

DSCA Policy Memo I-00/006391-PMD
SAMM Addition -- Missile Technology Control Regime (MTCR)
Item Review Process
30 May 2000

Defense Security Cooperation Agency
Washington, DC 20301-2800

30 May 2000
In reply refer to:
I-00/006391-PMD

Memorandum For Director, Defense Logistics Agency
Deputy Under Secretary of the Army (International Affairs)
Attn: SAUS-IA-DSZ
Department of the Army
Director, Navy International Programs Office
Department of the Navy
Deputy Under Secretary of the Air Force (International Affairs)
Department of the Air Force

Subject: SAMM Addition -- Missile Technology Control Regime (MTCR) Item Review Process

Draft change at attachment 1 will be added to the *Security Assistance Management Manual (SAMM)*, DoD 5105.38-M. The proposed change is part of our government's implementation of the Missile Technology Control Regime (MTCR). The Department of Defense will assist the Department of State and Department of Commerce by identifying MTCR controlled items that foreign customers have requested to purchase via Foreign Military Sales (FMS) and ensure that State Department has the opportunity to review MTCR controlled items included in FMS cases.

This change will formalize the FMS community's MT CR procedures and permit the appropriate oversight required to regulate the export of MTCR controlled items through FMS.

Any comments should be provided by 23 June 2000 to Brion Midland (703) 601-3864; fax (703) 604-6541; email brion.midland@osd.pentagon.mil.

/Signed/
Michael S. Davison, Jr.
Lieutenant General, USA
Director

Attachment as stated
cc: Commandant, DISAM

Attachment

Missile Technology Control Regime

The Missile Technology Control Regime (MTCR) is an informal political arrangement to control the proliferation of rocket and unmanned air vehicle systems capable of delivering weapons of mass destruction and their associated equipment and technology. It was formed in 1987 and has since been expanded to include 29 member countries. The regime controls are applicable to such rocket and unmanned air vehicles as ballistic missiles, space launch vehicles, sounding rockets, unmanned air vehicles, cruise missiles, drones and remotely piloted vehicles.

Although the regime is voluntary on the part of each signatory country, various countries, such as the United States, have passed laws restricting the export of MTCR controlled items. In this regard, both the Department of State and the Department of Commerce have a role in regulating the export of MTCR controlled items. The Department of Defense assists these agencies by identifying MTCR controlled items that foreign customers have requested to purchase via Foreign Military Sales (FMS).

The Department of Defense through the Defense Security Cooperation Agency is responsible for reviewing Letters of Offer and Acceptance (LOA) for possible MTCR controlled items. This review will exclude major end items and repair parts therefor, since the Department of State will automatically vet these. The rationale is that if we will sell an end item, we will sell repair parts to keep it going. The review should concentrate on items listed under the generic category of support equipment including test measurement and diagnostic equipment (TI~IDE), production equipment, and other secondary items that make up the total system.

To accomplish the LOA review requirement, Military Departments (MILDEPs) will establish procedures to provide a two-tiered review for MTCR controlled items. The first level of review should rest at the initial LOA writing activity. The first level reviewer will be responsible for identifying to the MILDEP level POC (as determined by individual MILDEP internal procedures) which items are possible MTCR controlled items. Furthermore, they will be required to provide the MILDEP level POC with the MASL number of the item(s) if known, item nomenclatures, and full item descriptions to include the complete name of the manufacturer. Providing complete item details ensures that subsequent reviewers have the necessary information readily at hand.

Once the MILDEP level has received the list of possible MTCR controlled items, they will perform a second scrub of the equipment proposed for inclusion in the LOA to ensure that no possible MTCR items were missed. When the MILDEP reviewer is satisfied that they have an LOA with MTCR controlled items contained therein and that the LOA-specific list is complete they will send the list of possible MTCR controlled items to the Department of State via secure fax (202) 647-4776 or classified E-mail (GloverGD@state.sgov.gov). At minimum the following details will be submitted to the Department of State:

Case Number

MASL Number of each MTCR controlled item (if known)

Nomenclature of each item

Full and detailed description of each item to include manufacturer (if known)

Name, telephone number, fax number and E-mail address of the MIGLDEP POC

In order to ensure a standard quality review, MTCR reviews must be accomplished either by personnel who have completed the "Missile Technology and Proliferation Issues Course" given by the Science Applications International Corporation (SAIC) or who have equivalent experience in the area of Ballistic Missile Proliferation. The MILDEPs are required to maintain a roster of personnel qualified to perform MTCR reviews.

The LOA transmittal memorandum to DSCA must contain a statement that an MTCR review was accomplished by a qualified individual and that either no MTCR controlled items are contained in the LOA or that the LOA contains MTCR controlled items. If the LOA contains MTCR controlled items the transmitting agency will further confirm that the MTCR information has been sent to the State Department for pre-consultation. A list of the MTCR items contained in the, LOA will be attached to the cover memorandum as well as the State Department's pre-consultation response.

In the case of Blanket Purchase Agreements (BPA) for the purchase of repair parts a detailed review will not be necessary given that we have already sold the customer the major end item(s) for which these parts are intended. In this case, the BPA will include the following as a standard note, "Items ordered under this case may only be used for the valid repair or anticipated repair of the major end item for which it was originally intended. The customer agrees not to divert these repair parts to any other use to include but not limited to ballistic missile and weapons of mass destruction programs without the expressed written consent of the United States Government."