

**BELOW IS THE DEPARTMENT OF DEFENCE'S ADDITIONAL (SUMMARY) RESPONSE  
TO THE AUDIT REPORT.**

**AGENCY RESPONSE**

***ANAO Performance Audit: Joint Strike Fighter – Introduction into Service and Sustainment Planning***

Defence acknowledges the findings contained in the audit report on the *Joint Strike Fighter – Introduction into Service and Sustainment Planning* and concurs with the conclusion that Defence's preparations to date for the introduction and sustainment of the JSF aircraft into Australian service has been effective.

Defence acknowledges that the program cost estimates, particularly those associated with the Global Support Solution (GSS) are continuing to mature as the system develops to accommodate a planned global fleet of more than 3,100 F-35 aircraft. Greater certainty of operating and support costs will be available when all F-35 global and regional maintenance support assignments have been made and commercial arrangements have been established for those assignments and separate Australian sovereign contract requirements. Defence will return to Government after 2020 for operating and support budget through to planned F-35 withdrawal date.

Defence has provided numerous updates to Cabinet on AIR6000 Project Phase 2A/B commencing from the Stage 1 2<sup>nd</sup> Pass Approval in 2009, but acknowledges that an annual update was not provided in 2015 and 2016. Improved internal governance arrangements are now in place to ensure future updates are provided on time, with quarterly oversight from the Defence Investment Committee. In parallel, Defence has increased the level of Ministerial engagement through other mechanisms.

Australia's Initial Operating Capability in December 2020 will have delivered 30-33 JSF aircraft, established a sovereign training capability and completed verification and validation of the Australian F-35A capability. One operational squadron (minimum of 12 aircraft) will be proficient in air combat, strike and offensive air support, and ready to deploy in support of Australia's national interests.