


GAO
 Accountability-Integrity-Reliability
Highlights

Highlights of [GAO-03-775](#), a report to the Chairman, Subcommittee on National Security, Emerging Threats, and International Relations, Committee on Government Reform, House of Representatives

Why GAO Did This Study

The Joint Strike Fighter (JSF) is a cooperative program between the Department of Defense (DOD) and U.S. allies for developing and producing next generation fighter aircraft to replace aging inventories. As currently planned, the JSF program is DOD's most expensive aircraft program to date, costing an estimated \$200 billion to procure about 2,600 aircraft and related support equipment. Many in DOD consider JSF to be a model for future cooperative programs.

To determine the implications of the JSF international program structure, GAO identified JSF program relationships and expected benefits and assessed how DOD is managing cost sharing, technology transfer, and partner expectations for industrial return.

What GAO Recommends

Information on prime contractor activities is critical to balancing program schedule goals with partner expectations. Therefore, GAO is recommending that the Secretary of Defense direct the JSF Program Office to ensure that international supplier planning fully anticipates and mitigates risks associated with technology transfer and that information concerning the selection and management of suppliers is available, closely monitored, and used to improve program outcomes. In its comments on a draft of this report, DOD concurred with the recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-03-775.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Katherine V. Schinasi at (202) 512-4841 or schinasi@gao.gov.

JOINT STRIKE FIGHTER ACQUISITION

Cooperative Program Needs Greater Oversight to Ensure Goals Are Met

What GAO Found

The JSF international program structure is based on a complex set of relationships involving both government and industry from the United States and eight partner countries. The program is expected to benefit the United States by reducing its share of program costs, giving it access to foreign industrial capabilities, and improving interoperability with allied militaries. Partner governments expect to benefit from defined influence over aircraft requirements, improved relationships with U.S. aerospace companies, and access to JSF program data.

Yet international participation also presents a number of challenges. For example, while international partners can choose to share any future program cost increases, they are not required to do so under the terms of negotiated agreements. Therefore, the burden of any future increases may fall almost entirely on the United States. Technology transfer also presents challenges. The large number of export authorizations needed to share project information, solicit bids from partner suppliers, and execute contracts must be submitted and resolved in a timely manner to ensure that partner industry has the opportunity to compete for subcontracts and key contracts can be executed on schedule. Transfers of sensitive U.S. military technologies—which are needed to achieve aircraft commonality goals—will push the boundaries of U.S. disclosure policy. While actions have been taken in an attempt to address these challenges, additional actions are needed to control costs and manage technology transfer.

Finally, if partners' return-on-investment expectations are not met, support within their countries could deteriorate. To realize this return-on-investment, partners expect their industry to win JSF contracts through competition—a departure from other cooperative programs, which directly link contract awards to financial contributions. If the prime contractor's efforts to meet these expectations come into conflict with program cost, schedule, and performance goals, the program office will have to make decisions that balance these potentially competing interests.

Joint Strike Fighter



Source: JSF Program Office.