



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
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ECONOMIC SECURITY
(DUTP&IP)

13 FEB 1995

MEMORANDUM FOR VICE CHAIRMAN, JOINT CHIEFS OF STAFF
ASSISTANT SECRETARY OF THE ARMY (RD&A)
ASSISTANT SECRETARY OF THE NAVY (RD&A)
DEPUTY UNDER SECRETARY OF THE AIR FORCE (SAF/IA)
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DIRECTOR, TEST AND EVALUATION
DEPUTY UNDER SECRETARY OF DEFENSE (ENVIRONMENTAL
SECURITY)
DEPUTY UNDER SECRETARY OF DEFENSE (LOGISTICS)

SUBJECT: Streamlining the Development of International Research
and Development (R&D) Agreements - REVISION 1

Based on our experience since my October 12, 1994 memo, I am
revising the procedures for development of international
agreements (IAs) for research, development, testing and
evaluation under the cognizance of USD(A&T), as follows:

Staffina Procedures

We still do not have designated (single or multiple) points
of contact (POCs) from several organizations. If you have not
yet designated your POCs in response to my October 12, 1994 memo,
please do so as soon as possible.

The grace period for accepting requests for delegation of
authority under the old format was informally extended until
December 31, 1994. Beginning January 1, 1995, all new requests
must use the new format.

For those of you using electronic mail (E-mail), our new
mailbox for IA matters is "mou@acq.osd.mil", listed under
"dutp&ip" in the OUSD(A&T) E-mail directory. For those who do
not have access to E-mail, please use FAX (703-695-1495) or
diskette rather than paper.



Word for Windows or WordPerfect formats are preferred. **Any** Word for Windows version is acceptable. We are unable to read WordPerfect 6.0 documents; please transmit them as WordPerfect 5.1 documents.

Request for Authority to Develop (RAD)

A revised outline for the Summary Statement of Intent (SSOI) is attached, based on inputs we have received from offices who review **IAS**.

The new process envisions that if questions arise that are not answered by the SSOI, the reviewing office will contact the program's POC (designated in the SSOI) for answers. It is important that the POC or an alternate be available to answer questions during the **21-day** review period.

Agreements Notified to This Office

Although implementing arrangements to **R&D** umbrella agreements are generally notified to this office 15 days in advance of signing, if the implementing arrangements require Nunn funding, additional time must be allowed for Nunn project certification.

Such implementing arrangements, as well as Section 65 Loan Agreements, and Annexes to Data Exchange Agreements required to be sent to Department of Commerce, should all be submitted to us in electronic form, and should consist of the text of the agreement and a Summary Statement of Intent.

Effective Date

These revised procedures are effective immediately.



Kenneth S. Flamm
PDASD, Dual Use Technology Policy
and International Programs

Attachment

**SUMMARY STATEMENT OF INTENT FOR INTERNATIONAL RESEARCH AND
DEVELOPMENT AGREEMENT
(REVISION 1 - JANUARY 1995)**

Header Information:

- Short Title of Proposed Project
- DoD Proponent
- Country/ies Involved

1. Overview of International Agreement

- Briefly describe the project. Be specific as to what the project will deliver. Is this a new or existing US project? Is there currently a Memorandum of Understanding or other international agreement in effect that is applicable to this effort?
- Is this proposed for Nunn funding? If so, what technological development is to be pursued which is necessary to develop new defense equipment or munitions, or what existing military equipment would be modified to meet US requirements?

2. Operational Requirement

- What US operational requirement would this project satisfy and/or what critical deficiency or shortfall would this project address? If known, cite applicable documents.
- Briefly describe the project's objectives.
- Provide an estimated schedule for the project, and Initial Operational Capability (IOC) if applicable.

3. Partner Nation(s)

- Which nations are proposed partners? Which nations have agreed to be partners? What is the assessment (and your basis for it) of foreign interest/commitment?
- Briefly describe the proposed negotiation strategy and negotiation schedule.
- Describe any planned **variations** from the policy guidance contained in the latest approved version of the International Agreements Generator ("IA Generator"), and

any resulting variations to the required International Agreement text that are known.

4. Legal Authority. State the legal authority for the proposed agreement. If **AECA** Section 27 is not being used, explain why not.

5. Project Management. Briefly describe how the project will be structured and managed.

6. Benefits/Risks to the US

- List the advantages and disadvantages of this cooperative project. Address project timing, developmental and life cycle costs, technology to be shared and obtained, impact on US and foreign military capability, and rationalization, standardization and interoperability (**RSI**) considerations. Indicate whether there are any risks associated with conducting this project **as an** international cooperative program, and briefly describe how these risks are to be managed. Is **a** similar project currently in development or production in the US or an allied nation? If so, could that project satisfy or be modified in scope to satisfy the US requirement?

7. Potential Industrial Base Impact

- Briefly describe the potential industrial base impact. Do you anticipate workshare arrangements, requests for offsets, or offshore production of items restricted to procurement in US? Are you aware of any key parts or components with **a** single source of production? What US Government facilities and/or contractors would be likely to participate in this cooperative effort? Will there be any significant effects (pro or con) on any US companies or US industrial sector(s)?

&Funding Availability and Requirements

- **List the total** estimated cost of the International Agreement.
- List the cost **shares** of each participant. Also list the dollar **value** **any** non-financial contributions included in the **cost shares**.
- If not equitable financially, justify on a program basis (show relative benefit to the Department of Defense). An **equitable** agreement is defined as one in which **a** participant's share of contributions to **an** agreement is commensurate with that participant's share of anticipated benefits from the agreement.

- List the Department's estimated costs by fiscal year, appropriation, and program element. Indicate if these costs have been, or will be, approved in the budget and are available for use.
- List other participants' estimated costs by fiscal year.
- If applicable, outline the likelihood of follow-on research or acquisition and the proponent's commitment to fund such follow-on action.

9. Information Security and Technology Transfer Issues

- Briefly identify the products and/or technologies involved in the program and their NDPC category and classification. The Militarily Critical Technologies List (MCTL) may be used as a guide.
- Is an exception required to the National Disclosure Policy? If so, provide date of approval or date that a request will be submitted to the National Disclosure Policy Committee (NDPC).
- If known, describe the foreign availability of comparable systems and technologies and whether the US technology has been shared through other programs, e.g., FMS, DEA, e t c .
- Briefly describe the risk of compromise of classified and export controlled technology and/or products and the potential damage to the US military capabilities or technological advantages in the event of such compromise (e.g., negating primary US technological advantage(s), revealing US system weaknesses, development of countermeasures, susceptibility to reverse engineering).
- Identify any measures proposed to minimize the potential risks and/or minimize any damage that might occur due to **loss**, diversions, or compromise of sensitive classified or unclassified controlled data or hardware. Specify NDPC categories involved, where applicable. Include any phased release of **information** designed to ensure that information is disseminated only when and to the extent required to conduct the **program**; restrictions on release of specific information (**including classification, description, and disclosure methods**); release of components, software or **information** in modified form (**e.g.**, export versions, **exclusion** of design rationale and deletion of data on **weapons** not sold to the participant); and special security procedures (both government and