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Setting the Standard for the "Security Assistance Century"

THE DISAM JOURNAL OF INTERNATIONAL SECURITY ASSISTANCE MANAGEMENT

What a jam-packed DISAM Journal as we hit mid-summer – only highlights the many and varied activities that our workforce deals with on any given day. There are a number of articles that I could highlight on this initial page, but I will simply note this one – as it is one that many "chomp at the bit for" each year. The significant article is the annual synopsis of fiscal year (FY) 2010 Security Cooperation Legislation which makes up about one-third of this edition. Many view it as a great single source that ties all the initiatives together in an easy-to-read package.

With the emphasis regarding the training of our workforce, let me focus my comments on that effort that is taking a lot of initiative and time by folks within Combatant Commands , CONUS-based security cooperation (SC) organizations and DISAM. As noted in the last edition of the Journal 31-4 (you may want to go back and review that if you missed it) and addressed in VADM Wieringa's comments in an article printed in this edition on page 183 and a brief update by Greg Sutton on page 185), efforts continue in pursuit of the DEPSECDEF's High Priority Performance Goal, to ensure that at least 95% of the SC workforce has their appropriate level of DISAM (SC) training by the end of FY 2011 – with even greater focus on the interim goal of 80% by the end of FY 2010.

Within this quarter DISAM has fielded the Security Cooperation Workforce Database (SCWD) on the Security Assistance Network (SANweb) which provides for the constant update and monitoring of personnel making up our workforce – with additions continuing to come in we now have over 11,000 billets and currently almost 10,700 personnel worldwide in the many constituent organizations. This data is the result of the work of a number of points of contact in those organizations we serve with the ultimate goal of a living document that will help us evaluate training requirements (resident and non-resident) on a continuous basis as well as provide a means for various organizations to review their workforce members and their activities. It will also give DISAM visibility of "who we miss" – something we have never had visibility of before. However, we see many more implications to this effort than simply DISAM training and it will grow over time.

The SCWD will give us the tool to manage the metric – which started out with the "guesstimate" of 67% trained. Much of where we stand can depend upon any given day. You may recall that in the last Journal, I noted us at 70.67%. With the influx of data and more training deficiencies identified, we actually have documented fewer personnel trained – currently standing at 53%. Obviously this is not a positive trend, but realize that as we kicked off this effort, we desired to best quantify levels of training required within the workforce. So much of DISAM's curriculum is available via on-line opportunities and many of those requirements can be satisfied via that methodology. In fact almost 60% of those currently documented as requiring training can be corrected by taking either DISAM's new on-line SC Familiarization Course or the SAM-OC (for CONUS-based personnel)/SCM-OC (for Overseas/COCOM-based personnel). Those courses meet the Level 1 and Level 2 training requirement respectively. If we simply get the on-line requirements met, we can meet the 80% goal by the end of FY 2010. DISAM is adding faculty, staff, facilities, and changing courseware that will facilitate additional student throughput in FY 2011. We believe these changes will get us to the 95% level as we end FY 2011.

We will dedicate much of the next Journal to additional information regarding all aspects of meeting this metric so anticipate greater details to come. In the meantime, if you don't meet the DISAM training requirements documented for your position, let us work together to get you there.

If it is on-line – that is easy, simply via our web site. If it is resident, it may be a longer process , but we will get you there. For SCO personnel overseas – we will take you anytime in our SCM-O (Overseas) course that we offer eight times this FY 2010 and nine times in FY 2011. We take all comers knowing that much is based on PCS rotations – we have never turned anyone away for that course.

If you have any questions, first check within your organization for the POC who centrally monitors DISAM training. Hopefully you have already heard from them. If you cannot find them, let us know at DISAM and we will help you find them. As always, thanks for your support of DISAM!

RONALD H. REYNOLDS
Commandant

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FEATURE ARTICLES

Non-Standard Aviation Systems Division of Aviation and Missile Command Security Assistance Management Directorate

By
Angela Weston
Summer Ellis
and
Durand Carrington
University of Alabama Huntsville Students Working as Contractors For Aviation Systems Division of Aviation and Missile Command

The U.S. Army Aviation and Missile Command (AMCOM) Security Assistance Management Directorate (SAMD) is responsible for the transfer and maintenance of all U.S. Army aviation and missile systems, as well as services and technical expertise, to over seventy foreign nations and organizations. This is achieved through a multicultural and diversified staff of over 250 specialists who are positioned across the globe in both friendly and hostile locations. The business base has risen exponentially, growing from an annual average of one billion dollars less than five years ago to today's sales of fourteen billion dollars.

AMCOM SAMD is currently headed by Dr. Thomas Pieplow, who was the previous Associate Director for Aviation of the Integrated Materiel Management Center (IMMC). He states that his experience at IMMC prepared him for his new role in SAMD, which is providing excellent customer service to an international clientele. SAMD's role in the foreign military sales (FMS) process provides a quality product, promotes system consistency for every country, utilizes Army acquisition practices, and ensures the highest level of integrity.

The Non-Standard Aviation System is a division of SAMD which performs System and Security Assistance Management roles in support of assigned aviation systems in over forty countries. The USG relationship with our international customers spans over four decades. However, our systems continue to attract several newly established international customers. The Non-Standard Aviation System Division is made up of four branches:

- Aviation Program Branch
- Aviation Systems Management Branch
- Commercial Branch
- Mi-17 Programs Branch

Each branch has a specific mission, but all share the SAMD mission to provide world-class support to our security assistance customers and allies. The division is headed by Jan Robinson, who is on voluntary assignment in Iraq. Mrs. Benita Martin-Dwight is acting Division Chief; and she states:

> The Non-Standard Aviation Division faces every demanding challenge head-on with courage of conviction and a high sense of professional pride. Our team is pushed to the limit and continues to labor relentlessly until the job is completed. The programs we work are intense, but we are able to see the impact of our efforts on a daily basis.

The Aviation Programs Branch, headed by Mr. Ray Ramirez, manages all AMCOM FMS non-standard aircraft cases, except those pertaining to Overseas Contingency Operations, formerly known as the Global War on Terror (GWOT) These non-standard aircraft are legacy systems that are no longer in the Army inventory or commercial aircraft inventory. Legacy systems allow countries that lack the resources to purchase newer systems the opportunity to accomplish the mutual goal of national defense. The Aviation Program Branch deals with numerous contractors/manufacturers of the various systems. In some instances, this is the first time that non-standard aircraft have been sold to an FMS customer. The non-standard aircraft world is constantly evolving, creating new challenges and opportunities almost on a daily basis. Intensive management is required to stay ahead of this ever-changing environment and offer our customers the highest level of service possible.

The Aviation Systems Management Branch is responsible for life cycle planning, directing, and controlling all phases of research, development, procurement, production, logistic, technical, and engineering support for the fielding and sustainment of non-standard commercial and legacy fixed and rotary wing aircraft systems no longer in the Army inventory. On October 13, 2009, Mr. Kevin Fyfe was appointed as the Branch Chief for the SAMD Aviation Systems Management Branch. Before he was appointed as Branch Chief, Mr. Fyfe served in the Apache Project Managers International Programs Office as a Program Integrator for AH-64 A and D aircraft programs and the U.S. Army as a helicopter mechanic, pilot, and maintenance test pilot. The global status quo is in a constant state of perpetual change, and the Aviation Systems Management Branch ensures success with steadfast support of their foreign military customers. This is accomplished with a continuous process of change driven by organizational needs that endure as part of a strategy-focused organization regardless of underlying challenges. Some of these unique challenges include the Bell 412 aircraft in Pakistan and Mexico in support of their counterterrorism effort as well as the Huey II aircraft in Kazakhstan.

The Commercial Branch, headed by Mrs. Benita Martin-Dwight, manages all AMCOM FMS cases pertaining to Overseas Contingency Operations. Given the current situation in these countries, all efforts worked by this office are regarded with a heightened sense of priority and urgency. Also, due to the unique circumstances of these countries, innovative and creative thinking is required to meet the customers' requirements. Therefore, many of the items provided are non-standard or even the first of their kind. For example, the Iraqi Ministry of Defense purchased armed Bell 407 helicopters. The arming of a Bell 407 has never been done and requires the utmost attention to ensure that our customer receives what has been requested. This specific case encourages the collaboration of various organizations who are intricately involved in the design, implementation, and delivery.

The Mi-17 Programs Branch is the newest of the four branches and is led by Branch Chief Bryan Ahern. Mr. Ahern is a retired U.S. Navy Commander and helicopter pilot with over ten years experience in FMS. Originally designed in the 1960s and re-designed in the 1980s, the Mi-17 is favored by many of our partner nations because of its successful track record, ease of maintenance, and excellent performance in hot and high altitude environments. Demand for this helicopter has been increasing as our partners in Iraq, Afghanistan, Pakistan, Yemen, and Hungary continue to build their military capabilities. The sustainment of this aircraft allows U.S. government to ensure that foreign systems are correctly and efficiently maintained and serviced.

The Russian "Hip" Mi-8 military helicopter (export version Mi-17) is one of the most produced helicopters in the world. Over 12,000 of these helicopters have been built, and over 2,800 have been exported outside of Russia and are in operation in many countries throughout the world. The Mi-17 is a twin engine multi-purpose helicopter that can carry 24 combat-equipped troops. The helicopter is produced at the Kazan helicopter plant and the Ulan-Ude Aviation plant in Russia.

The U.S. has sought many "paths forward" regarding how to best support our partners, to facilitate the procurement, sustainment, and training of personnel to operate the Mi-17. In an effort to streamline Mi-17 procurements, the Honorable Ashton Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, has designated the Department of the Army as the lead service for Department of Defense (DOD) in performing Mi-17, and potentially other non-standard rotary wing aircraft, procurement and support activities. In January 2010, Dr. Carter directed the Army to stand up a Non-Standard Rotary Wing Aircraft Project Management Office (NSRWA PMO) to be responsible for executing all procurement, containment, and technical support to meet requirements for aircraft and crews in support of DOD and partner nations.

Now in its infancy, the NSRWA PMO, led by Colonel Norbert Vergez, is up and running. To support the PMO, the Non-Standard Aviation Systems Division of AMCOM SAMD, under the leadership of Mrs. Benita Martin-Dwight, established the Mi-17 Programs Branch, with Bryan Ahern as Chief. The new branch will be co-located with the NSWRA PMO and will be the focal point for and manage all aspects of the FMS cases that are developed for the Mi-17. The branch already has six new cases in development and has also received several Letters of Request for information and price and availability.

Security assistance has been and will continue to be a vital component to our nation's defense. Because of the work done in AMCOM SAMD, other nations are better equipped to defend themselves; therefore, our soldiers are able to return home. We have been given a great opportunity to enhance the United States' relations with our foreign allies by assisting other countries in securing their borders, protecting their citizens, and ensuring safety for future generations.

About the Authors

Angela Weston, Summer Ellis, and Durand Carrington are a part of the Students Working at the Army in Parallel (SWAP) Program through the University of Alabama Huntsville (UAH) and work as contractors with AMCOM SAMD. They are International Logistics Management Assistants supporting the Commercial Branch of the Non-Standard Aviation Systems Division, and their office currently supports Afghanistan, Argentina, and Iraq.

Aviation and Missile Command and Security Assistance Management Directorate Setting the Standard for the Security Assistance Century

By
Cole Sautter
Security Assistance Management Directorate

> The foreign military sales (FMS) mission has never been more important for our country. By the numbers, more than 50 percent of the entire Army FMS portfolio in fiscal year (FY) 2010 is coming from Aviation and Missile Command (AMCOM). This is due to the increasing need for our allied nations to protect themselves from asymmetric threats requiring Air Defense equipment, and pushing Aviation to stay in front of the support curve for General Petraeus and all the Combatant Commanders is crucial. Whether it is a Patriot missiles for Germany, Apaches for Israel, Bell 412s for Mexico and Pakistan, Chinooks for Taiwan, or Huey IIs for Kazakhstan, it is about increasing our allies' capabilities so that they can defend themselves, allowing stability in the region as well as bringing our Soldiers home to their families much sooner. PEO Aviation's Non-standard Rotary Wing Project Office represents the very edge of innovation to achieve this goal. That office was initially stood up to take care of the Russian MI-17 helicopter. It is just the first step in getting our arms around all of the different non-standard aircraft that we are selling to other countries. This effort, again, has been nothing short of tremendous, as measured in terms of supporting General Odiemo in Iraq and General McCrystal in Afghanistan. FMS at AMCOM is sharpening the tip of the spear.
>
> Major General James R. Myles
> Commander U.S. Army Aviation and
> Missile Command Redstone Arsenal, Alabama.

With our world constantly in a state of economic, political, and social flux, security assistance is an increasingly important element of our country's strategic initiatives. It bolsters U.S. foreign policy by ensuring a shared interoperability that permits our allies to fill key roles in achieving our nation's goals for peace and security both at home and abroad. Within the U.S. Army, strategic organizations exist to meet this need. They provide administrative and technical leadership and support to our foreign military partners who are proud recipients of some of the latest and greatest weapons systems with which the U.S. Army accomplishes its mission.

As the Army deals with the challenges of the 21st century, two organizations are leading the way in the field of security assistance: the U.S. Army's AMCOM and its Security Assistance Management Directorate (SAMD). The brand recognition worldwide for U.S. Army-fielded materiel is due in large part to the efforts of these two crucial entities. An in-depth understanding of each is fundamental to the appreciation of all the U.S. Army does to promote a stable international environment.

The Aviation and Missile Command History: A Boon for Growth in Alabama

Many changes have taken place because of the new face of our military in this new century. Base Relocation and Closure (BRAC) is ever-present in this adaptive effort. Hence, BRAC is the driving

force behind the history of these organizations. As organizations change, the talent that went into their formation and sustainment adapts accordingly; the key players of the previous establishment often become the linchpins of the new institutions.

July 17, 1997, saw the provisional creation of the U.S. Army Aviation and Missile Command following the merger of the U.S. Army Aviation and Troop Command (ATCOM) and the U.S. Army Missile Command (MICOM). Its parent command, the U.S. Army Materiel Command (AMC), issued Permanent Orders 344-1, specifying that AMCOM be established at Redstone Arsenal in Huntsville, Alabama, on a permanent basis effective 1 October 1997. Major General Emmitt E. Gibson became the first Commanding General (CG) of AMCOM.

A year later, AMCOM assumed operational control of two integral Army depots:

- Corpus Christi Army Depot (CCAD) in Texas, sustaining aviation systems
- Letterkenny Army Depot (LEAD) in Pennsylvania, sustaining missile systems

These depots, formerly part of U.S. Army Industrial Operations Command (IOC), would now report directly to AMCOM.

A realignment of commands with AMC spurred the creation of the Aviation and Missile Research, Development and Engineering Center (AMRDEC) at Redstone Arsenal on 1 October 2000. The Director of the AMRDEC reported to the Commander of AMCOM until June 2003 before assignment of the AMRDEC to the Research, Development and Engineering Command (RDECOM). With the additions of CCAD, LEAD, and the AMRDEC, AMCOM was looking more and more like a one-stop-shop for everything aviation and missile.

The Life Cycle Management Command is Born at Aviation and Missile Command

On October 5, 2004, the Honorable Claude Bolton, then Assistant Secretary of the Army for Acquisition, Logistics, and Technology (ASAALT), and General Paul Kern, then Commander, AMC, signed an implementation directive that launched the Aviation and Missile Life Cycle Management Command (LCMC). This directive would deactivate the Program Executive Offices for Air, Space, and Missile Defense and for Tactical Missiles on 13 January 2005.

The Program Executive Office for Missiles and Space was activated on that same date; and Brigadier General Samuel "Mike" Cannon, formerly the Program Executive Officer (PEO) for Tactical Missiles, assumed the lead role. The new face of full integration of the soup-to-nuts, cradle-to-grave approach for all things involving missiles or aviation in the Army came to a head on June 16, 2005, when the Aviation and Missile LCMC was formally activated. It comprised all elements of the AMCOM; the Program Executive Office for Missiles and Space; and the Program Executive Office, Aviation. Major General James H. Pillsbury was the first Commander of the AMCOM LCMC.

Since its formation, the AMCOM LCMC has transitioned from concept-level to an integrated, closely-aligned organization with a single Commander who has the primary responsibility for the life cycle of all the Army's aviation and missile weapon systems. This re-organization was a milestone in focusing the total life cycle management under a single authority since it provided a direct conduit for situational awareness and the total support structure of all the aviation and missile systems. Improved communication, decision-making, system optimization, and short response times are the returns on the LCMC investment. The initiative is based on an active information flow about equipment status, beginning at the weapon system and flowing back to a combined Project Manager/AMCOM team. The newly designed enablers provide the Project Manager with the necessary decision-making inputs

to maximize system performance and minimize the sustainment burden for the soldier. Globally, our foreign military partners also benefit from the multiplied support inherent in the LCMC since this single authority now encompasses both foreign military sales and their logistic responsibilities. This change provides a strong positive influence on the vitality of the U.S. Army's security assistance efforts in the 21st century.

Enter the Security Assistance Management Directorate at Aviation and Missile Command

The Security Assistance Management Directorate (SAMD) represents AMCOM's security assistance function. Dr. Thomas Pieplow, SAMD's current leader, manages the relationship between AMCOM (commanded by Major General James R. Myles) and the U.S. Army Security Assistance Command (USASAC, commanded by Brigadier General Christopher Tucker), making sure that both organizations' security assistance requirements are met in the most timely and efficient manner possible. As an organization, SAMD is responsible for managing the transfer and sustainment of 24 AMCOM aviation and missile systems to over seventy foreign nations and organizations. A multicultural staff of over 250 specialists embodies this effort. Conveniently co-located at each supported weapon system program office, these specialists are able to interface directly with appropriate experts for support on the various security assistance programs. Annual sales have consistently exceeded the $1 billion mark in the past four fiscal years; and what's more, SAMD has accounted for over $14 billion in sales in fiscal year 2009! SAMD's role is definitely gaining prominence.

You May Ask Yourself, "What is 'Foreign Military Sales'?"

The U.S. Government is not an arms dealer selling to the highest bidder. SAMD specializes in the FMS portion of security assistance as authorized by the *Arms Export Control Act*. FMS represents a formal contract between the U.S. Government and an authorized recipient government or international organization. FMS includes government-to-government sales of defense articles or defense services from DOD stocks or new procurements under DOD-managed contracts without regard to the source of the funding. When the U.S. assists other nations in meeting their defense requirements, it contributes to its own security, all in a revenue-neutral fashion — the profit to the government is not monetary, but in the form of promotion of U.S. foreign policy. A thorough explanation of security assistance can be found in the *Security Assistance Management Manual* (SAMM) in Chapters One and Two (available online at http://www.dsca.mil/SAMM/).

The Benefits of Teamwork

FMS is not an easy, cash-on-the-barrelhead process. Collecting data and gathering the input necessary to fulfill both U.S. and foreign customer requirements in making a weapon system sale a reality is a study in multicultural bureaucracies. The LCMC initiated the positive move of co-locating SAMD staff with technical experts within the supported weapon system Program Management Office. The result has been efficiencies which significantly cut down the average time to execute an FMS case.

In one such instance, SAMD personnel at the Cargo Helicopter Program Management Office (PMO) of AMCOM were able to expedite the process of transferring previously-owned U.S. Army CH-47 Chinook Helicopters to a foreign military customer in one-fourth the average time. With all the deliveries, production, deployments, and time to get all the necessary foreign personnel sufficiently trained, they were looking at a timeline of 36 to 40 months. The SAMD/Cargo PMO team accomplished the mission in nine.

Canada requested six D-model Chinooks in February 2008. The request was for the aircraft to be delivered by calendar year's end. The regulations governing the FMS process initially would delay SAMD personnel from running at high speed with this sale until the request had gone through channels to be officially recognized by Congress, implemented, and securely funded. On a normal timeline, this would not happen until the fall of 2008, six months of engine revving with no rubber to burn. According to Brandy Goff, SAMD Attack Systems Chief:

> We could take no action. We could get things ready because we knew it was going to take place, but we could not go ahead and get contracts or a consolidation point until it was implemented and we had the funds to distribute the funds to the various organizations [*Redstone Rocket*].

They were at a standstill. Raising the bar on what was looking like an already insurmountable jump, the Canadians wanted the delivery of the helicopters to take place in Afghanistan where they already had their troops deployed. This had never been attempted before. Nevertheless, pieces of the puzzle began falling into place with the aid of very apt technical support personnel in the FMS program of the Cargo Project Management Office at AMCOM. They discovered that the 101st Airborne had D-Model Chinooks and that they were set to shortly deploy with an upgraded fleet of F-Models.

Now it was a question of how to get the D-Models from Fort Campbell, Kentucky, to Kandahar, Afghanistan, not to mention the number of logistics issues to cover before ownership could be transferred. Preparation of contracts; locating equipment; accounting for all the shop sets, spare parts, maintenance stands, and every aspect of the sale needed to be covered in accordance with providing Canada with the FMS standard: the Total Package Approach.

One thing threw everyone for a loop at the last minute, the runway for the C-5 to land on was not long enough; and it also looked like there were some cargo hold capability issues with putting the helicopters inside. Solution: use the Antonov An-225 to deliver the birds into theater.

The hustle and bustle would not stop there because now SAMD would have a customer with a new bill of goods to manage. Execution and sustainment are the longest and most labor-intensive parts of an FMS program. Given that soldiers affectionately refer to the workhorse of the cargo helicopter world as "a bunch of loose parts flying in close formation around an oil leak waiting for engine failure," it was vital that the sustainment package be well defined for both the Canadian customer and the U.S. Government.

The travail of so many did not go unrewarded. Successful delivery of the aircraft to Canada happened on 30 December 2008. U.S. Government team members to include personnel from the Cargo Project Management Office's FMS contingent sacrificed a holiday at home with family to see this effort through and accompany the aircraft to delivery. "They took something that takes years," Dr. Pieplow said, "and they did it in months [*Redstone Rocket*]."

The Future

SAMD and AMCOM's vision for the future consists of supporting the soldier. The increased need to promote international security in our constantly changing global arena will put more demand on organizations like AMCOM and SAMD to rise to the task and deliver services and support to the customer at times when it seems impossible and requires an "over and above" effort. The amplified importance to protect American foreign and domestic interests in a time of conflict imposes a culture of

improvisation on the U.S. security assistance community in order to adapt to and overcome escalating adversity.

As demand in the foreign military sales market swells, the need for a top-of-the-line, innovation-minded security assistance workforce becomes essential. To address the specialized skills required to meet this challenge head on, SAMD's administration has incorporated rigorous training modules and programs into the career development of its new personnel. Cultural training, subject matter expert (SME) training, Program Management Review (PMR) training, and financial workshops, in addition to attendance at the Defense Institute of Security Assistance Management (DISAM) courses are critical building blocks in the construction of this best-of-the-best in security assistance labor force.

The relationships built with our foreign customers can only remain as long as the SAMD/AMCOM partnership remains strong. The caliber of personnel present in AMCOM and SAMD and the tradition of cooperation they have established are a testament to their eagerness to meet the trials that face our military in this new century!

About the Author

Mr. W. Cole Sautter is a Logistics Management Specialist and Foreign Military Sales (FMS) Case Manager with the Security Assistance Management Directorate (SAMD) in the Cargo Helicopter Project Office of the Army's Aviation and Missile Command (AMCOM) at Redstone Arsenal, Alabama. He earned his Bachelor's degree in 2001 from Pennsylvania State University. He joined the Peace Corps in 2002 and served almost four years in Senegal, West Africa as a Business Development Agent and Regional Volunteer Affairs Coordinator. He received his Master's of Business Administration in the Management of Technologies from the University of Alabama in Huntsville in 2008. Joining the Army civilian ranks shortly thereafter, he has worked to provide world class support to the Army's foreign military customers.

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Program Review in Iraq Marks First for Command

By
Kelley Lane-Sivley
Contributing Author for *Redstone Rocket*

In order to provide the best support possible, it is not unusual for members of U.S. Army Security Assistance Command (USASAC) to travel to the nations it works with. On October 31 to November 1, 2009, they were a part of a historic conference when a foreign military sales (FMS) Program Management Review (PMR) was held in Iraq for the first time.

Fifty people, military and civilian, flew from the United States to attend the PMR, including thirteen from USASAC and its supporting life cycle management commands. Once they arrived, they joined 75 others from the Multi-National Security Transition Command-Iraq (MNSTC-I) and the Iraq Security Assistance Mission.

The attendees traveled by commercial carrier into Baghdad International Airport then took CH-47 Chinook helicopters to downtown Baghdad in the heart of the International Zone before being bused to their accommodations at Forward Operating Base Union III. The event site at the Black Hawk Conference Center is part of the former 'Believer's Palace' complex. During the conference, they met with other members of the U.S. security community and Iraqi military leadership. While their backgrounds were different, the goals expressed by conference speakers were similar.

> As senior leaders from the U.S. and Iraq spoke, each emphasized the need to continue to move the Iraq FMS processes toward full Iraqi ownership in advance of the December 31st, 2011 withdrawal of U.S. forces, Colonel Timothy 'Mac' McKernan, USASAC liaison to MNSTC-I, said. Much of the discussions over the first two days centered around training the Iraqi representatives and ensuring they understand the FMS process so they are more effective in dealing with the U.S. government.

The U.S. contingency included civilians, Army, Air Force, and Navy representatives. The conference covered issues such as FMS program overviews, training and force development plans, above standard level of service issues, and freight forwarder usage and benefits. Breakout sessions enabled Iraqis to discuss their issues directly with program case managers. It was also a chance for both the Iraqis and the attendees to sit together and simply talk. While much of the conversation focused on FMS and training programs, there was also a chance to get to know each other as people. The shift in viewpoint was obvious over the five days.

> The first day of the conference, Iraqis and Americans largely ate and socialized amongst themselves. By the end of the PMR, Americans and Iraqis shared lunch tables with their newfound friends and spoke of the things all free people speak, McKernan said. Love of families, a hope for a better future for the next generation, and a genuine hope for peace in Iraq and throughout the world was first and foremost on everyone's minds.

The bonding between people at the event coupled with the work accomplished fostered a renewed sense of purpose for USASAC employees. Some had never been to Iraq before, and some had. All left with a deeper sense of the impact of their jobs on the Iraqi future.

The conference was a wonderful opportunity to forge closer bonds with our Iraqi counterparts, Betty Taylor, U.S. Air Force (USAF) Security Assistance Program Manager-Iraq, said. It also gave me a greater appreciation of the conditions the Iraqis and MNSTC-I personnel deal with each day. The graciousness and resilience of the Iraqi people was truly heartwarming. I have a stronger commitment to my program knowing the people I am assisting. I am proud to have a role in helping rebuild this historical land.

Due to the success of the event, others are being planned; and the next is tentatively scheduled for spring 2010.

Brigadier General Chris Tucker, USASAC Commander, accepts an Iraqi flag from Colonel Abbas Fadhil, Commander of the Iraq Battle Command Training Center. The flag now hangs in the USASAC headquarters as a daily reminder of the importance of their FMS work in building a safe and secure environment in Iraq.

Brigadier General Chris Tucker, USASAC Commander, speaks to Iraqi Army trainees at the Besmaya Training Center.

Colonel Timothy "Mac" McKernan, USASAC Liaison to MNSTC-I

With five previous deployments under his belt, Colonel Tim McKernan did not expect any surprises when he received orders to complete his current tour in Baghdad, Iraq. However, when McKernan discovered that he would be serving as a liaison to the Iraq Security Assistance Mission (ISAM), he realized this deployment would prove far different than his past experiences, in which his responsibilities had centered on supporting and facilitating combat and counter-insurgency operations.

> This deployment has me in a role whereby success is measured in the Iraqi Security Forces' ability to gain and maintain security for the Iraqi people, McKernan explained.

In his current role, McKernan is responsible for training and equipping the Iraqi Security Forces (ISF). McKernan is also working to educate the Iraqi government on the processes and policies necessary to facilitate future security cooperation activities with the United States, which will ensure a lasting relationship between the United States and Iraq.

> Our mission here in Iraq is two-fold, McKernan said. First, we are here to support the government of Iraq, as they continue building the ISF, to achieve essential capacities prior to our planned withdrawal at the end of 2011. Next, and probably most importantly, we are here to support building a long-term, stable, and symbiotic partnership with the Iraqi government and the Iraqi people.

McKernan knows that his work with the ISF is essential to improving the quality of life in Iraq.

> The ISF's ability to protect their country from internal and external threats is critical to continued improvement in the Iraqi peoples' way of life, McKernan said.

During his time in Iraq, McKernan has seen the ISF make great strides in their ability to independently secure their country.

> What I find most rewarding about this deployment is seeing the Iraqi government and Iraqi Security Forces move forward to take charge of their country, which will allow their continued prosperity, McKernan said. The difference from June 2009, when I arrived, to now is striking, as the overall level of violence is much lower. Although the ISF continues to have challenges from a determined enemy, they also continue to grow, adapt, and gain the necessary professionalism and ministerial capacity to carry on effectively after our departure.

As a result of the achievements the ISF has made over the past several months, the Iraqi people have developed faith in their government and its ability to improve Iraq and the lives of its citizens.

> Talking with my Iraqi colleagues and friends, there is a renewed optimism amongst the people that life will continue to get better for the average Iraqi and that they will have the same things we Americans want, life to be better for our children and grandchildren.

McKernan is proud of the work that he and his fellow soldiers have completed during this deployment. He is slated to return home from Iraq in the coming weeks and looks forward to spending time with his two children and his wife, who is an Army Reservist currently serving at Fort

Hood. Prior to his current deployment, McKernan has served tours in Kuwait, Afghanistan, Somalia, and Iraq. For his outstanding service, he has been awarded the Bronze Star Medal on three separate occasions.

About the Author

Kelley Lane Sivley has spent nine years as a civilian reporter and staff writer for the award-winning *Redstone Rocket*, the installation newspaper for Redstone Arsenal in Huntsville, Alabama. In addition to other awards, she is most recently the recipient of a third place recognition in the Keith L. Ware awards, Southeast Region, for articles in a series. Her work has been reprinted in numerous newspapers, publications and web sites, including the *APG News*, *IMCOM World Newsletter* and *Eye on AMC*.

LEGISLATION AND POLICY

Fiscal Year 2010 Security Cooperation Legislation

By
Kenneth W. Martin
Defense Institute of Security Assistance Management

Please note that this summary is not legal advice and may not be relied on for official purposes. The reader should confer with one's assigned general counsel for any related legal analysis or advice.

Introduction

Each year, the *DISAM Journal* publishes a summary of the legislation that impacts U.S. security assistance, security cooperation, and other related international programs. This report is intended to alert all security assistance and security cooperation community members to the collective changes or continued requirements in legislation that will influence program planning and implementation for the coming year. As has been done in the past, the report is in outline form, with key topics highlighted to facilitate locating specific statutory references.

This article will not include the initial allocations figures for the fiscal year (FY) 2010 security assistance programs since the required Department of State (DOS) report for the allocation of foreign operations funding to Congress in accordance with Section 653(a), *Foreign Assistance Act* (FAA), was not yet available. This report is normally to be completed no later than 30 days after enactment of the *State Department* and *Foreign Operations Appropriations Act* (S/FOAA) which for FY 2010 was enacted on 16 December 2009 as Division F, P.L.111-117. However, the DOS congressional budget justifications (CBJ) for FY 2011 provided the estimated allocations for FY 2010 along with estimated requests for FY 2011 and are used for the purpose of this article.

The FY 2010 appropriations season included two continuing resolutions (CRs) with the last one, P.L.111-88, lasting through midnight, 18 December 2009. For the first time in several years, the FY 2010 appropriations process did not require an across-the-board rescission of any type. However, as before, other than P.L.111-73 for Pakistan, no stand alone authorization act was provided for foreign relations or the S/FOAA. HR2410, *Foreign Relations Authorization Act*, FYs 2010 and 2011, was passed by the House on 10 June 2009 but never cleared the Senate.

The following four pieces of legislation are to be further summarized in this article as they related to U.S. security assistance and security cooperation. Certain highlights with the four laws are provided.

- *Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010*, (S/FOAA), Division F, P.L.111-117, 16 December 2009.
- International Narcotics Control and Law Enforcement (INCLE) and Nonproliferation, Anti-Terrorism, Demining, and Related (NADR) Programs are placed under the International Security Assistance heading along with Foreign Military Financing Program (FMFP), International Military Education and Training (IMET), and Peacekeeping Operations (PKO).

- The law included significant reporting requirements and no funding for selected countries or programs until appropriations committees "regular notification procedures" are followed.
- In addition to the historically large FMFP funding for Israel and Egypt, significant FY 2010 funding (in excess of $100,000,000) is provided for Jordan, Lebanon, Pakistan, and Mexico. Limits the use of FMFP in support of the Department of Defense (DOD) "1206" program.
- The IMET program continues it slow upward growth with $108,000,000 provided for FY 2010 and $110,000,000 being proposed for FY 2011.
- Significant country recipients of FY 2010 Economic Support Fund (ESF) appropriations (in excess of $100,000,000) include Liberia, Sudan, Egypt, Iraq, Jordan, Lebanon, West Bank and Gaza, Afghanistan, Pakistan, Colombia, and Haiti.
- Significant country recipients of INCLE funding (in excess of $100,000,000) include West Bank and Gaza, Afghanistan, Pakistan, Colombia, and Mexico.

***Enhanced Partnership with Pakistan Act of 2009*, P.L.111-73, 15 October 2009.**

- Authorizes the appropriation of $1,500,000,000 annually for FYs 2010 through 2014 for FAA authorized assistance to Pakistan.
- A sense of Congress is expressed indicating subject to improvements in Pakistan political and economic climate, this annual $1,500,000,000 FAA assistance should be extended through FY 2019.
- Also authorizes the appropriation of such sums necessary for IMET and FMFP annually for FYs 2010 through 2014 with significant use for activities relating to counterinsurgency and counterterrorism operations.
- No assistance is to be made available during a FY until certain certifications are provided to Congress by the Secretary of State, under the direction of the President, regarding Pakistan's continued cooperation with the U.S. and progress in countering al Qaeda, the Taliban, and other terrorist organizations.
- Any direct cash security-related assistance or non-assistance payments are only to be provided to the Pakistan civilian government.
- A *Pakistan Assistance Strategy Report* and a comprehensive regional security strategy report in addition to semi-annual monitoring reports are to be made to the Congress.

***National Defense Authorization Act for Fiscal Year 2010*, P.L.111-84, 28 October 2009.**

- Required report assessing the possible transfer of retiring C-5s to U.S. flag carriers or coalition partners and the potential foreign military sales (FMS) transfer of F-22s.
- Reorganization of the Office of the Secretary of Defense (OSD) authorizing only five deputy under secretaries and twelve assistant secretaries plus deleting the deputy under secretary for technology security policy position.
- Extends the following authorities through FY 2010:
  - Unified counterdrug and counterterrorism campaign in Colombia, Section 1021, NDAA, FY 2005
  - Joint task force support to law enforcement agencies conducting counterterrorism activities, Section 1022, NDAA, FY 2004
  - Support for counterdrug activities of certain foreign governments, Section 1033, NDAA, FY 1998

- Security and stabilization assistance, Section 1207, NDAA, FY 2006.
- Increases the annual authority for support of special operations to combat terrorism, Section 1208, NDAA, FY 2005, to $40,000,000.
- Limits the use of program authority to build the capacity of foreign military forces, Section 1206, NDAA, FY 2006, to $75,000,000 annually during FYs 2010 and 2011 for the purpose of forces to participate in or support military and stability operations in which U.S. armed forces are a participant.
- Requires the President to submit a significant report to Congress regarding the relationship between security assistance and security cooperation, strengths and weaknesses of present law relating to the training and equipping of foreign militaries, any recommended legislative changes, and organizational and procedural changes to improve training and equipping of foreign militaries.
- Requires a report addressing the role of FMS in meeting Iraqi military requirements.
- Requires the establishment of a weapons registration and end-use monitoring program for both Afghanistan and Pakistan.
- Provides an authority to transfer up to $750,000,000 in DOD already in-theater defense articles and services during FY 2010 to Iraq and Afghanistan.
- Authorizes the FY 2010 appropriation of $7,462,769,000 for the Afghanistan Security Forces Fund (ASFF).

***Department of Defense Appropriations Act, 2010*, Division A, P.L. 111-118, 19 December 2009.**

- Appropriates the following funds:
  - $50,000,000 for the Combatant Commander Initiative Fund (CCIF).
    - For overseas contingency operations, an additional $12,500,000.
- $109,869,000 for oversea humanitarian, disaster and civic aid (OHDCA) program.
- $424,093,000 for the Cooperative Threat Reduction program.
- $1,158,226,000 for drug interdiction and counterdrug activities.
  - For overseas contingency operations, an additional $346,603,000.
- $202,434,000 for the Israeli cooperative program.
- $6,562,769,000 for the ASFF.
- $1,570,000,000 to reimburse key cooperating nations in support of operations in Iraq and Afghanistan.
- Up to $1,200,000,000 in Army Operation and Maintenance (O&M) to fund the Commanders' Emergency Response Program (CERP).
- Requires a quarterly report on the use of ASFF, Iraq Security Forces Fund (ISFF), and Pakistan Counterinsurgency Fund (PCF).
- Prohibits the sale of the F-22 but authorizes DOD participation in a program to examine the possible development of an export version.
- Requires that any agency receiving appropriated funds to post any required congressional report on the agency public web site, with determined security and propriety information exceptions.

Reference Sources

The following abbreviated titles will assist in identifying principal sources of information used in this article. The laws and associated congressional reports can be viewed at the Library of Congress "Thomas" web page located at: http://thomas.loc.gov.

- SAMM - *Security Assistance Management Manual*, DOD 5105.38-M, 3 October 2003, with changes. It is maintained electronically and can be viewed on the Defense Security Cooperation Agency (DSCA) web page at: http://www.dsca.mil/samm/.
- FAA - *Foreign Assistance Act of 1961*, as amended, Public Law (P.L.) 87-195, 4 September 1961 [22 U.S. Code (U.S.C.) 2151, et seq.].
- P.L. 87-510 - *Migration and Refugee Act of 1962*, P.L. 87-510, 28 June 1962 [22 U.S.C. 2601]
- AECA - *Arms Export Control Act*, as amended, P.L. 94-329, 30 June 1976 [22 U.S.C. 2751, et seq.].
- P.L. 96-8 - *Taiwan Relations Act*, P.L. 96-8, 10 April 1979.
- P.L. 96-533 - *Peace Corps Act*, Title VI, P.L. 96-533, 16 December 1980.
- P.L. 99-239 - *Compact of Free Association*, P.L. 99-239, 14 January 1986.
- P.L. 99-415 - *Anglo-Irish Agreement Support Act of 1986*, P.L. 99-415, 19 September 1986.
- P.L. 101-179 - *Support for East European Democracy* (SEED) *Act of 1989*, P.L. 101-179, 28 September 1989.
- P.L. 101-510: - *National Defense Authorization Act*, *Fiscal Year 1991*, P.L. 101-510, 5 November 1990.
- P.L. 102-484: - *National Defense Authorization Act*, *Fiscal Year 1993*, P.L. 102-484, 6 October 1992.
- P.L. 102-511: - *Freedom for Russia and Emerging Eurasian Democracies and Open Markets* (FREEDOM) *Support Act* (FSA) *of 1992*, P.L. 102-511, 24 October 1992.
- P.L. 103-160: - *National Defense Authorization Act*, *Fiscal Year 1994*, P.L. 103-160, 30 November 1993.
- P.L. 104-201 - *National Defense Authorization Act*, *Fiscal Year 1997*, P.L. 104-201, 23 September 1996.
- P.L. 105-85 - *National Defense Authorization Act*, *Fiscal Year 1998*, 18 November 1997.
- P.L. 106-113 - *Making Consolidated Appropriations for the Fiscal Year ending September 30, 2000*, *and for Other Purposes*, P.L. 106-113, 29 November 1999.
- P.L. 106-429 - *Making Appropriations for Foreign Operations, Export Financing, and Related Programs for the Fiscal Year ending September 30, 2001*, *and for Other Purposes*, P.L. 106-429, 6 November 2000.
- P.L. 107-115 - *Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 2002*, P.L. 107-115, 10 January 2002.
- P.L. 108-136 - *National Defense Authorization Act*, *Fiscal Year 2004*, P.L. 108-136, 24 November 2003.
- P.L. 108-287 - *Department of Defense Appropriations Act, 2005*, P.L. 108-287, 5 August 2004.

- P.L. 108-375 - *Ronald W. Reagan National Defense Authorization Act, Fiscal Year 2005*, P.L. 108-375, 28 October 2004.
- P.L. 109-163 - *National Defense Authorization Act for Fiscal Year 2006*, P.L. 109-163, 6 January 2006.
- P.L. 109-364 - *National Defense Authorization Act, Fiscal Year 2007*, P.L. 109-364, 17 October 2006.
- P.L. 109-472 - *Department of State Authorities Act of 2006*, P.L. 109-472, 11 January 2007.
- P.L. 110-116 - *Department of Defense Appropriations Act, 2008*, Division A, P.L. 110-116, 13 November 2007.
- P.L. 110-161 - *Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008*, Division J, P.L. 110-161, 26 December 2007.
- P.L. 110-161 - *Emergency Supplemental Appropriations Act for Defense, 2008*, Division L, P.L. 110-161, 26 December 2007.
- P.L. 110-181 - *National Defense Authorization Act, Fiscal Year 2008*, P.L. 110- 181, 28 January 2008.
- P.L. 110-417 - *Duncan Hunter National Defense Authorization Act for Fiscal Year 2009*, P.L. 110-417, 14 October 2008.
- P.L. 111-08 - *Department of State, Foreign Operation, and Related Programs Appropriations Act, 2009*, P.L. 111-08, 11 March 2009.
- P.L. 111-32 - *Supplemental Appropriations Act, 2009*, P.L. 111-32, 24 June 2009.
- P.L. 111-73 - *Enhanced Partnership with Pakistan Act of 2009*, P.L. 111-73, 15 October 2009.
- P.L. 111-84 - *National Defense Authorization Act for Fiscal Year 2010*, P.L. 111-84, 28 October 2009.
- P.L. 111-88 - *Further Continuing Resolution, 2010*, Division B, P.L. 111-88, 30 October 2009.
- P.L. 111-117 - *Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010*, Division F, P.L. 111-117, 16 December 2009.
- P.L. 111-118 - *Department of Defense Appropriations Act*, 2010, Division A, P.L. 111-118, 19 December 2009.

Legislation for Fiscal Year 2010

***Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010* (S/FOAA), Division F, P.L.111-117, 16 December 2009**

- Originally reported out of the House (HAC) and Senate (SAC) Appropriations Committees as HR 3081 with H.Rpt. 111-187 on 23 Jun 09, and as S1434 with S.Rpt. 111-44 on 9 Jul 09 respectively. The House approved HR 3081 on 9 Jul 09 and the Senate did not take action on S1434.

- The S/FOAA was incorporated as *Division F within the Consolidated Appropriations Act, 2010*, P.L.111-117, 16 Dec 09. Conference report H.Rpt. 111-366 was provided 8 Dec 09. This Act also included five other annual appropriations:

- Division A – Transportation, Housing and Urban Development and Related Agencies (HR 3288)
- Division B – Commerce, Justice, Science, and Related Agencies (HR 2847)
- Division C – Financial Services and General Government (HR 3170)
- Division D – Departments of Labor, Health and Human Services, and Education, and Related Agencies (HR 3293)
- Division E – Military Construction and Veterans Affairs and Related Agencies (HR 3082)

- Table One provides an overview for FY 2010 security assistance funding to include final appropriations for FY 2009 and the proposed request for FY 2011.

Table One
Security Assistance Appropriations

Program	Fiscal Year 2000 Appropriation	Fiscal Year 2010 Appropriation	Fiscal Year 2011 Request
FMFP	$5,006,500,000	$5,420,000,000	$5473,348,000
IMET	93,000,000	108,000,000	110,000,000
ESF	7,116,901,000	6,344,000,000	7,811,982,00
PKO	530,200,000	331,500,000	285,950,000
INCLE	1,782,500,000	1,691,000,000	1,136,041,000
NADR	631,500,000	754,000,000	757,613,000

Notes: (1) FY 2010 FMFP includes P.L. 111-32 FY 2009 appropriations of $260M for Egypt, $555 M for Israel, $150 M for Jordan, and $260 M for the Mexican Navy intended for distribution during FY 2010.

(2) For the first time, S/FOAA, FY 2010, places the International Narcotics Control and Law Enforcement (INCLE) Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR) under the International Security Assistance Heading. Additionally, the previous Andean Counterdrug Initiative (ACI) Program is merged into INCLE.

Source: Department of State *FY 2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*.

***Title IV, International Security Assistance*, Funds Appropriated to the President Foreign Military Financing Program**

- Appropriation of $4,195,000,000 in grant assistance to carry out the provisions of Section 23, AECA.
  - *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $1,294,000,000 as FMFP to remain available until 30 Sep 2010 to include $260,000,000 for the Mexican Navy, $150,000,000 for Jordan, $555,000,000 for Israel, $260,000,000 for Egypt, and $69,000,000 for Lebanon.
- A FY 2010 supplemental request for $60,000,000 in additional FMFP for Pakistan has been announced.

- Table Two provides the estimated funding allocations for FY 2010 along with actual allocations for FY 2009 and allocations intended for FY 2011. The P.L. 111-32 FMFP appropriated funding for Israel, Egypt, Jordan, and the Mexican Navy is carried forward into the FY 2010 allocations.

Table Two
Foreign Military Financing Program
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Africa	**$8,225**	**$18,793**	**$23,790**
Botswana	0	200	340
Chad	0	500	400
Democratic Republic of the Congo	800	1,450	1,450
Djibouti	2,000	2,000	2,500
Ethiopia	843	843	2,000
Gabon	0	200	200
Ghana	300	350	450
Kenya	250	1,000	1,000
Liberia	1,500	6,000	9,000
Mali	0	200	200
Nigeria	1,350	1,350	1,350
Rwanda	0	200	400
Senegal	0	300	400
South Africa	0	800	800
Africa Regional	1,412	2,900	2,800
Tanzania	0	200	200
Uganda	0	300	300
East Asia and Pacific	**$48,300**	**$62,100**	**$46,505**
Cambodia	1,000	1,000	1,000
Indonesia	15,700	20,000	22,000
Mongolia	1,000	4,500	5,000
Philippines	28,000	32,000	15,000
Thailand	1,600	1,600	1,060
Timor-Leste	0	500	500
Tonga	500	500	600
Vietnam	500	2,000	1,345
Europe and Eurasia	**$95,200**	**$137,855**	**$162,090**
Albania	2,100	3,000	5,000
Armenia	3,000	3,000	3,500
Azerbaijan	3,000	3,000	3,500
Bosnia and Herzegovina	3,600	4,000	6,440
Bulgaria	7,400	9,000	13,200
Croatia	1,000	2,500	5,000
Czech Republic	3,000	6,000	7,000
Estonia	1,500	2,500	3,000
Georgia	11,500	16,000	16,000
Hungary	1,000	1,000	1,000
Kosovo	1,500	2,500	5,000
Latvia	1,500	2,500	3,000
Lithuania	1,700	2,700	3,300
Macedonia	2,800	4,000	5,000
Malta	100	455	600
Moldova	500	750	1,500
Montenegro	800	1,200	1,800
Poland	27,000	47,000	42,000
Romania	12,000	13,000	16,500
Serbia	800	1,000	2,500
Slovakia	1,000	1,250	1,500
Slovenia	400	500	750

Table Two
Foreign Military Financing Program (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Turkey	1,000	0	0
Ukraine	7,000	11,000	15,000
Near East	**$4,378,155**	**$4,542,498**	**$4,781,650**
Bahrain	8,000	19,000	19,500
Egypt	1,300,000	1,300,000	1,300,000
Israel	2,550,000	2,775,000	3,000,000
Jordan	335,000	300,000	300,000
Lebanon	159,700	100,000	100,000
Libya	0	150	250
Morocco	3,655	9,000	9,000
Oman	7,000	11,848	13,000
Tunisia	12,000	15,000	4,900
Yemen	2,800	12,500	35,000
South and Central Asia	**$306,780**	**$251,300**	**$306,600**
Bangladesh	590	1,500	1,500
Kazakhstan	4,500	3,000	2,400
Kyrgyz Republic	800	3,500	2,400
Nepal	0	800	900
Pakistan	300,000	238,000	296,000
Sri Lanka	0	1,000	1,000
Tajikistan	740	1,500	1,200
Turkmenistan	150	2,000	1,200
Western Hemisphere	**$118,390**	**$352,990**	**$96,130**
Belize	200	200	200
Chile	400	400	750
Colombia	53,000	55,000	51,500
Costa Rica	0	325	350
Dominican Rep	400	1,000	0
East Caribbean	800	2,000	0
Ecuador	300	300	750
El Salvador	3,500	1,000	4,800
Guatemala	500	1,765	1,000
Guyana	150	300	0
Haiti	2,800	1,600	1,600
Honduras	0	1,075	1,300
Jamaica	400	500	0
Mexico	39,000	265,250	8,000
Nicaragua	400	925	800
Panama	1,000	1,400	2,100
Paraguay	0	0	750
Peru	750	1,500	3,500
Suriname	150	300	0
Bahamas	150	150	0
Uruguay	0	0	570
Carib Basin Security Initiative	0	10,000	18,160
West Hemisphere Regional	14,490	8,000	0
FMFP Admin	**$51,420**	**$54,464**	**$56,583**
Total FMFP	**$5,006,500**	**$5,420,000**	**$5,473,348**

Note: FY 2010 FMFP includes P.L.111-32 FY 2009 appropriations of $260M for Egypt, $555M for Israel, $150M for Jordan, and $260M for the Mexican Navy.
Source: Department of State *FY 2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

- To expedite the provision of assistance to countries and international organizations, the Secretary of State, following consultation with the appropriations committees and subject to regular notification procedures, may use FY 2010 FMFP

funds to procure defense articles and services to enhance the capacity of foreign security forces.

- Not less than $1,040,000,000 in FY 2010 FMFP funds shall be for Egypt and may be used for border security programs and activities in the Sinai. All funds to be outlayed for Egypt during FY 2010 shall be transferred to an interest bearing account in the Federal Reserve Bank of New York within 30 days of enactment of this Act.
- Not less than $2,220,000,000 in FY 2010 FMFP funds shall be for Israel to be disbursed within 30 days of enactment of this Act and not less than $583,860,000 of this amount shall be available for the procedure of defense articles and services in Israel to include research and development.
  - FY 2010 is the second year of a ten year agreement signed on 16 Aug 2007 to provide $30,000,000,000 overall in FMFP to Israel.
- $150,000,000 in FY 2010 FMFP funds shall be for Jordan.
- Not more than $55,000,000 in FY 2010 FMFP funds shall be available for Colombia of which up to $12,500,000 is available to support maritime interdiction and riverine operations.
- Not less than $238,000,000 in FY 2010 FMFP funds should be Pakistan. Additionally, subject to regular notification procedures with the appropriations committees, up to $60,000,000 in FY 2010 ESF funds appropriated by this Act, or prior Acts, may be transferred to and merged with FMFP funds for Pakistan.
- No FY 2010 FMFP funds shall be made available to support or continue any program initially funded under Section 1206, NDAA for FY 2006, P.L.109-163, Building Capacity of Foreign Military Forces, unless the Secretary of State, in coordination with the Secretary of Defense, has justified such a program to the appropriations committees.
- No FY 2010 FMFP funds may be made available to Nepal, Sri Lanka, Pakistan, Bangladesh, Philippines, Indonesia, Bosnia and Herzegovina, Haiti, Guatemala, Ethiopia, Cambodia, Kenya, Chad, or the Democratic Republic of the Congo except pursuant to regular notification procedures of the appropriations committees.
- Notwithstanding any other provision of law, FY 2010 FMFP funds may be used for demining, unexploded ordnance clearance, and related activities which may include activities implemented through nongovernmental and international organizations.
- Only those countries justified for "foreign military sales financing program" in the FY 1989 congressional presentation document (CPD) for security assistance may use FY 2010 FMFP for direct commercial sales (DCS).
- DOD 5105.38-M, *Security Assistance Management Manual* (SAMM), C9.7.4.1.1, lists the countries of Israel, Egypt, Jordan, Morocco, Tunisia, Turkey, Portugal, Pakistan, Yemen, and Greece as being eligible for this program.
- Not more than $54,464,000 in FY 2010 FMFP funds may be used for general costs of administering military assistance and sales (FMS Admin). This amount may be exceeded only through the regular notification procedures of the appropriations committees.

- Not more than $4,000 of this authority may be available for entertainment expenses and not more than $130,000 may be available for representation allowances.
- Not more than $550,000,000 in funds (FMS Administration ceiling authority) realized pursuant to Section 21(e)(1)(A), AECA, may be obligated for expenses incurred by DOD during FY 2010 pursuant to Section 43(b), AECA. This ceiling may be exceeded only through regular notification procedures of the appropriations committees.

International Military Education and Training

- Appropriation of $108,000,000 in grant assistance to carry out the provisions of Section 541, FAA, of which up to $4,000,000 may remain available until expended and may only be provided through the regular notification procedures of the appropriations committees.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $2,000,000 as IMET for Iraq to remain available through FY 2010.
- No FY 2010 supplemental for IMET has been announced.
- Table Three provides the estimated funding allocations for FY 2010 along with actual allocations for FY 2009 and allocations proposed for FY 2011. The P.L.111-32 IMET appropriated funding for Iraq is retained within the FY 2009 allocations.

Table Three
International Military Training and Education
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Africa	**$15,339**	**$15,232**	**$15,975**
Angola	375	475	500
Benin	262	235	250
Botswana	819	690	690
Burkina Faso	166	235	250
Burundi	403	275	325
Cameroon	285	285	285
Cape Verde	174	120	135
Central African Rep	62	125	125
Chad	294	380	380
Comoros	184	125	125
Cote d´Ivoire	0	32	40
Democratic Republic of the Congo	506	500	500
Djibouti	377	330	350
Equatorial Guinea	0	0	40
Ethiopia	634	700	725
Gabon	211	200	220
Ghana	721	800	825
Guinea	0	0	40
Guinea-Bissau	131	100	125
Kenya	915	970	1,000
Lesotho	148	100	100
Liberia	440	500	525
Madagascar	48	32	40
Malawi	316	300	300
Mali	306	330	350
Mauritania	0	113	150

Table Three
International Military Training and Education (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Mauritius	178	150	150
Mozambique	376	380	400
Namibia	154	140	150
Niger	100	0	40
Nigeria	878	965	1,000
Rep of the Congo	149	125	125
Rwanda	425	500	500
Sao Tome and Principe	189	180	200
Senegal	987	1,000	1,000
Seychelles	86	100	100
Sierra Leone	453	400	400
Somalia	0	0	40
South Africa	1,058	850	865
Sudan	681	800	800
Swaziland	190	100	100
Tanzania	375	400	400
The Gambia	169	120	120
Togo	134	140	150
Uganda	629	550	600
Zambia	351	380	400
Zimbabwe	0	0	40
East Asia and Pacific	**$7,924**	**$8,930**	**$9,250**
Cambodia	106	100	100
Indonesia	1,547	1,750	1,800
Laos	107	100	200
Malaysia	757	950	950
Marshall Islands	59	60	60
Mongolia	1,013	1,000	1,000
Papua New Guinea	243	0	0
Philippines	1,730	1,850	1,950
Samoa	51	40	40
Solomon Islands	74	0	0
Thailand	1,459	1,500	1,500
Timor-Leste	281	330	350
Tonga	188	0	0
Vanuatu	113	0	0
Vietnam	196	400	450
East Asia and Regional	0	850	850
Europe and Eurasia	**$26,581**	**$30,205**	**$30,500**
Albania	950	950	1,000
Armenia	357	450	450
Azerbaijan	989	900	900
Bosnia and Herzegovina	939	1,000	1,000
Bulgaria	1,703	1,650	1,700
Croatia	610	800	900
Czech Republic	1,599	1,900	2,000
Estonia	1,037	1,100	1,150
Georgia	1,426	1,800	2,000
Greece	100	100	100
Hungary	1,129	1,000	1,000
Iceland	0	0	100
Kosovo	638	700	700
Latvia	982	1,100	1,150
Lithuania	1,061	1,100	1,150
Macedonia	620	950	1,050

Table Three
International Military Training and Education (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Malta	80	150	150
Moldova	674	660	750
Montenegro	148	400	500
Poland	2,220	2,200	2,200
Portugal	90	100	100
Romania	1,562	1,700	1,800
Russia	0	95	100
Serbia	887	900	900
Slovakia	1,026	900	900
Slovenia	733	700	700
Turkey	3,208	5,000	4,000
Ukraine	1,813	1,900	2,050
Near East	**$16,339**	**$18,593**	**$18,590**
Algeria	898	950	950
Bahrain	661	700	700
Egypt	1,316	1,900	1,400
Iraq	2,000	2,000	2,000
Jordan	3,109	3,800	3,700
Kuwait	0	10	10
Lebanon	2,278	2,500	2,500
Libya	0	330	350
Morocco	1,916	1,800	1,900
Oman	1,450	1,525	1,650
Qatar	0	10	10
Saudi Arabia	11	8	10
Tunisia	1,700	1,950	2,300
United Arab Emirates	0	10	10
Yemen	1,000	1,100	1,100
South and Central Asia	**$9,399**	**$13,480**	**$13,120**
Afghanistan	1,399	1,500	1,500
Bangladesh	787	1,000	1,000
India	1,364	1,200	1,400
Kazakhstan	858	785	800
Kyrgyz Republic	872	1,000	1,000
Maldives	145	195	195
Nepal	743	900	1,000
Pakistan	2,261	5,000	4,100
Sri Lanka	419	750	800
Tajikistan	282	600	650
Turkmenistan	269	350	375
Uzbekistan	0	200	300
West Hemisphere	**$12,207**	**$16,455**	**$17,155**
Argentina	915	900	900
Belize	267	200	200
Bolivia	225	380	390
Brazil	252	610	650
Chile	525	900	960
Colombia	1,400	1,695	1,695
Costa Rica	364	380	400
Dem Republic	722	850	900
East Caribbean	661	810	0
Ecuador	304	380	400
El Salvador	1,594	1,750	1,800
Guatemala	254	800	825
Guyana	283	300	325

Table Three
International Military Training and Education (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Haiti	235	220	220
Honduras	329	700	700
Jamaica	823	750	800
Mexico	834	1,050	1,100
Nicaragua	409	900	950
Panama	253	750	800
Paraguay	348	400	425
Peru	398	650	725
Suriname	153	260	280
The Bahamas	137	200	200
Trinidad and Tobago	95	170	180
Uruguay	427	450	480
Barbados and East Caribbean	0	0	850
Global	**$5,211**	**$5,105**	**$5,410**
Expanded IMET Schools	0	4,605	4,910
IMET General Costs	0	500	500
Total IMET	**$93,000**	**$108,000**	**$110,000**

Source: Department of State *FY 2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

- Civilian personnel for whom IMET is provided may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights.
- FY 2010 IMET funding for assistance for Angola, Bangladesh, Cameroon, Central African Republic, Chad, Cote d´Ivoire, Democratic Republic of the Congo, Ethiopia, Guatemala, Guinea, Haiti, Kenya, Libya, Nepal, Nigeria, and Sri Lanka may only be provided through regular notification procedures of the appropriations committees to include a detailed description of proposed activities.
- FY 2010 IMET funding not to exceed $55,000 may be available for entertainment allowances.
- The Conference Report reports directing the Government Accountability Office (GAO) to conduct an evaluation of the effectiveness of the IMET program in building professionalism and respect for human rights within military forces of unnamed selected countries and submit the report not later than 30 Sep 2010.
- The Conference Report also directs the Secretary of State to provide not later than 180 days after enactment of this Act, a report detailing the net savings to that country (also receiving IMET or designated as a high-income country) for training purchased at reduced cost or incremental rate through the FMS program, as authorized by Section 21(a)(1)(C) of the AECA.

Title III, Bilateral Economic Assistance, Funds Appropriated to the President, Economic Support Fund

- Appropriation of $6,337,000,000 in grant assistance to carry out the provisions of Part II, Chapter Four, FAA, to remain available through FY 2011.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $2,973,601,000 to remain available through FY 2010.

- A FY 2010 ESF funding supplemental request of $1,820,000,000 has been announced with the proposed allocations of $1,576,000,000 for Afghanistan and $244,000,000 for Pakistan.
- Table Four provides the estimated funding allocations for FY 2010 along with actual allocations for FY 2009 and allocations proposed for FY 2011. The P.L.111-32 ESF appropriated funding is retained within the FY 2009 allocations.

Table Four
Economic Support Fund
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Africa	**$712,910**	**$629,604**	**$594,289**
Central African Republic	2,000	0	0
Chad	5,000	0	0
Cote d´Ivoire	0	0	4,200
Democratic Republic of the Congo	52,800	59,100	64,199
Gabon	155	0	0
Ghana	32,000	0	0
Kenya	63,000	0	0
Liberia	104,300	153,000	137,342
Mali	4,000	0	0
Mauritania	300	0	0
Sierra Leone	11,000	18,000	16,210
Somalia	32,250	28,270	25,818
Africa Regional	8,555	23,500	25,110
Sudan	263,550	296,034	270,210
Tanzania	37,000	0	0
Uganda	15,000	0	0
Zimbabwe	81,000	40,200	50,200
African Union	0	1,500	1,000
USAID Africa Reg	250	10,000	0
USAID East Africa Reg	375	0	0
USAID West Africa Reg	375	0	0
East Asia and Pacific	**$250,400**	**$177,900**	**$61,320**
Burma	33,300	36,500	34,750
Cambodia	10,000	15,000	5,000
China	7,300	7,400	5,000
Indonesia	126,500	65,000	0
Malaysia	500	0	0
Mongolia	12,000	0	0
North Korea	17,500	3,500	2,500
Philippines	30,000	30,000	0
Thailand	2,500	2,500	0
Timor-Leste	2,800	3,000	0
Vietnam	0	3,000	0
East Asia/Pacific Reg	8,000	12,000	14,070
Europe and Eurasia	**$38,500**	**$33,000**	**$11,000**
Cyprus	11,000	11,000	11,000
Ireland	15,000	17,000	0
Turkey	7,500	0	0
Eurasia Regional	3,000	5,000	0
Europe Regional	2,000	0	0
Near East	**$2,257,914**	**$1,631,900**	**$1,671,350**
Egypt	250,000	250,000	250,000
Iraq	541,500	382,500	382,950
Jordan	513,547	363,000	360,000
Lebanon	67,500	109,000	109,000
Libya	2,500	0	0

Table Four
Economic Support Fund (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Morocco	0	3,000	3,000
Syria	2,500	0	0
Tunisia	800	2,000	0
West Bank/Gaza	772,800	400,400	400,400
Yemen	19,767	5,000	34,000
Mideast Multilaterals	800	1,000	1,500
Mideast Partnership Initiative	50,000	65,000	86,000
Mideast Regional Cooperation	4,200	4,000	1,500
Near East Reg Dem	25,000	40,000	40,000
Trans-Sahara C/T Partnership	4,000	6,000	3,000
USAID Mideast Regional	3,000	1,000	0
South and Central Asia	**$3,252,801**	**$3,104,000**	**$4,677,019**
Afghanistan	2,048,000	2,037,000	3,316,334
Bangladesh	50,000	0	0
Nepal	22,151	27,000	34,335
Pakistan	1,114,000	1,033,000	1,321,700
Sri Lanka	14,000	0	0
South/Central Asia Regional	4,650	7,000	4,650
Western Hemisphere	**$436,350**	**$485,540**	**$456,269**
Colombia	196,500	201,790	202,988
Cuba	20,000	20,000	20,000
Dominican Republic	1,100	0	0
El Salvador	27,000	0	0
Guatemala	0	0	2,000
Haiti	134,250	160,750	146,281
Mexico	15,000	15,000	10,000
Paraguay	2,500	0	0
Venezuela	5,000	6,000	5,000
Carib Basin Security Initiative	0	0	17,000
West Hemisphere Regional	**35,000**	**82,000**	**53,000**
Global	$168,026	$282,056	$340,735
Demo, Conflict, and Humanitarian Assist Demo, Human Rights and Labor	44,000	37,500	70,000
Econ Growth, Agric, and Trade	25,556	0	42,085
Office to Monitor and Trafficking in Persons	12,000	12,000	0
Assist to Developing Countries Affected by the Global Financial Crisis	33,045	0	0
Oceans and International Environmental and Scientific Affairs	48,725	178,800	128,650
Internet Access	0	10,000	0
Global Engagement	0	0	100,000
Unallocated	4,700	43,756	0
Total ESF	**$7,116,901**	**$6,344,000**	**$7,811,982**

Source: Department of State *FY2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

- $250,000,000 in ESF shall only be available for Egypt of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic and democratic reforms which are in additional to those which were undertaken in previous fiscal years.

- Not less than $25,000,000 of this amount shall be for democracy, human rights, and governance programs.
- Not less than $35,000,000 of this amount shall be for education programs, of which not less than $10,000,000 is for scholarships for Egyptian students with high financial need.
- $11,000,000 In ESF should be for Cyprus to be used only for scholarships, administrative support of the scholarship programs, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.
- $12,000,000 of ESF funds for Lebanon shall be for educational scholarships for students in Lebanon with high financial need.
- Not less than $363,000,000 in ESF shall be only for Jordan.
- Not more than $400,400,000 in ESF may be used for assistance in the West Bank and Gaza.
- Not more than $150,000,000 of this amount shall be for cash transfer assistance.
- FY 2010 ESF assistance for Afghanistan and Pakistan may be provided notwithstanding any provision of law that restricts assistance to countries for cross-border stabilization and development programs between Afghanistan and Pakistan or between either country and the Central Asian Republics.
- Funds appropriated by this Act for Afghanistan and Pakistan may be made available for government-to-government assistance only if the Secretary of State certifies to the appropriations committees that the U.S. government and the recipient country have agree, in writing, to clear and achievable goals and objectives for the use of the funds, and have established mechanisms within each implementing agency to ensure such funds are used for the purposes for which they were intended.
- Any such cash transfer assistance shall be subject to prior consultation with the appropriations committees.
- The Secretary of State should suspend any such cash transfer assistance to an implementing agency if the Secretary has credible evidence of misuse of funds by any such agency.
- Any decision to significantly modify the scope, objectives or implementation mechanisms of U.S. assistance programs in Afghanistan or Pakistan shall be subject to prior consultation with, and the regular notification procedures, of the appropriations committees. This prior consultation may be waived if it is determined that failure to do so would pose a substantial risk to human health or welfare.
- In the case of any such waiver, notification to the appropriations committees shall be provided as early as practicable, but in no event later than three days after taking the action to which the consultation requirement was applicable.
- Though not legislated, the *Conference Report* requires that a bilateral agreement be in place prior to the provision of government-to-government assistance for the governments of Afghanistan and Pakistan. Such an agreement should be structured to provide for the maximum accountability and oversight, and should contain certain conditions for disbursement of funds and detailed monitoring and reporting requirements. Funds should be deposited in and disbursed through a separate, traceable bank account for specific sectors. Perhaps most importantly, the Secretary

should suspend any government-to-government assistance to any implementing agency if there is credible evidence of misuse of such funds by such agency.

- $209,790,000 of FY 2010 ESF funds shall be apportioned directly to U.S. Agency for International Development (USAID) for alternative development/institution building programs in Colombia.
- Not less than $8,000,000 of FY 2010 ESF funding for Colombia shall be transferred to and merged with funds appropriated for Migration and Refugee Assistance and shall be available only for assistance to nongovernmental and international organizations that provide assistance to Colombian refugees in neighboring countries.

Title IV, International Security Assistance, Department of State Peacekeeping Operations

- Appropriation of $331,500,000 for necessary expenses to carry out the provisions of Section 551, FAA.
  - *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $185,000,000 to remain available through FY 2010. This funding was intended to provide $168,000,000 for assistance for Somalia, $15,000,000 for assistance for the Democratic Republic of the Congo, and $2,000,000 for the Multilateral Force and Observer (MFO) mission in the Sinai.
- No FY 2010 PKO supplemental has been announced.
- Table Five provides the estimated funding allocations for FY 2010 along with actual allocations for FY 2009 and allocations proposed for FY 2011. The P.L.111-32 PKO appropriated funding is retained within the FY 2009 allocations.

Table Five
Peacekeeping Operations
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Africa	**$382,250**	**$187,600**	**$138,150**
Democratic Republic of the Congo	40,500	18,000	22,000
Liberia	49,650	10,000	5,000
Somalia	246,600	102,000	53,550
Africa Regional	7,500	13,600	15,600
Sudan	**38,000**	**44,000**	**42,000**
Multilateral Force and Observers	**$27,000**	**$26,000**	**$26,000**
State Political-Military Affairs	**$120,950**	**$117,900**	**$121,800**
Trans-Sahara C/T Partnership (TSCTP)	15,000	21,000	20,000
Global Peace Operations Initiative (GPOI)	105,950	96,900	101,800
Total Peacekeeping Operations	**$530,200**	**$331,500**	**$285,950**

Source: Department of State *FY 2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

- These funds may be used, notwithstanding Section 660, FAA, (prohibition on police training) to provide assistance to enhance the capacity of foreign civilian security forces, including gendarmes, to participate in peacekeeping operations.
- Up to $102,000,000 of FY10 PKO funding may be used for assistance for Somalia of which up to $55,000,000 may be used to pay assessed expenses of international peacekeeping activities in Somalia.
- Not less than $26,000,000 in FY 2010 PKO funding shall be for the U.S. contribution to the MFO mission in the Sinai.

- None of these PKO funds shall be obligated or expended except as provided through the regular notification procedures of the appropriations committees.

International Narcotics Control and Law Enforcement

- Appropriation of $1,597,000,000 for necessary expenses to carry out the provisions of Section 481, FAA, to remain available through FY 2011.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 09, earlier appropriated $487,500,000 to remain available through FY 2010. This funding was intended to provide not less than $160,000,000 for assistance for Mexico and other programs.
- A FY 2010 supplemental request of $757,440,000 for INCLE has been announced with funding for proposed allocation as follows:
  - Iraq - $517,440,000,
  - Afghanistan - $200,000,000
  - Pakistan - $40,000,000
- Table Six provides the estimated funding allocations for FY 2010 along with actual allocations for FY 2009 and allocations proposed for FY 2011. The P.L.111-32 INCLE appropriated funding is retained within the FY 2009 allocations.

Table Six
International Narcotics Control and Law Enforcement
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Africa	**$26,600**	**$30,538**	**$107,165**
Benin	0	0	850
Burkina Faso	100	0	0
Cape Verde	500	603	1,000
Democratic Republic of the Congo	1,500	1,700	6,000
Djibouti	300	0	750
Ethiopia	0	0	500
Ghana	500	500	1,700
Guinea	100	0	500
Guinea-Bissau	100	1,500	3,000
Kenya	0	0	2,000
Liberia	4,130	6,000	17,000
Mauritania	0	0	330
Mozambique	0	300	600
Nigeria	720	500	2,500
Senegal	0	0	1,500
Sierra Leone	250	250	1,200
Somalia	0	0	2,000
South Africa	0	0	3,000
Africa Regional	3,000	2,500	4,500
Sudan	15,400	16,000	53,950
Tanzania	0	450	950
The Gambia	0	0	500
Togo	0	0	400
Uganda	0	235	1,535
Zambia	0	0	900
East Asia and Pacific	**$9,970**	**$18,575**	**$21,490**
Cambodia	0	0	670

Table Six
International Narcotics Control and Law Enforcement (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
China	600	800	850
Indonesia	6,150	11,570	11,750
Laos	1,000	1,000	1,500
Philippines	800	1,365	2,450
Thailand	1,400	1,740	1,740
Timor-Leste	20	800	860
Vietnam	0	0	550
East Asia and Pacific Regional	0	1,300	1,300
Europe and Eurasia	**$300**	**0**	**$500**
Turkey	300	0	500
Near East	**$214,000**	**$178,250**	**$512,960**
Algeria	0	0	870
Egypt	2,000	1,000	1,000
Iraq	20,000	52,000	314,560
Jordan	1,000	1,500	1,500
Lebanon	6,000	20,000	30,000
Morocco	1,000	750	3,000
West Bank/Gaza	184,000	100,000	150,000
Yemen	0	1,000	11,000
Trans-Sahara C/T Partnership (TSCTP)	0	2,000	1,030
South and Central Asia	**$572,050**	**$554,050**	**$596,150**
Afghanistan	484,000	420,000	450,000
Bangladesh	200	350	850
Nepal	330	3,700	3,700
Pakistan	87,500	130,000	140,000
Sri Lanka	20	0	1,500
West Hemisphere	**$817,165**	**$706,364**	**$689,921**
Argentina	305	300	400
Bolivia	26,000	20,000	20,000
Brazil	1,000	1,000	1,000
Colombia	275,128	248,900	204,000
Dominican Republic	3,650	0	4,450
East Caribbean	500	0	0
Ecuador	7,500	4,500	7,738
Guatemala	8,320	7,500	0
Haiti	17,500	21,107	19,420
Jamaica	1,010	0	0
Mexico	360,000	284,000	292,000
Panama	2,200	0	0
Paraguay	300	500	1,000
Peru	47,672	40,000	37,000
The Bahamas	500	0	0
Trinidad and Tobago	400	0	0
Venezuela	500	0	0
Carib Basin Security Initiative	0	0	37,463
West Hem Regional	64,680	74,107	70,000
Office to Monitor and Combat Trafficking in Persons	$8,400	0	$20,400
INCLE Affairs	$134,015	$203,223	$187,455
Alien Smuggling/Border Security	0	1,000	1,000
Anti-Crime Programs	14,441	4,150	4,150
Critical Flight Safety Program (CFSP)	0	20,750	17,250
Civilian Policing	5,400	4,000	6,000
Criminal Youth Gangs	5,000	8,000	7,000
Cyber Crime and IPR	0	5,000	3,750

Table Six
International Narcotics Control and Law Enforcement (Continued)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Demand Reduction	10,000	14,000	12,500
Fighting Corruption	0	4,750	4,750
GPOI, Global PKO Initiative	3,000	5,000	0
International Law Enforcement Acad. (ILEA)	17,000	37,200	36,700
Inter-Regional Aviation Support	52,420	60,088	60,355
Total INCLE	**$1,782,500**	**$1,691,000**	**$2,136,041**

Source: Department of State *FY2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

- During FY 2010, the DOS may also use the authority of Section 608, FAA, (excess personal property), without regard to its restrictions, to receive excess property from an U.S. government agency for the purpose of providing it to a country or international organization under Part I, Chapter 8, FAA, subject to the regular notification procedures of the appropriations committees.
- The Secretary of State shall provide to the appropriations committees not later than 45 days after enactment of this Act and prior to the initial obligation of FY 2010 INCLE funds, a report on the proposed uses of all funds on a country-by-country basis for each proposed program, project, or activity.
- Section 482(b), FAA, (prohibition of the procurement of weapons and ammunition) shall not apply to FY 2010 INCLE funds. However, any FY 2010 INCLE funds made available notwithstanding Section 482(b), FAA, shall be made available subject to the regular notification procedures of the appropriations committees.
- $5,000,000 of FY 2010 INCLE funds should be made available to combat piracy of U.S. copyrighted materials, consistent with the requirements of Section 688(a) and (b), P.L.110-161, S/FOAA for FY 2008 (consultation with and providing assistance to the World Intellectual Property Organization).
- No FY 2010 INCLE funds for Afghanistan may be made available for eradication programs through the aerial spraying of herbicides unless the Secretary of State determines and reports to the appropriations committees that the President of Afghanistan has requested such assistance for counternarcotics purposes.
- In the event the Secretary makes such a determination, the Secretary shall consult with the appropriations committees prior to the obligation of funds.
- No FY 2010 INCLE funds for Colombia shall be available for budget support or cash payments.
- No FY 2010 INCLE funds shall be made available for assistance for the Bolivian military and police unless the Secretary of State determines and reports to the appropriations committees that the government of Bolivia is investigating, prosecuting, and punishing military and police personnel who have been credibly alleged to have violated internationally recognized human rights.

Nonproliferation, Anti-Terrorism, Demining, and Related Programs

- Appropriation of $754,000,000 for necessary expenses to carry out the provisions of Part II, Chapter 8, FAA for anti-terrorism assistance; Part II, Chapter 9, FAA, Section 504, *FREEDOM Support Act*, Section 23, AECA, or the FAA for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities

implemented through nongovernmental and international organizations; and Section 301, FAA, for a voluntary contribution to the International Atomic Energy Agency (IAEA) and for a U.S. contribution to the Comprehensive Nuclear Test Ban Treaty (CTBT) Preparatory Commission.

- FY 2010 NADR funds made available for Anti-Terrorism Assistance and Export Control and Border Security shall remain available through FY2011.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $102,000,000 to remain available through FY 2010, to include up to $77,000,000 for the Nonproliferation and Disarmament Fund.
- A FY 2010 supplemental request for NADR has not been announced.

Table Seven provides the estimated funding allocations for FY 2010 along with actual allocations for FY 2009 and allocations proposed for FY 2011. The P.L.111-32 NADR appropriated funding is retained within the FY 2009 allocations.

Table Seven
Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR)
($ in thousands)

Program	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011
Nonproliferation Programs	**$315,500**	**$295,950**	**$317,935**
Nonproliferation and Disarmament Fund	118,000	75,000	57,000
Export Control and Related Border Security Assistance	46,000	53,950	61,535
Global Threat Reduction	62,000	70,000	71,900
IAEA Voluntary Contribution	62,500	65,000	79,500
CTBT/International Monitoring System	25,000	30,000	33,000
Weapons of Mass Destruction Terrorism	2,000	2,000	2,000
United Nations Security Council Resolution 1540 Trust Fund	0	0	3,000
CTBTO Preparatory Commission Special Contribution	0	0	10,000
Anti-Terrorism Programs	**$181,500**	**$296,500**	**$294,103**
Anti-Terrorism Assistance	161,300	215,000	205,103
Terrorism Interdiction Program	10,500	54,500	43,050
Counterterrorism Engagement with Allies	1,200	6,000	10,000
Counterterrorism Financing	8,500	21,000	20,950
Countering Violent Extremism	0	0	15,000
Regional Stability and Humanitarian Assistance	**$134,500**	**$161,550**	**$145,575**
Conventional Weapons Destruction	0	0	138,575
Humanitarian Demining Program	97,624	74,350	9
International Trust Fund	12,500	12,200	7,000
Small Arms/Light Weapons Destruction	24,376	75,000	0
Total NADR	**$631,500**	**$754,000**	**$757,613**

Note: FY 2011 funding for Conventional Weapons Destruction includes Humanitarian Demining and Small Arms/Light Weapons Destruction programs.

Source: Department of State *FY 2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

- Not more than $75,000,000 of FY 2010 NADR funding to remain available until expended may be made available for the Nonproliferation and Disarmament Fund to promote bilateral and multilateral activities relating to nonproliferation, disarmament and weapons destruction.
- Such may also be used for countries other than the Independent States of the former Soviet Union and international organizations when it is in the U.S. national interest
- Funds made available for the Nonproliferation and Disarmament Fund shall be subject to prior consultation with, and the regular notification procedures of, the appropriations committees.

- FY 2010 NADR funding may be made available to the IAEA unless the Secretary of State determines that Israel is being denied its right to participate in IAEA activities.
- Not more than $500,000 in FY 2010 NADR funding may be made available for public-private partnerships for conventional weapons and mine action by grant, cooperative agreement or contract.
- Not more than $700,000 in FY 2010 NADR funding made available for demining and related activities, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program.

Other *State Department and Foreign Operations Appropriations Act for Fiscal Year 2010*

The following includes FY 2010 appropriations for programs also funded by Division F, P.L.111-117, that may be of interest to the security cooperation community.

Title I, Department of State and Related Agency, Department of State, Administration of Foreign Affairs, Diplomatic and Consular Programs

- $8,227,000,000 for necessary expenses of the DOS and the Foreign Service, of which $1,586,214,000 is for Worldwide Security Protection remaining available until expended.
- The Secretary of State may transfer up to $137,600,000 of this funding to any other appropriation of any U.S. department or agency, upon the concurrence of the head of such department or agency, to support operations in and assistance for Afghanistan and to carry out the provision of the FAA.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $997,890,000 to remain available through FY 2010.
- Though not legislated, the Conference Report, H.Rpt.111-366, provides for $485,595,000 (also to include similar P.L.111-32 funding) for diplomatic operations in Afghanistan, $1,121,641,000 (also to include similar P.L.111-32 funding) for DOS operations in Iraq, and $45,837,000 (no similar funding noted from P.L.111-32) for diplomatic operations in Pakistan. This same Report also directs not less than $2,000,000 be available for the Bureau of Democracy, Human Rights, and Labor to support Leahy vetting program (Section 620J, FAA) monitoring of the uses of FMFP funding assistance.

Civilian Stabilization Initiative

- $120,000,000 to remain available until expended for necessary expenses to support, maintain, mobilize, and deploy a civilian response corps in coordination with USAID, and for related construction and stabilization assistance to prevent or respond to conflict or civil strife in foreign countries or regions, or to enable transition from such strife.
- However, $10,000,000 shall be withheld from obligation until the Secretary of State reports to the appropriations committees that a memorandum of understanding has been signed with the DOD relating to the provision of airlift for deployment of Civilian Response Corps personnel and equipment.

Payment to the American Institute of Taiwan

- $21,174,000 for necessary expenses to carry out the *Taiwan Relations Act*, P.L.96-8.

International Organizations, Contributions to International Organizations

- $1,682,500,000 for necessary expenses, not otherwise provided for, to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions, or specific acts of Congress.

Contributions for International Peacekeeping Activities

- $2,125,000,000 for necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security, of which 15 percent shall remain available through FY 2011.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 09, earlier appropriated $721,000,000 to remain available through FY 2010.

Title III, Bilateral Economic Assistance, Funds Appropriated to the President Development Assistance

- $2,520,000,000 for necessary expenses to carry out the provisions of Sections 103, 105, 106, 251-255, and Part I, Chapter 10, FAA, to remain available through FY 2011.

International Disaster Assistance

- $845,000,000 for necessary expenses to carry out the provisions of Section 491, FAA, for international disaster relief, rehabilitation, and reconstruction assistance, to remain available until expended.

Transition Initiatives

- $55,000,000 for necessary expense for international disaster rehabilitation and reconstruction assistance pursuant to Section 491, FAA, to support transition to democracy and to long-term development of countries in crisis, to remain available until expended.

Complex Crises Fund

- $50,000,000 for necessary expenses to carry out the provisions of the FAA to enable the administrator of USAID, in consultation with the Secretary of State, to support programs and activities to prevent or respond to emerging or unforeseen complex crises overseas, to remain available until expended.
- The Conference Report defines a complex crisis to mean a disaster or emergency, usually of long-term duration, that includes humanitarian, political, and security dimensions which hinders the provision of external assistance. This report also directs that USAID and the DOS should establish crisis prevention and response capabilities in order to assume most, if not all, of the functions currently authorized to be DOD-funded by Section 1207, Security and Stabilization Assistance, NDAA, FY 2006, P.L.109-163.

Democracy Fund

- $120,000,000 for necessary expenses to carry out the provisions of the FAA for the promotion of democracy globally, to remain available through FY 2011.

International Fund for Ireland

- $17,000,000 for necessary expenses to carry out the provisions of Part II, Chapter 4, FAA, which shall be available for the U.S. contribution to the International Fund

for Ireland and shall be made available in accordance with the provisions of the *Anglo-Irish Agreement Support Act of 1986*, P.L.99-415, to remain available through FY 2011.

Assistance for Europe, Eurasia, and Central Asia

- $741,632,000 for necessary expenses to carry out the provisions of the FAA, the *Freedom for Russia and Emerging Eurasian Democracies, and Open Markets* (FREEDOM) *Support Act* (FSA) *of 1992*, P.L.102-511, and the *Support for East European Democracy* (SEED) *Act of 1989*, P.L. 101-179, to remain available through FY 2011.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 09, earlier appropriated $272,000,000 to remain available through FY 2010. Majority of this funding was intended for Georgia.

Department of State Migration and Refugee Assistance

- $1,685,000,000 for necessary expenses, not otherwise provided for, to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs, to remain available until expended.
- *Supplemental Appropriations Act, 2009*, Title XI, P.L.111-32, 24 Jun 2009, earlier appropriated $390,000,000 to remain available until expended.

United States Emergency Refugee and Migration Assistance Fund

- $45,000,000 for necessary expense to carry out the provisions of Section 2(c), *Migration and Refugee Assistance Act of 1962*, P.L.87-510, to remain available until expended.

Title VII, General Provisions
Unobligated Balances Report (Section 7002)

- Any department or agency to which any funds appropriated or made available by this act shall provide to the congressional appropriations committees a quarterly accounting of cumulative balances by program, project, and activity of the funds received this FY, or any other FY that remain unobligated and unexpended.

Prohibition against Direct Funding for Certain Countries (Section 7007)

- None of the funds appropriated or otherwise made available by Titles III through VI of this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, North Korea, Iran, or Syria. This shall include direct loans, credits, insurance, and guarantees of the Export-Import Bank or its agents.

Coups d´Etat (Section 7008)

- None of the funds appropriated or otherwise made available by Titles III through VI of this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup.
- This assistance may be resumed to such government if the President determines and certifies to the appropriations committees that subsequent to the termination of assistance a democratically elected government has taken office.

- The provisions of this Section shall not apply to assistance to promote democratic elections or public participation in democratic processes.
- Any funding made available pursuant to the provisos of this section shall be subject to the regular notification procedures of the appropriations committees.
- While indicating this title change from previous years' Military Coups to now Coups d´Etat is not substantive, the Conference Report expressed concern that the former title implied an unintended limitation. Therefore, the DOS Office of the Legal Advisor is to undertake a review of events necessary to trigger the provisions of this Section and provide report to the appropriations committees not later than 45 days after enactment of this Act.

Reporting Requirement (Section 7010)

- The Secretary of State shall provide a quarterly written report, starting not later than 1 April 2010, to the appropriations committees on the uses of funds made available under FMFP, IMET, and PKO. This report shall include a description of the obligation and expenditures of funds, and the specific country in receipt of, and the use or purpose of the assistance provided by such funds.

Availability of Funds (Section 7011)

- No funding appropriated in this Act shall remain available for obligation after this FY unless expressly so provided in this act.
- However, FY 2010 funds appropriated for the purposes of, inter alia, Part II, Chapters 4, 5, 6, 8, and 9, FAA; Section 23, AECA; the SEED Act; and the *FREEDOM Support Act* shall remain available for an additional four years from the date of which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability.
- Notwithstanding any other provision of this act, any funds made available for the purposes of ESF which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended.

Limitation on Assistance to Countries in Default (Section 7012)

- No part of any appropriation in Title III through VI of this Act shall be used to furnish assistance to a government which is in default during a period in excess of one calendar year in payment to the U.S. of principal or interest on any loan made to that pursuant to a program for which funds are appropriated under this Act unless the President determines, following consultations with the appropriations committees, that assistance to such country is in the national interest of the U.S.
- Also referred to as the Brooke-Alexander Amendment.

Prohibition on Taxation of United States Assistance (Section 7013)

- None of the funds appropriated by Titles III through VI of this Act may be made available to provide assistance to a foreign country under a new bilateral agreement governing the terms and conditions under which such assistance is to be provided unless such agreement includes a provision stating that U.S. assistance shall be exempt from taxation, or reimbursed, by the foreign government. The Secretary of State shall expeditiously seek to negotiate amendments to existing bilateral agreements, as necessary, to conform to this requirement.

- An amount equivalent to 200 percent of the total taxes assessed during FY 2010 by a foreign government or entity against commodities financed under U.S. assistance programs for which funds are appropriated by this act, either directly or through grantees, contractors, and subcontractors, as of the date of enactment of this act, shall be withheld from obligation from funds appropriated for assistance for FY 2011 and allocated for the central government of that country and for the West Bank and Gaza Program to the extent that the Secretary of State certifies and reports in writing to the appropriations committees that such taxes have not been reimbursed to the U.S. government.
- Foreign taxes of a "de minimis" nature [so insignificant or minimal that a court may overlook it in deciding an issue or case] are not subject to these reimbursement provisions.
- Funds withheld from obligation for each country or entity shall be reprogrammed for assistance to countries which do not assess taxes on U.S. assistance or which have an effective arrangement that is providing substantial reimbursement of such taxes.
- The provisions of this section shall not apply to any country or entity the Secretary of State determines does not assess taxes on U.S. assistance or has an effective arrangement that is providing substantial reimbursement of such taxes, or U.S foreign policy interests outweigh the policy of this section.
- The Secretary of State shall issue rules, regulations, or policy guidance, as appropriate, to implement the prohibition against the taxation of U.S. assistance.
- DSCA Policy Memo 04-32, 21 August 2004, Subject: Prohibition on Taxation of U.S. Assistance, was published as SAMM E-Change 19 to DOD 5105.38-M, *Security Assistance Management Manual* (SAMM) providing a mandatory prohibition note for FMS case Letters of Offer and Acceptance (LOAs), amendments, and modifications financed with any type of U.S. assistance funding. This same memo also provided a sample contract clause to be used for DCS contracts that are financed with U.S. assistance funding.
- The terms "taxes" and "taxation" refer to value added taxes (VAT) and customs duties imposed on commodities financed with U.S. assistance for programs for which funds are appropriated by this Act.

Reprogramming Notification Requirements (Section 7015)

- For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under Titles II through V of this Act, inter alia, INCLE, *SEED Act*, *FREEDOM Support Act*, ESF, PKO, NADR, FMFP, IMET shall be available for obligation for activities, programs, projects, type of material assistance, countries, or other operations not justified or in excess of the amount justified to the appropriations committees for obligation under any of these specific headings unless the same committees are previously notified fifteen days in advance.
- The President shall not enter into any commitment of FMFP funds for the provision of major defense equipment (MDE), other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress, or twenty percent in excess of the quantities justified to Congress unless the appropriations committees are notified fifteen days in advance of such commitment.

- This notification requirement shall not apply to any reprogramming of less than ten percent of the amount previously justified to Congress.
- These advance notification periods can be waived in the case substantial risk to human health or welfare. In this situation, the congressional notification shall be provided as early as practicable but in no event later than three days after taking the emergency action.
- No FY 2010 funds appropriated by Titles III through VI of this Act shall be obligated or expended for assistance to Serbia, Sudan, Zimbabwe, Pakistan Dominican Republic, Cuba, Iran, Haiti, Libya, Ethiopia, Nepal, Colombia, Mexico, Kazakhstan, Somalia, Sri Lanka, Cambodia, later Section 7045(c)(2) listed Caribbean countries, and later Section 7045(f)(2) listed countries of Central America except as provided through regular notification procedures of the appropriations committees.

Notification of Excess Defense Equipment (Section 7016)

- Prior to providing excess DOD articles (EDA) in accordance with Section 516(a), FAA, the DOD shall notify the appropriations committees to the same extent and under the same conditions as are other committees pursuant to Section 516(f), FAA.
- Before issuing an LOA to sell EDA under the AECA, DOD shall notify the appropriations committees in accordance with the regular notification procedures of such committees if the defense articles are significant military equipment (SME) or valued (in terms of original acquisition cost) at $7,000,000 or more, or if the notification is required elsewhere in this Act for the use of appropriated funds for specific countries that would receive such EDA. The notification is to include the original acquisition cost of such defense articles.

Allocations (Section 7019)

- Funds provided in this Act for, inter alia, ESF, *SEED Act*, *FREEDOM Support Act*, INCLE, NADR, FMFP, and PKO shall be made available for programs and countries in the amounts contained in the respective tables included in the joint explanatory statement accompanying this Act. These tables are included within the conference report H. Rpt.111-366 of 8 Dec 09, specifically addressing Division F for FY 2010 S/FOAA.
- Any proposed deviations from these tables are subject to the regular notification procedures of the appropriations committees.

Prohibition of Payment of Certain Expenses (Section 7020)

- As in prior years, none of the funding appropriated or otherwise made available by Titles III or IV of this act under the headings, *inter alia*, IMET and FMFP informational program activities, or ESF, may be obligated or expended to pay for:
  - Alcoholic beverages
  - Entertainment expenses for activities that are substantially of a recreational character, including but not limited to entrance fees at sporting events, theatrical and musical productions, and amusement parks.

Prohibition on Assistance to Foreign Governments that Export Lethal Military Equipment to Countries Supporting International Terrorism (Section 7021)

- None of the funds appropriated or otherwise made available by Titles III through VI of this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for the purposes of Section 6(j), *Export Administration Act* (EAA) *of 1979*.
- This prohibition shall terminate twelve months after that government ceases to provide such military equipment. This section applies with respect to lethal equipment provided under a contract entered into after 1 October 1997.
- The prohibition may be waived if the President determines that such assistance is important to the U.S. national interest. When exercised, the President shall submit to the appropriations committees a report with respect to the furnishing of such assistance detailing the assistance to be provided, including the estimated dollar amount of the assistance, and an explanation of how the assistance furthers U.S. national interests.
  - This waiver was provided on 9 Mar 2010 for an unnamed country and later published in the *Federal Register* on 15 Mar 10.

Prohibition on Bilateral Assistance to Terrorist Countries (Section 7022)

- Funds appropriated for bilateral assistance under Titles III through VI in this Act and funds appropriated under any such heading in laws previously enacted shall not be made available to any country which the President determines grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism or otherwise supports international terrorism.
- This prohibition may be waived by the President if determined that national security or humanitarian reasons justify such a waiver. The waiver shall be published in the *Federal Register*. At least 15 days before the waiver takes effect, the President shall notify the appropriations committees of the waiver to include the justification.

Authorization Requirement (Section 7023)

- Except for funds under Trade and Development Agency, provides authorization language to obligate and expend funds appropriated by this Act notwithstanding Section 10, P.L.91-672; Section 15, *State Department Basic Authorities Act of 1956*; Section 313, *Foreign Relations Authorization Act*, Fiscal Years 1994 and 1995, P.L.103-236; and Section 504(a)(1), *National Security Act of 1947*, 50 U.S.C. 414(a)(1).

Definition of Program, Project, and Activity (Section 7024)

- For the purposes of Title II through VI of the Act, program, project, and activity shall be defined at the appropriations act account level and shall include all appropriations and authorizations Acts funding directives, ceilings, and limitations with the exception that the ESF and FMFP accounts shall also be considered to include country, regional, and central program level funding within each account.

Eligibility for Assistance (Section 7028)

- Restrictions contained in this Act or any other act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of NGOs from funds appropriated by this Act to carry out provisions of Part I,

Chapters 1, 10, 11, and 12, FAA; Part II, Chapter 4 ESF, FAA; and from funds appropriated generally for the FREEDOM Support Act and SEED Act.

- However, before using this authority to provide assistance to NGOs, the President shall notify the appropriations committees using regular notification procedures.
- This section shall not apply with respect to Section 620A, FAA, prohibiting assistance to governments supporting terrorism.
- This section shall not apply with respect to Section 116, FAA, prohibiting assistance to governments that violation internationally recognized human rights.

Special Authorities (Section 7034)

- Section 7034(a) – Funds appropriated by Titles III through VI of this Act for Afghanistan may be made available notwithstanding Section 7012 of this Act (the Brooke-Alexander Amendment) and Section 660, FAA (the prohibition of police training).
  - Funds appropriated by Titles III and VI of this Act that are made available for Iraq, Lebanon, Montenegro, Pakistan, and for victims of war, displaced children, and displaced Burmese, and to assist victims of trafficking in persons and, subject to the regular notifications procedures of the appropriations committees, to combat such trafficking, may be available notwithstanding any other provision of law.
- Section 7034(e) – In providing assistance with funds appropriated by this act under Section 660(b)(6), FAA, (reconstituting a civilian police authority), support for a nation emerging from instability may be deemed to mean support for regional, district, municipal, or other sub-national entity emerging instability, as well as a nation emerging from instability.
- Section 7034(p) -- Not later than 45 days after enactment of this Act and prior to initial obligation of funds for assistance for Afghanistan, Pakistan, and Iraq, the Secretary of State shall submit detailed spending plans for funds appropriated for such purposes.
- The Conference Report expressed concern with the quality of the DOS and USAID CBJ documents and expect continued consultation with the appropriations committees regarding the CBJ purpose, format, and content.

Palestinian Statehood (Section 7036)

- None of the funds appropriated under Titles III through VI of this Act may be provided to support a Palestinian state unless the Secretary of State determines and certifies to the appropriate committees the following:
  - The governing entity of a new Palestinian state:
    - Has demonstrated a firm commitment to peaceful co-existence with the Israel.
    - Is taking appropriate measures to counter terrorism and terrorism financing in the West Bank and Gaza, including the dismantling of terrorist infrastructures, and is cooperating with appropriate Israeli and other appropriate security organizations.
  - The Palestinian Authority (or governing authority of a new state) is working with other countries in the region to vigorously pursue efforts to establish a just, lasting, and comprehensive peace in the Middle East that will enable Israel and an

independent Palestinian state to exist within the context of full and normal relationships, which should include:

- Termination of all claims or states of belligerency
- Respect for and acknowledgement of the sovereignty, territorial integrity, and political independence of every state in the area through measures including the establishment of demilitarized zones
- Their right to live in peace within secure and recognized boundaries free from threats or acts of force
- Freedom of navigation through international waterways in the area
- A framework for achieving a just settlement of the refugee problem

- This prohibition is subject to presidential waiver if determined to be important to U.S. national security interests.
- This prohibition shall not apply to assistance intended to help reform the Palestinian Authority and affiliated institutions, or the governing entity, in order to help meet the above stated requirements consistent with the provisions of the later Section 7040 of this Act.

Limitations on Assistance for the Palestinian Authority (Section 7040)

- No FY 2010 ESF funding may be obligated or expended with respect to providing funds to the Palestinian Authority.
  - This prohibition shall not apply if the President certifies in writing to the Speaker of the House, the President pro tempore of the Senate, and the appropriations committees that a waiver is important to U.S. national security interests. This waiver shall be effective for no more than six months at a time and shall not apply beyond 12 months after enactment of this Act.
    - Any such waiver shall include a report to the appropriations committees detailing waiver justification, purposes for the fund, and the accounting procedures to be in place to ensure funds are properly disbursed. This report shall also detail the steps the Palestinian Authority has taken to arrest terrorists, confiscate weapons, and dismantle the terrorist infrastructure.
    - Any such waiver shall also include a certification and report from the Secretary of State to the appropriations committees prior to obligation of funds that the Palestinian Authority has established a single treasury account for all Palestinian Authority financing and all financing mechanisms flow through this account, no parallel financing mechanisms exist outside of the Palestinian Authority treasury account, and there is a single comprehensive civil service roster and payroll.

Saudi Arabia (Section 7041)

- No FY 2010 S/FOAA funds may be obligated or expended to finance any assistance to Saudi Arabia. However, the Secretary of State may waive this prohibition if determined to be in the U.S. national interest.

Near East (Section 7042)

- Section 7042(a) – Of the FY 2010 funds appropriated by Titles III (ESF) and IV (FMFP, INCLE, and IMET) of this Act, not less than $1,295,200,000 shall be made available for assistance for Egypt.

- The announced allocations for Egypt in FY 2010 appropriations include $250,000,000 in ESF, $1,040,000,000 in FMFP, $1,000,000 in INCLE, and $1,900,000 in IMET for a total of $1,292,900,000.
- Up to $50,000,000 in FY 2010 ESF may be made available for an endowment to further the shared interests of the U.S. and Egypt, consistent with the purposes and requirements for which such funds are requested in the FY 2010 CBJ materials and appropriated as ESF. The Secretary of State shall consult with the appropriations committees on the establishment of such an endowment and any funds to be used for the endowment shall be subject to the regular notifications procedures of the appropriations committees.

- Section 7042(b) – Of the FY 2010 funds appropriated by Titles III and IV of this Act, up to $466,800,000 may be made available for assistance for Iraq.
  - The announced allocations for Iraq in FY 2010 appropriations include $382,500,000 in ESF, no FMFP, $52,000,000 in INCLE, and $2,000,000 in IMET for a total of $436,500,000.
  - The provisions of Section 1106(a), P.L.111-32, using Iraqi entities to the maximum extent practicable, and Section 1106(b), P.L.111-32, using Iraqi funds in matching U.S. funds for any assistance.
- Section 7042(c) – Of the FY 2010 funds appropriated by Titles III and IV of this Act, not less than $542,950,000 shall be made for Jordan.
  - The announced allocations for Jordan in FY 2010 appropriations include $363,000,000 in ESF, $150,000,000 in FMFP, $1,500,000 in INCLE, and $3,800,000 in IMET for a total of $518,300,000.
- Section 7042(d) – Of the FY 2010 funds appropriated by Titles III and IV of this Act, not less than $238,300,000 shall be for Lebanon.
  - The announced allocations for Lebanon in FY 2010 appropriations include $109,000,000 in ESF, $100,000,000 in FMFP, $20,000,000 in INCLE, and $2,500,000 in IMET for a total of $231,500,000.
  - FMFP shall only be used to professionalize the Lebanese Armed Forces and to strengthen border security and combat terrorism, including training and equipping the armed forces to secure Lebanon's borders, interdicting arms shipments, preventing the use of Lebanon as a safe haven for terrorist groups, and implementing *United Nations Security Council Resolution 1701*.
  - Funds may not be available for obligation until the Secretary of State provides the appropriations committees a detailed spending plan.
- Section 7042(e) – Funds appropriated by this Act should be made available in a manner to further peace in the Middle East between Israel and Palestinians.
- Section 7042(f) – Of the FY 2010 funds appropriated by Titles III and IV of this Act, $502,900,000 shall be made available for the West Bank and Gaza.
  - The announced allocations for the West Bank and Gaza in FY 2010 appropriations include $400,400,000 in ESF, no FMFP, $100,000,000 in INCLE, and no IMET for a total of $500,400,000.
  - The reporting requirements of Section 1404, P.L.110-242, regarding the training and equipping of Palestinian security forces to include a description of modifications, if any to the security strategy shall apply to funds made available by this Act.

- The Conference Report directs the Secretary of State to provide, within 180 days of enactment of this Act, a report on international participation, including by Arab states, in the economic development of the West Bank and support for the Palestinian Authority.

Aircraft Transfer and Coordination (Section 7044)

- Notwithstanding any other provision of law or regulation, aircraft procured with funds appropriated by this Act and prior acts making appropriations for the DOS, foreign operations and related programs under headings of Diplomatic and Consular Programs, INLCLE, and Andean Counterdrug Programs, may be used for any other program and in any region, including for the transportation of active and standby Civilian Response personnel and equipment during a deployment.
  - The responsibility for policy decisions and justification for the use of such transfer authority shall be the Secretary of State or her deputy secretary and it is not to be delegated no further.
  - This authority shall only apply after a determination by the Secretary of State to the appropriations committees that the equipment is no longer required to meet programmatic purposes in the designated country or region. Any such transfer shall be subject to prior consultation with, and the regular notification procedures of, the appropriations committees.
- The use of aircraft purchased or leased by the DOS or USAID using funds from this Act or prior S/FOAAs shall be coordinated under the authority of the appropriate Chief of Mission.
  - Such aircraft may be used to transport federal or non-federal personnel supporting DOS or USAID programs and activities.
  - Official by other agencies for other purposes may be supported on a reimbursable basis, or without reimbursement when traveling on a space available basis.
  - These requirements and authorities shall only apply to aircraft, the primary purpose of which is the transportation of personnel.

Western Hemisphere (Section 7045)

- Section 7045(a) – Of the funds appropriated by this Act, not less than $10,000,000 of Developmental Assistance and not less than $10,000,000 of ESF shall be made available for labor and environmental capacity building activities relating to the free trade agreements with the countries of Central America, Peru, and Dominican Republic.
- Section 7045(b) – The government of Haiti shall be eligible to purchase defense articles and services under the AECA for the Coast Guard.
  - Of the FY 2010 funds appropriated by Titles III and IV of this Act, not less than $295,530,000 shall be made available for Haiti.
  - The announced allocations for Haiti in FY10 appropriations include $160,750,000 in ESF, $1,600,000 in FMFP, $21,107,000 in INCLE, and $220,000 in IMET for a total of $183,677,000.
  - No FY10 INCLE funds may be used to transfer excess weapons, ammunition, or other lethal property of the U.S. government to the government of Haiti for use by the Haitian National Police until the Secretary of State reports to the appropriations

committees that any members of the National Police who have been credibly alleged to have committed serious crimes, including drug trafficking and violations of internationally recognized human rights, have been suspended.

- Section 7045(c) – Of the fund appropriated by this Act, not less than $37,000,000 under the headings of Developmental Assistance, ESF, INCLE, and FMFP should be made available for the countries of the Caribbean Basin to provide equipment and training to combat drug trafficking and related violence and organized crime, and for judicial reform, institution building, education, anti-corruption, rule of law activities, and maritime security. Not less than $21,100,000 of these funding should be made available for social justice and education programs to include vocational training, workforce development and juvenile justice activities.
  - None of this funding shall be used for budget support or as cash payments.
  - Not less than 45 days of enactment of this Act, the Secretary of State shall submit a detailed spending plan to the appropriations committees for the funding made available to these countries with concrete goals, actions to be taken, budget proposals, and anticipated results.
  - Countries of the Caribbean Basin are to include Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.
- Section 7045(d) – Of the funding appropriated by this Act, not less than $4,000,000 in INCLE shall be for the U.S. contribution to the International Commission against Impunity in Guatemala (CICIG).
  - FY 2010 IMET, other than Expanded International Military Education and Training (E-IMET), for Guatemala may only be available for the Guatemalan Air Force, Navy, and Army Corps of Engineers.
    - Assistance may only be made available for these Guatemalan units once the Secretary of State certifies are respecting internationally recognized human rights and cooperating with civilian judicial investigations and prosecutions of current and retired military personnel who have been credibly alleged to have committed violations of such rights, and with the CICIG by granting access to CICIG personnel, providing evidence to CICIG, and allowing witness testimony.
    - Assistance for the Army Corps of Engineers shall only be for training to improve disaster response capabilities and to participate in international peacekeeping operations.
  - Of the FY 2010 FMFP funds, not more than $1,000,000 may be available for the Guatemalan Air Force, Navy, and Army Corps of Engineers.
    - The provision of this assistance shall be subject to the same certifications and purposes as just previously stated for IMET assistance.
    - However, FY 2010 funds made available for regional naval cooperation and maritime security assistance programs shall not be subject to the limitations of this subsection.
  - Section 7045(e) – Of the FY 2010 funds appropriated for INCLE, FMFP, and ESF, not more than $210,250,000 may be for assistance for Mexico and only to combat drug trafficking and related violence and organized crime, and for judicial reform, institution building, anti-corruption, and rule of law activities.

- None of this funding shall be used for budget support or as cash payments.
- The provisions of S/FOAA, FY 2009, Section 7045(e)(1) through (3), shall likewise apply to FY 2010 funds appropriated for Mexico. These provisions required a written report by the Secretary of State to the appropriations committees for the government of Mexico continued compliance with outlined requirements, a description of actions being taken, and a detailed spending plan.

- Section 7045(f) 00 of the FY 2010 funds appropriated for INCLE, ESF, and FMFP, up to $83,000,000 may be used for assistance for the countries of Central America only to combat drug trafficking and related violence and organized crime, and for judicial reform, institution building, anti-corruption, rule of law activities, and maritime security.
  - The ESF portion of this funding shall be made available through USAID for continued support of an Economic and Social Development Fund for Central America.
  - None of this funding shall be used for budget support or as cash payments.
  - As is the previous case for Mexico funding, the provisions of S/FOAA, FY 2009, Section 7045(f)(1) through (3) shall apply for FY 2010 funding for the countries of Central America.
  - The countries of Central America are to include Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

- Section 7045(g) – To the maximum extent practicable, the costs of operations and maintenance, including fuel, of aircraft funded by this Act should be borne by the recipient country.
- Section 7045(h) – As a pilot project, the Secretary of State, in consultation with the Secretary of Homeland Security, shall submit not later than 30 Jun 2011 a report to the appropriations committees on the feasibility of extending the use of passport cards as proof of identity and citizenship for the purposes of international travel by nationals of the U.S., Canada, and Mexico to air ports of entry between the U.S. and Canada and between the U.S. and Mexico.

Colombia (Section 7046)

- Of the FY 2010 funds appropriated for ESF, INCLE, NADR, IMET, and FMFP, not more than $521,880,000 shall be used for assistance for Colombia.
  - These funds may be used to support a unified campaign against narcotics trafficking and organizations designated as foreign terrorist organizations and successor organizations, and to take actions to protect human health and welfare in emergency circumstances, including undertaking rescue operations.
  - No U.S. armed forces personnel or U.S. civilian contractor employed by the U.S. will participate in any combat operation in connection with assistance made available by this Act for Colombia.
  - Rotary and fixed wing aircraft supported with INCLE funds for Colombia may be used for aerial or manual drug eradication and interdiction including to transport personnel and supplies and to provide security for such operations, and to provide transport in support of alternative development programs and investigations of cases under the jurisdiction of the Attorney General, the Procuraduria General de la Nacion, and the Defensoria del Pueblo.

- The President shall ensure that if any helicopter procured with funds in this Act or prior S/FOAAs is used to aid or abet the operations of any illegal self-defense group, paramilitary organization, illegal security cooperative or successor organizations in Colombia, such helicopter shall be immediately returned to the U.S.
- None of the funds appropriated by this Act or prior S/FOAAs may be used for assistance for the Colombian Departmento Administration de Seguridad.
- Any INCLE funds for the Colombian national police for the procurement of chemicals for aerial coca and poppy eradication programs, not more than 20 percent of such funds may be made available for such eradication unless the Secretary of State certifies to the appropriations committees that herbicide is being used in accordance with EPA label requirements for comparable use in the U.S. and with Colombian laws. The certification is to also include that the herbicide is being used without unreasonable risks or adverse effects to humans or the environment, to include endemic species.
  - The Secretary is also to certify that any complaints of harm to health or licit crops caused by such aerial eradication are thoroughly investigated and evaluated, and fair compensation is being paid in a timely manner for meritorious claims.
  - No funds may be made available for such purposes unless programs are being implemented by USAID, the government of Colombia, or other organizations, in consultation and coordination with local communities, to provide alternative sources of income in areas where security permits for small-acreage growers and communities whose illicit crops are targeted for aerial eradication.
  - No funds may be made available for assistance to Colombia shall be available for the cultivation or processing of African oil palm, if doing so would contribute to significant loss of native species, disrupt or contaminate natural water sources, reduce local food security, or cause the forced displacement of local people.
  - No funds may be used for aerial eradication in Colombia's national parks or reserves unless the Secretary certifies to the appropriations committees on a case-by-case basis that there are no effective alternatives and the eradication is conducted in accordance with Colombian laws.

- With certain specified exceptions, the provisions of Section 7046(c) through (f), S/FOAA, FY 2009, P.L. 111-8, shall also apply to FY 2010 assistance appropriated or made available to Colombia.

Community-Based Police Assistance (Section 7047)

- Funds made available by Titles III and IV of this Act to carry out the provisions of Part I, FAA, and Part II, Chapters 4 and 6, FAA, may be used, notwithstanding Section 660, FAA (prohibition for police training), to enhance the effectiveness and accountability of civilian police authority through training and technical assistance in human rights, the rule of law, anti-corruption, strategic planning, and through assistance to foster civilian police roles that support democratic governance including assistance for programs to prevent conflict, respond to

disasters, address gender-based violence, and foster improved police relations with the communities they serve.

- This assistance is subject to prior consultation with, and the regular notification procedures of, the appropriations communities.

War Crimes Tribunals Drawdown (Section 7049)

- As in prior years, authorizes the determination for a drawdown of commodities and services of up to $30,000,000 pursuant to Section 552(c), FAA, for the United Nations War Crimes Tribunal with regard to the former Yugoslavia or such other tribunals or commissions as the United Nations Security Council may establish or authorize to deal with such violations.
- Any such determination shall be in lieu of any determinations otherwise required under Section 552(c), FAA.
- Any funds made available for such drawdown shall be made available subject to the regular notification procedures of the appropriations committees.

Attendance at International Conferences (Section 7053)

- None of the funds made available in this Act may be used to send or otherwise pay for the attendance of more than 50 employees of agencies or departments of the U.S. government who are stationed in the U.S., at any single international conference occurring outside the U.S., unless the Secretary of State determines that such attendance is in the national interest.
- International conference shall mean a conference attended by representatives of the U.S. government and representatives of foreign governments, international organizations, or NGOs.

Withholding of Assistance for Parking Fines and Real Property Taxes Owed by Foreign Countries (Section 7055)

- Of the funds appropriated by Titles III through VI of this Act and made available for assistance for a country, an amount of 110 percent of the total amount of unpaid fully adjudicated parking fines and penalties and unpaid property taxes owed by the central government of such country shall be withheld from obligation for assistance until the Secretary of State submits a certification to the appropriations committees stating that such parking fines and penalties and unpaid property taxes are fully paid.
- The withheld funds may be made available for other programs or activities funded by this act, after consultation with and subject to the regular notification procedures of the appropriations committees.
- The Secretary of State may waive the withholding requirements for parking fines no sooner than 60 days from the date of the enactment of this Act if determined to be in the national interests of the U.S. The Secretary also may waive the withholding requirements for unpaid property taxes if determined to be in the national interest of the U.S.
- Not later than 6 months of any waiver, the Secretary, after consultations with New York City, shall submit a report to the appropriations committees describing a strategy, including a timetable and steps currently taken, to collect the parking fines and penalties and unpaid property taxes and interest owed by the affected country.
- Parking fines and penalties are defined to those fines owed to the District of Columbia or New York New York and incurred during 1 April 1997 through 30 September 2009.

- Unpaid property taxes are defined to those taxes plus interest determined owed by a country on real property in the District of Columbia and New York, New York in a court order or judgment entered against the country by a court of the U.S., any State, or subdivision thereof.

Landmines and Cluster Munitions (Section 7056)

- As in prior years, authorizes demining equipment made available to USAID and the DOS and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes to be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.
- No military assistance shall be furnished for cluster munitions, no defense export license for cluster munitions may be issued, and no cluster munitions or cluster munitions technology shall be sold or transferred, unless:
  - The sub-munitions of the cluster munitions, after arming, do not result in more than 1 percent unexploded ordnance across the range of intended operational environments
  - The agreement applicable for assistance, transfer, or sale of the munitions or its technology specifies the munitions will only be used against clearly defined military targets and will not be used where civilians are known to be present or in areas normally inhabited by civilians.

Gender-Based Violence (Section 7063)

- Funds appropriated under Development Assistance, ESF, and INCLE shall be made available for programs to address sexual and gender-based violence.
- Programs funded under Titles III and IV of this Act that provide training for foreign police, judicial, and military officials, shall include, where appropriate, programs, and activities that address gender-based violence. This would include, ESF, INCLE, NADR, PKO, IMET, and FMFP.

Reconciliation Programs (Section 7066)

- $26,000,000 of ESF and Development Assistance funding shall be made available to support people-to-people reconciliation programs which bring together individuals of different ethnic, religious, and political backgrounds from areas of civil conflict and war.
  - $10,000,000 of this amount shall be made available for such programs in the Middle East.
- The Administrator of USAID shall consult with the appropriations committees prior to the initial obligation of such funds on the most effective uses of the funds.

Comprehensive Expenditures Report (Section 7066)

- Not later than 180 days after enactment of this Act, the Secretary of State shall submit a report to the appropriations committees detailing the total amount of U.S. government expenditures in FY 2008 and FY 2009, by federal agency, for programs and activities in each foreign country, identifying the line item as presented in the President's budget appendix and the purpose for which the funds were provided. If required, information can be submitted in classified form.

Requests for Documents (Section 7067)

- No funds appropriated or made available by Titles III through VI of this Act shall be available to a nongovernmental organization, including any contractor, which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the USAID.

Africa (Section 7070)

- Section 7070(a) – FY 2010 IMET may only fund training for Angola, Cameroon, Central African Republic, Chad, Cote d´Ivoire, Guinea, and Zimbabwe that is related to international peacekeeping operations and E-IMET.
  - This limitation shall not apply to courses that support maritime security for Angola and Cameroon.
  - No FY 2010 IMET funds may be used for Equatorial Guinea or Somalia.
- Section 7070(b) – FY 2010 funding for Development Assistance, ESF, INCLE, NADR, and PKO shall be made available as follows:
  - Not less than $24,735,000 for the East Africa Strategic Initiative
  - Not less than $3,600,000 for Africa Conflict Stabilization and Border Security
  - Not less than $81,315,000 for Trans-Sahara Counterterrorism Partnership
  - Not less than $10,000,000 for a Horn of Africa and Pan Sahel Program, in addition to funds otherwise made available for such purposes, to be administered by USAID
- Section 7070(c) – No FY 2010 FMFP funds may be provided for Ethiopia unless the Secretary of State:
  - Determines that the government of Ethiopia is taking effective measures to guarantee the rights of its citizens to peaceful expression, association and assembly, and to document violations of internationally recognized human rights without harassment or criminal penalty, and provides such determination in writing to the appropriations committees.
  - Submits a report to the same committees on the types and amounts of U.S. training and equipment provided to the Ethiopian military including steps being taken to ensure that such assistance is not provided to military units or personnel with records of violations of internationally recognized human rights.
  - This prohibition shall not apply to assistance to support the deployment of Ethiopian military to international peacekeeping operations.
- Section 7070(d) – No FY 2010 FMFP funds may be provided for use by Rwanda if the Secretary of State has credible evidence that the government of Rwanda is providing political, military, or financial support to armed groups in the Democratic Republic of the Congo that have committed violations of internationally recognized human rights, including rape.
- Section 7070(e) – Funds in this Act that are made available for Liberia, Sierra Leone, Nigeria, Cote d´Ivoire, and the countries participating in the Congo Basin Forest Partnership shall be made available to promote and support transparency and accountability in relation to the extraction of timber, oil and gas, cacao, and other natural resources, including by strengthening implementation and monitoring of the Extractive Industries Transparency Initiative and the Kimberley Process Certification Scheme.

- Section 7070(f) – Notwithstanding any other provision of law, no FY 2010 funds may be used for assistance for Sudan.
  - This prohibition also includes any modification of loans or loan guarantees held by the government of Sudan, including the cost of selling, reducing, or canceling amounts owed to the U.S., and modifying concessional loans, guarantees, and credit agreements.
  - This prohibition shall not apply if the Secretary of State determines and certifies to the appropriations committees the following concerning the government of Sudan:
    - Honors its pledges to cease attacks upon civilians and disarms and demobilizes the Janjaweed and other government-supported militias
    - And all government-supported militia groups are honoring their commitments made in all previous cease-fire agreements
    - Is allowing unimpeded access to Darfur to humanitarian aid organizations, the human rights investigation and humanitarian teams of the United Nations, including protection officers, and an international monitoring team that is based in Darfur and has the support of the U.S.
  - This prohibition shall not apply to humanitarian assistance; assistance for the Darfur region, Southern Sudan, Southern Kordofan/Nuba Mountains State, Blue Nile State, and Abyei; and assistance to support implementation of the Comprehensive Peace Agreement and the Darfur peace Agreement or any other internationally recognized viable peace agreement in Sudan.
  - The government of Sudan does not include the government of Southern Sudan.
  - Notwithstanding any other provision of law, assistance in this Act may be made available for the government of Southern Sudan to provide non-lethal military assistance, military education and training, and defense services controlled under the *International Traffic in Arms Regulations* (ITAR), if the Secretary of State:
    - Determines that providing such assistance is in the U.S. national interest
    - Not later than 15 days before providing the assistance, notifies the appropriations committees of the determination
    - This determination was completed on 3 Feb 2010 to be later published in the *Federal Register* on 12 Mar 2010.
- Section 7070(g) – The Secretary of State shall seek to obtain regular audits of the financial accounts of the government of Southern Sudan to ensure transparency and accountability of funds, including revenues from the extraction of oil and gas, and the public disclosure of such audits in a timely manner.
  - The Secretary shall assist, as appropriate, in conducting these audits.
  - The Secretary shall consider the extent to which such government is ensuring transparency and accountability when determining the amount and type of U.S. assistance is to be provided.
- Section 707(h) – FY 2010 funds, including funds for debt restructuring, may be provided, if determined by the Secretary of State, to the central government of a country is cooperating with the efforts of International Criminal Tribunal for Rwanda (ICTR) and the Special Court for Sierra Leone (SCSL) to the surrender and transfer of indictees in a timely manner.

- The section shall not apply to assistance provided under Section 551, FAA (PKO), or to project assistance under Title VI of this Act.
- The U.S. shall use its voice and vote in the United Nations Security council to fully support efforts by ICTR and SCSL.
- This prohibition may be waived by the Secretary on a country-by-country basis if the President determines it is in the U.S. national security interest.

- Section 7070(i) – No FY 2010 funds shall be available for the central government of Zimbabwe, except for macroeconomic growth assistance, unless the Secretary of State determines and reports in writing to the appropriations committees that rule of law has been restored, including respect for ownership and title to property, freedom of speech and association.

Asia (Section 7071)

- Section 7071(a) – Notwithstanding any other provision of law, not less than $7,400,000 in FY 2010 ESF should be used for nongovernmental organizations to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in the Tibetan Autonomous Region and in other Tibetan communities in China.
- Section 7071(b) – Not less than $36,500,000 in FY 2010 ESF shall be used for assistance in Burma.
  - Such assistance shall be made available only to support democracy and humanitarian programs and activities in Burma, programs and activities along the Burma-Thailand border, programs and activities involving Burmese student groups and other organizations located outside of Burma, and humanitarian assistance for displaced Burmese along Burma's border.
  - Separately, not less than $4,000,000 in FY 2010 Migration and Refugee Assistance shall be for community-based organizations operating in Thailand to provide food, medical and other humanitarian assistance to internally displaced persons in eastern Burma.
  - Any FY 2010 funds for any new program, project, or activity shall be subject to prior consultation with the appropriations committees and also subject to regular notification procedures.
    - The implementing agency shall only support activities that are consistent with the principles and goals of the National League for Democracy in Burma.
- Section 7071(c) – FY 2010 funds appropriated by this Act may only be made available as an U.S. contribution to a Khmer Rouge tribunal if the Secretary of State certifies to the appropriations committees that the U.N. and the government of Cambodia are taking credible steps to address allegations of corruption and mismanagement within the tribunal.
  - This certification was provided on 23 Mar 2010 and later published in the *Federal Register* on 5 Apr 10.
- Section 7071(d) – FY 2010 FMFP funds not to exceed $20,000,000 shall be made available for Indonesia, of which $2,000,000 is to be withheld from obligation until the Secretary of State submits to the appropriations committees the report detailed within the Conference Report H.Rpt 111-366 for HR 3288.

- Not less than $400,000 in FY 2010 ESF for Indonesia should be available for grants for capacity building of Indonesian human rights organizations, including in Papua.

- Section 7071(e) – FY 2010 FMFP may be used for Nepal if the Secretary of State certifies to the appropriations committees that the Nepal army is:
  - Cooperating fully with investigations and prosecutions by civilian judicial authorities of violations of internationally recognized human rights.
  - Working constructively to redefine the Nepal Army's mission and adjust its size accordingly, implement reforms including strengthening the capacity of the civilian ministry of defense to improve budget transparency and accountability, and facilitate the integration of former rebel combatants into the security forces including the Nepal Army, consistent with the goals of reconciliation, peace, and stability.
  - This prohibition shall not apply to assistance to support the deployment of Nepal Army in humanitarian relief and reconstruction operations in Nepal.
- Section 7071(f) – FY 2010 funds for Migration and Refugee Assistance shall be available for assisting refugees from North Korea.
  - $3,500,000 of FY 2010 ESF shall be for democracy, human rights, and governance programs in North Korea.
  - No FY 2010 ESF may be available for energy-related assistance for North Korea.
- Section 7071(g) – No FY 2010 funds for Diplomatic and Consular Programs may be obligated or expended for processing export licenses for the export of U.S.-origin satellites (including commercial satellites and satellite components) to the Peoples' Republic of China unless the appropriations committees are notified at least 15 days in advance of such proposed action.
  - Section 660(h), FAA (prohibition of U.S. assistance to communist countries), shall apply to foreign assistance projects or activities of the Peoples' Liberation Army (PLA), to include such projects or activities by any entity that is owned or controlled by, or an affiliate of, the PLA.
    - No funds appropriated, or made available, by this Act may be used to finance any grant, contract, or cooperative agreement with the PLA, or any entity that the Secretary of State has reason to believe is owned or controlled by, or an affiliate, of the PLA.
  - Notwithstanding any other provision of law and subject to the regular notification procedures of the appropriations committees, not less than $12,000,000 in FY 2010 Development Assistance shall be used for U.S. educational institutions and NGOs for programs and activities in the Peoples' Republic of China relating to the environment, governance, and the rule of law.
- Section 7071(h) – FY 2010 FMFP funding not to exceed $32,000,000 may be available for the Philippines of which $3,000,000 may not be obligated until the Secretary of State submits to the appropriations committees the report detailed in the Conference Report H.Rpt. 111-366.
- Section 7071(i) – FY 2010 ESF funding not less than $1,000,000, in addition to funds otherwise made available for such purposes, shall be made available for democracy programs and activities in Timor-Leste, and not less than $2,000,000 shall be made available for higher education scholarships.

- Section 7071(j) – Funds appropriated by this Act that are made available for Vietnam for remediation of dioxin contaminated sites and related health activities may be made available to the government of Vietnam, including the military, for such purposes.

Serbia (Section 7072)

- Funds in this Act may be made available for assistance for the central government of Serbia after 31 May 2010, if the President has made the determination and certification to the appropriations committees that the government of Serbia is:
  - Cooperating with the International Criminal Tribunal for the former Yugoslavia including access for investigators, the provision of documents, timely information on the location, movement, and sources of financial support of indictees, and the surrender and transfer of indictees or assistance in their apprehension including Ratko Mladic
  - Taking steps that are consistent with the Dayton Accords to end Serbian financial, political, security and other support which has served to maintain separate Republika Srpska institutions
  - Taking steps to implement policies which reflect a respect for minority rights and the rule of law
- This section does not apply to humanitarian assistance or assistance to promote democracy.
- After 31 May 2010, the Secretary of the Treasury should instruction the U.S. executive directors to the international financial institutions to support loans and assistance to the government of Serbia subject to the conditions of the above presidential determination and certification.

Independent States of the Former Soviet Union (Section 7073)

- None of the FY 2010 Assistance for Europe, Eurasia and Central Asia (AEECA) funds shall be available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other Independent State of the former Soviet Union, such as those violations included in the *Helsinki Final Act*.
  - These funds may be made available if the President determines that to do so is in the U.S. national security interest.
  - These funds for the Russian Federation, Armenia, Kazakhstan, and Uzbekistan shall be subject to the regular notification procedures of the appropriations committees.
  - Of these funds that are allocated for the government of the Russian Federation, 60 percent shall be withheld from obligation until the President determines and certifies in writing to the appropriations committees that the government of the Russian Federation:
    - Has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability.
    - Is providing full access to international non-government organizations providing humanitarian relief to refugees and internally displaced persons in Chechnya.

- This 60 percent funding limitation shall not apply to:
  - Assistance to combat infectious diseases, child survival activities, or assistance for victims of trafficking in persons
  - Activities authorized under Title V (nonproliferation and disarmament programs and activities) of the *FREEDOM Support Act of 1992*, P.L.102-511.

Repression in the Russian Federation (Section 7074)

- None of the FY 2010 Assistance for Europe, Eurasia and Central Asia (AEECA) funds shall be available for assistance for the government of the Russian Federation after 180 days from the enactment of this Act unless the Secretary of State certifies to the appropriations committees that the government of the Russian Federation:
  - Has implemented no state, executive order, regulation or similar government action that would discriminate, or which has as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Federation is a party.
  - Honoring its international obligations regarding freedom of expression, assembly, and press, as well as due process.
  - Investigating and prosecuting law enforcement personnel credibly alleged to have committed human rights abuses against political leaders, activists, and journalists.
  - Immediately releasing political leaders, activists, and journalists who remain in detention.
- The Secretary of State may waive this prohibition if determined that to do so is important to the U.S. national interests.

Central Asia (Section 7075)

- The terms and conditions of Sections 7075(a) and (b) and Sections 7076(a) through (e), S/FOAA, FY 2009, P.L.111-8, shall apply to funds appropriated by this Act. Those sections require Secretary of State determinations and reports before the provision of assistance to the governments of Kazakhstan and Uzbekistan.
- The providing of FY 2010 E-IMET assistance to Uzbekistan is exempted from this limitation.

Afghanistan (Section 7076)

- FY 2010 funds appropriated by this Act for Afghanistan shall be made available, to the maximum extent practicable, in a manner that uses Afghan entities and emphasizes the participation and leadership of Afghan women and directly improves the security, economic, and social well-being, and political status of Afghan women and girls.
  - FY 2010 ESF and INCLE funds of not less than $175,000,000 shall be made available to support programs that directly address the needs and protect the rights of Afghan women and girls, including for the Afghan Independent Human Rights Commission, the Afghan Ministry of Women's Affairs, and for women-led NGOs.
  - These funds shall also be made available to support programs that increase participation by women in the political process, including at the national,

provincial, and sub-provincial levels, and in efforts to improve security in Afghanistan.

- FY 2010 funds for Afghanistan may be used to conduct procurements and to award assistance instruments within Afghanistan.
- Ten percent of FY 2010 INCLE funds for Afghanistan shall be withheld from obligation until the Secretary of State reports to the appropriations committees that Afghanistan is implementing a policy to promptly remove from office any government official who is credibly alleged to have engaged in narcotics trafficking, gross violation of human rights, or other major crimes.
- $200,000,000 of FY 2010 ESF funding for Afghanistan may not be obligated unless the Secretary of State certifies to the appropriations committees that the government of Afghanistan is cooperating fully with U.S. efforts against the Taliban and al Qaeda and to reduce poppy cultivation and illicit drug trafficking.
  - The Secretary of State may waive this prohibition if reported to the appropriations committees that to do so is vital to U.S. national security interests.
- Not less than $175,000,000 of FY 2010 ESF funding for Afghanistan shall be available for the National Solidarity Program.
  - The Secretary of State, in consultation with the Administrator of USAID and the Secretary of Defense, should enhance U.S. reconstruction efforts in Afghanistan by:
    - Emphasizing capacity building and support of Afghan entities and institutions at the provincial and sub-provincial levels.
    - Requiring civilian provincial reconstruction team (PRT) leaders to consult regularly with appropriate Afghan leaders in their respective provinces and ensuring that PRT reconstruction and development activities support local needs in a sustainable manner and strengthen the authority and control of the government of Afghanistan at the provincial and sub-provincial levels.

Extradition (Section 7080)

- Other than funds provided under INCLE, Migration and Refugee Assistance, Emergency Migration and Refugee Assistance, and NADR, no other FY 2010 funds made available by this Act may be used to provide assistance to the central government of a country which has notified the Secretary of State of its refusal to extradite to the U.S. any individual indicted for a criminal offense for which the maximum penalty is life imprisonment without the possibility of parole or for killing a law enforcement officer, as specified in a U.S. extradition request.
- This shall only apply to the central government of a country with which the U.S. maintains diplomatic relations and with which the U.S. has an extradition treaty and the government of that country is in violation of the terms and conditions of the treaty.
- The Secretary of State may waive this prohibition on a case-by-case basis if certified in writing to the appropriations committees that the waiver is important to U.S. national interests.

Prohibition on Promotion of Tobacco (Section 7082)

- No funds in this Act shall be used to promote the sale or export of tobacco or tobacco products, or to seek the reduction or removal by any foreign country of

restrictions on the marketing of tobacco or tobacco products, except for restrictions which are not applied equally to all tobacco or tobacco products of the same type.

Commercial Leasing of Defense Articles (Section 7083)

- As with the last several years, notwithstanding any other provision of law, and subject to the regular notification procedures of the appropriations committees, FY 2010 FMFP funding may be used to provide financing to Israel, Egypt, NATO, and major non-NATO allies for the procurement by leasing, including leasing with an option to purchase, of defense articles from U.S. commercial suppliers. This is not to include major defense equipment (MDE), other than helicopters and other types of aircraft having possible civilian application, if the President determines that there is compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale.

Anti-Kleptocracy (Section 7084)

- In furtherance of the *National Strategy to Internationalize Efforts against Kleptocracy* and Presidential Proclamation 7750, the Secretary of State shall compile and maintain a list of foreign government officials and their immediate family members determined by the Secretary there is credible evidence to believe have been involved in corruption relating to the extraction of natural resources in their countries.
- Any person on the list is to be ineligible for admission to the U.S.
  - The Secretary may waive this entry prohibition when determined that admission is necessary to attend the United Nations or to further U.S. law enforcement objectives, or that the circumstances which caused the individual to be on the list have sufficiently changed to justify removal from the list.
- Not later than 90 days after enactment of this Act, and 180 days thereafter, the Secretary shall submit a report, if necessary classified, to the appropriations committees describing the evidence of corruption considered in determining the individuals placed on the list.

Transparency and Accountability (Section 7086)

- Section 7086(a) – FY 2010 funds appropriated by this Act shall continue to be available to continue support efforts to promote transparency and accountability at the United Nations, including access to audits and program information, as appropriate.
  - Following consultation with the appropriations committees, the Secretary of State may withhold from obligation any funds appropriated under International Organizations and Programs for a U.S. contribution to a United Nations organization or agency that the Secretary determines is not adequately implementing reforms to increase transparency and accountability.
- Section 7086(c) – No FY 2010 funding appropriated by Titles III and IV of this Act may be made available to any central government of a country that fails to make its national budget public on an annual basis, to include income and expenditures.
  - The Secretary of State may waive this prohibition on a country-by-country basis with a report to the appropriations committees if determined to be in the U.S. national interest to do so. As of 1 Apr 2010, the following waivers have been published.
    - Egypt was waived on 11 Jan 2010 to be later published in the *Federal Register* on 25 Jan 2010.

- Cambodia was waived on 1 Mar 2010 to be later published in the *Federal Register* on 11 Mar 2010.
- Algeria was waived on 10 Mar 2010 to be later published in the *Federal Register* on 25 Mar 2010.
- Tajikistan, Uzbekistan, and Turkmenistan were waived on 22 Mar 2010 to be later published in the *Federal Register* on 29 Mar 2010.
- Libya was waived on 22 Mar 2010 to be later published in the *Federal Register* on 31 Mar 2010.

- Up to $1,500,000 of FY 2010 ESF funding may be used for programs and activities to assist the central government of any country named in the above required reports to improve national budget transparency, in addition to funds otherwise made available for such purposes.

Sri Lanka (Section 7089)

- FY 2010 funds appropriated under Title III of this Act made available for Sri Lanka shall be made available for programs that promote reconciliation between ethnic Sinhalese and Tamil populations, support post-conflict reconstruction, and advance the participation of Tamils and other minorities in the political and economic life of the country, and shall be subject to the regular notification procedures of the appropriations committees.
- No FY 2010 FMFP funds may be made available, no DCS license may be issued, no military equipment or technology shall be sold or transferred to Sri Lanka pursuant to this Act or any other act until the Secretary of State certifies to the appropriations committees that the government of Sri Lanka:
  - Is suspending and bringing to justice members of the military who have been credibly alleged to have committed gross violations of human rights or international humanitarian law
  - Is respecting internationally recognized human rights, including the right to due process and freedoms of the press, association, and assembly
  - Is treating internally displaced persons in accordance with international standards, including by guaranteeing their freedom of movement, providing access to conflict-affected areas and populations by humanitarian organizations and journalists, and accounting for persons detained in the conflict
  - Is implementing policies to promote reconciliation and justice including devolution of power as provided for in the Constitution of Sri Lanka
- Once the certification is provided, any provided FY 2010 FMFP funding should be used to support the recruitment and training of Tamils into the military, Tamil language training for Sinhalese military personnel, and human rights training for all military personnel.
- This prohibition shall not apply to assistance for humanitarian demining.

Prohibition on Certain First-Class Travel (Section 7092)

- No FY 2010 funds made available by this Act may be used for first-class travel by employees of agencies funded by this Act in contravention of 41 CFR 301-10.222 through 310-10.124.

***Enhanced Partnership with Pakistan Act of 2009*, P.L.111-73, 15 October 2009**

- First introduced as S962 on 4 May 2009, cleared the Senate Foreign Relations Committee (SFRC) on 23 Jun with S.Rpt 111-33, and passed by the Senate on 24 June 2009 but held at the desk and not forwarded to the House for action. Similar legislation was introduced on 24 Sep 2009 in the House as HR3642 and referred to the House Foreign Affairs Committee (HFAC) with no further action. Also reintroduced in the Senate as S1707 to be immediately passed on 24 Sep 2009 and forwarded to the House. The House passed S1707 on 30 Sep 2009 to be later enacted by the President on 15 Oct 2009 as P.L.111-73. This authorization legislation is sometimes referred to as the Kerry-Lugar-Berman bill.

***Title I – Democratic, Economic, and Development Assistance for Pakistan,* Definitions (Section 2)**

- Appropriate congressional committees – Unless specified otherwise, includes both House (HAC) and Senate (SAC) Appropriations Committees, and the Senate Foreign Relations Committee (SFRC) and House Foreign Affairs Committee (HFAC).
- Counterinsurgency – Efforts to defeat organized movements that seek to overthrow the duly constituted governments of Pakistan and Afghanistan through violent means.
- Counterterrorism – Efforts to combat al Qaeda and other foreign terrorist organizations that are designated by the Secretary of State in accordance with Section 219, *Immigration and Nationality Act* (8 U.S.C. 1189), or other individuals and entities engaged in terrorist activity or support for such activity.
- Security forces of Pakistan – means to include the military and intelligence services of the government of Pakistan, including the Armed Forces, Inter-Services Intelligence Directorate, Intelligence Bureau, police forces, levies, Frontier Corps, and Frontier Constabulary.
- Security-related assistance – includes grant assistance to carry out Section 23, AECA, FMFP, and Part II, Chapter 2, FAA, Military Assistance. Part II Chapter 2, FAA, includes Sections 503 through 517.
  - Specifically defined to not include assistance authorized to be appropriated or otherwise made available under any other provision of law that is funded from accounts with budget function 050 (National Defense), or amounts appropriated or otherwise available to the Pakistan Counterinsurgency Capability Fund (PCCF) established under the *Supplemental Appropriations Act, 2009*, P.L.111-32, 24 Jun 2009.
    - The PCCF was established by Title XI of P.L.111-32 to carry out various provisions of the FAA and AECA, and provided $700,000,000 to become available on 30 Sep 2009 and to remain available through FY 2011. These funds may be transferred by the Secretary of State to DOD or other federal agencies to support counterinsurgency activities in Pakistan.

Authorization of Appropriations (Section 102)

- Authorizes the appropriation to the President of up $1,500,000,000 for each of the FYs 2010 through 2014 for purposes of providing assistance to Pakistan under this Title and under the FAA.
  - None of the amounts appropriated to Pakistan may be made available after the date that is 60 days after enactment of this Act unless the Pakistan Assistance

Strategy Report (refer to later Section 310 of this Act regarding this report) has been submitted to the appropriate congressional committees.

- Not more than $750,000,000 may be made available for assistance to Pakistan unless the President's Special Representative to Afghanistan and Pakistan submits to the appropriate congressional committees:
  - A certification that assistance provided to Pakistan under this Title or the FAA to date has made or is making reasonable progress toward achieving the principal objectives of U.S. assistance to Pakistan contained in the Strategy Report
  - A memorandum explaining the reasons justifying the above certification
- Should the Special Representative position be terminated or become vacant, the certification and memorandum may be made by the Secretary of State.
- The Secretary of State may waive the above stated limitations if determined and certified to the appropriate congressional committees that it is in the U.S. national security interests to do so.

- The sense of Congress is expressed that subject to an improving political and economic climate in Pakistan, there should be authorized to be appropriated up to $1,500,000,000 for each of the FYs 2015 through 2019 for the purpose of providing assistance to Pakistan under the FAA.

Auditing (Section 103)

- After consultation with the Secretary of State and Administrator, USAID, the Inspectors General of the DOS and USAID are authorized to establish I-G field offices in Pakistan with sufficient staffs to carry out audits, investigations, and oversee the obligation and expenditure of funds authorized to be appropriated under this Title.
- Up to $30,000,000 for each fiscal is authorized to be appropriated to carry out these audit functions. These amounts are to be in addition to amounts available for such purposes.

Title II – Security Assistance for Pakistan
Purposes of Assistance (Section 201)

- The purposes of assistance within this Title are to:
  - Support Pakistan's paramount national security need to fight and win the ongoing counterinsurgency within its borders in accordance with its national security interests
  - Work with the government of Pakistan to improve Pakistan's border security and control and help prevent any Pakistani territory from being used as a base or conduit for terrorist attacks in Pakistan, or elsewhere
  - Work in close cooperation with the government of Pakistan to coordinate action against extremist and terrorist targets
  - Help strengthen the institutions of democratic governance and promote control of military institutions by a democratically elected civilian government.

Authorization of Assistance (Section 202)

- Authorizes the appropriation of such sums that may necessary for each of the FYs 2010 through 2014 for IMET, including E-IMET, for Pakistan.

- Authorizes the appropriation of such sums that may necessary for each of the FYs 2010 through 2014 for FMFP for the purchase of defense articles, services, and training for Pakistan.
- A significant portion of these funds shall be for activities relating to counterinsurgency and counterterrorism operations in Pakistan.
- Except as provided in Section 3, AECA (eligibility for U.S. defense articles and services), Section 102, AECA (nuclear weapons prohibitions), Section 620J, FAA (Leahy human rights vetting), and any S/FOAA provision for *coups d´etat*, and except as otherwise provided in this Title; amounts authorized to be made available to carry out counterinsurgency and counterterrorism operations in Pakistan for FYs 2010 and 2011 are authorized to be made available notwithstanding any other provision of law.
- The Secretary of State is authorized to establish an exchange program between military and civilian personnel of Pakistan, military and civilian personnel of countries determined by the Secretary to be in the process of consolidating and strengthening a democratic form or government, or military and civilian personnel of NATO countries.
  - This exchange program is to foster greater mutual respect for and understanding of the principle of civilian rule of the military.
  - This program may include conferences, seminars, exchanges, and other events, distribution of publications and reimbursements of expenses of foreign military participants, including transportation, translation, and administrative expenses.
  - Any authorized funding to be appropriated may be used for the use of NGOs to facilitate implementation of this program.
  - The appropriation of such sums necessary during FYs 2010 through 2014 to carry out this exchange program is authorized.

Limitations on Certain Assistance (Section 203)

- For FYs 2011 through 2014, no security-related assistance may be provided to Pakistan in a FY until the Secretary of State, under the direction of the President, makes the following certification to the appropriate congressional committees that:
  - The government of Pakistan is continuing to cooperate with the U.S. in efforts to dismantle supplier networks relating to the acquisition of nuclear weapons-related materials, such as providing relevant information from or direct access to Pakistan nationals associated with such networks.
  - The government of Pakistan during the preceding FY has demonstrated a sustained commitment to and is making significant efforts towards combating terrorist groups, consistent with the purposes of assistance as described previous Section 201 of this Act, including taking into account the extent to which the government of Pakistan has made progress on matters such as:
    - Ceasing support, including by any elements within the Pakistan military or its intelligence agency, to extremist and terrorist groups, particularly to any group that has conducted attacks against the U.S. or coalition forces in Afghanistan, or against the territory or people of neighboring countries.
    - Preventing al Qaeda, the Taliban and associated terrorist groups, such as Lashkar-e-Taiba and Jaish-e-Mohammed, from operating in the territory of Pakistan, including carrying out cross-border attacks into neighboring

countries, closing terrorists in the Federally Administered Tribal Areas of Pakistan (FATA), dismantling terrorist bases of operations in other parts of the country, including Quetta and Muridka, and taking action when provided with intelligence about high-level terrorist targets.

    - Strengthening counterterrorism and anti-money laundering laws.
  - The security forces of Pakistan are not materially and substantially subverting the political or judicial processes of Pakistan
- None of the funds appropriated for security-related assistance for FYs 2010 through 2014, or any amounts appropriated to the PCCF may be obligated or expended to make payment relating to:
  - FMS Case PK-D-YAD for 500 AIM-120 AMRAAMs
  - FMS Case PK-D-NAP for F-16 mid-life upgrade
  - FMS Case PK-D-SAF for 12 new F-16s
  - However, funds appropriated for security-related assistance for FYs 2010 through 2014 may be used for construction and related activities carried out pursuant to these FMS cases
- The Secretary of State, under the direction of the President, may waive the above limitations for a FY if the Secretary determines that it is important to U.S. national security interests to do so.
  - The Secretary, under the direction of the President, may not exercise this waiver authority until 7 days after the Secretary provides to the appropriate congressional committees a written notice of the intent to issue the waiver and the reasons therefore
- The appropriate congressional committees for this Section include the HFAC, the SFRC, both the HASC and SASC, the House Oversight and Government Reform Committee, the House Permanent Select Committee on Intelligence, and the Senate Select Committee on Intelligence.

Pakistan Counterinsurgency Capability Fund (PCCF) (Section 204)

- Purpose of Pakistan Counterinsurgency Capability Fund (PCCF) is to authorize for use by the Secretary of State, with the concurrence of the Secretary of Defense, to build and maintain the counterinsurgency capability of Pakistan under the same terms and conditions (except as otherwise provided in this Section) applicable to amounts made available under P.L.111-32.
- The Secretary of State is authorized to transfer amounts in the DOS PCCF for any FY to the DOD Pakistan Counterinsurgency Fund (PCF) likewise established by P.L.111-32.
  - The DOD PCF was established and funded by the *Supplemental Appropriations Act*, 2009, P.L.111-32, 24 Jun 09, at $400,000,000 to remain available through FY 2010 for DOD assistance to Pakistan's security forces.
  - Such amounts of DOS PCCF previously transferred to the DOD PCF may be transferred back to the DOS PCCF if the Secretary of Defense, with the concurrence of the Secretary of State, determines that such amounts are not needed for the purposes for which initially transferred.
  - The authority to provide assistance under this Section is in addition to any other authority to provide assistance to foreign countries.

- The Secretary of State shall, in not less than 15 days prior to making transfers from the DOS PCCF to the DOD PCF, notify the appropriate congressional committees in writing of the details of any such transfer.

- For the purposes of this Section, appropriate congressional committees include both the HAC and SAC, both the HASC and SASC, the HFAC, and the SFRC.

Requirements for Civilian Control of Certain Assistance (Section 205)

- For FYs 2010 through 2014, any direct cash security-related assistance or non-assistance payments by the U.S. to Pakistan may only be provided or made to civilian authorities of a civilian government of Pakistan.
  - The Secretary of State, in coordination with the Secretary of Defense, shall ensure that civilian authorities of a civilian government of Pakistan have received a copy of final documentation provided to the U.S. related to non-assistance payments provided or made to the government of Pakistan.
    - The Secretary of State, in consultation with the Secretary of Defense, may waive these requirements with respect to security-related assistance funded from budget function 150 (International Affairs) accounts if the Secretary certifies to the appropriate congressional committees that the waiver is important to U.S. national security interests.
    - The Secretary of Defense, in consultation with the Secretary of State, may likewise waive these requirements with respect to non-assistance funded from budget function 050 (National Defense) accounts if the Secretary certifies to the appropriate congressional committees that the waiver is important to U.S. national security interests.
  - Nothing in this Section shall apply with respect to:
    - Any activities subject to reporting requirements under Title V, *National Security Act of 1947* (50 U.S.C. 413, *et. seq.*)
    - Any assistance to promote democratic elections or public participation in democratic processes
    - Any assistance or payments if the Secretary of State determines and certifies to the appropriate congressional committees, that subsequent to the termination of assistance or payments, a democratically elected government has taken office
    - Any assistance or payments (currently up to $40,000,000 annually) made pursuant to Section 1208, NDAA, FY 2005, P.L.108-375, Support of Military Operations to Combat Terrorism
    - Any payments made pursuant to the Acquisition and Cross-Servicing Agreement (ACSA) between the U.S. DOD and the Pakistan Ministry of Defense
    - Any assistance or payments (currently not more than $20,000,000 annually) made pursuant to Section 943, NDAA, FY 2009, P.L.110-417, Authorization of Non-Conventional Assisted Recovery Capabilities
- For the purposes of this Section, appropriate congressional committees include both the HAC and SAC, both the HASC and SASC, the HFAC, and the SFRC.
- The term civilian government of Pakistan does not include any government of Pakistan whose duly elected head of government is deposed by military coup or decree.

Title III – Strategy, Accountability, Monitoring, and other Provisions

Strategy Reports (Section 301)

- Not later than 45 days after enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report (*Pakistan Assistance Strategy Report*) describing U.S. policy and strategy with respect to assistance to Pakistan under this Act, to include the following.
  - A description of the principal objectives of U.S. assistance to Pakistan to be provided under Title I of this Act.
  - A general description of the specific programs, projects, and activities designed to achieve the purposes of Section 101 of this Act (non-military programs) and the respective funding levels for such programs, projects, and activities for FYs 2010 through 2014.
  - A plan for program monitoring, operations research, and impact evaluation research for assistance authorized under Title I of this Act.
  - A description of the role to be played by Pakistani national, regional, and local officials and members of Pakistani civil society and local private sector, civic, religious, and tribal leaders in helping to identify and implement programs and projects for which assistance is to be provided under this Act, and of consultations with such representatives in developing the strategy.
  - A description of the steps taken, or to be taken, to ensure assistance provided under this Act is not awarded to individuals or entities affiliated with terrorist organizations.
  - A projection of the levels of assistance to be provided to Pakistan under this Act, broken down into the following categories as described in the annual Report on the Criteria and Methodology for Determining the Eligibility of Candidate Countries for the Millennium Challenge Account Assistance.

    Civil Liberties
    Political Rights
    Voice and Accountability
    Government Effectiveness
    Rule of Law
    Control of Corruption
    Immunization Rates
    Public Expenditure on Health
    Girls' Primary Education Completion Rate
    Public Expenditure on Primary Education
    Natural Resource Management
    Business Start-Up
    Land Rights and Access
    Trade Policy
    Regulatory Quality
    Inflation Control
    Fiscal Policy
  - An analysis for the suitable replacement for existing Pakistani helicopters, including recommendations for sustainment and training.
- The President shall develop a comprehensive interagency regional security strategy to eliminate terrorist threats and close safe havens in Pakistan, including by working with the government of Pakistan and other relevant governments and organizations in the region and elsewhere, as appropriate, to best implement effective counterinsurgency and counterterrorism efforts in and near the borders

of Pakistan and Afghanistan, including the Federally Administered Tribal Areas (FATA) of Pakistan, the North West Frontier Province (NWFP) of Pakistan, parts of Balochistan, and parts of Punjab.

- Not less than 180 days of enactment of this Act, the President shall submit to the appropriate congressional committees a report on the comprehensive regional security strategy just described in this Section, to also include specifications of goals, and proposed timelines and budgets for implementation of the strategy.
- For this *Comprehensive Regional Security Strategy Report*, the appropriate congressional committees include both the HAC and SAC, both the HASC and SASC, the SFRC, the HFAC, the House Permanent Select Committee on Intelligence, and the Senate Select Committee on Intelligence.

- Not later than 180 days after enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a plan for the proposed use of amounts authorized for security-related assistance for each FYs 2010 through 2014, to include an assessment of how the use of such amounts complements or otherwise is related to amounts described in Section 204 (PCCF) of this Act.

Monitoring Reports (Section 302)

- Not later 180 days after the submission of the Pakistan Assistance Strategy Report pursuant to Section 301 of this Act, and every 180 days thereafter through FY 2014, the Secretary of State, in consultation with the Secretary of Defense, shall submit to the appropriate congressional committees, a report specified in detail (Semi-Annual Monitoring Report) within Section 302(a) of this Act that describes the assistance provided under this Act during the preceding 180-day period.
- Not later than one year after the submission of the *Pakistan Assistance Strategy Report* pursuant to Section 301 of this Act, the U.S. Comptroller-General (GAO) shall submit to the appropriate congressional committees a report that contains:
  - A review of, and comments addressing the Pakistan Assistance Strategy Report
  - Recommendations relating to any additional actions the Comptroller-General believes could help improve the efficiency and effectiveness of U.S. efforts to meet the objectives of this Act
  - A detailed description of the expenditures made by Pakistan pursuant to grant assistance under Section 23, AECA (FMFP)
  - An assessment of the impact of the assistance on the security and stability of Pakistan
- Not later than 120 days after the date on which the President makes the certification described in Section 203 of this Act, the Comptroller-General shall conduct an independent analysis of the certification described in such section and shall submit to the appropriate congressional committees a report containing the results of this analysis.
- The Secretary of State may submit the reports required by this Section in conjunction with other reports relating to Pakistan required under other provisions of law, including Section 1116 and 1117, P.L.111-32.
- For this Section, the appropriate congressional committees include both the HAC and SAC, both the HASC and SASC, the HFAC, and the SFRC.

***National Defense Authorization Act for Fiscal Year 2010*, P.L.111-84, 28 October 2009**

- Introduced in the House on 2 Jun 09 as HR2647 and referred to the House Armed Services Committee (HASC). It was reported out of committee on 18 Jun 2009 initially with H.Rpt. 111-166 with a supplemental Part II on 23 Jun. The bill was immediately passed by the House on 25 Jun and passed along to the Senate. The Senate passed the House bill with amendments on 23 Jul. The conference report was reported out 7 Oct 2009 with H.Rpt. 111-288. The House and Senate approved the conference report on 8 Oct 2009 and 22 Oct 2009 respectively. The legislation was enacted on 28 Oct 2009 as P.L.111-84.

Division A – Department of Defense Authorization - Title I – Procurement - SubTitle C – Navy Programs

Report on a Service Life Extension Program for Oliver Hazard Perry Class Frigates (Section 127)

- In requiring a report on the life extension of the FFG-7 class frigates and the strategic plan for replacing the FFG-7s with the Littoral Combat Ships (LCS-1), also requested a description of the manner in which the Navy has met the requirements of United States Southern Command (USSOUTHCOM) over time, including assets and ships the Navy has deployed for military-to-military engagements, UNITAS exercise, and counterdrug operations in support of USSOUTHCOM.

SubTitle D – Air Force Programs
Limitation on Retirement of C-5 Aircraft (Section 137)

- In limiting the Secretary of the Air Force to not retiring C-5s below a active inventory of 111, until a report is submitted regarding an evaluation of the aircraft with respect to reliability, maintainability, and availability and with respect to critical operations issues, requires the report to include, inter alia, an assessment of the costs, benefits, and implications of transferring the aircraft to U.S. flag carriers operating in the Civil Reserve Air Fleet (CRAF) program or to coalition partners in lieu of the retirement of such aircraft.

Title II - SubTitle B

Extension and Enhancement of Global Research Watch Program (Section 211)

- Section 231(a), NDAA, FY 2004, P.L.108-136, originally provided for a new 10 U.S.C. 2365 authorizing the Director, Defense Research and Engineering (DDR&E) to establish and maintain the Global Research Watch Program, to include a database, through FY 2011 to, inter alia, monitor and analyze the basic and applied research activities and capabilities of foreign nations in areas of military interest, including allies and competitors and to establish standards for comparison and comparative analysis of other nations' research capabilities in relation to U.S. research capabilities. Additionally, the military departments and defense agencies are to provide assistance to DDR&E as may be required for the program.
- Amends 10 U.S.C. 2365(d) extending the authority for the program through FY 2015, and with a new paragraph (3)(A) directing that funds available to a military department for a FY for monitoring or analyzing the research activities and capabilities of countries may not be obligated or expended until DDR&E certifies to USD (AT&L) that the secretary of the MILDEP has provided assistance required by DDR&E for the program.

Title IX – Department of Defense Organization and Management - SubTitle A – Department of Defense Management

Increased Flexibility for Combatant Commander Initiative Fund (Section 904)

- Amends 10 U.S.C. 166(a)(e)(1)(A) authorizing not more than $20,000,000 (vice $10,000,000) annually for the CCIF for the Chairman of the Joint Chiefs of Staff to provide to the commander of a combatant command for a variety of listed cooperative programs ranging from force training to humanitarian assistance to military education and training of foreign military and related civilian personnel.
- Further amends 10 U.S.C. 166(a)(e)(1)(A) by authorizing the investment unit cost threshold of this fund not to exceed that of 10 U.S.C. 2245(a) which is $250,000.
- Also amends 10 U.S.C. 166(a)(b)(6) by authorizing CCIF for humanitarian and civic assistance, to include urgent and unanticipated humanitarian relief and reconstruction assistance "in coordination with the relevant chief of mission to the extent practicable."

Repeal of Requirement for a Deputy Under Secretary of Defense for Technology Security Policy within the Office of the Under Secretary for Policy (Section 905)

- Repeals 10 U.S.C. 134(b) which authorized the Deputy Under Secretary of Defense for Technology Security Policy [DUSD(TSP)] within the Office of the Under Secretary of Defense for Policy (USDP).
  - This was originally added by Section 1521(b)(1), NDAA, FY 1999, P.L.105-261.
- The Secretary of Defense shall ensure that none the following action(s) regarding the reporting relationship for the Defense Technology Security Administration (DTSA) is not to take place until after the expiration of 30 legislative days after notification of such action(s) to the congressional armed services committees.
  - The transfer of DTSA to an undersecretary or other DOD office other than USDP
  - The consolidation of DTSA with another office, agency, or field activity of the DOD
  - The addition of management layers between the Director, DTSA and the USDP

Deputy Under Secretaries of Defense and Assistant Secretaries of Defense (Section 906)

- Provides for a new 10 U.S.C. 137a authorizing five Deputy Under Secretaries of Defense to be appointed from civilian life by the President, by and with the advice and consent of the Senate.
  - Principal Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics
  - Principal Deputy Under Secretary of Defense for Policy
  - Principal Deputy Under Secretary of Defense for Personnel and Readiness
  - Principal Deputy Under Secretary of Defense (Comptroller)
  - Principal Deputy Under Secretary of Defense for Intelligence
- Effective 1 Jan 2011, these five deputy under secretaries shall be the only Deputy Under Secretaries of Defense
- Amends 10 U.S.C. 138 authorizing 12 (vice 10) Assistant Secretaries of Defense

Provision of Space Situational Awareness Services and Information to Non-U.S. Government Entities (Section 912)

- Amends 10 U.S.C. 2274 authorizing the Secretary of Defense, effective with the date of enactment of this Act, to provide space situational awareness services and information to, and may obtain the same from, NGOs when determined that such action is consistent with U.S. national security interests.
- NGOs are to include:
  - A State
  - A political subdivision of a State
  - A U.S. commercial entity
  - The government of a foreign country
  - A foreign commercial entity
- However, prior to such provision of services or information, the Secretary of Defense must enter into an agreement under which the entity:
  - Agrees to pay an amount that may charged by the Secretary
    - This amount may be what the Secretary determines appropriate to reimburse DOD for the costs of providing such services or information
    - Plus the Secretary has the authority to not require the government of a State or a political subdivision of a State to not pay any amount
  - Agrees not to transfer an data or technical information received under the agreement, including analysis of data, to any other entity without the express approval of the Secretary
  - Agrees to any other terms and conditions considered necessary by the Secretary
- Any funds received under this authority shall be credited, at the election of the Secretary, to the following:
  - The appropriation, fund, or account used in incurring the obligation
  - The appropriate appropriation, fund or account currently available for the purposes for which the expenditures were made
- The Secretary shall establish procedures by which this authority shall be carried out. This may include such services or information to be provided through a DOD contractor.
- The U.S., any agencies and instrumentalities thereof, and any individuals, firms, corporations, and other persons acting for the U.S., shall be immune from any suit in any court for any cause of action arising from this provision or receipt of such services or information, whether or not provided in accordance with this Section, or any related action or omission.
- If the Secretary determines that a commercial or foreign entity has declined or is reluctant to provide data or information to the Secretary in accordance with this Section, the Secretary shall not later than 60 days after the determination provide notice to the congressional defense committees.

Title X – General Provisions - SubTitle B – Counterdrug Activities

Unified Counterdrug and Counterterrorism Campaign in Colombia (Section 1011)

- Amends Section 1021, NDAA, FY 2005, P.L.108-375, authorizing the use of DOD funds through FY 2010 (vice FY 2009) to provide assistance to the government of

Colombia to support a unified campaign against narcotics trafficking and against activities by organizations designated as terrorist organizations.

Joint Task Force Support to Law Enforcement Agencies Conducting Counterterrorism Activities (Section 1012)

- Amends Section 1022, NDAA, FY 2004, P.L.108-136, authorizing a DOD joint task force that provides support to law enforcement agencies conducting counterdrug activities to also provide support through FY 2010 (vice FY 2009) to such agencies conducting counterterrorism activities.

Support for Counterdrug Activities of Certain Foreign Governments (Section 1014)

- Amends Section 1033, NDAA, FY 1998, P.L.105-85), authorizing support to certain countries for counterdrug activities through FY 2010 (vice FY 2009).
- Further authorizes the total value of such assistance to be $75,000,000 during either FY of 2009 and 2010. Formerly, this value was $75,000,000 during just FY 2009.

Border Coordination Centers in Afghanistan and Pakistan (Section 1015)

- Prohibits the use of DOD funding available drug interdiction and counterdrug activities to be used for the construction, expansion, repair, or operation of any existing or proposed border coordination center; however, specifically does not prohibit or limit the use of other DOD funds for such purposes.
- The Secretary of Defense may not authorize the establishment of a third border coordination center in the area of operations of Regional Command-East in Afghanistan until a border coordination center has been constructed or is under construction in either:
  - The area of operations of Regional Command-South in Afghanistan
  - Baluchistan in Afghanistan
  - If determined vital to U.S. national security interests, the Secretary of Defense, with a prompt notice in writing to Congress, may waive this limitation

SubTitle D – Miscellaneous Requirements, Authorities, and Limitations

Authorization of Appropriations for Payments to Portuguese Nationals Employed by the Department of Defense (Section 1037)

- Authorizes the appropriation of not less than $240,000 to the Secretary of Defense for payments to Portuguese nationals employed by DOD in Portugal for salary increases.

SubTitle E – Studies and Reports

Report on Defense Travel Simplification (Section 1058)

- Not later than 180 days after enactment of this Act, the Secretary of Defense shall submit a report to the congressional armed service committees setting forth a comprehensive plan to simplify DOD travel procedures.

Disclosure of Names of Students and Instructors at Western Hemisphere Institute for Security Cooperation (Section 1083)

- The Secretary of Defense shall release to the public upon request, with respect to FYs 2009 and 2010, the first, middle, and surnames of each student and instructor at the Western Hemisphere Institute for Security Cooperation (WHISC).
- If determined to be in the national interest, the Secretary may waive this requirement.

Sense of Congress Regarding the Western Hemisphere Institute for Security Cooperation (Section 1084)

- WHISC offers quality professional military bilingual instruction for military officers and noncommissioned officers that promote democracy, subordination to civilian authority, and respect for human rights.
- WHISC is uniquely positioned to support the modernization of Latin America security forces as they work to transcend their controversial pasts.
- WHISC is building partner capacity which enhances regional and global security while encouraging respect for human rights and promoting democratic principles among eligible military personnel, law enforcement officials, and civilians of the nations of the Western Hemisphere.
- WHISC is an invaluable education and training facility the curriculum of which is not duplicated in any of the military departments and is not replaceable by professional military education (PME) funded by appropriations for IMET, for which education is not conducted in Spanish and does not concentrate on regional challenges.
- WHISC is an essential tool to educate future generations of Latin American leaders and improve U.S. relationships with partner nations that are working with the U.S. to promote democracy, prosperity, and stability in the Western Hemisphere.

Title XII – Matters Relating to Foreign Nations - SubTitle A – Assistance and Training

One-Year Extension of Authority for Security and Stabilization Assistance (Section 1201)

- Amends Section 1207, NDAA, FY 2006, P.L.109-163, to expire 30 Sep 2010 (vice 2009).

Expansion of Authority and Modification of Notification and Reporting Requirements for Use of Authority for Support of Special Operations to Combat Terrorism (Section 102)

- Amends Section 1208, NDAA, FY 2005, P.L.108-375, authorizing up to $40,000,000 (vice $35,000,000) annually in such assistance and further refining the reporting detail of providing such assistance.

Modification of Report on Foreign-Assistance Related Programs Carried Out by the Department of Defense (Section 1203)

- Amends Section 1209, NDAA, FY 2008, P.L.110-181, requiring an annual report by the Secretary of Defense not later than 1 Feb each year through 1 Feb 2013 to the appropriations, foreign affairs/relations, and armed services committees, on a country-by-country basis, each foreign-assistance related program carried out by DOD during the prior FY under the following authorities:
  - Section 1206, NDAA, FY 2006, P.L.109-163
  - Section 1207, NDAA, FY 2006, P.L.109-163
  - Section 1208, NDAA, FY 2006, P.L.109-163
  - Section 1033, NDAA, FY 1998, P.L.105-85
  - Section 1004, NDAA, FY 1991, P.L.101-510
  - 10 U.S.C. 127d
  - 10 U.S.C. 2249c
  - 10 U.S.C. 2561

- 10 U.S.C. 166a(b)(6)
  - This last authority is an addition to the original reporting requirement
- The report required to be submitted by 1 Feb 2010 shall include required information for FYs 2008 and 2009.

Report on Authorities to Build the Capacity of Foreign Military Forces and Related Matters (Section 1204)

- Not later than 1 Mar 2010, the President shall transmit a report to the appropriations, armed services, foreign affairs, and foreign relations committees, a report on the following:
  - The relationship between DOD authorities to conduct security cooperation programs to train and equip, or otherwise build the capacity of, foreign military forces and DOS security assistance authorities and other foreign assistance agencies to provide assistance to provide assistance to train and equip, or otherwise build the capacity of, foreign military forces, including the distinction, if any, between the purposes of such authorities, and the contribution such authorities make to the core missions of each such department and agency.
  - The strengths and weaknesses of the FAA, the AECA, Title 10 U.S. Code, any other provision of law relating to training and equipping, or otherwise building the capacity of, foreign military forces, including to conduct counterterrorist operations or participate in or support military and stability operations in which the U.S. armed forces are a participant.
  - The changes, if any, that should be made to the provisions of law just listed that would improve the ability of the U.S. government to train and equip, or otherwise build the capacity of, foreign military forces, including to conduct counterterrorist operations or participate in or support military and stability operations in which the U.S. armed forces are a participant.
  - The organizational and procedural changes, if any, that should be made in the DOD, DOS, and other foreign assistance agencies to improve the ability of such departments and agencies to conduct programs to train and equip, or otherwise build the capacity of, foreign military forces, including to conduct counterterrorist operations or participate in or support military and stability operations in which the U.S. Armed forces are a participant.
  - The resources and funding mechanisms required to ensure adequate funding for such programs.
- This type of assessment and recommendation report, or variation thereof, has been requested in past legislation.

Authority to Provide Administrative Services and Support to Coalition Liaison Officers of Certain Foreign Nations Assigned to U.S. Joint Forces Command (Section 1205)

- Amends 10 U.S.C. 1051(a), effective on the date of enactment of this Act, allowing support of coalition liaison officers to the combatant command assigned by the Secretary of Defense the mission of joint warfighting experimentation and joint forces training.

Modification of Authorities Relating to Program to Build the Capacity of Foreign Military Forces (Section 1206)

- Amends Section 1206, NDAA, FY 2006, P.L.109-163, to limit not more than $75,000,000 for each year during FYs 2010 and 2011 of the $350,000,000 total annual authority is to be used for the purpose to participate in or support military and stability operations in which the U.S. armed forces are a participant.

Authority for Non-Reciprocal Exchanges of Defense Personnel between the United States and Foreign Countries (Section 1207)

- The Secretary of Defense is authorized through FY 2012 to enter into non-reciprocal defense personnel exchange agreements, to also include civilian personnel of the defense ministry of that foreign government.
- In general, the applicable foreign government shall pay the salary, per diem, cost of living, travel costs, cost of language or other training, and other costs for its personnel under such an agreement.
  - This does not apply to cost of training programs conducted to familiarize, orient, or certify exchanged personnel regarding unique aspects of the assignments of the assigned personnel, costs incident to the use of facilities in the U.S. government in the performance of assigned duties, and cost of temporary duty of the exchanged personnel directs by the U.S. government.
- Not later than 90 days after the end of a FY, the Secretary of Defense shall submit a report to the armed services, foreign affairs, and foreign relations committees on the use of this authority during the just ended FY.

Report on Alternatives to use of Acquisition and Cross-Servicing Agreements to Lend Military Equipment for Personnel Protection and Survivability (Section 1208)

- Not later than 90 days after enactment of this Act, the Secretary of Defense shall a report to the armed services committees setting forth and assessing the various alternatives to the use of acquisition and cross-servicing agreements (ACSAs) pursuant to Section 1202, NDAA, FY 2007, P.L.109-364, for the purposes of lending significant military equipment (SME) to a nation participating in combined operations with the U.S. in Iraq and Afghanistan and a nation participating with the U.S. as part of a peacekeeping operation.

Enhancing Iraqi Security through Defense Cooperation between the United States and Iraq (Section 1209)

- Not later than 120 days of enactment of this Act, the Secretary of Defense, with the concurrence of the Secretary of State, shall submit a specified report to the armed services, foreign affairs, and foreign relations committees on the role of FMS in meeting the requirements of the military and security forces of Iraq for restoring and maintaining peace and security in Iraq.
- The sense of Congress is also expressed that the Secretary of Defense should, with the concurrence of the Secretary of State, seek to increase the number of positions in PME courses, including courses at command and general staff colleges, war colleges, and the service academies, that are made available annually to personnel of the security forces of the government of Iraq.

Availability of Appropriated Funds for the State Partnership Program (Section 1210)

- Not later than 90 days after enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall prescribe regulations regarding the use of funds appropriated to DOD to pay the costs incurred by the National Guard in conducting activities under the State Partnership Program (SPP).
  - Not later than 15 days after promulgation of such regulations, a copy is to be provided to the armed services, foreign affairs, and foreign relations committees.
- Funds for SPP activities in a country shall not be made available unless such activities are jointly approved by the applicable combatant command commander and chief of mission.
- Funds shall not be available for the participation of a member of the National Guard in SPP activities in a country unless the member is on active duty in the armed forces at the time of such participation.
- Not later than 90 days after enactment of this Act, and not later than the end of each FYs 2010 through 2013, the Secretary of Defense shall submit a detailed SPP activities report to the armed services, foreign affairs, and foreign relations committees undertaken and funds expended in the previous FY.

SubTitle B – Matters Relating to Iraq, Afghanistan and Pakistan
One-Year Extension and Expansion of Commanders' Emergency Response Program (Section 1222)

- Amends Section 1202, NDAA, FY 2006, P.L.109-163, as amended, by authorizing the appropriation and use of $1,300,000,000 for the Commanders' Emergency Response Program (CERP) during FY 2010.
- Also authorizes the Secretary of Defense, if determined to enhance counterinsurgency or stability operations in Afghanistan, to transfer not to exceed $50,000,000 in FY 2010 CERP funds to the Secretary of State in support of the Afghanistan National Solidarity Program.
  - This transfer authority shall expire at the end of FY 2010.
  - Not later than 15 days before transfer of this funding, the Secretary of Defense shall submit a report to the congressional defense committees, a description of the amount of funds to be transferred.
- The Secretary of Defense, in coordination with the government of Afghanistan and with the concurrence of the Secretary of State, may use FY 2010 CERP funds to support the reintegration into Afghan society of those individuals who have renounced violence against the government of Afghanistan.
  - Likewise, this authority shall be expire at the end of FY 2010.
  - The use of this authority shall be included in the CERP use report required by Section 1202, NDAA, FY 2006, P.L.109-163, as amended, and include copies to the HFAC and SFRC.
- Not later than 180 days after enactment of this Act, the Secretary of Defense shall conduct a thorough review of CERP and submit the results to the congressional defense committees.

Modification of Authority for Reimbursement of Certain Coalition Nations for Support Provided to United States Military Operations (Section 1223)

- Amends Section 1233, NDAA, FY 2008, P.L.110-181, by expanding the reimbursement authorities to include:
  - "(1) Logistical and military support provided by that nation to or in conjunction with U.S. military operations in Operation Iraqi Freedom or Operation enduring Freedom"
  - "(2) for logistical, military, and other support, including access, provided by that nation to or in connection with U.S. military operations in paragraph (1)"
- New subparagraph "(b) Other Support: Using funds described in subsection (a)(2), the Secretary of Defense may also assist any key cooperating nation support U.S. military operations in Operation Iraqi Freedom or Operation Enduring Freedom in Afghanistan through the following:
  - (1) The provision of specialized training to personnel of that nation in connection with such operations, including training of such personnel before deployment in connection with such operations.
  - (2) The procurement and provision of supplies to that nation in connection with such operations.
  - (3) The procurement of specialized equipment and the loaning of such specialized equipment to that nation on a nonreimburseable basis in connection with such operations."
- New subparagraph (c)(2) is amended as follows: "(2) - Support authorized by subsection (b) may be provided in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State and in consultation with the Director of the Office of Management and Budget, considers appropriate."
- New subparagraph (d)(1) is amended as follows: "The aggregate amount of reimbursements made under subsection (a) and support provided under subsection (b) during FY 2010 may not exceed $1,600,000,000."
- The appropriations, armed services, foreign affairs, and foreign relations committees are to be notified 15 days prior to making any such reimbursement or providing any such support.
  - Any reimbursement to Pakistan is to be made in accordance with later Section 1232 of this Act.

Pakistan Counterinsurgency Fund (Section 1224)

- The Pakistan Counterinsurgency Fund (PCF) shall consist of:
  - The PCF first authorized to the Secretary of Defense and funded at $400,000,000, to be available through FY 2010, by the *Supplemental Appropriations Act, 2009*, P.L.111-32
  - Any PCCF first authorized to the Secretary of State and funded at $700,000,000, to be available beginning 30 Sep 2010 and to remain available through FY 2011, also by P.L.111-32. The Secretary of State has the authority to transfer any of its PCCF to incorporated into the DOD PCF.
- The DOD PCF shall be available to the Secretary of Defense, with the concurrence of the Secretary of State, to provide assistance (including program management and the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction) to the security forces of Pakistan (including

military forces, police forces, and the Frontier Corps) to build and maintain the counterinsurgency capability of such forces, and of which not more than $4,000,000 may be available for humanitarian assistance to the people of Pakistan only as part of civil-military training exercises for such forces receiving assistance on this fund.

- The PCF may include amounts the PCCF transferred by the Secretary of State, with the concurrence of the Secretary of Defense, under any authority of the Secretary of State to transfer funds under any provision of law.
  - Any of these transferred funds shall be subject to any restriction relating to payments of LOAs (FMS cases) as a condition of the authority to transfer these funds, and merged with amounts in the DOD PCF and shall be made available for the same purposes, and subject to the same conditions and limitations, as amounts in the DOD PCF.

Program to Provide for the Registration and End-Use Monitoring of Defense Articles and Defense Services Transferred to Afghanistan (Section 1225)

- As was the case of Section 1228, NDAA, FY 2008, P.L.110-181, for establishing an End-use Monitoring (EUM) program for Iraq, the Secretary of Defense has 180 days after enactment of this Act to establish and carry out a program for Afghanistan and Pakistan to provide for the registration and EUM of defense article and defense services transferred in accordance with the FAA, the AECA, and using DOD funds to include the PCF. Retransfers by either country are prohibited without the consent of the U.S. government.
  - With a certification in writing that it is vital to U.S. interests, the Secretary of Defense may delay this deadline by an additional 120 days.
- No defense articles or services may be transferred to either country or any other organization or individuals in the two countries until the Secretary of Defense has certified to the armed services, foreign affairs, and foreign relations committees that the EUM is in place.
- The registration and EUM requirements for both Afghanistan and Pakistan transfers shall include:
  - Detailed records of the origin, shipping, and distribution of defense articles and services
  - The registration of provided small arms serial numbers
  - This process is to include transfers to the governments of Afghanistan and Pakistan, and any other groups, organizations, citizens, and residents in the two countries
- The Secretary of Defense shall periodically review the defense articles and services subject to these registration and EUM requirements to determine which ones, if any, should no longer be subject to these controls and report to the armed services, foreign affairs, and foreign relations committees the results of each review.
- The Secretary of Defense may also exempt a defense article or service from this control program beginning 30 days after the date the Secretary provides notice to these same committees of such proposed action.
- For the purposes of this Section, a defense article is defined by Section 644(d), FAA, defense service is defined by Section 644(f), FAA, and small arms are to include:
  - Handgun or pistol

- Should-fired weapon, including a sub-carbine, carbine, or rifle
- A light, medium, or heavy automatic weapon up to and including a .50 caliber machine gun
- A recoilless rifle up to and including 106mm
- A mortar up to and including 81mm
- A rocket launcher, man-portable
- A grenade launcher, rifle and should-fired
- An individually-operated weapon which is portable or can be fired without special mounts or firing devices and which has potential use in civil disturbances and is vulnerable to theft

Assessment and Report on United States-Pakistan Military Relations and Cooperation (Section 1231)

- The Secretary of Defense, in consultation with the Secretary of State, shall conduct an assessment of possible alternatives to reimbursement to Pakistan for logistical, military, or other support provided by Pakistan to or in connection with U.S. military operations, which would encourage the Pakistani military to undertake counterterrorism and counterinsurgency operations and achieve the goals and objectives for long-term U.S. and Pakistan military relations and cooperation.
- This report is to be provided not later than 180 days after enactment of this Act and submitted to the armed services, appropriations, foreign affairs, and foreign relations committees.

Report on Progress Toward Security and Stability in Pakistan (Section 1232)

- The President shall submit a report to Congress on the progress toward long-term security and stability in Pakistan to submitted concurrent with the report required by Section 1232, NDAA, FY 2008, P.L.110-181.
- This report shall address, at a minimum, the following:
  - Effectiveness of efforts to achieve the following goals:
    - To disrupt, dismantle, and defeat al Qaeda, its affiliated networks, and other extremist forces in Pakistan
    - To eliminate the safe havens, for such forces in Pakistan
    - To prevent the return of such forces to Pakistan or Afghanistan
  - Effectiveness of U.S. security assistance to Pakistan to achieve the above strategic goals
  - For any addressed strategic goal, a description of any additional goals and objectives, and the timelines for meeting such goals and objectives
  - Description of the metrics used to assess progress toward each goal and objective and along each timeline described above

Authority to Transfer Defense Articles and Provide Defense Services to the Military and Security Forces of Iraq and Afghanistan (Section 1234)

- The Secretary of Defense, with the concurrence of the Secretary of State, is authorized to transfer defense articles from DOD stocks, without reimbursement from the governments of Iraq or Afghanistan, and to provide defense services in connection with the transfer of such defense articles to:

    - Military and security forces of Iraq to support the efforts of those forces to restore and maintain peace and security in that country
    - Military and security forces of Afghanistan to support the efforts of those forces to restore and maintain peace and security in that country
- The aggregate replacement value of all defense articles and services to transferred under this authority may not exceed $750,000,000.
- These defense articles must have:
    - Were present in Iraq upon enactment of this Act
    - Immediately before the transfer, were in use to support operations in Iraq
    - Are no longer required by the U.S. forces in Iraq
    - Were present in Kuwait upon enactment of this Act
    - Prior to being transferred to Kuwait, were in use to support operations in Iraq
    - Are no longer required by the U.S. forces in Iraq or Kuwait
- Any defense articles transferred under this authority must in appliance with the authorities and limitations applicable to excess defense articles under Section 516, FAA, other than subsections 516(b)(1)(B) [prohibition of the use of DOD funds for the procurement of defense equipment], subsection 516(e) [prohibition of DOD funds for transportation], subsection 516(f) [required advance notification to Congress], and subsection 516(g) [limitation in annual aggregate value of transfer].
- The Secretary of Defense may not exercise this transfer authority until 30 days after a report on the plan, with the concurrence of the Secretary of State, is provided to the appropriate committees for the disposition of DOD equipment and other property in Iraq and Kuwait.
- The Secretary of Defense may not transfer defense articles or provide defense services under the authority of this section until 15 days after the date on which the Secretary, with the concurrence of the Secretary of State, has provided a specified notice to the appropriate committees of the proposed transfer.
- For the purposes of this Section, the appropriate committees include the armed services, appropriations, foreign affairs, and foreign relations committees.

SubTitle C – Other Matters

Report on the Impact of Drawdown Authorities on DOD (Section 1247)

- The Secretary of Defense shall annually through 31 Dec 2013 provide a report to the HFAC and SFRC on the impacts of drawdown authorities on the DOD. This report is to be included within the budget submitted pursuant to 31 U.S.C. 1105(a).
- Drawdown authority is defined to include:
    - Section 506(a)(1), FAA, for military purposes
    - Section 506(a)(2), FAA, generally for non-military purposes
    - Section 552(c)(2), FAA, for unforeseen emergencies
    - Any other substantially similar provisions of law
        - However, this is not to include the Section 1234 authority of this Act for transfers to Iraq and Afghanistan

Report on Potential Foreign Military Sales of the F-22A Fighter Aircraft (Section 1250)

- Not later than 180 days after enactment of this Act, the Secretary of Defense shall, in coordination with the Secretary of State and in consultation with the Secretary of the Air Force, submit a report to the HFAC and SFRC on potential FMS transfer of the F-22A aircraft.
- Also, the Secretary of Defense shall enter into an agreement with a federally funded research and development center to submit not later than 180 days after enactment of this Act a report to the same committees on the impact of FMS transfers of the F-22A on the U.S. aerospace and aviation industry, with advantages and disadvantages of such sales for sustaining that industry.

Sense of Congress Relating to Israel (Section 1253)

- The sense of Congress is expressed that:
  - Israel is one of the strongest allies of the U.S.
  - The U.S. remains vigorously committed to supporting Israel's welfare, security, and survival as a democratic state
  - Israel and the U.S. face common enemies
  - The U.S. should continue to provide critical security assistance needed to address existential threats

Title XIII – Cooperative Threat Reduction
Specification of Cooperative Threat Reduction Programs and Funds (Section 1301)

- For the purposes of Section 301 of this Act, Operation and Maintenance Funding, and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in Section 1501, NDAA, FY 1997, P.L.104-201.
- This program is sometimes referred to as the Nunn-Lugar Program.

Funding Allocations (Section 1302)

- Of the $424,093,000 authorized to be appropriated in FY 2010 to the DOD for the Cooperative Threat Reduction program, the following amounts may be obligated for the purposes specified:
  - Strategic offensive arms elimination in Russia – $66,385,000
  - Strategic nuclear arms elimination in Ukraine – $6,800,000
  - Nuclear weapons storage security in Russia – $15,090,000
  - Nuclear weapons transportation security in Russia – $46,400,000
  - Weapons of mass destruction proliferation prevention in the states of the former Soviet Union – $90,886,000
  - Biological threat reduction in the former Soviet Union – $152,132,000
  - Chemical weapons destruction – $3,000,000
  - Defense and military contacts – $5,000,000
  - New Cooperative Threat Reduction initiatives – $17,000,000
  - Activities designated as Other Assessments/Administrative Costs – $21,400,000
- Title II, *Department of Defense Appropriations Act*, 2010, P.L.111-118, 19 Dec 2009, appropriated the same $424,093,000 as authorized.

Title XIV – Other Authorizations - SubTitle A – Military Programs

Drug Interdiction and Counterdrug Activities, Defense-Wide (Section 1401)

- $1,054,234,000 is authorized to be appropriated to DOD for FY 2010 Drug Interdiction and Counterdrug Activities, Defense-Wide.

SubTitle C – Authorization of Additional Appropriations for Overseas Contingency Operations

Operation and Maintenance (Section 1509)

- Of the additional O&M funds authorized to be appropriated for FY 2010, $7,462,769,000 is for the ASFF.
  - Title IX, *Department of Defense Appropriations Act, 2010*, P.L.111-118, 19 Dec 2009, appropriated $6,562,769,000 for the ASFF.

Limitations on Availability of Funds in ASFF (Section 1510)

- FY 2010 funds appropriated to the ASFF shall be subject to the conditions contained in Sections 1513(b) through (g), NDAA, FY 2008, P.L.110-181.

Limitations on Iraq Security Forces Fund (Section 1511)

- FY 2010 funds made available to the DOD for the ISFF shall be subject to the conditions contained in Sections 1512(b) through (g), NDAA, FY 2008, P.L.110-181.
  - No FY 2010 funds have yet to be authorized or appropriated for the ISFF
  - However, $1,000,000,000 in FY 2009 funding was appropriated by Section 306, *Supplemental Appropriations Act, 2009*, P.L.32, 24 Jun 2009, to remain available through FY 2010

Drug Interdiction and Counterdrug Activities, Defense-Wide (Section 1515)

- $356,603,000 is authorized to be funded for the DOD Drug Interdiction and Counterdrug Activities, Defense-Wide.

Treatment as Additional Authorizations (Section 1519)

- The amounts authorized to be appropriated by this Title are in addition to amounts otherwise authorized by this Act.

***Department of Defense Appropriations Act, 2010,* Division A, P.L.111-118, 19 December 2009**

- Originally reported out of the HAC and SAC Appropriations Committees as HR 3326 with H.Rpt. 111-230 on 22 Jul 2009, and with S. Rpt. 111-74 on 10 Sep 2009, respectively. The House passed HR 3326 on 30 Jul 2010 with the Senate passing it with amendments on 6 Oct 2009. A conference report was never published; however, an equivalent explanatory statement was inserted into the *Congressional Record* on 16 Dec 2009. The House passed the final HR 3326 on 16 Dec 2009 and the Senate passed it on 19 Dec 2009. The legislation was ultimately enacted on 16 Dec 2009 as P.L.111-118. Later, the HAC issued an unnumbered and undated committee report with the joint explanatory statement in the *Congressional Record* in January 2010.
- As has been requested and even legislated in the past by Congress, this is the first annual DOD appropriations that contains funding for Southwest Asia and global terrorism operations which before was provided through later supplemental appropriations. However, a FY 2010 supplemental of at least $33,000,000,000 reflecting needed funding for the redeployment of troops and equipment from Iraq,

stepped up deployment of troops and equipment to Afghanistan, and humanitarian assistance for earthquake disasters is anticipated.

Division A – Department of Defense Appropriations - Title II - Operation and Maintenance
Operations and Maintenance, Defense-Wide

- $28,115,793,000 for the operation and maintenance of activities and agencies of the DOD, other than the MILDEPs. Not more than $50,000,000 of this funding may be used for the Combatant Commander Initiative Fund (CCIF) authorized by 10 U.S.C. 2411(1)(D).

Overseas Humanitarian, Disaster, and Civic Aid (OHDCA)

- $109,869,000 for expenses related to Overseas Humanitarian, Disaster, and Civic Aid (OHDCA) programs of the DOD authorized by 10 U.S.C. 401, 402, 404, 2557, and 2561 to remain available through FY 2011.

Cooperative Threat Reduction Account

- $424,093,000 for assistance to the republics of the former Soviet Union and, with appropriate authorization by the DOD and DOS, to countries outside of the former Soviet Union including assistance, provided by contract or by grants:
  - For facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons
  - For establishing programs to prevent the proliferation of weapons, weapons components, and weapons-related technology and expertise
  - For programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise
  - For defense and military contacts
  - Not less than $15,000,000 of this amount shall be available only to support the dismantling and disposal of nuclear submarines, submarine reactor components, and security enhancements for transport and storage of nuclear warheads in the Russian Far East and North.
- These funds are to remain available through FY 2012.

Title IV - Research, Development, Test and Evaluation, Defense-Wide

- $20,747,081,000 for expenses of activities and agencies of the DOD other MILDEPs to remain available for obligation through FY 2011.
  - Of which $2,500,000 of this amount shall be available only for the Missile Defense Agency to construct a replacement Patriot launcher pad for the Japanese Ministry of Defense.

Title VI - Other Department of Defense Programs
Defense Health Program

- $29,243,428,000 for expenses, not otherwise provided for, for medical and health care programs of the DOD as authorized by law.
  - Not less than $10,000,000 of this amount shall be available for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted primarily in African countries.

Drug Interdiction and Counterdrug Activities, Defense

- $1,158,226,000 for drug interdiction and counterdrug activities of the DOD for transfer to appropriations available to the DOD for military personnel of the reserve components serving under Titles 10 and 32 of the *U.S. Code*.
- These funds remain available for obligation for the same period and for the same purpose as the appropriation to which transferred.

Title VIII - General Provisions
Foreign National Employee Compensation (Section 8002)

- During FY 2010, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the U.S. shall not apply to DOD personnel.
- Salary increases granted to direct and indirect hire DOD foreign national employees funded by this act shall not be at a rate in excess of the percentage increase authorized by law for DOD civilian employees whose pay is computed under the provisions of 5 U.S.C. 5332, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher.
- This section shall not apply to DOD foreign service national employees serving at U.S. diplomatic missions whose pay is set by the DOS under the *Foreign Service Act of 1980*.
- The limitations of this provision shall not apply to DOD foreign national employees in the Republic of Turkey.

Humanitarian and Civic Action (Section 8012)

- Within the funds appropriated for the operation and maintenance of the armed forces, funds are hereby appropriated pursuant to 10 U.S.C. 401 for humanitarian and civic costs under 10 U.S.C. Chapter 20. Such funds may also be obligated for humanitarian and civic costs incidental to authorized operations and pursuant to 10 U.S.C. 401. These obligations shall be reported as required by 10 U.S.C. 401(d).
- Funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands (TTPI) and freely associated states of Micronesia pursuant to the Compact of Free Association authorized by P.L.99-239.
- When determined by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at army medical facilities located in Hawaii, the Secretary may authorize the provision of medical services at such facilities and transportation, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

Contributions from the Government of Kuwait (Section 8024)

- During FY 2010, DOD is authorized to incur obligations not to exceed $350,000,000 for purposes specified in 10 U.S.C. 2350j(c) in anticipation of receipt of contributions only from the government of Kuwait. Upon receipt of such contributions, the funding shall be credited to the appropriations or fund which incurred such obligations.

Congressional Defense Committees (Section 8028)

- For the purposes of this Act, congressional defense committees include the armed services committees of the House (HASC) and Senate (SASC) and the appropriations subcommittees for defense of the House (HAC-D) and Senate (SAC-D).

Assistance for the Democratic People's Republic of Korea (Section 8044)

- No funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of Korea unless specifically appropriated for that purpose.

Drug Interdiction or Counterdrug Activities (Section 8047)

- No funds available to DOD for any FY for drug interdiction or counterdrug activities may be transferred to any other U.S. department or agency except as specifically provided in an appropriations law.
- No funds available to the CIA for any FY for drug interdiction or counterdrug activities may be transferred to any other U.S. department or agency except as specifically provided in an appropriations law.

Defense Funding for the Transfer of Defense Articles or Services to another Country or International Organization (Section 8051)

- No FY 2010 DOD funds may be obligated or expended to transfer defense articles or services (other than intelligence services) to another nation or international organization for below specified activities unless the defense and foreign relations committees are notified 15 days in advance of the transfer.
  - The specified activities include any international peacekeeping, peace-enforcement or humanitarian assistance operation, or similar United Nations activities under an authority of the United Nation Security Council resolution or any other international peacekeeping, peace enforcement, or humanitarian assistance operation.
- This notification shall include a description of the transfer, value of the transfer, a statement whether the inventory requirements of all elements of the U.S. armed forces, including the reserve components, for the type of transfer have been met, and whether the items to be transferred will have to be replaced. If replacement is required, how does the President propose to provide the funds for such a replacement.

F-22A Advanced Tactical Fighter (Section 8059)

- No FY 2010 DOD funds may be used to approve or license the sale of the F-22A advanced tactical fighter to any foreign government.
- DOD may conduct or participate in studies, research, design and other activities to define and develop a future export version of the F-22A that protects classified and sensitive information, technologies and U.S. war fighting capabilities.

Procurement from Foreign Sources (Section 8060)

- The Secretary of Defense, on a case-by-case basis, may waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law, if determined that the application of the limitation with respect to that country would invalidate cooperative programs entered into between DOD and the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under 10 U.S.C. 2531, and the country

does not discriminate against the same or similar defense items procured in the U.S. for that country. This section applies with respect to:

- Contracts and subcontracts entered into on or after enactment of this Act
- Options for the procurement of items that are exercised after such enactment date under contracts that were entered into before such enactment if the option prices are adjusted for any reason other than the application of this waiver authority.

- This wavier authority does not exist for certain listed items.

Training with Foreign Security Force Units (Section 8061)

- No FY 2010 DOD funds may be used to support any training program involving a unit of the security forces of a country if the Secretary of Defense has received credible information from the DOS that the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.
- The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any such training, full consideration is given to all credible information available to the DOS relating to human rights violations by foreign security forces.
  - After consultation with the Secretary of State, the Secretary of Defense may waive this prohibition if determined such waiver is required by extraordinary circumstance.
  - Not more than 15 days after such waiver, the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, U.S. and foreign forces involved in the training, and the information relating to human violations that necessitated the waiver.

Israeli Cooperative Programs (Section 8076)

- $202,434,000 of the FY 2010 DOD funds appropriated under Research, Development, Test, and Evaluation, Defense-Wide shall be made available for the Israeli Cooperative Program.
  - $80,092,000 shall be for the Short Range Ballistic Missile Defense (SRBMD) program, including cruise missile defense research and development
  - $50,036,000 shall be available for an upper-tier component to the Israeli Missile Defense Architecture
  - $72,306,000 shall be for the Arrow Missile Defense Program, of which $25,000,000 shall be for producing Arrow missile components in the U.S. and Arrow missile components in Israel to meet Israel's defense requirements, consistent each nation's laws, regulations, and procedures
- These funds for the production of missiles and missile components may be transferred to appropriations available for the procurement of weapons and equipment, to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.
- This transfer authority is in addition to any other transfer authority in this Act.

Asia Pacific Regional Initiative Program (Section 8094)

- Up to $15,000,000 in funding appropriated under O&M, Navy may be made available for the Asia Pacific Regional Initiative Program for the purpose of enabling the Pacific Command to execute Theater Security Cooperation activities such as

humanitarian assistance and payment of incremental and personnel costs of training and exercising with foreign security forces.

- This funding made available for this purpose may be used, notwithstanding any other funding authorities for humanitarian assistance, security assistance, or combined exercise expenses.
- None of this funding may be obligated to provide assistance to a country that is otherwise prohibited from receiving such assistance under any other provision of law.

High Priority National Guard Counterdrug Programs (Section 8112)

- Up to $15,000,000 of the FY 2010 funds appropriated under Drug Interdiction and Counterdrug Activities, Defense shall be available for the purpose of High Priority National Guard Counterdrug Programs.
- This funding is to be in addition to any other amounts made available by this Act for that purpose.

Public Posting of Reports to Congress (Section 8114)

- Any agency receiving funds made available by this Act, shall post their public web site any report required by Congress in this or any other act [underlined emphasis added by this author] upon determination by the head of the agency that it shall serve in the national interest. This requirement shall not apply if:
  - The public posting of the report compromises national security
  - The report contains proprietary information
- The posting of any such report shall be done only after such report has been made available to the requesting committee or committees of Congress for no less than 45 days.

Allocation of Funds and Implementation of this Act (Section 8124)

- The explanatory statement regarding this Act printed in the House section of the Congressional Record on or about 16 Dec 2009 by the Chairman of the subcommittee on Defense of the HAC shall have the same effect with respect to the allocation of funds and implementation of this Act as if it were a joint explanatory statement of a committee of conference.

Title IX - Overseas Contingency Operations - Operation and Maintenance
Operation and Maintenance, Defense-Wide

- An additional $7,490,900,000 for O&M, Defense-Wide, to include:
  - Not to exceed amount of $12,500,000 for the Combatant Commander Initiative Fund (CCIF) for use in support of Operation Iraqi Freedom and Operation Enduring Freedom.
  - Not to exceed amount of $1,570,000,000 to remain available until expended for payments to reimburse key cooperating nations for logistical, military, and other support, including access provided to U.S. military operations in support of Operation Iraqi Freedom and Operation Enduring Freedom, notwithstanding any other provision of law.
    - Such reimbursements may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget (OMB), may

determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the U.S. accounting officers, and 15 days following notification of the appropriate congressional committees.

- These funds may be used for the purpose of providing specialized training and procuring supplies and specialized equipment and providing such supplies and loaning such equipment on a nonreimbursable basis to coalition forces supporting U.S. military operations in Iraq and Afghanistan, and 15 days following notification to the appropriate congressional committees.
- The Secretary of Defense shall provide quarterly reports to the congressional defense committees on the use of funds provided under this authority.

Afghanistan Security Forces Fund

- $6,562,769,000 for the ASFF to remain available through FY 2011 for the purpose of allowing the Commander, Combined Security Transition Command-Afghanistan, or the Secretary of Defense's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Afghanistan.
  - This is to include the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding.
  - The authority to provide this assistance is in addition to any other authority to provide assistance to foreign nations.
  - Contribution of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund and used for such purposes.
    - The Secretary of Defense shall notify the congressional defense committees in writing upon the receipt and upon the obligation of any contribution, delineating the sources and amounts of the funds received and the specific use of such contributions.
  - The Secretary of Defense shall, not fewer than 15 days prior to obligating from this appropriation account, notify the congressional defense committees in writing of the details of any such obligation.
- It should be noted that no FY 2010 appropriations were provided in this Act for the ISFF; however, it is reported that up to $1,000,000,000 will be requested within the FY 2010 supplemental. Any additional funding would likely require significant oversight similar to the above ASFF program.
  - Additionally, Section 306 of the *Supplemental Appropriations Act, 2009*, P.L.111-32, 24 Jun 2009, did provide for $1,000,000,000 for the ISFF to remain available through FY 2010.

Other Department of Defense Programs
Drug Interdiction and Counterdrug Activities

- An additional $346,603,000 to remain available through FY 2011.

General Provisions – This Title
Transfer of Funds (Section 9002)

- Authorizes the Secretary of Defense, with the approval of OMB and prompt notification to Congress, to transfer up to $4,000,000,000 between the appropriations

of funds available to the DOD when such action is necessary in the U.S. national interest.

Commanders' Emergency Response Program (Section 9005)

- Up to $1,200,000,000 of Operation and Maintenance, Army appropriated by this Act may be used, notwithstanding any other provision of law, to fund the Commanders' Emergency Response Program (CERP) for the purpose of enabling commanders in Iraq and Afghanistan to respond to urgent humanitarian relief and reconstruction requirements with their areas of responsibility.

Logistical Support to Coalition Forces (Section 9006)

- Funds available to DOD for operation and maintenance may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan.

Quarterly Report on the Use of Funds (Section 9010)

- Director, OMB, in consultation with the Secretary of Defense, Commander, USCENTCOM, Commander, Multi-National Security Transition Command – Iraq, and Commander, Combined Security Transition Command – Afghanistan, shall submit a detailed quarterly report not later than 45 days after the end of each quarter to the congressional defense committees on the proposed use of all funds appropriated by this any prior Act under the headings of ISFF, ASFF, and the PCF on a project-by-project basis, for which the obligation of funds is anticipated during the three month period from such date of the report, including estimates by the commanders referred to in this Section of the costs required to complete each such project.
- The Secretary of Defense shall notify the congressional defense committees of any proposed new projects or transfers of funds between sub-activity groups in excess of $20,000,000 suing funds appropriated by this Act or any other prior act under the headings of ISFF, ASFF, and PCF.

Division B – Other Matters

- No DOD or DOS, security cooperation funding or any related requirements are in this Division.

Conclusion

The article for FY 2010 included a summary of four pieces of legislation that impacted U.S. international programs especially those of security assistance and security cooperation. Any funding allocations were taken from the DOS provided congressional budget justifications for FY 2011 which included country and program funding levels for FYs 2009 and 2010.

The significant items within the S/FOAA were high funding levels for each program with several countries receiving more than $100,000,000 and major congressional reporting requirements especially required by the appropriations committees with a notable absence of requirements from the HFAC and SFRC.

The only stand-alone authorization legislation for foreign relations and assistance was the *Enhanced Partnership with Pakistan Act of 2009*. High funding levels of foreign affairs assistance and security assistance are authorized annually during FYs 2010 through 2014. However, very specific annual certifications from the Secretary of State, in coordination with the Secretary of Defense, are required by Congress prior to any obligation of funds for Pakistan. The certification generally includes, among other things, continued cooperation between the U.S. and Pakistan and ever-growing, successful efforts by Pakistan in counterinsurgency and counterterrorism operations against the al Qaeda and the Taliban and other terrorist organizations. The Secretary of State is directed to put financial management monitoring organizations into place for continuous oversight in the use of U.S. assistance.

The *National Defense Authorization Act for Fiscal Year 2010* generally extended the various security cooperation authorities to the end of FY 2010, limited the use of the "1206" authority, required the establishment of a registration and end-use monitoring program for the weapons provided by security cooperation to Afghanistan and Pakistan, and authorized the FY 2010- only grant transfer of in-theater U.S. defense equipment to Iraq and Afghanistan. Two of many required reports from the Secretary of Defense, with concurrence of the Secretary of State, included addressing the role of FMS in meeting Iraqi military and security requirements, and a report regarding the relationship between security cooperation and security assistance and an assessment of the effectiveness of the current U.S. organizations and processes in providing assistance to countries combating terrorism.

The *Department of Defense Appropriations Act, 2010*, continues to provide significant funding to security cooperation programs especially those in Southwest Asia. The Act, like the others, requires many reports to Congress furthering its oversight role. $6,562,769,000 was appropriated for the ASFF but the Iraq Security Forces Fund was not further funded.

A supplemental appropriation for security assistance is anticipated and Table Eight provides the known requests.

Table Eight
Fiscal Year 2010 Supplemental Security Assistance
($ in thousands)

Program	Funding
FMFP	$60,000
ESF	1,820,000
INCLE	757,440

Note: No additional funding for IMET, PKO, or NADR was announced.
Source: Department of State *FY2011 Congressional Budget Justification* (CBJ) *for Foreign Operations*

About the Author

Ken Martin has been at DISAM for over twenty years as an associate professor for the management of security assistance. In addition to teaching, his duties include being the legislation and policy functional manager and a contributing author for the annually republished DISAM "green textbook," *The Management of Security Assistance*. He is a retired U.S. Navy surface warfare officer. His education includes an undergraduate degree in the field of economics from the Illinois Institute of Technology in Chicago and a masters degree in administration from Central Michigan University.

United States Department of State, Fiscal Year 2011 International Affairs Request Executive Budget Summary

By
Hillary Rodham Clinton
Secretary of State

[The following is an excerpt from the 1 February 2010 Executive Budget Summary. It can be viewed in its entirety at: http://www.state.gov/documents/organization/135888.pdf.]

On behalf of President Obama, it is my pleasure to submit the Congressional Budget Justifications for the Department of State (DOS) and the U.S. Agency for International Development (USAID) for Fiscal Year (FY) 2011. This budget represents more than financial allocations. It represents new priorities, new approaches, and a renewed commitment to use the resources of the State Department and USAID smartly and strategically to get the best possible results for the American people.

Our work is ambitious. Our times demand nothing less. We are working with partners around the world to bring stability to volatile regions, reverse the spread of violent extremism, stabilize the global economy, decrease extreme poverty, demolish transnational criminal networks, fulfill President Obama's vision of a world without nuclear weapons, stop health pandemics, and address the threat of climate change.

These are serious challenges. They also represent opportunities for the United States to provide critical leadership, strengthen existing partnerships, forge new ones, advance stability, prosperity, and opportunity for more of the world's people and, in doing so, to protect our own security, promote our interests, and lay the foundation for a more peaceful and prosperous future.

We at the State Department and United States Agency for International Development (USAID) are ready and eager to take the lead in carrying out the President's foreign policy agenda. Indeed, our work has already begun. In the year since I was sworn in as Secretary of State, our agencies have:

- Increased our efforts in Iraq, Afghanistan, and Pakistan;
- Launched strategic initiatives to address food security, global health, and climate change and to promote global engagement; and
- Begun a full-scale review of how we do business as we rebuild our workforces, both at State and USAID.

We are committed to ensuring that we spend our resources wisely, make the most of our people's talent, and maximize the impact of every dollar we spend. This budget reflects that commitment.

Our Request

We are seeking funding in the amount of $52.8 billion, which breaks down to $16.4 billion for State operations and $36.4 billion for foreign assistance. The majority of our proposed increase is dedicated to the critical frontline states of Iraq, Afghanistan, and Pakistan, which demand significant and costly attention. They represent a 7.5 percent increase in funding above FY 2010. The remaining growth, a 2.7 percent increase above FY 2010 levels, covers all the rest of our global efforts, as well as our operational infrastructure. The request does not include additional funding that will be required

to address the devastating impact of the earthquake in Haiti. We are continuing to assess long-term requirements at this time.

This *Congressional Budget Justification* (CBJ) serves two other purposes as well:

> It is the *Annual Performance Report for Fiscal Year 2009* and the *Annual Performance Plan for Fiscal Year 2011*.

Both volumes of the CBJ contain performance summaries and have performance information integrated throughout, to support our budget request. The performance data presented herein are complete and reliable in accordance with the guidance from the Office of Management and Budget. We recognize that, in these tough economic times, it is critical that we hold spending to a minimum. And we have done so. In preparing this budget, our staff found all the savings they could and then we sent them back to find more. I submit this budget with confidence that it reflects our best efforts to save money while still providing the resources we need to succeed in our efforts around the world. Let me briefly describe the work this budget will make possible.

Frontline States

Today, nearly seven years since the war in Iraq began; the drawdown of U.S. troops is underway. We are shifting from a military mission to one run by civilians. Accordingly, the work of the DOS and USAID is significantly increasing. This budget request includes a total of $2.6 billion to support U.S. Government programs and a staff of over 570 employees in Iraq. Our diplomats are working closely with the Iraqi government to strengthen democratic institutions and ensure that the upcoming elections proceed smoothly and safely. Our development experts are working to promote economic development, strengthen the agriculture sector that provides the majority of Iraqi citizens with livelihoods, and increase the local and national governments' capacity to provide essential services.

In Afghanistan, our civilian mission is also growing. As we prepare to send 30,000 new troops, we are also tripling the number of civilians on the ground. Our diplomats and development experts play a critical role in securing the progress made by our military and building a path to stability. Poverty and weak governance have contributed to the instability in Afghanistan; addressing these vulnerabilities is vital to the long-term success of any effort in that country.

Pakistan is also a focus of our civilian efforts, as violent insurgents continue to concentrate their efforts along the border with Afghanistan and launch deadly attacks against the Pakistani people. We seek to support Pakistan's democratic government as it works to stop the violence, strengthen the rule of law, and provide services, especially electricity to its people. The insurgents' threat will lessen as the government is seen to deliver the building blocks for better lives.

In these frontline states, our country's military efforts have dominated the headlines but our civilian efforts are of central and growing importance. This budget captures that reality, as well as the significant cost associated with deploying the appropriate staff and providing the security necessary to protect our civilians and to permit them to operate effectively.

Targeted Investments

We are shifting our focus toward making targeted investments in a few key areas of convergence that is, fields that play a central role in the overall prosperity and stability of a country and region.

The first is food security. We have committed to invest at least $3.5 billion over three years in partner countries where agriculture plays a strong role in the economy, where under-nutrition levels

are high, and where we see an opportunity for our investments to make an impact. By offering technical support and making strategic investments across the entire food system — from the seeds that farmers plant to the markets where they sell their crops to the homes where people cook and store their food — we can help countries create a ripple effect that extends beyond farming and strengthens the security and prosperity of whole regions.

The second is health. Through our new Global Health Initiative, the United States will invest $63 billion over six years to help fight and prevent infectious disease, reduce child and maternal mortality, and increase family planning and nutrition services. Building upon the historic gains in global health launched by President Bush, this initiative will expand partner country efforts to strengthen their health systems. By focusing on building capacity along with supporting delivery of services, the U.S. Government will help to promote sustainable programs that expand access to quality, integrated health care for more people with our partner countries.

The third is climate change. This global crisis has left its mark on many countries in the form of floods, droughts, and devastating storms, all of which further poverty, foster instability, and hold back progress. As part of our efforts to meet the climate challenge, the United States has committed to provide its fair share of prompt start financing approaching $30 billion over the next three years for mitigation and adaptation. This includes the mobilization of $1 billion between 2010-2012 for programs that will reduce emissions caused by deforestation and other land use activities. The FY 2011 foreign assistance request includes $200 million toward this goal, along with $147 million in multilateral contribution from the Department of Treasury. All told, the DOS, USAID, and the Department of Treasury are requesting nearly $1.4 billion for core global climate change assistance in FY 2011. That is more than four times the level of assistance in FY 2009 a reflection of the urgency of and broad support for this effort and a first step in our longer term effort to finance solutions to support necessary international policies and programs to solve climate change.

The fourth is global engagement. In his speech in Cairo in June 2009, President Obama called for a new beginning in the U.S. relationship with the Muslim world. This is critical to our ability to address global challenges in a spirit of understanding, cooperation, and peace. The DOS and USAID are working to realize the President's vision through our foreign assistance efforts. This budget includes seed funding for new programs that expand economic opportunity through job creation and entrepreneurship, foster scientific and technological innovation, empower women, support youth, advance education, and strengthen people-to-people connections.

Through these programs, we seek to get the biggest bang for our buck by catalyzing a self-reinforcing cycle. By investing in our partner countries' long term progress and supporting plans that they design and take the lead in implementing, we seek to break the cycle of dependence that aid can create. Rather than delivering services ourselves, we will help countries build their own capacity to deliver services through strong, transparent, accountable institutions.

Putting women front and center is at the core of all of these efforts. Women are critical to advancing social, economic, and political progress. They are also a terrific return on investment: numerous studies have shown that when women receive schooling or the boost of a small loan, they flourish, their children flourish, and so does the greater community.

And we are abiding by a new focus on results. To keep moving in the right direction, we must measure our progress — not simply by tallying the numbers of programs we run, but the lasting

change that those programs help achieve. We must share the proof of our progress with the public and have the courage to rethink our strategies if we fall short.

Rebuilding Our Workforce

To carry out our work around the world, we need talented, well-trained, committed people. And we have them, but not in sufficient numbers. The global workforce of the DOS and USAID is simply too small for all that we have asked of them. We lack expertise in key areas; and, as a result, we have come to rely too heavily on contractors to do our work, often with too little oversight.

The FY 2011 budget keeps USAID on the path toward its goal of doubling the number of Foreign Service Officers (FSOs); we are requesting resources to add another 200 Foreign Service Officers to our global workforce. At the DOS, we will fill most of the more than 1,000 vacancies worldwide in FY 2010. The funding requested in the FY 2011 budget will help us build towards a 25 percent increase in FSOs from 2008 levels, which we hope to achieve by the end of 2014.

This increase in our staff will provide a greater depth of expertise in key areas at our overseas posts and substantially enhance our language training program, a critical element of our success. This budget will also provide the resources to fully staff the 2,000-member standby element of the Civilian Reserve Corps to enhance our civilian capacity to respond quickly to crises around the world.

These are challenging times. The DOS and USAID are ready to meet those challenges. Our strategies are designed to help achieve key national priorities while building the foundation for lasting global progress. Our work this year will not be easy, but it will be worth doing because it will yield real results for the American people and the people of the world.

We look forward to working with you to make the best use of our nation's resources to help achieve a peaceful and prosperous world.

International Security

Department of Defense and Department of State Need to Improve Sustainment Planning, Monitoring, and Evaluation for Section 1206 and 1207 Assistance Programs

Highlights of GAO-10-431, A Report to Congressional Committees

For Section 1207, unless the Department of Defense (DOD) and Department of State (DOS) resolve the issues the Government Accountability Office (GAO) identified, including duplication, the Congress should consider not reauthorizing this program and instead appropriating funding to DOS and United States Agency for International Development (USAID). For Section 1206, GAO recommends that DOD:

- Establish a monitoring and evaluation system
- Base sustainment funding decisions on assessment of results
- Estimate sustainment costs and seek funding commitments from partner nations
- Seek guidance from the Congress on how to sustain projects. DOD concurred

What Government Accountability Office Found

Sections 1206 and 1207 programs have generally been consistent with U.S. strategic priorities. The Section 1206 program was established to build the military capacity of foreign countries to conduct counterterrorism and stabilization operations. DOD and DOS have devoted 82 percent of this program's funds to address specific terrorist threats, primarily in countries the U.S. intelligence community has identified as priorities for the counterterrorism effort. The Section 1207 program was established to transfer DOD funds to DOS for nonmilitary assistance related to stabilization, reconstruction, and security. DOD, DOS, and USAID have devoted 77 percent of this program's funds to countries at significant risk of instability, mostly those the United States has identified as vulnerable to state failure.

Based on agency guidelines, the Section 1206 program is generally distinct from other programs, while the Section 1207 program is not. In most cases, Section 1206 projects addressed urgent and emergent counterterrorism and stabilization priorities of combatant commanders and did so more quickly than other programs, sometimes in a year, whereas Foreign Military Financing (FMF) projects can take up to three years to plan. DOD and embassy officials GAO spoke to consistently explained why projects do not overlap those of FMF and other programs, although project proposals GAO reviewed did not always document these distinctions. Section 1207 projects are virtually indistinguishable from those of other foreign aid programs in their content and time frames. Furthermore, the Section 1207 program has entailed additional implementation costs and funding delays beyond those of traditional foreign assistance programs, while the 1206 program has not.

The uncertain availability of resources to sustain Section 1206 projects poses risks to achieving long-term impact. Enabling nations to achieve sustainable counterterrorism capabilities is a key U.S. policy goal. The long-term viability of Section 1206 projects is threatened by:

- The limited ability or willingness of partner nations to support new capabilities, as 76 percent of Section 1206 projects are in low- or lower-middle-income countries
- U.S. legal and policy restrictions on using FMF and additional Section 1206 resources for sustainment

In contrast, sustainment risks for Section 1207 projects appear minimal, because DOS, USAID, and DOD are not restricted from drawing on a variety of overlapping funding sources to continue them.

DOD and DOS have incorporated little monitoring and evaluation into the Section 1206 and 1207 programs. For Section 1206 projects, the agencies have not consistently defined performance measures, and results reporting has generally been limited to anecdotal information. For Section 1207 projects, the agencies have defined performance measures and DOS requires quarterly reporting on project implementation. However, DOS has not fully analyzed this information or provided it to DOD to inform program management. As a result, agencies have made decisions to sustain and expand both Section 1206 and 1207 projects without documentation of progress or effectiveness.

Keeping Foreign Corruption Out of the United States

By
David T. Johnson
Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs

[The following are excerpts from a statement before the Senate Committee on Homeland Security and Governmental Affairs Permanent Subcommittee on Investigations, Washington, DC, February 4, 2010.]

Corruption Transcends Borders

In 1968, Martin Luther King said:

> We are tied together in the single garment of destiny . . . And whatever affects one directly affects all indirectly.

Those words could not be truer of the impact of global corruption, which threatens several vital U.S. national interests while at the same time it threatens the integrity and prosperity of developing states. Corruption hampers U.S. international trade, affecting the ability of U.S. companies to do business abroad, which in turn erodes U.S. jobs. In some countries, large government contracts are awarded on the basis of bribes rather than merit. U.S. companies are believed to have lost out on business opportunities worth about $27 billion in the past year alone because they refused to violate honest business practices. Some have abandoned markets altogether, while some unscrupulous competitors take advantage of the corrupt environment to gain control of strategic markets and materials.

Corruption undermines humanitarian and development goals, as it diverts resources away from productive activities that foster sustainable development. The World Bank has identified corruption as the single greatest obstacle to economic and social development. Diversion of resources through corruption robs communities of investments in schools, hospitals, and other areas critical to their hopes and futures. The African Union and the African Development Bank estimate that corruption costs Africa more than $148 billion a year. Corruption has a similarly catastrophic impact on development in communities in other parts of the world.

Corruption undermines the trust and confidence of citizens in the fairness and impartiality of public administration, and weak governments are made weaker by widespread corruption. In a world where stable partnerships are necessary to advance U.S. interests, corruption can destabilize geopolitically important partners. Notable examples include Kenya and Thailand, where corruption has fueled incidents of political instability over the last decade. Corruption can also undercut stabilization efforts in emergent states and post-conflict situations by robbing needed capital, deterring investment, eroding support for the government, and siphoning off development assistance. An October 2007 Government Accountability Office report on stabilizing and rebuilding Iraq concluded that pervasive corruption in Iraqi ministries has impeded the effectiveness of U.S. efforts there.

Effects on the Homeland

Poor governance and corrupt officials wittingly or unknowingly enable criminals, insurgents, and terrorists to operate with impunity in many parts of the world. Criminal entrepreneurs use corruption to launder embezzled public funds and smuggle billions of dollars of illegal goods, drugs,

arms, humans, natural resources, counterfeit medicines, and pirated software. This can overwhelm and corrupt law enforcement institutions and can fuel insecurity and endanger the welfare and safety of our families. The convergence of crime, corruption, and weak governments often can devolve into the failed states and ungoverned spaces that provide a foothold for terrorists.

United States Efforts: Putting Kleptocrats on Notice

The DOS stands strong against kleptocracy and those who profit from it, reflecting the strong U.S. commitment to combat corruption. In his July 2009 speech in Accra, President Obama said,

> No country is going to create wealth if its leaders exploit the economy to enrich themselves or if police can be bought off by drug traffickers . . . People everywhere should have the right to start a business or get an education without paying a bribe. We have a responsibility to support those who act responsibly and to isolate those who don't, and that is exactly what America will do.

The United States has long been a leader in the fight against corruption. We led the way in 1977 with our Foreign Corrupt Practices Act criminalizing international business bribery. In 1997, the U.S. pressed this agenda forward and secured the agreement of our Organization for Economic Cooperation and Development (OECD) partners, representing the vast majority of global exports , to also criminalize bribery of foreign public officials in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the OECD Anti-Bribery Convention). This followed President Clinton's directive in 1995 declaring organized crime and corruption a threat to U.S. national security.

U.S. leadership in the fight against corruption has been on fast forward during the past decade. The United States successfully negotiated the first comprehensive, near global treaty against corruption, the United Nations Convention against Corruption (UNCAC). This convention not only obligates 143 States Parties to criminalize the bribery of foreign public officials as required by the OECD Antibribery Convention, but complements and goes beyond the OECD instrument by covering a much broader range of offenses. It requires criminalization of other corrupt conduct, including money laundering, and contains groundbreaking road maps for measures to prevent corruption and to recover assets illicitly acquired by corrupt leaders. Almost as important as setting near global rules to bring the rest of the world up to U.S. standards, UNCAC establishes an international framework for countries to cooperate through mutual legal assistance and mechanisms to expand extradition to fight corruption. The U.S. Government supports and promotes implementation of the UNCAC in programs and initiatives throughout the world.

In UNCAC context, we are at the implementation stage, whereas our OECD Convention efforts are now focused on enforcement. The OECD Convention, adopted in 1997 and now with 38 "like minded" parties, has a review mechanism that is both further developed and more detailed. The United States has been a leader in the OECD monitoring process: U.S. participation in the mechanism has centered on promoting enforcement by the other parties, all of which now have laws criminalizing the bribery of foreign public officials. While the OECD's mechanism is more established, as that convention entered into force in 1999, the States Parties to the UNCAC, which entered into force only in 2005, are catching up. Last November in Doha, the Third Conference of States Parties agreed to establish a review mechanism for the UNCAC, a rare accomplishment for a United Nations instrument. The United States continues to lead in this area: Bureau of International Narcotics and Law Enforcement Affairs (INL) is now working closely with the United Nations Office of Drugs

and Crime to ensure that the UNCAC review mechanism gets off to an early and ambitious start this summer. U.S. negotiators at Doha also brought together a wide coalition of countries to agree to a framework to support implementation of the Asset Recovery chapter of UNCAC. We are on the bureau of countries that guide the Conference of States Parties process.

In many cases, however, countries lack capacity to implement anticorruption reform, including their convention commitments. There is a consequent need to share good practices, including:

- Establishing preventive measures within their government structures
- Criminalizing corrupt conduct as required by the conventions
- Engaging in cooperation to prosecute offenders and return stolen assets

As a result, the INL Bureau, in partnership with other agencies such as the Departments of Justice, Treasury, and Commerce, supports a wide range of technical assistance on anticorruption and rule of law and on closely related areas such as:

- Investigative and prosecutorial capacity
- Anti-money laundering
- Justice sector reform
- Oversight bodies
- Integrity
- Accountability
- Appropriate transparency in the justice sector

These bilateral efforts include for example programs in Afghanistan, Iraq, and Mexico. The department also supports several regional efforts in the Middle East-North Africa, Asia-Pacific, Europe, and Eurasia regions. Although funding is scarce for regional programs, they are an important complement to bilateral programs. These efforts are complemented by USAID programs to promote good governance, transparency and accountability mechanisms in public administration, rule of law, public financial management systems, and civic participation and civil society oversight.

Through the efforts of the DOS and other agencies, the United States has also helped build and sustain political will to tackle the issue of corruption. The United States inaugurated the Global Forum series of anticorruption ministerial meetings, which helped launch the UNCAC. We have worked with Group of Eight (G-8) [Canada, United Kingdom, France, Russia, Japan, Germany, Italy, and the United States] partners since the 2003 Evian Summit, and now Group of 20 [G-20 - Argentina, Auatralia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, Republic of Korea, Turkey, United Kingdom, United States and European Union] partners, to adopt a wide variety of commitments and individual actions to address corruption. The Department of State leads the interagency engagement in the Extractive Industries Transparency Initiative, which the U.S. helps sponsor, to promote transparency in financial management in natural resource-rich countries.

The reality is that corrupt individuals continue to prosper and many seek to enjoy their illicit gains in other countries. For this reason, the United States and its international partners have committed to denying safe haven to corrupt officials, those who corrupt them, and their assets.

To effectuate No Safe Haven, the department regularly revokes and denies visas to corrupt individuals. Under the *Immigration and Nationality Act* (INA), the department has the authority

to deny or revoke an individual's visa for dozens of reasons, such as conviction of a crime of moral turpitude or abetting trafficking in illegal substances. While the department does not specifically track the number of corrupt officials denied under such ineligibilities, we estimate that thousands of corrupt officials have been the subject of derogatory visa actions since 2004. These actions occur in the field, applied by thousands of consular officers; and they have had an important impact in denying the corrupt access to the U.S.

However, prior to January 2004, that arrangement left a serious loophole, in that the U.S. had no legal authority to deny entry of known corrupt officials in the absence of a conviction or proof of other grounds for exclusion. Presidential Proclamation 7750 (PP 7750) was issued in January 2004 to provide specific legal authority for U.S. officials to deny entry to corrupt officials, those who bribe them, and certain family members of either group who have demonstrably benefited from the corruption in question, when that corruption has had serious adverse effects on specified U.S. interests. We have found it an extremely useful policy tool to deny safe haven to those corrupt actors who do not fall within previous visa denial authorities. PP 7750 and its companion piece Section 7084 in the annual State and Foreign Operations Appropriations Act, which targets natural resource-related corruption is a highly focused instrument that is directed at those most culpable without disadvantaging the citizens they have already victimized when no other INA provision is available. In applying PP 7750, we give due deference to U.S. law enforcement interests so as to avoid interference with ongoing investigations. Although Section 222(f) of the INA precludes public announcement of visa decisions, the affected individuals in PP 7750 cases often make this information known, resulting in highly favorable public affairs reaction abroad.

International Corruption and the Financial System

Those with a prominent public function, or who are closely related to such people, present a risk for potential involvement in bribery and corruption and, for financial institutions, pose a potential compliance risk. The financial industry refers to these clients as Politically Exposed Persons (PEP) and subject[s] accounts belonging to such individuals to additional oversight and monitoring.

The DOS supports the G-20 ongoing Financial Action Task Force (FATF) project on corruption, which examines the use of FATF standards to detect and deter the proceeds of corruption including examining whether the FATF recommendations on customer due diligence, beneficial ownership, and transparency should be strengthened. The department works closely with its interagency partners, as well as the World Bank (which is working with FATF on the project) on these and related issues, and in general supports the five principal recommendations the World Bank has made in this area. These recommendations include enhanced due diligence for both domestic and foreign PEPs, declarations of beneficial ownership, provision of financial disclosure forms, periodic review of PEP accounts, and not limiting status as a PEP to a fixed period. All are designed to ensure financial institutions are better able to prevent and detect illicit activities that may be occurring through their accounts, including corruption.

Beyond identifying corrupt actors and prohibiting their travel to the United States, the DOS works tirelessly to ensure that corrupt officials do not benefit from their theft and corruption. As an example, our government worked closely with international partners to draft the innovative provisions of the UNCAC regarding recovery of the proceeds of corruption. We continue to develop the policy agenda on that issue, including through the UNCAC Conference of States Parties, the World Bank's Stolen Assets Recovery Initiative, and FATF. To complement INL's related technical assistance, we launched

an Asset Recovery Advisor Program last year with the U.S. Department of Justice, which we hope to expand.

Through our collaboration with U.S. law enforcement and foreign authorities, we have worked to confront the significant evidentiary and legal challenges that confront the investigation of kleptocracy. Elaborate money laundering structures involving multiple trusts and shell corporations in several different jurisdictions can complicate our efforts to identify beneficial ownership, trace criminal proceeds, and uncover the sometimes underlying criminal conduct. Where foreign officials or their cronies remain in positions of influence in the country victimized by corruption, we frequently face even greater impediments to investigative success.

The issues raised by the committee remain top priorities for the INL Bureau, the DOS, and our interagency partners. The Administration is committed to engaging internationally to combat corruption — including international business bribery, kleptocracy, and abuse of the international financial system. Given the success of visa denial and revocation and its potential for even greater impact, I have the pleasure to convey to the committee that, complementing the other efforts I have described above, I am increasing staff resources within the INL Bureau devoted to the application of the PP 7750 and related authorities for the second time in the past 12 months.

United States Department of Defense Quadrennial Defense Review

[The following is the introduction portion from the subject report. The entire document can be viewed at: http://www.defense.gov/qdr/QDR%20as%20of%2029Jan10%201600.pdf. The Department of Defense (DOD) conducted the 2010 Quadrennial Defense Review (QDR) from February 2009 through January 2010.

From the outset, this QDR aimed at advancing two objectives. The first was to further rebalance the capabilities of the U.S. armed forces and institutionalize successful wartime innovations to better enable success in today's wars while ensuring that our forces are prepared for a complex future. Not only will the outcome of the conflicts in Afghanistan and Iraq shape the security environment for decades to come; but the character of these wars — with enemies hiding among populations, manipulating the information environment, and employing a challenging mix of tactics and technology — will be an important part of the future spectrum of conflict. The second objective was reform: For too long we have been slow to adapt our institutions and processes to support the urgent needs of our men and women in harm's way. From strategy and policy development to personnel and acquisition processes, it is imperative to further reform how we do business.

This QDR was strategy-driven. It began with an assessment of the emerging security environment and the many ways in which the U.S. armed forces may be called on to protect and advance the nation's interests. The department used the *2008 National Defense Strategy* and the strategic precepts of the President's fiscal year (FY) 2010 defense budget as touchstones for this assessment. It then worked closely with the White House, other departments and agencies, and key allies to refine its approach, ensuring consistency with the President's national security priorities and the Administration's major security reviews.

These efforts made clear that the United States and its allies and partners face a complex and uncertain security landscape in which the pace of change continues to accelerate. The rise of new powers, the growing influence of non-state actors, the spread of weapons of mass destruction and other destructive technologies, and a series of enduring and emerging socioeconomic trends will continue to pose profound challenges to international order.

America's leadership in this world requires a whole-of-government approach that integrates all elements of national power. Agile and flexible U.S. military forces with superior capabilities across a broad spectrum of potential operations are a vital component of this broad tool set, helping to advance our nation's interests and support common goals. The United States remains the only nation able to project and sustain large-scale combat operations over extended distances. This unique position generates an obligation to be responsible stewards of the power and influence that history, determination, and circumstance have provided.

To help defend and advance our national interests, the DOD must balance resources and risk among four priority objectives: prevail in today's wars, prevent and deter conflict, prepare to defeat adversaries and succeed in a wide range of contingencies, and preserve and enhance the all-volunteer force.

In balancing resources and risk, the QDR recognized the current fiscal challenges facing the United States and made difficult tradeoffs where these were warranted. The QDR's goals in these

four areas are well funded in the FY 2011 budget, providing sufficient resources to successfully execute the full range of missions called for in our strategy.

In order to determine the mix of military capabilities best suited to supporting the nation's defense strategy, the QDR was analytically grounded. The Secretary, advised by other senior civilian and military leaders within the department, reviewed, modified, and endorsed a set of scenarios that the QDR used to help evaluate current and potential future forces. The analysis also focused heavily on assessing the needs of Commanders and forces in the field today, principally in Afghanistan and Iraq, in order to ensure that the department's leaders had a clear picture of the demands of ongoing operations.

The QDR analysis strongly suggested that the department must further rebalance its policy, doctrine, and capabilities to better support the following six key missions:

- Defend the United States and support civil authorities at home
- Succeed in counterinsurgency, stability, and counterterrorism operations
- Build the security capacity of partner states
- Deter and defeat aggression in anti-access environments
- Prevent proliferation and counter weapons of mass destruction
- Operate effectively in cyberspace

Although these missions do not encompass the totality of ways in which our armed forces serve, they are areas of particular need that require attention today and into the future.

Through the QDR, the department developed and evaluated proposals for addressing gaps and shortfalls in the capabilities of the force. Once these proposals were vetted and their costs determined, the Secretary issued planning guidance to DOD components. This QDR guidance drove the development and review of the FY 2011 budget proposal and the department's *Future Years Defense Plan* (FYDP) *FY 2011–2015*. In some cases the resulting investments serve as a down payment on capabilities that may not come to fruition for several years.

Beyond directing specific shifts in the capabilities required to accomplish the above missions, the QDR also considered the aggregate military capacity needed to prevail in a series of overlapping operations of varying character and intensity. The QDR force-sizing and force-shaping construct differentiates between current commitments and plausible future requirements and forms the basis for determining the appropriate type and range of the main elements of U.S. force structure necessary to meet the needs of the defense strategy.

It is evident that years of war have imposed considerable strain on the all-volunteer force. Multiple long deployments are taking a significant toll on our people. Given the requirements of Afghanistan, Iraq, and other operations, the department remains deeply committed to constantly assessing the health of the force. We will do all we can to ensure that our people are as prepared as possible for their wartime service while working to lessen the burden shouldered by our personnel and their families — the most important pillar of America's defense.

Part of the department's obligation to defend and advance U.S. interests while taking care of our people is the imperative to reform how it does business. The department is working to help build a whole-of-government approach to the provision of security assistance, improving our defense acquisition and logistics processes to better support our personnel in harm's way, strengthening our

technology and industrial bases to facilitate innovation, and crafting a strategic approach to climate and energy challenges.

Given the complex security environment and the range of missions, capabilities, and institutional reforms necessary to protect and advance U.S. interests, the QDR highlights the importance of revitalizing defense relationships with allies and partners in key regions. An important element of revitalizing key relationships is the need to craft an approach to the U.S. defense posture that emphasizes cooperation with allies and partners and re-tailoring military forces, facilities, and defense agreements across regions.

This QDR benefited from extensive engagement with key stakeholders. As the QDR generated insights and interim findings, these were shared with and reviewed by a wide range of experts, both within DOD and beyond. Over the course of the review, QDR staff consulted with and briefed congressional staff as well as representatives of allied and other governments. DOD officials also engaged with their counterparts elsewhere in the U.S. Government to further the kind of integrated security approaches long advocated by the President, Secretary of Defense, and Secretary of State. For example, Defense leaders and staff worked closely with the Departments of State and Homeland Security, as well as the Intelligence Community, as they undertook their Quadrennial Diplomacy and Development Review, Quadrennial Homeland Security Review, and Quadrennial Intelligence Community Review respectively, sharing insights regarding analysis, key missions, capabilities, and plans in overlapping issue areas.

This QDR report and the preceding months of deliberation served two purposes: first, to establish the department's key priority objectives, providing context and recommendations regarding capability development and investment portfolios, and second, to communicate the Secretary's intent for the next several years of the department's work. The QDR thus serves as a critical capstone document, shaping how the Department of Defense will support America's men and women in uniform today and building the policy and programmatic foundation for security in the years to come.

Landon Lecture Series Remarks

By
Admiral Mike Mullen, USN
Chairman of the Joint Chiefs of Staff

[The following are excerpts of remarks made by the Chairman at Kansas State University, Manhattan, Kansas, Wednesday, March 3, 2010.]

During the Cold War, it was largely the strategy of containment that dominated our thinking — the notion that military force, or more importantly, the threat of military force was best applied in preventing the spread of communism through nuclear deterrence and/or conventional alliances. So came our nuclear triad and the theory of mutually assured destruction and the advent of the North Alantic Treaty Organization (NATO).

During World War II, we followed a doctrine very much akin to that used by General Grant in the Civil War — attrition of the enemy force. To accomplish this, however, we needed also to attack the enemy population's will to fight. And so came the bombings of Dresden and Hiroshima and Nagasaki — on and on. Farther back in our past, we could go from the trench warfare of World War I to the limited conventional war we fought against Spain in 1898, to the unconventional wars we fought against the Barbary Pirates in the early 1800s.

Each era has something to teach, for there is no single defining American way of war. It changes over time; and it should change over time, adapting appropriately to the most relevant threats to our national security and the means by which that security is best preserved. As the godfather of theory himself, Carl von Clausewitz, once observed, war is but an instrument of policy, beholden to it. And because policies change, the conduct of war must also change.

We have, as a nation, been at war continuously over the last nine years. Indeed, you could argue that your military has actually been engaged in combat operations since 1990, when we fought Desert Storm and then stayed around to enforce sanctions and no-fly zones against Saddam. The enemies we faced in that time have certainly varied. We quickly deposed the Taliban from power shortly after the attacks of 9/11 and then went on to defeat the Ba´athist forces of Saddam's regime, later struggling to throw back a rampant Sunni insurgency.

Today, the wars in Iraq and Afghanistan have generally become a fight against a syndicate of Islamic extremists led by al Qaeda and supported by a host of both state and non-state actors. The epicenter of this fight remains, in my view, the border area between Afghanistan and Pakistan, where not only does al Qaeda's leadership plot and plan to attack America, but also where a new collection of like-minded extremist groups partner together to support them and to further destabilize the entire region.

In other words, these wars also have changed in character. I have watched and advised two Administrations as they have dealt with this struggle. And I have come to three conclusions, three principles, about the proper use of modern military forces. The first is that military power should not be the last resort of the state. Military forces are some of the most flexible and adaptable tools to policy makers. We can, merely by our presence, help alter certain behavior. Before a shot is even fired, we can bolster a diplomatic argument, support a friend, or deter an enemy. We can assist rapidly in disaster-relief efforts, as we did in the aftermath of Haiti's earthquake. We

can help gather intelligence, support reconnaissance, and provide security. And we can do so on little or no notice. That ease of use is critical for deterrence, an expeditionary force that provides immediate, tangible effects. It is also vital when innocent lives are at risk. So yes, the military may be the best and sometimes the first tool; it should never be the only tool. The tangible effects of military engagement may give policy makers a level of comfort not necessarily or wholly justified. As we have seen, the international environment is more fluid and more complex than ever before.

Not every intended target of one's deterrent will act rationally, and not every good intention will be thus received. Longer-lasting, more sustainable effects will most assuredly demand a whole-of-government, if not a whole-of-nation, effort. Defense and diplomacy are simply no longer discrete choices, one to be applied when the other one fails, but must, in fact, complement one another throughout the messy process of international relations.

As President Obama noted in his West Point speech when he announced his strategy for Afghanistan, we cannot count on military might alone. We have to invest in our homeland security, we have to improve and better coordinate our intelligence, and we will have to use diplomacy because no one nation can meet the challenges of an interconnected world acting alone.

My fear, quite frankly, is that we are not moving fast enough in this regard. U.S. foreign policy is still too dominated by the military, too dependent upon the Generals and Admirals who lead our major overseas commands. It is one thing to be able and willing to serve as emergency responders, quite another to always have to be the fire chief.

Secretaries Clinton and Gates have called for more funding and more emphasis on our soft power, and I could not agree with them more. Should we choose to exert American influence solely through our troops, we should expect to see that influence diminish in time. In fact, I would argue that in the future struggles of the asymmetric counterinsurgent variety, we ought to make it a precondition of committing our troops that we will do so only if and when the other instruments of national power are ready to engage as well.

There is a broader issue involved here. For, in addition to bringing the full weight of the U.S. government to bear, we must also bring our allies and partners with us to the fight. Forty-two other nations fight alongside us in Afghanistan, as did so many others in Iraq. Whether by formal alliance or by informal agreement, these multinational commitments lend not only a higher sense of legitimacy to the effort, they lend to local populations certain skills and knowledge which we alone do not [possess].

The Australians are experts at counterinsurgency warfare. The British have a long tradition of service in that part of the world and bring unique insights. The Germans and the French and the Italians have superb national police organizations for Afghans to emulate. In my view, whatever drawbacks of alliance management there may be, they are more than outweighed by the benefits of operations in unison.

With the U.S. providing the bulk of forces, it should come as no surprise to anyone that some may avail themselves of lesser contributions. But that does not detract from the very real impact many of them make. It also does not mean we should not exhort them to do more. For our part, we have become the best counterinsurgency force in the world; and we did not do it alone. We had a lot of help.

That brings me to number two: Force should, to the maximum extent possible, be applied in a precise and principled way. War costs the societies that engage in it a great deal, lives and resources

diverted from pursuits that a more peaceful time would allow. Even now, as we are poised to reach 1,000 troop deaths in Afghanistan, we have reminded of the thousands more Afghans who have been killed and the hundreds of [other] coalition soldiers who have likewise perished, not to mention the property and infrastructure damage that will yet take years from which to recover.

Though it can never lessen the pain of such loss, precisely applying force in a principled manner can help reduce those costs and actually improve our chances of success. Consider for a moment ongoing operations in Marja in Afghanistan; General McChrystal chose to move into this part of southern Afghanistan specifically because it was a hub of Taliban activity. There, they had sway over the people; there, they were able to advance their interests to other places in the country. It was not ground we were interested in retaking so much as enemy influence we were interested in degrading.

And so this is a much more transparent operation. We did not swoop in under the cover of darkness. We told the people of Marja and the enemy himself when we were coming and where we would be going. We did not prep the battlefield with carpet-bombing or missile strikes. We simply walked in on time.

Because frankly, the battlefield isn't necessarily a field anymore. It is in the minds of the people. It is what they believe to be true that matters. And when they believe that they are safer with Afghan and coalition troops in their midst and local governance at their service, they will resist the intimidation of the Taliban and refuse to permit their land from ever again becoming a safe haven for terror. That is why the threshold for the use of indirect fire in this operation is so high. That is why General McChrystal issued more restrictive rules for night raids. And it is why he has coalition troops operating in support of Afghan soldiers and not the other way around.

In this type of war, when the objective is not the enemy's defeat but the people's success, less really is more. Each time an errant bomb or a bomb accurately aimed but against the wrong target kills or hurts civilians, we risk setting our strategy back months, if not years. Despite the fact that the Taliban kill and maim far more than we do, civilian casualty incidents such as those we have recently seen in Afghanistan will hurt us more in the long run than any tactical success we may achieve against the enemy. People expect more from us. They have every right to expect more from us.

Now, there has been much debate over how to balance traditional and irregular warfare capabilities in our military. As an underpinning, I see this principle applying to both. It chooses quality of people, training, and systems over quantity of platforms. It means that we choose to go small in number before we go hollow in capability. And it favors innovation in leaders, in doctrine, in organization, and in technology.

Precise and principled force applies whether we are attacking an entrenched enemy or securing the population. In either case, it protects the innocent. We protect the innocent. It is who we are. And in so doing, we better preserve both our freedom of action and our security interests.

Preserving our security interests is also better-ensured by what I consider my third and final principle. Policy and strategy should constantly struggle with one another. Some in the military no doubt would prefer political leadership that lays out a specific strategy and then gets out of the way, leaving the balance of the implementation to commanders in the field. But the experience of the last nine years tells us two things: A clear strategy for military operations is essential, and that strategy will have to change as those operations evolve.

In other words, success in these types of wars is iterative; it is not decisive. There is not going to be a single day when we stand up and say, that is it, it is over, we have won. We will win, but we will do so only over time and only after near constant reassessment and adjustment. Quite frankly, it will feel a lot less like a knock-out punch and a lot more like recovering from a long illness.

The worst possible world I can imagine is one in which military commanders are inventing or divining their strategies, their own remedies, in the absence of clear political guidance, sometimes after an initial goal or mission has been taken over by events. That is why we have and need political leadership constantly immersed in the week-to-week flow of the conflict, willing and able to adjust as necessary but always leaving military commanders enough leeway to do what is expected of them.

Policy makers, after all, have other concerns beyond those of the military that must be adequately considered when taking a nation to war, including cost, domestic support, international reaction, and so forth. At the same time, military leaders at all levels [must] be completely frank about the limits of what military power can achieve, with what risk, and in what timeframe.

We owe civilian leaders our candor in the decision-making process and our unwavering support once the decision is made. That does not mean every bit of military advice will be followed. We should not expect so. But it does mean the military concerns will be properly considered. And we can ask for nothing more.

In this most recent Afghanistan and Pakistan strategy review, the President devoted an extraordinary amount of time to getting it right, to understanding the nature of the fight we are in and the direction in which he wanted to take it. And then he laid it out clearly, simply, for the American people. And we are executing. In December 2009 he will review where we are and how we are doing, and I think we should all be prepared to adjust if events on the ground deem it necessary.

The notion proffered by some that once set a war policy cannot be changed, or that to do so implies some sort of weakness, strikes me not only as incompatible with our history but also as quite dangerous. Lincoln did not emancipate the slaves when Fort Sumter was fired upon. He made that policy change when he deemed it most necessary. Though he favored a Germany-first policy, Franklin Delano Roosevelt (FDR) still struggled to properly balance the war's efforts against both Japan and Hitler's Germany. And Kennedy did not embark on the war in Vietnam with any sense that his successors would be fighting it at all, much less the way they did.

Contrary to popular imagination, war has never been a set-piece affair. The enemy adapts to your strategy, and you adapt to his. And so you keep the interplay going between policy and strategy until you find the right combination at the right time. What worked well in Iraq will not necessarily work in Afghanistan. What worked well today will not necessarily work tomorrow. The day you stop adjusting is the day you lose. To quote one of war's greatest students, Winston Churchill, you can always count on Americans to do the right thing after they've tried everything else.

Trying everything else is not weakness. It means we do not give up. It means we never stop learning; and in my view if we have learned nothing else from these two wars of ours, it is that a flexible, balanced approach to using military force is best. We must not look upon the use of military forces only as a last resort, but as potentially the best, first option when combined with other instruments of national and international power.

We must not try to use force only in an overwhelming capacity, but in the proper capacity and in a precise and principled manner. And we must not shrink from the tug of war, no pun intended,

that inevitably plays out between policymaking and strategy execution. Such interplay is healthy for the republic and essential for ultimate success. For Churchill also noted that in war, as in life, and I quote:

> It is often necessary, when some cherished scheme has failed, to take up the best alternative; and if so, it is folly not to work with it with all your might.

Ladies and gentlemen, your military is working for you with all its might. And we have not forgotten who started these wars, and we will not forget those who have perished as a result. We will stay at it for as long as it takes, and we will succeed for as long as you support us in the endeavor.

Use of Contractors to Train Afghan National Police

By
David T. Johnson
Assistant Secretary of State, Bureau of International Narcotics and Law Enforcement Affairs

[The following are excerpts of a statement of David T. Johnson, Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, before the Congressional Commission on Wartime Contracting, Washington, DC, December 18, 2009.]

The International Narcotics and Law Enforcement Affairs (INL) initiated our police programs for Afghanistan in 2002; currently, we support a Department of Defense (DOD) -led and funded civilian security force development mission. Since October [2009], the INL has been working with DOD to transition responsibility for the contract that deploys civilian law enforcement officers to Afghanistan to train and mentor the Afghan National Police (ANP). The INL has cooperated with and fully supports transitioning this contract back to DOD.

Current Afghan National Police Program

The United States is on track to help the Afghan government develop a 96,800-strong professional police force capable of providing public security and enforcing the rule of law. Further growth of the ANP is anticipated, though specific requirements will be assessed on an annual basis. The development of the ANP is challenging due to a variety of factors, including lack of capacity, knowledge, skills, literacy, and security as well as poor infrastructure. In 2003, INL initiated police training programs to address these issues. Following INL's established training program and in light of the need to more comprehensively build all Afghan security forces, the DOD was given authority by multi-agency agreement in 2005 over all U.S. Government efforts to organize, train, and equip the Afghan National Security Forces [ANSF], including the Afghan National Army and the Afghan National Police. Then in 2007, Congress responded by funding police reform through Afghan Security Forces Funding appropriated exclusively to DOD. In this arrangement, DOD, through the Combined Security Transition Command - Afghanistan (CSTC-A), determines overall program requirements based on policy guidance from the U.S. Chief of Mission. To accomplish our U.S. objective, DOD transferred funds to the Department of State (DOS) which INL used to provide qualified U.S. civilian police trainers and advisors. These advisors have developed core curriculum and provided instruction and daily mentoring of the ANP to build institutional as well as individual capacities.

DOD and DOS have worked together to address the challenge of helping Afghanistan establish a professional police corps. We have deployed and supported approximately 800 U.S. civilian police advisors that train and advise the ANP, as well as Afghan Ministry of Interior [MOI] officials. Right now, hundreds of former civilian police officers are embedded with military units helping local level police improve.

Transition of Contracting Responsibility

To streamline management of ANP training, its contractual responsibility is scheduled to transfer from INL to CSTC-A as early as March 31, 2010. After this transition, Ambassador Eikenberry, as Chief of Mission, will continue to provide overall police program policy, oversight, and direction. CSTC-A will implement that policy, including contracting and contract management.

INL and DOD are currently assessing future requirements in advanced training classes and training/mentoring for gender specific programs.

The transfer of contract responsibility for police training is an effort to eliminate a larger management layer so that resourcing, funding, and other management issues for this large-scale training mission are more efficient. But the transfer is not intended to alter the type of training provided. The DOS will continue to play a role in Afghan law enforcement training through program policy, oversight, and overall direction for the police program through Ambassador Eikenberry.

DOS is working closely with DOD to achieve an efficient transition. The INL tasked its current contractor, DynCorp International, with creating its own transition and demobilization plan, which will be incorporated into DOS's comprehensive transition plan. DOS's plan also takes into account transitioning all assets and inventory, including information technology and communications equipment, used in the police training program to the follow-on contractor. It also delineates efforts to demobilize trainers and advisors hired by DynCorp and integrate trainers and advisors hired by the follow-on contractors into the ten training and residence sites currently run by DynCorp for INL. Demobilization and transition of life support at each of the ten sites, including termination of DynCorp subcontractors, also are delineated in State's plan. Finally, the plan addresses the need to transition static and mobile security services at each training site to the follow-on contractor. All these efforts are leading up to a master transition plan that INL will develop with DOD and its contractors once DOD identifies and awards the follow-on contract.

INL is committed to supporting a smooth transition process. We will not authorize DynCorp to terminate performance on any aspect of the contract until a follow-on contractor is in place and prepared to assume responsibility. INL has fully cooperated with DOD's contracting team to provide them with all relevant contract requirements, inventory lists, and up-to-date program information. We stand ready to continue formulating and implementing an effective transition plan. INL also is working with DynCorp to provide all curricula and training standard operating procedures to our military colleagues.

INL has a fully staffed program management office in Kabul and in Washington to support this transition. INL and DOD, in both Washington and Kabul, have weekly coordinating conference calls; and INL and DOD personnel interact on a daily basis in Kabul.

Use of Contractors for International Narcotics and Law Enforcement Affairs Police Programs

The DOS's comprehensive approach to program and contract management oversight provides a sound infrastructure for managing our Afghan police programs as well as others. As in Afghanistan, INL uses contractors worldwide to implement police, corrections, and justice sector programs. Because we often need to mobilize or demobilize quickly, contractors allow us to meet mission requirements rapidly and flexibly. Further, contractors enable us to rapidly hire large numbers of former police officers with recent law enforcement experience; this also allows them to return to jobs in U.S. community police departments when their work for us is completed. As per our contract requirements, each contracted police advisor must have been a U.S. law enforcement officer with at least eight years work experience and prior police training experience. Often we hire newly retired police officers, whose long experience is respected by Afghan recruits.

The INL continues to strengthen oversight for all our contracts in Afghanistan. Embassy Kabul's Narcotics Affairs Section (NAS) has eight DOS employees providing substantive oversight for INL's police program contracts or task orders. An experienced Foreign Service Officer serves as the

Program Manager with overall responsibility to INL program and work with other U.S. Government and international entities involved in police training and reform. Furthermore, INL has hired six Personal Services Contractors (PSCs) who are experienced law enforcement officers. These PSCs are tasked with substantive oversight of the police training contract to promote appropriate law enforcement principles. Most of them have been in-country for several years; and so they provide continuity as well as expertise, which mitigate management control risks. INL also utilizes a full-time liaison whose side responsibility is to coordinate with CSTC-A.

In addition to our personnel in Afghanistan, three experienced INL program officers located in Washington provide program oversight. These officers coordinate with interagency partners and routinely meet with senior-level contractor management in order to promote effective program implementation.

Officers based in Kabul and Washington are further supported by a team of contract oversight staff. INL currently has seven In-country Contracting Officer Representatives (ICORs) positions approved through the *National Security Decision Directive-38* (NSDD-38) process. Five of the ICOR positions are now filled with two more arriving in January [2010]. Additionally, INL is working to add four more ICORs to be approved through the NSDD-38 process, which would bring the full complement of ICORs to eleven. It is anticipated that once responsibility for the police contract is returned to DOD, all INL personnel working in Embassy Kabul on the police program will be transitioned to other INL programs to provide additional oversight and management.

Generally speaking, ICORs perform functions similar to Contracting Officer's Technical Representatives (COTRs) by monitoring the technical progress and expenditures of resources relating to contractor performance, including the inspection and acceptance of work on behalf of the U.S. Government. They provide contracting counsel to the NAS Director and Deputy Director and assist with development of procurement strategies. ICORs also assist Program Officers with their development of contract requirements and deliverables.

The work of the ICORs is instrumental to our Washington-based Contracting Officer's Representative (COR) and the Contracting Officer by keeping them apprised of any performance or schedule failures by the contractor. ICORs also identify needed changes in the Performance Work Statement and specifications. They also resolve technical issues arising under the contract within the scope of the COR's authority. The COR is located here in Washington primarily due to the need to minimize the number of staff at post. Twenty-eight domestically based staff support the COR by reviewing invoices prior to the payment.

Arms Trade Treaty

By
Ellen Tauscher
Under Secretary for Arms Control and International Security

[The following are excerpts from Under Secretary Tauscher's remarks delivered by Special Negotiator Donald Mahley at the Carnegie Endowment for International Peace, Washington, D.C., February 18, 2010.]

As everyone here knows, President Obama has set forth a bold arms control and nonproliferation agenda. And, for good reason and because so many of us have made such an effort to speak out about the Prague agenda, it has garnered a lot of support, attention, and media coverage. I know that conventional arms have gotten much less attention even though they kill more people every year than nuclear, chemical, or biological weapons. I am here to make sure that everyone knows that the United States is strongly committed to addressing the problems posed by the irresponsible transfers of conventional weapons.

So, last October [2009] Secretary Clinton said:

> The United States is committed to actively pursuing a strong and robust treaty that contains the highest possible, legally-binding standards for the international transfer of conventional weapons.

We will work between now and the United Nations (U.N.) Conference in 2012 to negotiate a legally binding *Arms Trade Treaty* (ATT), and we will need your help in achieving it. We have made that a fundamental policy commitment. So let me explain what it means in practical terms and why we are doing this now. Like a lot of ideas, an arms trade treaty has been in the works for a long time. The U.N. Register of Conventional Arms opened the door to global discussions of a range of conventional weapons. These discussions have broadened so that we now have an A to Z list of meetings and forums on how to limit or eliminate small arms, anti-personnel landmines, and other indiscriminate weapons. But conventional arms transfers are a much wider question than just small arms or voluntary registration of some information about transfers. We need a treaty that looks at regulating all conventional weapons, from small arms and light weapons to aircraft carriers.

Unlike chemical or biological weapons, an *Arms Trade Treaty* cannot be a ban on conventional weapons. When conducted responsibly, arms transfers are a legitimate commercial enterprise and support global stability. The international arms trade provides nations with material necessary to fulfill the most basic functions of a government, protecting its citizens and enforcing its national sovereignty. What we are after is a means to have all nations do what the United States already does:

> Examine each conventional weapons transfer before it is authorized to be certain that it will enhance . . . not undermine … security and stability.

We all know that there is a dark side to arms transfers that can have devastating consequences for people and regions. Irresponsible transfers can support terrorists; enable [the] genocidal; and create, sustain, and compound proliferation nightmares.

The *Arms Trade Treaty* discussions have gained momentum by a shared recognition of the disruptive and oppressive impact of illicit or ill-advised arms transfers by a number of countries and

organizations. That is why we need to explore a legally binding measure to better control transfers across international borders. For the *Arms Trade Treaty* to be effective at thwarting irresponsible transfers, it must ensure that members effectively implement national laws that criminalize such transfers and allow for the monitoring of commerce. Without this, it will not necessarily deter or stop terrorism.

So-called "legally-binding instruments" are absolutely meaningless to such terrorists. They are criminals who do not and will not abide by any reasonable agreements. This means that the [only] effective way to inhibit their activity is indirectly. All states must recognize the obligation to enact and enforce laws within their territory that criminalize, isolate, and punish those terrorist groups operating within their territory or profiting from transactions that originate in or transit through their territory. And, if the state claiming sovereign jurisdiction does not have the capability for such enforcement, then the international community must make available the resources to create such capability, both in the short and long run. This means that any international instrument hoping to make real impact on "illicit" arms transfers must focus on requiring each party to put in place those necessary means to eliminate such rogue non-state actors both from within their territory and on the receiving end of their international commerce. It means that weak states, where terrorists operate with relative freedom, must adapt to the very real and very difficult requirements any effective instrument will lay out for them. They must take all necessary steps to become an effective, law-abiding state. At the same time, conventional arms transfers are a crucial national security concern for the United States.

Our government has always supported effective action to control and ensure responsibility in the international transfer of arms. That is because we believe that stable societies and secure environments are the best places for the growth of freedom and prosperity. So we are a leading advocate of ensuring that arms transfers are done only for legitimate purposes. We carefully consider them before they are approved I should know since I sign off on some of them and put in place safeguards designed to ensure that small arms are used in the manner for which the transfer was intended.

The United States has one of the most comprehensive sets of requirements in the world that must be satisfied before a U.S. manufacturer is authorized to transfer arms internationally. Every month, literally thousands of applications for export of weapons are reviewed in detail by our government. We have a strong and robust regulatory body. The transfer of arms [is] approved only when there is realistic and reasonable evidence the intended recipient has shown that they have a legitimate need and sufficient safeguards are there to preclude either deliberate or unintended re-transfers to unapproved end uses. We also consider the effect of the transfer on regional stability. This process requires enormous effort. It is expensive. And it results in denying exports in questionable circumstances.

Although this can work to the commercial disadvantage of U.S. firms, it is the price we have to pay to try to stem the flow of conventional arms to terrorist groups, rogue states, and others who would undermine the rule of law. It is also why the United States believes that it is the responsibility of the entire international community to settle for no less than the highest possible standards in international agreements and reporting activities.

We believe that robust and vigorous regulation and enforcement would make it much more difficult for terrorist groups or rogue nations to destabilize regions or support terrorist activity. This is why, after careful consideration, the Obama Administration has decided to actively support international efforts to achieve an effective global framework and to set high the bar that everyone must meet. The

United States will seek a result that establishes high standards of expected conduct in international activity and in national enforcement.

The *Arms Trade Treaty* negotiations will likely be long and difficult. Some participants will be tempted to take the easy road of seeking the lowest common denominator just to get a quick agreement from those states who would like to continue to support . . . directly or indirectly . . . terrorists, pirates, and genocidal warlords for a quick profit or short-term advantage.

Let me be clear, we will not rush to judgment by approving a weak or loophole-laden agreement. The United States is not interested in a vague or weak outcome just to feel good. That would not do anything to address the real issues in arms transfers. The United States believes an Arms Trade Treaty is sufficiently important to national security and international stability that the deliberations need to produce consensus decisions in order to command the widest possible participation.

A document that failed to gain support from important international players capable of acting outside their reach will undercut the objectives and purposes [and] would be worse than having no document at all. Consensus is needed to ensure the high standards necessary for an effective ATT. It is not, nor should others hope it to be, an excuse for avoiding hard choices or real, deliberative controls. There will no doubt be serious, lengthy negotiations over most of the elements of any outcome. In fact, it has been our experience — sometimes painful — over the course of four decades of such negotiations that there is an inevitable rush by many of the participants in those negotiations to seek simplified or shallow provisions because they "sound good" or are easily agreed to.

The United States considers the subject of conventional arms transfers, with their pervasiveness, dual-use capabilities, and potential harm, too important to national security to be treated with less than the level of detail and engagement it deserves. This will not make the negotiations any easier, but it will give them the greatest chance of being meaningful and of commanding both the attention and participation by those states necessary to its eventual success.

Now I know that some will argue that a consensus agreement will make it tough to get real progress. Let me say two things about that. First, some state could attempt to derail negotiations to seek an individual concession. Our goal is to make such behavior transparent to bring public and diplomatic pressure onto the offending party. It is sort of like earmarking in Congress. The way to curb abuse is to force the process into the light of day with reporting transparency rather than letting some members slip them into a 1,000-page bill in the dark of night. And there are, as you know, a handful of states who make up the backbone of the worldwide arms trade. Excluding them or not getting a universal agreement would make any agreement less than useless. In political terms, this requires a big tent policy even if bringing some into the tent is time consuming and painful. But it is the only way to address this issue and bring about an enduring and meaningful agreement that enhances our national security and international stability.

The treaty is worth doing because it can have, unlike many things we do, a more immediate impact. Lessening the arms trade can lead to less killing and maiming. But the reality is that this is a very big challenge. We are going to need your help to build the political support necessary to get this done.

Cluster Munitions: Background and Issues For Congress

By
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Congressional Research Service, February 23, 2010

There are two major international initiatives to address cluster munitions: the Convention on Cluster Munitions (CCM) and negotiations under the United Nations (U.N.) Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons (CCW). The Obama Administration has reiterated U.S. opposition to the CCM but is participating in negotiations regarding cluster munitions under the CCW. This report will be updated.

What Are Cluster Munitions?[1]

Cluster munitions are weapons that open in mid-air and disperse smaller submunitions — anywhere from a few dozen to hundreds — into an area. They can be delivered by aircraft or from ground systems such as artillery, rockets, and missiles. Cluster munitions are valued militarily because one munition can kill or destroy many targets within its impact area and fewer weapons systems are needed to deliver fewer munitions to attack multiple targets. Cluster munitions also permit a smaller force to engage a larger adversary and are considered by some an "economy of force" weapon. Many cluster munitions rely on simple mechanical fuses that arm the submunition based on its rate of spin and explode on impact or after a time delay. A newer generation of sensor-fused submunitions are being introduced by a number of nations to improve the munitions' and submunitions' accuracy and to reduce the large number of residual unexploded submunitions. These sensor-fused submunitions are designed to sense and destroy vehicles without creating an extensive hazard area of unexploded submunitions.

History[2]

Cluster bombs were first used in World War II; and inclusive of their debut, cluster munitions have been used in at least 21 states by at least thirteen different countries. Cluster munitions were used extensively in Southeast Asia by the United States in the 1960s and 1970s, and the International Committee of the Red Cross (ICRC) estimates that in Laos alone 9 to 27 million unexploded submunitions remained after the conflict resulting in over 10,000 civilian casualties to date. Cluster munitions were used by the Soviets in Afghanistan, by the British in the Falklands, by the Coalition in the Gulf War, and by the warring factions in Yugoslavia. In Kosovo and Yugoslavia in 1999, North Atlantic Treaty Organization (NATO) forces dropped 1,765 cluster bombs containing approximately 295,000 submunitions. From 2001-2002, the United States dropped 1,228 cluster bombs containing 248,056 submunitions in Afghanistan; and U.S. and British forces used almost 13,000 cluster munitions containing an estimated 1.8 to 2 million submunitions during the first three weeks of combat in Iraq in 2003. Senior U.S. Government officials have stated that the United States has not used cluster

1. Information in this section unless otherwise noted is from Mark Hiznay, "Operational and Technical Aspects of Cluster Munitions," *United Nations Institute for Disarmament Research Disarmament Forum* (2006), 15-25.
2. Ibid.

munitions since 2003 during the intervention in Iraq.[3] It is widely believed that confusion over U.S. cluster submunitions (BLU-97/B) that were the same color and size as airdropped humanitarian food packets played a major role in the U.S. decision to suspend cluster munitions use in Afghanistan but not before using them in Iraq.

In 2006, Israeli use of cluster munitions against Hezbollah forces in Lebanon resulted in widespread international criticism. I srael was said to have fired significant quantities of cluster munitions, primarily during the last three days of the 34 day war after a U.N. cease fire deal had been agreed to[4] —resulting in almost one million unexploded cluster bomblets to which were attributed fourteen deaths during the conflict.[5] Reports maintain that Hezbollah fired about 113 "cluster rockets" at northern Israel and, in turn, Israel's use of cluster munitions supposedly affected 26 percent of southern Lebanon's arable land and contaminated about thirteen square miles with unexploded submunitions.[6] One report states that there was a failure rate of upwards of 70% of Israel's cluster weapons.[7]

Cluster Munitions Criticisms

The fundamental criticisms of cluster munitions are that they disperse large numbers of submunitions imprecisely over an extended area, that they frequently fail to detonate and are difficult to detect, and that submunitions can remain explosive hazards for decades. Civilian casualties are primarily caused by munitions being fired into areas where soldiers and civilians are intermixed, inaccurate cluster munitions landing in populated areas, or civilians traversing areas where cluster munitions have been employed but failed to explode. Two technical characteristics of submunitions — failure rate and lack of a self-destruct capability — have received a great deal of attention.

Failure Rate[8]

There appears to be significant discrepancies among failure rate estimates. Some manufacturers claim a submunition failure rate of 2 percent to 5 percent, whereas mine clearance specialists have frequently reported failure rates of 10 percent to 30 percent. A number of factors influence submunition reliability. These include delivery technique, age of the submunition, air temperature, landing in soft or muddy ground, getting caught in trees and vegetation, and submunitions being damaged after dispersal or landing in such a manner that their impact fuses fail to initiate.

Lack of Self-Destruct Capability

Submunitions lacking a self-destruct capability — referred to as "dumb" munitions — are of particular concern because they can remain a hazard for decades, thereby increasing the potential for civilian casualties. Some nations are developing "smart" or sensor-fused weapons with greater reliability and a variety of self-destruct mechanisms intended to address the residual hazard of

3. Stephen D. Mull, Acting Assistant Secretary of State for Political-Military Affairs, U.S. Cluster Munitions Policy, On-the-Record Briefing (Washington, DC, May 21, 2008).

4. Scott Peterson, "Cluster Bombs: A War's Perilous Aftermath," *Christian Science Monitor* (February 7, 2007), and "Israel Criticized for Cluster Bombs," Los Angeles Times (February 1, 2008).

5. "Major Violations on Both Sides in Israel-Lebanon Conflict, Say U.N. Experts," *United Nations Office at Geneva News & Media* (October 4, 2006).

6. Scott Peterson, "Cluster Bombs: A War's Perilous Aftermath," *Christian Science Monitor* (February 7, 2007).

7. Ibid. Failure rate as described here is either a failure to detonate on impact or a failure to detonate after a predetermined time delay.

8. Unless otherwise noted, information in this section is from Mark Hiznay (see note 1) 22.

submunitions.[9] Experts maintain that self-destruct features reduce — but do not eliminate — the unexploded ordnance problem caused by cluster munitions and that the advantage gained by using "smart" cluster munitions is negated when high-failure rate and/or "dumb" cluster munitions are used in the same area.[10] For some nations, replacing "dumb" and high-failure rate cluster munitions may not be an option — China, Russia, and the Republic of Korea maintain that they cannot afford to replace all current submunitions with "smart" submunitions.[11]

International Attempts to Regulate Use

The use of cluster munitions is currently not prohibited under international law or governed by international treaty. There are, however, two major ongoing international initiatives to regulate cluster munitions.

United Nations Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons

In an effort to restrict or ban specific types of weapons used in armed conflicts, 51 states negotiated the Certain Conventional Weapons CCW in 1980.[12] When the treaty entered into force in December 1983, it applied only to incendiary weapons, mines and booby-traps, and weapons intended to cause casualties through very small fragments. Since then, some states parties have added provisions through additional protocols to address other types of weapons. Negotiations on cluster munitions are carried out under Protocol V on Explosive Remnants of War. Some have characterized the CCW as "slow-moving," "ponderous," and "lacking life."[13]

Acting in accordance with the recommendation of a group of experts established during the 2006 CCW review conference, states parties to the convention decided in 2007 to "negotiate a proposal to address urgently the humanitarian impact of cluster munitions."[14] Negotiations took place in 2008 and 2009, but the parties have not reached agreement on a new proposal. The experts group is to continue negotiations in 2010 "informed by" a Draft Protocol on Cluster Munitions.[15]

Convention on Cluster Munitions (CCM)[16]

Described as "frustrated with the CCW process," a number of CCW members led by Norway initiated negotiations in 2007 outside of the CCW to ban cluster munitions.[17] On May 30, 2008,

9. Gayle S. Putrich, "Cluster-Bomb Ban Exempts Some Smart Munitions," *Defense News*, June 2, 200, p.4.

10. Mark Hiznay, "Operational and Technical Aspects of Cluster Munitions," *United Nations Institute for Disarmament Research Disarmament Forum* (2006), 23.

11. Ibid.

12. Information in this section is from an Arms Control Association Fact Sheet. *Convention on Certain Conventional Weapons Convention (CCW) at a Glance*, (Washington, DC, October 2007).

13. "A Change of Heart, or of Tactic?, Cluster Munitions," *The Economist* (June 23, 2007).

14. Report from the November 2007 meeting of states-parties to the CCW (December 3, 2007). Available at http://www.unog.ch/80256EDD006B8954/(httpAssets)/029247C7A309EAC2C12573CF005B93B6/$file/CCW+MSP+2007+5+E.pdf.

15. "States Forge Further Efforts at Strengthening Implementation of Protocol on Explosive Remnants of War," The United Nations Office at Geneva (November 19, 2009). Available at http://www.unog.ch/80256EDD006B9C2E/(httpNewsByYear_en)/14C0FDC9DBC7E757C1257673003A7A4B?OpenDocument. A copy of the draft protocol is available at http://daccess-ddsny.un.org/doc/UNDOC/GEN/G09/642/48/PDF/G0964248.pdf?OpenElement.

16. For detailed information on the Convention on Cluster Munitions, see http://www.clustermunitionsdublin.ie/documents.asp.

17. Arms Control Association Fact Sheet, "Convention on Certain Conventional Weapons Convention (CCW) at a Glance," (Washington, DC, October 2007).

they reached an agreement to ban cluster munitions.[18] The United States, Russia, China, Israel, Egypt, India, and Pakistan did not participate in the talks or sign the agreement. During the Signing Conference in Oslo from December 3-4, 2008, 94 states signed the convention; and four of the signatories ratified the convention at the same time.[19] China, Russia, and the United States abstained; but France, Germany, and the United Kingdom were among the eighteen NATO members to sign the convention.[20] As of December 15, 2009, 103 states had signed the convention; and 24 had ratified it. The convention is to enter into force six months after the thirtieth ratification is deposited.

The Convention on Cluster Munitions (CCM), inter alia, bans the use of cluster munitions, as well as their development, production, acquisition, transfer, and stockpiling.[21] The convention does not prohibit cluster munitions that can detect and engage a single target or explosive submunitions equipped with an electronic self-destruction or self-deactivating feature[22] an exemption that seemingly permits sensor-fused or "smart" cluster submunitions. U.S. officials were concerned that early versions of the CCM would prevent military forces from non-states parties from providing humanitarian and peacekeeping support and significantly affect NATO military operations; but the version signed May 30, 2008, does permit states parties to engage in military cooperation and operations with non-states parties (Article 21, Paragraph 3).

Current United States Policy on Cluster Munitions

Then-Acting Assistant Secretary for Political-Military Affairs Stephen Mull stated in May 2008 that the United States relies on cluster munitions "as an important part of our own defense strategy" and that Washington's preferred alternative to a ban is "to pursue technological fixes that will make sure that these weapons are no longer viable once the conflict is over."[23] U.S. officials note that:

> Cluster munitions are available for use by every combat aircraft in the U.S. inventory; they are integral to every Army or Marine maneuver element and in some cases constitute up to fifty percent of tactical indirect fire support. U.S. forces simply can not fight by design or by doctrine without holding out at least the possibility of using cluster munitions.[24]

The United States also maintains that using cluster munitions reduces the number of aircraft and artillery systems needed to support military operations and that if cluster munitions were eliminated, significantly more money would need to be spent on new weapons systems, ammunition, and logistical resources. Officials further suggest that if cluster munitions were eliminated, most militaries would increase their use of massed artillery and rocket barrages, which would likely increase destruction of key infrastructure.

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18. Kevin Sullivan and Josh White, "111 Nations, Minus the U.S., Agree to Cluster-Bomb Ban," *Washington Post* (May 29, 2008).

19. Convention on Cluster Munitions homepage http://www.clusterconvention.org accessed January 28, 2009.

20. Marina Malenic, "Dozens of Nations Sign Cluster Bomb Treaty, U.S. Begins Upgrading Related Technology," Defense Daily (December 5, 2008).

21. Diplomatic Conference for the Adoption of a Convention on Cluster Munitions, Convention on Cluster Munitions (Dublin, Ireland, May 30, 2008). http://www.clustermunitionsdublin.ie/documents.asp.

22. Ibid.

23. Stephen D. Mull, Acting Assistant Secretary of State for Political-Military Affairs, U.S. Cluster Munitions Policy, On-the-Record Briefing (Washington, DC, May 21, 2008).

24. Richard Kidd, Director of the Office of Weapons Removal and Abatement, U.S. Department of State, "Is There a Strategy for Responsible U.S. Engagement on Cluster Munitions?" (April 28, 2008).

Department of State Legal Adviser Harold Koh stated November 9, 2009, that the United States has determined that its "national security interests cannot be fully ensured consistent with the terms" of the CCM.[25] However, the United States has agreed to address the humanitarian aspects of cluster munitions use in the CCW.[26] Koh stated that "the United States remains committed to negotiate a legally binding Protocol on Cluster Munitions in the CCW." The United States was originally against any CCW negotiations on cluster munitions but dropped its opposition in June 2007.

Department of Defense Policy on Cluster Munitions[27]

Koh stated November 9, 2009, that the "United States continues to implement" the Department of Defense (DOD) policy on cluster munitions issued June 19, 2008, which recognizes the need to minimize harm to civilians and infrastructure but also reaffirms the contention that "cluster munitions are legitimate weapons with clear military utility." The central directive in the Pentagon's new policy is the unwaiverable requirement that cluster munitions used after 2018 must leave less than 1 percent of unexploded submunitions on the battlefield. Prior to 2018, U.S. use of cluster munitions with a greater than 1 percent unexploded ordnance rate must be approved by [Geographic] Combatant Commanders. This policy will permit the development of a new generation of cluster munitions less dangerous to civilians. While such a high level of performance might be achievable under controlled laboratory conditions, previously-mentioned factors such as delivery technique, landing in soft or muddy ground, getting caught in trees and vegetation, and submunitions being damaged after dispersal or landing could result in an appreciable number of dud submunitions, even if it has a self-deactivation feature.

Department of Defense Efforts to Reduce Unexploded Ordnance Rates for Its Cluster Munitions

The DOD and the services have been and are currently involved in efforts to reduce cluster munitions failure rates. The Army's Alternative Warhead Program (AWP) is intended to assess and recommend new technologies to reduce or eliminate cluster munitions failure rates.[28] The AWP is viewed as particularly relevant as the Pentagon estimates that "upward of eighty percent of U.S. cluster munitions reside in the Army artillery stockpile."[29] In December 2008, the Army decided to cease procurement of a Guided Multiple Launch Rocket System (GMLRS) warhead — the Dual-Purpose Improved Conventional Munition (DPICM) warhead — because its submunitions had a dud rate up to 5 percent.[30] The Air Force is also acquiring cluster munitions that comply with the less than 1 percent failure rate — the Cluster Bomb Unit (CBU) - 97 Sensor Fuzzed Weapon (SFW) and the CBU-105 Wind-Corrected Munitions Dispenser (WCMD)/SFW.[31]

25. "Opening Statement for the United States Delegation by Harold Hongju Koh, Legal Adviser, United States Department of State, at the Third Conference of the High Contracting Parties to Protocol V on Explosive Remnants of War," (November 9, 2009).

26. Richard Kidd, Director of the Office of Weapons Removal and Abatement, U.S. Department of State, "Is There a Strategy for Responsible U.S. Engagement on Cluster Munitions?" (April 28, 2008).

27. Information in this section is from DOD Policy on Cluster Munitions and Unintended Harm to Civilians (June 19, 2008).

28. Daniel Wasserbly, "Army Warhead Program to Reduce Dud Rate for Cluster Munitions," InsideDefense.com (July 21, 2008).

29. Ibid.

30. Kate Brannen, "Army Will Stop Procurement of GMLRS-DPICM After Final Deliveries," InsideDefense.com (December 1, 2008).

31. Marina Malenic, "Dozens of Nations Sign Cluster Bomb Treaty, U.S. Begins Upgrading Related Technology," *Defense Daily* (December 5, 2008)..

Potential Issues for Congress

Cluster Munitions in an Era of Precision Weapons

It may be argued that even with advances in "sensor-fused" type submunitions that seek out and destroy certain targets, cluster munitions are still essentially an indiscriminate area weapon in an era where precision weapons are increasingly becoming the military norm. In Operation Desert Storm in 1991, only about 10 percent of ordnance used was precision-guided; but by the time of the Iraq invasion in 2003, "the ratio of 'smart' to dumb weapons was nearly reversed."[32] Since then, this trend towards greater precision has continued, if not accelerated with the development of precision rocket, artillery, mortar munitions, and smaller-precision aerial bombs designed to reduce collateral damage.[33] Given current and predicted future precision weaponry trends, cluster munitions might be losing their military relevance — much as chemical weapons did between World War I and World War II.

Weapons in Lieu of Cluster Munitions

According to the State Department, the U.S. military suspended its use of cluster munitions in Iraq and Afghanistan in 2003. For subsequent military operations, where cluster munitions would otherwise have been the weapon of choice, Congress might review what types of weapons were substituted in place of cluster munitions and how effective they were in achieving the desired tactical results. Also worth considering are effects-based weapons systems and operations, which seek to achieve the same or similar effect against a potential target without applying a "kinetic solution" such as a cluster munition. Such insights could prove valuable in analyzing U.S. policy options on the future of cluster munitions.

Is the Certain Conventional Weapons a Viable Forum for Regulating Cluster Munitions?

Given the failure of CCW delegates to reach an agreed protocol in November 2008 and the signature of CCM by prominent U.S. NATO allies, Great Britain, France, and Germany, it has been suggested by some that it might be worth reevaluating the CCW as a means to regulate cluster munitions. There are doubts that CCW efforts to develop a cluster munitions protocol will be viable, as some nations that are part of the CCW who have also signed the Convention on Cluster Munitions stand in opposition of a CCW protocol on cluster munitions. If the United States were to become an active participant in the CCM, along with allies such as Great Britain, France, and Germany, it might have a greater role in shaping the future of this convention. One potential drawback, should the United States support the CCM, is that it could be seen as undermining the entire CCW, which encompasses more than just cluster munitions. Such a policy shift to support the CCM could also have a detrimental impact on any future CCW initiatives dealing with other conventional weapons.

Legislation in the 111th Congress

Consolidated Appropriations Act, 2010

The *Consolidated Appropriations Act*, *2010* (PL 111-117), which the President signed into law December 16, 2009, prohibits the provision of military assistance for cluster munitions, the issuing of defense export licenses for cluster munitions, or the sale or transfer of cluster munitions or cluster

32. J.R. Wilson, "Pinpoint Accuracy: Bombs, Rockets, and Mortars Get New Brains," *Armed Forces Journal* (January 2005) 32-34.

33. Jeffrey Kofman, "Introducing the Small Diameter Bomb," ABC News (February 16, 2008).

munitions technology unless "the submunitions of the cluster munitions, after arming, do not result in more than one percent unexploded ordnance across the range of intended operational environments." Moreover, any agreement "applicable to the assistance, transfer, or sale of such cluster munitions or cluster munitions technology" must specify that the munitions "will only be used against clearly defined military targets and will not be used where civilians are known to be present or in areas normally inhabited by civilians."

These restrictions were also contained in the *2009 Omnibus Appropriations Act* (PL 111-8). The *Consolidated Appropriations Act*, 2008 (PL 110-161), contained similar restrictions; but they applied only for that fiscal year.

Cluster Munitions Civilian Protection Act of 2009

Two identical bills concerning cluster munitions, each titled the *Cluster Munitions Civilian Protection Act of 2009*, were introduced in the House and Senate February 11, 2009. Senator Dianne Feinstein introduced S. 416, which was referred to the Senate Committee on Foreign Relations February 11, 2009. Representative James McGovern introduced H.R. 981, which was referred to the House Committee on Armed Services the same day.

The bills state that "[n]o funds appropriated or otherwise available to any federal department or agency may be obligated or expended to use any cluster munitions unless" the submunitions "do not result in more than one percent unexploded ordnance across the range of intended operational environments." In addition, cluster munitions may "only be used against clearly defined military targets and will not be used where civilians are known to be present or in areas normally inhabited by civilians." The bills contain a provision which allows the President to waive these requirements if the President certifies that such a waiver "is vital to protect the security of the United States." If the President invokes the waiver, the President must also submit a report to several congressional committees describing "the steps that will be taken to protect civilians" and the "failure rate of the cluster munitions that will be used and whether such munitions are fitted with self-destruct or self-deactivation devices." The bills also require the President to submit a plan for cleaning up unexploded munitions and submunitions not later than ninety days after U.S. use of such munitions.

PERSPECTIVES

The Medecins Sans Frontieres Model of Building Partner Capacity

By
Lieutenant Colonel E. John Teichert, USAF
Commander of Operations for the 411th Flight Test Squadron

[The following is the third of three articles offering comparative case studies of organizations with fundamental aims analogous to the U.S. military goal to build partner capacity. The first article appeared in the *DISAM Journal* Volume 31 Number 2, "The Building Partner Capacity Imperative". The second article appeared in *DISAM Journal* Volume 31 Number 3, "The Peace Corps Model of Building Partner Capacity".]

> The peace Alfred Nobel was thinking of when he established the prize was a peace that is rooted in men's hearts and minds. By showing each victim a human face, by showing respect for his or her human dignity, the fearless and selfless aid worker creates hope for peace and reconciliation. That brings us to the heart of the matter, to absolutely fundamental prerequisites for peace.
>
> Professor Francis Sejersted, Norwegian Nobel Committee

> As we accept this extraordinary honor, we want to thank the Nobel Committee for its affirmation of the right to humanitarian assistance around the globe, for its affirmation of the road Medecins Sans Frontieres (MSF) has chosen to take: to remain outspoken, passionate, and deeply committed to its core principles of volunteerism, impartiality, and its belief that every person deserves both medical assistance and the recognition of his or her humanity.
>
> James Orbinski, Medecins Sans Frontieres International President

MSF is the final example of an organization designed for international engagement, one structured to build health care structures where existing ones are in peril. While the organizational focuses of the Peace Corps and Baptist International Missions, Incorporated are on long-term engagement, the MSF organizational focus is primarily on short-term engagement in response to humanitarian crises. This characteristic of MSF's organizational emphasis is similar to foreign internal defense (FID), which also is primarily used to respond to situations after stability and security are already threatened. It is with this in mind that MSF's organizational characteristics should be considered in relation to military programs to build partner capacity.

Background

MSF is a large international organization headquartered in Paris, France. It was created on December 20, 1971, by two groups of doctors who were frustrated by the limitations of humanitarian

organizations that abided by national and international law to the detriment of those needing assistance.[1] MSF became the first organization to both provide medical assistance and to publicly bear witness to the needs of suffering people around the world;[2] and MSF maintains its identity as an:

> Independent international medical humanitarian organization that delivers aid to people affected by armed conflict, epidemics, natural and man-made disasters, and exclusion from health care.[3]

As the world's largest such organization,[4] MSF sends over 4,700 volunteers to field assignments in seventy countries each year and augments this temporary staff with over 25,000 locally hired staff members.[5]

MSF's international impact is substantial, as detailed in the 2006/2007 MSF Activity Report and confirmed by the 1999 Nobel Peace Prize. In one year, MSF performed over 9 million medical consultations, ½ million hospitalizations, and 64,000 surgeries.[6] MSF volunteers and staff treated over 2 million people with malaria, vaccinated over 1.8 million people for meningitis, and vaccinated over 764,000 people for measles.[7] MSF treats over 100,000 people daily who are infected with HIV/AIDS.[8] It does all this work on an annual budget of $714 million,[9] over 89 percent of which comes from individuals and other private sources.[10] The remainder of support comes from national governments and inter-governmental organizations.

MSF aims "to enable individuals to regain their rights and dignity as human beings" in the midst of difficult situations.[11] The MSF charter establishes the organization's fundamental principles, stating:

- MSF provides assistance to populations in distress, to victims of natural or man-made disasters, and to victims of armed conflicts. They do so irrespective of race, religion, creed, or political convictions.
- MSF observes neutrality and impartiality in the name of universal medical ethics and the right to humanitarian assistance and claims full and unhindered freedom in the exercise of its functions.
- Members undertake to respect their professional code of ethics and to maintain complete independence from all political, economic, and religious powers.

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1. Medecins Sans Frontieres, "Volunteering: The Medecins Sans Frontieres Experience," http://www.doctorswithoutborders.org/volunteer/field/themsfexperience.cfm (accessed 28 March 2008).

2 . Medecins Sans Frontieres, "What is Doctors without Borders/Medecins Sans Frontieres?" http://www.doctorswithoutborders.org/aboutus (accessed 28 March 2008).

3 . "MSF 2006 U.S. Annual Report" (Medecins Sans Frontieres U.S. Section, 2006), Introduction.

4 . David Morley, Healing Our World: Inside Doctors without Borders (Ontario, Canada: Fitzhenry & Whiteside, 2007), 4. David Morley was the Executive Director of the Canadian section of MSF for seven years.

5 . "MSF 2006 U.S. Annual Report," 28.

6 . "MSF Activity Report 06/07" (Geneva, Switzerland: Medecins Sans Frontieres, 2007), 6, 21.

7 . "MSF Activity Report 06/07," 5, 7.

8 . "MSF Activity Report 06/07," 5.

9 . "What is Doctors without Borders/Medecins Sans Frontieres?"

10 . "MSF Activity Report 06/07," 87.

11 . Morley, *Healing Our World*, 2.

- As volunteers, members understand the risks and dangers of the missions they carry out and make no claim for themselves or their beneficiaries for any form of compensation other than that which the association might be able to afford them.[12]

MSF leaders believe that independence is a guiding organizational principle and that this characteristic provides access to patients that otherwise would be unreachable.[13] Based on its independence, MSF leaders insist "on the right of victims to receive medical aid and their own right to provide medical care for people caught in the midst of conflict—no matter what political authorities might say."[14] Therefore, MSF teams act in situations such as armed conflicts, epidemics, social violence, healthcare exclusion, and natural disasters and respond quickly when identifying impending human crises with a willingness to speak out when witnessing human rights violations.

Command and Control

MSF activities are organized through nineteen international sections. Five of these sections are operational, meaning that they control field projects throughout the world. The remaining sections are considered non-operational, meaning they are involved in recruiting volunteers, raising funds, and educating the public about the health conditions of populations around the world.[15] Leaders of operational departments within operational sections determine whether MSF assistance is necessary, define the required level of effort, and assess when a nation's health needs have regained self-sufficient capabilities.[16] Operations departments send exploratory evaluation teams to assess a particular situation to determine whether MSF intervention is appropriate, being careful to avoid the appearance of partiality toward any side involved in a conflict. These departments within MSF also create, test, and store prepackaged, modularized medical and technical kits in logistical warehouses to be able to assemble and disburse them quickly through their "large-scale logistical capability."[17]

MSF recruits staff to fill a variety of structured, permanent positions within the host nation.[18] A country manager (sometimes known as head of mission) is located in the various host nations where MSF operates, typically in the capital city; and the country manager and country management team report directly to MSF operational departments. The country manager's staff consists of medical, logistical, administrative, and financial experts who make up the backbone of operations in a particular nation.[19] In nations with multiple MSF projects, field coordinators work for the country manager and are responsible for each project.[20] Each field coordinator and project team is supported by the country manager's staff as needed based on the particular project. The country management team and field coordinators are experienced in working overseas with MSF and direct operations by supervising international volunteers and national staff.[21] A project team is composed specifically for the task at

12 . "MSF International Movement Financial Report" (Medecins Sans Frontieres, 2006), 4.

13 . Morley, Healing Our World, 13. Other guiding organizational principles are impartiality, neutrality, proximity, and volunteerism. "MSF International Movement Financial Report," 5.

14 . Morley, *Healing Our World*, 9.

15 . Medecins Sans Frontieres, "About Us: MSF Organizational Structure," http://www.doctorswithoutborders.org/aboutus/ (accessed 28 March 2008).

16 . "About Us: MSF Organizational Structure."

17 . "What is Doctors without Borders/Medecins Sans Frontieres?"

18 . Melanie Capiccioni, Communications Assistant, Medecins Sans Frontieres, to the author, e-mail, 28 April 2008.

19 . Medecins Sans Frontieres, "Working in the Field," http://www.doctorswithoutborders.org/volunteer/field (accessed 28 March 2008).

20 . "About Us: Field Operations: What Do We Do?" http://www.doctorswithoutborders.org/aboutus/ (accessed 28 March 2008).

21 . Morley, *Healing Our World*, 26.

hand, using an average of four to twelve international volunteers to augment 200 host country national staff members, all under the authority of the field coordinator.[22] Expatriate leaders supervise, train, and coordinate the actions of their team and local staff members who offer credibility and help provide a better understanding of the particular needs of the nation and the specific situational context. MSF leaders believe that the organization "would be unable to function without local medical personnel."[23] MSF workers also combine their efforts with host nation health care structures, when appropriate, and work with other non-governmental and inter-governmental organizations that are focused on similar goals.[24] It is through this structure that MSF workers react quickly to crises around the world and come to the assistance of millions of people annually.

MSF project teams often operate in austere conditions; but MSF leaders continue to prioritize volunteer safety and security, embracing extensive risk-management procedures. Each volunteer is given information about the general field situation before leaving for the host nation. In addition, MSF develops security guidelines for each project based on the particular situations the project team is likely to encounter; and these guidelines are briefed to each team by the MSF host nation staff once volunteers arrive. Volunteers are expected to rigidly follow security guidelines for their own safety.[25] MSF leaders also contend that incorporating volunteers into teams largely populated by host country nationals provides them additional safety and cultural appreciation, and leaders will not hesitate to terminate a project if the risks become too great.[26]

Selection and Training

MSF leaders use basic guidelines to select volunteers, seeking those who "embody the principles of independent humanitarian aid" and who meet required medical, technical, or administrative skills.[27] The basic requirements for joining the MSF volunteer pool are a minimum of two years of professional experience and sufficient availability. Medical volunteers are required to have a minimum availability window of at least six months with certain medical personnel, such as anesthesiologists and surgeons, being waived to an acceptable availability of six weeks.[28] Non-medical volunteers are required to have an availability of between six and twelve months, with greater than nine months preferred. Volunteer language skills and international experience are desired but not required.[29]

The MSF application process is fairly typical. Those desiring to be selected as an MSF volunteer submit an application. Applications are assessed by the MSF staff, and suitable applicants are granted an in-person interview. Like the Peace Corps, there is no application period; and MSF selects volunteers on a rolling basis. Those who are accepted following the interview undergo a

22 . "About Us: Field Operations: What Do We Do?"

23 . "About Us: Field Operations: What Do We Do?" The local nationals understand the environment, culture, traditions, and customs of their nation and know how to best get things done. Local personnel are considered the basis of MSF success as they work as part of the teams and enhance the capabilities and credibility of international volunteers. Morley, *Healing Our World*, 25.

24 . Medecins Sans Frontieres, "About Us: Field Operations: Where Do We Work?" http://www.doctorswithoutborders.org/aboutus/ (accessed 28 March 2008).

25 . Medecins Sans Frontieres, "Working in the Field: FAQ [Frequently Asked Questions]," http://www.doctorswithoutborders.org/volunteer/field/faq/cfm (accessed 28 March 2008).

26 . "About Us: Field Operations: What Do We Do?"

27 . "Working in the Field."

28 . "Working in the Field: FAQ."

29 . "Working in the Field."

medical evaluation to determine whether they can meet the rigors of extended field duty. Once meeting these requirements, applicants are invited to attend Information Days, the first stage of their MSF training.[30]

MSF provides its volunteers minimal training, largely relying on the volunteers' established technical experience. MSF leaders rely on local staff members to give foreign volunteers an in-country cultural foundation and basis of legitimacy. Therefore, MSF leaders do not consider cultural and language knowledge necessary characteristics of MSF volunteers as long as volunteers demonstrate cultural sensitivity. Selected volunteers go through a week-long training program called Information Days, specifically focused on the various levels of volunteer expertise. At this stage, volunteers do not know how or where they will be used; so there is no specific cultural training. Many volunteers take a preparatory course once they are selected for a mission before they leave for the field. These short courses help volunteers understand specific health care issues for their particular projects and the cultural and environmental contexts that exist in their field locations.[31] However, these courses are not mandatory.

Volunteers who complete the Information Days training period are included in the active MSF volunteer pool. About three months before a volunteer's stated availability window, MSF staff members search for field projects that match the volunteer's professional expertise. Around one-quarter of field assignments are filled by first-time volunteers.[32] Remaining assignments are filled with experienced volunteers who have designated an additional availability window after returning from their first MSF field assignment. The MSF staff places volunteers "based on the needs in the field" and does so on an unaccompanied basis for first-time volunteers.[33] It is through this process that MSF matches its capabilities with international medical needs.

Progression of Service

MSF volunteers arrive in the host nation under the direction of the country management team or field coordinators. After being integrated into a project team, MSF volunteers learn about the local situation through their team members and first-hand experience. MSF considers proximity to difficult situations as one of its guiding principles, and so project teams work on the front-lines of health crises.

MSF leaders also value flexibility and cultural sensitivity among their volunteers in order to best adapt to changing field conditions and apply skills in culturally appropriate ways. Situations change rapidly during volunteer field assignments, and they are expected to adjust to meet these changing conditions.[34] Project teams are to perform rapid health assessments to best meet the needs of the affected population, evaluating the severity of health conditions and determining the significant health and nutritional needs of a situation.[35] Teams are to prioritize resources and shape their actions

30 . Medecins Sans Frontieres, "Working in the Field: The Recruitment Process," http://www.doctorswithoutborders.org/volunteer/field/recruitment.cfm (accessed 21 March 2008).

31 . "Volunteering: The Medecins Sans Frontieres Experience,"

32 . "What is Doctors without Borders/Medecins Sans Frontieres?" Morley, Healing Our World, 26.

33 . "Working in the Field: FAQ." Accompanied posts are offered to experienced volunteers as specific field conditions allow.

34 . Medecins Sans Frontieres, "Volunteer with MSF," http://www.msf.org/msfinternational/volunteer (accessed 28 March 2008).

35 . Evelyn Depoortere and Vincent Brown, "Rapid Health Assessment of Refugee or Displaced Populations" (Medecins Sans Frontieres, 2006), 12.

to maximize their effectiveness. These responses are also to take the cultural and environmental contexts into account; and volunteers are guided by their host nation counterparts to properly shape their responses, while allowing volunteers to abide by personal ethical standards.[36] MSF believes these volunteer characteristics give MSF project teams the greatest ability to meet the needs of the affected population.

Following their tours, volunteers return to their permanent positions in their home country after a debrief session used by MSF to improve its programs. MSF has no formal process of assisting returning volunteers with readjustment after their field assignments. Instead, the organization expects its volunteers' employers to perform this task. Some volunteers place their names back in the active volunteer pool for a future field assignment, and the remainder of volunteers are placed in an inactive status. Additionally, each returning volunteer is eligible to join their nation's MSF association and attend the annual general assembly as a voting member.[37]

Emphasis on Responsiveness

MSF leaders pride themselves on MSF's ability to be one of the first organizations to arrive at the scene of a crisis situation.[38] Success stories abound that demonstrate that MSF is indeed a responsive organization. MSF was first to respond to the 1998 Afghani earthquake, arriving within the most devastated area of Rostaq within two days of the disaster. In 1991, MSF sent 2,500 tons of equipment within ten days to help the refugee Kurds that were forced to flee from Saddam Hussein's wrath after Operation Desert Storm.[39] MSF responsiveness stems from an organizational imperative to meet the time critical needs of people trapped in disaster and emergency situations. MSF leaders recognize that suffering demands "an immediate medical-humanitarian response," and they intend on responding as quickly as possible.[40]

MSF leaders point to organizational composition and logistics as the reasons why MSF is able to respond so quickly to situations around the world. MSF is composed of four logistical centers in Europe and East Africa that store ready, modularized medical and technical kits that can quickly be designed, assembled, and shipped to meet the unique needs of a particular situation. Additional Central American and East Asian warehouses stockpile kits as well.[41] Permanent logistics staff members combine fifty different kit types to generate tailor-made responses, with kits including medicines, generators, vehicles, and even a mobile operating room.[42] Established relationships with transportation companies allow these supplies to quickly reach destinations. Organizational independence also allows a quick response. Because MSF is largely funded by private donations and is willing to work around national and international laws, it is able to rapidly circumvent barriers that hinder other organizations.[43] In addition, MSF leaders carefully craft a particular response by using host country nationals and established MSF structures as its foundation. MSF local workers are aware of the specific situations and are already in nations ready to respond when combined with MSF infrastructure and supplies. International volunteers simply fit into this established structure

36 . "Clinical Guidelines: Diagnosis and Treatment Manual" (Medecins Sans Frontieres, 2007), 10.
37 . Capiccioni to the author, e-mail.
38 . "What is Doctors without Borders/Medecins Sans Frontieres?"
30 . "Volunteering: The Medecins Sans Frontieres Experience."
40 . "MSF Activity Report 06/07," 17.
41 . "About Us: Field Operations: What Do We Do?"
42 . "Volunteering: The Medecins Sans Frontieres Experience."
43 . "MSF 2006 U.S. Annual Report," 32.

and quickly assimilate into project teams. These factors give MSF leaders the responsiveness that they feel situations demand.

Emphasis on Self-Sufficiency

MSF leaders recognize that MSF's role in a nation is temporary, but their actions have long-term ramifications. The MSF organizational goal is to "help build a stable and self-sufficient local health care structure."[44] National crises, disasters, or weakened prevailing conditions can collapse or overwhelm a nation's medical infrastructure; and MSF provides supply lines and manpower until a nation's health needs can be handled internally. MSF recognizes, however, the limitations of pure humanitarian aid. Such aid "saves lives today, until peace, until reconstruction, until development, maybe. But humanitarian action never builds much; it concentrates on saving lives now until they can be rebuilt tomorrow. It is not hopeful; it is immediate; and it has to be judged on its capacity to be with victims in their hour of need and to help them survive the crisis, the war, or the epidemic."[45] MSF teams arrive in a nation to fill this temporary and important gap but also to do more. Thus, MSF efforts serve the humanitarian needs of a nation while continually striving to meet the objective of "building health structures to acceptable levels."[46] Once MSF project teams help ensure that the local health care infrastructure has been adequately restored, they will begin to phase out their operations.[47]

The MSF organizational focus on building a nation's internal health care capacity helps host nations develop self-sufficiency. MSF collaborates, when appropriate, with local governments to establish lasting medical organizations.[48] Additionally, MSF's timely assistance prevents the established national health care system from eroding beyond long-term usefulness and models appropriate health care procedures. MSF staff members also train and mentor host country nationals who are incorporated into the MSF organization. This integration is considered a substantial reason why MSF is able to have a lasting impact. Finally, MSF personnel help rehabilitate and re-equip hospitals and clinics that have been destroyed or overwhelmed by crisis conditions, renewing and strengthening the institutions that the host nation will count on in MSF's absence to provide for a nation's medical needs.[49] MSF leaders understand that these efforts, while primarily used to address short-term problems, also enhance self-sufficiency for the long-term.

Assessment of Medecins Sans Frontiers

Of all the case study organizations, MSF is the most conscientious about measuring the impact of its actions. Such measurement is largely due to the private funding mechanism that MSF leaders use to maintain independence and requires an organizational emphasis to quantify and advertise MSF international successes to attract donations. This critique is not intended to diminish MSF's stated impact. It does mean, however, that MSF leaders expend some organizational effort to demonstrate successes and are less likely to make MSF's shortcomings public knowledge.

MSF has some distinct organizational advantages that allow it to thrive. The first advantage is a large and highly skilled international volunteer pool that gives organizational leaders an ability

44 . "About Us: Field Operations: Where Do We Work?"
45 . "MSF Activity Report 06/07," 18.
46 . "MSF International Movement Financial Report," 16.
47 . "About Us: Field Operations: What Do We Do?"
48 . "MSF Activity Report 06/07," 13.
49 "About Us: Field Operations: What Do We Do?"

to craft responses and apply skilled workers to meet international needs with little training. MSF leaders wisely combine this labor force with established structures and local workers to optimize organizational efforts. Such activities are complemented by an established international credibility that attracts volunteers, staff members, and local workers. Credibility also gives MSF project teams avenues into host nations that are hesitant to accept the stigma that would come with rejecting MSF's assistance. There are some natural tensions, however, that result from MSF's organizational structures and objectives that accompany its credibility.

One tension within MSF regards its stated objective of impartiality. This impartiality certainly works at the local, or tactical, level with volunteers and staff members providing medical assistance to all those who need it. The tension, however, exists at the strategic level. MSF leaders' decisions about where to place project teams indicate a conscious organizational decision about whom to help. Such decisions indicate an implicit preference whether MSF admits it or not. The tension is further exacerbated by MSF leaders' decision to speak out as advocates for population groups that they consider victims. Such advocacy suggests explicit partiality for population groups MSF leaders see as victims. MSF leaders must carefully weigh the decision to speak out publicly because such action could restrict the organization's access to a particular nation and put its workers at risk.

An additional tension within MSF is the trade-off between an organizational emphasis on short-term responsiveness and an ability to foster long-term self-sufficiency. It is apparent in analyzing organizational characteristics that the primary emphasis at MSF is on responsiveness. This means that while there is some consideration on providing host nations the ability to sustain MSF efforts once volunteers leave after an initial crisis, individual volunteers typically act on a triage basis that handles situations as they arise. This characteristic may hinder MSF's long-term impact and means that MSF host nation workers and permanent staff are left to consolidate gains made by the primary volunteer surge and maintain efforts to prompt long-term successes.

These tensions are similar to those apparent in FID activities conducted by special operations forces. FID efforts are clearly allocated to certain nations and situations with U.S. objectives in mind. Such efforts may appear self-serving regardless of statements indicating that activities are intended to help host nations. In reality, such efforts are designed to further American and host nation interests when they are aligned. In addition, FID activities face the challenge of balancing short-term assistance with long-term impacts. FID teams are typically directed to perform their mission to achieve specific, local results, which can cause them to stress immediate concerns over long-term improvements. It is a careful and difficult balance that allows these activities to have a longer-term impact as well. With these similarities in mind, MSF functional characteristics can illuminate analogous command and control, selection, training, progression of service, and areas of emphasis that can inform programs to build partner capacity. The next article assesses these organizational characteristics, and those of the other two case studies, to glean important and applicable lessons to American building partner capacity efforts.

About the Author

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Clinton Versus Kerry: The Agency for International Development War Begins

By

Josh Rogin
Contributing Author for the *Foreign Policy*

[The following article was posted on the *Foreign Policy* web site, January 14, 2010.]

Secretary of State Hillary Clinton may be headed for a significant fight with Congress over the future of U.S. development policy, just as U.S. Agency for International Development (USAID) takes on its biggest humanitarian mission in years with the crisis in Haiti.

Clinton spent last week laying down her marker for how Department of State (DOS) wants the overhaul of the government's development effort to look, giving a major speech and presiding at the swearing-in of a new USAID administrator, Rajiv Shah. Over the next few weeks, DOS's policy review, which has a huge development component, will take shape; and major structural decisions are in the offing.

But lawmakers will have their own version of what those changes should look like; and The Cable has obtained a draft version of a report by Senate Foreign Relations chiefs John Kerry, Democrat-Massachusetts, and Richard Lugar, Republican-Indiana, that lays out their position on foreign aid reform a position that will very likely be at odds with Clinton's DOS on several key issues, such as how independent USAID should be from DOS.

> If Hillary's speech was one way for her to foreshadow what will come from the Quadrennial Diplomacy and Development Review (QDDR), this is our way to weigh in, said a Senate committee aide. What we are trying to [do] here is say, 'here is why we think giving some separation and independence to USAID is important.

The main disagreements between Clinton and State and the senators are over whether USAID, and Shah specifically, will be given control over all DOS humanitarian relief functions; whether he will be given real power in the interagency process; and whether the "integration" of development with diplomacy and defense as announced by Clinton will dilute the development mission for the benefit of the other two.

> It is becoming an article of faith in the foreign policy community that development is a third pillar of U.S. national security; but in resources and stature, our assistance programs are poor cousins to diplomacy and defense, says the Senate report.

The report goes into detail about what that means a lot more detail than the DOS has offered about how it is thinking about these issues.

For example, the committee wants USAID to take back a lot of the authority it lost under the Bush Administration, including control over its policy and budget, which was stripped when DOS's Bureau of Foreign Assistance (the F Bureau) was created. As it currently stands, Shah is the nominal head of the F Bureau; but the money is actually controlled by Deputy Secretary of State Jack Lew.

What is more, the committee wants Shah to have a seat at principals meetings and cabinet meetings, a direct line to Office of Management and Budget (OMB), and several other privileges. That would

be quite a coup for the 36-year-old whiz kid Shah, to be able to sit across the table from giants like Clinton, Robert Gates, and Jim Jones.

But isn't Shah the government's point man for the biggest humanitarian mission in years? Well, the committee has some thoughts on that as well. You see, Shah does not really control all the humanitarian relief assets, notably the DOS's Bureau of Population, Refugees and Migration (PRM), run by Assistant Secretary Eric Schwartz. "Our sense is that since refugee issues and crisis response are interconnected, we think it should be consolidated into one entity, and it should be under Raj," the aide said.

The Kerry-Lugar foreign aid reform bill could be moving in the coming weeks, probably with all or parts of it being folded into the soon-to-be-introduced State Department authorization bill.

Meanwhile, multiple sources tell *The Cable* that the National Security Council has agreed to delay issuance of its major development review, called the *Presidential Study Directive* (PSD), to allow DOS to release first the interim results of its QDDR.

This again shows how Clinton is maneuvering to make sure State's take on development policy comes out first to frame the debate. The interim QDDR results are expected in February [2010], but that is far from certain.

Meanwhile, there is no doubt that the development community is nervous that their lifelong effort to preserve independence from the military and the perennially short-term foreign relations policy game may be coming to a close. "It [is] an ambiguous area right now," one development source said. "We see a lot of signaling without a clear direction about what will be the role of USAID."

Secretary Gates Calls for Building Foreign Troops' Capacity

By
John J. Kruzel
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The United States should devote more energy and overseas aid dollars towards developing the local security forces of other countries, Defense Secretary Robert M. Gates said in a speech advocating an overhaul of U.S. foreign capacity building. With the prospect of grand scale nation-building projects like Afghanistan and Iraq unlikely in the near future, Gates said, the U.S. should narrow its focus to smaller projects geared towards training indigenous troops and foreign security sectors to maintain their own national defense concerns.

> I believe our ability to help other countries better provide for their own security will be a key and enduring test of America's global leadership in the 21st century and a critical part of protecting our own security, he said, during an event sponsored by the foreign policy think-tank the Nixon Center, which bestowed on Gates its Distinguished Service Award.

The remarks amplified Gates' familiar refrain that the U.S. should seek to identify developing problems abroad and assist foreign governments through nonmilitary means, a tack that represents a departure from what the Secretary has referred to as a "creeping militarization" in American foreign policy. Gates, who has received praise for his role as an outspoken advocate of nonmilitary functions like diplomacy and development, underscored his awareness that interagency partnership can tend towards lopsidedness, with the DOD's massive top-line budget and resources sometimes dwarfing those of other government agencies.

> As a career Central Intelligence Agency CIA officer who watched the military's role in intelligence grow ever larger, I am keenly aware that the Defense Department, by its sheer size is not only the 800-pound gorilla of our government, he said, but one with a sometimes very active pituitary gland.

In a gesture of interagency equity, the Secretary last year sent a policy proposal to the State Department that would pool a portion of the two departments' funding and require both Gates and Secretary of State Hillary Clinton to authorize projects for foreign capacity building, stabilization, and conflict prevention. Unlike the Cold War-era structures and processes, Gates said, his proposal would "incentivize collaboration" between agencies.

While Gates seemed to have no particular fealty to the specific capacity-building policy he sent to Clinton in 2009, he highlighted a series of principles that he said should guide a reshaping of the interagency approach. Funding to grow indigenous security forces overseas and other similar projects aimed at global hotspots should be outside of conventional budgetary channels, he said.

> For predictable, ongoing requirements, this is appropriate and manageable, he said. But as recent history suggests, it is not well suited to the emerging and unforeseen threats or opportunities coming most often from failed and fragile states.

Charting American capacity building projects since before the outbreak of World War II, Gates cited the milestone U.S. lend-lease policy that shipped some $31 billion worth of U.S. supplies in

1940s dollars to Great Britain over the course of the war and pointed to Cold War assistance sent to western Europe and elsewhere.

The U.S. military now recognizes the value of building local security forces in Afghanistan and Iraq, he said, which represents a significant transformation since the U.S.-led wars began there.

> Efforts to train the Afghan and later the Iraqi security forces were not an institutional priority within the military services where such assignments were not considered career enhancing for ambitious young officers and relied heavily on contractors and reservists, he said. More recently, the advisory missions in both the Afghan and Iraq campaigns have received the attention they deserve in leadership, resources, and personnel.

The Secretary said the U.S. would be unlikely in the near-term to carry out missions on the scope of the operations in Afghanistan and Iraq, but he said the department concluded recently that it would probably face similar but smaller threat scenarios.

> We are unlikely to repeat a mission on the scale of Iraq or Afghanistan anytime soon that is, forced regime change followed by nation-building under fire . . . but we are still likely to face scenarios calling on a similar tool-kit of capabilities, albeit on a smaller scale, he said.

Gates referred to threats emanating from fractured or failing states, which he called "the ideological and security challenge of our time." He added: "It is the primary institutional challenge as well."

United States Firms Launch Export-Control Reform Push

By
William Matthews
Contributing Author for the *DefenseNews*

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Declaring that the Obama Administration presents the best opportunity in years to overhaul export rules that limit weapons sales, nineteen industry lobbying groups have re-launched a campaign for sweeping reform. The groups want to de-emphasize the current reliance on munitions and dual-use technologies lists and base export decisions on such factors as whether an item can be bought from another country, whether it is widely used outside of defense, and whether the buyer is a trusted partner. The nineteen groups, which represent hundreds of U.S. companies from warplane manufacturers to software coders, said January 12th [2010] that a review of export control regulations now underway by the Obama Administration offers real hope for change.

> We're expecting something to happen. In the past, we didn't, said Remy Nathan, Assistant Vice President for International Affairs at the Aerospace Industries Association.
>
> The attitude of this Administration is different from any in decades, said Frank Vargo, Vice President for International Economic Affairs at the National Association of Manufacturers.

In August [2009] the White House announced the start of a broad review of export controls, saying that export controls should be updated to address current threats and changes in technology and the economy.

Vargo said that if adopted, the changes the industry groups want could increase U.S. exports by "tens of billions to hundreds of billions of dollars." A key change would be to consider "foreign availability" more when deciding whether U.S. technology can be exported. That is, if weapons technology can be bought from other countries, there may be little to gain in terms of security by restricting U.S. exports of the technology.

The groups, which call themselves the Coalition for Security and Competitiveness, said that standard should apply to both the Commerce Department's dual-use technology list and the State Department's munitions list.

Advocates who favor stricter export controls say such a change in U.S. policy could be deadly.

> The Russians make a pretty good shoulder-fired surface-to-air missile. Does that mean we should decontrol ours? asked Matthew Schroeder, Head of the Federation of American Scientists' Arms Sales Monitoring Project.
>
> There are a lot of items on the *U.S. Munitions List* that you don't want to make available without some kind of license or other authorization, he said, citing military firearms as an example.
>
> Just because you can find an AK47 almost anywhere, does that mean we should stop requiring export licenses for our M4s? That doesn't make any sense, Schroeder said.

But to U.S. manufacturers, strict export controls are "shooting ourselves in the foot," Vargo said.

Recalling a meeting between Chinese trade representatives and U.S. Commerce Department officials, he said: "It was astonishing how broadly the Chinese believed that U.S. export controls would complicate their lives if they bought from the United States."

So the Chinese bought from European and other manufacturers, he said. U.S. industrial rivals have learned to take advantage of U.S. trade restrictions by "designing U.S. components out" of their products and advertising them as free of U.S. parts—and encumbering regulations, Vargo said.

Encryption is an example of technology that especially suffers under U.S. export controls, said Christopher Hansen, Chief Executive of TechAmerica, a coalition member that represents high-technology companies.

"The export-control system today is designed for a world that no longer exists," Hansen said. Encryption used to be a technology used solely for national security purposes, "but that changed a long time ago," he said. Now, it is routinely used in banking, credit card transactions, online commerce, to ensure privacy, and for a multitude of other purposes.

If military encryption is not the purpose of an encryption product, "then probably it does not need to be protected" by U.S. export controls, Hansen said. "It does not make sense to spend a lot of effort to control something that is widely used and produced outside the United States," he said.

To do so encourages the production of new encryption products abroad to the detriment of U.S. companies, he said.

Coalition members also want export rules to be more specific. For instance, unarmed unmanned aerial vehicles (UAVs) and blimps should not be controlled in the same way that missiles are. And commercial satellites and their components should not be treated as munitions, Nathan said.

The *U.S. Munitions List* itself should be "scrubbed" to remove items that no longer require control; and a clearer process should be established for deciding what qualifies as a defense item, the coalition said.

A recommendation for the Commerce Department's dual-use technology list is more radical: Everything should be taken off the list, then make the Commerce Department "justify" why any item should be put back on the list, said Catherine Robinson, Director of High Technology Trade Policy at the National Association of Manufacturers, a coalition member.

Foreign availability should be a reason for taking items off the dual-use technology list; and a sunset rule would automatically take items off the list "unless a justification can be presented" for keeping them on, the coalition said.

Robinson said export controls should be switched from a "transaction-by-transaction approach" to a "trusted partner" process. Thus, licenses would not be required for each sale if items were being sold to companies and countries that are determined to be trusted partners.

Schroeder argues against such a change. "Case-by-case licensing is one of the best ways to prevent diversion," he said. Diversion is when weapons licensed for shipment to a specific buyer end up being transferred to unauthorized end users.

The Federation of American Scientists, which is not part of the coalition, issued its own set of export-reform recommendations to the Obama Administration. They call for clear export regulations and more detailed and public reporting of what's being exported and to whom.

The push for reforms is similar to a coalition effort in 2007 to convince the Bush Administration to reform export rules.

As a result of that effort, licensing procedures were improved; and waiting periods for export licenses were greatly decreased. But the Bush Administration failed to act on all of the reforms the industry groups sought; so the coalition is trying again, said William Reinsch, President of the National Foreign Trade Council, a coalition member.

> We've been trying to fix this for 25 years without significant progress, Reinsch said, adding, I think the stars are aligned now.

Pentagon Wins Turf War with State over Military Aid

By
Josh Rogin
Contributing Author for *The Cable*

[The following article originally appeared in *The Cable* on January 20, 2010. *The Cable* is available at: thecable.foreignpolicy.com.]

The Pentagon has won a major internal battle over control of foreign assistance funding, delaying the Obama Administration's pledge to demilitarize foreign policy, multiple sources tell *The Cable*.

The Department of Defense (DOD) and the Department of State (DOS) have been fighting vigorously over who would be in charge of large swaths of the foreign assistance budget, billions of dollars in total that are used to aid and work with governments all over the world. Both Defense Secretary Robert Gates and Secretary of State Hillary Clinton have emphasized the need to rebalance national security spending away from the military and toward the diplomatic core, but behind the scenes their offices have struggled to determine where the lines should be drawn.

> For too long we have focused more heavily on one of the so-called three Ds—namely defense— and less on the other two, diplomacy and development . . . And it has been my goal since becoming the 67th Secretary of State to do all that I could to make sure that diplomacy and development were elevated alongside defense," Clinton told the U.S. Global Leadership Coalition.

One big chunk of funding at issue is in foreign security assistance, known as the "1206" account, which could total about $500 million next year. This is money used to do things like military training and joint operations with countries outside of Iraq and Afghanistan, such as Indonesia and Somalia. Since the military doesn't have the lead in those countries, the funding should flow through DOS, right?—well, not in 2011. The President's budget will keep those funds in the Pentagon's purse in its February 1, 2010 budget release, following a pitched internal battle in which the DOS eventually conceded.

"That literally is the result of vigorous arm wrestling within the Administration," one source familiar with the discussions said. The battle had been waged primarily between the shops of Under Secretary of Defense for Policy Michèle Flournoy and Assistant Secretary of State for Political-Military Affairs Andrew Shapiro, but finally Deputy Secretary of State Jack Lew got involved.

> Eventually State backed off, the source said. They are not sure they have the capacity to actually run the 1206 programs."

The capacity issue has hampered State's ability to take over many of the programs it professes to want to own. In a related case, top senators wanted to give DOS control over another fund, called the Pakistani Counterinsurgency Capabilities Fund, but could not do so last year because DOS was not prepared to take on the mission.

> My hunch is there are some real procedural problems that need to be worked out before the shift can take place, Senate Armed Services Committee chairman Carl Levin, Democrat-Michigan, told The Cable. There is probably an effort being made to

> build their capacity so that they are better positioned the next time this comes around," he said, referring to the DOS.

Insiders working on the issue also suggested that DOS did not match up bureaucratically inside the fight. The Pentagon just has so many more people and resources to bring to bear; and, besides, the DOS's strategy review, the *Quadrennial Diplomacy and Development Review* (QDDR), is not complete. Meanwhile, the window for Foggy Bottom to get its act together may be closing. Despite the internal wrangling, this Pentagon is more willing to give away authorities than others have been or might be.

> The State Department has an unusually strong advocate in Secretary Gates in that regard, Levin noted.

In fact, Gates floated a memo last month proposing that DOS and DOD share about $2 billion worth of foreign assistance money and administer the accounts jointly. But Hill staffers, who would be the ones appropriating the money, said there was no follow-through. Many saw the memo as a decoy and not really operative in any sense.

Besides the 1206 funds, there are still large accounts in the foreign assistance realm that could be adjusted when the budget request comes out in February [2010]. For example, DOS could be awarded the approximately $1 billion in the Iraqi Security Forces Fund, considering the U.S. Embassy in Baghdad will be taking over large parts of the training mission in Iraq soon.

In one other account focused on development, called the 1207 account, DOS is expected to be given that $100 million worth of budget authority, which had been housed at DOD. But since the 1207 money was already being spent by DOS after being channeled through the DOD accounts, that is not really such a big change after all.

Overall, DOS is expected to receive a hefty increase in its top-line budget request for fiscal 2011; but much of that money will be for Iraq and Afghanistan, allowing little growth in the rest of the DOS and U.S Agency for International Development (USAID) accounts.

The slow pace of rebalancing national security spending and the lack of a comprehensive strategy for guiding that process is the subject of a new book by former Office of Management and Budget (OMB) national security funding chief Gordon Adams, entitled *Buying National Security: How America Plans and Pays for Its Global Role and Safety at Home*.

> The tool kit is out of whack, Adams told *The Cable*. There is been a major move over the last ten years to expand the Defense Department's agenda, which has been creeping into the foreign-policy agenda in new and expensive ways.

Officials from the White House's Office of Management and Budget declined to comment about the budget details ahead of the release.

Market Trends and Analysis of Defense Offsets

By
Asif M. Khan
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[The following is a graduate paper prepared by Mr. Khan and reflects his viewpoint supported by the sources listed at the end of the paper. These are his personal views and do not reflect the views of either the U.S. Government or his employer.]

Offsets are industrial compensation practices that are required as a condition of purchase. The seller is required to compensate the buyer for perceived losses to the local economy. This practice has been part of international trade for more than fifty years. The origin of defense offsets has been traced back to different times and events by different authors, depending on the nature of their use and the terminology used. In his article, Barry Marvel traced the origin of defense offsets to Switzerland in 1968 (Barry 2001), while other authors have traced it back to 1950 when the North Atlantic Treaty Organization (NATO) was formed (Skons 2002). Offsets are also used in other industries, such as power generation, telecommunications, and infrastructure projects. Pepsi signed an agreement with the Ukraine to expand its bottling plants and, in return, marketed approximately $1 billion worth of shipments over an eight-year period (Cateora, Gilly, Graham 2009).

The extant literature, conferences, and industry associations have indicated that the use of offsets is increasing due to their important role in international trade. There are many who favor the practice of offsets, and there are many who oppose this practice. Some refer to offsets as kickbacks (Hawkins 2006) and as being counter to the free market approach, while others, especially some people in the defense industry, view offsets as a reasonable component of market practices and as a business development tool without which there would be no sales (Barry 2001; Healey in Wessner 1999; Defense Industry Offset Association [DIOA]). The World Trade Organization (WTO) permits only *civilian offsets* (civil-civil) for developing countries only.

Agreements concerning offsets are usually separate from the main contract. And they can be *direct offset agreements*, i.e., directly related to the equipment or service being purchased; or they can be *indirect offset agreements,* which are unrelated to the equipment or service being purchased. An example of direct offsets is the Australian purchase of Eurocopter's *Tiger* attack helicopters for Australian Dollars (AUD) 1.3 billion, which included an offset agreement that required local production of components, local assembly of eighteen of the 22 helicopters, and local production of the Eurocopter EC-120 for the Asian market. The agreement between Russia and Malaysia for Russia to transport a Malaysian astronaut to the international space station was unrelated to the main contract to supply the Sukhoi Su-30 Russian fighter to Malaysia's air force, so this was an indirect offset agreement. Figure 1 provides the categories of offsets that are currently offered in the market (Martin 1996).

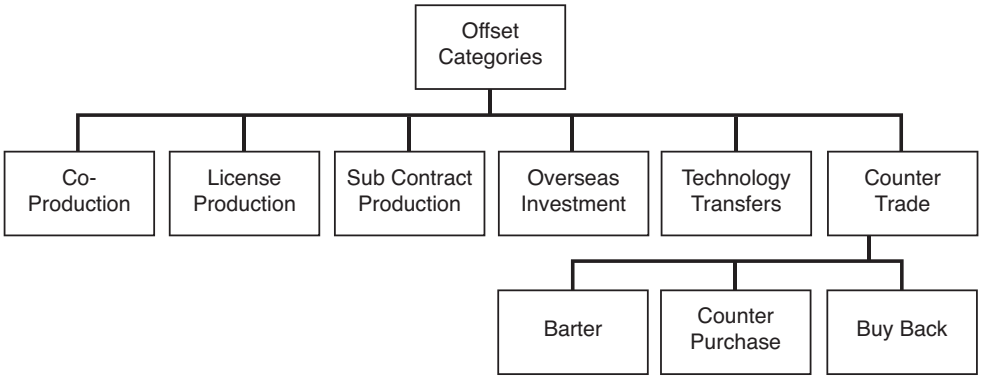


Figure 1 Offset Categories

Offset *agreement* is implemented by one or more offset transactions with a *credit value* claimed against the agreement. Purchasing countries' governments use a *multiplier* or added credit to stimulate a particular type of transaction (U.S. Department of Commerce [DOC] Bureau of Industry and Security [BIS]).

Offsets are now an accepted practice in the international business arena, and this is especially true in the defense industry. Many countries see offsets as a means of enhancing their local economies, of politically justifying spending on defense articles, and of acquiring the latest technologies. Countries and regions have used both formal and informal defense acquisitions and offset policies. In some cases, offsets are mandatory since a percentage of the value of the main contract will be taken as a penalty unless the terms of the offset agreement are met.

Marketers should be aware of offset policies and practices of their foreign customers and governments to better prepare for the competitive bidding process. Defense firms should be aware of the trends in offsets and the demands of the respective markets, such as local partnerships and production. Many firms recognize these factors as an opportunity to advertise their offering and their capabilities to customers (SAAB 2009).

Review of Extant Literature

Several publications, conferences, and other literature have covered the topic of offsets over the last few decades. The extant literature researched for this paper on offsets can be categorized as covering:

- Theory, models, and strategies
- The defense industry, in particular the view of the aerospace industry (U.S.)
- The general literature on trade, countertrade, and barter (non-defense industries)

The related literature that has addressed offsets has, for the most part, focused on the viability of offsets as a means of economic development and on the development of economic models, policies, and strategies that can be used to assess offsets. The study of the literature in this category provided a basic understanding of the topic and helped eliminate some of the myths about offsets.

Analysis of mandatory countertrade (countertrade, local content, and bundling) transactions versus transactions without any such requirements revealed that the buyer bears the costs associated with the offset, i.e., the cost premium is transferred to the buyer (Markowski and Hall in Brauer and Dunne 2004). Thus, the justification for offsets as a means of enhancing the local economy, local production, and the local job market comes with a price premium that must be justified. The impact

on the local economy can be temporary; and, in most cases, it can be achieved efficiently by other means, such as free trade and the normal economic and business development activities that lead to long-term business partnerships. This aspect of the issue is covered in detail by S. Martin (1996), Brauer and Dunne (2004), Wolf (1976), Wessner (1999), and the U.S. DOC's BIS (2007).

Three approaches are prominent when considering offset policies: 1) a policy adaptation requiring a *mandatory* offset component, 2) a flexible *case-by-case* approach based on mutual benefits, and 3) the *best endeavor* approach based on a partnership (Ron Matthews in Brauer and Dunne 2004). A number of countries started with one strategy; and, over a period of time and after some experience, they have used different approaches. Most of the western countries and markets covered in the next section exhibit this trend.

Mandatory offsets provide the benefit of ease of administering the offset program with set criteria established to monitor progress, and they are less rent seeking. It is advisable to use mandatory offsets in high-technology acquisitions (Taylor in Brauer and Dunne 2004). In most cases, government acquisitions depend on mandatory offsets because the available staff usually lacks experience and skill in dealing with offset agreements. The biggest drawback of mandatory offsets is their inflexibility that results from the imposition of a standard solution.

The case-by-case approach provides the ability to adapt to the complexity of acquisition technology, contract negotiations, and compromise. The best option is a compromise between mandatory and the case-by-case approach (Ron Matthews in Brauer and Dunne 2004). The next section covers the different markets and their policies and strategies. One can observe a strategy adaptation pattern in a specific country or market based on local conditions and requirements.

The U.S. defense and aerospace industry views offsets as a necessity in today's competitive business environment. Several industry associations, conferences, and publications cover the topic from different perspectives, such as economics, policy tools, and industry and job market studies related to the impact of offsets. The Defense Industry Offset Association (DIOA) was established with a charter that stated the organization's objective of educating its members about topics related to the practice of offsets. DIOA views offsets as one of the main criteria for international sales. Defense contracting firms have only two options, i.e., engage in offsets or walk away from the deal (R.E. Scott 1999).

The defense industry also views offsets as a counterbalance for trade distortions imposed by government interventions, as well as tools that provide risk mitigation and access to capital, markets, and technologies and enhance local workforce skills (Mowery 1999). In response to a survey of U.S. defense firms conducted by the U.S. Commerce Department, 59 percent of respondents agreed with the concept that offsets are essential to win contracts (Spreen 2007).

The general literature related to offsets covers civilian counter trade, barters, and other topics. Global organizations view offsets as ineffective and inconsistent with free trade. The World Trade Organization (WTO) has established a policy under Article XVI that prohibits the use of offsets. Offsets are permitted for developing countries only as means of qualifying, not for awarding contracts. The Organization for Economic Cooperation and Development (OECD) considers offsets to be a second-best solution when faced with market imperfections (Strizzi and Kindra 1995). Defense offsets are considered outside the scope of these agreements.

As a means of economic development, offsets work well when the local environment is able to take advantage of all or some of the factors involved, such as availability of a highly-skilled workforce,

business and technological partnerships, appropriate infrastructure, the capability to develop foreign markets for local products, and the dual-use nature of technology (defense and civilian). South Korea and Germany are prime examples of countries that have been able to leverage these benefits over the long term after the wars.

An increase or a decrease in the world's defense spending can also act as a catalyst. It will impact the competitiveness of the process in the international markets. Based on the past transactions (Figure 3), offsets have proved to be one of the key decision criteria in international defense sales.

The Offset Policies and Strategies of the Markets (Country and Regional)

Several countries and regions have formally or informally used offset strategies and policies for defense acquisitions. The use of a policy is dictated by various factors, including the state of the local economy, the skill set of the workforce, infrastructure, international relationships, and national ambitions.

A summary of the strategies and policies used by a selected set of countries covering different regions of the world is presented in this section. The U.S market was not considered for this paper. The selection of countries and regions was based on several factors, such as the importance of the region in international arms trade, history, conflict in the region, and the specific country or region's involvement as an arms importer and exporter (Figures 2a, 2b).

Europe, the United Kingdom, and Germany

Europe is the birthplace of offsets, as stated in the previous section. In 2007, European Defense Ministers used the European Defence Technology and Industrial Base (EDTIB) strategy to develop an open, competitive, and sustainable Defence Technology Industrial Base (DTIB) within Europe (European Defence Agency [EDA] Background 2009). The EDA is trying to get commitment from its subscribing countries to create a market that no longer needs offsets (Scaruppe 2009). Most of the European countries have adopted one of the three policy approaches during last four to five decades. Today, seventeen European countries have official offset policies. Figure 1a provides the EDA member states and their collaborative acquisitions. France, Germany, Italy, Spain, and the United Kingdom (U.K.) are the prominent members with double digit (percentage) collaborative acquisition (EDA 2009).

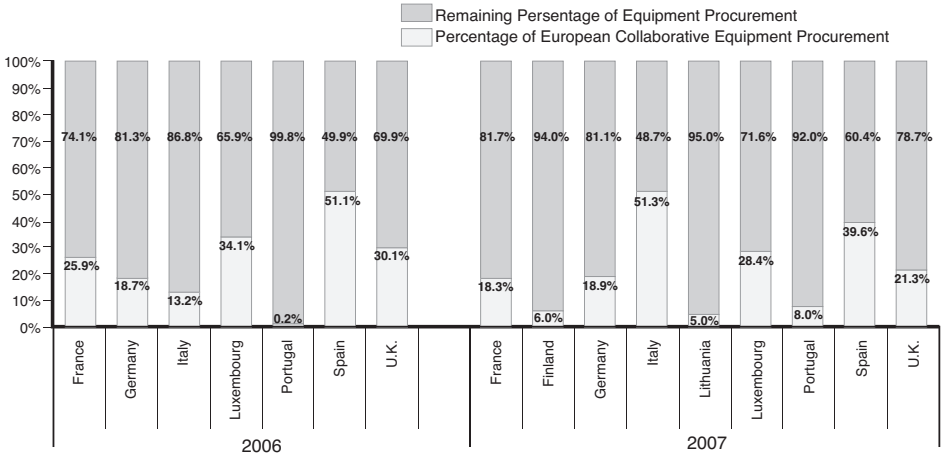


Figure 1a European Collaborative Equipment Procurement as a Percentage of Total Equipment

The U.K. and Germany are two major exporters and importers of arms in the world (Figure 2a). They are members of the NATO Alliance and the European Union (E.U.). E.U. Article III-196 protects the defense industries of member countries.

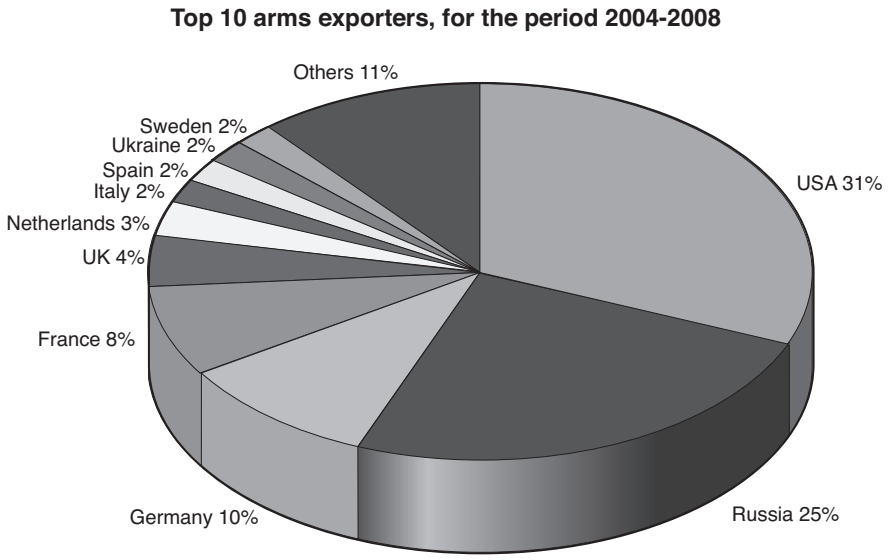


Figure 2a Arms Exporters (Source: Stockholm International Peace Research Institute [SIPRI] 2009)

The official U.K. offset policy, i.e., "Industrial Participation Policy," is the responsibility of the Ministry of Defence (MOD) and the Defence Procurement Agency (DPA), while the Defence Export Services Organization (DESO) is the implementer of the policy. For exports, the U.K. offset policy focuses on support for the local defense industry and its access to the world markets (DESO 2009). For imports, all contracts of £10 million or above require offsets. Offset requirements are set to 100 percent of the main contract value. Multipliers are not allowed. Thus, the U.K. follows a very traditional offsets policy with a combination of direct and indirect offsets.

Germany has no official offset policy. Germany, in principle, maintains close cooperation with NATO and the E.U. It has focused on dual-use technology, i.e., defense and civilian usage or spin-off with license production. Germany is a good example of a country that leverages offsets to build local industry, which was especially the case after World War II (Mawdsley and Brzoska in Brauer and Dunne 2004).

The formation of the European Union, trade agreements, and previous offsets have influenced the European unified approach to free market economies, leveraging partnerships and local capabilities and strengths and minimizing offsets within the E.U.

Asia (South Korea and Japan)

After World War II, Japan has been an ally of the U.S. with focus on the licensed production of arms of U.S. origin with a strict policy that bans the export of defense-related equipment. Officially, this agreement does not include an offset policy. There was, however, high-end technology transfer from U.S. and other European allies to Japan. Japan has benefited from its civilian high technology and industrial base to acquire and build an industrial base in the defense sector. It promotes local manufacturing and its design base (Chinworth in J. Brauer and Dunne 2004). It has built locally almost all its major defense articles acquired in the last four decades. Most of the U.S. acquisition

involved joint production, including selective design work on F-2 fighter production, an aircraft based on F-16, and the F-1 fighter-bomber based on the Anglo-French Jaguar.

Japan is now planning on revoking its ban on defense exports to start joint development of technology for export (Aviation Week and Space Technology 2009). Today, Japan is an industrial partner and financier of Boeing's new 787 Dreamliner with a major share of the complex work of designing wings (Newhouse 2007). It recently flew the prototype of the indigenous Kawasaki XP-1 Maritime Patrol Aircraft (MPA), and the prototype of the C-X transport aircraft is to follow soon (AirForces Monthly 2008). The XP-1 will replace the U.S.-built P3 aircraft, which is nearing the end of its useful life. Japan has successfully benefited from its policy of local industry participation and transfer of technology from the U.S. and other countries.

The South Korean offset policy has evolved since the time offsets were only required for very large-scale acquisitions (Kim 2008). The South Korean Ministry of National Defense (MND) is responsible for the country's offset policy, which now requires a 30 to 70 percent offset for any acquisition with a value greater than $10 million. A multiplier of six to one has been offered as an incentive (Brauer and Dunne 2004). Due to its history, geography, and the perception of being threatened, South Korea spends a tremendous amount of money on defense. Its goal is to build local production capacity for its own needs as well as excess capacity for export. The U.S. has been traditionally its partner in the programs (e.g., the F16 and F15 programs); but, recently, South Korea has been exploring new concepts with SAAB related to stealth technology and other areas, such as Active Electronically Scanned Array (AESA) radar, in order to avoid U.S. restrictions on export (Aviation Weekly & Space Technology [AW&ST] 2008).

The South Korean defense industry has been able to design and produce systems. Furthermore, its regional market development and partnership with Turkey and Malaysia have led to new sales. Today, South Korean defense exports amount to billions of U.S. dollars (Grevatt 2009).

Sub-Continent (India and Pakistan)

India and Pakistan share a common border, have had many disputes, and have similar histories. Both have fought more than three major wars and many small-scale skirmishes on their borders.

Top Arms Importers	FSI Rank	Weapons imported 2006 & 2007 (in millions)*	Annual military expenditure (in millions)**
China	56	$8,562	$63,617
Israel/West Bank	56	$3,384	$13,357
Egypt	43	$2,557	$2,995
Pakistan	10	$1,415	$4,932
Iran	38	$1,308	$7,198
Iraq	6	$850	$3,617
Azerbaijan	56	$574	$728
Bangladesh	18	$437	$747
Georgia	33	$427	$646
Colombia	41	$215	$5,819

* Estimated value of conventional weapons imported, 2006 & 2007 (in millions

**Total annual military expendature, most recent year available (in millions)

Figure 2b Top Arms Importers, *Foreign Policy Magazine*, July-August, 2009

Since India has a larger economy than its neighbors, it spends large sums of money on defense and security. It is projected that India will spend close to $29 billion in 2009-2010 (F and R 2009). Its offset policy requires a mandatory offset of 30 percent on acquisitions in the category of "purchase from local/global vendor" and 30 percent on the category called "foreign exchange component." All defense acquisitions with a total value that is equal to or greater than Indian rupees 300 *crore* [a unit in the Indian numbering system equal to ten million] require an offset (DPP 2008). India has a long history of holding a local license to assemble weapons of European and Russian origins.

The goals of the Indian offset policy include:

- Being self-reliant in the defense industry
- Reducing the foreign exchange burden
- Becoming an exporter (Baskaran in Brauer and Dunne 2004)

India's major indigenous defense programs, which began in the 1980s, are nowhere near completion. Several programs, including the Light Combat Aircraft (LCA) and the Arjun Main Battle Tank (MBT), already have been canceled; and other programs are in trouble. At the same time, India is still the top importer of defense articles.

India's mandatory offset requirements are difficult, especially the local partnership requirements for sellers (Flightglobal 2009). Finding local partners who can bring meaningful expertise to the table is difficult. The Indian defense industrial sector is government-operated and has minimal private-public partnerships. It is mostly limited to licensed manufacturing of technologies from the former Soviet Union. Due to these difficulties and complexities associated with the offset requirement, it is difficult to ascertain the success of the policy programs (JDW 2009). India does not enjoy the same environment as Japan, South Korea, and Germany, which have highly-skilled workforces in the defense sector, private sector participation, and the necessary infrastructure in place.

Pakistan is in turmoil with disputes with its neighbor and the threat of extremism within. According to *Foreign Policy* magazine, Pakistan is ranked tenth on the Failed States Index (FSI). It spends a significant portion of its annual budget and gross domestic product (GDP) on defense (Figure 2b). It does not have an official offset policy; but, unofficially, it strives to support its defense needs locally. Mathews, in his articles on offset policy, stated that Pakistan's supply need takes precedence over offset preference (Brauer and Dunne 2004). Over the last few decades, Pakistan has faced embargos by the U.S. and other countries that have pushed its unofficial policy to become firmer on local production, support, and the export of excess capacity. It exports small arms and ammunition, and it is now formally promoting its products through a defense exhibition and seminar that is held every other year (International Defence Exhibition and Seminar [IDEAS] 2010). Recently its acquisition of work related to the Boeing 777 had a local production offset component (Pakistan Aeronautical Complex [PAC] 2009). Similarly, its recent acquisition of a role in the production of the Italian surface-to-air missile (SAM) had an unspecified amount set aside for local support and maintenance (*DefenseNews* 2009).

Pakistan is not as ambitious as India in its offset requirements because it does not enjoy the same status as India in world politics and international relations. In addition, it does not have the same economic resources, skilled workforce, or infrastructure. Like India its defense industry is totally state run with almost no private-public enterprise participation.

Middle East (Saudi Arabia and United Arab Emirates)

Besides Israel and Egypt, Saudi Arabia and the United Arab Emirates (UAE) are the largest importers of defense articles and services in the Middle East. Both nations had been spending heavily on defense since the Gulf crises of the 1990s. Israel and Egypt receive a large amount of aid from the U.S. annually. This makes it very difficult to conduct an appropriate analysis that requires disentangling aid from local spending.

The Saudi Economic Offset Program (EOP), under the Ministry of Defense and Aviation, is responsible for the country's offset policy. The Saudi offset policy, as is the case for many developing countries, is focused on social and economic sector benefits and the acquisition of advanced technologies. Almost all of its recent acquisitions and some of its past acquisitions had offset components. Al-Ghrair and Hooper (Al-Ghrair and Hooper in Martin 1996) provided a detailed account of Saudi Arabia's major programs, such as Peace Shield and Al Yamamah I and II. The Saudi offset programs focused on requiring barter; the establishment of joint ventures with a 50-50 partnership with local businesses; and utilizing indirect offsets for local production in pharmaceutical, petroleum, and food processing plants.

Al Salam Aircraft repair and support facilities were also established for in-country support of commercial and military aircraft during the same period when Saudi Arabia had subcontracts from Boeing and other defense contractors. The most recent acquisition of the 72 Typhoon fighters from the U.K., Saudi Arabia's main defense supplier after the U.S., had an offset component with ambition to establish its own aerospace and defense industry (*Arab News*).

The UAE has one of the most successful economies in the Middle East. The UAE Offset Group (UOG), established in 1998, has goals and objectives that are similar to those of the Saudi EOP. It has mandatory offset requirements of 60 percent, with a term limit of seven to ten years to fulfill its offset requirements. It has an additional requirement of profitability, rather than just investment in the kingdom. The UAE is the first and only Arab country in the Middle East to partner with the U.S. defense industry (Northrop Grumman) by investing $500 million to develop new, Active Electronically Scan Array (AESA) radar for F-16 fighters (Knights 2003). Any future sales would provide royalty revenue for the kingdom.

Australia and New Zealand

Australia and New Zealand (ANZ) enjoy closer ties due to geographic, commercial, and other interests. The Australian-New Zealand Closer Economic Relations Trade Agreement (ANCERTA also known as CERTA) was established to further common goals and improve the treatment of local suppliers. Due to these reasons, a reference to Australian industry is regarded as one industrial base (AIC 2009).

Australia has experimented in the defense offset arena. Over a period of time, it adopted a variation of all three policy approaches. In the 1970s, the Australian Industrial Participation Program (AIPP) was based on best endeavor. In 1986, AIPP was replaced by the Australian Industry Involvement (AII) program. Under the AII program, it is mandatory for contracts to include a 30 percent offset if they exceed AUD 2.5 million with imported components of at least 30 percent. A multiplier is used to entice research and development (R&D) and training (Markowski and Hall in Brauer and Dunne 2004).

Today, Australian Industry Capability (AIC) is focused on maintaining self reliance through the development of in-country industrial capabilities; but cost effectiveness is a major consideration. Offsets are no longer mandatory, but commercial competitiveness and value for money are considered to be very important. AIC requires a plan for all contracts valued over AUD 50 million with local industry activities (LIA) as one of the key performance indicators (KPI). LIA are contracts with work breakdown structures (WBS) that are undertaken by local industry using an agreed to statement of work (AIC 2009).

The New Zealand Industrial Involvement (NZII) in the twentieth century had a mandatory offset requirement and local program component, i.e., New Zealand (NZ) Industrial Participation (NZIP). It requires a mandatory offset of 30 percent, as does the Australian AII. New Zealand, much like Australia, has realized the limitations of mandatory offsets. Today, the New Zealand MOD does not advertise for mandatory offsets; rather, it encourages vendors to provide offsets and local industry participation. This policy was also influenced by regional agreement with its neighbors and regional participants. New Zealand recognizes regional bilateral agreements with Singapore (Closer Economic Relations — CER) and other entities, in addition to the Australian CERTA (NZ MOD 2009).

The example provided by Australia and New Zealand signifies the regional approach of learning and enhancing offset policies and procedures over time. This regional approach has also been used in other western markets, such as the European Union and Asia Pacific regions. The formation of broader trade agreements between different countries has enabled the creation of common markets and strategies for dealing with local defense priorities through unified offset policies.

Figure 3 provides a list of defense acquisitions by the set of countries presented in this section with their contract values in U.S. dollars and their offset requirements. All the contracts listed in Figure 3 have an offsets component.

SIPRI Arms Transfers Database and Other Sources					
S. No.	Supplier/ Recipient (R) or License (L)	Defense Article	Contract Value	Offset Value	Comments
1	France, UAE	46, Leclerc DNG, Armed Recovery Vehicle	Part of $3.4b deal	60% of Contract Value	Delivered in 2004
2	France, L. Australia	22, Tiger Attck Helicopter	AUD 1.3b	N/A	Offsets include production of components and assembly of 18 in Australia and production of EC-120 helicopter for Asian market; Aussie Tiger version, delivery 2004-2009
3	France, L. Australia	NH90 Naval Helicopter	AUD 1b	$233 M	Including local assembly, delivered delivered 2007-2009
4	Italy, Pakistan	10 Batteries, SPADA 2000 Surface to Air Missile (SAM)	$565-656 5M	N/A	Two facilities are being prepared (forms part of an offset engagement on the sale), one for maintenance of the Spada system and for guidance system testing and maintenance of the Aspid missiles, deliveries begins 2010
5	U.S., Pakistan	3, Boeing 777	N/A	N/A	Manufacturing aviation parts for Boeing 747, 767, and 777 aircraft delivery 2010-2014
6	Russia, India	80, Mil-17 Helicopters	$1-12b	$400 M	Delivery 2010-2014
7	U.S., India	P8I, Maritime Patrol Aircraft (MPA)	$2.1b	30%	First of eight aircraft to conclude by 2015
8	U.S., Australia	4, C17A Transport	AUD 1.9b	AUD 345 M	Delivered in 2004
9	U.S., S. Korea	40, F15 Fighters	$4.2b	65-83%	Including local component production for 32 aircraft and all AH64 attack helicopters part of a separate deal
10	U.S., U.K.	5, ASTOR Radarss	$1.3b	100%	Upgraded Raytheon ASARS-2 side looking airborne radar, 4 radars produce in U.K.
11	U.K.	FGM-148 Javelin, Anti tank missiles	~490M + $179M	100%	Two separate orders for about 5000 missiles
12	U.K., Saudi	72 Typhoon Combat Aircraft	£20b ($30 2b)	N/A, Minimum offset required by Saudia Arabia under its policy, 35%	72 aircraft total, 48 to be locally assembled, 2 deliveries in 2009

Figure 3 Recent Acquisitions with Offsets for Selected Countries

Middle Eastern countries have benefited from the indirect offset programs by investing in the socio-economic sectors. The direct offset programs related to the acquisition of defense articles in the Middle East are a new phenomenon and are still in their early stages. These countries face labor shortages and especially shortages of a skilled defense industry workforce to actually benefit from the technology that is being acquired. Most of the manpower of the air force is recruited from abroad. A local defense industry is almost non-existent, and the current trend is to focus on this area of development.

Offsets exist formally and informally, in direct and indirect forms. Some countries, such as India and the UAE, have adopted mandatory offsets, while others have adopted flexible offset policies that focus on long-term partnerships and dual-use technology. Germany and Japan are both in this category. Indirect offsets are being utilized as a means of economic and social development, while direct offsets help to acquire defense technology and establish an in-country defense industry and the support it needs.

Countries with a highly-skilled workforce, private-public enterprises, and developed business and international relationships are in a better position to absorb the transfer of defense technology and benefit from offsets. The approach of regional adaptation to offsets is influenced by broader regional agreements, as was evident in the cases of the E.U. and ANZ.

Country/ Region	**U.K.**	**Germany**	**India**	**South Korea**	**Saudi Arabia**	**Australia/ New Zealand**
Policy Title	Industrial Participation Policy (IPP)	Industrial Balance, No Official Policy	Defence Procurement Policy (DPP 2008	Policy of Offset Benefits (OB)	Saudi Arabian Economic Offset Program	Australian Industry Capability (AIC)
Agency Handling	MOD, Defence Export Services Organization (DESO)	German Defence Procurement Office (GDPO)	MOD	Industrial Corporation Authority (ICA)	Economic Offset Committee (ECO)	Australian Industry Involvement Authority (AIIA)
Minimum Contract Value for Offset	£10 M	N/A	Rs. 300 Crores	U.S. $500,000	N/A	Not Mandatory
Minimum Offset Required (%)	100%	Minimum 100%	30% Contract value procure-ment + 30% Foreign Exchange	35%	35%	N/A
Term	Contract Term	N/A	N/A	Not Defined	10 years	N/A
Multipliers	None	N/A	N/A	1-6 times depends	Subject to ECO approval	None
Penalty	None + Strict Enforcements	N/A	Yes	10% of unfulfilled value	N/A	N/A
Direct Versus Indirect	Both	Both	Both	Both	Mix	N/A
web site	www.deso.mod.uk/ip.htm	None	http://mod.nic.in/dpm/DPP 2008.pdf	www.dpa.go.kr	www.offset.org.sa	www.defence gov/au/dmo
Offset Policy/ Strategy Evolution (Mandatory versus Case by Case versus Best Endeavor	Yes	N/A	No	No	No	Yes

Figure 3b Selected Summary of Offset Policies

Offset Analysis and Trends Based on U.S. Defense Exports

The U.S. is the largest exporter of defense-related articles in the world. Its markets include all the countries covered in the previous section. Analysis of the sales of the U.S defense industry can provide an insight into the trends and requirements for offsets related to defense articles.

The U.S. Department of Commerce's (DOC's) Bureau of Industry and Security (BIS) collects data (for reporting to the U.S. Congress) on all U.S. firms' contracts having an offset component exceeding $5 million. The following analysis is based on data obtained from the reports published by BIS (U.S. DOC BIS 2007; U.S. DOC BIS 2008). These data cover all contracts and the corresponding offset agreements completed during the period of 1993-2007.

Figure 4 provides U.S. defense exports from 1993 through 2007. As seen by the trend line (logarithmic), U.S. exports have decreased in value over the years. This may be due to increased competition from European and other defense exporters and perhaps due to regional approaches. Figure 5 shows corresponding offset agreements with a much steadier trend. Figure 6 provides the offset transactions that correspond to the contracts of Figure 4 and the offset agreements of Figure 5. The values of the transactions show a steady upward trend.

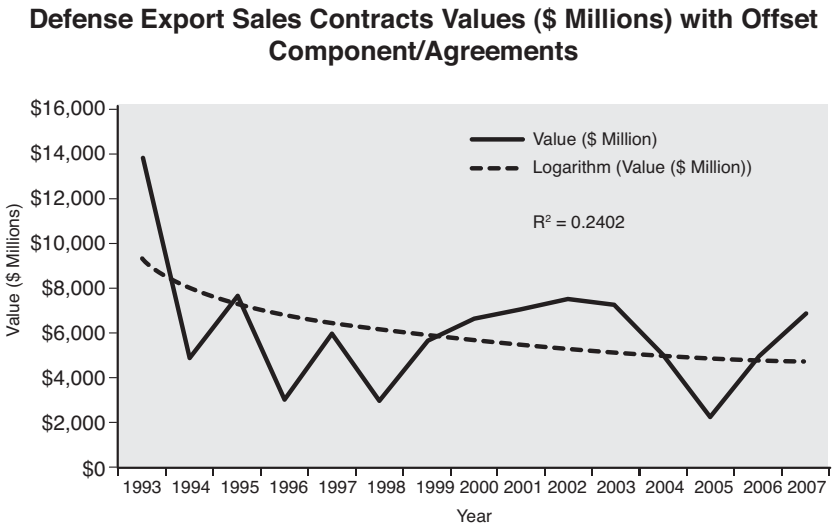


Figure 4 United States Defense Contracts by Values

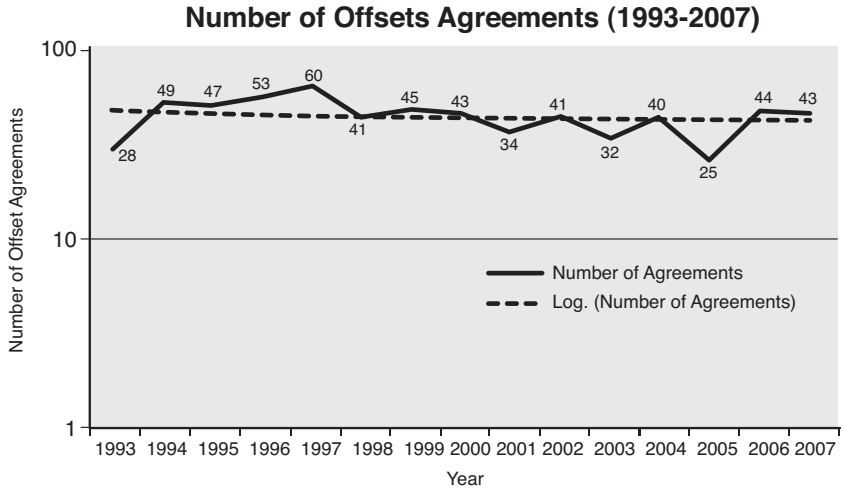


Figure 5 United States Offset Agreements

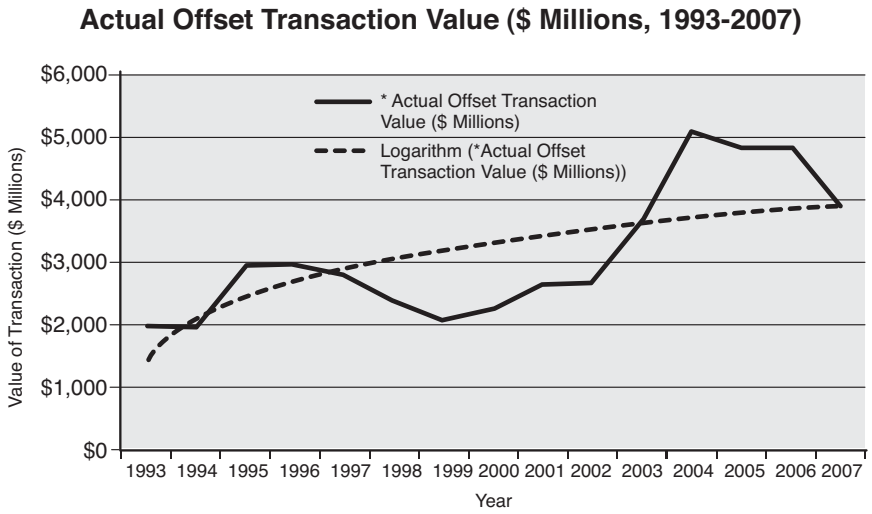
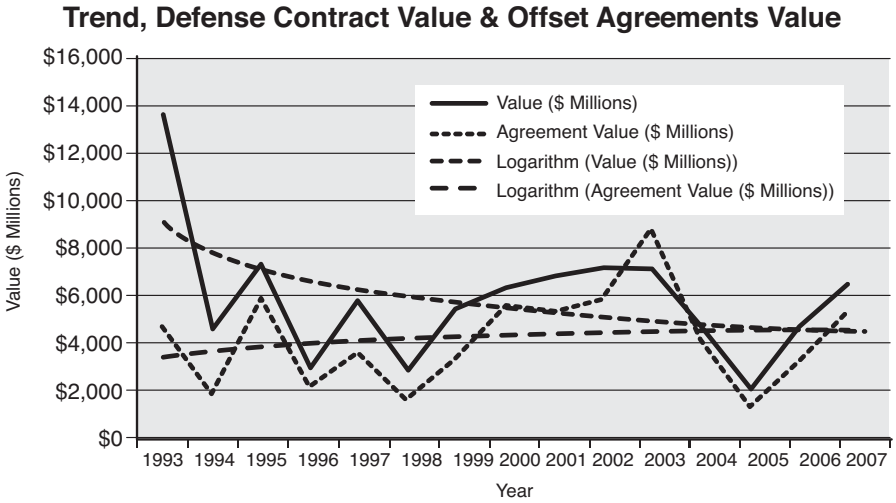


Figure 6 Offset Transactions

Figure 7 summarizes the trends shown in Figures 4, 5, and 6. Figure 7 shows a downward trend for the values of defense contracts; but, at the same time, the values of offset agreements show steady growth, leading to the conclusion that customers and governments are asking for larger offsets for contract acquisition.

Figure 7 Contracts Versus Offset Values



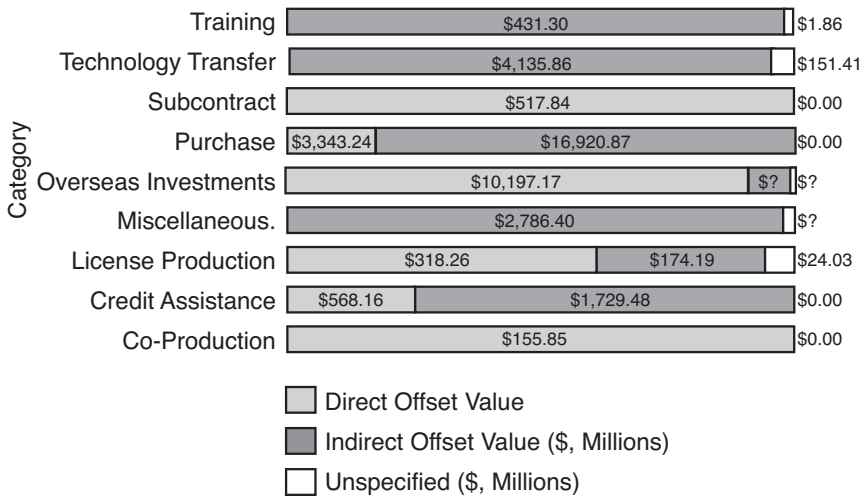


Figure 8 Offset by Category

Figure 8 charts the types of offsets (direct versus indirect) and the categories of the offsets (e.g., training, technology, and purchase). It is apparent that the subcontract, overseas investment, licensed local production, and coproduction categories are used preferably for direct offsets. Indirect offsets are comprised primarily of training, purchases, and technology transfers. Figure 9 shows a steady increase in offsets, with indirect offsets exceeding direct offsets by a factor of almost two.

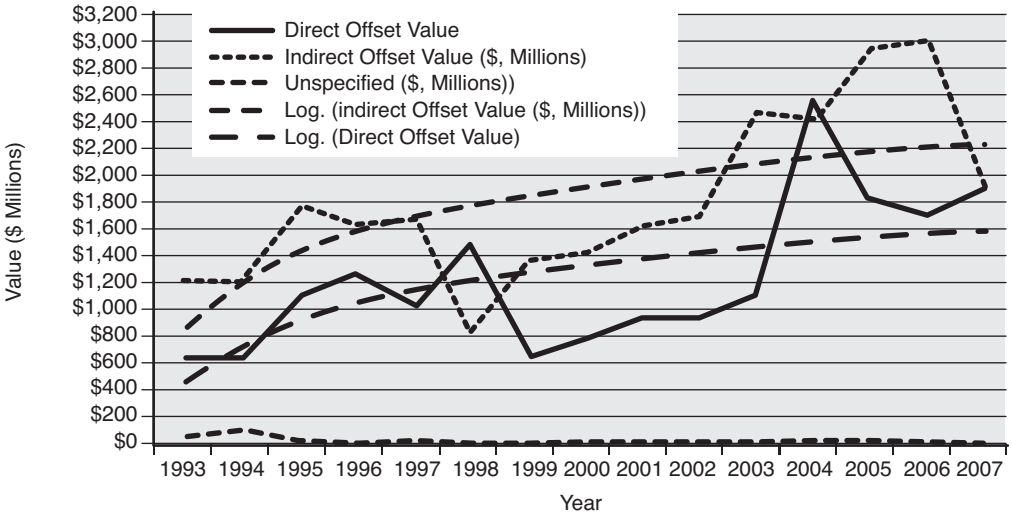


Figure 9: Offset Values (United States $ Millions) by Type Trend

The overall trend based on the last fifteen years of U.S. export data shows that there has been a steady increase in the demand for offsets, with indirect offsets accounting for the major portion of the demand.

Conclusion

Offsets exist in formal and informal forms. Some countries, such as India and the UAE, have adopted mandatory offsets, while others have adopted flexible offset policies that focus on long-term partnerships, dual-use technology, and regional approaches. The E.U. and ANZ are in the latter category. Indirect offsets are being utilized as a means of economic and social development, while direct offsets are used to acquire technology and establish defense industries. Countries with a highly-skilled workforce, public-private enterprises, and developed international business relationships and diplomacy are better positioned to absorb the transfer of defense technology than countries that do not have these attributes. Based on the last fifteen years of U.S. export data, the overall trend shows that there has been a steady increase in the demand for offsets.

About the Author

Asif Khan is currently with the Lockheed Martin Corporation supporting the Joint Staff, Combatant Commands, Office of the Secretary of Defense (OSD)-DOD and classified customers. His responsibilities include customer relationship management, price-proposal development, and program management. He has over 16 years of experience in the private industry. Prior to Lockheed Martin, he worked for AT&T Corporation, Goodrich Aerospace, and Rockwell Corporation, managing products and programs for U.S. and international customers. His education includes two master's degrees, one from Wayne State University, Detroit, and the other from the University of Peshawar, Pakistan. Currently he is pursuing a Master of Business Administration (MBA) in Marketing Management

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Notice to Exporters 2010/12: Amendments to Open General Licenses on 26 March 2010 Concerning Exclusion of Cluster Munitions

Released By The United Kingdom Department for Business, Innovation, and Skills

[The following is from a United Kingdom (U.K.) Business, Innovation, and Skills (BIS) notice released 22 March 2010.]

Cluster Munitions Removed from a Number of Open General Licenses

1. The Department of Business, Innovation, and Skills (BIS) has amended a number of Open General Licenses to exclude cluster munitions. This follows a review of Open General Licenses. The amended licenses will enter into force on 26 March 2010 (when the new versions will be published). Details are given below.

Cluster Munitions Have Been Removed From the Scope of the Following Open General Licenses

- Open General Export License (OGEL) (Technology for Military Goods)
- OGEL (Export After Repair/Replacement Under Warranty: Military Goods)
- OGEL (Export After Exhibition or Demonstration: Military Goods)
- OGEL (Export for Repair/Replacement Under Warranty: Military Goods)
- OGEL (Military Goods: For Demonstration)
- OGEL (Export for Exhibition: Military Goods)
- OGEL (Military Components)
- OGEL (Military Goods: Government or North Atlantic Treaty Organization (NATO) End Use)

  In addition a new control entry PL5035 has been added.

- OGEL (Exports or Transfers in Support of UK Government Defense Contracts)
- OGEL (Access Overseas to Software and Technology for Military Goods: Individual Use Only)
- OGEL (Military and Dual Use Goods: U.K. Forces Deployed in Non-Embargoed Destinations)
- OGEL (Military and Dual Use Goods: U.K. Forces Deployed in Embargoed Destinations)
- OGEL (Software and Source Code for Military Goods)
- Open General Transhipment License (OGTL)

Republishing of Amended Licenses

2. All of the new versions of the licenses listed above will be automatically re-published on the morning of 26 March 2010 on the BIS, Businesslink, and OGEL Checker web sites.

3. All current OGELs are published at: http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1084228524.

Revoked Versions of Licenses

4. The existing versions of these licenses will be revoked as of 25 March 2010. You can access revoked versions of licenses by contacting the Export Control Organisation (ECO) helpline.

What This Means for Open General Export License Holders

5. If you have already registered to use any of these Open General Licenses, you should double check that you are still entitled to use the relevant license (by reading the license carefully). You might find it helpful to use the OGEL Checker web site: http://www.ecochecker.co.uk/Ogelchecker.

6. You only need to register once for each relevant license. You can continue to quote the license if your products and destinations still fall under the terms and conditions of the license. However, you should keep a copy of the current (in force) license for your records, in preparation for compliance audits.

7. You will not be entitled to use the relevant Open General License if you cannot meet all the specified terms and conditions (including those covering product and destination). If this is the case and the goods are still controlled, you need to apply for a Standard Individual Export License (SIEL), which can be applied for via SPIRE [the ECO's online licensing database].

8. If you no longer need to use the license, you can de-register via the SPIRE system at https://www.spire.bis.gov.uk. Further details on registering or de-registering from OGELs are available on the SPIRE site.

9. All OGEL holders are reminded that they are subject to compliance audits to check on Open General License usage. These audits are conducted by the Export Control Organisation's Compliance Unit. For more details about Compliance and Enforcement of Export Controls, please see: http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1084353177.

Further Details

10. For further details of strategic export controls, please contact:

Export Control Organization
Department for Business, Innovation, and Skills
1 Victoria Street
London SW1H 0ET

Phone: 020 7215 4594
Fax: 020 7215 2635
E-mail: eco.help@bis.gsi.gov.uk

Web site: http://www.bis.gov.uk/exportcontrol or http://www.businesslink.gov.uk/exportcontrol

This notice is for information purposes only and has no force in law. Please note that where legal advice is required exporters should make their own arrangements.

Stealth Jet Fighter Orders to Be Slashed as Ministry of Defence Struggles to Save Aircraft Carrier Program

Defense Chiefs Decide United Kingdom Cannot Afford Current Plan

By
Richard Norton-Taylor
Contributing Author for *The Guardian*

[The following article originally appeared in *The Guardian* (United Kingdom), January 13, 2010.]

Defense chiefs are preparing drastic cuts to the number of American stealth aircraft planned for the Royal Air Force (RAF) and the Royal Navy's proposed new carriers, the Guardian has learned. They will be among the first casualties, with existing squadrons of Harrier and Tornado jets, of a huge shift in military spending being considered by ministers, officials, and military advisers.

As they head towards their biggest and most painful shakeup since the second world war, a consensus has emerged among the top brass that they can not afford the 140 American Joint Strike Fighters (JSF) they have been seeking. The JSF, or F35 as it is now called, has been subject to costly delays; and the estimated price has soared from £37 million each four years ago to more than £62 million today.

One compromise would be for the Ministry of Defence (MoD) to halve its order from 140 planes to seventy. There is also a growing view that Britain will not be able to afford to build the two large aircraft carriers, already delayed, let alone the planes due to fly from them.

> The carriers are under real threat. There will certainly be a big reduction in JSF numbers, a well-placed military source told the Guardian.
>
> The carriers are about more fast jets. They are very hard to justify, added a defense official, referring to a growing consensus that the RAF already has too many fast jets.

If the order was halved, it would probably be split so that there was a short takeoff and vertical landing (Stovl) version for the carriers and a conventional version based at RAF ground stations.

Among other options being considered are: downsizing the second carrier to a much cheaper platform for helicopters, marine commandos, and unmanned drones; building both carriers but selling one, perhaps to India; and equipping them with cheaper catapult-launched aircraft.

No decisions will be made until after the general election. However, there is a consensus developing in the MoD that Britain simply cannot afford existing plans to build two large carriers in a project which, if the JSF planes are included, would cost an estimated £25 billion.

The view is that it is extremely difficult to justify at a time when troops in Afghanistan are being deprived of helicopters and surveillance systems — including unmanned drones — which provide badly needed intelligence about what insurgents and suspected terrorists are up to.

The two proposed carriers, the Queen Elizabeth, due to go into service in 2016, and the Prince of Wales, due to follow in 2018, are already £1 billion over the original estimated cost of £3.9 billion. This excludes the cost of any aircraft flying from them.

The money spent on carriers and their jets is even more difficult to justify, say critics, at a time when the navy is getting six new frigates at £1 billion apiece and a replacement for the Trident nuclear ballistic missile system, which ministers say could cost £20 billion while admitting they do not know what the final figure will be. A decision on the proposed new Trident submarine's basic design contract — due last September — has been put back. "Further time has been required to ensure that we take decisions based on robust information," the Defense Secretary, Bob Ainsworth, told members of Parliament (MPs) before Christmas.

The final cost of Trident could amount to £97 billion over the system's 30-year life, according to Greenpeace. The Ministry of Defense has not challenged the figures.

What is likely to be a debate with much blood on the carpet was triggered last autumn by General Sir David Richards, soon after he became head of the army.

> We cannot go back to operating as we might have done even ten years ago when it was still tanks, fast jets, and fleet escorts that dominated the doctrine of our three services, he said. The lexicon of today is non-kinetic effects teams [carrying out 'hearts and minds' operations], counter-Improvised Explosive Devices (IED), information dominance, counter-piracy, and cyber attack and defense.

Richards warned that even large states such as China and Russia could adopt unconventional tactics rather than preparing for fighting with missiles and fixed formations of troops and armor.

> Attacks are likely to be delivered semi-anonymously through cyberspace or the use of guerrillas and Hezbollah-style proxies, he said.

The First Sea Lord, Admiral Sir Mark Stanhope, and Sir Stephen Dalton, the head of the RAF, have publicly challenged Richards's argument, saying it is dangerous to assume the days of "state against state" warfare are over.

However, all agree that the defense budget is under unprecedented pressure. Malcolm Chalmers, professorial fellow at the Royal United Services Institute, estimates the Ministry of Defense will have to cut its budget by up to 15 percent, and possibly more, by 2016.

The annual defense budget is about £35 billion, not including the cost of operations in Afghanistan which are running at about £4 billion a year and are paid for out of the treasury's contingency fund.

United States and Arab Arms Deals Undermine Israel Defense Forces Superiority

By
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and
Aluf Benn
Contributing Authors for *Tel Aviv Haaretz*

[The following article originally appeared in the *Tel Aviv Haaretz*, January 10, 2010. Editors note: This article is in the "Perspectives" section of the *DISAM Journal* and readers are reminded that the information presented is from the perspective of the authors only – the accuracy of assertions is not within the purview of the editorial staff.]

The Bush Administration violated security related agreements with Israel in which the U.S. promised to preserve the Israel Defense Force's (IDF's) qualitative edge over Arab armies, according to senior officials in the Obama Administration and Israel.

Defense Minister Ehud Barak traveled to the U.S. in September [2009] for a rushed meeting in which it was agreed that the two allies would discuss how to resolve the problems regarding this issue.

U.S. National Security Advisor General James Jones is scheduled to arrive in Israel on Tuesday for what is likely to be talks on the issue of the IDF's qualitative edge. [Ed note: We cannot verify if such a meeting occurred]

Senior sources in the current U.S. Administration and senior officials at the foreign and defense ministries in Israel have suggested that during the last year of the Bush Administration, the U.S. sold advanced military equipment to moderate Arab states—Saudi Arabia, Egypt, and the United Arab Emirates. The Americans justified the arms sales with the need to bolster these countries against the perceived threat posed by Iran.

In an address before the National Jewish Democratic Council, Israel's ambassador to Washington, Michael Oren, commented on the matter.

> We discovered that the qualitative edge of the IDF has been eroded, Oren said. We came to the Obama Administration and said: Listen, we have a problem.

According to Oren the response of the Obama Administration was positive and immediate.

> They said they are going to deal with this matter and ensure that the qualitative edge of the IDF is preserved, he said. Since then we have embarked on a dialogue [on preserving the IDF's qualitative edge].

The arms transfers that were particularly disturbing for Israel were of advanced air and naval systems. For example, the U.S. sold Saudi Arabia advanced F-15 fighter-bombers, similar to the ones it sold Israel. According to Israeli assessments, following the U.S. sales to the Saudi kingdom, the Saudi Air Force is currently in possession of 200-250 aircraft of this type.

In addition, the U.S. sold Saudi Arabia and other Arab states satellite-guided and laser-guided "smart bombs" for their fighter aircraft, as well as advanced anti-ship missiles and electronic suites for aircraft, all similar to the equipment in the IDF.

Toward the end of the Bush term in office, the defense establishment recommended to the political leadership to raise the issue with the incoming U.S. Administration. Defense establishment officials warned that the U.S. is arming countries in the moderate Arab camp in "a way that erodes the qualitative edge of the IDF, especially in the air."

In recent months officials close to Prime Minister Benjamin Netanyahu began quiet exchanges with their U.S. counterparts on ways of retaining the IDF's balance of arms. The negotiations are held at the highest levels, with the White House and the Pentagon.

In September, for example, a day before the start of the United Nations General Assembly conference in New York, Barak traveled to Washington; and the purpose of his meetings there was kept under wraps. At the time, the Defense Minister's office announced that Barak had met with Jones and other senior administration officials in order to discuss the resumption of peace talks with the Palestinians.

In subsequent talks between the Obama Administration and Israel, Israeli officials have stressed that the arms provided with the aim of bolstering moderate Arab states against Iran could be directed in the future against Israel. A number of meetings have taken place since in an effort to "assess the damage" and find ways of securing the IDF's qualitative edge. Last week, *Haaretz* reported that the Obama Administration will sell advanced weapons systems to Arab states.

According to the weekly Jewish publication *Forward*, as a result of Israeli concerns, the Obama Administration intends to make changes to deals that the Bush Administration signed with Arab states and are currently being implemented.

The United States Army Creating Office to Manage Foreign Helos

By
Kate Brennan
Contributing Author for *DefenseWeb*

[The following article originally appeared on *DefenseWeb*.com, 10 February 2010.]

The Pentagon is directing the U.S. Army to create a new program office to oversee the management of non-standard rotary-wing aircraft, including Russian-made Mi-17 helicopters, according to an Army official. In a recent acquisition decision memorandum, Pentagon acquisition executive Ashton Carter calls for the establishment of the new office, according to Army and industry sources.

> We are in the process of standing that office up, said Rusty Weiger, Deputy Program Executive Officer for Aviation, in a February 4, [2010] interview. The office is not yet staffed, he added.

The Pentagon has bought Mi-17 helicopters for foreign security forces in Iraq, Afghanistan, and Pakistan, as well as for domestic use. According to an industry source, the helicopters are selected because they can handle the high altitudes and difficult flying conditions in Afghanistan. Also, Afghans are familiar with the platform; and the Russian-made helicopters are supposed to be less expensive than U.S. aircraft.

However, the contracting process behind these buys has been uncoordinated to date. Several different organizations across the Department of Defense (DOD) and the Department of State (DOS) have been involved. Because helicopters have not been delivered on time and the U.S. Government has paid considerably more than the base price for them, Congress has begun to scrutinize the purchases, addressing the issue in the *2010 Defense Appropriations Bill*.

The Pentagon is trying to consolidate procurement activities and provide greater oversight of them by creating the new program office within Program Executive Office (PEO) Aviation, said an industry source. According to Weiger, the office will oversee more than just Mi-17s.

> The [acquisition decision memorandum] is for non-standard rotary-wing aircraft, which Mi-17 is one of, said Weiger. There are a few other aircraft that primarily foreign customers have that aren't a Chinook, an Apache, or a Black Hawk that this program office will also manage, to make sure that we stay in synch with our international partners and that they have program management back here to help make sure things don't fall through. The Army is not responsible for funding the office, according to Weiger. Some resources will be provided through supplemental funding for operations in Iraq and Afghanistan; but foreign customers will primarily foot the bill, he said.
>
> Some of it will be [overseas contingency operations funding], as we try to help get Iraq and Afghanistan up to the capability so we can leave, he said. But once the U.S. has stood up those security forces, the office will be entirely customer-funded, he added.
>
> So whoever has those aircraft that wants us to provide them spare parts or support will have to fund it—it is not a U.S. Government-funded office, he said. The office's shelf life may extend beyond the length of operations in Iraq and Afghanistan. As long as there are international customers that the DOS and others want us to support, we will continue to do that, said Weiger.

Russia's 2009 Arms Exports Defy Recession

By
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[The following article originally appeared in *Agence France-Presse*, 28 January 2010.]

Russia's top arms exporter said January 28, [2010]; its sales last year grew ten percent despite the economic crisis, as it looked to add new clients like Saudi Arabia, Libya, and possibly even Afghanistan.

The export sales of state-owned arms exporter Rosoboronexport amounted to $7.4 billion (5.2 billion euros) in 2009, up ten percent on the previous year, the company's head Anatoly Isaikin said.

> This is a figure that allows us to look with optimism into the future, he told reporters, noting that the crisis failed to make a dent in Russia's overseas arms sales.

Total Russian arms sales were set to top $8.5 billion in 2009, Mikhail Dmitriyev, head of the Federal Service for Military and Technical Cooperation, said last month, citing preliminary estimates. Rosoboronexport is the leading but not the only exporter of Russian-made weapons. Isaikin said that as of today Rosoboronexport boasted an order book amounting to $34 billion, including contracts worth $15 billion from last year.

Dmitry Vasilyev, an analyst with the Centre for Analysis of Strategies and Technologies, said Russian arms sales could be even more significant were it not for the domestic industry's inability to keep up with "rather high demand" for Russian arms.

He praised the arms exporter's current order book, saying that "if there was a breakthrough it was in contracts."

The United States is the world's largest arms exporter, followed by several countries, including Russia, Britain, and France. Moscow's traditional arms customers have been India, China, Algeria, and Malaysia, with Venezuela and Syria becoming more recent clients. Aircraft account for half of all arms exports.

Rosoboronexport is looking to add a number of new clients like Saudi Arabia and Libya as well as North Atlantic Treaty Organization (NATO) member countries, Isaikin said, declining to be more specific.

> Currently intensive talks on supplies of all kinds of weapons are under way with Libya, a Soviet-era client, Isaikin said, adding he hoped the prospect of weapons sales to Saudi Arabia were also "good."

On January 28, [2010] Russian Defense Minister Anatoly Serdyukov discussed possible arms sales with his Libyan counterpart Abu Bakr Younis Jaber; but officials did not say whether any firm agreements were in the pipeline. Russian media reported earlier this week Libya was seeking to buy more than $2 billion worth of Russian arms including twenty fighter planes. Asked whether any deals could be signed during the Libyan delegation's current visit, Isaikin told *Agence France-Presse* the talks were "still continuing."

Officials from Iraq and Afghanistan have also approached the Russians with a view to buying weapons; but it would be up to the U.S. Administration to determine whether any such deals with Moscow could be possible, Isaikin added.

He reiterated Russia's traditional stance that Moscow saw no "obstacle" to arms sales to Iran. He declined, however, to disclose any new details on Russia's controversial accord to sell Iran sophisticated S-300 air defense systems, which have yet to be delivered in a deal that alarmed the United States and Israel.

Rosoboronexport, Isaikin said, detected keen interest from foreign countries in the S-400, Russia's latest generation of air defense missile systems; and "there are a lot of preliminary talks." However, the weapons would first be supplied to the country's own army, while selling it overseas would be a matter of "distant future," he said.

The Other Terror War: Pentagon Eyes Foreign Aid to Fight al Qaeda

By
Justin Fishel
Contributing Author for *Fox News*

[The following article originally appeared on Foxnews.com, January 4, 2010. Fox News' Justin Fishel contributed to this report.

The Obama Administration, facing a growing terrorist threat out of Yemen, is turning to a counter-terror tool that for the past four years has allowed the United States to battle extremism in dozens of countries outside the official war zones of Iraq and Afghanistan: cold, hard cash.

The Pentagon since 2006 has budgeted more than $1 billion to train and equip foreign militaries and security forces through a program known in Congress as "Section 1206." Pakistan has absorbed more of that money than any other country, but other nations—most notably Yemen—are rising in prominence on the list of recipients.

General David Petraeus, head of Central Command, announced on a surprise visit to Yemen over the weekend [January 2010] that the United States will more than double its counterterrorism funding—$67 million in fiscal 2009—to the country.

Yemen received renewed attention after a terror attack on the U.S. Embassy there in 2008. The attempted bombing of a Detroit-bound flight on Christmas has brought the country into focus once again as a staging ground for extremists. Aided by U.S. funds, the Yemeni government has stepped up attacks on terror targets inside its borders.

Pentagon spokesman Bryan Whitman said Monday that he couldn't pinpoint exactly how high the funding would be for any country in the year ahead, but he said the Pentagon is working on a proposal with the State Department.

> We are working along with the Department of State to draft [Section] 1206 proposals that would help build Yemen's counterterrorism capacity, as we are with many of our regional partners, Whitman said.

The more than $200 million in Pakistan funding over the years has gone toward building up the country's military helicopter fleet, intelligence infrastructure, explosive investigation units, and other areas. The Yemen funding has gone toward the country's air force and coast guard, along with other security programs.

But the list of recipients is long and gives an idea of how the Administration is prioritizing the threats posed by countries other than Iraq and Afghanistan. The following are countries that received Section 1206 funding in fiscal 2009:

Pakistan: $113.5 million
Yemen: $67.2 million
Lebanon: $49.3 million
Philippines: $22.6 million

Bahrain: $16.2 million
Kenya: $15.2 million
Ethiopia: $10.3 million
Kyrgyzstan: $9.6 million
Tunisia: $8.8 million
Bangladesh: $8.5 million
Djibouti: $3.5 million
Nigeria: $1.5 million
Mozambique, Tanzania, Mauritius, Seychelles (combined): $8.6 million

Aid to African and central Asian countries went down last year as aid to Pakistan and Yemen rose significantly.

President Obama is also seeking a significant increase in Yemen funding from a separate pot of Department of State money for "development and security assistance." According to the Department of State, that funding for Yemen could rise from $40 million last year to $63 million in the year ahead.

As for the Pentagon program, Congress has set aside a total of $350 million for all countries in 2010 under Section 1206—the section of the defense budget that deals with the program.

Obama seemed to reference this funding in his weekend radio address, highlighting the "new partnerships" the United States has forged to "put unrelenting pressure on these extremists wherever they plot and train—from East Africa to Southeast Asia, from Europe to the Persian Gulf."

White House counterterrorism adviser John Brennan told "Fox News Sunday" that while the United States will not open a "second front" in Yemen, it will continue to work with the country's government. He cited evidence that the suspect in the attempted bombing of a Northwest Airlines flight, Umar Farouk Abdulmutallab, traveled to Yemen and reached out to al Qaeda.

> We're concerned that they may be, in fact, trying to get other operatives, non-Yemenis and others, to train inside of Yemen, to send to the West, Brennan said. And that's why we need to make sure that we maintain this pressure on Al Qaeda within Yemen.

Lieutenant Colonel Tony Shaffer, Director of External Communications for the Center for Advanced Defense Studies, said the United States should also work more closely with Saudi Arabia in addressing the problem in Yemen. He said increased U.S. funding could "do some good," but that it needs to have conditions and benchmarks attached.

> We have to look at what we did with Pakistan. We gave Pakistan tons of money with no accountability. It didn't work, he said. If we give (Yemen) the money, we have to expect something in return . . . If we don't do that, we'll throw good money after bad.

But Robert Jordan, former U.S. ambassador to Saudi Arabia, described the support as a needed alternative to sending troops.

Landing troops (in Yemen) would be a symbolic act that would simply outrage the population, he said. We've got to give the host government, the local government the tools to work with.

Ron Todd Recounts His Trip to Afghanistan

From the
Defense Security Cooperation Agency Newsletter

[The following article originally appeared in the *Defense Security Cooperation Agency* (DSCA) *Newsletter*, 15 January 2010.]

Ron Todd, a liaison officer (LNO) in DSCA's Operations Directorate (OPS), recently returned from Afghanistan where he is representing the agency while working with the Combined Security Transition Command-Afghanistan (CSTC-A) in Kabul at Camp Egger. He is on a one-year rotation serving directly for Brigadier General (BG) Gary Patton, the Deputy Commanding General for Programs.

In response to the increased priority that the Obama Administration is placing on the war in Afghanistan and the resulting increase in training and equipping of the Afghanistan National Security Forces, DSCA Director Vice Admiral Jeffrey Wieringa directed the agency to establish a liaison position in theater at the command.

While there, Todd deals with security cooperation issues between the command and the agency and helps them to carry out their mission to train and equip the Afghanistan National Security Forces.

As an LNO, Todd sees himself as a "jack of all trades." He works with the J-8 (Force Structure, Resources, and Assessment Directorate, the Joint Staff), which is responsible for accounting and finance; the J4 (Logistics Directorate), which is the security cooperation office; the command group; the general staff; and the Judge Advocate General office. "As issues came up, I tried to help the staff work them from a DSCA viewpoint," said Todd of his first few months.

Todd feels that his position is an important one that benefits everyone because it streamlines communications and decision-making for both sides.

> While I was there, DSCA got into issues sooner than we ordinarily would because I was there to represent the agency, said Todd. Although we already have great communications, we are better able to intercept those issues that bubble up around CSTC-A on the ground in Kabul and go to Washington.

Additionally, Todd feels that there is a "dual-track benefit" of him going to Afghanistan. While there, Todd observed that morale at CSTC-A was heightened by the fact that they were able to get responses from DSCA through him much more quickly—it's-not-this-way-but-that-way kind of answer."

Todd's supervisor, Air Force Colonel Don Olds, Deputy Regional Director for South Central Asia, agrees that members of CSTC-A are happy with his being deployed there.

> Ron's contributions are many, and his work is greatly appreciated by the command, said Olds. BG Gary Patton described him as a very key member of the team and that they would like him back as soon as possible.

As a deployed government civilian, Todd uses discretion when exercising his authority away from headquarters. While deployed, he still had to keep Olds; Karen Garvey, Principal Director for OPS; the DSCA front office; and other leadership informed. However, his presence allows the CSTC-A staff to get the DSCA view on the ground without having to wait for a response later in the day or in morning. In those cases, he would back brief the agency on his input.

Less-satisfying and more challenging for Todd was the fact that people at CSTC-A initially saw him as an attorney and not in his new capacity. Todd represented DSCA in Afghanistan three times on behalf of DSCA's Office of General Counsel as the Deputy General Counsel liaison.

> The folks on the ground needed to understand that I was not there in a legal capacity, but as an OPS LNO giving them a DSCA viewpoint, said Todd. I tried to advise them so that they can do their missions in-country and so that they can do their jobs as carefully, correctly, and speedy as possible.

So far, Todd tackled some notable issues such as the Mi-17 helicopter weapons system. Todd and the staff worked on purchases for the Afghanistan National Army; the Afghanistan National Army Air Corps; and the Combined Airpower Transition Force-Afghanistan, the Air Force component of CSTC-A. Todd was able to make sure that procurements and deliveries happened by working directly with DSCA headquarters to make sure that the memorandums of request were handled properly and as speedily as possible.

As an American, Todd felt that he was largely well-received in Afghanistan, although he noticed differences between the military and civilians.

> The military officers had the position of saying that if you are here to help us, help us and don't treat us like we are children. Do your mission, and we will do our part too, said Todd. The two Afghan civilian interpreters that I worked with in J4 said that they think that Americans as a group are very fun-seeking. Perhaps that is their image of us as a people.

Todd added that from Afghan refugees he saw gratitude.

> I saw pictures of a visit made by some CSTC-A staff members at a refugee camp, said Todd. I saw smiles between children, young couples, and old people at the reception of assistance from the staff members, including blankets and toys for the children. The idea was that these are our American friends that are here to help us.

Since Todd had temporary duty in Afghanistan before and has been doing the Afghan mission since 2001, he knows what to expect. He had also been on missions to Oman, Egypt, and other areas of U.S. Central Command (CENTCOM) before; so he is aware of regional cultural issues.

Todd's recommendation for other civilians deploying to the region, regardless of experience, is to keep their sense of humor and expect the unexpected. They should also try to keep their own sense of morale.

> Understanding that there are just so many people to do the mission and that you need to do it fast, it produces a frustration that everyone experiences; and at the same time, you are trying to balance the morale among the troops to do that mission, said Todd.

He also pointed out that civilians should realize that the Afghanis do want us there, although it is not reported in the media, and that an attitude of respect and being helpful are the most important things to remember.

> A smile and a nod goes a long way, said Todd. I tried to be an advisor, helper, and assistant from Washington, D.C. and the United States Government. If you go out with that kind of attitude, they respect that on the other side. They generally want to do the job."

North Atlantic Treaty Organization Aid Effort Puts Lives at Risk in Afghanistan, According to Charities

By
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Contributing Author for *The London Times*

[The following article originally appeared in *The London Times*, January 27, 2010.]

The North Atlantic Treaty Organization (NATO's) billion-dollar aid budget is putting lives at risk and undermining the long-term prospects for stability in Afghanistan, according to a damning report.

The warning by eight international charities comes on the eve of an international conference in London, where donors are expected to pledge hundreds of millions of dollars for development and reconciliation to complement NATO's counter-insurgency strategy. Some of the world's leading non-governmental organizations (NGOs), including Oxfam, Care, and ActionAid, say too much money is being channeled through the military, risking the safety of humanitarian staff by blurring the lines between aid workers and the army.

> Development projects implemented with military money or through military-dominated structures aim to achieve fast results but are often poorly executed, inappropriate, and do not have sufficient community involvement to make them sustainable, it said.
>
> There is little evidence this approach is generating stability; and, in some cases, military involvement in development activities is, paradoxically . . . putting Afghan lives further at risk as these projects quickly become targeted by anti-government elements.

Separate research by Care also found that schools built with NATO money were considered far more likely to be attacked by insurgents.

A quarterly report by the Afghan NGO Security Organization warned that aid workers would be especially vulnerable in the coming months "given the U.S. plans to expand the military operations and counter-insurgency focused 'aid' operations."

It warned staff to "be wary of attempts by [international military forces] and some donors to lure NGOs into areas recently 'secured'. . . as these are some of the most dangerous areas for NGOs due to risk of being associated with the military effort."

Most of NATO's aid money is channeled through Commander's Emergency Response Program (CERP) funds and often delivered by Provincial Reconstruction Teams (PRTs)—military units that spend aid money as a "weapons system" in line with U.S. General Stanley McChrystal's new strategy.

Around $1.7 billion in aid has already been spent by international forces, while more than $1 billion more is earmarked for 2010, the joint report claims.

Senior officers maintain they are merely delivering aid where NGOs refuse to go. The charities insist armies are cannibalizing international aid funds and jeopardizing their safety.

Giving army commanders control of the purse strings has also skewed the way aid is delivered nationwide, the report claims. Some of the poorest parts of Afghanistan have been almost completely neglected, while far wealthier areas have more or less cashed in on the insurgency.

In Daikundi, one of the poorest but most peaceful provinces, less than 1 percent of schools have buildings; and there are no paved roads. Yet in Helmand, home to most of the world's opium farms, army commanders are set to spend around $400 million this year, a third of the total CERP funds, or $285 per capita, according to the report.

The militarized aid approach is not working for Afghans, and more of the same is unlikely to yield different results. The unrealistic goal of achieving dramatic, demonstrable development results within the next year has led to a continued emphasis on short-term projects and the same short sightedness that has plagued the international aid effort in Afghanistan since 2001.

Secretary of Defense Gates Not Happy with Europe's "Demilitarization"

By
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[The following article originally appeared in the *Agence France-Presse,* 23 February 2010.]

The North Atlantic Treaty Organization (NATO) faces a "crisis" as European countries have grown averse to military force and failed to invest in weapons and equipment, U.S. Defense Secretary Robert Gates said February 23. "Right now, the Alliance faces very serious, long-term, systemic problems," Gates said in a speech to Alliance officers and officials.

In a blunt message to Allies as NATO-led forces face a tough fight in Afghanistan, Gates said a budget shortfall plaguing the North Atlantic Treaty Organization represented a symptom of "deeper problems" with how NATO sets priorities and how European societies perceived the role of the military.

> The demilitarization of Europe — where large swaths of the general public and political class are averse to military force and the risks that go with it — has gone from a blessing in the 20th century to an impediment to achieving real security and lasting peace in the 21st, Gates said.

The perception of weakness in Europe could offer "a temptation to miscalculation and aggression" by hostile states, he said. Funding and equipment shortfalls, meanwhile, complicated efforts to stage joint military operations in Afghanistan or elsewhere, Gates said at the National Defense University.

> For many years, for example, we have been aware that NATO needs more cargo aircraft and more helicopters of all types — and yet we still don't have these capabilities, he said.

The shortage of helicopters and cargo planes was "directly impacting operations in Afghanistan," Gates said. NATO also needed more aerial refueling tankers and unmanned aircraft for surveillance and intelligence, he said. He said NATO was already short of "hundreds of millions of euros" two months into 2010, which he called "a natural consequence of having underinvested in collective defense for more than a decade."

Gates' criticism came as NATO officials draft a new strategic vision for the Alliance, which was created in 1949 but has struggled to redefine itself after the end of the Cold War. The final strategy document is due to be presented at a NATO summit later this year.

Despite his scolding of European Allies over defense spending, Gates praised the Alliance for increasing troop contributions in Afghanistan, where more than 120,000 troops were serving in the NATO-led force. He called on Alliance leaders to take similarly "tough decisions" on reform.

The former Central Intelligence Agency (CIA) Director said the primary threat to Europe was no longer "a land invasion by armored formations supported by massed artillery and waves of fighters and bombers" from the Cold War-era. Instead, he said a more "diffuse" threat exists from extremists

based in failed states pursuing weapons of mass destruction and from "rogue nations" like Iran, armed with ballistic missiles that could strike Europe.

Gates said bolstering missile defense and training other countries' troops would be crucial to future Alliance efforts. Even as NATO built up a more agile force that could be deployed abroad, defending the territory of member states remained a "core goal," Gates said.

Gates said that mission's importance was underscored by "Russia's invasion of Georgia and its recent military exercises on NATO's border — the largest of that type since the collapse of the Soviet Union."

Romania To Purchase Secondhand F-16s

From
Agence France-Press

[The following article originally appeared in the *Agence France-Press*, March 23, 2010]

Romania will purchase 24 secondhand F-16 fighter jets in an effort to revamp its Air Force, the country's Supreme Defense Council (CSAT) announced March 23.

> Since Romania does not have the necessary resources to buy new multi role combat aircraft, the CSAT has approved the defense ministry's proposal to purchase 24 secondhand F-16 jets, the Council said in a news release at the end of a meeting headed by President Traian Basescu. The decision will be submitted to Parliament for approval.

The Lockheed Martin-made jets will replace the aging, Soviet-made MiG-21 Lancer aircraft now used by the Romanian Air Force.

No details on the cost of the purchase were immediately available. Romania has long mulled the purchase of fighter planes but has delayed the decision because of a lack of funds.

In 2008, the defense ministry had argued that buying secondhand F-16 jets would enable Romania's armed forces to enjoy greater inter-operability with other North Atlantic Treaty Organization states.

At the time, military sources had said the secondhand jets would cost a total of $800 million, while purchasing 24 new ones could cost $3.5 billion.

Apart from the F-16, Romania was also considering purchasing Swedish-made Gripen jets (Saab), Eurofighters (EADS, BAE Systems and Alenia/Finmeccanica) and French-made Rafales (Dassault).

Southeast Asia Arms Purchases Fuel Fears of Clashes

By
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and
Tim Johnston in Bangkok
Contributing Authors for the *Financial Times* (Asia)

[The following article originally appeared in the *Financial Times* (Asia), March 15, 2010.]

Military analysts are warning that China's increased regional power has caused its southeast Asian neighbors to step up their own defense purchases, raising the prospect that territorial disputes in the South China Sea could turn violent. Siemon Wezeman, a Senior Fellow at the Arms Transfers Program at the Stockholm International Peace Research Institute (SIPRI), said that several southeast Asian countries had "dramatically" stepped up their purchases of submarines, fighter aircraft, and long-range missiles in recent years.

> While southeast Asian governments . . . still don't openly voice concerns over China, they think about it; and they are making a statement with what they are buying, he said. Fifteen years ago, there were the same conflicting claims in the South China Sea; but the countries didn't have the means to enforce their claims. Now, the moment somebody hits oil there, things might look very dangerous.

Many of southeast Asia's militaries are trying to catch up on purchases they deferred several years earlier as their countries were reeling from the Asian financial crisis. They are driven by a mix of domestic, subregional, and larger strategic considerations; and most governments have yet directly to name China as a concern. However, the Chinese navy has recently built a submarine base on Hainan Island, at the top of the disputed waters of the South China Sea where it has a territorial dispute with the surrounding littoral states — Brunei, Malaysia, the Philippines, Taiwan, and Vietnam — over the potentially resource-rich Spratly and Paracel archipelagos.

According to data to be released by SIPRI on Monday [March 2010], Indonesia's arms imports between 2005 and 2009 grew 84 percent compared with the preceding five years. Singapore's increased by 146 percent, and Malaysia's rocketed by 722 percent. Singapore added six frigates and 32 fighter aircraft over the past five years and ordered two submarines and twelve more fighters. Malaysia took delivery of two submarines, six frigates, and 26 fighter aircraft. Indonesia imported four frigates and four fighter aircraft and ordered three more.

> Vietnam and Thailand are lagging behind, but both have placed orders recently to be delivered in the coming years, Mr. Wezeman said. This includes six fighter aircraft and one early-warning aircraft for Thailand and six submarines, two frigates, and eight fighter aircraft for Vietnam.

Singapore's concern is over the impact of the shift in the balance of power in the region, said Tim Huxley of the International Institute for Strategic Studies in Singapore. "The real problem is the huge discrepancy in power between China and the southeast Asian nations."

President Obama Pressured Into Arms Sale

By
Fu Jing
Contributing Author for the *China Daily*

[The following article appeared in the *China Daily*, March 5, 2010. Editor's note: the factuality of the below article cannot be confirmed and no attempt has been made to do so. It is presented as a "view" of U.S. involvement in the SA arena from another nation's press perspective.]

Beijing China and United States President Barack Obama agreed to sell $6.4-billion worth of weapons to Taiwan and meet with the Dalai Lama under pressure from the U.S. Congress, the two U.S. envoys who wrapped up their visit on Thursday [March 2010] reportedly told Chinese officials, according to a source close to the U.S. embassy in Beijing.

Beijing and Washington have released few details of the two-day visit by Deputy Secretary of State James Steinberg and Jeffrey Bader, the senior director for Asian affairs at the National Security Council, but the source told *China Daily* on Thursday that this was basically an "explanation journey."

> During the visit, the two diplomats mainly explained to the Chinese officials in charge of foreign affairs why the Obama administration provoked China (by deciding to sell weapons to Taiwan and meeting the Dalai Lama), the source said after the two diplomats wrapped up their unusually low-key visit and left for Japan.
>
> The main argument (the two diplomats offered) was that the Obama administration did so due to significant political pressure from the U.S. Congress, said the source, declining to be named.

During the meeting with Foreign Minister Yang Jiechi, State Councilor Dai Bingguo and other officials, the diplomats' "explanation journey" was aimed at mending the Sino-U.S. relationship, the source said.

The U.S. embassy in Beijing refused to comment on what the source said.

Foreign Ministry spokesman Qin Gang said on Thursday that the two U.S. envoys "candidly and deeply" exchanged ideas on topics of common concern, without elaborating.

In addition to meeting with Dai and Yang, the U.S. diplomats held a work discussion with Vice-Foreign Minister Wang Guangya, Qin said at a regular news briefing. Qin said the Sino-U.S. relationship, which was developing smoothly through most of last year, got "seriously disturbed" during the past two months as the U.S. violated some basic principles of the bilateral relationship.

> The most urgent thing ahead is for the U.S. to show sincerity and actions to respect China's core interests and important concerns and bring the bilateral relationship back to a healthy and stable track (as soon as possible), Qin said.

The U.S. embassy in Beijing too has kept a low profile and has not made public the discussion agenda or held a media briefing on the officials' visit. "We will not release any further information; we have no such arrangement," an embassy press officer said on Thursday.

Missing Jet Engines Spark Crisis in Malaysia

By
Kevin Brown
Contributing Author for the *Singapore Financial Times*

[The following article originally appeared in the *Singapore Financial Times*, December 22, 2009]

The Malaysian government is facing a fresh corruption crisis after officials admitted that two U.S.-made fighter jet engines had disappeared from an air force base after apparently being illicitly sold by military officers to a South American arms dealer.

Najib Razak, Prime Minister, said there would be a full investigation of the thefts, which happened in 2007 and 2008, when he was Defence Minister. However, opposition parties accused the government of covering up the incidents.

Lim Kit Siang, parliamentary leader of the opposition Democratic Action party, said the authorities had been "super slow" and claimed that the Prime Minister's response had painted "a frightening picture of a government of thieves."

Idris Ahmad, spokesman for the allied Parti Islam SeMalaysia, said "powerful people" had been involved. "We don't want only the ikan bilis [anchovies] to be arrested while the sharks are allowed to swim freely," he said.

The General Electric J85-21A engines, each worth about $15 million, were spares for the Royal Malaysian Air Force's Northrop Grumman F-5E Tiger II fighters, which fly from the Butterworth air base near the country's northern border with Thailand.

Ahmad Zahid Hamidi, Defence Minister, said the engines and associated equipment were "believed to have been sent to a South American country" after being moved to the Sungai Besi air force base in Kuala Lumpur for maintenance.

The defence ministry would not identify the company or the country involved or comment on claims in the Malaysian media that the engines may have ended up in the Middle East. The F-5 went out of production in 1989 but is still flown as a trainer aircraft by U.S. forces and is in frontline or reserve service with many foreign air forces, including that of Iran.

The defence ministry said several senior officers were being investigated. General Azizan Ariffin, Chief of the Armed Forces, said the engine thefts might have been "the tip of the iceberg," raising the possibility that other military equipment might also have disappeared.

The disclosure of the thefts is a serious blow to Mr. Najib, who has promised a crackdown on corruption as part of efforts to recover support for his long-serving National Front government, which lost many of its seats in a general election last year.

The Prime Minister last week unveiled a three-year action plan amid concerns about declining investor interest and the impact of Malaysia's fall to 56th in the 2009 Corruption Index published by Transparency International—down from 47th in 2008.

Mr. Najib has flatly denied any personal corruption, including opposition claims of involvement in an allegedly corrupt submarine deal while he served as Defence Minister.

Corruption charges were brought this month against a senior port executive and two other officials linked to a controversial development near Kuala Lumpur known as the Port Klang Free Trade Zone. The arrests followed a damning parliamentary report that found widespread corruption and cost overruns at the project, which has run up debts of more than $1 billion.

United States Secretary of State Robert M. Gates, and Brazilian Defense Minister Sign Security Pact

By
Donna Miles
Contributing Author for the *American Forces Press Service*

WASHINGTON, April 12, 2010 – Defense Secretary Robert M. Gates and Brazilian Defense Minister Nelson Jobim signed a new defense cooperation agreement today that Gates said provides an example of partnership and "offers a transparent, positive model for engagement throughout the Americas." The agreement formalizes the growing security partnership between the United States and Brazil, while establishing a framework to build on that relationship, Gates said.

> This agreement will lead to a deepening of U.S.-Brazil defense cooperation at all levels and will demonstrate how much more effectively we can confront shared security challenges when we work in partnership, he said at the signing ceremony in his Pentagon dining room.

The accord will expand the two countries' relationship into promising areas of mutual interest, including research and development, logistics support, technology security and the acquisition of defense products and services. This cooperation not only will strengthen both countries' military capabilities, but also will provide industrial opportunities, Gates noted. In addition, the agreement opens the door for more information exchanges about operational experiences, defense technology and peacekeeping operations, as well as more combined training and education and joint military exercises.

Gates lauded Brazil's leadership of the U.N. peacekeeping mission in Haiti during the past six years, particularly in leading United Nations relief and recovery efforts following the devastating January earthquake. Thousands of U.S. and Brazilian troops have worked side by side since the earthquake to bring humanitarian aid and security to the Haitian people, he noted.

> The agreement is a formal acknowledgement of the many security interests and values we share as the two most populous democracies in the Americas, Gates said. These common interests make Brazil's growing involvement and significance in global affairs a welcome development for the United States.

Jobim, to whom Gates extended birthday wishes today, shared Gates' enthusiasm about new opportunities the defense cooperation agreement will open up between the two countries. Asked if Brazil had decided what new fighter jet it will buy, Jobim said he expects to make a recommendation by the end of May [2010]. U.S. officials are hopeful Brazil will choose the U.S. F/A-18 Super Hornet over the French Rafale or Swedish Gripen aircraft.

> We would like to have the Brazilians choose the Super Hornet. That would add to our strategic relationship, a senior defense official told reporters. But this agreement . . . contains much more than what each country might buy or procure from each other. There are many other elements to it.

Gates initially had planned to travel to Brasilia for the signing ceremony. However, the venue was rescheduled because Jobim is accompanying Brazilian President Luiz Inácio Lula da Silva to

the two-day nuclear security summit President Barack Obama is hosting in Washington. Gates will leave tomorrow [2010] for Latin America, where he plans to visit Peru, Colombia and the Caribbean to reaffirm U.S. commitment to the region and promote closer defense cooperation.

France Cuts Rafale Price to Win Brazil Deal

By
Marc Burleigh
Contributing Author for *Agence France-Presse*

[The article below originally appeared in *Agence France-Presse*, 4 February 2010.]

Brazil is going through with the purchase of 36 Rafale fighter jets from France after maker Dassault lopped $2 billion off their price, the newspaper Folha de Sao Paulo reported February 4, 2010. The total deal is worth $10.2 billion, including $6.2 billion for the fighters themselves — down from a previous figure of $8.2 billion and $4 billion for maintenance over the next three decades, the daily said. The price cut still makes the Rafale more expensive than two rivals bidding to supply Brazil's air force, the F/A-18 Super Hornet from Boeing and the Gripen NG from Sweden's Saab.

The Boeing package was valued at $7.6 billion and the Saab offer at $6 billion, according to the newspaper. The French jet also scored behind the two other contenders in a technical evaluation carried out by the air force, which lobbied hard for the Gripen both with the government and in Brazil's media. But, Folha de Sao Paulo said, Defense Minister Nelson Jobim and President Luiz Inacio Lula da Silva have decided to stick with their preferred option, the Rafale.

The price cut was reportedly decided January 30, 2010, when Jobim passed through Paris on his way to Israel. Jobim's office said the minister also had a meeting with Sweden's ambassador to Brazil, Annika Markovic, in Brasilia on February 1, 2010. There was no immediate confirmation of the newspaper report.

> A Dassault spokesman in Paris said: We have no comment to make on the article in the Folha de Sao Paulo. At this time, the Brazilian government has not announced its choice. We are awaiting this announcement calmly and confidently.

A Brazilian presidential spokesman told AFP that "there is nothing new." If confirmed, though, the sale would be a big relief to both Dassault and to French President Nicolas Sarkozy. Dassault was keen to win the Brazilian tender because it has so far failed to make a single overseas sale of the Rafale. It hopes supplying Brazil's air force will boost its chances with other countries looking to upgrade their militaries, including India. Sarkozy, meanwhile, has a lot of personal prestige tied up in the deal.

In September 2009, he and Lula jointly announced that Brazil had started negotiations to buy the 36 Rafales even though the tender process had not been closed.

Under pressure from the air force and the two rival manufacturers, Brazil's government stepped away from that pledge and said the competition remained open — but that the final decision would be a political and strategic one to be made by Lula. Lula's preference for the Rafale was evident.

Not only would Brazil get access to all the technology involved in the sophisticated jet, but Brazil and France already have a strategic alliance which has seen Brasilia spend $12 billion buying French helicopters and submarines.

New Jets Put Australia on War Footing

By
Jared Owens
Contributing Author for *The Weekend Australian*

[The following is from an article that originally appeared in *The Weekend Australian,* March 27, 2010.]

Australian air power has taken "a quantum leap forward" with the delivery of five F/A-18F Super Hornets yesterday. The five jets, the first of 24, will tide the air force over until the arrival of the stealthy, fifth generation F-35 joint strike fighter. They are the first new Royal Australian Air Force (RAAF) jets since 1985 and will be based at the Amberley Air Base, west of Brisbane.

Speaking at the Super Hornets' official arrival yesterday, United States Navy Rear Admiral Mark Skinner said the jets delivered new levels of "range, payload, lethality, and survivability." He said Australia now had the same war-fighting capability as the U.S. Navy, the world's fourth largest air force.

> Defense Minister John Faulkner yesterday [March 2010] said the aircraft was 'a superb dog fighter' and will test any modern air defense system. It can detect and track multiple targets with longer range and improved resolution, he said. The crew can conduct simultaneous and independent operations to prosecute air and ground targets, manage early warning systems, transfer data to joint users, and coordinate joint functions in the battle space.

The $50 million Super Hornet, which can reach speeds of up to 1900 kilometers per hour, boasts an array of state-of-the-art weaponry, including Sidewinder air-to-air missiles and Harpoon anti-ship missiles. The jet is also fitted with an anti-radiation missile and laser-guided bombs.

But Wing Commander Glen Braz, who has trained in the new aircraft, said its "heart" was in its advanced sensors and communications systems.

> I have flown in the original Hornet, and I'm simply blown away by what the Super Hornet brings, Wing Commander Glen Braz said. In a nutshell, we are now truly multi-role.

The Super Hornets will replace the RAAF's aging F-111 strike bombers, which were ordered in 1963 and will be retired this year. But federal MP and former defense scientist Dennis Jensen said the Super Hornet was actually a backward step in Australia's capability, lacking the maneuverability of the F-111.

> You can be tens of kilometers apart, Dr. Jensen said yesterday. (In an F-111) you still have the option to engage if the conditions are favorable or disengage if the conditions aren't favorable.

He said the Super Hornet also failed to match comparable aircraft such as the Russian-built Sukhoi Flanker for speed, since it could not cruise at supersonic speed without using its after-burn.

Some Question United States Training of Mexican Forces

By
Ramon Bracamontes
Contributing Author for the *El Paso Times*

[The following article originally appeared in the *El Paso Times*, March 28, 2010.]

In the mid-1990s, the United States began training Mexico's soldiers in hopes of stopping the flow of drugs through Mexico and ending corruption. Some of those trained by the United States forces formed the Zetas, a criminal organization that works as assassins for one of the drug cartels fighting in Juárez, Mexican law enforcement officials said.

Today [2010] the United States is again trying to help Mexico with its drug-cartel problem; and part of the solution could include training Mexico's military and law enforcement officers.

Money for training Mexican soldiers is in the $1.4 billion Merida Initiative that was approved by Congress in 2008. The second phase of the initiative, which is being formed right now, will also include money for training Mexican soldiers and police, according to two public-policy groups that monitor United States and Mexico relations.

> Given the history of the program some question the effectiveness of that policy.
>
> You can train someone, but that still doesn't affect their morals, said Richard Newton, a former federal customs agent in El Paso, now a member of the group Law Enforcement Against Prohibition, which factors legalization of some drugs. I don't care how good the training is. The problem is that these people can be bribed and they may go to work for the cartels.

Others agree and a prime example of training gone wrong, they point to the Zetas. The group was founded by the Mexican army deserters, including officers trained by the United States at the military School of the Americas in Fort Benning, Georgia. The Zetas, according to the Chihuahua Attorney General's office, are thought to be behind some of the brutal killings in Juarez, which have surpassed 4,700 in two years, according to an international human-rights organization that monitors the former United States military.

EDUCATION AND TRAINING

From the Director, Defense Security Cooperation Agency

By
Vice Admiral Jeffrey A. Wieringa
Director of the Defense Security Cooperation Agency

[The following is provided courtesy of *DSCA Partners*, April 2010. The entire publication can be viewed at: http://www.dsca.mil/newsletter/E-Partners_0410.pdf.

There are a lot of hot issues working in the security cooperation community. One of the highest priorities centers around improving the competence of the security cooperation workforce. We are working on meeting one of the DEPSECDEF's High Priority Performance Goals (HPPG). This goal is to ensure that the security cooperation community has the proper levels of training. Our goal is to ensure that at least 95 percent of the security cooperation workforce is fully trained by the end of fiscal year 2011. The interim goal for the end of fiscal year 2010 is an appropriate training level for 80 percent of our workforce.

Vice Admiral Jeffrey A. Wieringa, USN, Director of Defense Security Cooperation Agency

Due to the critical nature of ongoing operations in Iraq and Afghanistan, the idea of a fully-trained security cooperation workforce needs to be a reality at all levels and in all venues. Security assistance and security cooperation help build security for our international partners, enhance our relationships on a professional military level with their military establishments as well as other government entities, and provide for interoperability in coalition operations.

The Defense Institute of Security Assistance Management (DISAM) is conducting a full assessment of the status of the training of the security cooperation community to determine a baseline from which to measure. This assessment covers the entire community of security assistance practitioners including DSCA headquarters, the Military Departments, and security assistance officers. We are also assessing the training level of other practitioners, especially those working on DOD-funded security cooperation programs. Many of them have skills in DOD acquisition, logistics, and contracting for example, but do not have the specialized skills to apply their knowledge to the unique characteristics of the foreign military sales system. If you've not heard about this training metric through your chain command, you will soon.

First, we will talk about DISAM. DISAM trains the security assistance, and now the security cooperation workforce and will be a major driver in achieving the HPPG. DISAM expanded and retooled its core courses to reflect current realities and created new courses, onsite classes, both

in the United States and abroad and on-line classes to meet these new demands. Other training programs for security assistance and security cooperation professionals include the Global Master of Arts Program, a program offered through a partnership with Tufts University and an internship by the Navy International Programs Office to develop young workers in the field of acquisition.

Aside from the training of the security assistance and security cooperation workforces, we continue to train our international partners. This issue highlights recent security cooperation training and education activities. One training tool in DISAM's arsenal is Mobile Education Team (MET) training. METs of DISAM instructors travel all over the world to train foreign personnel involved in security assistance and security cooperation. A team went to Iraq in March to instruct members of the Iraqi Ministries of Defense, Finance and the Interior. Also, the Defense Institute of International Legal Studies (DIILS), one of our satellite organizations, recently trained soldiers from the Congolese Armed Forces on the rule of military law. Two of our other satellite organizations, the George C. Marshall European Center for Security Studies and the Africa Center for Strategic Studies held graduations in March for defense personnel from around the world who participated in their workshops. And finally, the Naval Education and Training Security Assistance Field Activity is engaged in the training of pilots from the Royal Saudi Navy.

Achieving the HPPG is just one of the important issues affecting DSCA and the security cooperation workforce. I'd encourage all security cooperation practitioners reading these words to take one to two hours to complete DISAM's new online Security Cooperation Familiarization Course. Not only does it fulfill the Level I security cooperation training requirement, it is simply a good overview of security cooperation and refresher for anyone who is involved in security cooperation.

Another important issue affecting DSCA was the departure in January of Deputy Director Beth McCormick who left to become the Deputy Assistant Secretary of State for Defense, Trade and Regional Security in the Bureau of Political-Military Affairs (PM).

On 9 April 2010, Michèle Flournoy, Under Secretary of Defense for Policy, announced the selection of Richard Genaille as the new DSCA Deputy Director. His current position is the Director of Policy in the Office of the Under Secretary of the Air Force for International Affairs. In this position, he develops and implements national, DOD, and USAF policy governing security assistance, foreign disclosure and technology transfer. He is a retired Air Force pilot with 22 years of active duty service and was appointed to the Senior Executive Service in 2005.

In addition to imparting quick bits of information, I hope this issue sparks your interest in what is going on throughout the security cooperation community.

None of these projects or programs would get off the ground if not for the hard work and dedication of all of you. Thanks for your commitment. Let's continue working toward efficient processes and programs that will make security assistance and security cooperation more effective in the days, months and years ahead.

A Quick Update on the Defense Institute of Security Assistance Management HPPG Data Collection Effort

By
Greg Sutton
Defense Institute of Security Assistance Management

To date, DISAM has contacted and collected data from all the Geographic Combatant Commands and their components, and the three military departments – Navy is collecting data from the USMC and the Coast Guard. We have collected data from some elements of Defense Finance and Accounting Service (DFAS) and are also gathering information from the non-geographic combatant commands (SOCOM, TRANSCOM) and other DOD agencies such as DLA, NGIA, NSA, etc. This has been a monumental effort, with ongoing analysis of training achieved/needed for over 10,000 positions thus far – and significantly more to follow. While our analyzed sample size to date is not statistically significant enough to draw "solid" conclusions, the need for additional DISAM course offerings and non-traditional methods is already obvious. The recent selection of additional DISAM faculty members will be a giant step forward once they are "up and running," and we hope to see great strides toward our training goals as we end FY 2010 and move into FY 2011. The addition of an on-line data and tracking system will allow users of the security cooperation workforce data base (latest acronym SCWD) worldwide on-line access to the status of their positions and training of the incumbents, as of this writing it is up and serving the community. More to follow as we continue establishing the numbers and training of our common community.

Introducing the Defense Institute of Security Assistance Management

By
Juanita White
Defense Security Cooperation Agency/LPA
and
Dr. Ronald Reynolds
Commandant, Defense Institute of Security Assistance Management

[The following article is courtesy of *DSCA Partners*, April 2010. See the entire publication at: http://www.dsca.mil/newsletter/E-Partners_0410.pdf.]

The Defense Institute of Security Assistance Management (DISAM) is a busy and important institution in the dynamic world of security assistance and security cooperation. Located on the vast Wright-Patterson Air Force Base (WPAFB) in Ohio, DISAM was established in 1976 to provide professional education, research and support to advance U.S. foreign policy through security assistance and eventually security cooperation.

The commandant, Dr. Ronald Reynolds, is proud of DISAM's role in teaching security assistance and security cooperation for the Department of Defense (DOD).

> Security assistance and security cooperation help to build the security capacity of our international partners for their own sovereignty, build our relationship on a professional military level with their military establishment as well as other government entities, and provide for interoperability in coalition operations, he said.

DISAM Commandant Dr. Ronald Reynolds talks to representatives from various security assistance and security cooperation agencies during DISAM's annual Curriculum Review.

DISAM's students include members of the global U.S. security assistance and security cooperation workforce: military personnel, civilians, and contractors who work on security cooperation in the

U.S. and abroad. DISAM also draws international students from their host countries' Ministries of Defense, Interior and Finance.

DISAM teaches these students the skills they need to manage cases using the foreign military sales (FMS) program. Courses for CONUS-based students focus mainly on case program and financial management, and related issues such as transportation, logistics and the FMS process. Other DISAM offerings are the International Programs Security Requirements (IPSR) and the Missile Technology Control Regime (MTCR) courses. The IPSR course covers the principles and procedures that facilitate international technology transfer, export controls, and foreign disclosure. That course is required for anyone within DOD who works international programs. DISAM offers an IPSR online version as well as a resident/onsite version. The MTCR course focuses on the protection of missile technology that has the potential for use in the development of weapons of mass destruction and associated delivery systems.

DISAM also offers courses focused on the overseas environment. U.S. personnel should take the Security Cooperation Overseas (SCM-O) course before they report to assignments within a security cooperation organization, defense attaché office or a regional combatant command. Due to the unique circumstances in Afghanistan, DISAM, in conjunction with the South and Central Asia Section of DSCA's Operations Directorate and others, is building an Afghanistan-specific SCM-O course for U.S. personnel bound for that country.

Personnel from other countries working security assistance issues who acquire U.S. defense materiel or services can take courses that will show them how to deal effectively with the U.S. FMS system and be better stewards of the defense resources that they manage. This particular group of courses (SAM-I) also incorporates the Field Studies Program which provides additional insights into life in the U.S. The SAM-I series offers a basic course in Security Assistance Management as well as the choice of a specialized track in logistics, financial management, resource management, or international training. Students may return to DISAM to take additional tracks based on the requirements of their countries and individual positions.

Altogether, DISAM teaches about 40 of these resident classes each year, primarily one to two weeks in duration which may also incorporate seminars based on military department or region of the world. The core mission of DISAM has not changed, the scope of DISAM training and the methodology of getting training accomplished have changed and the audience has grown significantly.

> The addition of security cooperation in the last few years has impacted our curriculum," said Reynolds. The growth and use of online training has impacted how we distribute our programs and the students we reach. The increase in online training has helped to offset the continued rise in student travel costs. It is not just the more varied audience that now has access to DISAM training without stepping on the campus, but the growth in numbers has exceeded anyone's imagination.

Reynolds pointed out that 33 percent of DISAM's total enrollment in fiscal year 2009 was for online courses. These courses include iterations of various introductory and refresher courses, many of which students can complete where they are stationed in less than 20 hours of study time.

In addition to online courses, DISAM takes another step out of the traditional classroom. The school conducts onsite training at the request of an organization. DISAM takes the training to the students. Reynolds refers to onsite teaching as "efficient and effective," because two to four instructors can travel to a work site and focus on the general curriculum or specific requirements

of that work site instead of having several students at a time travel to WPAFB for standard resident courses. Last year, DISAM conducted onsite training at Air Force International Affairs, the Combined Joint Task Force Horn of Africa, the U.S. Navy and Raytheon among others.

A version of onsite training that DISAM conducts in foreign countries for host country personnel is Mobile Education Team (MET) training. The demand for these courses has grown from five per year prior to 2001 to 12 to 16 per year. In 2009, DISAM taught these courses all over the globe in countries such as Peru, Saudi Arabia, Pakistan, Australia, Malaysia, Morocco, and Denmark. DISAM has also made its way to the frontlines – this spring, the second part of a course for Iraqi personnel was conducted. DISAM can take an "on-the-road" version of SAM-I or tailor other emphasis as needed by the country.

DISAM also reaches out in the realm of security cooperation through training partnerships with organizations in and outside of the U.S. government. DISAM partners with the:

- Defense Acquisition University
- Defense Intelligence Agency
- Air Force Special Operations School

It also maintains a long-time partnership with Tufts University. Under this program, DISAM serves as the executive agent for a DSCA-sponsored version of the Global Master of Arts program. Its purpose is to enhance the international affairs knowledge of civilian and military personnel working in security assistance and security cooperation. Since its inception in March 2003, 84 students have graduated from the program.

This mixture of different programs and methods of teaching has had an effect on DISAM's attendance. In 2001, DISAM's highest annual number of students was approximately 2,800 students. More students attending DISAM and the addition of the online curriculum, onsite courses and Mobile Education Teams (MET) have pushed student attendance higher. There were approximately 3,000 students in 2003, 4,000 students in 2004, 4,198 students in 2008 and over 4,974 students last year. Of those numbers, DISAM has averaged about 700 international students in the past five years.

> For additional perspective, in the last six years, we had more students than the previous ten years combined, said Reynolds. That blows me away.

Running all of this poses challenges. The security cooperation environment is very diverse, and is reflected within the DISAM faculty who have both academic and real-life experience in their

Doug Simmons, a DISAM faculty member, is instructing the Security Assistance Management CONUS Course (SAM-C).

backgrounds. No single member can teach every subject or class that DISAM offers. Finding instructors with the correct mix of skills is difficult.

These challenges will become more daunting as the community gears up to meet the Deputy Secretary of Defense (DEPSECDEF) High Priority Performance Goal for the appropriate training of the security cooperation community. The goal is to train at least 95 percent of the security cooperation workforce by the end of fiscal year 2011 and the interim goal is to train 80 percent by the end of fiscal year 2010. This metric is a result of a Presidential Directive from the Office of Management and Budget for each Executive Department to identify High Priority Performance Goals to improve government performance. Training of the security cooperation workforce was one of the 10 goals identified for the Office of the Secretary of Defense.

As a result, Reynolds now has the added responsibility of determining and documenting current workforce training levels, building a plan to correct any deficiencies with measurable milestones, all the while implementing this plan. He also has to make sure that this level is maintained from now on.

> Just the additional personnel management function of the metric adds significantly to the educational role DISAM already has, he said. We are currently working with a number of organizations in the initial data collection and database management development and maintenance role, we are shooting at a moving target right now.

The initial training priority is the overseas security cooperation workforce, but the metric incorporates all employees within the security cooperation workforce whether they are based overseas or in the U.S. Through a data call to several military organizations, DISAM initially estimated that a majority, 67 percent, had been trained, so there is room for improvement. The metric's first annual milestone will be achieving 80 percent training of the security cooperation workforce by the end of fiscal year 2010.

DISAM will undergo some changes in order to deal with the influx of students. First, DISAM will expand its facilities.

> We will expand our current facility by 25 percent by acquiring half of the first floor of our current building, which is currently occupied by another organization that will be moving, said Reynolds. That will take approximately 18 months and we anticipate moving early in fiscal year 2012. In the interim, we'll be conducting additional classes at a nearby college campus.

Second, DISAM leadership will be hiring additional faculty and other staff positions – bringing on at least six new employees. Reynolds noted that it will take at least six months to a year for new faculty to get fully engaged in instructing and that an internal process has been formalized to train these new instructors as quickly as possible.

Third, DISAM will also make the most of onsite teaching and online courses in particular. Reynolds asserted that online courses will be able to meet the needs of a significant portion of workers who are in need of security cooperation training, especially as DISAM looks at making up ground on the metric between now and the end of this fiscal year.

> Many of the training deficiencies noted thus far show that over half of the employees reflecting a deficiency can complete their required training through an online DISAM course.

Reynolds identified two courses that could be used to meet this deficiency. The new Security Cooperation Familiarization (Awareness) Course takes up to two hours to complete and the DISAM Online Orientation Course takes approximately sixteen hours.

360 Degree Approach to Learning

By
Juanita White
Defense Security Cooperation Agency/LPA

[The following article originally appeared in *DSCA Partners*, April 2010. The web site is: http://www.dsca.mil/newsletter/E-Partners__0410.pdf.

Imagine having a weekly call to discuss your assignment with five fellow students who all live around the globe in other time zones. While you are starting your day at 6 AM, another is ending their day at 1 AM. Or imagine spending two weeks immersed in studies on international law while at The Hague visiting the courts where international law is being practiced. Or imagine having to meet critical deadlines for school, while being in a high-pressure job which deals with Iraq or Afghanistan.

Welcome to the experiences that are the Global Master of Arts Program (GMAP) is a 12-month course of study in international affairs leading to a Master's degree from the Fletcher School of Law and Diplomacy at Tufts University in Medford, Massachusetts, the oldest school of its kind in the U.S. A version of the program which runs from March to March was developed in a partnership between Tufts and the Defense Security Cooperation Agency (DSCA) and is intended to enhance the international affairs knowledge of Department of Defense (DOD) civilian and military personnel working in security assistance and security cooperation.

Senior Associate Dean and Professor of Practice Deborah Winslow Nutter gives the opening remarks during the GMAP graduation.

Dr. Ronald Reynolds, Commandant of the Defense Institute of Security Assistance Management (DISAM) which serves as the executive agent of the DSCA-sponsored program, explained that the partnership was created as a way to develop the security cooperation workforce.

> Around 2002, DSCA and the military department implementing agencies were looking into developing the security cooperation workforce because of the foreign military sales (FMS) Reinvention Initiative of former DSCA Director, Lieutenant General Tome Walters (USA retired), for training and career development, said Reynolds.

> Additionally, the Office of the Deputy Undersecretary of the Air Force, International Affairs had initially begun looking for a graduate studies program for their personnel. As a result, Walters decided to create an education program available for the entire security assistance and security cooperation workforces with centralized funding within DSCA, he said.

Reynolds said that they looked at several international relations programs and selected Tufts because of its GMAP program which ran from July to July each year.

> Tufts offers a high quality program and a curriculum that provides a good foundation for security assistance and security cooperation personnel at the graduate level, said Reynolds. Although it was highly intensive, it was geared for students to complete within a year while they worked their normal job.

Nicki Sass, Assistant Director, Admissions and Marketing of GMAP, said that Tufts decided to enter into the agreement with DSCA because Tufts felt that the program could provide a mutually beneficial learning opportunity for all of the students in the program.

> The university decided to start a second March cohort, including DSCA-sponsored students and regular students, because we felt that the security assistance and security cooperation expertise of the DSCA-sponsored students would bring a necessary perspective, said Sass. Non-DSCA students could benefit from the experiences of representing the U.S. around the world, whether through acquisition transactions conducted from Washington, D.C., on the frontlines in Afghanistan or Iraq, or on a post at a U.S. Embassy in Tunisia directing security initiatives. Likewise, the DSCA students could hear from diplomats, United Nations workers both at headquarters and in the field and others from foreign countries who are often prominent in their countries' international affairs arenas.

The Mauritshuis Museum is located in the Hague, the Netherlands where the GMAP students spent their second residency.

Walters and Stephen Bosworth, Dean of the Fletcher School of Law and Diplomacy, signed the formal memorandum of understanding on March 26, 2003. It was renewed for five years on June 19, 2008. Since its inception, 84 DSCA-sponsored students have graduated from the program.

All GMAP students take courses in different international affairs topics such as Foreign Policy Leadership, International Negotiation, International Finance, and International Trade. The students start the program by having a "reading period" in which the books for the first trimester are sent to them in advance of the first residency at Tufts to prepare them for the initial session. The second residency takes place in the late summer in an off-campus location that could be anywhere in the world. The final residency occurs at Tufts before graduation.

The students take classroom courses while they are at the residencies, with the bulk of study done at their home or station. The students do their assignments and communicate with other students in their cohort on online discussion boards. Students also have to complete a 40 to 50 page thesis which has to be defended at the final residency.

DSCA sent five students through the program in 2009:

- Catain Jerry Cooper, Security Assistance Team (SAT) Manager, U.S. Army
- Abiola Idris, Command Country Manager, Air Force Security Assistance Center
- Lieutenant Colonel Dylan Monaghan, Director of Air Force Programs, Mutual Defense Assistance Office, United States Embassy, Tokyo, Japan;
- Major Nicholas Nuzzo, Chief of the Exercises and Training Division, Office of Defense Cooperation
- Janet Phillips, Deputy of Security Cooperation, U.S. Army Corps of Engineers (USACE)

Idris, who is originally from Nigeria, said that he decided to take GMAP because he felt that it would give him the tools that he needs to fulfill his ambition of possibly becoming the Deputy Assistant Secretary of Defense for African Affairs, Office of the Secretary of Defense.

> GMAP offers students a view of the underlying factors that come into play in the international system in terms of economics, international politics and the implications of U.S. foreign policy. I hope to make a difference in the growing, complicated world of security assistance, security cooperation, U.S. foreign policy, and humanitarian assistance, said Idris. People underestimate the impact of FMS, security assistance and security cooperation on world peace and stability, particularly in Africa.

The most significant things that Idris remembered about the program are the faculty, which he pointed out are "the best in their respective fields" and 2009's second residency at The Hague.

> Imagine living in the middle of the Hague; waking up and looking through your window for two weeks to see the Dutch hustling to work on their bikes; visiting the International Criminal Courts (ICC); taking the tram to the beach and negotiating to rent a bike to ride to the Peace Palace, enthused Idris. Although the trip was the highlight of the program, Idris described the entire experience as intense as a "roller coaster."

The husband and father of two had to balance an imposing workload, job, and family responsibilities. His classmate Monaghan was in a similar position, which was made even more challenging during the program's busier periods.

Abiola Idris, from the Air Force Security Assistance Center, and his wife attended the dinner and reception during closing residency..

> Some nights I had to stay up all night because I do have a family life, Monaghan said. I would spend all day with my wife and kids, go to bed, work on my GMAP project from midnight until 6AM in the morning and then start another full day.

Monaghan wanted to do GMAP because he wanted something a bit different.

> I was looking for something that went beyond the typical degree program, he said. GMAP brings people from around the world and from many disciplines together to study diplomacy, law, business and the world.

Monaghan hopes to use his GMAP degree to work with and help people from around the world, particularly relations between the U.S. and Japan.

> Ever since I started college, I wanted to find a way to affect more than one issue, to reach out and help more than one person or organization. It takes a team to get things accomplished and it is a context that I have now through GMAP.

Phillips decided to take GMAP in order to expand her knowledge of international affairs, meet contacts in the international arena and find ways to help USACE execute their international programs more effectively. During the program, she narrowed her focus to the importance of cultural training and plans to use her studies to standardize cultural training for USACE's FMS and Afghanistan Security Forces Fund programs which require USACE workers to go to foreign countries.

> In my thesis, I dealt with the importance of gestures, limited language and social values in cultural training, said Phillips. Gestures, for example, can be very important between foreigners who do not speak the same language. In Iraq, the American stop hand signal means welcome. Iraqi civilians have been killed because they misinterpreted what American soldiers gestured when they were trying to warn them.

Phillips said that GMAP is an intense program because of the online work done at home. Every week, students had approximately three to five questions to answer, usually producing between 200 and 1,000 words, in addition to their regular papers which were expected to be from 10 to 20 pages in length.

> With the online portion, you have to participate by stating your opinion based on the reading assignments. It is the opposite of sitting in class and not talking because you do not want to, said Phillips. If you chose not to comment, you didn't get a grade.

She also pointed out that with traditional classroom programs, work stops when the class is over. With the online portion of GMAP, work never stopped.

Despite their tribulations, former GMAP students agree that they see the benefits of taking GMAP everyday in their careers. Former student John Reed said that the GMAP experience is very useful in his position as the Lead Country Program Director for DSCA's Africa Team.

> It is difficult to single out any one part of the curriculum over another because all of it was excellent, but taking the International Negotiations course was very beneficial because it taught me a lot about the critical area of establishing and maintaining bilateral relations with our partner nations that is requisite to the work that I do now, he said.

Another former student is Janie Glover who is the Technical Director at the Naval Education and Training Security Assistance Field Activity in Pensacola, Florida. She said that she still benefits from the coursework and the connections.

> Overall, GMAP broadened my perspective, exposed me to varying points of view on world issues past and present and made me more aware of historical issues which help my decision making. I also made great contacts that I believe I can call on for professional assistance should I need them.

Not only are former students grateful for the GMAP experience, the implementing agencies which sent them are as well. Of the 84 students that have taken the program, 26 students, including Idris and Monaghan, have come from the Air Force. Rod Shaw, Chief, Plans and Operations Division, Office of the Deputy Under Secretary of the Air Force for International Affairs (SAF/IA) pointed out that Air Force graduates demonstrate a better understanding of the complex nature of international affairs and are better prepared for future positions of increased responsibility in the security assistance and security cooperation community.

> GMAP greatly expands the horizons and thought processes of its students. While each of these individuals had some knowledge of international affairs, security assistance and security cooperation from their work experience, GMAP greatly increased their understanding of the relationship between complex subjects like international negotiation, international trade, economics and investment, and international finance, said Shaw.

For more information, visit the Professional Development/GMAP section of the DISAM web site: http://www.disam.dsca.mil/gmapII/gmapII/asp.

Building Partnership Capacity Through Education and Training: Key Efforts of the Defense Security Cooperation Agency

By
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and
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The United States and its allies and partners face a complex and uncertain security environment in which the pace of change continues to accelerate. Years of war in Afghanistan and Iraq against Al Qaeda and other violent extremist organizations have placed significant sustained demands on the U.S. military and national security establishments and demonstrated the continuing importance of willing and capable international partners. America's security and prosperity are inextricably connected to the security and prosperity of our international partners. Strong partners and partnerships are critical to successfully meeting the security challenges of the 21st century. To ensure partner countries are strong and capable, the Department of Defense (DOD) has instituted a far-reaching initiative to Build Partnership Capacities (BPC). Many of the programs under this initiative are managed by the Defense Security Cooperation Agency (DSCA). These BPC programs are key tools to help develop and sustain the ability of partner countries for defense and security, including participation in coalition operations with U.S. forces. Many equate BPC programs and DSCA with weapons sales to other countries. While weapons sales are a key tool for building partner capabilities, DSCA does much more than simply provide weapons. In fact, DSCA employs a "total package approach" that ensures logistics and training/education requirements for U.S. and partner country personnel alike are identified and planned for, whether as part of a specific weapons sale or of an over arching program. Doing so significantly increases DOD's ability to ensure that partner nations' larger security needs are addressed effectively and efficiently.

Given the increased focus on "building the capacity" of partner nations, the foundational importance of training and education takes on whole new significance. DOD must not only provide traditional military education and training opportunities to foreign partners, but must also ensure that U.S. personnel have the training and resources necessary to deliver those resources. This will help to empower partner country institutions to think proactively about their own security needs, from analyzing their security challenges to determining what capabilities they need to meet those challenges. To accomplish this, DSCA is working with the Joint Staff, the military services, and combatant commands to develop and implement training standards and personnel requirements for the DOD workforce responsible for developing and implementing these programs. The Secretary of Defense identified training of the DOD security cooperation workforce as one of his top priorities for this year.

International Training and Education

As an instrument of national security and foreign policy, DOD's over arching International Training program uses DOD and military service resources to offer a vast array of training and education options to both the military and civilian leadership of foreign governments. DSCA provides overall International Training Policy oversight to these programs both in the United States and overseas. Some programs are funded by the United States Government (USG) and others with foreign partner funds. Certain programs help partner countries to assess whether they have the right institutions and the right people to use the capabilities for their security. Other programs teach the tools and techniques to help partners develop their own partnership capacity. The USG has programs available to help partner countries defray costs associated with DOD-provided education and training. One of them, the International Military Education and Training (IMET) program, ensures foreign students are exposed to the U.S. professional military establishment and the American way of life. Sitting side-by-side with U.S. students in a wide range of courses, foreign students also develop an understanding and regard for U.S. democratic values, respect for individual and human rights, and importance of the rule of law. Students are also exposed to U.S. military procedures and the manner in which our military functions under civilian control.

Defense Institute of International Legal Studies

Part of the foundation for productive relationships with other nations is built through assisting them with developing people and processes to ensure civilian control of the military and the rule of law. The Defense Institute for International Legal Studies (DIILS) in Newport, Rhode Island, is part of DSCA and serves as the DOD lead agency for providing professional legal seminars and programs, as well as legal education and training, to international military members and civilian government officials. Focused on enhancing the rule of law, DIILS emphasizes four cornerstones:

- Internationally recognized principles of human rights and humanitarian law
- Review, revision, and/or reorganization of legal aspects of various military systems to help foster disciplined military operations
- Respect for and understanding of the principle of civilian control of the military
- Recognition and respect for the full spectrum of rule of law principles

DIILS is a joint service organization, staffed by legal officers from the Army, Navy, Air Force, Marines, and Coast Guard, as well as civilian legal and support staff. DIILS also utilizes adjunct faculty members who serve as subject matter experts on various topics. In fiscal year 2009, DIILS conducted 113 mobile training courses in 59 countries. One excellent example of the DIILS efforts is the ongoing programs in the Democratic Republic of Congo (DRC). The program introduced DRC military investigators, prosecutors, and judges to practical investigative methods and legal considerations when investigating sex crimes committed by military personnel. A follow-on program focused on training operational commanders in their responsibilities in enforcing humanitarian law, investigating sexual crimes, and in establishing a command climate discouraging such rogue activity.

Regional Centers for Strategic and Security Studies

The five Regional Centers — the George C. Marshall European Center for Security Studies in Germany; the Asia Pacific Center for Security Studies in Honolulu; and the Africa Center for Strategic Studies, the Near East South Asia Center for Strategic Studies, and the Center for Hemispheric Defense Studies, all three located at the National Defense University — serve as forums

for bilateral and multilateral research, communication, and exchange of ideas involving military and civilian participants. DSCA serves as the Executive Agent for the centers, providing programming, budgeting, financial management, and human capital resources necessary to support their operation. In this capacity, DSCA works closely with the Deputy Assistant Secretary of Defense for Partnership Strategy and Stability Operations, who is responsible for establishing the overall policy direction for the centers. The geographic combatant commands identify requirements in coordination with the country teams.

Through focused educational seminars, research, and alumni outreach, the centers encourage participants to think about and share perspectives about the security challenges affecting their respective countries and regions. Building upon the diverse representation in the seminars, students learn the importance of "whole of government" approaches to solving security challenges. This is critical since in many countries national security is not solely the purview of the Ministry of Defense, but may reside in departments and ministries responsible for internal security, border security, and critical infrastructure protection. In some cases, the Regional Centers assist countries in developing the foundations of the "capacity programs" including the crafting of a comprehensive national security strategy, outlining security challenges and approaches to meeting those challenges, as well as defining roles and responsibilities within the host government. During fiscal year 2009, almost 8,500 international students attended programs at the centers or participated in programs sponsored by the centers.

Humanitarian Demining Training Center

Another of our successful building partner capacity training programs is the Humanitarian Demining Training Center (HDTC) located at Ft. Leonard Wood, Missouri. The center trains partner country personnel on the procedures of landmine clearance, mine risk education, and victims' assistance. HDTC directly supports U.S. humanitarian mine action policy through "train the trainer" teams staffed by U.S. Army Special Forces teams, psychological operations personnel, and civil affairs teams. HDTC works with other USG agencies, the United Nations, and nongovernmental mine action organizations on various aspects of humanitarian demining. It serves as a clearinghouse and collector of mine information for the U.S. The center helps to develop new demining methods and technology especially for less developed countries. HDTC instructors supported the Southern Command by teaching mine clearance techniques for thirty Peruvian military students. In Albania, HDTC trained ten U.S. soldiers and thirty Albanian de-miners. Overall, HDTC has trained over 2,000 trainers deployed to more than 35 countries around the world.

Defense Institute of Security Assistance Management

Another educationally focused organization under DSCA is the Defense Institute of Security Assistance Management (DISAM) at Wright Patterson Air Force Base, Dayton, Ohio. DISAM conducts a variety of courses for international partners and for the U.S. security cooperation workforce focusing on all the aspects of security assistance and security cooperation. These courses provide U.S. personnel and international partners with a fundamental understanding of how security cooperation programs work and prepare U.S. Security Cooperation Officers for their overseas assignments. Tailored courses with emphasis on areas such as logistics and finance prepare international and U.S. security cooperation professionals for their specific roles. In fiscal year 2009, DISAM provided training to over 4,900 students through its residence, online, and mobile training courses. There has been a substantial increase in demand for DISAM instruction provided in foreign countries over the past few years, especially in key countries such as Afghanistan and Iraq. A recent DISAM mobile training

team went to Baghdad to train key Iraqi officials in the basics of security cooperation. What was particularly noteworthy was that the Iraqi officials were from several different ministries — Defense, Finance, Interior, and Foreign Affairs — pointing to the importance of "whole of government" solutions to solving problems.

A Strategic Review of the Workforce

The skills of the international partners must be complemented by the competency of the U.S. security cooperation community. DSCA is constantly working to ensure the security cooperation community has the best resources, tools, processes, and people to achieve its mission. Periodically, all successful organizations pause to define their strategies and make decisions on allocating resources and investing in capital and human resources. DSCA recently completed an extensive strategic planning effort with broad based participation by the executive leadership and workforce. The new plan, signed by DSCA Director Vice Admiral Jeffrey Wieringa on September 24, 2009, lays out a clear direction for accomplishing DSCA's mission, improving processes, increasing outreach and awareness, and managing human capital.

One of the cross-cutting themes in the plan is the need to enhance the security cooperation workforce at all levels and to be prepared to meet the future challenges. Consistent with the President's emphasis on creating high-performance organizations, Deputy Secretary of Defense Lynn has identified a limited number of high-priority goals and strategies to address them. One of these goals is to ensure a well-trained security cooperation workforce. There are 107 Security Cooperation Offices (SCOs) worldwide, totaling approximately 670 personnel (U.S. military, U.S. civilian and U.S.-hired foreign service nationals). Not all SCO personnel have received formal training in their security cooperation duties and responsibilities. This results in less than optimal and timely provision of assistance to partner countries. In addition, there are approximately 7,000 to 16,000 U.S. Government personnel who are involved — to some extent — in security cooperation activities. Accordingly, Deputy Secretary of Defense Lynn has established a goal to "enhance the Security Cooperation workforce," with a target of 80 percent of the workforce trained by the end of fiscal year 2010 and 95 percent or greater trained by the end of fiscal year 2011.

While the staffing and organization of DSCA is important, the correct staffing and support mix in our implementing agencies and around the world is critical. Since 2001, foreign military sales nearly tripled due in large part to the training and equipping efforts of our partner countries. We are working hard to match the demand for USG security cooperation with the supply of personnel in the implementing agencies and in security cooperation organizations overseas. Accordingly, DSCA initiated a study to review worldwide SCO staffing requirements.

The review may recommend reallocation of personnel to meet current requirements for all SCOs and identify additional positions required for SCOs determined to be currently understaffed. The review will also, where possible, propose alternative staffing strategies to more effectively and efficiently manage existing core tasks or available staffing.

Conclusion

Building partnership capacity depends upon effective interaction between the United States and international partners. A well qualified and responsive security cooperation workforce is the key interlocutor with partner country ministries and crucial for planning and organizing bilateral cooperative efforts designed to increase the capabilities of a partner country's security forces. With the correct mix of technical training, academic exposure, and hands-on learning, the entire security

cooperation community is better positioned to accomplish these important goals. Through these security cooperation training and education efforts, DSCA and its associated organizations will ensure both the United States and our international partners have the right skills to address the security challenges ahead.

About the Authors

Beth McCormick is the Deputy Director of DSCA. Scott Schless is DSCA's Principal Director for Strategy. The views expressed in this article reflect the views of the authors and do not represent the opinions or positions of the Department of Defense and the U.S. Government. [Editor's Note: As of February 1, 2010, Beth McCormick has now joined the U.S. State Department as Deputy Assistant Secretary, Bureau of Political-Military Affairs.]

Security Cooperation Information Portal Registration End-Use Monitoring Frequently Asked Questions

To obtain access to the End-Use Monitoring (EUM) online community where all EUM serial numbers, inventory reports, and support documents are found, you must register for the Security Cooperation Information Portal (SCIP). The following frequently asked questions should be referenced for all new Security Cooperation Office and Office of Defense Cooperation (SCO/ODC) staff that require SCIP access.

Always use the current registration form. Because SCIP continues to add and update its applications, the SCIP registration form is continually evolving. For this reason you should not save the SCIP registration form locally in an effort to streamline the process. All SCIP registrants must obtain the current SCIP registration form and instructions. The SCIP Help Desk does not accept old forms. The form and instructions are found at: https://www.scportal.us. Click the 'Registration Info' link at the top of the page, and use the System Authorization access Request (SAAR) (DD 2875) and instructions posted.

Only register for the communities you need. SCIP currently contains the following communities:

- Case Information
- Security Assistance Office Toolbox (EUM)
- Case Execution (EMALL, Enhanced Freight Tracking System (EFTS), Asset Visibility)
- Security Cooperation Management Suite (SCMS, formerly COP)
- Partner Information (SCES, Info Tech)
- Navy (E-Business) Community
- Corporate Information
- State Department Third Party Retransfer (Coming Soon)
- National Geospatial-Intelligence Agency (NGA) Publications (Foreign National Use Only)

For EUM purposes, only the Case Information and Security Assistance Office (SAO) Toolbox communities are required. Review the form and instructions and only apply for access to the communities that you require. Adding additional communities for which you are not eligible may delay the processing of your form.

Obtain all appropriate signatures. Your supervisor (items 17-20) is your direct supervisor, token administrator, or USG program sponsor (for contractors). Your Security Manager (items 28-32) is the individual responsible for verifying your security clearance.

Send the form to the secure e-mail address or fax number provided in the form. This requirement is due to the fact that the form contains personally identifiable information. If forms are sent to the EUM Help Desk or the standard SCIP Help Desk address, they will not be accepted.

Log-In at least once per quarter to ensure your account is not deactivated. SCIP periodically deactivates accounts that are idle for more than six months. To ensure your account is never considered for deactivation, we recommend you log in at once per quarter, even if you

do not have any EUM business to accomplish. Merely going through a successful login will reset the clock.

Regional End-Use Forum - Pacific Command

Planning is underway for the 2010 Pacific Command (PACOM) Regional EUM Forum. The dates of 24-25 July 2010 are set, however the location in the PACOM Area of Responsibility (AOR) is still to be determined. Attendees from each SCO will be the EUM manager(s) responsible for the day to day oversight of their country's EUM program (i.e., Routine and Enhanced EUM, Inventories, SCIP, MAP monitoring/disposal, 3rd party transfers, etc.). A formal message with registration information and other details will be forthcoming.

Civilian Surge Comes to Life at Training Center

[The following article appeared in the *Defense Security Cooperation Agency* (DSCA) *Newsletter*, 12 March 2010.]

In addition to the surge of military forces in Afghanistan and the drawdown in the U.S. military presence in Iraq, U.S. officials are implementing a "whole of government" approach in both countries, deploying teams of civilian subject-matter experts in fields such as security, agribusiness, and logistics from several U.S. Government agencies, including the departments of State and Homeland Security in addition to the Defense Department. These teams hold an array of specialty missions such as maintaining equipment, rebuilding infrastructure, and setting up systems for maintaining stability. The teams require a military escort to provide security and must complete a Department of Defense (DOD) crash course to learn the rules, culture and language differences, and security risks in their area of operations.

Several trial programs are in place at the Joint Maneuver Training Center. The programs are geared to shift focus from preparing soldiers for combat to creating a mobilization process aimed at civilians, giving them the most comprehensive, relevant, and cost-and-time efficient training course possible, officials said.

Army Staff Sergeant Ken Fodrie teaches an emergency aid class to Defense Department civilians at the Camp Atterbury Joint Maneuver Training Center in central Indiana, March 3, 2010. The class is part of a five-day course designed to mobilize the civilians to deploy to Iraq. Photo by U.S. Army John Crosby.

More than 70,000 personnel have been trained for deployment here since 2003, making it a prime platform to produce these training programs. Experience gained in conducting these trial courses eventually could lead to Camp Atterbury developing into a national deployment center for civilians in addition to its current role as a military mobilization hub.

> Not only can we train you, but based on our knowledge and skills from seven years of mobilizing soldiers, we can push you into the right theater, fully equipped and

> fully trained to do your mission, said Army Colonel Barry Richmond, Deputy Commander of the Camp Atterbury and Muscatatuck Center for Complex Operations.

Creating a system aimed at civilian entities presents several challenges, as the military has procedures, means of communicating, and techniques that differ from those of each different civilian governmental department. Programs need to be tailored to specific units, their missions, and for where the unit is deploying.

The civilian mobilization-training program will have some similarities with the training provided to soldiers, as well as some differences. For example, a noncombatant civilian will not require the same classes and field training as a combat soldier. Also civilians do not have the same medical and dental benefits systems, legal preparation, or financial pay systems in place for deployment as service members do.

Camp Atterbury officials and contracting agencies are working together through trial and error to smooth out a format to organize and implement a streamlined system for deploying civilians.

> It is learning all of these differences and putting it in the right sequence so that it runs as smoothly as our military deployment process does, said Project Officer Army Lieutenant Colonel Bill Welcher, noting that the unit can train a soldier for deployment quickly.
>
> Basically, we are trying to put a process together that will allow us to do the same thing for a civilian, he said. It has been quite a learning experience.

The trainers are learning from hands-on experience in working with each of the trial mobilizations of deploying civilian units. One such unit, Mechanics with the Army Material Command, completed training here last week and deployed to Iraq on 5 March 2010. The unit, composed of civilian employees from Army depots in Tobyhana, Pennsylvania; Red River, Texas; and Anniston, Alabama, will cover down on a brigade combat team in Iraq and work as a maintenance section.

> I have never seen a better place that is more willing to take and tailor things and change for somebody else, said James Deloach, a Civilian Operations Officer with Army Material Command. My first impression of the military was the attitude that they already had a system in place and weren't willing to make any changes — you know, that attitude of 'This is our process; this is how we do it here in the military; this is how things are going to stay.'

Deloach said the difference between his initial perception and the relationship with his new military partners was like day and night.

> I am so totally pleased with the [Camp Atterbury staff]. Their mindset was, 'What do we need to do? Let us figure this out. Let us make it work.' That has been their attitude since day one.

The measure of the success of these programs will determine the future of Camp Atterbury and its development into a national deployment center. Current programs may train as many as 17,000 civilians next year, Deloach said.

> We are trying to create a training environment that has the benefit of a military partner, without [civilians] being dumped into the military training machine, Richmond

said. We are creating a neutral environment where civilian personnel can come and feel comfortable about training.

Getting Started with Defense Trade Controls Electronic Licensing System United States Department of State, Directorate of Defense Trade Controls

The Defense Trade Controls Electronic Licensing System (DTrade) is a service provided to U.S. citizens and specified foreign individuals who submit license applications for the export or temporary import of defense articles pursuant to the *International Traffic in Arms Regulations* (ITAR). Please familiarize yourself with DTrade User Requirements and ITAR prior to requesting access to DTrade. Both references are available online at the "Getting Started" tab.

Please note: Before using DTrade you must purchase and install a digital certificate on your personal computer (PC), register the certificate with the entity listing in DTrade, and assign the necessary user roles to the digital certificate. Submitting export applications prior to completing these steps will automatically be rejected.

How to Access the DTrade Electronic Filing System

Purchase an Access Certificate for Electronic Services Digital Certificate

Each person who requires access to the DTrade Electronic Filing System must have their own unique Access Certificate for Electronic Services (ACES) digital certificate. Digital certificates are issued to individual users and must not be shared among coworkers—each user must have their own digital certificate. ACES digital certificates may be purchased from one of the two authorized ACES vendors listed below:

- IdenTrust - www.identrust.com/dtrade
- Operational Research Consultants (ORC) - www.aces.orc.com

Install the ACES Digital Certificate in Internet Explorer

The vendor you choose will provide instruction and support for downloading and installing or replacing the ACES digital certificate on your PC. The DTrade application only supports Internet Explorer versions 6 and 7 at this time; so when downloading the digital certificate, you must use Internet Explorer 6 or 7 to install it in the personal certificate store. You can maintain another web browser on your PC, but you must use Internet Explorer 6 or 7 for all your DTrade transactions.

Log On to DTrade2 to Register Your ACES Digital Certificate

Go to the DTrade Information Center web page at www.pmddtc.state.gov/DTrade and save this as a favorite. This page will have important information regarding any changes in the submission process as well as the DTrade2 log on link. Click on the link titled DTrade2 Log-In. The system will prompt for your digital certificate, authenticating you to enter the DTrade system with a dialog box labeled Export Filer Registration. Your name will appear, and you will need to enter your e-mail address and telephone number in the appropriate fields. From the drop down list, select the company name registered with Directorate of Defense Trade Control (DDTC) (if a subsidiary, the parent company's registered name). This is the formal name of the company when it registered with DDTC and received a registration code (see ITAR 122). If you see duplicate or multiple name variations for your parent company, STOP at this point and contact the DTrade Help Desk (202-663-2838 or e-mail DTradeHelpDesk@state.gov) with the company's registration code for

assistance in making the correct selection. This is a critically important step to perform so that application status and licenses will be viewable when you log in to DTrade.

The next step is to assign the user roles to the digital certificate just registered. The user type and roles must be assigned prior to submitting a license application. Applications submitted before these steps are competed will automatically be rejected by the DTrade application.

Setting the DTrade User Type and Roles

User - An individual assigned one or more DTrade user roles (see roles below) by the Super User(s) to perform their assigned tasks in DTrade.

Super User - An individual assigned to administer roles for all other users under a DTrade entity's listing. To use DTrade there must be at least one Super User. If there is only one user, that person must become the Super User. He/she must be a direct employee of the company.

For more information about maintaining or replacing a Super User's digital certificate, see the DTrade Frequently Asked Questions (FAQs) document.

User Roles

Industry Submitter - Allows a user to electronically submit DTrade license applications and upload additional documentation on behalf of the company.

Industry Status Retriever - Allows a user to track the status of electronically submitted applications and download signed licenses. (This does not automatically include ability to upload additional documentation.)

Industry Signature Authority - Allows the user's electronic digital signature to be recognized in DTrade as authorized to sign applications. This authority must be limited to an empowered official of the company.

Designate User Roles

When the user has completed registering their ACES digital certificate with the parent company listing in DTrade, they will need to contact the company Super User. The Super User will be able to select what roles the user is to have.

Designate Super Users

After the digital certificate is registered with the parent company listing in DTrade, a typed letter on the parent company stationery must be submitted giving the following information:

- Registered parent company name
- Parent company fax number
- Bureau of Political-Military Affairs Directorate of Defense Trade Controls (PM/DDTC) registration code
- List naming the Super User(s) with their office phone number(s) and e-mail address(es)
- Name and title of the senior officer or empowered official of the parent company that is signing the request, their contact information, and their hand written signature (no stamped signatures will be accepted)

The Super User letter must show the current date

Super Users under a subsidiary registered under the parent company's listing in DTrade must have the parent company submit the above Super User letter.

Fax the above Super User request letter to the DTrade Help Desk at 202-663-2756. Do not put the above letter on a fax cover sheet or transmittal sheet.

Confirm Super User Status

Allow two full business days for the DTrade Help Desk to process your request. The Super User(s) listed in the letter will receive an e-mail confirmation along with instructions for assigning the various DTrade roles.

If the request cannot be processed, the persons listed on the letter will be e-mailed as to what modifications or additional information is needed to satisfy the requirements for processing the Super User request.

Additional Documentation

Additional documentation about replacing digital certificates and Super User status can be found on the DTrade Information Center web page DTrade FAQs link: http://pmddtc.state.gov/faqs/documents/FAQs_dtrade.pdf.

Marshall Center Hosts Round-Table North Atlantic Treaty Organization Responsibilities

[The following article originally appeared in the *George C. Marshall Center Monthly Activity Report*: February 2010.]

More than sixty inter-ministerial security professionals gathered at the Army House in Sarajevo February 22 to discuss NATO membership responsibilities. Among the guests were the ministers of defense, foreign affairs, and security as well as the Commandant, NATO Headquarters (HQ) Sarajevo, and the Norwegian ambassador to Bosnia-Herzegovina (BiH).

Besides the 27 alumni who attended, there were representatives from the Ministry of Interior, U.S. Embassy, non-governmental organizations (NGOs), the University of Sarajevo, the Organization for Security and Cooperation in Europe (OSCE), the United Nations Development Program (UNDP), and the media.

Marshall Center Director, Dr. John Rose, opened the round-table, followed by the center's Dr. Dragan Lozancic, who gave the background to Croatia's NATO accession and spoke about their experiences since membership. Last to speak was Commandant Brigadier General John Bullard, NATO HQ Sarajevo, who discussed NATO's new strategic concept in light of the changing security environment.

The round-table also provided the opportunity to announce the new President of the alumni association, Ms. Ankica Tomic, as well as new board members. The alumni association has grown in its impact on the security sector since its founding in 2005 and, with the new President and board, have forged a partnership with the Atlantic Initiative, an NGO working toward Euro-Atlantic integration in Bosnia-Herzegovina.

The alumni event brought together very high-level officials to discuss NATO accession, a very important, on-going topic to the country and its future stability. Alumni expressed disappointment that Bosnia-Herzegovina did not receive membership action plan (MAP) status last December; and, therefore, the discussion was both pertinent and important to their redoubling efforts to address the outstanding issues necessary to fulfill the criteria for MAP status.

Dr. Lozancic provided an important regional overview by outlining the obstacles that Croatia faced to NATO membership, how they were overcome, and what they are now facing as NATO members. Extensive media coverage of the event keeps this in the public arena and helps to inform the public about the issues. The alumni event was held in conjunction with a visit to Bosnia Herzegovina by Dr. Rose February 22-23, 2010 during which he met with U.S. and German Embassy staff and ministry officials that support Marshall Center programs.

SECURITY ASSISTANCE COMMUNITY

Gates and Mullen Report on Merida Summit in Mexico

[The following article appeared in the *Defense Security Cooperation Agency* (*DSCA*) *Newsletter* compliments of DefenseLink: http://www.defenselink.mil/.]

Defense Secretary Robert M. Gates assured Mexican military leaders during a Cabinet-level visit to Mexico City this week that he will look into ways to speed up equipment deliveries to support their fight against drug cartels.

Testifying before the House Appropriations Committee, the Secretary and Navy Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff, called the one-day visit a positive step in advancing the Merida Initiative that helps Mexico combat drug trafficking and related violence by the cartels.

The two were part of a U.S. delegation led by Secretary of State Hillary Rodham Clinton that also included Homeland Security Secretary Janet Napolitano and Director of National Intelligence Dennis Blair. Gates told the congressional panel that he shares their concern about how long it's taking to deliver the helicopters and aircraft the United States has committed to Mexico as part of the three-year, $1.6 billion program.

> The leaders of the Mexican military made the point [that] the house is on fire now, he said. Having the fire trucks show up in 2012 is not going to be particularly helpful.

The problem, he told Congress, is a backlog in manufacturing the equipment Mexico is waiting for.

> Helicopters are in demand everywhere around the world, he said, adding that he had assured his Mexican counterparts he will explore temporary solutions until the aircraft are delivered.

Mullen praised the partnership that is developed between the U.S. and Mexican militaries and said it's been strengthened through the Merida Initiative.

> They are in a very difficult fight, Mullen said of the Mexican leadership, calling the threat they face their own version of counterinsurgency. We are working with them to generate as much capability as they can in that fight, he said.

That involves not only helicopters and intelligence, surveillance, and reconnaissance assets, the chairman explained, but also the ability to fuse the intelligence gathered and the doctrine, training, and leadership development required to support drug-fighting initiatives. It also requires interagency cooperation within Mexico to counter the threat, he said.

> It is an extraordinary, complex challenge, Mullen conceded, but one that everybody recognizes is deadly serious [and] that has to continue to be addressed.

While the United States focuses primarily on Mexico's northern border, Mullen called its southern border — through which weapons and drugs flow north — an equal concern. "It is a regional issue that we have really got to continue to focus on," he said.

Past Secretaries Ok State Push For Fiscal Year 2011 Budget Request

[The following article appeared in the *Defense Security Cooperation Agency* (DSCA) *Newsletter*, 30 April 2010]

A bi-partisan group of eight former Secretaries of State sent a letter to members of Congress urging them to support the fiscal year 2011 International Affairs Budget request from the President. The letter argued that programs funded by the budget would provide critical investments in global development, diplomacy and democracy, and that they would protect national security, build economic prosperity, and provide humanitarian assistance.

The group consists of Henry A. Kissinger (1973 – 1977), George P. Shultz (1982 – 1989), James A. Baker (1989 – 1992), Lawrence S. Eagleburger (1992 –1993), Warren Christopher (1993–1997), Madeleine K. Albright (1997–2001), Colin L. Powell (2001 – 2005) and Condoleezza Rice (2005 – 2009).

In the letter, they pointed out that the U.S. requires a full range of civilian and military options in order to accomplish these goals, however, the International Affairs Budget remains under-funded. The budget represents less than 1.5 percent of all federal spending. As a result, civilian-led development and diplomatic efforts are often hindered, and place unnecessary burdens on the military departments.

They further argue that an increase in the International Affairs Budget will also keep the country safe by addressing the root causes of terrorism and extremism, supporting key allies, and demonstrating America's tradition of global leadership.

The group said that there is broad bipartisan support for the request in Congress and among current and past administrations. This letter comes after those from Senate Foreign Relations Committee chairmen Senators John Kerry (D-MA) and Richard Lugar (R-IN) and a bi-partisan group of 29 other senators, the Secretary of Defense Robert Gates, Secretary of State Hillary Clinton and members of the House Foreign Affairs Committee, the Blue Dog Coalition and the Congressional Black Caucus.

Federal Bureau of Investigation Arrests 22 in Bribery Sting Operation

[The following article originally appeared in the *Agence France-Presse*, 19 January 2010.]

The Federal Bureau of Investigation (FBI) agents have arrested 22 people working in the arms and security industries in a massive sting operation, charging them with trying to bribe an African defense minister, U.S. officials said January 19. In the biggest operation ever of its kind, the 22 — including at least three British nationals — were held under the *Foreign Corrupt Practices Act* (FCPA), the Department of Justice said. The detainees — 21 arrested January 18 in Las Vegas, Nevada, the other in Miami — are charged with trying to obtain a $15 million contract in an African nation to outfit the presidential guard.

> This ongoing investigation is the first large-scale use of undercover law enforcement techniques to uncover FCPA violations, Assistant Attorney General Lanny Breuer said. The fight to erase foreign bribery from the corporate playbook will not be won overnight, but these actions are a turning point.
>
> From now on, would-be FCPA violators should stop and ponder whether the person they are trying to bribe might really be a federal agent.

The *Foreign Corrupt Practices Act* bars U.S. companies and citizens from bribing foreign officials to win business. During a 2½-year investigation, FBI agents pretended to be acting on behalf of the defense minister of an African country, although no such minister was involved in the operation.

The defendants allegedly agreed to pay a twenty percent "commission" to a sales agent who they thought represented the minister in order to win the contract. They were told half the "commission" would be paid to the defense minister. The sales agent was an undercover FBI agent, the Department of Justice said.

> Corrupt payments to foreign officials to obtain or retain business erode public confidence in our free market system and threaten to undermine foreign governments, said Channing Phillips, U.S. Attorney for the District of Columbia.

Most of the suspects worked for U.S. military equipment manufacturers; two worked for British firms and one for an Israeli company, the department said, without naming the businesses due to the ongoing nature of the investigation. The companies manufactured such items as ammunition, body armor, firearms, rifles, and grenade launchers, as well as tactical and ballistic equipment After the indictments were revealed, 150 agents carried out searches in fourteen places across the United States.

British police in London also carried out seven search warrants.

> In this era of global commerce, the FBI is committed to curbing corruption at home or overseas. Companies should prosper through honest practices, not the practice of backroom deals and bribery, FBI Assistant Director Kevin Perkins said.

Former Justice Department Fraud Chief Steven Tyrrell called the arrests "extremely significant," both in numbers — twice as many FCPA cases were brought in 2009 than in 2008 — and in the nature of the investigations.

> These matters involve the use of traditional undercover investigative techniques — something we have not seen much of in the past in the FCPA context, Tyrrell said.

Department of Defense Leaders Eye Higher-Priority Label for Security Cooperation Missions

By
Sebastian Sprenger
Contributing Author for the *InsideDefense*.com

[The following article originally appeared on *InsideDefense*.com, March 9, 2010.]

Two Combatant Commanders today lauded a yet-to-be-finalized move by Department of Defense (DOD) leaders to formally raise the priority of military security cooperation missions — a development that could swell the ranks of U.S. forces tasked with beefing up indigenous security forces around the globe. The issue came up during a Senate Armed Services Committee hearing this morning, when U.S. Africa Command (AFRICOM) chief Army General William Ward was asked about his involvement in work on the revised Guidance for the Employment of the Force (GEF). Top defense officials are reviewing a draft of the classified, high-level document. A final version is slated to be released internally sometime next month.

Ward said he was pleased with the GEF consultations between the Pentagon and his command.

> The draft document, Ward said, is looking at ensuring that the requirement that we have for resources to conduct a very essential building partner capacity is being treated at a level of priority different than the past, so that those forces that are required to do that mission will enjoy a higher priority than has been the case in the past.

U.S. European Command chief Admiral James Stavridis, who testified at the same hearing, interjected to "associate" himself with Ward's comments. "I think it is a bit of a sea-change in the department, and it is a good one," Stavridis said.

According to a Pentagon source, Ward and Stavridis were referring to security cooperation missions' receiving a higher spot on the draft GEF's "master priority list" on which all missions for U.S. military forces are ranked in order.

A higher priority means greater consideration for the mission area in the classified global force management allocation plan, or GFMAP. The plan forms the backdrop for force deployments in response to Combatant Commanders' needs beyond those forces already permanently assigned to the combatant commands (COCOMs). The plan also includes prioritized lists of countries deemed in need of military assistance from Washington.

Pentagon spokeswoman Tara Rigler declined to comment for this article. "It is DOD policy not to discuss internal and classified documents," she wrote in response to questions from InsideDefense.com.

> The February 1 [2010] *Quadrennial Defense Review* (QDR) defines security cooperation activities as, bilateral and multilateral training and exercises, foreign military sales (FMS) and foreign military financing (FMF), OfficerExchange programs, educational opportunities at professional military schools, technical exchanges, and efforts to assist foreign security forces in building competency and capacity.

The review report also pledged to "continue to treat the building of partners' security capacity as an increasingly important mission." The idea featured prominently in the 2006 QDR, which postulated the policy that violent extremism in faraway places around the globe is best countered by capable indigenous security forces with the United Stated supplying training and weaponry to them.

Defense leaders have increased their focus on beefing up the army and police of Iraq and Afghanistan in recent years so American combat forces can leave those theaters without leaving a power vacuum. Bilateral security cooperation projects with African nations make up the vast majority of missions under the Pentagon's relatively new AFRICOM. The goal is to stop the spread of al Qaeda and its sympathizers on the continent, officials have said.

United States Stepping Up Engagement with African Air Forces

By
Graham Warwick
Contributing Author for the *Aerospace Daily & Defense Report*

[The following article originally appeared in *Aerospace Daily & Defense Report,* December 23, 2009, all rights reserved.]

U.S. Air Forces Africa (AFAFRICA) expects a three-fold increase in engagement activities with countries in the region during fiscal 2010, Vice Commander Brigadier General Michael Callan says.

Stood up in October 2008, AFAFRICA conducted thirty engagements with 22 African nations in fiscal year 2009 with the aim of building relationships, improving safety, and increasing capability. This is expected to grow to at least ninety in 2010 and to around 120 in 2011, Callan says.

Activities have included helping Nigeria with plans to refurbish its C-130s, advising Uganda on developing an airdrop capability for its L-100s, and discussions with Rwanda on upgrading its air traffic control.

AFAFRICA, also known as the 17th Air Force, is headquartered in Ramstein, Germany, and supports U.S. Africa Command, established in 2007 as the single focus for maintaining relationships with African nations. Callan says AFAFRICA is "slowly moving forward" on providing command and control of air forces supporting U.S. Africa Command (AFRICOM), building a 300-strong staff and standing up its air and space operations center in June.

"The bulk of our work is providing sustained engagement with African partners that have, or want to have, an air force," he says. A smaller part is contingency operations, which have included providing C-17s to move Rwandan peacekeepers into Darfur in Sudan.

AFAFRICA has not yet staged exercises with African air forces, he says, but in October [2009] supported U.S. Army Africa units in the Natural Fire 10 peacekeeping exercise with Uganda, providing medical teams.

Callan was at Lockheed Martin's Marietta, Georgia, plant on December 21 to accept delivery of two C-130Js on behalf of U.S. Air Forces Europe (USAFE), which provides aircraft to support AFAFRICA, which has no assigned assets.

> The aircraft are assigned to USAFE. But because AFRICOM is headquartered in Stuttgart, it has a relationship with the 3rd Air Force at Ramstein; and we can ask them for C-130 support, he says. We don't see the need for assigned forces while the Air Force can continue to provide capability where needed based on what we ask for, he says. But, looking forward, we could see the need for a small contingency readiness element for crisis response to project an Air Force presence more quickly. This would likely comprise airlift assets, he says.

United Arab Emirates Placing Order for Six C-17s from Boeing

[The following article originally appeared in *Agence France-Presse*, 6 January 2010.]

Boeing said January 6 that it has won a contract from the United Arab Emirates (UAE) for six C-17 military aircraft, making the UAE the second Middle Eastern nation to order the airlifter. UAE will take delivery of four C-17s in 2011 and two in 2012 in the deal, whose "financial terms are not being disclosed," Boeing and the UAE said in a joint statement. The C-17 Globemaster III advanced airlifter can carry large combat equipment and troops or humanitarian aid across international distances to small "austere" airfields anywhere in the world, the company said.

Capable of carrying a full payload of 170,000 pounds (77 tons), the C-17 can fly 2,762 miles (4,445 kilometers) and land in 3,000 feet (914 meters) or less.

> The C-17 will give the UAE the ability to perform a variety of humanitarian and strategic lift operations around the world in support of both national and international missions, Mohamed Al Mazrouei, UAE Major General Staff Pilot, said in the statement. These missions require us to be ready for any contingency at any time and any place, and the C-17 meets our requirements."

The UAE announced last year it would upgrade its airlift capabilities with the C-17. Qatar was the first Middle Eastern nation to order the airlifter, which currently numbers 212 in service worldwide, including 193 owned by the U.S. Air Force, Boeing said. The C-17 has nineteen international customers, including the British, Canadian, and Australian air forces.

> Boeing is pleased that the UAE Air Force has selected the C-17 to meet its airlift requirements for the 21st century, said Jean Chamberlin, Boeing Vice President of Global Mobility Systems. The C-17 consistently posts mission capability rates that are among the best in the world, earning it high marks for its industry-leading quality and reliability.

India – C-17 Globemaster III Aircraft

Defense Security Cooperation Agency Newsletter

[The following press release is courtesy of the *Defense Security Cooperation Agency Newsletter* web: www.dsca.mil]

The Defense Security Cooperation Agency (DSCA) notified Congress [Transmittal No. 10-08] on April 23 [2010] of a possible foreign military sale (FMS) to India of 10 Boeing C-17 Globemaster III aircraft and associated equipment, parts, and logistical support for an estimated cost of $5.8 billion.

The Government of India (GOI) requests a possible sale of 10 Boeing C-17 Globemasster III aircraft, 45 F117-PW-100 engines (40 installed and 5 spare engines), 10 AN/ALE-47 Counter-Measures Dispensing Systems, 10 AN/AAR-47 Missile Warning Systems, spare and repairs parts, repair and return, warranty, pyrotechnics, flares, other explosives, aircraft ferry and refueling support, crew armor, mission planning system software, communication equipment and support, personnel training and training equipment, publications and technical data, U.S. Government and contractor technical, engineering, and logistics support services, and other related elements of logistics support. The estimated cost is $5.8 billion.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to strengthen the U.S.-India strategic relationship and to improve the security of an important partner which continues to be an important force for political stability, peace, and economic progress in South Asia. India will likely use these aircraft to replace its aging aircraft and associated supply chain with new and highly reliable aircraft. The acquisition of these C-17s will not present a new capability for the Indian Air Force, but will offer an increase in airlift capacity, reliability, and safety. The C-17 will increase the ability of the GOI to mobilize troops and equipment within the country and will enable India to provide significantly increased humanitarian assistance and disaster relief support within the region. Additionally, the C-17s will facilitate enhanced standardization with the United States. India will have no difficulty absorbing these aircraft into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region. The principal contractors will be The Boeing Company in Long Beach, California, and Pratt and Whitney Military Engines in East Hartford, Connecticut. Additional subcontractors may be needed depending on the exact nature of the contracting arrangements established. At this time, there are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the participation of up to 20 U.S. Government and 20 contractor representatives for annual program management and technical reviews in India or the U.S. for one week per review for approximately six years. There will be no adverse impact on U.S. defense readiness as a result of this proposed sale. This notice of a potential sale is required by law and does not mean the sale has been concluded.

India Signs Deal to Buy 29 More MiGs from Russia

Article Appeared in *Agence France-Presse*

[The following article originally appeared in the *Agence France-Presse*, 12 March 2010.]

India signed a deal March 12 with Russia to buy 29 MiG-29 fighter jets, the plane maker said, further cementing Moscow's role as New Delhi's principal arms supplier.

> According to the contract, supplies will start in 2012, said Mikhail Pogosyan, the general director of both Russian plane makers RAC-MiG and Sukhoi.

He estimated the value of the deal at about $1.5 billion. The deal is on top of sixteen MiG-29 planes New Delhi already agreed to buy for deployment on an aircraft carrier it also hopes to obtain from Russia.

Pogosyan was part of a large business delegation accompanying Russian Prime Minister Vladimir Putin on an official visit to India, which was expected to yield a slew of arms and nuclear energy deals worth more than $10 billion. Russia supplies seventy percent of India's military hardware; but in recent years New Delhi has looked to other suppliers, including Israel and the United States.

Russia to Sell Twenty MiG-29 Fighters to Myanmar

Contributed by *Agence France-Press*

[The following article originally appeared in *Agence France-Presse*, 23 December 2009.]

Russia has signed a contract to deliver twenty MiG-29 fighter planes to military-run Myanmar, the daily Kommersant reported December 23, 2009. The contract was signed a few weeks ago and came to nearly $570 million (400 million euros), according to a source close to Russian arms sales company Rosoboronexport quoted by the paper. The southeast Asian country is under Western sanctions. Human-rights campaigners complain that its ruling junta has received a steady supply of arms from neighboring China and India, as well as from Russia. A source close to Rosoboronexport said the Russian offer beat one by China that offered Myanmar "ultra-modern" J-10 and FC-1 fighters "on very advantageous conditions."

The daily said Russia delivered twelve MiG-29s to Myanmar in 2001.

"It is the largest contract to deliver fighters of this type after the breaking of a similar transaction with Algeria in 2007," Kommersant said.

Algeria cancelled its order for 34 MiG-29s worth $1.406 billion (987 million euros) as their quality was lower than expected and returned several planes to Russia in 2008, the paper said.

The United States Delivers Field Cannons to Pakistan's Army, Patrol Boats to the Maritime Security Agency

[The following originally appeared in the *Defense Security Cooperation Agency* (*DSCA*) *Newsletter*, 26 February 2010.]

The United States Government (USG) officially delivered 48 self-propelled field artillery cannons to the Pakistan Army at the Malir Cantonment in Karachi on 13 February 2009.

U.S. Army Brigadier General Michael Nagata, U.S. Office of the Defense Representative-Pakistan Deputy Commander, officially handed over the M1095A5 Howitzer self-propelled cannons to Pakistan Army Brigadier Farrukh Saeed, 25th Mechanized Division Artillery Commander, during a ceremony in Karachi. The event was attended by Steve Fakan, U.S. Consul General to Karachi, and more than a dozen U.S. and Pakistani military representatives.

The delivery marks the completion of a total purchase of 115 field artillery cannons by Pakistan through the United States' Foreign Military Sales (FMS) and the Foreign Military Financing (FMF) programs. The FMS/FMF case was initiated by Pakistan in 2006 and enabled the government of Pakistan to obtain the cannons from the United States at a greatly discounted rate.

> These field artillery cannons are an important part of enhancing the capabilities of Pakistan's Army as it continues to wage its courageous fight against terrorists who seek to destroy Pakistan's people and way of life, said Brigadier General Nagata. It is our hope that these weapons are ultimately able to play an important role in ending extremist violence and bringing peace once again to this great nation.

The USG (also) donated five maritime interdiction patrol boats to Pakistan's Maritime Security Agency (MSA) at the Karachi shipyard on 13 February, significantly enhancing the agency's coastal interdiction and patrol capabilities.

U.S. Army Brigadier General Michael Nagata officially donated the 13-meter (42-foot) Fast Patrol Boats to Rear Admiral Tahseen Ullah Khan, MSA Director General, during a handover ceremony in Karachi.

Each of the new vessels are equipped with two 565-horsepower Caterpillar diesel engines that enable them to operate in inclement weather up to 300 nautical miles offshore with a maximum

speed of 72+ kilometers per hour (45+ miles per hour). Known as Fast Patrol Boats, they greatly increase the MSA's ability to patrol Pakistan's coastal waters and conduct a wide range of maritime operations.

The USG will donate four more Fast Patrol Boats to the MSA later this year. In total, the nine boats and spare parts are valued at approximately $10 million.

> These patrol boats are a gift from the United States to support Pakistan's Maritime Security Agency to assist them in their critical mission as they protect and serve the people of Pakistan, said Brigadier General Nagata. Whether it's search and rescue, combating smugglers, preventing crime, or protecting Pakistan's coastal areas, we hope the increased capabilities these boats provide greatly enhance the MSA's ability to conduct the full spectrum of maritime operations.

During the last three years, U.S. civilian and security assistance to Pakistan has totaled more than $4 billion. Assistance provided and delivered has included support for medical aid, school refurbishment, bridge and well reconstruction, food distribution, agricultural and education projects, fourteen F-16 fighter aircraft, ten Mi-17 helicopters, more than 450 vehicles for Pakistan's Frontier Corps, hundreds of night vision goggles, day/night scopes, radios, and thousands of protective vests and first-aid items for Pakistan's security forces. In addition, the U.S. funded and provided training for more than 370 Pakistani military officers in a wide range of leadership and development programs covering topics such as counterterrorism, intelligence, logistics, medical, flight safety, and military law.

Boeing Delivers First 737 Airborne Early Warning and Control Aircraft to South Korea

By
Jung Sung-Ki
Contributing Author for the *DefenseNews*

[The following article originally appeared on *DefenseNews*.com, 8 February 2010.]

Boeing Integrated Defense System (IDS) has delivered the first of four planned 737 Airborne Early Warning and Control (AEW&C) aircraft to South Korea for modifications ahead of a final hand over to the Republic of Korea (ROK) Air Force next year, procurement and industry officials said February 8, [2010].

Under a $1.6 billion contract signed in November 2006, Boeing IDS is to deliver four 737 AEW&C "Peace Eye" aircraft to South Korea by 2012. The first 737 plane flew from a Boeing facility in Seattle to a Korea Aerospace Industries (KAI) facility in Sacheon, some 430 kilometers southeast of Seoul, on February 4, [2010] officials from the Defense Acquisition Program Administration (DAPA) and KAI said.

KAI will equip the 737 airplane with Northrop Grumman's L-band Multi-Role Electronically Scanned Array (MESA) radar. The modification work is part of offset deals from the AEW&C contract. A ceremony to mark the beginning of the modification work here [was] to be held at the Sacheon facility February 9 with representatives DAPA, KAI, and Boeing in attendance.

> After integrating the Northrop Grumman's MESA radar into the plane and several test flights, the early warning aircraft will be delivered to the ROK Air Force next year, a DAPA official said.

The 737 AEW&C aircraft is a core part in South Korea's pursuit of achieving independent [intelligence] gathering, surveillance, and reconnaissance capability to prepare for the transition of wartime operational control from the U.S. to South Korea in 2012, as the nation heavily relies on U.S. reconnaissance aircraft based in Okinawa, Japan. In case of an emergency, the Peace Eye aircraft will orchestrate air assets flown by ROK airmen by detecting and identifying airborne objects, determining their coordinates and flight path data, and transferring the information to Commanders. The planes will play the role of an aerial command-and-control center in guiding fighter-interceptors and tactical air force aircraft to combat areas to attack ground targets at low altitudes.

The 737 AEW&C has six common console stations for the mission crew and boasts of its commonality with commercial airline fleets for flexibility and support. The aircraft can fly at a maximum altitude of 41,000 feet and top speed of 340 knots. The ROK Air Force plans to create a tactical reconnaissance wing led by the 737 AEW&C aircraft by 2012. The wing will have unmanned aerial vehicles, RF-4C surveillance planes, Hawker 800 aircraft, and others, according to ROK Air Force officials.

Japan and the United States Mull F-35 Project

[The following article originally appeared in the *Japan Times*, December 30, 2009.]

Tokyo and Washington are contemplating Japanese participation in a multinational project to develop the F-35 stealth fighter, sources in both governments said Tuesday. The move is intended to clear the way for Japan to adopt the F-35 as its mainstay fighter jet because countries not participating in the project won't be allowed to acquire it at an early date.

Tokyo's participation would be limited to developing components to be provided exclusively to the Air Self-Defense Force so as not to conflict with Japan's principles of banning exports of weapons and arms technology, the sources said. The U.S. is considering allowing Japan to take part in the program even without assurances from Tokyo that it will procure the F-35, they said. The F-35 is being developed by the United States, Australia, Britain, and other countries. It is due to be available for operational use in the mid-2010s. Countries involved in the joint project are expected to be able to acquire the fighter on a preferential basis.

Japan initially aimed to acquire the U.S. F-22 stealth fighter to replace its aging F-4EJ fighter fleet. But U.S. law currently prohibits exports of the F-22, and the U.S. has announced it will halt production of the fighter.

Japan has also studied other planes, such as the F/A-18 and F-15FX, produced by the U.S., and the Eurofighter, produced by a consortium of European manufacturers. The government is likely to incorporate the plan to acquire the F-35 in new defense policy guidelines and the medium-term defense buildup plan to be adopted next December.

The government decided in October [2009] to delay its adoption by one year partly to reflect the policies of the Democratic Party of Japan and its coalition partners.

American Institute in Taiwan Director Receives Honors from Taiwan

By
Steve "Ike" Li, Major, USAF
American Institute in Taiwan

[The following article originally appeared in the *Defense Security Cooperation Agency* (DSCA) *Newsletter*, December 18, 2009.]

American Institute in Taiwan (AIT) Director William A. Stanton received the Taiwan Ministry of National Defense "Morakot Pin" on Monday on behalf of the Department of Defense (DOD) for its support to Taiwan during Typhoon Morakot recovery operations in August 2009.

AIT's Technical Section, which is a part of DSCA's Operations Directorate, Asia Pacific Americas division, and Liaison Affairs Section led the coordination that resulted in the United States Government providing nearly $1 million in humanitarian assistance following the typhoon that caused 675 deaths and approximately $3.3 billion in damages. Of the $1 million U.S. assistance, $250,000 came from the Office of U.S. Foreign Disaster Assistance of the United States Agency for International Development (USAID) for procurement and distribution of emergency relief supplies; and the remaining came from DOD assistance through the Overseas Humanitarian, Disaster, and Civic Aid account for logistics, transportation, and relief commodities.

On 15 and 16 August [2009], two DOD C-130 cargo planes delivered water purification tablets and multipurpose plastic sheeting (suitable for constructing makeshift shelters) to Tainan Air Base for distribution to affected populations. In the following days, operating from the U.S. Ship (USS) Denver (Landing Platform Dock [LPD]-9), which was afloat just off of Taiwan's southern coast, U.S. Pacific Command heavy and medium lift helicopters (two MH-53s and two HH-60s) transported excavation equipment and relief supplies to remote disaster-affected areas.

In total, DOD lift assets conducted 55 missions delivering twenty pieces of excavation equipment and supplies to affected areas. Most of the excavation equipment's weight exceeded Taiwan's organic vertical lift capabilities and would not have reached the remote disaster areas without the assistance of DOD assets.

Taiwan May Assemble F-16s If the United States Oks Sale

By
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[The following article originally appeared in the *South China Morning Post*, March 9, 2010.]

Taiwan says it is willing to assemble the advanced versions of F-16 fighter jets if the United States approves their sale to the island. Beijing is sure to protest against the proposal despite reports that it is studying the possibility of removing its missiles aimed at Taiwan to show its goodwill and pave the way for cross-strait peace.

> Taiwan's defense ministry said yesterday: In its pricing letter to the U.S., the ministry has already included an industrial cooperation program related to the purchase of C/D versions of F-16 fighter jets.

It said that as soon as Washington approved the ministry's plan to buy 66 F-16 C/Ds, Taiwan would seek to have the planes assembled on the island in line with a program that requires their multibillion-Taiwan-dollar cost to be partially offset. Under the program, military suppliers to Taiwan of any equipment worth at least $5 million must offer at least forty percent of the procurement amount to be returned to the island in the form of investment or manufacturing.

"We have never changed this position," the ministry said, in response to a report in the Liberty Times newspaper that the government would sacrifice the 40 percent offset to win U.S. approval for the F-16 deal.

The Liberty Times also said an internal assessment by the ministry indicated that the mainland now had better fighter jets than Taiwan and that, of the three types of warplanes Taiwan has, only the F-16A/Bs have a slight edge over the mainland aircraft. The paper said Taiwan's home-grown Indigenous Defensive Fighters and French-made Mirage 2000-5s were inferior to the Russian-made Su-30s deployed by the mainland.

The ministry, however, maintained that the assessment was just an estimate of relative air supremacy between the two sides of the Taiwan Strait, focusing on the air combat arena, which is "different from the real situation." But the ministry admitted that Taiwan needed to acquire the C/D versions of the F-16 quickly to improve the island's air force and ensure stability in the strait.

In January [2010], Washington approved a $6.4 billion arms sale to Taiwan, which included the anti-missile Patriot PAC-III systems, Black Hawk helicopters, and equipment for Taiwan's old F-16 squadron. The approval of the package, which led to Beijing's suspension of military contacts with Washington in retaliation, did not include the C/D versions of the F-16 and the diesel submarines Taiwan still hopes to buy.

Meanwhile, Dr. Joseph Wu Jau-shieh, the former chairman of the Mainland Affairs Council, said Beijing was studying the possibility of removing at least a quarter of the 1,300 missiles targeting the island, hoping that it would prompt the government of mainland-friendly President Ma Ying-jeou to hold political talks with the mainland and sign a peace pact.

Citing intelligence obtained by academics, Wu said Beijing had recently started studying this possibility. He said what Taiwan needed was for the mainland to destroy the missiles rather than remove them, as they could be redeployed easily. However, Wu's successor, Dr. Lai Shin-yuan, said: "So far, we have not seen any sign of this; and what we want is not for the removal of the missiles, but [the removal] of all military deployments against us."

Raytheon Gets $1.1 Billion Patriot Missile Systems Order from Taiwan

By
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Contributing Author for the *DefenseNews*

[The following article originally appeared on *DefenseNews*.com 23 December 2009.]

Raytheon received a $1.1 billion order from Taiwan for new Patriot missile systems, Raytheon said December 23, [2010]. The order for the four new Patriot fire units, made as a foreign military sale, is a $966 million contract for ground-system hardware and a $134 million contract for spares. It will include new advances in technology, improved man-machine interface, and reduced life-cycle costs, Raytheon said. Raytheon already won smaller contracts for Taiwan in January 2009 and in 2008 for upgrades to the Patriot systems the country already had. Those contracts were to upgrade the systems to Configuration 3, the same upgrade the company is completing for the U.S. Army.

Configuration 3 is Raytheon's most advanced Patriot system and allows the use of Lockheed Martin's Patriot Advanced Capability-3 (PAC-3) missiles, Raytheon's Guidance Enhanced Missile-Tactical (GEM-T) missiles, and allows missile launchers to be placed miles in front of the radar of the system, rather than right next to the radar as in earlier Patriot systems.

The four new systems under the latest contract will be built as Configuration 3 systems, said Dan Smith, Raytheon Integrated Defense Systems President.

> We've been in Taiwan for forty years, Smith said. We are embedded (there) and are honored that they continue to trust Raytheon with the defense of their country.

Twelve countries, including the U.S., are Patriot system customers. Raytheon is in discussions with customer countries that have not yet upgraded to the Configuration-3 status, like Saudi Arabia, and is looking at adding new customers, like Turkey, which currently has a competition going for an air and missile defense system.

> With the countries that have not yet upgraded to the [Configuration] 3 baseline, we are in discussions with those countries, along with the U.S. Army, in terms of getting their plans in order to upgrade to the baseline for all nations, Smith said.

Raytheon, based in Tewksbury, Massachusetts, is the prime contractor for Patriot air and missile defense systems and system integrator for PAC-3 missiles.

Joint Special Operations Task Force-Philippines and Task Force Sulu Partner to Treat Patients and Animals

By
Lieutenant Junior Grade Theresa Donnelly
Joint Special Operations Task Force-Philippines Public Affairs

Members of the Armed Forces of the Philippines (AFP) Marine Battalion Landing Team-3 (MBLT-3), with assistance from Joint Special Operations Task Force-Philippines, treated 135 patients and 31 farm animals in Barangay (community) Asin, located in the Panamao municipality January 7, 2010.

Held at the Tabuasin Primary School, AFP, Joint Special Operations Task Force-Philippines (JSOTF-P), and regional health officials partnered for the Medical and Veterinarian Civic Action Program, bringing much-needed medical and veterinarian services to the coastal barangay.

Previously, many residents had never seen AFP troops before; and, historically, lawless groups have resided in the region. Officials at the Medical Civic Action Program (MEDCAP) and Veterinary Civic Action Program (VETCAP) hope that by bringing these organizations together for free medical services, it can help provide peace and stability and improve the health for people in this remote area.

> I am honored to be here today. We have a long, working relationship with MBLT-3 to help the people of Sulu. We have done many projects, to include school renovations, roads, piers, and wells. We hope that through the support provided today, we will continue this friendship, said the U.S. Army Special Forces Team Leader for Liaison Coordination Element (LCE) 1333-B.

At the opening ceremony, several key leaders spoke including Asin's Barangay Chairman, MBLT-3's Civil Military Officer Lieutenant Francisco R. Sayoc, JSOTF-P Veterinarian Lieutenant Colonel Stephen Goldsmith, and the LCE 1333-B Team Leader.

As medical and veterinarian services are virtually non-existent in the region, the event provided an opportunity for residents to receive treatments for themselves and their animals. Patients received check-ups and prescription medications, and animals were treated with de-worming medications and vitamin supplements.

> This was a very successful MEDCAP. The Panamao Regional Health Office pretty much ran the event. They brought heath care providers, midwives, pharmacists, and nurses. They worked closely with MBLT-3 to make today happen, said a U.S. Army Special Forces Medic at the MEDCAP. JSOTF-P provided the vet services and donated medications, but it was the cooperation of the AFP and the local health and government officials who really deserve the credit for this event, he said.

Throughout the day, children received crayons with coloring and comic books. To pass the time waiting for treatment, kids sang, danced, and watched movies with AFP Marines in a nearby classroom.

MBLT-3 and JSOTF-P regularly partner for a number of medical programs, including a weekly medical clinic at the AFP's Marine Camp Tandu Batu, which serves populations from Luuk, Omar, and Panamao municipalities.

Since the current LCE team deployed to Sulu in late July, more than 1,700 patients have received care via MEDCAPs and other medical outreach programs. U.S. Army Special Forces medics and the JSOTF-P veterinarian work shoulder-to-shoulder with AFP Marine medics and regional health officials treating minor ailments, vaccinating animals, and performing tooth extractions and minor surgeries.

Additionally, teams here provide parasite control medications and vitamin supplementation for livestock.

> We hope that by coming here today, we have built good relationships and demonstrated that war is not the solution. We come to show that the people here are very important to us, said 2nd Lieutenant Zues Alondra, an officer with MBLT-3.

United States Naval Ship Comfort Crew Settles into Busy Reality

[The following article is provided courtesy of the *Defense Security Cooperation Agency* (DSCA) *Newsletter*, 22 January 2010.]

The United States Naval Ship (USNS) Comfort lived up to its name yesterday as the medics and crew of the hospital ship continued to provide medical aid to the residents of this devastated land [Port-Au-Prince, Haiti].

In short, it was a very busy day as the medics tended to some of the most challenging cases caused by the magnitude 7 earthquake that struck 12 January 2010. By mid-afternoon today, more than 160 Haitian patients were admitted to the floating hospital.

Medical personnel aboard the USNS Comfort hospital ship examine a Haitian patient, background, while another patient waits for an operating room, January 21, 2010, Port-au-Prince, Haiti. The ship is in Haiti to treat patients from the January 12 magnitude 7 earthquake. The Department of Defense photo by Jim Garamone.

Surgeries were performed almost around the clock. There were nine on Wednesday, the first day with the last finished at 4:30 yesterday morning. The operating room personnel began work again two hours later.

The intensive care units and wards were beginning to fill to capacity of 1,000 beds.

> We have never had that number on the ship, but we can do it, Navy Doctor (Captain) Jim Ware, the medical group Commander, said.

More medical professionals are arriving, and all are highly motivated.

> We had critical care nurses show up; and after they signed in, they put their scrubs on and went to work, said Command Master Chief Chip Collins, the Comfort's top enlisted sailor. They said, I can put my stuff away later. Where do you need me?

And the help is needed. On the main deck, litter bearers bring patients to the casualty receiving (CASREC) area after they are unloaded from helicopters on the flight deck. The elevator door opens, and litter bearers come onto the red deck of the receiving area.

"Six," says Navy Lieutenant Commander Dan D'Aurora, who "owns" the area. D'Aurora is a nurse and a force of nature. All of the medical personnel in CASREC have their names and ranks

printed on surgical tape on their shirts or scrubs. D'Aurora's shirt has another across the back with the word "Bulldog."

The litter bearers bring the litter to Bay 6 where they are met by doctors, nurses, and corpsmen who transfer the patient from the litter to the bed. "Get the bed the same height," says a nurse as corpsmen crank the bed up to transfer the patient. "On three, one, two, three, lift!"

Some patients have breathing tubes, and a corpsman presses a bladder to ensure air gets in the patient's lungs. Other corpsmen and nurses hook the patient to monitors.

The doctor looks at the patient and any records. All check over the patient to ensure some injury hasn't been overlooked. If X-rays are ordered, a technician brings a portable machine over; and the lifting or turning process begins again.

Treatment takes many forms. One doctor performed a spinal tap on a young Haitian boy. Another read an X-ray and sent the patient immediately to the operating room. Still another looked to see that the broken leg was set correctly, then sent the patient directly to one of the wards.

Sailors who serve as translators are an integral part of the team. Most were born in Haiti and immigrated to the United States with their families. They are the conduit that doctors and nurses use to communicate with the Haitian patients.

> They have been nothing short of fantastic, D'Aurora said. When we were here last year for [Exercise] Continuing Promise, we did half the patients because we couldn't communicate. We learned.

While there are some cries of pain, the patients are pretty stoic. "Again, it helps there's someone there who speaks their language," D'Aurora said. There are a number of bays in CASREC; and several times, they were all filled. The process works quickly and smoothly and is getting smoother as the medics gain experience.

> This isn't 'ER, said Navy Doctor (Commander) Tim Donahue, the Chief of Surgery. People work quietly and quickly. This is real life, not TV.

The medics sometimes move quickly. "Running man!" yells one corpsman as a nurse comes into CASREC at a full sprint with needed equipment. The patients come in all shapes, sizes, and ages. A baby was born on the Comfort yesterday. Both mother and daughter are doing well.

In another bay, Charlene, who is five, hugs a teddy bear she received when she got to the ship. She has a bandage on her left foot, but medics are concerned about her sight. Navy Doctor (Captain) Terence McGee places eye drops in to dilate her pupils. She is a brave young lady as the doctor looks in her eyes. When he finishes the examination, she begins to cry; so he picks her up. He asks if she has an escort, her mom or dad, and is told no.

> Five years old and alone, he says and continues to rock her back and forth. Sometimes this is the best medicine.

Both Haitian patients are in the Comfort's intensive care unit.