

Project Data Summary Sheet

Project Number	AIR5349 Phase 6
Project Name	ADVANCED GROWLER – AIRBORNE ELECTRONIC ATTACK UPGRADE
First Year Reported in the MPR	2022-23
Capability Type	Upgrade
Capability Manager	Chief of Air Force
Government 1st Pass Approval	Dec 16
Government 2nd Pass Approval	Dec 22
Budget at 2nd Pass Approval	\$3,218.5m
Total Approved Budget (Current)	\$3,287.0m
2024–25 In-year Budget	\$259.8m
Complexity	ACAT II



Section 1 – Project Summary

1.1 Project Description

Project AIR5349 Bridging Air Combat Capability was initiated to maintain an air combat capability during transition from F/A-18A/B and F-111 to F-35A. Phases 1 and 2 led to the introduction of 24 F/A-18F aircraft and related weapons respectively. AIR5349 Phase 3 acquired an Airborne Electronic Attack Capability (AEAC), including 12 EA-18G Growler and related mission and support systems such as the Mobile Threat Training Emitter System (MTTES). Project AIR5349 Phase 6 was initiated to support the next series of major Royal Australian Air Force (RAAF) EA-18G Growler upgrades and associated Fundamental Inputs to Capability (FIC) elements, required to ensure AEAC remains effective through to the Planned Withdrawal Date.

AIR5349 Phase 6 comprises the following:

- Next Generation Jammers (NGJ) and associated aircraft integration – NGJ is being developed and acquired by the United States Navy (USN) in three increments, namely: NGJ Mid Band (NGJ-MB), NGJ Low Band (NGJ-LB) and NGJ High Band (NGJ-HB).
- Aircraft modifications including sensor upgrades.
- Anti-Radiation Missile (ARM) variants.
- Electronic Warfare (EW) training range upgrades.
- Other Jammers.
- FIC elements including personnel, facilities, spares, support and training devices.

1.2 Current Status

Cost Performance

In-year

As at 30 June 2025, Financial Year (FY) 2024-25 expenditure was \$244.1m against FY 2024-25 budget of \$259.8m. The variance is primarily due to lower than forecast End of Financial Year (EOFY) accruals, as a result of adjustments in accounting treatment for NGJ costs.

Project Financial Assurance Statement

As at 30 June 2025, AIR5349 Phase 6 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

In response to the 2024 Integrated Investment Program (IIP) and associated program sponsor direction, elements of the project are being re-planned to meet IIP funding allocation. A revised schedule baseline will be established in a new Materiel Acquisition Agreement (MAA). Consistent with Government direction, the new MAA will include the merge of AIR5349 Phase 3 Growler AEAC and AIR5349 Phase 6 Growler AEAC projects into one AIR5349 EA-18G Growler project.

The project has successfully achieved Materiel Release 1 (MR1) milestone and Government Second Pass Approval for Tranche 1 in accordance with the current MAA.

In accordance with program sponsor direction to delay EW Ranges scope, Materiel Release 2 (MR2) and MTTES Ready for Training 1 (RFT1) schedule dates have been re-forecast.

The project is managing schedule risk associated with several milestones. These are Materiel Release 3 (MR3) against the MAA baseline of June 2025, Materiel Release 4 (MR4), Materiel Release 5 (MR5) and Materiel Release 9 (MR9).

The associated schedule risks to MR3, MR4 and MR5 have impacted forecast dates Tranche 1 Initial Operational Capability (IOC).

<p>Delays associated with USN Advanced Anti-Radiation Guided Missile – Extended Range (AARGM-ER) program for MR9 have impacted forecast dates Tranche 1 Operational Capability (OC2).</p> <p>The impacts of the project risks are applicable to Section 3.3 Progress Towards Materiel Release and Operational Capability Milestones.</p>
<p>Materiel Capability/Scope Delivery Performance</p> <p>The project has successfully achieved MR1 milestone in December 2022. The project expects to achieve delivery of all agreed scope in accordance with the MAA, inclusive of all elements of FIC.</p> <p>Subsequent Materiel Release milestones yet to be achieved, will include the following scope, in accordance with the MAA:</p> <ul style="list-style-type: none"> Jammers. Procurement of NGJ tactical jammers and other pods, and associated aircraft integration. The NGJ is being developed and acquired by the USN in three increments, namely: NGJ-MB, NGJ-LB, and NGJ-HB. Australia has entered into a Cooperative Project (CP) with USN for this capability. Platform. Aircraft modifications including Growler Block II upgrade and sensor upgrades. Weapons. Procurement of AGM-88 ARM variants, including an extended range capability AGM-88G AARGM-ER. EW Ranges. Upgrades to the MTES training ranges. FIC. All FIC associated elements.

1.3 Project Context

<p>Background</p> <p>AIR5349 Phase 6 will introduce a number of enhancements to the AEAC, centred on the EA-18G Growler. Enhancements to the aircraft will follow the USN upgrade pathway ('flight plan') to maintain commonality between the Australian and USN EA-18G Growler. This meets the intent of the Defence White Paper 2016, enabling the Australian Growler to remain fully capable and fully interoperable, at all security levels, ensuring ongoing operational relevance and the successful conduct of combined Airborne Electronic Attack (AEA) operations.</p> <p>In 2014, the United States (US) invited Australia to participate in the CP for the development of the NGJ Weapon System. In December 2016, the Government through First Pass Approval agreed for Australia to enter into CP with the USN through Engineering, Manufacture and Development (EMD) Memorandum of Understanding (MOU) for NGJ-MB capability development, and Second Pass Approval for the procurement of the operational ARM variants via a Foreign Military Sales (FMS) arrangement. In 2017, the project performed Smart Buyer profiling that supported the AIR5349 Phase 6 project to build on existing EA-18G Growler FIC and remain USN-common. This was considered to refine the project scope and associated execution strategy.</p> <p>In August 2019, the Government through Interim Pass Approval agreed for Australia to continue further participation in future cooperative efforts for NGJ-MB with the USN through Production, Sustainment and Follow-on Development (PSFD) MOU, and NGJ-LB capability development through a subordinate Project Arrangement (PA).</p> <p>In 2021, an additional Smart Buyer activity was undertaken to revalidate the project's execution strategy. As a result of the Smart Buyer considerations, the project will approach Government on three separate occasions as a minimum, for approval of each of the major tranches aligned against USN NGJ Program (i.e. Low, Mid and High Band). Such an approach will provide the flexibility necessary to respond to changes in the threat environment and US programs and maintain commonality with the USN aircraft.</p> <p>The Government Second Pass Approval for Tranche 1 was received in December 2022.</p>
<p>Uniqueness</p> <p>AIR5349 Phase 6 is unique as Australia entered into a bilateral arrangement with the US for co-development of NGJ. Acquiring NGJ-MB through a CP enables Defence to gain insights on design and development that reduces risks associated with transition into service, and promotes interoperability with the USN.</p>
<p>Major Risks, Emergent Risks and Issues</p> <p>The project is managing the following major risk:</p> <ul style="list-style-type: none"> Delays to delivery impacting achievement of Materiel Releases. <p>The project is managing the following emergent risks:</p> <ul style="list-style-type: none"> Delays to delivery/certification impacting achievement of Materiel Release. Delays to delivery impacting achievement of Materiel Releases. <p>The project is not tracking any major issues.</p>
<p>Other Current Related Projects/Phases</p> <p>AIR5349 Phase 3 – Growler AEAC. Project AIR5349 Phase 3 acquired 12 EA-18G Growler AEA aircraft, ALQ-99 Tactical Jamming System and associated weapons, training system, and through-life aircraft upgrades and support.</p> <p>JP2093 – Guided Weapons and Explosive Ordnance Storage Program. Undertake the required scope of work associated with the weapons storage facilities, with AIR5349 Phase 6 contributing towards informing weapons storage requirements and associated funding.</p> <p>ESTA5349 Phase 6 – Phase 6 Advanced Growler. Included within AIR5349 Phase 6 Gate 2 approval for construction of NGJ maintenance and storage facilities at RAAF Base Amberley and EW range and range support facilities at Delamere Training Area and Amberley.</p>

Section 2 – Financial Performance¹

2.1 Project Budget (out-turned) and Expenditure History

Date	Description	\$m	Notes
Project Budget			
Sep 17	Original Approval (Government First Pass Approval)	271.1	1
Aug 19	Government Interim Pass Approval	279.2	2
Aug 21	Real Variation – Transfer	0.8	3
Sep 21	Real Variation – Transfer	2.4	3
Apr 22	Real Variation – Transfer	(6.6)	3
Mar 23	Government Second Pass Approval	2,671.7	4
	Total at Second Pass Approval	3,218.5	
Jun 23	Real Variation – Transfer	(69.1)	5
Jun 25	Exchange Variation	137.5	
Jun 25	Total Budget	3,287.0	
Project Expenditure			
Prior to Jul 24	Contract Expenditure – US Government (NGJ Increment One Development MOU)	(308.0)	
	Contract Expenditure – US Government (NGJ-MB Prime Contracts)	(130.0)	
	Contract Expenditure – US Government (NGJ PSFD MOU)	(120.3)	
	Contract Expenditure – CEA Technologies Pty Ltd	(75.0)	
	Contract Expenditure – US Government (NGJ-LB Capability PA)	(72.1)	
	Contract Expenditure – FMS Case AT-P-AQP	(16.8)	
	Contract Expenditure – FMS Case AT-P-ASA	(5.4)	
	Other Contract Payments/Internal Expenses	(25.2)	
		(752.8)	
FY to Jun 25	Contract Expenditure – US Government (NGJ-MB Prime Contracts)	(115.7)	
	Contract Expenditure – US Government (NGJ-MB Increment One Development MOU)	(66.4)	
	Contract Expenditure – CEA Technologies Pty Ltd	(39.8)	
	Contract Expenditure – FMS Case AT-P-ASA	(0.9)	
	Other Contract Payments/Internal Expenses	(21.3)	
		(244.1)	6
Jun 25	Total Expenditure	(996.9)	
Jun 25	Remaining Budget	2,290.1	
Notes			
1	Government First Pass Approval to initiate the project, enter NGJ Increment One Development MOU with the USN and Government Second Pass Approval to progress FMS Case AT-P-AQP. Allocation of funding occurred in September 2017, following Government First Pass in December 2016.		
2	Government Interim Pass Approval to enter into the NGJ PSFD MOU, NGJ-LB Capability PA and continue development of the NGJ capability.		
3	Transfer of funds due to RAAF contingency and unallocated budget movements and transfer of funds to Security and Estate Group (SEG) Capability.		
4	Government Second Pass Approval of Tranche 1 funding. Tranche 1 approval to fund NGJ-MB shipsets and associated spares and support equipment; AGM-88G acquisition; EW Ranges upgrades, including upgrades to the MTES and acquisition of Mobile Electronic Warfare Threat Emitter System (MEWTES); development of aircraft upgrades, cooperative development of the NGJ-LB and NGJ-HB with the USN; and FIC element upgrades and sustainment associated with Tranche 1 acquisition. Allocation of funding occurred in March 2023, following Government Second Pass in December 2022.		
5	Transfer of \$69.1m to SEG to fund the Minimum Level of Operational Capability facilities option presented at Conceptual Design Review.		
6	Other Contract Payments/Internal Expenses to 30 June 2025 were comprised of contractor support, travel and project management expenses.		

¹Notice 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.

2.2A In-year Budget Estimate Variance

Estimate PBS \$m	Estimate PAES \$m	In-year Budget \$m	Explanation of Material Movements
251.1	252.4	259.8	Portfolio Budget Statements (PBS) to Portfolio Additional Estimates Statements (PAES): Variation is due to foreign exchange rate variance. PAES to In-year Budget: Variation is due to foreign exchange rate variances.
Variance \$m	1.3	7.4	Total Variance (\$m): 8.6
Variance %	0.5	2.9	Total Variance (%): 3.4

2.2B In-year Budget/Expenditure Variance

In-year Budget \$m	Actual \$m	Variance \$m	Variance Factor	Explanation
		33.7	Australian Industry	The variance in spending was primarily due to lower than forecast EOFY accruals, as a result of adjustments in accounting treatment for NGJ costs.
		-	Foreign Industry	
		-	Early Processes	
		-	Defence Processes	
		(49.4)	Foreign Government Negotiations/Payments	
		-	Cost Saving	
		-	Effort in Support of Operations	
		-	Additional Government Approvals	
259.8	244.1	(15.7)	Total Variance	
		(6.0)	% 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			
US Government (FMS Case AT-P-AQP)	Sep 17	19.4	17.2	Reimbursement (for FMS)	FMS	-
US Government (NGJ Increment One Development MOU)	Oct 17	199.4	308.0	Cost Ceiling (Capped)	MOU	1, 2, 3
US Government (NGJ PSFD MOU)	May 20	109.1	120.3	Cost Ceiling (Capped)	MOU	1, 4, 5
US Government (NGJ-LB Capability PA)	Jul 20	80.7	72.1	Cost Ceiling (Capped)	MOU	1, 6
CEA Technologies Pty Ltd	Dec 22	278.4	279.5	Firm or Fixed	Standard Defence Contract	7, 8
US Government (NGJ-MB Prime Contract)	Mar 23	284.4	741.7	Variable	MOU	9
US Government (FMS Case AT-P-ASA)	Jul 23	433.0	433.0	Reimbursement (for FMS)	FMS	10
US Government (NGJ-MB Extended Upgrade)	Jun 24	67.3	66.4	Cost Ceiling (Capped)	MOU	11

Notes	
1	This agreement has fully expended all funding to the US Government.
2	An agreement to enable shared contributions to EMD of NGJ-MB with some discussion of follow-on developments. Funding is limited to a cost ceiling, which can only be changed upon mutual written consent of the Participants. Australia is responsible for paying a proportion of the total costs.
3	Increase in Contract Price is due to an increase in the overall NGJ-MB EMD including the Research, Development, Test and Evaluation activities. The increase represents the Australian Department of Defence (DoD) equitable share in accordance with the US Government NGJ Increment One Development MOU.
4	An 'umbrella' agreement to enable shared contributions to PSFD of the NGJ Weapon System (including Production and Sustainment of NGJ-MB), with subordinate PAs for additional AEA capabilities. The PSFD MOU provides scope for production, sustainment, and follow-on development of AEA capabilities. Funding is limited to a cost ceiling, which can only be changed upon mutual written consent of the participants. Australia is responsible for paying a proportion of the total costs.
5	The Exchange of Letters agreed an increase to the price ceiling of the PSFD MOU for the follow-on development of the NGJ-MB capability.
6	PA under the PSFD MOU to design, develop, test and integrate NGJ-LB capability into the EA-18G Growler. Australia is responsible for paying a proportion of the total costs.
7	The scope of the contract includes eight MEWTES, four Advanced MTTES (ADVM) and associated support system elements.

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8	Signature value reflects the out-turned contract value (ex GST). The price variance is due to foreign exchange as at 30 June 2025.
9	The scope of the contract includes initial quantity of NGJ-MB shipsets, spares, support equipment and training system. The price variance is due to the award of Lot 4 and Lot 5 Production Contracts.
10	Establishment of new FMS Case for AARGM-ER.
11	Establishment of PA under the PSFD MOU to enable the cooperative design, development, and testing of the NGJ-MB Extended Upgrade (NGJ-MBX) for NGJ-MB weapon system and integrate upgraded capability into the EA-18G Growler. The price variance is due to different foreign exchange rates at time of Section 23 approval documented in 2023-24 Project Data Summary Sheet (PDSS) and the actual payment in July 2024.

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

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 25		
US Government (FMS Case AT-P-AQP)	Classified	Classified	AGM-88 variants and support.	-
US Government (NGJ Increment One Development MOU)	N/A	N/A	Australia's contribution to shared costs from FY 2017-18 to FY 2022-23, includes contribution to project overhead and administration costs, as well as EMD common efforts for NGJ-MB, including associated science and technology activities; and the development of mission systems, training, production plans and support equipment and technologies.	1
US Government (NGJ PSFD MOU)	N/A	N/A	Australia's contribution to shared costs from FY 2020-21 to FY 2022-23, includes contribution to PSFD common efforts of NGJ-MB, and project overhead and administration costs.	1
US Government (NGJ-LB Capability PA)	N/A	N/A	Australia's contribution to shared costs from FY 2021-22, includes contribution to project overhead and administration costs, as well as EMD common efforts, including associated science and technology activities; and the development of mission systems, training, production plans and support equipment and technologies.	1
CEA Technologies Pty Ltd	Various	Various	Eight MEWTES, four ADVDM, publications, manuals, training, transition, integration and support services.	2
US Government (NGJ-MB Prime Contract)	Various	Various	Quantity of NGJ-MB shipsets, spares, training system and support equipment.	-
US Government (FMS Case AT-P-ASA)	Classified	Classified	AGM-88G variants and support.	-
US Government (NGJ-MB Extended Upgrade)	N/A	N/A	Procurement of flight test planning and qualification, detailed design and integration and testing for the NGJ MBX capability.	1
Major equipment accepted and quantities to 30 Jun 25				
All contracted supplies under FMS Case AT-P-AQP have been delivered.				
Notes				
1	No equipment delivered as part of the MOU or PA.			
2	This Contract is an Official Order under the Active Electronically Scanned Array Head Deed for additional emitter systems.			

2.4 Australian Industry Capability

Summary
The project has contracted Australian Industry Capability (AIC) Plans based on opportunities to maximise internationally competitive Australian Industry involvement, which is captured in the CEA Technologies Pty Ltd AIC Plan in support of applicable Sovereign Industrial Capability Priorities.
The project has no contracted AIC Plan for its US Government FMS acquisition, as the US Foreign Government arrangement does not include the contractual provision or obligations for Australian Industry Content.
The project has no contracted AIC Plan for its US Government CP, however has provisions to encourage competitive participation of Australian Industry without the contractual obligations for Australian Industry Content.
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	ADVM7	N/A	N/A	N/A	N/A	1
	ADVM8	N/A	N/A	N/A	N/A	1
	ADVM9	N/A	N/A	N/A	N/A	1
	ADVM11	N/A	N/A	N/A	N/A	1
	MEWTES	Dec 23	N/A	Jan 25	13	2, 3, 7
Preliminary Design	ADVM7	N/A	N/A	N/A	N/A	1
	ADVM8	N/A	N/A	N/A	N/A	1
	ADVM9	N/A	N/A	N/A	N/A	1
	ADVM11	N/A	N/A	N/A	N/A	1
	MEWTES	N/A	N/A	N/A	N/A	2
Critical Design	NGJ-MB	N/A	N/A	Apr 17	N/A	4
	AGM-88G	N/A	N/A	Feb 20	N/A	5
	ADVM7	N/A	N/A	N/A	N/A	1
	ADVM8	N/A	N/A	N/A	N/A	1
	ADVM9	N/A	N/A	N/A	N/A	1
	ADVM11	N/A	N/A	N/A	N/A	1
	MEWTES	Jan 24	N/A	Jun 25	17	2, 6
Notes						
1	ADVM7, ADVM8, ADVM9 and ADVM11 systems are off-the-shelf CEA Technologies Pty Ltd products without any development required.					
2	The CEA Technologies Pty Ltd contract does not use System Requirements, Preliminary Design or Critical Design Mandated System Reviews. Rather, CEA Technologies Pty Ltd's approach is to use Technical Progress Reviews (TPR) to progressively iterate the design throughout the design phase then monitor production throughout the contract.					
3	MEWTES System Requirements review is aligned with delivery of the final System Performance Specification (SPS). The Commonwealth of Australia (CoA) has conditionally accepted Revision 1 of the delivered SPS and continues to work with the supplier to reach a finalised version of the SPS. The variance has impacted Critical Design Review (CDR) but has not impacted system delivery and acceptance dates.					
4	Per the US DoD Acquisition Life Cycle, CDR for NGJ-MB was achieved April 2017.					
5	Per the US DoD Acquisition Life Cycle, CDR for AGM-88G was achieved in February 2020.					
6	The equivalent of a CDR was planned to be conducted at TPR #8. The delays to the SPS delivery has created a corresponding delay in Critical Design progress. The CoA has conducted TPR #9, considered the equivalent of CDR. The variance has not impact system delivery and acceptance dates.					
7	The Achieved/Forecast Date and Variance for MEWTES Systems Requirements was incorrectly published in 2023-24 Major Projects Report (MPR) due to an editorial error. This has been updated to reflect correct dates in 2024-25 MPR.					

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	NGJ-MB A46 Type Certification	Mar 25	N/A	Dec 24	(3)	1
	AGM-88G A46 Type Certification	NFP	N/A	NFP	NFP	1
	ADVM11	NFP	NFP	NFP	NFP	2
	ADVM8	NFP	NFP	NFP	NFP	2
	MEWTES #1	NFP	NFP	NFP	NFP	2
	MEWTES #2	NFP	NFP	NFP	NFP	2
	ADVM7	NFP	NFP	NFP	NFP	2
	ADVM9	NFP	NFP	NFP	NFP	2
	MEWTES #3	NFP	NFP	NFP	NFP	2
	MEWTES #4	NFP	NFP	NFP	NFP	2, 3
	MEWTES #5	NFP	NFP	NFP	NFP	2
	MEWTES #6	NFP	NFP	NFP	NFP	2
	MEWTES #7	NFP	NFP	NFP	NFP	2
Acceptance	NGJ-MB A46 OT&E	NFP	N/A	NFP	NFP	4
	AGM-88G A46 OT&E	NFP	N/A	NFP	NFP	4
	Acceptance of MEWTES #1	NFP	NFP	NFP	NFP	5
	Acceptance of MEWTES #2	NFP	NFP	NFP	NFP	5
	Acceptance of MEWTES #3	NFP	NFP	NFP	NFP	5

	Acceptance of MEWTES #4	NFP	NFP	NFP	NFP	5
	Acceptance of ADVDM7	NFP	NFP	NFP	NFP	5
	Acceptance of ADVDM8	NFP	NFP	NFP	NFP	5
	Acceptance of ADVDM9	NFP	NFP	NFP	NFP	5
	Acceptance of ADVDM11	NFP	NFP	NFP	NFP	5
	Acceptance of MEWTES #5	NFP	NFP	NFP	NFP	5
	Acceptance of MEWTES #6	NFP	NFP	NFP	NFP	5
	Acceptance of MEWTES #7	NFP	NFP	NFP	NFP	5
	Acceptance of MEWTES #8	NFP	NFP	NFP	NFP	5
Notes						
1	System Integration of AGM-88G and NGJ-MB on the A46 EA-18G Growler is achieved following completion of Commonwealth type certification activities and Defence Aviation Safety Authority approval of the change to type design. This is the original planned date in accordance with the AIR5349 Phase 6 schedule. NGJ-MB Type Certification was achieved in December 2024. Delays to USN AGM-88G Type Certification program have caused a corresponding delay to Australian EA-18G Type Certification.					
2	In PDSS FY 2022-23, the System Integration milestones were aligned to Range Acceptance Testing (RAT) of the Major System. In PDSS FY 2023-24, the System Integration was realigned to CoA acceptance of contractor Factory Acceptance Testing of individual Major Systems prior to RAT.					
3	The CoA is working with the supplier to identify controls to mitigate schedule risk in order to align forecast dates with corresponding Materiel Release and Operational Capability milestones.					
4	CoA acceptance of AGM-88G and NGJ-MB on the A46 EA-18G Growler is determined through Operational Test and Evaluation (OT&E) conducted by Air Force. Delays to delivery schedule for NGJ shipsets has caused a corresponding delay to NGJ-MB OT&E. Delays to USN AGM-88G Program has caused a corresponding delay to Initial Operational Test and Evaluation (IOT&E) achievement.					
5	In PDSS FY 2022-23, the Acceptance milestones were aligned to the contracted Supplies Acceptance milestone. In PDSS FY 2023-24, Acceptance was realigned to CoA acceptance of contractor RAT of individual Major Systems prior to contracted Supplies Acceptance.					
6	USN AGM-88G and NGJ IOC Milestones and associated notes have been removed from the AIR5349 Phase 6 PDSS as they do not constitute Materiel Release or Operational Capability Milestones.					

3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Materiel Release 1 (MR1)	Oct – Dec 21	Dec 22	12	1, 2
Materiel Release 2 (MR2)	Apr – Jun 25	NFP	NFP	2, 3
MTTES RFT1	Apr – Jun 25	NFP	NFP	2, 4
Materiel Release 3 (MR3)	Apr – Jun 25	NFP	NFP	2, 5
Materiel Release 4 (MR4)	NFP	NFP	NFP	2, 6
Materiel Release 5 (MR5) – Initial Materiel Release (IMR)	NFP	NFP	NFP	2, 7
Tranche 1 Initial Operational Capability (IOC)	NFP	NFP	NFP	2, 8
Materiel Release 6 (MR6)	NFP	NFP	NFP	2, 9
MTTES RFT2	NFP	NFP	NFP	2, 10
Materiel Release 7 (MR7)	NFP	NFP	NFP	2, 11
MTTES RFT3	NFP	NFP	NFP	2, 12
Materiel Release 8 (MR8)	NFP	NFP	NFP	2, 13
MTTES RFT4	NFP	NFP	NFP	2, 14
Materiel Release 9 (MR9)	NFP	NFP	NFP	2, 15
Tranche 1 Operational Capability 2 (OC2)	NFP	NFP	NFP	2, 16
Notes				
1	Variance due to additional time required for due diligence activities to confirm materiel delivery in support of the milestone.			
2	Refer to Section 4.2 for definition of milestones.			
3	MR2 forecast delay is associated with NDS 2024 and associated IIP.			
4	Variance to RFT1 is associated with preceding delay to MR2, which is required for declaration of RFT1.			
5	Original planned date for MR3 forecast based on pre-contract shipset delivery timelines from USN. Shipset delivery schedule at contract award does not support declaration of MR3 at original planned date. Delivery schedule for NGJ shipsets 1 and 2 and associated sparing supports declaration of MR3.			
6	MR4 forecast delay is associated with USN AARGM-ER Program delays.			
7	Original planned date for MR5 forecast based on pre-contract shipset delivery timelines from USN. Shipset delivery schedule at contract award does not support declaration of MR5 at original planned date. Delivery schedule for NGJ shipsets 3 and 4 and associated sparing supports declaration of MR5. USN AARGM-ER Program delays have also impacted this forecast milestone date.			
8	Variance to IOC is associated with preceding delay to MR5, which is required for declaration of IOC.			

Schedule Status at 30 June 2025
Dates associated with capability realisation are NFP

Category	Start Date	End Date
Original Planned	Dec-22	Dec-23
Achieved / Forecast	Dec-22	Dec-23

4.1 Measures of Materiel Capability/Scope Delivery Performance

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Note
This Traffic Light Diagram represents Defence's expected capability delivery. Tranche 2 Investment Committee and Tranche 2 Second Pass Approval have been removed from the AIR5349 Phase 6 PDSS, as they do not constitute Materiel Release or Operational Capability Milestones.

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Materiel Release 1 (MR1)	Delivery of AGM-88 variants war stock into Australian Defence Force inventory. MR1 was achieved in December 2022.	Achieved
Materiel Release 2 (MR2)	Contracts awarded, sustainment arrangement established and materiel delivered to support transition to MTES RFT1. Forecast dates for MR2 are NFP.	Not Yet Achieved
MTES RFT1	Capable of conducting MTES operations in an additional single training area and having achieved increased MTES training capability and capacity. MTES RFT1 achievement is reliant on the successful delivery of MR2. Forecast dates for MTES RFT1 are NFP.	Not Yet Achieved
Materiel Release 3 (MR3)	Delivery of NGJ-MB shipsets, associated sustainment arrangements established and Type Certification completed to support the commencement of Australian IOT&E Program. Forecast dates for MR3 are NFP.	Not Yet Achieved
Materiel Release 4 (MR4)	Delivery of AGM-88G Telemetry Rounds, associated certification, permits and training to support Australian IOT&E AARGM-ER Live Fire Activity. Forecast dates for MR4 are NFP.	Not Yet Achieved
Materiel Release 5 (MR5) – IMR	Delivery of AGM-88G war stock and NGJ-MB shipsets, associated sustainment arrangements established, Type Certification completed and applicable facilities completed to support transition to Tranche 1 IOC. Forecast dates for MR5 are NFP.	Not Yet Achieved
Tranche 1 Initial Operational Capability (IOC)	IOC of NGJ-MB and AGM-88G integrated on RAAF EA-18G Growler, having completed the required level of test and evaluation and trained the necessary workforce. Achievement of Tranche 1 IOC achievement is reliant on the successful delivery of MR3, MR4 and MR5. Forecast dates for IOC are NFP.	Not Yet Achieved
Materiel Release 6 (MR6)	Delivery of MEWTES and associated materiel, sustainment arrangements established to support RTF2 Operational Test and Evaluation, training, support and transition activities. Forecast dates for MR6 are NFP.	Not Yet Achieved
MTES RFT2	Initial MEWTES capability, and capable of conducting MTES operations in additional training areas, having completed the required level of test and evaluation and achieved increased MEWTES training capability and capacity. MTES RFT2 achievement is reliant on the successful delivery of MR6. Forecast dates for MTES RFT2 are NFP.	Not Yet Achieved
Materiel Release 7 (MR7)	Delivery of ADVM 7, 8, 9 and 11, sustainment arrangements established, associated facilities completed to support the transition to MTES RFT3. Forecast dates for MR7 are NFP.	Not Yet Achieved
MTES RFT3	ADVM7, ADV8, ADV9 and ADV11 capability and associated through-life support, upgraded Mission Control Centre, having completed the required level of test and evaluation and achieved increased MTES training capability and capacity. MTES RFT3 achievement is reliant on the successful delivery of MR7. Forecast dates for MTES RFT3 are NFP.	Not Yet Achieved
Materiel Release 8 (MR8)	Delivery of MEWTES, associated integration with MTES and sustainment arrangements established to support transition to MTES RFT4. Forecast dates for MR8 are NFP.	Not Yet Achieved

MTTES RFT4	Mature MEWTES capability and associated through-life support, having completed the required level of test and evaluation. MTTES RFT4 achievement is reliant on the successful delivery of MR8. Forecast dates for MTTES RFT4 are NFP.	Not Yet Achieved
Materiel Release 9 (MR9) – equivalent of FMR for Tranche 1	Delivery of AGN-88G war stock and NGJ shipsets, associated sustainment arrangements established including support for capability development and enhancements and the ability to conduct NGJ-MB Intermediate and Depot level maintenance functions in Australia to support Tranche 1 OC2. Forecast dates for MR9 are NFP.	Not Yet Achieved
Tranche 1 Operational Capability 2 (OC2) – equivalent of FOC for Tranche 1	Mature NGJ-MB and AGM-88G capability integrated on RAAF EA-18G Growler, including associated through-life support. Tranche 1 OC2 achievement is reliant on the successful delivery of MR9. Forecast dates for Tranche 1 OC2 are NFP.	Not Yet Achieved
Note		
Tranche 2 Investment Committee and Tranche 2 Second Pass Approval have been removed from the AIR5349 Phase 6 PDSS, as they do not constitute Materiel Release or Operational Capability Milestones.		

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	Delay to the introduction of the NGJ-MB on the A46 EA-18G Growler due to late delivery of key enablers to complete integration on type leading to an impact on achievement of MR3.	The project continues to work closely with the materiel system providers to refine design and production timelines in support of the applicable MR milestone.
2	Delay to the introduction of MEWTES into MTTES due to late delivery of key enablers leading to an impact on achievement of MR6.	The project continues to work closely with the materiel system providers to refine design and production timelines in support of the applicable MR milestone. This risk has been re-assessed to low due to NDS 2024, IIP and associated program sponsor direction. The scope schedule direction reduces the likelihood that this milestone will not be met. This risk will be removed from next year's 2025-26 MPR.

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	Delays to AARGM-ER delivery/certification impacting achievement of MR4.	The project continues to work closely with the USN for schedule clarification and the associated impacts on the MR milestone.
2	Delays to AARGM-ER delivery impacting achievement of MR5.	The project continues to work closely with the USN for schedule clarification and the associated impacts on the MR milestone.
3	Delays to the USN program delivery of AARGM-ER due to production issues leading to an impact on achievement of MR9.	The project continues to work closely with the USN for schedule clarification and the associated impacts on the MR milestone.

5.3 Major Project Issues

Ref#	Description	Remedial Action
N/A	N/A	N/A

Project Data Summary Sheets

Auditor-General Report No.16 2025–26
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Section 6 – Lessons

6.1 Key Lessons

In line with Defence Instructions and Capability Acquisition and Sustainment Group 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 five lessons. The three project strategic lessons are listed below. No project level lessons (non-strategic) were identified.	
Strategic Lessons Description	Categories of Systemic Lessons
Strategic Lesson Type – Observation. Funding for CP set-up costs. A FMS case is required to be in place as a foreign disclosure vehicle to allow information exchange and to provide funding for setup costs associated with establishing a CP.	Commercial Management
Strategic Lesson Type – Observation. One Defence Strategic Risk Management (SRM) Framework. A One Defence SRM framework should be developed and aligned with the Defence harmonised risk management framework that is prescribed in Defence policy. This would improve visibility and communication of risks across Defence and Government.	Commercial Management
Strategic Lesson Type – Observation. Promotion of effective and efficient communication of risks across multiple organisations. The project management plan should be utilised to promote effective and efficient communication of risks across multiple organisations to ensure compliance with Work Health and Safety legislations and Defence safety management frameworks.	Program, Project & Product Management
Project Level Lessons (non-strategic) Description	Categories of Systemic Lessons
No Project level lessons were identified in current MPR reporting period.	N/A

Section 7 – Project Structure

7.1 Project Structure as at 30 June 2025

Unit	Name
Division	Aerospace Systems Division
Branch	Aerospace Combat Systems Branch