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REPORT BY THE COMPTROLLER
GENERAL OF THE UNITED STATES

THE NAVY'S NEW ANTISUBMARINE
WARFARE STANDOFF WEAPON--AN
UNCERTAIN FUTURE

D I G E S T

The antisubmarine warfare standoff weapon will be a long-range, quick-reaction missile platform capable of delivering torpedoes or depth bombs. Until October 1981, the standoff weapon was being developed primarily for SSN-637 and SSN-688 class attack submarines.

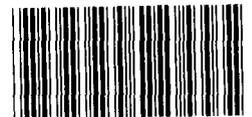
In October 1981 the Navy restructured the program to provide for deployment aboard surface ships as well as submarines and renamed the weapon the Common Antisubmarine Warfare Standoff Weapon. However, revised cost, schedule, and quantity estimates for the restructured program were not available until after the President's fiscal year 1983 budget request was submitted to the Congress. Thus, this report deals exclusively with the submarine-launched aspect of the common standoff weapon program.

On April 17, 1981, the Navy awarded a \$10.6 million sustaining engineering contract to Boeing Aerospace Company and Gould, Incorporated, to continue development work until the Secretary of Defense decides whether the weapon should proceed into the demonstration and validation phase. This decision, expected in November 1981, has been delayed to June 1982, as a result of the program restructuring.

Before restructuring the standoff weapon program, the Navy planned to follow the major acquisition cycle, including full-scale engineering development and production, with an initial operational capability which was estimated for the mid-1980s. Life-cycle costs for deploying 1,000 missiles aboard U.S. attack submarines were estimated at \$2.6 billion. (See p. 17.)

WHY THE REVIEW WAS MADE

GAO has reported annually for several years to the Congressional Armed Services and Appropriations Committees on the status of selected major weapon systems. This report is one in a series that is being furnished to congressional committees for their use in reviewing fiscal



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year 1983 budget requests. It represents GAO's views on the major issues concerning the Navy's development of an antisubmarine warfare standoff weapon, currently nearing the end of the concept formulation phase of the major acquisition cycle.

NAVY SEES AN ADVANCING SOVIET
THREAT THAT WARRANTS IMPROVED
ANTISUBMARINE WEAPONS

The Soviet Union's general purpose submarine force is a primary threat to the U.S. Navy's control of the seas. The Soviets are expected to continue improvements in submarine hull construction, speed, diving capability, and sensor capability. If the Soviets can successfully target their existing long-range weapons, they could attack U.S. submarines at standoff ranges. Thus, the Navy believes developing its new long-range antisubmarine standoff weapon is necessary. (See p. 3.)

RELATED PROGRAMS COULD
LIMIT THE STANDOFF
WEAPON'S CAPABILITY

Navy studies indicate that the standoff weapon will be effective at an adequate range to significantly improve the antisubmarine warfare capability of U.S. attack submarines. However, future improvements which are necessary to support the weapon's proposed range may not be achieved. (See p. 10.)

In a related program, GAO referred to problems encountered in developing the advanced light-weight torpedo. Continued improvements in Soviet submarine capabilities have raised questions and indications are that the weapon's effectiveness could be reduced. (See p. 12.)

The standoff weapon is intended to replace the Navy's only existing submarine-launched, long-range antisubmarine weapon, commonly known as SUBROC. The Navy is extending SUBROC's service life under a \$41 million refurbishment program to improve reliability, maintainability, and system performance. But the Navy determined that SUBROC had exceeded its design life and is planning to retire SUBROC capability from the fleet. (See p. 13.)

Related to SUBROC's life extension program, in 1979 the Navy estimated that to develop and install a fire control system would cost an additional \$15 million. The Navy rejected this option because it believes the money should be spent in higher priority areas. (See p. 13.)

POTENTIAL COST INCREASES
AND DELAYS COULD AFFECT
THE PROGRAM

The Navy estimates life-cycle program costs at \$2.6 billion. However, this does not include some costs which are reported separately. More importantly, the Navy's decision to deploy the standoff weapon aboard surface ships may increase program costs by \$2 billion or more primarily due to the increased number of missiles needed. (See p. 17.)

The Defense Systems Acquisition Review Council meeting to consider whether the system should enter the demonstration and validation phase has been delayed about 13 months to February 1982 or later. In the interim, the Navy awarded a contract to continue engineering development work. Project officials said the remaining phases of the standoff weapon's acquisition cycle would probably be affected. (See p. 19.)

The selected acquisition reporting system summarizes program highlights quarterly for Department of Defense and congressional review. The Navy believes using this reporting system is premature prior to the full-scale engineering development phase. GAO believes the Navy should begin using the selected acquisition reporting system now to provide increased management visibility to cost, schedule, and performance goals. (See p. 19.)

RECOMMENDATIONS TO THE
SECRETARY OF DEFENSE

GAO recommends that the Secretary of Defense:

- Direct the Secretary of the Navy to develop accurate cost estimates and then reevaluate the fire control system option. If this option is cost effective, the Navy should reconsider its priorities. (See p. 15.)
- Direct the Secretary of the Navy to begin selected acquisition reporting now to provide

increased management visibility to cost, schedule, and performance goals.

VIEWS OF AGENCY OFFICIALS

GAO did not request official comments on this report because of the need to issue it in time for congressional consideration of the fiscal year 1983 defense budget requests. GAO did, however, discuss a draft of this report with high level officials associated with management of the program. These officials generally agreed with the facts presented in this report and their views are included as appropriate.

The Navy disagrees with GAO's recommendation that the standoff weapon be put on the selected acquisition reporting system.