

## Project Data Summary Sheet<sup>157</sup>

Project Number	SEA 3036 Phase 1
Project Name	Pacific Patrol Boat Replacement (PPB-R)
First Year Reported in the MPR	2017-18
Capability Type	Replacement
Acquisition Type	COTS
Capability Manager	Chief of Navy
Government 1st Pass Approval	Apr 16
Government 2nd Pass Approval	Apr 16
Budget at 2 <sup>nd</sup> Pass Approval	\$504.5m
Total Approved Budget (Current)	\$504.0m
2018-19 Budget	\$70.0m
Project Stage	Initial Materiel Release
Complexity	ACAT II



Pacific Patrol Boat Repl.

### Section 1 – Project Summary

#### 1.1 Project Description

SEA 3036 Phase 1 – Pacific Patrol Boat Replacement **is acquiring** 21 vessels to replace the existing 22 Pacific Patrol Boats (PPBs) gifted to 12 Pacific Island Countries between 1987 and 1997 and two boats for Timor-Leste; as part of Australia's Pacific Maritime Security Program. The project also includes disposal of the current PPB fleet and minor upgrades to Pacific Island infrastructure to enable safe berthing of the new Guardian Class Patrol Boats (GCPBs).

#### 1.2 Current Status

<p><b>Cost Performance</b></p> <p><u>In-year</u></p> <p>As at <b>30 June 2019</b>, the project has an <b>underspend</b> of \$8.1m against the year's budget. This is due primarily to <b>the early payment of the launch milestone for the first vessel, deferred expenditure on Pacific Island Infrastructure and deferred expenditure regarding disposal of existing Pacific Patrol Boats.</b></p> <p><u>Project Financial Assurance Statement</u></p> <p>As at <b>30 June 2019</b> the project has reviewed the approved scope and budget for those elements required to be delivered by the project. Having reviewed the current financial and contractual obligations of the 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.</p> <p><u>Contingency Statement</u></p> <p>The project has not applied contingency in the financial year.</p> <p><b>Schedule Performance</b></p> <p>The project has progressed through the Design phases <b>and is now within the delivery phase. The first three vessels were delivered to their respective recipient nations, with Vessel 1 to Papua New Guinea on 30 November 2018, Vessel 2 to Tuvalu on 5 April 2019 and Vessel 3 to Tonga on 21 June 2019 in Henderson, Western Australia. Vessel 4 was launched on 13 May 2019 and is to be delivered to the nation of Samoa in August 2019. Subsequent vessels are to be delivered and gifted at a rate of one every three to four months through to the last vessel delivery scheduled for late 2023.</b></p> <p>To date the prime contractor key milestones have been met in alignment with the contract schedule, <b>with the exception to this being delivery of the first vessel which was approximately 5 weeks later than contracted as a result of delays in establishing a steel production facility, vessel production activities and the resolution of first of class issues. This delay incurred a corresponding delay to achievement of IMR/IOC which was achieved on 30 November 2018. All other expected delivery windows specified within the Project Materiel Acquisition Agreement (MAA) and Government project approval have been met. Aspects of the project involving Pacific Island Country Infrastructure upgrades and disposal of the existing Pacific Patrol</b></p>
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Part 3. Project Data Summary Sheets

#### 157 Notice to reader

Forecast dates and Sections: 1.2 (Materiel Capability Delivery Performance), 1.3 (Major Risks and Issues), 4.1 (Measures of Materiel Capability Delivery Performance), and 5 (Major Risks and Issues) are excluded from the scope of the ANAO's review of this Project Data Summary Sheet. Information on the scope of the review is provided in the *Independent Assurance Report* by the Auditor-General in **Part 3** of this report.

Boats are also progressing in alignment with project needs, <b>with minor delays evident with establishment of associated contracts and finalisation of works.</b>
<b>Materiel Capability Delivery Performance</b>
The first vessel was delivered in <b>November 2018</b> . <b>The second and third vessels were delivered in April 2019 and June 2019 respectively.</b> The project is on track to deliver <b>the remaining</b> vessels and <b>achieve</b> Final Materiel Release in 2023.
<b>Note</b>
Forecast dates and capability assessments are excluded from the scope of the review.

### 1.3 Project Context

<b>Background</b>
SEA 3036 Phase 1, Pacific Patrol Boat Replacement Project was initiated in 2014 to replace the 22 Pacific Patrol Boats (PPB) that were gifted to 12 Pacific Island Countries (PIC) between 1987 and 1997 under the auspices of the Pacific Maritime Security Program (PMSP). The project was mandated to deliver a new single class of vessel, built to contemporary regulatory standards of steel hulled construction, able to operate year round and enable basic local maintenance and repair in each nation.
The participating nations are Palau, Federated States of Micronesia (FSM), Republic of Marshall Islands (RMI), Papua New Guinea (PNG), Solomon Islands, Kiribati, Tuvalu, Vanuatu, Fiji, Tonga, Samoa and Cook Islands. The Project will build and deliver 21 PPB Replacement (PPB-R) vessels for 13 nations. The 13 <sup>th</sup> nation is Timor-Leste that was not part of the original PPB Program but was offered two (2) PPB-R vessels by the Australian Government.
The PMSP aims to enhance practical cooperation across the South Pacific and build on the success of the PPB Program by broadening and strengthening the regions' capability to respond to issues such as maritime security, fisheries protection and transnational crime. Along with the PPB-R the PMSP will enhance cooperation through support to regional coordination centres and the provision of integrated aerial surveillance.
A Request for Tender was released in March 2015 for up to 21 PPB-R vessels no longer than 40 metres, built to a Commercial Standard with a steel hull. Similar to the current PPBs, the new vessels were to be easy to operate and maintain. The tender also included a support contract for an initial period of 7 years. The tender closed in June 2015, evaluations were completed in September 2015 with an Offer Definition and Improvement Activity concluded in January 2016. Austal Ships Pty Ltd was the preferred tenderer.
Combined Pass Project Approval was achieved in April 2016. Both the Acquisition and Support Contracts were signed with Austal Ships Pty Ltd in May 2016. The initial Acquisition Contract was for 19 vessels with a costed option for an additional two (2) PPB-R vessels, as Timor-Leste had not accepted the offer of two (2) vessels at contract signature. In December 2017, Timor-Leste accepted the offer and the Project Office exercised the costed option, through the execution of a contract change in April 2018.
Construction of the first vessel commenced in April 2017 with launch conducted ahead of schedule in May 2018 and Acceptance by the Commonwealth (combined Initial Materiel Release and Initial Operational Capability) in <b>November 2018</b> . Final Materiel Release/Final Operational Capability will be achieved when the last vessel is accepted by the Commonwealth currently planned for October 2023.
<b>Due to a delay in the acceptance and handover of the first boat of approximately five weeks, caused by the establishment of a dedicated steel production facility and resolution of first of Class issues, Liquidated Damages have been accrued. Agreement has also been reached on provision of goods and services in kind to the Commonwealth in alignment with the value of Liquidated Damages accrued.</b>
In addition, infrastructure upgrades necessary to enable safe and secure berthing of the new vessels are required for all nations receiving the PPB-R vessels. The project is scoped and funded to complete minor infrastructure upgrades to existing infrastructure and major upgrades (inclusive of Timor-Leste upgrades) are to be funded as part of Defence's international engagement through the Defence Cooperation Program.
<b>The first two infrastructure contracts jointly funded (joint scope) by the project and the DCP have been awarded and works are underway. The first contract for delivery of upgrades in PNG was established in September 2018 and the second contract for delivery of upgrades in Tuvalu, Tonga, Samoa, Fiji, Kiribati, Cook Islands and Vanuatu was established in February 2019.</b>
<b>Uniqueness</b>
The PPB-R is a vessel being built to commercial standards that will be gifted to 13 nations. The vessel is being built to International Maritime Orders (IMO) requirements, under the Australian Maritime Safety Authority (AMSA) flag. Lloyds Register is the classification society and the vessel will meet class requirements. However, ultimately the PPB-R will not be put into class. The Project's Capability Manager is Navy with International Policy as the Sponsor of the PPB-R Project and the Pacific Maritime Surveillance Program. Once gifted, each vessel will become a sovereign asset of the recipient nations.
<b>Major Risks and Issues</b>
The Project has identified a small number of high risks that relate to infrastructure schedule requirements and disposal requirements. <b>Two previously reported risks associated with Configuration Management and a lack of suitably qualified personnel were downgraded from High to Medium following the Acceptance of Boat 01.</b> There are currently <b>three</b> Pacific Maritime Surveillance Program (PMSP) Program-level issues, which relate to the scope of program infrastructure upgrade work exceeding the allocated Project funding, <b>infrastructure works not being completed in time for the first vessel arrival into Papua New Guinea (PNG) and a Tongan PPB requiring assistance to return to Australia.</b>

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<b>Other Current Related Projects/Phases</b>
N/A
<b>Note</b>
Major risks and issues are excluded from the scope of the review.

## Section 2 – Financial Performance

### 2.1 Project Budget (out-turned) and Expenditure History

Date	Description	\$m	Notes
	<b>Project Budget</b>		
Aug 14	Original Approved	5.7	1
Jan 15	Real Variation – Transfer	1.2	2
May 16	Government Combined Pass Approval	497.6	
	<b>Total at Second Pass Approval</b>	<b>504.5</b>	
Jun 19	Exchange Variation	(0.5)	
Jun 19	<b>Total Budget</b>	<b>504.0</b>	
	<b>Project Expenditure</b>		
Prior to Jul 18	Contract Expenditure – Austal	(42.1)	
	Other Contract Payments/Internal Expenses	(8.3)	3
		(50.4)	
FY to Jun 19	Contract Expenditure – Austal	(55.1)	
	Other Contract Payments/Internal Expenses	(6.8)	4
		(61.9)	
Jun 19	<b>Total Expenditure</b>	<b>(112.3)</b>	
Jun 19	<b>Remaining Budget</b>	<b>391.7</b>	
<b>Notes</b>			
1	This amount was for Initial Pass Project Approval.		
2	Transfer of funding to Defence Materiel Organisation, now known as Capability Acquisition and Sustainment Group, to support Offer Definition Improvement Activity and Anthropometric Study.		
3	Other contract payments and expenditure comprises of Pre Combined Pass expenditure (\$3.5m) and other project support contracted staff costs (\$3.8m), infrastructure costs (\$0.5m) and other direct project costs (\$0.5m).		
4	Other contract payments and expenditure includes infrastructure costs of (3.2m), project support contracted staff costs of (\$2.6m) and other direct project costs of (\$1.0m).		

### 2.2A In-year Budget Estimate Variance

Estimate PBS \$m	Estimate PAES \$m	Estimate Final Plan \$m	Explanation of Material Movements
71.9	70.9	70.0	PBS – PAES: The decrease from \$71.9 to \$70.9m was primarily associated with the early achievement in 17/18 for the launch of the first boat. PAES – Final Plan: \$0.9m. The decrease from \$70.9 to \$70.0 was primarily associated with deferred spending on contractor support and additional equipment / consumables.
Variance \$m	(1.0)	(0.9)	Total Variance (\$m): (1.9)
Variance %	(1.4)	(1.3)	Total Variance (%): (2.6)

### 2.2B In-year Budget/Expenditure Variance

Estimate Final Plan \$m	Actual \$m	Variance \$m	Variance Factor	Explanation
		(8.1)	Australian Industry	The variance is primarily due to early payment of the milestone for launch of the first vessel and deferred infrastructure and disposals costs.
			Foreign Industry	
			Early Processes	
			Defence Processes	
			Foreign Government Negotiations/Payments	
			Cost Saving	
			Effort in Support of Operations	
			Additional Government Approvals	
70.0	61.9	(8.1)	<b>Total Variance</b>	
		(11.6)	<b>% Variance</b>	

### 2.3 Details of Project Major Contracts

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature \$m	30 Jun 19 \$m			
Austal Ships Pty Ltd	May 16	321.1	362.6	Fixed	ASDEFCON (Complex)	1
<b>Notes</b>						
1	Contract Value as at 30 June 2019 is based on actual expenditure to 30 June 2019 and remaining commitment at current exchange rates, and includes adjustments for indexation (where applicable).					
Contractor	Quantities as at		Scope	Notes		
	Signature	30 Jun 19				
Austal Ships Pty Ltd	19	21	PPB-R vessels, conversion training and associated support system products.	1		
<b>Major equipment received and quantities to 30 Jun 19</b>						
One Guardian class Patrol Boat gifted to Papua New Guinea.						
One Guardian class Patrol Boat gifted to Tuvalu.						
One Guardian class Patrol Boat gifted to Tonga.						
<b>Notes</b>						
1	Two additional PPB-R vessels were included into the scope of supply in April 2018 following acceptance in December 2017 by the Timor-Leste Government of the offer from the Australian Government to receive two boats.					

## Section 3 – Schedule Performance

### 3.1 Design Review Progress

Review	Major System/Platform Variant	Original Planned	Current Planned	Achieved/Forecast	Variance (Months)	Notes
System Requirement Conduct	Mission System	Aug 16	N/A	Aug 16	0	
	Support System	N/A	Nov 16	Nov 16	0	1
Preliminary Designs Conduct	Mission System	Oct 16	N/A	Oct16	0	
	Support System	N/A	May 17	May17	0	1
Detailed Design Conduct	Mission System	Feb 17	N/A	Feb17	0	
	Support System	N/A	Nov 17	Nov17	0	1
<b>Notes</b>						
1	A contract change was executed in November 2016 to introduce the conduct of Support System System Requirement Review, Support System Preliminary Design Review and Support System Detailed Design Review.					

### 3.2 Contractor Test and Evaluation Progress

Test and Evaluation	Major System/Platform Variant	Original Planned	Current Planned	Achieved/Forecast	Variance (Months)	Notes
Harbour Acceptance Trials (HATs) Complete	PPBR Boat 1	Jul 18	N/A	Oct 18	3	1
	PPBR Boat 2-5	Aug 19	N/A	Sep 19	1	
	PPBR Boat 6-9	Aug 20	N/A	Aug 20	0	
	PPBR Boat 10-13	Aug 21	N/A	Aug 21	0	
	PPBR Boat 14-18	Oct 22	N/A	Oct 22	0	
	PPBR Boat 19-21	Jul 23	N/A	Jul 23	0	
Acceptance	PPBR Boat 1	Oct18	N/A	Nov 18	1	1,2,3
	PPBR Boat 2-5	Nov 19	N/A	Nov 19	0	3
	PPBR Boat 6-9	Nov 20	N/A	Oct 20	(1)	3
	PPBR Boat 10-13	Oct 21	N/A	Oct 21	0	3
	PPBR Boat 14-18	Dec 22	N/A	Dec 22	0	3
	PPBR Boat 19-21	Oct 23	N/A	Sep 23	(1)	2
<b>Notes</b>						
1	The variance of three months is primarily due to equipment supply chain delays and first of class issues with set-to-work activities.					
2	Testing of Boat 1 includes operation-like test activities in advance of Acceptance of Boat 1.					
3	Acceptance marks the successful completion of all tests and crew conversion training. The Commonwealth accepts the vessel from the contractor and then gifts the vessel to the receiving nation.					

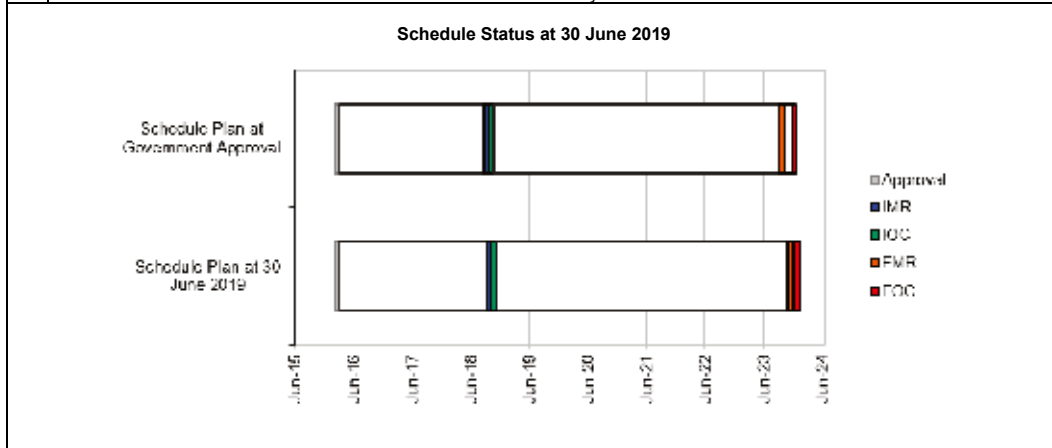
### 3.3 Progress towards Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR)	Oct 18	Nov 18	1	1,2
Initial Operational Capability (IOC)	Oct 18	Nov 18	1	3
Final Materiel Release (FMR)	Nov 23	Nov 23	0	1,2
Final Operational Capability (FOC)	Sep 23	Nov 23	2	3,4
<b>Notes</b>				
1	IMR and FMR dates were not scheduled at Combined Pass Government Approval.			

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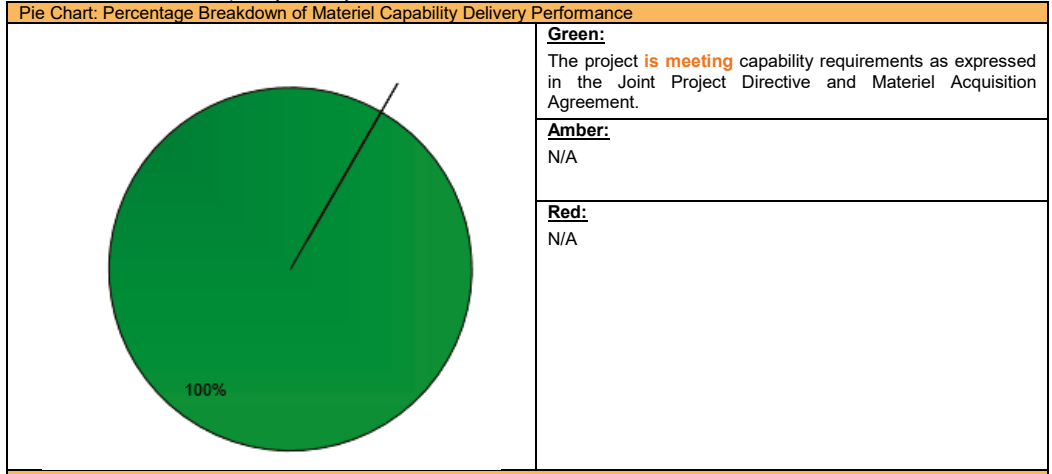
2	IMR and FMR will be achieved at acceptance of boats by the Commonwealth.
3	IOC and FOC will be achieved at acceptance of the boats into PIC operational service. This is expected to occur simultaneously with IMR and FMR. <b>The variance of one month is a result of delayed commencement of SATS and HATS for the first vessel, leading to a delay to delivery.</b>
4	The variance of two months is a result of the now contracted delivery dates for the two additional vessels for Timor-Leste.



**Note**  
Forecast dates in Section 3 are excluded from the scope of the review.

**Section 4 – Materiel Capability Delivery Performance**

4.1 Measures of Materiel Capability Delivery Performance



**Note**  
This Pie Chart represents Defence’s expected capability delivery. Capability assessments and forecast dates are excluded from the scope of the review.

4.2 Constitution of Initial Materiel Release and Final Materiel Release

Item	Explanation	Achievement
Initial Materiel Release (IMR)	First vessel and associated support system technical documentation, initial spares and logistics documentation delivered and accepted by the Commonwealth. IMR was achieved 30 November 2018.	Achieved
Initial Operational Capability (IOC)	First vessel accepted into the Pacific Island Country operational service. IOC was achieved 30 November 2018.	Achieved
Final Materiel Release (FMR)	Last Vessel (21) delivered, completed delivery of all remaining Acquisition Project Support deliverables and accepted by the Commonwealth including completion	Not yet achieved

	of transition tasks in accordance with the PPB-R Transition Plan. FMR is forecast to be achieved in November 2023.	
<b>Final Operational Capability (FOC)</b>	<b>All vessels accepted into their Pacific Island Country operational service. FOC is forecast to be achieved in November 2023.</b>	<b>Not yet achieved</b>

## Section 5 – Major Risks and Issues

### 5.1 Major Project Risks

Identified Risks (risk identified by standard project risk management processes)	
Description	Remedial Action
There is a chance the infrastructure work required in each Pacific Island Country will not be completed prior to the arrival of the replacement vessels leading to an impact on reputation. <b>This risk is relevant to the Pacific Maritime Security Program.</b>	Tender documentation being developed for the delivery of the upgrades includes infrastructure delivery dates which are prior to the GCPB arrival. The project and GHD Pty Ltd (engaged as the Project Manager/Contract Administrator for infrastructure upgrades) are working to ensure that delays to tendering and engaging contractors are not as a result of Commonwealth processes. Decoupling less critical aspects of upgrades <b>and use of streamlined procurement strategies are being explored with a view</b> to ensure <b>works related to safe and secure berthing of the new GCPBs are completed prior to boat arrivals.</b> <b>Request for additional Defence Cooperation Program funding (as required) is to be submitted following 1 star agreement on approach.</b>
There is a risk that the current PPBs will be either unable to transit to Australia or moved to Australia out of alignment with current planning leading to an impact to the phasing of Disposals costs incurred as part of the overall Project Budget.	Engage with Pacific Island Countries (PICs) & Maritime Surveillance Adviser and Technical Adviser via International Policy Division and Pacific Patrol Boat Systems Program Office to gain earliest advice on risk realisation. Flexibility has been incorporated into the PPB Disposal contract signed 6 July 2018, however this is limited in scope. Funds have been made available to Materiel Logistics Disposal and Sales Branch (MLDS) for undertaking movement of vessels unable to transit to the disposal site under own power. These funds are to enable MLDS to promptly arrange movement of boats so as to avoid the risk of Disposals Contract costs being incurred. <b>PPBSPO to conduct material condition assessments and advise on seaworthiness to sail.</b>
There is a risk that vessel configuration control will be affected by Austal failing to implement and manage an effective Configuration Management (CM) system during Acquisition leading to an impact on Cost, Performance and Sustainability.	Project to include this as a standing agenda item for contract Quarterly Progress Review Meetings. Austal to provide updates via Monthly Contract Status Report (CSR). Leverage the Resident Project Team at Austal site for participation in Physical Configuration Audits. Project Office is maintaining oversight of Austal implementation of configuration management system and processes. <b>This risk has been downgraded to medium following reassessment post acceptance of the first vessel and finalisation of configuration management processes.</b>
There is a chance that key Project Milestones will be impacted by a lack of availability of suitably qualified, experienced and authorised Project and stakeholder personnel.	Use of Australian Public Service / Contractor workforce mix within Project Office. Engagement of stakeholders (including Fundamental Inputs to Capability (FICs)s) through Integrated Project Team, PSG <b>and specific working groups.</b> <b>This risk has been downgraded to medium following reassessment post acceptance of the first vessel noting the reducing resource requirements applicable across the program.</b>
Emergent Risks (risk not previously identified but has emerged during 2018-19)	
Description	Remedial Action
N/A	N/A

### 5.2 Major Project Issues

Description	Remedial Action
The scope of Pacific Maritime Security Program infrastructure works required exceeds those to be implemented by the SEA3036 Phase 1 Project (using allocated funding) resulting in the inability for GCPB vessels to dock and remain docked in a safe and secure manner without significant inefficiency at all designated PIC home berths. This issue is relevant to the Pacific Maritime Security Program.	Utilise the contracting vehicle established by SEA3036 Phase 1 to execute upgrades in addition to those funded by the project, with funds from other sources such as International Policy Division. <b>IP Div to request additional Defence Cooperation Program funding to complete infrastructure upgrades for the remaining three nations. Project Office to advise on procurement strategies to minimise further schedule delay.</b>
<b>Infrastructure works to be executed for Papua New Guinea were not completed in advance of the first GCPB (Ted Diro) arriving in country (at HMPNGS Tarangau), with a resultant minor impact to wharf operations and</b>	<b>Utilise GHD, including in country resources, for contract administration, progress certification and updates. IP Division to continue to engage with PNG officials, advising on the current status and contracted program. Prioritisation of</b>

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potential associated impact to the PNG international relationship. This issue is as a result of the realised first risk at Section 5.1.	requests for information in order to avoid delays to infrastructure work.
The second Tongan PPB (VOEA PANGAI) is due into the disposal site in Jul 19 and will not be able to transit.	The Commonwealth is procuring required services to assist the vessel to transit in the required timeframe.
<b>Note</b>	
Major risks and issues in Section 5 are excluded from the scope of the review.	

## Section 6 – Project Maturity

### 6.1 Project Maturity Score and Benchmark

Maturity Score		Attributes							Total																																																			
		Schedule	Cost	Requirement	Technical Understanding	Technical Difficulty	Commercial	Operations and Support																																																				
Project Stage	Benchmark	10	8	8	8	9	8	9	60																																																			
Initial Materiel Release	Project Status	8	8	9	9	9	8	9	60																																																			
	Explanation	<ul style="list-style-type: none"> <li><b>Schedule:</b> delivery of Boat 01 was delayed from 24 Oct 2018 to 30 Nov 2018, representing an approx. 5 week delay to Initial Material Release and coincidentally Initial Operational Capability. IMR and IOC were achieved on 30 Nov 2018</li> <li><b>Requirement:</b> The design has been shown to meet all functional and performance requirements and has been accepted into service by the first three recipient nations</li> <li><b>Technical Understanding:</b> The design is complete and the first three vessel have been accepted by Defence and transferred to recipient nations.</li> </ul>																																																										
<table border="1"> <caption>Project Maturity Score (MPR) Data</caption> <thead> <tr> <th>Project Stage</th> <th>2017-18 MPR Status</th> <th>2018-19 MPR Status</th> </tr> </thead> <tbody> <tr><td>Enter DCP</td><td>13</td><td>13</td></tr> <tr><td>Decide Viable Capability Options</td><td>16</td><td>16</td></tr> <tr><td>1st Pass Approval</td><td>21</td><td>21</td></tr> <tr><td>Industry Proposals / Others</td><td>30</td><td>30</td></tr> <tr><td>2nd Pass Approval</td><td>35</td><td>35</td></tr> <tr><td>Contract Signature</td><td>42</td><td>42</td></tr> <tr><td>Preliminary Design Review(s)</td><td>45</td><td>45</td></tr> <tr><td>Detailed Design Review(s)</td><td>50</td><td>50</td></tr> <tr><td>Complete Sys. Integ. &amp; Test</td><td>55</td><td>55</td></tr> <tr><td>Complete Acceptance Testing</td><td>57</td><td>57</td></tr> <tr><td>Initial Material Release (IMR)</td><td>60</td><td>60</td></tr> <tr><td>Final Material Release (FMR)</td><td>61</td><td>61</td></tr> <tr><td>Final Contract Acceptance</td><td>65</td><td>65</td></tr> <tr><td>MAA Closure</td><td>66</td><td>66</td></tr> <tr><td>Acceptance Into Service</td><td>67</td><td>67</td></tr> <tr><td>Project Completion</td><td>70</td><td>70</td></tr> </tbody> </table>										Project Stage	2017-18 MPR Status	2018-19 MPR Status	Enter DCP	13	13	Decide Viable Capability Options	16	16	1st Pass Approval	21	21	Industry Proposals / Others	30	30	2nd Pass Approval	35	35	Contract Signature	42	42	Preliminary Design Review(s)	45	45	Detailed Design Review(s)	50	50	Complete Sys. Integ. & Test	55	55	Complete Acceptance Testing	57	57	Initial Material Release (IMR)	60	60	Final Material Release (FMR)	61	61	Final Contract Acceptance	65	65	MAA Closure	66	66	Acceptance Into Service	67	67	Project Completion	70	70
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Project Completion	70	70																																																										

## Section 7 – Lessons Learned

### 7.1 Key Lessons Learned

Project Lesson	Categories of Systemic Lessons
Allocate schedule allowance to enable ramp-up and learning of Defence requirements for Contractors inexperienced with Defence contracting templates	Schedule Management
Develop, maintain and leverage positive Contractor relationships	Contract Management
Use of review teams for assurance on Contract Development when tailoring Defence contracting templates.	Requirements Management
<b>Work with Contractor to ensure the broader implications of key milestone delay are understood and encourage early advice on delay.</b>	<b>Schedule Management</b>

## Section 8 – Project Line Management

### 8.1 Project Line Management as at 30 June 2019

Position	Name
Division Head	Ms Sheryl Lutz
Branch Head	Mr. Peter Croser
Project Director	Mr. David Kingston