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Report No. DODIG-2021-075



INSPECTOR GENERAL

U.S. Department of Defense

April 8, 2021



(U) Audit of Department of Defense Infrastructure Planning in Australia

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FOIA Office under FOIA
request
DODOIG-2021-000968 on
June 7, 2024"

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Results in Brief

(U) Audit of the Department of Defense Infrastructure Planning in Australia

(U) April 8, 2021

(U) Objective

(U) The objective of this audit was to determine whether the DoD planned infrastructure projects supporting rotational forces in Australia in accordance with U.S. Indo-Pacific Command's (USINDOPACOM) operational requirements.

(U) We specifically looked at the U.S. Marine Corps (Marine Corps) and the U.S. Air Force (Air Force) infrastructure projects in Australia in support of the Marine Corps and Air Force rotational forces that deploy to Australia.

(U) Background

(S) ^{INDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d}
[Redacted text block]

(~~EU~~) On November 16, 2011, the U.S. President and Australian Prime Minister announced the U.S. Force Posture Initiatives in Australia (USFPI). Under the USFPI, the Marine Corps participates through the Marine Rotational Force-Darwin initiative, and the Air Force participates through the Enhanced Air Cooperation initiative. These initiatives demonstrate the U.S. commitment to Australia, support the U.S. rebalance, and are designed to enhance regional security through expanded bilateral cooperation together and with other partner nations in the Indo-Pacific region. ^{INDOPACOM (b)(1)1.7e}

[Redacted text block]

Background (cont'd)

(~~EU~~) ^{INDOPACOM (b)(1)1.7e}
[Redacted text block]

(U) Finding

(U) Air Force and Marine Corps officials identified and planned infrastructure projects in Australia needed to meet mission and operational requirements. In addition, the Air Force has progressed all projects to either construction or design phases. However, the Marine Corps delayed programming funding for USFPI infrastructure projects in Australia needed to execute USINDOPACOM's and Marine Rotational Force-Darwin mission requirements.

(U) The Marine Corps delayed programming funding for USFPI infrastructure projects in Australia for the following reasons.

- (~~EU~~) ^{INDOPACOM (b)(1)1.7e}
[Redacted text block]

- (~~EU~~) ^{INDOPACOM (b)(1)1.7e}
[Redacted text block]

(~~EU~~) ^{INDOPACOM (b)(1)1.7e}
[Redacted text block]

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Results in Brief

(U) Audit of the Department of Defense Infrastructure Planning in Australia

(U) Finding (cont'd)

(S//NF) USINDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d

[REDACTED]

(U) Recommendation

(U) We recommend that the Marine Corps Deputy Commandant for Plans, Policies, and Operations, in coordination with the USINDOPACOM Chief of Staff, revalidate the Marine Rotational Force–Darwin 5-year plan to meet the mission requirements and to support operational plans and strategic objectives related to the Marine Corps presence in Australia. At a minimum the plan should address the current use of temporary facilities provided by Australia and continued availability of those facilities; U.S. force posture agreements, U.S. Force Posture Initiatives implementing arrangements with Australia, and non-written expectations regarding facility development with the Government of Australia; and meeting both training and operational requirements in Australia.

(U) Management Comments and Our Response

(U) The USINDOPACOM Chief of Staff agreed with the report as written but did not provide specific comments on the recommendation. However, the U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations stated that the Marine Corps Forces Pacific will coordinate the next Marine Rotational Force – Darwin plan 5-year review with USINDOPACOM and their Australia counterparts. While the Deputy Commandant for Plans, Policies, and Operations neither agreed nor disagreed with the recommendation, he stated that the Marine Corps routinely reviews and revalidates plans, including the Marine Rotational Force–Darwin plan. The Deputy Commandant stated that Marine Forces Pacific will undertake the next 5-year review in coordination with USINDOPACOM and Australian counterparts. The Deputy Commandant stated that the 5-year plan is based upon continued use of expeditionary enhancements and existing infrastructure.

(U) Comments from the Chief of Staff did not address the specifics of the recommendation. However, comments from the Deputy Commandant for Plans, Policies, and Operations addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once the Marine Corps Deputy Commandant for Plans, Policies, and Operations, in coordination with the USINDOPACOM Chief of Staff, provides documentation revalidating the Marine Rotational Force–Darwin 5-year plan meets mission requirements and supports strategic objectives related to the Marine Corps presence in Australia.

(U) Please see the Recommendation Table on the next page for the status of recommendation.

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(U)Recommendation Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Chief of Staff, U.S. Indo-Pacific Command	None	1	None
Deputy Commandant for Plans, Policies, and Operations, U.S. Marine Corps	None	1	None

(U) Note: The following categories are used to describe an agency management's comments to individual recommendations.

- **(U) Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **(U) Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **(U) Closed** – The DoD OIG verified that the agreed-upon corrective actions were implemented.

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INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500

(U) April 8, 2021

(U) MEMORANDUM FOR COMMANDER, U.S. INDO-PACIFIC COMMAND
AUDITOR GENERAL, DEPARTMENT OF THE NAVY

(U) SUBJECT: Audit of the Department of Defense Infrastructure Planning in
Australia (Report No. DODIG-2021-075)

(U) This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendation. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

(U) The U.S. Indo-Pacific Command Chief of Staff and the U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations agreed with the finding and the recommendation presented in the report; therefore we considered the recommendation resolved and open. As described in the Recommendation, Management Comments, and Our Response section of this report, we will close the recommendation when you provide us documentation showing that all agreed-upon actions to implement the recommendation have been completed. Therefore, please provide us your response concerning specific actions in process or completed on the recommendation. Your response should be sent to either followup@dodig.mil if unclassified or rfunet@dodig.smil.mil if classified SECRET.

(U) If you have any questions, please contact me at DODIG (b)(6) (DSN DODIG (b)(6)).

A handwritten signature in dark ink, appearing to read "Richard B. Vasquez", is located below the contact information.

Richard B. Vasquez
Assistant Inspector General for Audit
Readiness and Global Operations

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(U) Introduction

(U) Objective

(U) The objective of this audit was to determine whether the DoD planned infrastructure projects supporting rotational forces in Australia in accordance with U.S. Indo-Pacific Command's (USINDOPACOM) operational requirements. We specifically looked at the U.S. Marine Corps (Marine Corps) and the U.S. Air Force (Air Force) infrastructure projects in Australia in support of the Marine Corps and Air Force rotational forces that deploy to Australia. See the Appendix for our scope and methodology.

(U) For purposes of this audit, we define USINDOPACOM operational requirements as the combatant command requirements related to training, exercises, building partner capacity, and infrastructure needed for operations in Australia.

(U) Background

(U) U.S. Indo-Pacific Command

(U) USINDOPACOM's mission is to enhance stability in the Indo-Pacific region by promoting security cooperation, encouraging peaceful development, responding to contingencies, deterring aggression, and, when necessary, fighting to win. In November 2019, the Secretary of Defense made his second trip in 3 months to the Indo-Pacific region and called the region America's "priority theater." In addition, the Secretary of Defense stated that in the Pacific, allies and partners want the United States to lead, but to do that, U.S. forces must also be present in the region.

(U) On May 1, 2006, the Governments of the United States and Japan agreed on a plan to relocate III Marine Expeditionary Force personnel and their dependents from Okinawa, Japan, to Guam by 2014. However, in April 2012, the U.S. Government adjusted the relocation plan to include positioning Marine Forces in Hawaii and establishing a rotational presence in Australia. During an official visit to the Indo-Pacific region in August 2020, the Secretary of Defense talked about the Indo-Pacific region becoming a "networked region" of like-minded countries working together. In addition, during the same visit, the Assistant Secretary of Defense (Indo-Pacific Security Affairs) stated that the DoD would like to be able to make its presence more geographically distributed, and more operationally resilient.

(U) U.S. Indo-Pacific Australian Operation and Campaign Plan Requirements

(U) The alliance between the United States and Australia is an important anchor for peace and stability in the Indo-Pacific region and around the world, and for the bilateral security cooperation activities between the two nations to enhance the stability and resiliency of the Indo-Pacific region. U.S. and Australian forces have fought together in every significant conflict since World War I and since then, the two countries have signed various treaties, a Force Posture Agreement, and Force Posture Initiatives that enhance the partnership.

(S)

NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d



(U) U.S. Force Posture Initiatives in Australia

(U) On November 16, 2011, the U.S. President and Australian Prime Minister announced the U.S. Force Posture Initiatives in Australia (USFPI). Under the USFPI, the Marine Corps participates through the Marine Rotational Force–Darwin (MRF-D) initiative, and the Air Force participates through the Enhanced Air Cooperation (EAC) initiative. These initiatives demonstrate the U.S. commitment to Australia, act as support for the U.S. rebalance, and are designed to enhance regional security through expanded bilateral cooperation together and with other partner nations in the Indo-Pacific region. Through these initiatives, the United States and Australia are gaining new opportunities for combined training and improved interoperability between their armed forces. The initiatives also provide new opportunities for engagement with regional partners and position both nations to better respond to crises in the region.

(U) Marine Rotational Force–Darwin

(U) The MRF-D deploys for 6 to 8 months during Australia's dry season (April through October) with the mission to operate within Southeast Asia in order to respond to crises and contingencies, conduct interoperability development, capability, and shaping activities for theater security cooperation with the Australian Defence Force and other regional partners. During the deployments, the MRF-D executes a training and exercise

(U) plan that occurs at several Australian Defence Force range and training locations. The training plan is optimized for each individual MRF-D rotation to take advantage of scheduled theater engagement and training exercises. Since the 2011 announcement of MRF-D deployments, the rotations have grown in size and complexity, initially starting with 200 U.S. Marines in 2012 to 2,500 U.S. Marines in 2019.

(S) NDOPACOM (b)(1)1.4a / AFIMSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d

(U) Air Force Enhanced Air Cooperation

(U) In 2017, the Pacific Air Forces (PACAF) initiated the Air Force EAC program. The EAC is the Air Force's contribution to the USFPI, which seeks to enhance air power interoperability, prepare and posture joint and combined forces, and promote multilateral engagement and security in the Indo-Pacific region. The EAC expands the number and type of aircraft coming to northern Australia bases and participates in training exercises, spanning approximately 2 weeks, with several other countries. The EAC includes a range of air exercises and training activities designed to enhance regional cooperation, coordination, and interoperability between Australian and U.S. Service members.

(CU) NDOPACOM (b)(1)1.7e

(U) U.S. Force Posture Initiatives Agreements and Arrangements

(U) The United States and Australia have a series of agreements and arrangements that govern the USFPIs in Australia. Specifically, the "Force Posture Agreement Between the Government of the United States of America and the Government of Australia," August 12, 2014, provides authorizations for U.S. forces to engage in mutually determined activities in Australia. The Agreement states that U.S. forces

¹ (U) Exercise Talisman Saber is a biennial U.S. and Australian exercise focusing on combat training, readiness, and interoperability through realistic, relevant training necessary to maintain regional security, peace, and stability.

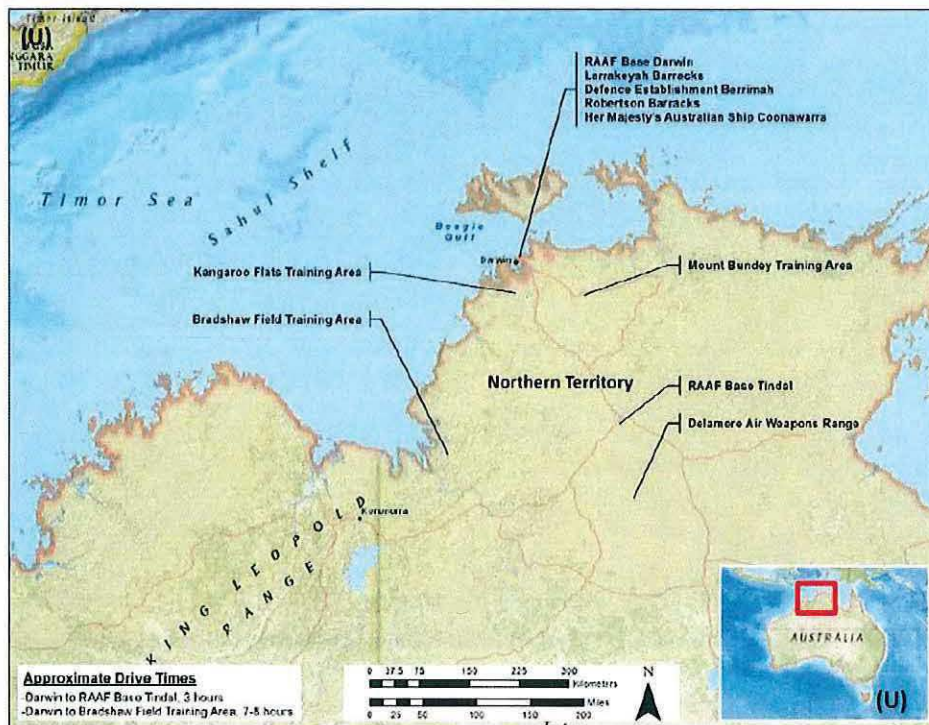
(U) are responsible for the costs associated with construction activities and improvements to agreed facilities and areas. "The Memorandum of Understanding on Agreed Facilities and Areas," May 30, 2015, specifies the agreed facilities and areas that U.S. forces can use for mutually determined activities such as training and exercises. The "Implementing Arrangement on Cost Sharing," January 12, 2017, establishes the guiding principles for cost sharing of agreed-upon facilities and areas. For example, the Implementing Arrangement on Cost Sharing states that the construction costs for facilities to support EAC and MRF-D activities at Royal Australian Air Force (RAAF) Base Darwin, including expansion of existing airfield pavements to accommodate additional aircraft, are the U.S. DoD's full responsibility.

(U) Infrastructure Projects in Australia

(U) INDOPACOM (b)(1) 7e

(U)

(U) Figure 1. Australia's Northern Territory



(U) Source: AECOM.

(U) ~~SECRET//NOFORN~~ INDOPACOM (b)(1)1.7e

(U) ~~SECRET//NOFORN~~ Table. INDOPACOM (b)(1)1.7e

INDOPACOM (b)(1)1.7e

(U) Source: The DoD OIG.

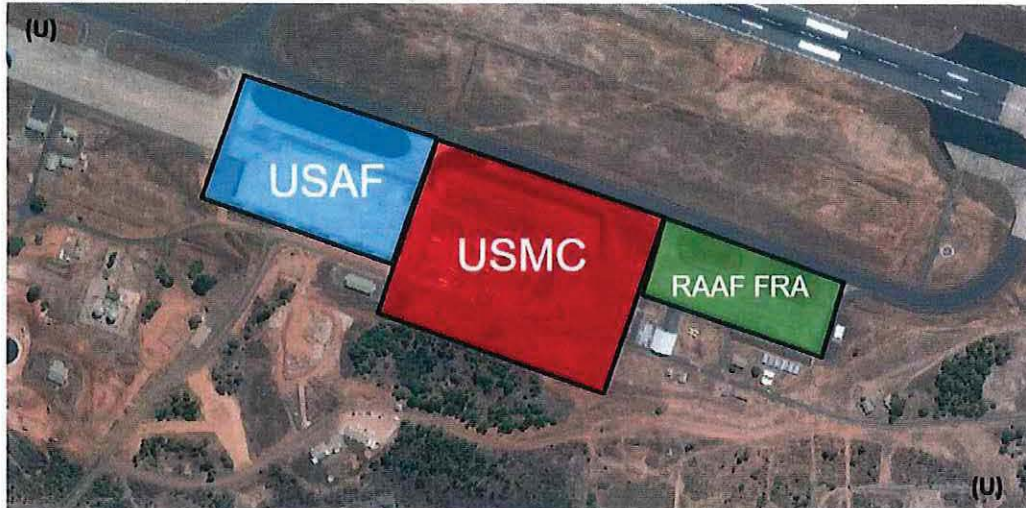
(U) The Air Force projects will provide additional parking capabilities required for tanker and bomber aircraft, maintenance facilities required to support flight line maintenance operations and equipment storage, fuel storage capabilities for aircraft necessary to meet mission requirements, squadron operations facilities to support missions in Australia, and earth-covered magazines required for adequate munitions storage capacity. The Air Force has programmed and initiated construction on this infrastructure to enhance the U.S. ability to train, exercise, and operate with the Australian Air Force and to support strategic operations.

(CUI) INDOPACOM (b)(1) 7e
[REDACTED]

² (U) The DD Form 1391 must be used by the Services to support requirements and justifications for each project proposed for inclusion in the Military Construction Program.

³ (PRIVILEGE-DE) INDOPACOM (b)(5)
[REDACTED]

(U) Figure 2. RAAF Base Darwin Layout.



(U) Source: The DoD OIG.

(U) DoD Program Budget Review Process

(U) The DoD Program Budget Review is a process that occurs between the programming and budgeting phases of the Planning, Programming, Budgeting, and Execution process.⁴ The Office of the Secretary of Defense, Cost Assessment and Program Evaluation (CAPE) conducts the program review and the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, conducts the budget review.

(PRIVILEGE DL) [REDACTED]

(U) The Deputy Secretary of Defense decisions concerning which program requirements will be funded are published in a Program Decision Memorandum. Based on these

⁴ (U) Planning, Programming, Budgeting, and Execution is the DoD process for allocating resources and serves as the framework for DoD civilian and military leaders to decide which programs and force structure requirements to fund based on strategic objectives.

⁵ (U) [REDACTED]

(U) decisions, DoD Components submit their budget requests to the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, to be considered in the DoD's budget request for inclusion in the President's Budget submission to Congress.

(U) Review of Internal Controls

(U) DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.⁶ We evaluated internal controls related to the planning of 10 infrastructure projects in Australia in accordance with laws and DoD regulations. We determined that the internal controls related to planning the infrastructure projects we reviewed were effective.

⁶ (U) DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

(U) Finding

(U) The DoD Planned for, but Delayed, Programming Funding for All U.S. Force Posture Initiative Infrastructure Projects in Australia

~~(CUI)~~ Air Force and Marine Corps officials identified and planned infrastructure projects in Australia needed to meet mission and operational requirements.

INDOPACOM (b)(1)1.7e

In addition, the Air Force has progressed all projects to either design or construction phases.

(U) However, Marine Corps Headquarters officials delayed programming funding for USFPI infrastructure projects in Australia needed to support MRF-D mission requirements and USINDOPACOM operational requirements.

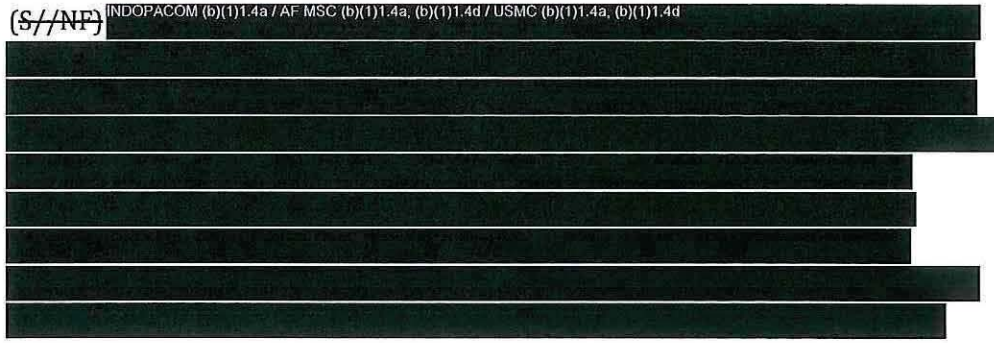
(U) The Marine Corps delayed programming funding for USFPI infrastructure projects in Australia for the following reasons.

- ~~(CUI)~~ INDOPACOM (b)(1)1.7e

- ~~(CUI)~~ INDOPACOM (b)(1)1.7e

~~(CUI)~~ INDOPACOM (b)(1)1.7e

(S//NF) ~~INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d~~



(U) The DoD Properly Planned but Delayed Implementation of Infrastructure Plans Developed for Australia

(U) Air Force and Marine Corps officials identified and planned infrastructure projects in Australia needed to meet mission and operational requirements, and Air Force officials either funded or programmed for projects identified in the Air Force Australian Area Development Plan. However, Marine Corps Headquarters officials delayed programming funding for USFPI infrastructure projects in Australia needed to support MRF-D mission requirements and USINDOPACOM operational requirements.

(U) Air Force and Marine Corps Officials Identified Infrastructure Projects Needed to Meet Mission and Operational Requirements

(U) Air Force and Marine Corps officials identified and planned infrastructure projects needed to meet EAC and MRF-D mission requirements in support of USINDOPACOM operational requirements.

(U) Air Force Planning

(U//NF) ~~INDOPACOM (b)(1)1.7e~~



(U) Finding

(S//NF) ~~INDOPACOM (b)(1)1.7e~~

(U) In November 2012 and April 2017, the Air Force held several programming charrettes, or planning working groups, for the infrastructure projects in Australia. The purpose of these planning working groups was to identify and resolve concerns with standardization, functionality, location, scope, and cost that might otherwise affect project execution. According to a USINDOPACOM J4 official, the Air Force projects in Australia were moving along well, and there have not been many delays with their progress. He added that all proposed Air Force projects were in either the construction or design phase.

(U) According to a PACAF official, the Air Force has not identified any EAC operational limitations due to infrastructure facilities in Australia once planned construction is complete. In addition, the official stated that, through the EAC efforts, the Air Force will improve interoperability with Australia, including learning how to work together in both peacetime or in response to a contingency. The official further stated that the planned infrastructure improvements will expand the capacity of the airfields to support larger operations.

(U) Marine Corps Planning

(S//NF) ~~INDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d~~

(S//NF) ~~INDOPACOM (b)(1)1.4a / AFIMSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d~~

7 (U) ~~INDOPACOM (b)(1)1.7e~~

(U) Finding

(U) FY 2022. However, Marine Corps Headquarters officials delayed programming funding for the needed infrastructure.

(U) Marine Corps Officials Delayed Programming Funding for USFPI Infrastructure Projects in Australia

(S)

NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d

[REDACTED]

(CUI)

NDOPACOM (b)(1)1.7e

[REDACTED]

(S//NF)

NDOPACOM (b)(1)1.4a / AFIMSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d

[REDACTED]

(U) Finding

(S//NF) INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted text block]

(U) The Marine Corps Cannot Afford Infrastructure Projects in Australia, and Did Not Account for the Impact of Using Temporary Facilities

(U) INDOPACOM (b)(1)1.7e
[Redacted text block]

(U) Marine Corps Headquarters Cannot Afford Infrastructure Projects in Australia Necessary to Meet Operational Requirements

(S) INDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted text block]

⁸ (S//NF) INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted footnote text]

(U) Finding

(S) NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted]

(PRIVILEGE DL) NDOPACOM (b)(5)
[Redacted]

(PRIVILEGE DL) NDOPACOM (b)(5)
[Redacted]

(PRIVILEGE DL) NDOPACOM (b)(5)
[Redacted]

(U) Finding

(PRIVILEGE DL) [REDACTED] (INDOPACOM (b)(5))

(U) Marine Corps Headquarters Did Not Account for the Impact of Temporary Facilities for Training

(CUI) [REDACTED] (INDOPACOM (b)(1)1.7e)

[REDACTED]

⁹ (U) The Global Posture Executive Council, co-chaired by the Assistant Secretary of Defense (Strategy, Plans, and Capabilities) and the Director, Joint Staff, is the formal body with authority to manage global defense posture.

(U) Finding

(S//NF) INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted]

(S//REL TO USA, AUS) INDOPACOM (b)(1)1.4a / AFIMSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted]

(S//NF) INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted]

(S//NF) INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d
[Redacted]

¹⁰ (U) "Memorandum of Understanding on Agreed Facilities and Areas," May 2015.

(U) Finding

(S//NF)

[INDOPACOM (b)(1)1.4a / AF MSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(U) Management Actions Taken

(PRIVILEGE DL)

[INDOPACOM (b)(5)]

[REDACTED]

[REDACTED]

[REDACTED]

(PRIVILEGE DL)

[INDOPACOM (b)(5)]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(U) Management Comments on the Finding and Our Response

(U) The U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations neither agreed nor disagreed with our finding and recommendation; however, the Deputy Commandant provided supplemental comments to clarify several discrepancies in the audit report.

(U) U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations Comments on Cost Increases

(CUI)

[INDOPACOM (b)(1)1.7e]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

¹¹ (U) Exercise Pitch Black is a biennial multinational air warfare exercise hosted by the RAAF. The exercise focuses on offensive counter air and defensive counter air combat in a simulated war environment. In April 2020, the Australian Government, Department of Defence canceled Pitch Black 2020 due to the coronavirus disease-2019.

~~(CUI)~~ INDOPACOM (b)(1)1.7e

~~(CUI)~~ INDOPACOM (b)(1)1.7e

~~(CUI)~~ INDOPACOM (b)(1)1.7e

(S) NDOPACOM (b)(1)1.4a / AFIMSC (b)(1)1.4a, (b)(1)1.4d / USMC (b)(1)1.4a, (b)(1)1.4d

(U) Our Response**(S//NF)** INDOPACOM (b)(1)1.7e

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

(U) U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations Comments on Report Classification

(U) The Deputy Commandant stated that the draft audit report is improperly classified because according to DoD Manual 5200.01, Volume 2, within the DoD, the labeling of "SECRET//NOFORN" is authorized for use only on intelligence and intelligence-related information and products under the purview of the Director of National Intelligence with three exceptions that the audit report did not meet.¹²

(U) Our Response

(U) We disagree that the draft audit report is improperly classified. Although we agree that DoD Manual 5200.01, Volume 2, specifies that within DoD, the disseminating control marking "NOFORN" is authorized for use only on intelligence and intelligence-related information and products under the purview of the Director of National Intelligence, the DoD Manual also states that the banner line in a document should specify the highest level of classification of information contained within a document. The DoD Manual then specifies that the highest level of classification is determined by the highest level of any one portion within a document. Throughout the audit, the audit team collected and used evidence from multiple sources, such as the 2019 USINDOPACOM Theater Posture Plan and the 2018 Joint Strategic Campaign Plan.¹³ The overall classification of both documents is "SECRET//NOFORN." The audit team does not have original classification authority and therefore must use the highest

¹² (U) DoD Manual 5200.01, Volume 2, "DoD Information Security Program: Marking of Information," February 24, 2012, incorporating change 4, effective July 28, 2020.

¹³ (S//NF) "United States Indo-Pacific Command (USINDOPACOM) 2019 Theater Posture Plan (TPP)," October 1, 2019; and Chairman of the Joint Chiefs of Staff Instruction 3110.01K, "2018 Joint Strategic Campaign Plan," March 22, 2019.

(U) level of classification used in the source documents as the overall classification level of the report. Therefore, we did not change the overall classification of this report.

(U) Recommendation, Management Comments, and Our Response

(U) Recommendation 1

(U) We recommend that the Marine Corps Deputy Commandant for Plans, Policies, and Operations, in coordination with U.S. Indo-Pacific Command Chief of Staff, revalidate the Marine Rotational Force-Darwin 5-year plan to meet the mission requirements and to support strategic objectives related to the Marine Corps presence in Australia. The update should, at a minimum, address:

- (U) current use of temporary facilities provided by Australia and continued availability of those facilities INDOPACOM (b)(1)1.7e [REDACTED] throughout the duration of the 5-year plan or until more permanent infrastructure is in place;
- (U) U.S. force posture agreements, U.S. Force Posture Initiatives implementing arrangements with Australia, and non-written expectations regarding facility development with the Government of Australia; and
- (U) meeting both training and operational requirements in Australia.

(U) U.S. Indo-Pacific Command Chief of Staff Comments

(U) The USINDOPACOM Chief of Staff agreed with the draft report as written and did not provide further comment.

(U) U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations Comments

(U) The U.S. Marine Corps Deputy Commandant for Plans, Policies, and Operations neither agreed nor disagreed with the recommendation and stated that the Marine Corps routinely reviews and revalidates plans including the MRF-D 5-year plan. The Deputy Commandant also stated that MARFORPAC will undertake the next 5-year review in coordination with USINDOPACOM and their Australian counterparts in light of receiving DoD top line relief for infrastructure upgrades in Australia. The Deputy Commandant then stated that the Marine Corps will continue to ensure its presence in Australia meets all training requirements and operational and strategic objectives. Lastly, the Deputy Commandant stated that the current 5-year plan is based upon continued use of expeditionary enhancements and existing infrastructure.

(U) Our Response

(U) Comments from the Chief of Staff did not address the specifics of the recommendation. However, comments from the Deputy Commandant for Plans, Policies, and Operations addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once the Marine Corps Deputy Commandant for Plans, Policies, and Operations, in coordination with the USINDOPACOM Chief of Staff, provides documentation revalidating the Marine Rotational Force–Darwin 5-year plan meets mission requirements and supports strategic objectives related to the Marine Corps presence in Australia.

(U) Appendix

(U) Scope and Methodology

(U) We conducted this performance audit from January 2020 through January 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objectives.

(U) For purposes of this audit, we define USINDOPACOM operational requirements as the combatant command requirements related to training, exercises, building partner capacity, and infrastructure needed for operations in Australia.

(U) Announced and Reported Audit Objective

(U) Our announced objective was to determine whether the DoD planned infrastructure projects supporting rotational forces in Australia in accordance with applicable laws and DoD regulations and USINDOPACOM's operational requirements. However, after the planning phase, we determined that the most important aspect of our objective was to review the DoD infrastructure projects in Australia in relation to the strategic success of the DoD through the continued U.S. presence and multi-national training opportunities. Therefore, we narrowed our scope for our reported objective to focus specifically on determining whether the DoD planned infrastructure projects supporting rotational forces in Australia in accordance with USINDOPACOM's operational requirements. As a result, we did not determine whether the DoD planned infrastructure projects supporting rotational forces in Australia in accordance with all applicable laws and regulations.

(U) Review of Documentation and Interviews

(U) We obtained and reviewed budget and planning documentation for military construction projects programmed or awarded in Australia to determine the number of construction projects programmed or awarded in Australia, the MRF-D and EAC mission and operational requirements, and working groups meeting minutes to determine whether any infrastructure concerns were identified that would impact mission and operational requirements. Specifically, we reviewed the following documentation.

- (U) Construction Programs (C-1), DoD Budget FY 2019, February 2018
- (U) Department of the Air Force, Military Construction Program, FY 2020 Budget Estimates, March 2019

- (U) DD Form 1391s, Military Construction Project Data for FY 2017 through FY 2024, and DD Form 1391C, FY 2020 Military Construction Program
- (U) Requirements Documents for:
 - (U) Expand Parking Apron RAAF Darwin, Australia, September 24, 2014
 - (U) Aircraft Maintenance Support Facility RAAF Base Darwin Australia, January 2013
 - (U) APR Darwin Bulk Fuel Storage Tanks, March 2017
 - (U) APR Darwin Operations Facility, March 2017
 - (U) APR Bulk Fuel Storage, RAAF Base Tindal, Australia, September 2017
 - (U) APR Earth Cover Magazines, RAAF Base Tindal, Australia, September 2017
 - (U) APR Aircraft Maintenance Support Facility, RAAF Base Tindal, Australia, September 2017
 - (U) APR Aircraft Parking Apron, September 2017
 - (U) APR Squadron Operations Facility, September 2017
- (U) Basis of Design and Calculations for the following projects:
 - (U) APR Expand Aircraft Parking Apron Royal Australian Air Force Base Darwin, Australia, September 29, 2017
 - (U) APR Aircraft Maintenance Support Facility Royal Australian Air Force Base Darwin, Australia, October 27, 2017
- (U) Basis of Design for the following projects:
 - (U) APR Darwin Bulk Fuel Storage Tanks RAAF Base Darwin, Australia (Pre-Final Submission), January 2019
 - (U) FY20 MCON Project PAF180200 Asia Pacific Resiliency – Jet Fuel Storage Tanks Royal Australian Air Force (RAAF) Base Tindal, NT Australia, December 2, 2019
 - (U) FY20 MCAF PAF180300 APSI Earth Cover Magazines, Royal Australian Air Force Base Tindal Australia, October 31, 2019

- (U) NAVFAC Pacific FY21 MCAF Project PAF160700 APSI Squadron Operations Facility, RAFF Darwin, Australia Final Design Charrette Report, January 15, 2020.
- (U) MRF-D exercises After Action Reviews from November 2018 through September 2019.
- (U) Enhanced Air Cooperation Final Planning Conference Post Activity Report, October 3, 2018
- (U) Joint Facilities Working Group Infrastructure meeting minutes from February 2017 through October 2019

(U) We reviewed agreements specific to the U.S.-Australian alliance. Specifically, we reviewed the following agreements and planning documentation.

- (U) The Force Posture Agreement Between the Government of The United States of America and The Government of Australia, August 12, 2014
- (U) Implementing Arrangement on Cost Sharing Pursuant to the Force Posture Agreement Between the Government of The United States of America and The Government of Australia, January 12, 2017
- (U) Letter of Instruction Australia/U.S. Force Posture Initiatives, June 25, 2015
- (U) Memorandum of Understanding on Agreed Facilities and Areas, May 30, 2015 (Document is FOUO)

(U) We reviewed strategic planning documentation specific to the USINDOPACOM area of responsibility in order to identify USINDOPACOM operational needs and MRF-D training requirements. Specifically, we reviewed the following documentation.

- (U) United States Indo-Pacific Command 2019 Theater Posture Plan, October 1, 2019 (Document Classified Secret//NOFORN)
- (U) ^{INDOPACOM (b)(1)1.7(e)} [REDACTED] (Document Classified Secret)
- ~~(U)~~ ^{INDOPACOM (b)(1)1.7(e)} [REDACTED]
[REDACTED]
[REDACTED] (Document Classified Secret//NOFORN)

- (U) Marine Corps Forces Pacific MRF-D, 5-Year Plan, April 1, 2019 (Document Classified Secret)

(U) We interviewed personnel from the following organizations involved with infrastructure planning in Australia between February and March 2020 at Camp Smith, and Joint Base Pearl Harbor Hickam, Hawaii.

- (U) USINDOPACOM J3 Operations, J4 Logistics, and J5 Strategic Planning and Policy Directorates
- (U) NAVFAC Pacific
- (U) MARFORPAC Defense Policy Initiative Review

(U) We also conducted telephone interviews with personnel from the Office of CAPE within the Office of the Secretary of Defense in Washington, D.C., and the MRF-D in Australia. In addition, we obtained answers to questions through e-mail from PACAF and Marine Corps Headquarters personnel.

(U) Additionally, we created and distributed questionnaires to MRF-D and EAC personnel who had participated in previous exercises in Australia. The purpose of the questionnaires was to determine whether previous MRF-D and EAC units identified any infrastructure limitations at RAAF Base Darwin and RAAF Base Tindal that had a negative impact on meeting mission or operational requirements. We received questionnaire responses from MRF-D personnel; however, we did not receive any questionnaire responses from EAC personnel.

(U) We could not conduct planned site visits to Australian Defence installations to perform visual inspections of facilities and interview MRF-D and EAC personnel on the ground due to travel restrictions surrounding the coronavirus disease-2019. While this limited our ability to confirm the effectiveness of facilities to meet mission and operational requirements, we determined that the available evidence from personnel interviews, questionnaires, and documentation was sufficiently reliable to answer our audit objective.

(U) Use of Computer-Processed Data

(U) We did not use computer-processed data to perform this audit.

(U) Prior Coverage

(U) No prior coverage has been conducted on DoD infrastructure planning in Australia during the last 5 years.

(U) Management Comments

(U) United States Marine Corps



~~SECRET~~
DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
3000 MARINE CORPS PENTAGON
WASHINGTON, DC 20350-3000

IN REPLY REFER TO:
PLN
15 Feb 2021

From: Deputy Commandant for Plans, Policies and Operations
To: Department of Defense Inspector General (DODIG)

Subj: (U) USMC RESPONSE TO DRAFT PROPOSED REPORT ON AUDIT OF DOD
INFRASTRUCTURE PLANNING IN AUSTRALIA

Encl: (1) ~~(S)~~ Additional Marine Corps Response to DODIG Report

1. (U) I appreciate the opportunity to respond to the draft report. The DODIG recommendation for Marine Corps Plans, Policies and Operations is:

"(U) We recommend that the Marine Corps Deputy Commandant for Plans, Policies, and Operations, in coordination with the USINDOPACOM Chief of Staff, revalidate the Marine Rotational Force-Darwin 5-year plan to meet the mission requirements to support strategic objectives related to the Marine Corps presence in Australia. The update should, at a minimum, address:

(U) Current use of temporary facilities provided by Australia and continued availability of those facilities
INDOPACOM (b)(1)1/e
throughout the duration of the 5-year plan or until more permanent infrastructure is in place.

(U) U.S. force posture agreements, U.S. Force Posture Initiatives implementing arrangements with Australia, and non-written expectations regarding facility development with the Government of Australia; and

(U) Meeting both training and operational requirements in Australia.

2. (U) In response, the Marine Corps routinely reviews and revalidates plans including the Marine Rotational Force - Darwin, especially in light of receiving DoD top line relief for infrastructure upgrades in Darwin. MARFORPAC will undertake the next five-year review in coordination with USINDOPACOM, and our Australian counterparts. The Marine Corps will continue to ensure that its presence in Australia is exemplary and meets all training requirements and operational and strategic objectives outlined in the Australia - U.S. Alliance: Force Posture Initiatives and Bilateral Planning Guidance (Fiscal Years 2019-2028) and AUSMIN 2020 Statement of Principles on Alliance Defense Cooperation and Force Posture Principles in the Indo-Pacific signed by Secretary Esper and Minister of Defense Reynolds. The Commandant of the Marine Corps; and Commander, INDOPACOM approved the Marine Corps Marine Rotational Forces-Darwin (MRF-D) Five-year Rotational Implementation Plan 2020-2025 (1 October 2019). This plan

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(U) United States Marine Corps (cont'd)

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meets the Secretary of Defense, CJCS, and the Service guidance, intent and direction for MRF-D rotations. The Five-year plan is based upon a continued use of expeditionary enhancements and existing infrastructure.

3. (U) Additionally, the Marine Corps would like to clarify several discrepancies in the report (see Enclosure 1).


G. W. SMITH JR.

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Additional Marine Corps Response

1. Page 10 ~~(CUI)~~ INDOPACOM (b)(1)1.7e

Marine Corps Comment. ~~(CUI)~~ **INDOPACOM (b)(1)1.7e**

2. Page 10 ~~(CUI)~~ NDOPACOM (b)(1)1.7e

Marine Corps Comment. (CUI) [REDACTED] INDOPACOM (b)(1)1.7e

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Enclosure (1)

(U) United States Marine Corps (cont'd)

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3. Page 11. (U)

NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d

Marine Corps Comment. (U) NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d

Marine Corps Comment. (U) The Draft Audit of DoD Infrastructure Planning in Australia is improperly classified. "Within DoD, NOFORN is authorized for use ONLY on intelligence and intelligence-related information and products under the purview of the DNI, in accordance with DNI policy, with three exceptions. The exceptions are Naval Nuclear Propulsion Information (NNPI), the National Disclosure Policy Document (also known and hereafter referred to as "NDP-1" (Reference (x))), and cover and cover support information in accordance with DoDI S-5105.63 (Reference (y)), each of which may be marked "NOFORN." Other than these three exceptions, there is no authorized DoD use for the NOFORN caveat on non-intelligence information." DoDM 5200.01, V2, page 65.

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Enclosure (1)

(U) U.S. Indo-Pacific Command



COMMANDER, U.S. INDO-PACIFIC COMMAND
(USINDOPACOM)
CAMP H M SMITH, HAWAII 96861-4028

March 1, 2021

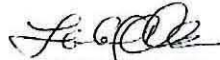
MEMORANDUM FOR DEPARTMENT OF DEFENSE (DoD) INSPECTOR GENERAL (IG)

SUBJECT: Review and Comment of Project No. D2020-D000RM-0066, "Audit of DoD Infrastructure Planning in Australia"

References: (a) Project No. D2020-D000RM-0066, "Audit of DoD Infrastructure Planning in Australia"
(b) DoD IG Memo dated January 28, 2021.
(c) DoD Instruction (DoDI) 5200.48, "Controlled Unclassified Information," March 6, 2020
(d) Freedom of Information Act (FOIA), 5 U.S.C., Section 552

1. U.S. Indo-Pacific Command has reviewed reference (a) in response to reference (b) and concurs with the draft report as written. Additionally, the information in the report is properly marked for public release pursuant to references (b) and (c).

2. The point of contact is [REDACTED] who can be contacted at [REDACTED]


RONALD P. CLARK
Major General, US Army
Chief of Staff

(U) Acronyms and Abbreviations

ACE	Aviation Combat Element
CAPE	Cost Assessment and Program Evaluation
DPRI	Defense Policy Review Initiative
EAC	Enhanced Air Cooperation
MARFORPAC	Marine Corps Forces Pacific
MRF-D	Marine Rotational Force–Darwin
NAVFAC	Naval Facilities Engineering Systems Command
PACAF	Pacific Air Forces
RAAF	Royal Australian Air Force
USFPI	U.S. Force Posture Initiative
USINDOPACOM	U.S. Indo-Pacific Command

(U) List of Classified Sources

Source 1: (U) Fiscal Years 2018 – 2022 Program Decision Memorandum (Document classified SECRET//NOFORN)

Declassification Date: November 18, 2026

Generated Date: November 21, 2016

Source 2: (S) NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d
(Document classified SECRET)

Declassification Date: June 7, 2029

Generated Date: June 7, 2019

Source 3: (S//NF) NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d
(Document classified SECRET//NOFORN)

Declassification Date: April 5, 2043

Generated Date: November 7, 2018

Source 4: (U) Australia – U.S. Alliance: Force Posture Initiatives Bilateral Planning Guidance (Fiscal Years 2019-2028) (Document classified: SECRET//REL TO USA.FVEY)

Declassification Date: April 25, 2043

Generated Date: April 25, 2018

Source 5: (S) NDOPACOM (b)(1)1.4a / USMC (b)(1)1.4a, (b)(1)1.4d (Document classified SECRET)

Declassification Date: May 14, 2043

Generated Date: May 14, 2018

Source 6: (U) Marine Corps Forces Pacific MRF-D 5-Year Plan (Document classified SECRET)

Declassification Date: April 1, 2044

Generated Date: April 1, 2019

Source 7: (U) United States Indo-Pacific Command 2019 Theater Posture Plan
(Document classified ~~SECRET//NOFORN~~)

Declassification Date: October 1, 2044

Generated Date: October 1, 2019

Source 8: (U) Chairman of the Joint Chiefs of Staff Instruction 3110.01K "2018 Joint Strategic Campaign Plan" (Document classified ~~SECRET//NOFORN~~)

Declassification Date: December 25, 2045

Generated Date: March 22, 2019

~~SECRET//NOFORN~~

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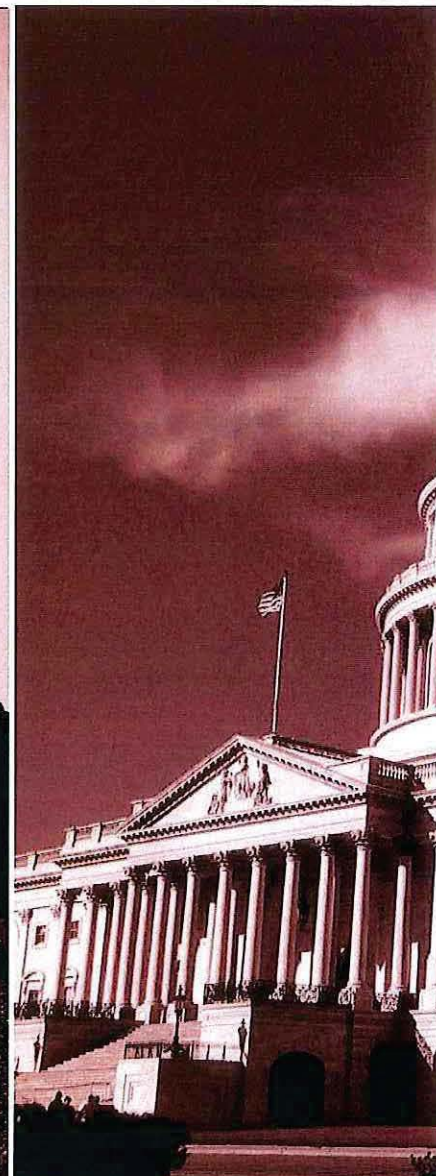
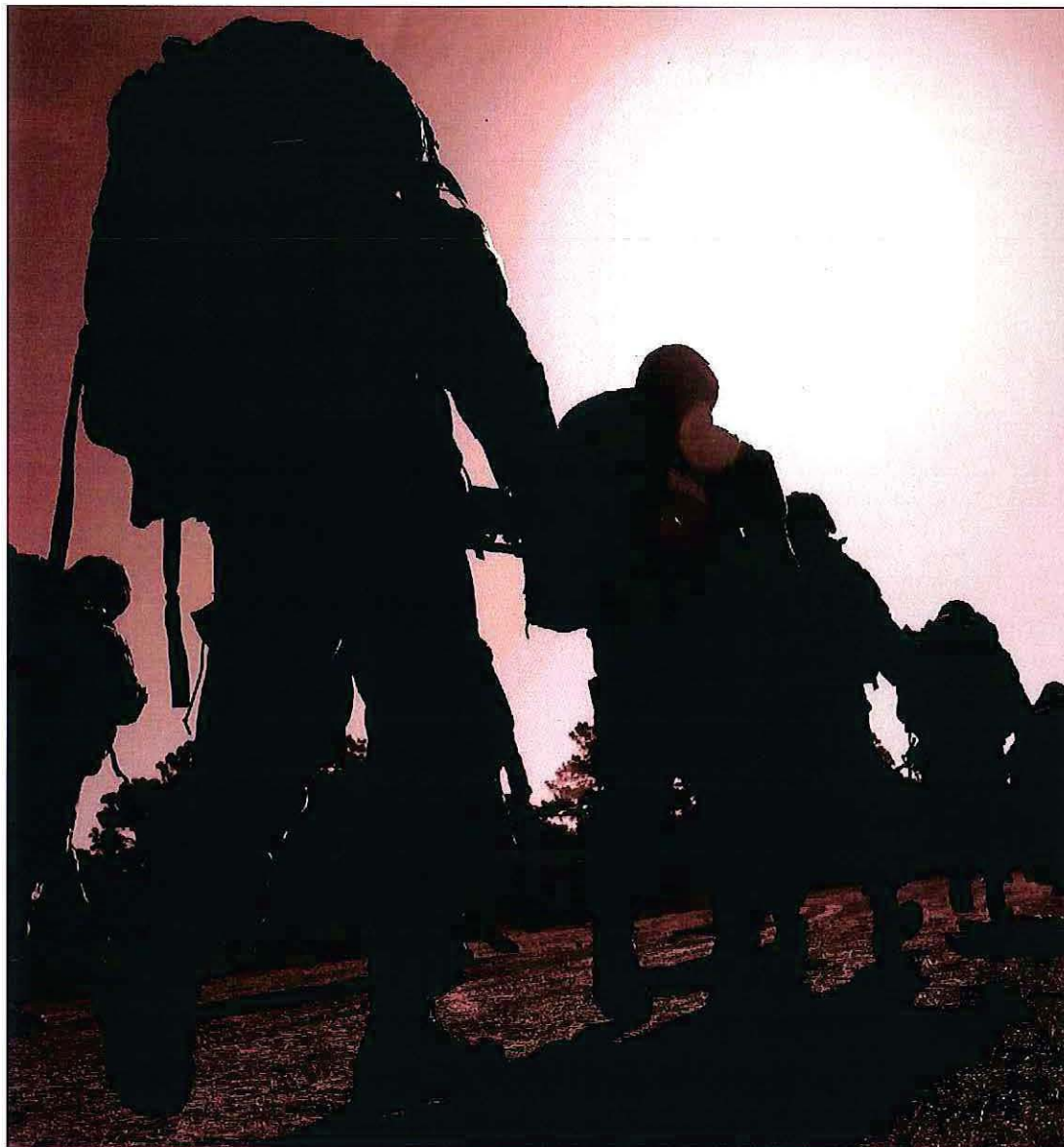
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