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## THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1000

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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: DoD International Armaments Cooperation Policy

I have determined that International Armaments Cooperation is a key component of the Department of Defense Bridge to the 21" Century. In the evolving environment of coalition warfare, limited resources, and a global industrial and technology base, it is DoD policy that we utilize International Armaments Cooperation to the maximum extent feasible, consistent with sound business practice and with the overall political, economic, technological, and national security goals of the United States.

We already do a good job of international cooperation at the technology end of the spectrum: we need to extend this track record of success across the remainder of the spectrum, to include major defense systems. We must achieve as a minimum:

- Deployment and support of standardized, or at least interoperable, equipment with our potential coalition partners; and
- Leverage of U.S. resources through cost sharing and economies of scale afforded by international cooperative research, development, production, and logistics support programs.

To attain these objectives, I am directing that:

 We engage Allies in discussions at the earliest practicable stages to identify common mission problems, and to arrive jointly at acceptable mission performance requirements, balancing cost as an independent variable, (affordability), meeting coalition military capability needs, and assuring interoperability;

- 2. The USD(A&T), in coordination with USD(P) and with the recommendation of the affected DoD Component, will designate appropriate defense acquisition programs as international cooperative programs. The DoD must be a reliable international partner by funding fully the U.S. share of such programs. Should circumstances arise which necessitate less than full funding for a designated international cooperative program, the Component Acquisition Executive shall notify the USD(A&T), at the earliest opportunity, of the Component's intent to terminate or substantially reduce funding for the program;
- 3. In support of designated international cooperative programs, DoD will give favorable consideration to transfers of defense articles, services and technology consistent with national security interests and relevant laws, regulations, policies and international agreements. In the case-by-case consideration of proposed transfers through established internal procedures, any recommendation by DoD reviewing organizations to deny or require conditions for proposed transfers will be accompanied by specific national security rationale;
- 4. Training for program managers and other Acquisition Workforce personnel will include sufficient instruction in the policies and procedures of international armaments cooperation programs, including export regulations and information and industrial security policies, so as to enable them to develop and execute such programs successfully; and
- 5. The International Cooperative R&D Program accounts (0603790D, A, N and F) will be used to enable international armaments cooperation programs to begin at an earlier time than what would otherwise be possible through normal program budgeting. The USD(A&T) will approve projects for funding by these accounts in accordance with this policy.

I request your full support of this policy and task the Armaments Cooperarion Steering Committee to ensure that this policy is aggressively pursued.

This policy is effective immediately. Appropriate DoD Directives and Instructions should be amended by their sponsors to reflect this policy within 180 days.

William L. Es