lewis Award for the best minor acquisition under $50.0m in 2020, and is attracting global interest for follow-on sales.

Major Risks, Emergent Risks and Issues

The project is currently managing the following Major Project Risks:

- Failure to achieve FOC on schedule.
- The Repair variant fails to Enter Preliminary Design Review (PDR) on Schedule.
- The Reconnaissance variant fails to meet reliability requirements.
- The integration of Active Protection System (APS) causes schedule delay.

The project is currently managing the following Emergent Risks:

- The Remote Weapon Station full rate production fails to meet schedule.
- CoA failure to provide Remote Weapon Station to meet contract requirements.
- Availability of Suitable Documentation to Enable CRV Training.
- CRV Support System Fit for Purpose.

The project is currently managing the following issues:

- The Recovery Variant fails to Exit DDR on schedule.
- The integration of the Digital Terminal Control System into the Joint Fires variant.
- The availability of permanent facilities for the CRV training equipment.
- The Verification and Validation (V&V) Program delays impact Reconnaissance Block II Training readiness Review.
- The project is managing a small quantity of residual issues associated with IMR exceptions. Block I Technical issues.
- Delivery of Reconnaissance Block II vehicles is delayed.
- The concurrent V&V activities overlap for Recovery, Command and Control and Joint Fires/Surveillance variants.

Other Current Related Projects/Phases

LAND200 Tranche 2 - Battlefield Command Systems. LAND400 Phase 2 is funding and delivering an interim Battlefield Management System (BMS) and Tactical Communications Network (TCN) capabilities that are required to be interoperable with the LAND200 Tranche 2 system. The LAND200 Tranche 2 project preceded LAND400 Phase 2 project approval. As a result, the LAND200 Tranche 2 scope related to the delivery of Army's BMS and TCN capabilities did not include the funding of LAND200 Tranche 2 equipment into the LAND400 Phase 2 CRV Boxer platform. The LAND200 Tranche 2 project is listed as a dependency from the perspective that the LAND400 Phase 2 interim BMS and TCN capabilities need to be interoperable with the final LAND200 BMS and TCN solution. LAND400 Phase 2 has not been notified of the date for the delivery of the final LAND200 BMS and TCN solution.

LAND154 Phase 2 - Joint Counter Improvised Explosive Device Capability. Force Protection Electronic Counter Measures solution integrated into the CRV as Government Furnished Equipment.

Section 2 – Financial Performance[1]

2.1 Project Budget (out-turned) and Expenditure History

Date	Description	$m		Notes
	Project Budget			
Dec 14	Original Approved (Government First Pass Approval)	116.7		
Mar 18	Government Second Pass Approval	5,646.0		
	Total at Second Pass Approval		**5,762.7**	
Jan 25	Real Variation - Transfer		(4.5)	4
Jun 25	Exchange Variation		17.4	4
Jun 25	**Total Budget**		**5,775.6**	
	Project Expenditure			
Prior to Jul 24	Contract Expenditure – Rheinmetall Defence Australia Pty Ltd	(2,345.7)		2
	Contract Expenditure – NIOA Pty Ltd	(96.2)		
	Contract Expenditure – Universal Motion Simulator Pty Ltd	(32.1)		
	Contract Expenditure – EOS Defence Systems Pty Limited	(14.7)		
	Contract Expenditure – RSA Rafael Systems of Australia Pty Ltd	(1.9)		
	Other Contract Payments/Internal Expenses	(299.3)		1
			(2,789.9)	
FY to Jun 25	Contract Expenditure – Rheinmetall Defence Australia Pty Ltd	(288.2)		6
	Contract Expenditure – NIOA Pty Ltd	(3.9)		
	Contract Expenditure – EOS Defence Systems Pty Limited	(0.5)		
	Contract Expenditure – RSA Rafael Systems of Australia Pty Ltd	(0.3)		
	Contract Expenditure – Universal Motion Simulator Pty Ltd	-		5
	Other Contract Payments/Internal Expenses	(58.6)		3
			(351.5)	
Jun 25	**Total Expenditure**		**(3,141.4)**	
Jun 25	**Remaining Budget**		**2,634.2**	

Notes	
1	Other Expenses ($299.3m) are for Project Office Administration ($98.5m), Command, Control, Communications, Computers and Intelligence (C4I) ($94.8m), Risk Mitigation Activity Contracts with Rheinmetall Defence Australia Pty Ltd Landsystem GmbH and BAE Systems Australia Pty Ltd ($50.0m), Extended Payment Terms Finance Charge ($24.3m), Anti-Tank Guided Missile ($6.8m), German Quality Assurance ($4.5m), Test and Evaluation ($4.2m), Support ($4.0m), Support Contract ($3.6m), APS ($3.1m), Other ($1.1m), Customs Duty ($0.9m), Risk Mitigation Activity – Other ($0.9m), and Remote Weapon Station – Block I ($0.6m), Training ($0.6m), Trailers ($0.6m), Integrated Logistics Support (ILS) Equipment ($0.2m) and Explosive Ordnance ($0.1m).
2	Milestone 070 was not achieved by 14 May 2023, and the CoA invoked a Stop Payment on 7 June 2023. The Stop Payment had no impact to expenditure for 30 June 2024 as it was lifted on 14 December 2023, only affecting payments to Rheinmetall Defence Australia Pty Ltd contract, over that period.
3	Other Expenses ($58.6m) are for C4I ($20.4m), Project Office Administration ($19.8m), ILS Equipment ($8.5m), APS ($3.9m), Trailers ($1.8m), Anti-Tank Guided Missile ($1.4m), Customs Duty ($0.9m), Other ($0.6m), Support ($0.5m), Training ($0.4m), Remote Weapon Station – Block II ($0.3m).
4	Real Variation – Transfer ($4.5m) The funding transfer was required to enable Directorate of Land Training Capability to facilitate delivery of Land Simulation (LS) Core 2.0 between FY 2024-25 and FY 2025-26.
5	No financial impact in FY 2024-25 however Universal Motion Simulator Pty Ltd will have future commitments.

[1]Notice to reader

As per the JCPAA MPR Guidelines, financial figures in the PDSS have been rounded to one decimal point. Section 2 financial tables may include totals and percentages that are impacted due to the rounding of the original financial data.

6	On 29 August 2024, a stop payment was enacted due to the delayed delivery of RECON 18 and was lifted in December 2024. A new stop payment was enacted in June 2025 for the late delivery of RECON 28 and is expected to be lifted in August 2025.

2.2A In-year Budget Estimate Variance

Estimate PBS $m	Estimate PAES $m	In-year Budget $m	Explanation of Material Movements
636.2	385.0	382.4	Portfolio Budget Statements (PBS) to Portfolio Additional Estimates Statements (PAES): The variation from PBS to PAES is primarily due to the rescheduling of contract milestones and deliveries. PAES to In-year Budget: The variation from PAES to In-year budget is primarily due to the FY 2025-26 PBS budgeted exchange rate update and the budget transfer out of the FY 2024-25 budget to supplement the LS Core V.02 activities which resulted in the net variance of PAES and the In-year budget.
Variance $m	(251.3)	(2.6)	Total Variance ($m): (253.8)
Variance %	(39.5)	(0.7)	Total Variance (%): (39.9)

2.2B In-year Budget/Expenditure Variance

In-year Budget $m	Actual $m	Variance $m	Variance Factor	Explanation
		5.7	Australian Industry	The Year-to-Date under achievement is primarily due to a delay to explosive ordnance delivery and partially offset by the delay to the execution of the CCP for the RODC.
		(33.9)	Foreign Industry	
		-	Early Processes	
		(2.8)	Defence Processes	
		-	Foreign Government Negotiations/Payments	
		-	Cost Saving	
		-	Effort in Support of Operations	
		-	Additional Government Approvals	
382.4	351.5	**(30.9)**	**Total Variance**	
		(8.1)	**% Variance**	

2.3A Details of Project Major Contracts – Price

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature $m	30 Jun 25 $m			
NIOA Pty Ltd	Jul 18	47.3	101.5	Firm or Fixed	Standard Defence Contract	4
Rheinmetall Defence Australia Pty Ltd	Aug 18	3,890.2	3,930.4	Firm or Fixed	Standard Defence Contract	1, 3
Universal Motion Simulator Pty Ltd	Dec 18	29.1	32.1	Firm or Fixed	Standard Defence Contract	-
EOS Defence Systems Pty Limited	Dec 19	50.2	62.6	Firm or Fixed	Standard Defence Contract	2, 3
RSA Rafael Systems of Australia Pty Ltd	May 23	45.7	48.7	Firm or Fixed	Standard Defence Contract	5

Notes	
1	Contract value as at signature is based on PBS FY 2018-19 budgeted exchange rates. The commitment value included price escalation estimates.
2	Contract value as at signature is based on Mid-Year Economic and Fiscal Outlook FY 2019-20 budgeted exchange rates. The commitment value included price escalation estimates.
3	The price at 30 June 2025 is $40.2m higher than the price at Rheinmetall Defence Australia Pty Ltd contract signature due to contract changes, exchange rate variation and price escalation. The price at 30 June 2025 is $12.4m higher than the price at EOS Defence Systems Pty Limited contract signature due to contract changes, exchange rate variation and price escalation.
4	Contract value as at signature reflects initial order quantity only not current value including additional purchase orders.
5	Contract value as at signature is based on PBS FY 2023-24 budgeted exchange rates.

2.3B Details of Project Major Contracts – Contracted Quantities and Scope

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 25		
NIOA Pty Ltd	Classified	Classified	Explosive Ordnance.	-
Rheinmetall Defence Australia Pty Ltd	211	211	CRV, 12 Mission Modules, Support and Test Equipment and Training Equipment.	1
Universal Motion Simulator Pty Ltd	6 1	6 1	Reconfigurable Driver Simulator – Fixed Part Task Trainer – Reconfigurable Driver Simulator.	-

EOS Defence Systems Pty Limited	82	82	Remote Weapon Station.	-
RSA Rafael Systems of Australia Pty Ltd	Classified	Classified	Explosive Ordnance.	-

Major equipment accepted and quantities to 30 Jun 25

As at 30 June 2025:

- 25 x CRV Block I and 8 x CRV Block II have been accepted.
- A classified quantity and variety of Explosive Ordnance has been accepted.
- 6 x Reconfigurable Driver Simulators and 1 x Trainer have been accepted.

Notes

1	In FY 2019-20, the quantity reported at contract signature was 223 – this figure included 211 CRV and the 12 additional Mission Modules. This figure has been updated to 211 to more correctly define the number of complete CRV.

2.4 Australian Industry Capability

Summary

The project has no contracted Australian Industry Capability (AIC) Plan with NIOA Pty Ltd as the contract is managed by Land Explosive Ordnance. NIOA Pty Ltd has an AIC Plan that maximises Australian Industry involvement across Design Development, Production Activities, ILS and Contractor Data Requirement Lists.

The project has a contracted AIC Plan based on opportunities to maximise internationally competitive Australian industry involvement which is captured in Rheinmetall Defence Australia Pty Ltd AIC Plans in the support of their design, manufacturing, integration, ILS and Project Management activities.

The project has a contracted AIC Plan with Universal Motion Simulator Pty Ltd. Universal Motion Simulator Pty Ltd has an AIC Plan that maximise Australian Industry involvement across Design Development, Production Activities, ILS, Contractor Data Requirement Lists and Project Management Office activities.

The project has a contracted AIC Plan with EOS Defence Systems Pty Limited. EOS Defence Systems Pty Limited has an AIC Plan that maximise Australian Industry involvement across the Design Development, Production, Contractor Data Requirement Lists and Project Management Office activities.

The project has no contracted AIC Plan with RSA Rafael Systems of Australia Pty Ltd as the contract is managed by Land Explosive Ordnance. RSA Rafael Systems of Australia Pty Ltd has an AIC Plan that maximises Australian Industry involvement across Design Development, Production Activities, ILS and Contractor Data Requirement Lists.

Note

AIC Plans for contracts worth more than $20 million are published on Defence's website.

Section 3 – Schedule Performance

3.1 Design Review Progress

Review	Major System/Platform Variant	Original Planned	Current Contracted	Achieved/ Forecast	Variance (Months)	Notes
System Requirements	Block I – Multi Purpose Vehicle	N/A	N/A	Nov 18	N/A	1, 2
	Block I – Reconnaissance	Nov 18	N/A	Nov 18	0	1
	Block II – Joint Fires and Surveillance	Jul 19	N/A	Jul 19	0	1
	Block II – Command and Control	Jun 19	N/A	Jul 19	1	1
	Block II – Reconnaissance	Jan 19	N/A	Feb 19	1	1
	Block II – Repair	Aug 19	Oct 19	Sep 19	1	1
	Block II – Recovery	Feb 19	N/A	Feb 19	0	1
Preliminary Design	Block I – Multi Purpose Vehicle	N/A	N/A	Jan 19	N/A	1, 2
	Block I – Reconnaissance	May 19	N/A	May 19	0	1
	Block II – Joint Fires and Surveillance	Dec 20	Jan 23	May 23	30	1, 3, 9
	Block II – Command and Control	Jul 20	Jan 23	May 23	34	1, 4, 9
	Block II – Reconnaissance	Jul 19	N/A	Sep 19	2	1, 3, 5
	Block II – Repair	Dec 21	Sep-25	Feb 26	50	1, 9, 10, 11
	Block II – Recovery	Feb 20	Sep 22	Aug 22	30	1, 6, 9
Critical Design	Block I – Multi Purpose Vehicle	Jan 19	N/A	Aug 19	7	1, 2, 7
	Block I – Reconnaissance	Oct 19	N/A	Nov 19	1	1
	Block II – Joint Fires and Surveillance	Nov 21	Feb 25	Dec 24	37	1, 3, 9, 10, 11
	Block II – Command and Control	Apr 21	Jan 25	Dec 24	44	1, 4, 9, 10, 11
	Block II – Reconnaissance	May 20	May 22	Aug 22	27	1, 8, 9
	Block II – Repair	Sep 22	NFP	NFP	NFP	1, 9, 10, 11

	Block II – Recovery	Mar 21	May 23	Dec 24	45	1, 9, 10

Notes	
1	The date represents the exit of the Design Review.
2	The Multi-Purpose Vehicle was only required to conduct a DDR.
3	Delay was due to the introduction of the Electronic Architecture and COVID-19 CCPs, uncertainty with the load list, and delays associated with the Command and Control variant.
4	Delay was due to a combination of the introduction of the Electronic Architecture and COVID-19 CCPs, and uncertainty with the load list.
5	Delay was due to a failure to satisfy all PDR requirements which resulted in Defence invoking a Stop Payment in July 2019 – this has now been lifted.
6	Delay was due to a CoA request for a risk reduction activity (in the form of a capability demonstration) to be incorporated into the review.
7	Delay was due to the late achievement of PDR and an underestimation of the time required to implement the design changes following the fitment exercise.
8	Delay was due to a combination of the Stop Payment (in July 2019) – Note 5 refers; the introduction of the Electronic Architecture and COVID-19 CCPs; the entry criteria for this activity not being met; and failure to exit the design review on schedule.
9	The additional variance is due to the execution of CCP026 which incorporated a series of capability improvements and addressed further COVID-19 delays.
10	The variance for FY 2023-24 was due to supply chain issues and also the ability of the main contractor to adequately resource the program with appropriately skilled resources.
11	The contract date changes are from the exit of the IBR, which was achieved by the approval of a CCP with Rheinmetall Defence Australia on 16 December 2024.

3.2 Contractor Test and Evaluation Progress

Test and Evaluation	Major System/Platform Variant	Original Planned	Current Contracted	Achieved/ Forecast	Variance (Months)	Notes
System Integration and Acceptance	Block I – Multi Purpose Vehicle	Oct 20	N/A	Dec 20	2	1, 2
	Block I – Reconnaissance	Oct 20	N/A	Jun 21	8	1, 2
	Block II – Joint Fires and Surveillance	NFP	NFP	NFP	NFP	1, 3, 4, 5, 6, 7
	Block II – Command and Control	NFP	NFP	NFP	NFP	1, 3, 5, 6, 7
	Block II – Reconnaissance	NFP	NFP	NFP	NFP	1, 3, 4, 5, 6,7
	Block II – Repair	NFP	NFP	NFP	NFP	1, 3, 5, 6, 7
	Block II – Recovery	NFP	NFP	NFP	NFP	1, 3, 4, 5, 6, 7

Notes	
1	Dates specified are based on acceptance of the final delivery for each variant.
2	Delivery was delayed due to a combination of production and manufacturing delays in Europe and the impact of COVID-19 in both Europe and Australia.
3	The variance is due to a combination of technical changes made to all variants and the impact of COVID-19 in both Europe and Australia.
4	While the forecasts are earlier than currently contracted, the milestones have still slipped overall compared to the previously reported forecasts.
5	The variance for FY 2023-24 relates to supply chain issues and the ability of Rheinmetall Defence Australia Pty Ltd to adequately resource the program with appropriately skilled resources.
6	The forecast dates are from Rheinmetall Defence Australia Pty Ltd CMS V36.2 (June 2025), which is the basis of the approved baseline.
7	The contract date changes are from the exit of the IBR, which was achieved by the approval of a CCP with Rheinmetall Defence Australia Pty Ltd on the 16 December 2024.

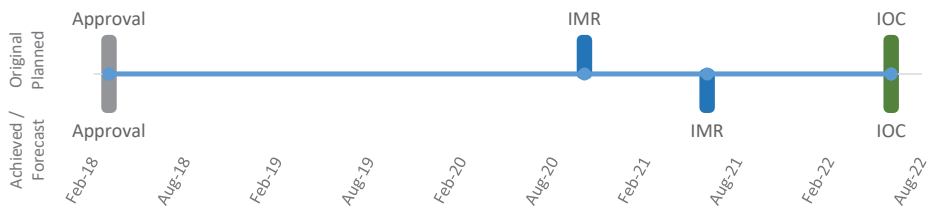
3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR)	Oct 20	Jun 21	8	1, 2, 3
Initial Operational Capability (IOC)	Jun 22	Jun 22	0	1, 4
Final Materiel Release (FMR)	NFP	NFP	NFP	1, 6
Final Operational Capability (FOC)	NFP	NFP	NFP	1, 5, 6

Notes	
1	Refer to Section 4.2 for definitions of these milestones.
2	The variance is due to a combination of production and manufacturing delays in Europe and the impact of COVID-19 in both Europe and Australia.
3	IMR was met with the delivery of 21 vehicles to the 7th Brigade in June 2021. IMR was declared with three exceptions which are further explained in Section 5.3.

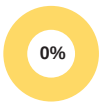
4	IOC was declared on 29 June 2022, when the first operationally-deployable CRV element (the first Mounted Combat Squadron) including mission, support and training systems, and facilities, if required, was delivered to the first Combat Brigade and support organisations, and accepted into service. The Block I vehicles experienced some technical issues during Operational Test and Evaluation activities, however these were not impediments to an IOC declaration, these are explained further in Section 5.3.
5	The project is working intensively with Rheinmetall Defence Australia Pty Ltd to ensure FOC is achieved on schedule, however is considered at very high risk.
6	The outcomes of the update to the MAA and the approval of CCP will have an impact on the forecasted dates for FMR and FOC. The revision and approved Version 3 of the MAA is not expected until later.

Schedule Status at 30 June 2025



Section 4 – Materiel Capability/Scope Delivery Performance

4.1 Measures of Materiel Capability/Scope Delivery Performance

Traffic Light Diagram: Percentage Breakdown of Materiel Capability/Scope Delivery Performance	
	**Green:** The project expects to meet the Materiel Capability Requirements as expressed in the MAA.
	**Amber:** N/A
	**Red:** N/A
Note	
This Traffic Light Diagram represents Defence's expected capability delivery.	

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Initial Materiel Release (IMR)	IMR occurred in June 2021 when 21 CRV mission systems were delivered to 7th Brigade, Brisbane and the initial contractor-provided logistics support arrangements were established. These included: user documentation, technical data, maintenance support, logistics instructions, engineering support, spares, and training systems.	Achieved with Exceptions
Initial Operational Capability (IOC)	IOC occurred on schedule in June 2022 when the first operationally deployable CRV element, including mission support, training systems and facilities, if required, were delivered to one Combat Brigade and support organisations, and accepted into operational service.	Achieved
Final Materiel Release (FMR)	FMR will occur with final delivery of the CRV capability. It includes: • Delivery of all vehicles, spares and attrition, and simulation training enablers for the CRV capability to all gaining units.	Not yet Achieved

	• Logistics support arrangements, including: user documentation, technical data, maintenance support, logistics instruction, engineering support, spares, training systems and facilities. Forecast dates for FMR are NFP.	
Final Operational Capability (FOC)	FOC will occur when: • The full scope of LAND400 Phase 2, including mission, support and training systems, and facilities (if required), has been delivered to the three Combat Brigades and support organisations, and accepted into operational service. • Support arrangements are finalised in accordance with the ILS Plan. • The three Armoured Cavalry Regiments are declared operationally ready by the Capability Manager (including training fleets, and spares and attrition stock vehicles). Forecast dates for FOC are NFP.	Not yet Achieved

Section 5 – Major Risks, Emergent Risks and Issues

5.1 Major Project Risks

Identified Risks (risk identified by standard project risk management processes)		
Ref#	Description	Remedial Action
1	Failure to achieve FOC on schedule. There is a risk that FOC will not be achieved on schedule due to the combined impacts of COVID-19, technical difficulties, global supply chain disruption, and problems faced by Rheinmetall Defence Australia Pty Ltd.	The CoA has worked intensively with Rheinmetall Defence Australia Pty Ltd to reduce delays. Despite this, the project assesses that achievement of FOC is currently a Very High risk and is being actively managed by CoA and Industry senior leadership.
2	Block II – The Repair variant fails to Enter PDR on Schedule. There is a risk that Repair Variant design maturity level will impact PDR entry milestone dates.	The CoA is working closely with Rheinmetall Defence Australia Pty Ltd to actively manage any delays to PDR during fortnightly Program Management Review meetings. The CoA is supporting Rheinmetall Defence Australia Pty Ltd to provide review and acceptance of PDR activities.
3	The Reconnaissance variant fails to meet reliability requirements. There is a risk that the Boxer CRV may fail to meet the contracted minimum reliability requirements, leading to an impact on the schedule.	The CoA is working closely with Rheinmetall Defence Australia Pty Ltd to actively manage the Acceptance V&V activities designed to provide the required Reliability Availability Maintainability requirements.
4	The integration of APS causes schedule delay. There is a risk that Rheinmetall Defence Australia Pty Ltd is unable to integrate the Army-preferred APS onto the CRV as it is not sufficiently mature.	The CoA is working with Rheinmetall Defence Australia Pty Ltd to assess the cost, schedule, risk and capability impacts of integrating APS into all Block II Boxer CRV variants to inform considerations leading to a future solution.

5.2 Emergent Risks

Emergent Risks (risk not previously identified, or has increased in rating, which have emerged during 2024–25)		
Ref#	Description	Remedial Action
1	The Remote Weapon Station fails to meet full rate production on schedule.	The CoA continues to work with Electro Optic Systems to actively manage any delays to the full rate production of the Remote Weapon Station to align with the delivery of the Non Turreted CRV. This risk has been resolved and will be removed from next year's Major Projects Report (MPR).
2	CoA failure to provide Remote Weapon Station as Government Furnished Equipment to meet contract requirements.	The CoA continues to work with Rheinmetall Defence Australia Pty Ltd with the design and integration of the Remote Weapon System in preparedness for the delivery of the production units. This risk is classified as medium and will be removed from next year's MPR.
3	Availability of Suitable Documentation to Enable CRV Training.	The CoA continues to work with Rheinmetall Defence Australia Pty Ltd to ensure interim training packages are delivered in line with Army's schedule to conduct practical training and qualification.
4	CRV Support System Fit for Purpose.	The CoA continues to work with Rheinmetall Defence Australia Pty Ltd on a supply chain remediation plan.

5.3 Major Project Issues

Ref#	Description	Remedial Action
1	The Recovery Variant fails to Exit DDR on Schedule. There is an issue that Recovery Variant design maturity level will impact achievement of DDR Exit.	Rheinmetall Defence Australia Pty Ltd has achieved the exit criteria for the Recovery DDR. This is has now been resolved and will be removed from next year's MPR.
2	The integration of the Digital Terminal Control System into the Joint Fires variant. There is an issue that the Joint Fires & Surveillance variant is unable to effectively conduct Joint Fires missions using a mounted or hosted NextGen Digital Terminal Control System leading to an impact on performance.	Evidence in testing suggests that the risk assessment is reduced with minor cost implications and low schedule impacts. This issue has now been resolved and will be removed from next year's MPR.
3	The availability of permanent facilities for the CRV training equipment. There is an issue of additional costs to the project in order to relocate training systems from interim facilities at Brisbane and Adelaide that are to be used while the permanent facilities are built.	The Training Facilities at Puckapunyal are now complete. This issue has been resolved and will be removed from next year's MPR.
4	The V&V Program delays impact Reconnaissance Block II Training readiness Review. There is an issue that the Boxer CRV will fail to meet the contracted blast protection requirements, which may impact on cost, schedule, performance and safety.	Rheinmetall Defence Australia Pty Ltd completed Mobility V&V activities in support of the safety case report. The completion of this activity downgraded the issue to medium. The issue has now been resolved and will be removed from next year's MPR.
5	IMR Exceptions. IMR was declared with three exceptions relating to: • The completion of Functional Configuration Audit and Physical Configuration Audit. • The integration of electronic counter measures. • Transportability studies including air transportability and integration with other Army vehicles.	The Physical Configuration Audit was completed on the 7 December 2022 and the Functional Configuration Audit was completed on the 23 February 2024. The project has completed remediation work to address the integration of electronic counter measures. The Project retained the Air Transportability task indicated for closure. This issue has now been retired and will be removed from next year's MPR.
6	Block I Technical Issues. There is an issue that the Block I vehicles experienced some minor technical issues during introduction into use – issues like these are to be expected in a project of this size and complexity. Whilst the issues did result in increased risk being accepted by the Capability Manager, none were impediments to the declaration of IOC. The issues were associated with human factors, towing, and air transportability.	The project is working intensively with Rheinmetall Defence Australia Pty Ltd to address these and is expected to be resolved in 2023 within the timeframes required by Army. The issue for the Block I towing has been resolved with the approval of the acceptance test report and approval of the Engineering Change Proposal. The human factors issues have been addressed with the approval of the Engineering Change for the Turret Software Upgrade. For the air transportability issue there is agreed way forward to resolve the issue. This issue has now been retired and will be removed from next year's MPR.
7	Delivery of Block II Reconnaissance vehicles is delayed.	The CoA continues to work intensively with Rheinmetall Defence Australia Pty Ltd to mitigate the associated risk to continued delays to the schedule.
8	The concurrent V&V activities overlap for Recovery, Command and Control and Joint Fires / Surveillance variants. The current schedule highlights the risk of concurrent V&V activities across all non-turreted vehicles. This could see a delay in V&V activities due to lack of staffing resources, facilities and external providers all being available concurrently.	The CoA continues to work intensively with Rheinmetall Defence Australia Pty Ltd to provide an assured project baseline in order to mitigate potential risk to concurrent activities.

Section 6 – Lessons

6.1 Key Lessons

In line with Defence Instructions and CASG Lessons policy, the project conducts scheduled reviews of its captured lessons information (including any observations, insights and/or lessons identified) as well as lessons Information contained within the Defence Lessons Repository. The project has captured 49 lessons. The three project strategic lessons and the five project level lessons (non-strategic) are listed below.	
Description	**Categories of Systemic Lessons**
Strategic Lesson Type – Observation. Whole of capability focus – The project should establish and maintain a 'whole of capability' focus in delivering the Boxer CRV, including management of all fundamental inputs to capability and commonality and alignment across the support and training systems to retain its effectiveness in rapidly changing threat and technology environments.	Engineering & Technical
Strategic Lesson Type – Observation. Capability Manager and stakeholder engagement are an essential part of the tender governance – arrangements should be established for regular participation of the 3-star Capability Manager and Deputy Secretary CASG in senior governance arrangements. It is recommended that each major acquisition program invite participation from Contestability Division, Joint Force Design, Industry Division and Defence Science and Technology at all levels of the Tender Evaluation Organisation.	Program, Project & Product Management
Strategic Lesson Type – Observation. Industry engagement – Early engagement of 'Industry' (as one of the fundamental inputs to capability) is required to maximise Australian industry participation in delivering the capability. The requirements, guidance and parameters for industry involvement should be included in the tender documentation and facilitated industry engagement should be a standard part of any major acquisition project.	Engineering & Technical
Project Level Lessons (non-strategic) Description	**Categories of Systemic Lessons**
Project Level Lesson. The Integrated Project Management Team to provide direction for the Capability Manager and Delivery Group to move forward for project delivery.	Program, Project & Product Management
Project Level Lesson. Communication in the transition phase to Enterprise Resource Planning has enabled improved project outcomes.	Program, Project & Product Management
Project Level Lesson. A collaborative approach to risk based activities when accepting vehicles will ensure increased efficiencies and speed to capability.	Engineering & Technical
Project Level Lesson. Improved management of vehicles to support V&V activities and Introduction Into Service courses.	Engineering & Technical
Project Level Lesson. Routine collaboration between the CoA and Rheinmetall Defence Australia Pty Ltd engineering and project management teams.	Engineering & Technical

Section 7 – Project Structure

7.1 Project Structure as at 30 June 2025

Unit	Name
Division	Land Systems Division
Branch	Armoured Fighting Vehicles Branch