



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, D.C. 20301

1 October 1981

In reply refer to:
Transmittal No. 6
DOD 5105.38-M

MEMORANDUM FOR RECIPIENTS OF DOD 5105.38-M, MILITARY ASSISTANCE AND SALES
MANUAL - PARTS I, II, AND III

SUBJECT: MASM I, II, and III Transmittal

The attached revised pages incorporate previously issued guidance. Highlights of this transmittal include chapters on (Part I) Purpose Authority & Scope, Policy, Audits & Inspections, Security Classifications & Release of Information, Military Articles & Services List (MASL) Guidance, Leases, Machine Readable Codes, (Part II) Eligibility, Military Education & Training, Program Submission & Management, (Part III) Eligibility for FMS, FMS Policies Guidelines & Restrictions, General Procedures, Preparation & Processing of FMS Transactions, Implementation of FMS, Financial Procedures, FMS - Commercial Availability, FMS Training (FMST), FMS Reporting System, Major Defense Equipment List, and Processing FMS letters of Offer Which Must be Reported to Congress.

Update the portions of your current MASM in accordance with the List of Changes. Specific changes are indicated by a broken line in the margin of the chapter.

This transmittal supersedes Interim Changes 6-1 through 6-16.

A handwritten signature in cursive script, reading "Erich von Marbod", is positioned above the typed name.

ERICH VON MARBOD
DIRECTOR

Attachments

- (1) List of Changes
- (2) MASM Update Materiel

LIST OF CHANGES

Remove and insert the following portions of your current MASM:

REMOVE

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pages xi - xxx

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In addition to the above, post the following pen and ink changes:

PART I -

(1) Chapter G - Page G-2 - para 2b(2)(b) - last line - delete "paragraph (1)." and add a "." after "B".

(2) Chapter H - Page H-8 - Card 1 Format - add "Major Defense Equipment Indicator Code" at No. 60. Page H-9 - Card E Format - delete in its entirety. Page H-11 - Generic Code A7C - change its "program as" indicator from "Major Items" to "Dollar Line". Generic Code A7D - add "including Modifications" after "Trailers". Page H-12 - Generic Code B3 - add "W. Roland" after "V. Viper" and add "L. Trident" after "K. Polaris". Page H-14 - Generic Code D5C - add the following under "Remarks": Spare parts should be programmed under Generic Code K8A. Page H-15 - Generic Code E4Z - add the following under "Remarks": Spare Parts should be programmed under Generic Code K8A. Page H-23 - Generic Code K5A - add "53" to the FSG List. Page H-24 - Generic Code K8A - Delete "53" from the FSG List.

(3) Appendix A - Page App A-6 - para 13b - add "L-----Defense Audio Visual Agency". Page App A-18 - Generic Code B1 - add "W. Roland". Generic Code B3 - add "L. Trident". Page App A-21 - Generic Code H6 - add "including Modifications" after "Equipment". Generic Code H6Z - add "including Modifications" after "Equipment". Generic Code J6Z - change to read "Other Support Equipment". Page App A-34 - para 65 - 2nd from last line - change "1234Z, 1234B, etc." to read "1234, 1234A, 1234B, etc.".

PART II -

(1) Chapter E - Page E-4 - para 7a(14) - 4th line - change "41F" to read "4.f.". Page E-9 - para 9i - 3rd from last line - change "e-5" to read "E-2".

PART III -

(1) Chapter B - Page B-4 - para 3a(19) - 4th line - change "\$35,000,000" to read "\$100,000,000".

(2) Chapter D - Page D-19 - para 14 - change the first sentence to read: Enter complete description of amended items.

(3) Chapter F - Page F-3 - para 3c(4)(a)2b - last line - change "5%" to read "3%".

(4) Chapter K - Page K-3 - para 7c - 4th and 5th lines - change "Management Analysis Division (MAD)" to read "FMS Control Division (FMSCD)".

(5) Chapter M - Page M-2 - para 5f - 6th line - change "Management Analysis Division" to read "FMS Control Division". Para 5g - 6th and 7th lines - change "Management Analysis Division" to read "FMS Control Division". Para 6 - 1st line - change "Management Analysis Division" to read "FMS Control Division".

(6) Appendix B - Page App B-2 - para 4a - second column - 4th line - change "DSAA/TC-MAD" to read "DSAA/TC-FMSCD". 8th line - change "Management Analysis Division" to read "FMS Control Division". 19th and 20th lines - change "Management Analysis Division" to read "FMS Control Division". Para 4b - 3rd from last line - change "Management Analysis" to read "FMS Control".

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DOD DIRECTIVES AND INSTRUCTIONS

Significant DOD Directives and Instructions pertaining to the Military Assistance and Sales Program and its administration are as follows:

***1005.3 August 20, 1979—Decorations and Gifts from Foreign Governments.**

This Directive furnishes policy guidance governing the acceptance and retention of decorations and gifts from foreign governments, and establishes procedures regarding receipt and disposition of such decorations and gifts with particular reference to persons performing duties in connection with the Military Assistance Program.

***1130.2 June 18, 1979—Engineering and Technical Services—Management and Control.**

This Directive establishes Department of Defense policies and criteria for the management, programming, use, administration, and reporting of engineering and technical services furnished to foreign governments and international organizations under the Military Assistance Program.

***2000.3 March 11, 1959 as amended—International Interchange of Patent Rights and Technical Information.**

This Directive applies to the activities of all Department of Defense personnel involved in the international interchange for defense purposes of patent rights and technical information. The policy prescribed herein applies to unclassified as well as classified information, owned by the United States Government or privately owned, but does not apply to patents, patent applications, and technical information in the field of atomic energy.

***2000.8 February 14, 1964 as amended—**

Cooperative Logistics Support Arrangements.

This Instruction prescribes policies and criteria for preparing cooperative logistic support arrangements between the U.S. Department of Defense and the defense establishment of foreign governments, and assigns responsibilities for implementation thereof.

***2000.9 January 23, 1974—International Co-Production Projects and Agreements Between the United States and Other Countries or International Organizations.**

This Directive prescribes general policies and principles governing international co-production projects negotiated under agreements between the United States Government and eligible foreign governments, international organizations, foreign producers or other approved agencies.

***2000.10 January 17, 1972—Selection and Training of Security Assistance Personnel.**

This Directive establishes standard procedures and responsibilities within the Department of Defense for the selection and training of personnel to serve in positions involving the planning and execution of Security Assistance activities. Its provisions apply to all components of the Department of Defense, including the Joint Chiefs of Staff, the Military Departments, Unified Commands and overseas MAAGs.

***2010.1 July 23, 1973 as amended—Support of International Military Activities.**

This Instruction assigns responsibility, and establishes methods for providing budgetary,

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financial, logistical, and administrative support by agencies of the Department of Defense to international military headquarters and other international military agencies of the North Atlantic Treaty Organization (NATO), the South East Asia Treaty Organization (SEATO) and the Central Treaty Organization (CENTO).

***2010.5 October 4, 1976—DOD Participation in the NATO Infrastructure Program.**

This Directive provides guidance for programming and budgeting of the United States share of the common funded NATO Infrastructure Program through the Military Construction Program; issues policies for funding, accounting, recouping, and reporting on the status of DOD funds used to prefinance facilities related to the NATO Program; and delineates responsibilities involved in DOD participation in the Infrastructure Program.

***2015.4 November 5, 1963—Mutual Weapons Development Data Exchange Program (MWDDEP) and Defense Development Exchange Program (DDEP).**

This Instruction establishes procedures for exchanging certain technical and scientific military information of mutual interest to the United States and other countries through exchange of correspondence, reports, equipment or other material or technical documents, and by visits of technical personnel; and delineates Director of Defense Research and Engineering and military department responsibilities for carrying out the subject programs. The provisions of this Instruction apply to the military department; to the MAAGs as may be determined on a case-by-case basis, and cover the exchange of information concerning a military technical or scientific area, weapon, weapons system, or operational concept.

***2050.1 July 6, 1979—Delegated Approval Authority to Negotiate and Conclude International Agreements.**

This Instruction sets forth specific delegations of authority to approve requests for authority to negotiate and conclude international agreements in accordance with the provisions of DOD Directive 5530.3.

***2100.3 July 11, 1963 as amended—United States Policy Relative to Commitments to Foreign Governments Under Foreign Assistance Programs.**

This Directive promulgates the policy to insure that the United States, or an individual representing the U.S., does not make commitments, expressed or implied, to furnish funds, including long term credit arrangements, goods, or services to foreign governments without appropriate governmental clearances; satisfactory assurance that such commitments can and will be met and do take into account the best interests of the U.S. in the use of its resources; and a clear understanding with the recipient as to the nature, scope, and time-span of the commitment.

***2110.8 June 26, 1972 as amended—Transfer of Releasable Assets of the DOD to Eligible Foreign Countries and International Organizations on a Foreign Military Sales Basis.**

This Instruction establishes policies and procedures for the transfer by sale of releasable assets of the Department of Defense to eligible foreign countries and international organizations.

***2110.29 September 24, 1970 as amended—Method of Financing, Funding, Accounting, and Reporting for Foreign Military Sales to Friendly Foreign Governments and International Organizations.**

This Instruction prescribes uniform procedures for financing, funding, accounting, and reporting for sales of Defense articles and Defense services to friendly foreign countries and international organizations.

***2110.31 April 10, 1967 as amended—Contributions by Foreign Governments for Ad-**

ministrative and Operating Expenses of Military Assistance Programs.

This Instruction prescribes policies and procedures for acquiring, using, accounting and reporting for currencies and assistance-in-kind contributed by foreign governments for administrative and operating expenses of the Military Assistance Program.

***2110.32 March 25, 1980—Foreign Military Assistance Sales Between the United States and the Federal Republic of Germany.**

This Instruction prescribes uniform procedures and requirements for accounting and preparing requests for monthly advances of funds for Military Assistance Sales cases received from the Federal Republic of Germany.

***2110.33 December 27, 1962 as amended—Preparation of U.S. Inventory Materiel for Transfer Under the Grant Aid Military Assistance Program.**

This Instruction prescribes standard conditions for preparation of U.S. military inventory materiel prior to transfer to foreign recipients as Military Assistance only.

***2125.1 June 18, 1970 as amended—Military Assistance Program Offshore Procurement (MAP/OSP).**

This Directive establishes Department of Defense policy governing the procurement of articles and services outside the United States, its possessions, and Puerto Rico for use under the Military Assistance Program, and assigns responsibilities for carrying out its provisions.

***2140.1 March 9, 1977 as amended—Pricing Sales of Defense Articles and Defense Services to Foreign Countries and International Organizations.**

This Instruction provides policies for uniform DOD application of pricing and cost criteria in connection with sales of Defense articles and Defense services (including training) furnished pursuant to Foreign Military Sales agreements and supply support arrange-

ments with friendly foreign governments and international organizations.

***2140.2 January 5, 1977—Recovery of Non-recurring Costs on Sales of USG Products and Technology.**

This Directive provides policy, criteria, and procedures for use by Department of Defense Components in (1) determining the DOD nonrecurring costs associated with the research, development, and production of major defense equipment offered for sale to foreign governments and international organizations; (2) calculating the equitable share of such costs which should be borne by the foreign buyer; (3) including such share in the sales price.

***2140.3 September 6, 1979—Foreign Military Sales Billing and Reimbursement Procedures.**

This Instruction establishes the requirements and procedures for supporting the accounting statement or billing for materiel prepared and submitted by the Military Departments to foreign governments and by the Defense Supply Agency and General Services Administration to the Military Departments for Foreign Military Sales (FMS).

***3100.3 September 27, 1963 as amended—Cooperation with Allies in Research and Development of Defense Equipment.**

This Directive establishes Defense Department policy for strengthening cooperation with Allies in research and development and assigns responsibilities for implementing it. This policy calls for maximum coordination of technical objectives and programs with those of our allies.

***3200.11 September 29, 1980—Major Range and Test Facility Base.**

This Directive reflects changes in scope and delineates policies and responsibilities for the management and operation of specific Department of Defense Test and Evaluation (T&E) activities.

***4000.25 November 12, 1976—Adminis-**

tration of Military Standard Logistics Systems.

This Directive prescribes uniform guidance and responsibilities for the assignment, development, and continuous administration of military standard logistics data systems. It is the intent of this Directive to promote the utilization of military standard logistics data systems in the implementation of approved Department of Defense policies in such logistics functional areas as: cataloging, inventory management, procurement, contract administration, storage, distribution, transportation and movement, maintenance, property disposal, international supply support, and integrated support of weapons.

***4100.37 June 7, 1974—Retention and Transfer of Materiel Assets.**

This Directive clarifies terms defined in the Foreign Assistance Act which affect transfer of DOD materiel to allied and friendly forces; amends the retention policy concerning retail stock; expands the authorization for non-reimbursable transfer of assets to satisfy prepositioned war reserve deficiencies; and clarifies the policy on pricing and transfers of materiel assets to allied forces.

***4140.19 May 1, 1968 as amended—Phased Provisioning of Selected Items for Initial Support of Weapons Systems, Support Systems and End Items of Equipment.**

This Instruction promotes an increased use of phased provisioning as a management technique to defer procurement of selected items during initial provisioning and prescribes the conduct of a time-phased series of provisioning reviews and redeterminations of the range and quantity of selected items to be procured for initial support. The provisions of this Instruction apply to complex weapon and support systems and high-cost end items of equipment being procured by the military departments and defense agencies, including those procured for the Mili-

tary Assistance Program and the Foreign Military Sales Program.

***4140.35 December 6, 1979—Physical Inventory Control for DOD Supply System Materiel.**

This Directive (1) reissues and consolidates DOD policies governing the effective use of DOD personal property, (2) establishes the Defense Utilization Manual (4140.34-M) as a regulation of the DOD, and (3) assigns responsibility for its development and maintenance.

***4140.35 June 12, 1972 as amended—Physical Inventory Control for DOD Supply System Materiel.**

This Instruction provides policies, procedures, performance objectives, and effectiveness reporting for improving the accuracy of inventory control and asset information in the supply system of the DOD.

***4160.21 December 5, 1980—DOD Personal Property Utilization Disposal Program.**

This Directive (1) provides overall policies and assigns responsibilities for the DOD Personal Property Disposal Program, (2) establishes Defense Disposal Manual (4160.21-M) as a regulation of the DOD, and (3) assigns responsibility for development, maintenance, and issuance of the Manual.

***4410.6 October 30, 1980—Uniform Materiel Movement and Issue Priority System (UMMIPS).**

This Directive provides criteria for the Uniform Materiel Movement and Issue Priority System which prescribes (1) guidance for the proper ranking of materiel requirements considering the mission importance of the activity and the urgency of need for the materiel; and (2) incremental time standards for requisition processing and materiel movement.

CHAPTER F

AUDITS AND INSPECTIONS

1. Purpose

This chapter prescribes the action to be taken by MAAG's, MILGP's, Unified Commands and other activities having responsibilities for the Military Assistance Program (MAP), International Military Education and Training Program (IMETP), Foreign Military Sales (FMS) and Military Assistance Service Funded (MASF) programs on audits, inspections and reports by the General Accounting Office (GAO); the Office of the Deputy Assistant Secretary of Defense (Audit), OASD(C); Military Department Audit Agencies; and the Inspector General of Foreign Assistance (IGA), Department of State.

2. Types of Audits/Inspections**a. GAO Audits**

GAO audits are designed to provide a comprehensive review of U.S. Government agencies and their activities. In order to evaluate management controls, GAO examines the history, purpose, authority, organization, activities, policies and procedures of the agency, then reviews its operating results. In evaluating an agency's management control, GAO representatives perform various audit functions such as review, analysis and test of accounting and operating data, property records, supporting data for budgetary statements, and other evidence of the agencies activities. The results of comprehensive audits are set forth in reports made available to the head of the agency concerned, the Office of Management and Budget and the Congress.

b. DOD Internal Audits

The Military Department Audit Agencies are responsible for continuing audit coverage of activities in the United States performing functions under MAP, IMETP, FMS, and MASF programs. The DASD (Audit), OASD (C) is responsible for continuing audit coverage of activities overseas performing such functions. Reports of audits are addressed through channels (beginning with the audited activity) to the Secretary of Defense.

c. IGA Inspections

The IGA is responsible as a matter of law for conducting reviews, inspections and audits to assure that Security Assistance Programs are in consonance with the foreign policy of the United States. IGA reports are made to the Secretary of State and to the Congress. Reports dealing with Military Assistance are directed to the Secretary of Defense.

3. Notification of Audits and Inspections

Normally, the GAO, IGA and the DASD (Audit) notify agencies to be audited of proposed audits/inspections, their scope, and the time of audit. Upon receipt of notification of audits/inspections relating to MAP, IMETP, FMS or MASF activities, DSAA will advise the Unified Command and MAAG.

4. Policy Concerning Releasability to GAO of DOD Records Relating to MAP, MASF and FMS

a. DOD records relating to MAP, IMETP, MASF and FMS are available to the GAO,

subject to the following specific limitations:

(1) Documents related to Tactical Operational Planning, Conduct of Military Operations, War Plans, Force Deployments, Force Goals, Intelligence Collection and Analysis are not releasable.

(2) Documents originated by non-DOD Agencies are released only with consent of the originating agency.

(3) Reports of Military Inspectors General and Criminal Investigations Organizations are released only on approval of appropriate departmental secretary.

(4) Budget program data for fiscal years not yet presented to the Congress (including planning documents) are not releasable.

(5) Specific authority of ASD(ISA) is required for access to:

(a) Confidential correspondence exchanged between heads of State.

(b) Presidential Memoranda

(c) Performance evaluation reports

(d) Internal Executive Branch working papers and memoranda

(e) Documents revealing sensitive information about the conduct of U.S. negotiations with foreign countries.

(f) Other DOD material which the Ambassador or major military component commanders consider may be sensitive and could, if revealed, have a serious adverse effect on the conduct of USG foreign relations or otherwise prejudice the national interests of the U.S.

b. Whenever access to certain documents is denied, efforts will be made to modify, extract or summarize the information in order to facilitate the GAO review, if this can be done with propriety and the GAO is informed that the document has been so modified, extracted or summarized.

5. Relationship with Audit/Inspection Agency

Audits of MAP, IMETP, FMS and MASF will be conducted in accordance with instructions of the Military Departments and Unified Commands relating to audits and inspections generally.

6. Exit Conference

a. A letter report on the exit conference or its equivalent conducted by the GAO or the Defense Audit Service (DA) will be forwarded within 30 days to the Assistant for Audits and Inspections, Plans Directorate, DSAA. A message report is required for exit conferences with the IGA and is to be dispatched within 15 days.

b. When appropriate, DSAA will be represented during GAO, IGA, and DAS exit conferences.

7. Action on GAO Draft Reports

a. The GAO transmits draft reports of review of Unified Command, MAAG, ODC (Office of Defense Cooperation), and MILGP security assistance activities to the Assistant Secretary of Defense (Comptroller), concurrently. GAO is to forward information copies to the concerned field organizations.

b. Upon receipt of the draft report, the MAAG, ODC, or MILGP will:

(1) Verify the accuracy and validity of each pertinent finding, conclusion, and recommendation.

(2) Take suitable corrective action.

(3) Submit to the Unified Command within 15 days a statement with respect to each finding, conclusion, and recommendation, giving:

(a) additional facts

(b) acceptance or refutation

(c) corrective action taken and anticipated completion date.

c. The Unified Command will forward a message report with the above information along with its comments to DSAA (Attn: Assistant for Audits and Inspection) within 25 days from the date of the GAO draft report.

8. Action on GAO Final Reports

a. The GAO transmits final reports to the Congress and the Office of Management and Budget with information copies to the Secretary of Defense, the Unified Command, and the MAAG, ODC, or MILGP.

b. Action required on final reports is the same as that for draft reports. Comments should not be repetitive but merely update the statement on the draft report.

9. Action on DAS Reports

a. The DAS normally provides a copy of the draft report along with a request for appropriate comments to the field organizations reviewed. The Unified Command will simultaneously forward to the Assistant for Audits and Inspections, Plans Directorate, DSAA, a copy of the reply being furnished DAS.

b. Upon receipt of the final report, the MAAG, ODC, or MILPG will:

(1) Verify the accuracy and validity of each finding, conclusion, and recommendation.

(2) Take suitable corrective action.

(3) Submit to the Unified Command a statement with respect to each finding, conclusion, and recommendation, giving:

(a) additional facts

(b) acceptance or refutation

(c) corrective action taken and anticipated completion date.

c. The Unified Command will forward a reply incorporating the above information and its comments to the Assistant for Audits and Inspections, Plans Directorate, DSAA, within 60 days from the date of the report.

10. Action on IGA Reports

a. The IGA transmits draft reports on its inspections of Security Assistance activities to the Director, DSAA, for review and comments. The importance of the exit conference message report required in paragraph 6 cannot be overemphasized since DSAA is only provided 7 days in which to reply to the draft report.

b. The IGA transmits final Security Assistance inspection reports to the Secretary of Defense and simultaneously distributes copies to the JCS, DSAA, Unified Command, and concerned activity.

c. Upon receipt of the Final Report, the concerned activity will:

(1) Verify the accuracy and validity of each finding, conclusion, and recommendation.

(2) Take suitable corrective action.

(3) Submit to the Unified Command a statement with respect to each finding, conclusion, and recommendation, giving:

(a) additional facts

(b) acceptance or refutation

(c) corrective action taken and anticipated completion date.

d. The Unified Command will forward a reply incorporating the above information and its comments to the Assistant for Audits and Inspections, Plans Directorate, DSAA, within 60 days from the date of the report.

11. Corrective Action Follow-Up

a. MAAGs, ODCs, MILPGs, and Unified Commands should provide for positive follow-up corrective action responses to GAO, IGA, and DAS findings and recommendations. In some instances, special reports on status of corrective action may be required by DSAA. In all cases, the adequacy of corrective action on audits and inspections may be raised during DSAA staff visits.

b. Annually, Unified Commands will submit a report to the Assistant for Audits and Inspections, Plans Directorate, DSAA which reflects, as of 31 December, the status of incomplete corrective actions for each applicable GAO, IGA, and DAS report. The report is due 1 February and negative reports are required.

CHAPTER H

MILITARY ARTICLES AND SERVICES LIST (MASL) GUIDANCE

1. General

a. The MASL provides availability information for planning and programming resources (materiel, services, and training) under the Military Assistance Program (MAP) and International Military Education and Training Program (IMETP) and the structure for ADP accounting and reporting for MAP, IMETP and the Foreign Military Sales (FMS) program. It is oriented toward the needs of program originators and contains information provided to DSAA by supplying agencies on identification and availability of defense articles and services, along with limited data processing codes and instructions. For IMET and Foreign Military Sales Training (FMST), it also provides unit price and duration of training courses.

b. The MASL is maintained by DSAA as a portion of the Agency's automated data bases. It is updated weekly based on Military Department input and changes are distributed via AUTODIN to the military departments. The MASL is published semi-annually, or any time after major changes, and distributed to the Unified Commands, MAAGs/MilGps/ODCs, Military Department Headquarters, and numerous other activities including schools and component commands of the Military Departments. Copies of the MASL, in punch card, magnetic tape or printed form, may be obtained by submitting a request to the Data Management Division, Office of the Comptroller, DSAA.

2. MASL Content**a. Materiel**

(1) The MASL is arranged in budget activity (see Generic Code in Appendix A, Part I) sequence. The materiel (budget ac-

tivity A through K) portion of the MASL is oriented toward the national supply classification system. This orientation permits the program originator, with few exceptions, to identify an item in a supply catalog and then relate the item to the MASL.

(2) Major items of materiel (except ammunition) listed in the MASL are identified by specific National Stock Number (NSN), where one has been assigned by the Defense Logistic Service Center (DLSC). Where an NSN has not been assigned by DLSC, as is the case with ships and most aircraft, major items are assigned the proper Federal Stock Group (FSG) and Federal Stock Class (FSC) followed by an appropriate pseudo National Item Identification Number (NIIN) assigned by the responsible Military Department. Following is an example of a pseudo-NSN identifying a UH-34D Helicopter:

15 -----	1520 00 00UH34D
	FSG 15 (Aircraft; and Airframe Structural Components)
20 -----	FSC 20 (Aircraft, Rotary Wing)
00 -----	National Codification Bureau (NCB) Code
00 UH34D -----	Pseudo NIIN (Helicopter, UH34D)

(3) Major items of ammunition listed in the MASL normally are identified by FSG, FSC, and DOD ammunition code. The DOD ammunition code has been utilized as a substitute for NIIN identification, with few exceptions, because of the great volume of national stock numbers in the ammunition category related to different types of packaging. (See para 8.b.(1), columns 8-20.)

(4) The dollar value lines (see definition of term, Pt. 1) in the MASL also are oriented toward the national supply classi-

fication. Each dollar value line is delineated by specific federal stock groups and classes and generally represents a high density of specific individual items or spare parts with relatively low unit prices. As in the case of major items, identification of an individual item in a supply catalog permits a direct correlation with an appropriate dollar value line. An example in the MASL is item identification number 9K2A00DRGSDSG (generic Code K2A) drugs, biologicals and surgical dressing, which states that the line includes all articles in FSC 6505 and 6510.

(5) Where the federal supply classification is known, the selection of an appropriate MASL line for programming can be made with ease. For this reason, a knowledge of the proper federal supply classification is a prerequisite to the accurate selection of MASL lines. In questionable cases, Cataloging Handbooks H2-1, H2-2, H2-3, and H-3, published by the Defense Logistics Service Center, 50 North Washington Street, Battle Creek, Michigan, provide valuable supplementary references.

b. Training

(1) The training (budget activity N) portion of the MASL utilizes a unique item identification number identifying each line item of training available for IMET and FMS planning and programming. Specific training item identification is obtained by assigning a seven digit identification number. The first digit identifies the Military Department responsible for the training by utilizing the program originator code; the next three are prescribed by DSAA as listed in Chapter E, Table E-5; the next three are assigned by the Military Departments to identify a specific course of instruction.

(2) Separate MASLs are maintained for IMET and FMS training. However, basic guidelines for submission of data are applicable to both programs.

(3) FMS training is reported in the 1200 System by utilizing the Generic Code N00 record in the Materiel MASL.

c. Services

(1) The services (budget activities L,

M and P-T) portions of the MASL utilize non-existent FSGs. FSGs 01-02 and 06-09 and nonsignificant FSCs have been assigned to these budget activities. Distinctive pseudo-NIINs or item identification numbers have been assigned for various types of services to provide positive identification.

3. Definitization Policy

a. Materiel items will be included in the MASL as major items (unit of issue other than XX) only when they meet the following definitization criteria:

(1) Control over programming of specific items is desired by DSAA; e.g., aircraft, missiles, ships, combat and support vehicles.

(2) The Military Department responsible for supply must have advance information on requirements for supply planning purposes.

b. Figure H-2, Definitization Guide, provides additional guidance for making the determinations as to whether a requirement should be programmed as a major item or included in a dollar value line.

c. Responsibility for application of definitization policy and submission of MASL data for items supplied by the Defense Logistics Agency will be the responsibility of the Department of the Army.

d. DSAA will review MASL input from the Military Departments to insure compliance with definitization standards. Input which does not meet the required criteria will be returned.

4. DSAA MASL Files

a. The MASL files maintained by DSAA are subdivided as follows for reasons indicated:

(1) Current Materiel MASL. The current materiel MASL (control code K) is comprised of all items of materiel and services which may be included in prior, current, and future year MAP and FMS Programs, subject to special conditions explained by footnote code assignments. Records deleted by the Military Departments which have been used for programming an item in the FMS

1200 system will not be deleted from the MASL, they will be footnoted "YY" and placed in an inactive MASL file. The current materiel MASL consists of lines having footnote codes other than "PP".

(2) Summary MASL. The summary MASL (control code L) is comprised of generically described items. They are used in preparation of congressional reports and summarized data. Items contained in this MASL are identified by the assignment of footnote code "PP". These lines are maintained by DSAA rather than the Military Departments.

(3) Current Year Training MASL. The current year training MASL contains line item data for training which is currently available for programming.

(4) Budget Year Training MASL. The budget year training MASL contains line item data for training which is planned to be available for programming in the budget year and later programs.

(5) Prior Year Training MASL. The prior year training MASL contains line item data for training which has been programmed in those program years preceding the current year. This MASL is retained for historical purposes only for IMET as training for each FY is rolled up to seven dollar lines (N10-N90) per country/per service approximately six months after it becomes a prior year program.

b. The materiel MASL is updated on a continuing basis as the result of changes and additions submitted by the Military Departments.

c. The current year training MASL is updated during the applicable fiscal year to add new courses which become available for programming and to incorporate significant changes in course costs and duration. During the second quarter of each fiscal year the new budget year training MASL is developed by DSAA based upon Military Department input. During the fourth quarter this new budget year MASL is updated to insure the currency of item content. On 1 October

the budget year MASL becomes the new current year MASL.

5. Assignment of Footnote Codes

a. General

Military departments are responsible for the assignment of footnote codes where applicable to all lines under their cognizance. Appendix A, Part I, defines these codes.

b. Footnote Code "NN"

This code as defined in Appendix A, Part I, is assigned to valid and correctly identified items which are not available for supply, under normal circumstances, to meet requirements. If a replacement item is known, a conversion card may be submitted. Dollar value lines will not be assigned this code.

6. MASL Relationship to DSAA Program Data Files

MAP/IMETP

a. All program data cards which constitute the addition of items or services (card formats 3 and 4) to the MAP/IMETP, regardless of program year, and those program change cards (card format P and Q) which contain data punches in card columns 8 through 21 are matched against one of the DSAA MASLs during the master file update process. This MASL match accomplishes the following:

(1) Determines that the program requirement is a valid line in the MASL.

(2) Provides a description and unit of issue for the items being added to the program file, verifies MILSTRIP routing identifier and execution agency identifier codes, and assigns implementing agency code consistent with the MRI and EXA.

(3) Provides a feedback error list for data cards which failed to match the MASL.

(4) Assures the issuance of MAP orders to the correct implementing or execution agency.

FMS

b. The materiel MASL is used by DSAA during the weekly FMS update as follows:

(1) To screen incoming detail (card formats 4 and D) to ensure correct National Stock Number and Generic Codes. Detail cards which do not match the MASL are rejected and Security Assistance Accounting Center notified. The defined generic code and national stock number as stated in the DD Form 1513, Letter of Offer and Acceptance (LOA) must be reflected in the MASL before the letter of offer is prepared.

(2) Provides a description of the item for use in subsequent updating.

MAP/IMETP/FMS

c. Assigns a selected item description number (see Appendix A, Part I) to facilitate subsequent preparation of summary reports.

7. Maintenance of the MASL

a. Changes

Changes to MASL data should be submitted to DSAA as they develop, as follows:

(1) Materiel and Services (other than training).

(a) Major Items—Changes to major items of materiel will be submitted by the Military Department having single-service wholesale inventory management responsibility. When the change being submitted is to transfer the wholesale inventory management responsibility to another Military Department, such changes will be initiated by the Military Department acquiring the responsibility and will be coordinated with the Military Department relinquishing responsibility, prior to submission to DSAA.

(b) Dollar Lines—Additions of and changes to dollar lines of materiel items will be initiated only by DSAA. Recommendations concerning dollar line item changes may be made by the Military Departments when deemed appropriate.

(2) Training. Changes to items in the training MASL, major item and dollar lines, will be submitted by the Military Department

offering the training.

b. Inquiries

Inquiries regarding MASL data should be directed as follows:

(1) Materiel and Services (other than training). Requests for information in clarification of data in the DSAA MASL should be forwarded to DSAA, with the following exceptions:

(a) Requests for MAP Unit Price, LT, S/S and availability of items should be forwarded to the Military Department indicated by the MRI code of the item as having inventory management responsibility.

(b) Requests for addition of major items to the MASL will be forwarded to the Military Department to which single-service wholesale inventory management responsibility has been assigned. When the assignment is not known, request should be directed to the Military Department indicated in the MASL as having responsibility for similar type equipment.

(2) Training. All inquiries regarding training MASL data should be directed to the appropriate Military Department.

8. Submission of MASL Data

Military Departments will submit additions and changes to and deletions from the MASL on one of the appropriate card formats illustrated in Figure H-1 (Materiel and Training). Instructions for preparation of MASL data follow:

a. General

(1) MASL data in card 1 (materiel) and card 2 (training) format may be transmitted to DSAA via AUTODIN using routing indicator TUEWEDA. Submit as changes occur.

(2) Worksheets (printed legibly in pencil) may be submitted in single copy to Comptroller, DSAA, Washington, D.C. 20301, Attention: Data Management Division.

(3) Machine listings for mark-up will

***5030.28 March 10, 1970—Munitions Control—Procedures for U.S. Munitions List Export License Applications Referred to DOD by Department of State.**

This Directive delineates requirements and responsibilities of the Assistant Secretary of Defense (International Security Affairs), the Director of Defense Research and Engineering, the Military Departments, the Joint Chiefs of Staff, and other DOD components for reviewing and presenting the Department's position to the Department of State on munitions export license applications referred to the Department of Defense.

***5100.27 December 29, 1964—Delineation of International Logistic Responsibilities.**

This Directive expands existing Department of Defense international security and logistic responsibilities, assignments and functions, assigns specific international logistic responsibilities, and emphasizes and clarifies the coordination responsibilities of DOD components to assure effective and efficient fulfillment of international logistic plans and programs.

***5100.46 December 4, 1975—Responsibilities for Foreign Disaster Relief Operations.**

This Directive establishes the DOD policy for the employment of military resources in foreign disaster emergency relief operations and assigns responsibilities to staff officials in the Office of the Secretary of Defense, particularly the Assistant Secretary of Defense (International Security Affairs), the Joint Chiefs of Staff and the military departments for carrying out this policy.

***C-5105.32 March 23, 1973—Defense Attache System.**

This Directive provides general policy and guidance with respect to the maintenance and direction of a single Defense Attache System (DAS). This Directive cross references with DOD Directive 5132.3, "Security Assistance Functions" performed by specified Defense Attaches.

***5105.38 August 10, 1978 as amended—Defense Security Assistance Agency (DSAA).**

This Directive establishes the Department of Defense organizational structure for carrying out the responsibilities of the Secretary of Defense under the Foreign Assistance Act of 1961, as amended; the Arms Export Control Act, as amended; and under Executive Orders and Directives relating to the administration of Military Assistance and Foreign Military Sales.

***5118.4 March 19, 1970—Deputy Comptroller for Internal Audit—Functions and Responsibilities.**

This Instruction establishes procedures governing activities of the Office of the Deputy Comptroller for Internal Audit (DCIA) with particular reference to DCIA audit coverage of military assistance program activities at the OSD, Unified Commands, MAAGs and missions, and Military Assistance Service Funded (MASF) programs.

***5132.2 May 20, 1961 as amended—Assistant Secretary of Defense (International Security Affairs).**

This Directive sets forth the responsibilities, functions, and authorities of the Assistant Secretary of Defense (International Security Affairs).

***5132.3 December 20, 1972 as amended—Department of Defense Policy and Responsibilities Relating to Security Assistance.**

This Directive establishes Department of Defense policy for carrying out the responsibilities of the Secretary of Defense under the Foreign Assistance Act of 1961, as amended, and under Executive Orders and Directives relating to the administration of Military Assistance.

***5154.18 May 26, 1965—Defense Medical Materiel Board.**

This Directive establishes a Defense Medical Board as a joint activity of Department of Defense, subject to the direction, author-

ity and control of the Secretary of Defense, and under professional policy guidance of the Assistant Secretary of Defense (Manpower). The provisions of this Directive apply to the military departments and other Department of Defense agencies involved in any phase of the Medical Materiel Program (including the Military Assistance and Emergency Disaster Aid Programs, both domestic and foreign).

***5160.41 August 2, 1977—Defense Language Program.**

This Directive establishes the Army and the Air Force as Executive Agents for the overall management and operation of the Defense Foreign Language Program (DFLP) and the Defense English Language Program (DELP) respectively, including the language training programs supported by the International Military Education and Training Program and Foreign Military Sales program.

***5230.11 March 2, 1979—Disclosure of Classified Military Information to Foreign Governments and International Organizations.**

This Directive implements the provisions of the "National Policy and Procedures for the Disclosure of Classified Military Information to Foreign Governments and International Organizations, 26 August 1978" insofar as they pertain to the Department of Defense and it establishes internal DOD procedures for the disclosure of classified military information to foreign governments and international organizations.

***5230.17 August 17, 1979—Procedures and Standards for Disclosure of Military Information to Foreign Activities.**

This Instruction establishes uniform standards and procedures for use by DOD components in handling cases involving disclosure or denial of classified military information ("disclosure") to foreign governments and international organizations.

***5410.17 January 15, 1965—An Informational Program for Foreign Military Trainees and Visitors in the United States.**

This Directive establishes an Informational Program for foreign military trainees and visitors in the United States to complement their formal training courses and orientation, and assigns responsibilities within the Department of Defense for the establishment, operation and administration of individual informational programs as described herein.

***5530.3 December 6, 1979—International Agreements.**

This Directive states that, within the Department of Defense, international agreements may only be negotiated and signed with the approval of the Assistant Secretary of Defense, ISA, unless authority has been specifically delegated to other DOD components. The Directive establishes the procedures under which such authority may be requested and approved. DOD Instruction 2050.1 sets forth certain delegations of authority which have been approved.

***7060.2 January 16, 1969 as amended—International Balance of Payments Program—Accounting, Reporting, and Estimating.**

This Instruction establishes the DOD system of accounting and reporting for DOD international transactions related to U.S. balance of payments data, including grants and credits extended to foreign countries. It also establishes the DOD management control system for transactions entering the international balance of payments.

***7060.4 March 6, 1971 as amended—International Balance of Payments Program—Construction, Maintenance and Repair of Real Property Facilities in Foreign Countries.**

This Directive establishes policies and procedures governing the construction, maintenance and repair of real property in foreign

countries which will minimize expenditures entering the International Balance of Payments (IBOP).

***7200.7 December 16, 1964 as amended—Accounting and Pricing for Materiel Financed by Procurement Appropriations for Military Functions.**

This Directive establishes policies, procedures, and criteria to be followed by Defense components in the pricing of and financial accounting for inventories, receipts, and issues of all materials, supplies, and equipment.

***7290.1 June 22, 1970 as amended—Method of Financing, Accounting, and Fiscal Reporting for the Military Assistance Grant Aid Program.**

This Instruction prescribes uniform procedures for financing, funding, accounting, and fiscal reporting for grant aid furnished to eligible foreign countries and international organizations, pursuant to the provisions of the Foreign Assistance Act of 1961.

***7290.2 August 30, 1977 as amended—Reimbursable Costs of Defense Articles and Defense Services provided under the Military Assistance Program or training provided under the International Military Education and Training Program as Grant Aid.**

This Instruction provides policy for use in determining reimbursable costs (1) of defense articles and services which are granted or loaned under the Military Assistance Program; and (2) when training is granted under the International Military Education and Training Program.

***7360.9 February 11, 1977 as amended—Use of United States-owned Foreign Currencies.**

This Instruction prescribes policies and pro-

cedures governing the use of United States-owned foreign currencies for (1) payments of DOD and MAP requirements, programs, and activities and (2) personal expenditures of DOD personnel located overseas.

***7420.1 January 26, 1967 as amended—Regulations Governing Stock Fund Operations.**

This Directive establishes regulations concerning stock fund operations and is applicable to MAP with regard to transfer of property to MAP and Foreign Military Sales recipients.

***7420.12 March 10, 1977 as amended—Billing, Collection and Accounting for Sales of Materiel from Supply System Stock.**

This Instruction establishes uniform policies and procedures for billing, collecting, and related accounting for sales of materiel from supply system stock, including direct deliveries. The provisions herein apply to DOD sales from inventory of stock fund and appropriation financed materiel within the Department of Defense, including transfers to the Military Assistance Grant Aid Program.

***7510.4 April 7, 1967 as amended—Uniform Policy for Charging Accessorial and/or Administrative Costs Incident to Issues, Sales, and Transfers of Materials, Supplies and Equipment.**

This Instruction establishes the policies and procedures to be followed by the military departments and Defense agencies for charging expenses arising from, or incident to, issues, sales, and transfers of all materials, supplies, and equipment (materiel), including issues, sales, and transfers to Military Assistance Programs.

CHAPTER A

PURPOSE, AUTHORITY AND SCOPE

1. Purposes of Security Assistance

Since World War II, the United States has been assisting friendly foreign countries in establishing and maintaining adequate defensive postures, consistent with their economic stability and growth, to maintain internal security and resist external aggression. Its reason for furnishing such assistance is based upon the tenet that the security and economic well-being of friendly foreign countries is essential to the security of the United States. This principle is inherent to the Truman Doctrine, the Marshall Plan, and more recently, the Nixon Doctrine. Assistance is rendered in a variety of ways, including the provision through sale or grant of defense articles, services and training and the making of financial and commodity grants.

2. Nature of Security Assistance

As a program, Security Assistance comprises the sale of defense articles, services and training, the grant of such articles, services and training without reimbursement in appropriate cases, and economic supporting assistance in exceptional cases to offset costs of maintaining armed forces. The Department of Defense is concerned primarily with sales and grants of defense articles, services and training, two forms of Security Assistance that it administers and for which it has direct responsibilities.

3. Legislative Authorities and Constraints

a. The Military Assistance Program (MAP) and the International Military Education and Training Program (IMETP) are grant aid programs that are carried out

under authority of the Foreign Assistance Act (FAA) of 1961, as amended. Foreign Military Sales (FMS) are made under authority of the Arms Export Control Act. These acts are subject to reconsideration annually by the Congress, at which time funds needed to carry out the program are authorized and, in addition, other amendments usually are made. In general, however, they provide authority

(1) To grant or loan defense articles and defense services under the Military Assistance Program (MAP),

(2) To grant training under the International Military Education and Training Program (IMETP),

(3) To sell defense articles, services and training (FMS),

(4) To extend and guarantee credit in connection with sales (FMS),

(5) To appropriate funds needed to carry out the Military Assistance Program and the International Military Education and Training Program, and to extend and guarantee credit for Foreign Military Sales.

b. In addition to the authorizing legislation cited above, appropriations must be obtained from Congress. Such appropriations may or may not equal the amounts authorized.

c. Legislative authorizations and appropriations may not be obtained until after the beginning of the fiscal year to which they pertain. Pending completion of such legislation, essential MAP, IMETP and FMS activities usually are carried out under Continuing Resolution Authority (CRA) provided by the Congress.

4. Distribution of the MASM

DSAA will make distribution of the MASM and published changes to Unified Command; MAAGs, Military Missions and Offices of Defense Cooperation assigned to host countries; Military Departments; and other governmental agencies. Military Department Headquarters are responsible for making proper distribution to all users within their respective areas of Command, and should inform subordinate commands of proper channels for arranging to be placed on automatic distribution for MASM changes.

Requests placed on DSAA for MASM dis-

tribution will be honored if a valid requirement is established by the requesting office and/or agency. All inquiries should be addressed to DSAA Attention: Comptroller.

5. Reports Control Symbol

a. RCS: DSAA (AR) 1000 is assigned to the data processing cards and tapes, as well as, related narrative prescribed by MASM, Part II for Grant Aid activities.

b. RCS: DSAA (AR) 1100 is assigned to the data processing cards and tapes, as well as, related narrative prescribed by MASM, Part III for Foreign Military Sales activities.

current year unprogrammed requirements (i.e., fully eligible and validated grant aid requirements that are not programmed in the current year solely due to lack of resources).

8. Commitments

a. No discussions or written communications that make or imply future performance on the part of the U.S., or future allocations, obligations, or expenditures of U.S. funds will be made without specific prior approval of the Director, DSAA.

b. All agreements, offers, arrangements, or other communications committing the U.S. to furnish any article or service will define precisely the terms and limits of such commitment as well as the foreign country's obligations upon which such U.S. commitment is predicated. The limits of responsibility for any additional or recurring costs for training, training material, ancillary equipment, modification, testing, improvement, repair, or follow-on materiel support also will be defined.

9. Incendiary Items and Riot Control Agents

The U.S. Government generally discourages the purchase of incendiary items and riot control agents but recognizes that there are occasions when a country will have a legitimate need for certain types of such items. The following is U.S. Government policy regarding the sale of such items:

a. NAPALM including napalm thickener, dispenser and fuses will not be provided through MAP, FMS, or on a commercial basis.

b. Requests for white phosphorus munitions should be addressed to the Department of State with information copy to DSAA and the appropriate Unified Command. Requests should indicate by type of ammunition requested, the quantity and intended use of the ammunition. Requests should be accompanied by mission's opinion as to whether the

amount requested is reasonable in relation to the intended use, current on-hand inventories, and predictable usage rates of such items; and requests must contain assurance from host government that the white phosphorus munitions will not be used for incendiary purposes. Upon Department of State approval, DSAA will advise the cognizant DOD component of the approval along with the conditions for its use which will be made a part of the LOA.

c. Riot control agents may not be provided via MAP or FMS but certain types are available on a commercial basis. Such proposed commercial sales require that an export license be obtained from the Department of State, Office of Munitions Control.

10. MAP (Grant Aid) Price and Availability Data

Program originators will obtain price and availability data from the supplying Military Department prior to submission of data card 3 program additions to DSAA for materiel items with a unit of issue code of other than XX. In addition, commitment code 9 will be inserted in card column 22 of program additions to indicate that unit price, supply source and leadtime reflected therein are based on price and availability data obtained from the implementing agency within sixty days prior to date of program submission.

11. Suspensions/Cancellations

a. DSAA will issue instructions to the cognizant DOD components in the event the Department of State determines that it is necessary to suspend or cancel foreign military sales including FMS training (and as applicable MAP and IMET) to a purchaser or recipient country.

b. The following procedures will normally apply to a suspension action unless otherwise noted in the DSAA guidance:

(1) All deliveries of FMS and MAP materiel to subject purchaser will be sus-

pended immediately. No new releases of Letters of Offer and Acceptance (DD Form 1513) or materiel to subject purchaser or its authorized agents (freight forwarder) will be made.

(2) No shipments of FMS and MAP materiel under U.S. Government control will be loaded at ports of embarkation or offloaded at ports of debarkation. Such items will be stored by the cognizant DOD component by the most economical means pending further disposition instructions.

(3) In those instances where MAP orders have been issued or Letters of Offer accepted, but contracts have not been awarded, the DOD component should inform DSAA of the details and request specific guidance. Normally, contracts in being should proceed to completion; however, DSAA should be advised of the completion and the possible diversion of the materiel to other countries or to the DOD component. All new contracting actions should be suspended for that purchaser or recipient country.

(4) Materiel ready for shipment from a contractor should be shipped to the cognizant DOD component facility for segregated storage pending further disposition instructions. Arrangement for storage may be made with the contractor, provided such arrangement is the most economical.

(5) Requisitions submitted by subject purchaser against supply support arrangements or blanket order FMS cases will not be filled. Such requests should be held by the receiving DOD component.

(6) With regard to FMS training and IMET, students actively undergoing training prior to the date of the suspension notification will complete scheduled training, excluding sequential training unless otherwise directed. Students who have not entered training by this date will not do so and DSAA

will advise the DOD components as to the disposition of these students.

(7) DSAA will be advised within 10 days of a suspension notification, the impact of the action to include identification of major items and significant secondary items which are enroute via DTS, which are scheduled for release within 30 days, and those which are on order but unshipped. DSAA will then be advised as soon as possible, but not later than 21 days after the suspension, of all other materiel enroute, scheduled for shipment within 30 days and on order but unshipped. This latter report will also identify the total unused dollar value on blanket order cases and supply support arrangement cases (FMSO II).

c. Suspension of delivery to FMS purchasers of current security assistance under a. and b. is to be distinguished from FMS case cancellation (and, as applicable, MAP order cancellation) and contract termination actions (including stop work orders) by the implementing agency. Suspension action may be extended by the Department of State to become a cancellation action in accordance with Section 2(b) and Section 42(e) of the Arms Export Control Act. Should contract termination action be directed by DSAA, specific guidance with regard to disposition of items, funding, etc. will be provided after a case-by-case review of the situation. Points of contact and meetings would be arranged to cover this action.

d. It should be noted that the above guidance does not address items for which title has passed to the purchaser but which may be in storage or in transit within the United States under the control of the foreign government or its agent (freight forwarder). Instructions concerning possible refusal to permit export of such materiel are the responsibility of the Department of State, and will be handled by the Department of State directly with the representative of the foreign government concerned.

be provided by DSAA upon request, where the volume of changes warrants.

b. Additions

For new items recommended for addition to the MASL, complete all appropriate card

columns in accordance with the following instructions.

(1) Card 1—Materiel and Services other than Training (all generic codes except generic code N).

Card Column	Data	Explanation										
1	Card Code -----	The card code is used to signify the type of card being processed. A "1" in this column signifies that the card is a MASL card (materiel and services other than training). Codes G through O in this column identify "trailer cards" used to amplify the description of a dollar line. (Trailer cards contain only NSN and Generic Code, and a continuation of the description.)										
2-3	Footnote Code -----	This column provides footnote code used in the MASL to provide significant information on availability of military articles and services. See Appendix A, Part I, for explanation of footnote codes.										
4-6	MILSTRIP Routing Identifier -----	MILSTRIP routing identifier is the abbreviation for military standard requisitioning and issue procedures routing identifier, commonly referred to as the "MRI". The MRI identifies the headquarters within the Military Departments which has provided the MASL data. A complete listing of MRI's (except FAØ which is used for US Air Force MASL lines and identifies Headquarters US Air Force) is contained in the Military Department implementation of Department of Defense Manual, Military Standard Requisitioning and Issue Procedures (MILSTRIP) as follows: <div style="text-align: center;"> <p>Army—Army Regulation AR 725-50 Navy—NAVSANDA Publication 437 Air Force—AFM 67-1, Vol. 1</p> </div> For most dollar value lines, the MRI entry is blank and the MASL line has a "K" in the footnote code column. See footnote code K, Appendix A, for explanation of how to determine the correct MRI.										
7	Action Code -----	Leave blank.										
8-20	National Stock Number -----	GP CL NCB ITEM-ID is the abbreviation for federal stock group (FSG), class (FSC), National Codification Bureau Code (NCB) and item identification number (NIIN). Where cards are submitted ensure that O's are punched as numeric zeroes and I's are punched as numeric ones. In generic code G where the DOD ammunition code is used in lieu of NIIN, right justify and punch zeros in unused columns.										
21-23	Generic Code -----	A description of each generic code is contained in Appendix A, Part I.										
24	Classification -----	The code appearing in this column indicates the security classification of the item for guidance in complying with national disclosure policy and Military Department security regulations. <div style="text-align: center;"> <table border="0"> <tr> <td>Code</td> <td>Classification</td> </tr> <tr> <td>T</td> <td>Top Secret</td> </tr> <tr> <td>S</td> <td>Secret</td> </tr> <tr> <td>C</td> <td>Confidential</td> </tr> <tr> <td>U</td> <td>Unclassified</td> </tr> </table> </div>	Code	Classification	T	Top Secret	S	Secret	C	Confidential	U	Unclassified
Code	Classification											
T	Top Secret											
S	Secret											
C	Confidential											
U	Unclassified											
25-26	Unit of Issue -----	The abbreviation in this column represents the standard unit of issue to be used for programming the related MASL item. Appendix A, Part I, contains the abbreviations appearing in the unit of issue column of the MASL.										
27-52	Description -----	The entry in this column is the description of the item. It is necessary for mechanical reasons, that the description be 26 characters or less. For this reason, numerous abbreviations and mnemonic words have been used. Where an item in the MASL is described by a National Stock Number (NSN), reference to the appropriate catalog will provide a more detailed description.										

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		Where more than 26 characters are required, trailer cards may be submitted (see entry in column 1).
53	Control Code -----	Enter K. Must be filled.
54-58	Blank -----	Leave blank.
59	Quantity Control -----	Leave blank. The code in this column will be entered by DSAA to determine quantity count for summarizing data. See Appendix A, Part I, for explanation of codes.
60	Major Defense Equipment Indicator Code -----	The MDE indicator code must be filled in for all major items. A code of Y should be used to indicate that an item is MDE and a code of N to indicate that a line is non-MDE. Leave dollar lines blank.
61	Blank -----	Leave blank.
62-64	SIDN -----	Leave blank. The Selected Item Description Number (SIDN) will be entered by DSAA to provide a means for identification and rollup of detail records into standard groups or categories for the preparation of summary documents and Congressional data. See Appendix A, Part I.
65-80	Blank -----	Leave blank.
(2) Card 2—Training (Generic Code N)		

Card Column	Data	Explanation
1	Card Code -----	The Card Code is used to signify the type of card being processed. A "2" in this column signifies that the card is a MASL card (training).
2-3	Duration -----	Enter duration of course, expressed in number of weeks. Leave blank for all categories of training except individual courses. Precede significant digits with a zero, e.g. 09. For courses in excess of 99 weeks, see Appendix A, Part I. Where duration is variable because the training line has a non-specific variable duration which should be determined separately, enter the code VA.
4-6	Execution Agency Identifier --	Enter the execution agency identifier code as described in Appendix A, Part I, and Chapter E, Part II.
7	Action Code -----	Leave blank.
8-13	Blank -----	Leave blank.
14-20	Item Identification Number ---	A seven-digit number used to identify each specific training item available for military assistance. The first four digits are prescribed by DSAA and are listed in Chapter E, Table E-5. These four digits will be used as a "root" by the Military Department who adds the last three digits to complete the seven digit identification number.
21-23	Generic Code -----	Enter the appropriate generic code prescribed in Appendix A, Part I.
24	Classification -----	Enter the appropriate classification code prescribed in Appendix A, Part I. Classified training requires security clearance prior to execution.
25-26	Unit of Issue -----	Enter "EA" (each) for student training (formal training, mobile training teams—detachments and field training services). Enter "XX" (dollars) for training support, personnel training and extraordinary expenses.
27-52	Description -----	Enter the description in 26 spaces or less. Insure that descriptions are as uniform as possible.
53	Control Code -----	The control code is used to designate the program year to which the MASL entry applies. DSAA will specify this code annually.
54-60	Prerequisite English Comprehension Level (ECL) -----	Assigned by the Military Department based on pertinent regulations. Leave blank if prerequisite ECL is not required.
61-72	Services Identification Number	Assigned by the Military Department to identify the item for its own internal processing.

73-80 Unit Price -----

An amount entered in this field represents the unit or contract cost for an individual course to be charged by the Military Department. "N/C" entered in this column signifies that no charge is made by the Military Department. "EST" entered in this field signifies that unit price must be estimated. The basis for estimating the unit price is contained in Military Department publications.

c. Changes

(1) To submit changes to existing MASL lines, the following fields must be completed:

<i>Column</i>	
1	Card Code
7	Action Code "S"
8-20	National Stock Number (Materiel Only)
14-20	Item Identification (Training Only)
21-23	Generic Code
53	Control Code

Entries in data fields other than the above are required only where a change in data is intended, e.g. unit price, duration, etc. Where a change is made, enter the new data.

(2) When changing a MASL line you may desire to blank certain fields. The fields listed below may be blanked by entering an asterisk(*) in the right most column of the fields.

(a) Materiel MASL Lines

<i>Column</i>	
2-3	Footnote Code

(b) Training MASL Lines

<i>Column</i>	
2-3	Duration
54-60	Prerequisite course number
61-72	Service Identification Number

d. Deletions

To delete an existing line from the MASL, the following fields must be completed:

<i>Column</i>	
1	Card Code
7	Action Code "D"
14-20	Item identification Number (Training)
8-20	Item Identification Number (Materiel)
21-23	Generic Code
53	Control Code

Leave all other columns blank. Submit a conversion card where a substitute or replacement item is known.

CHAPTER J

LEASES

1. Authority and Purpose

Title 10, United States Code, Section 2667 authorizes the Secretary of a Military Department to lease to other entities defense property which is not excess but which, for the duration of the lease, is not needed for public use. On occasion, Military Departments have used this authority to lease defense articles to foreign governments. Normally, the U.S. Government makes defense articles available to foreign governments either by Foreign Military Sale under the Arms Export Control Act, or by Military Assistance Program grant or loan under the Foreign Assistance Act of 1961. However, there may be exceptional instances in which a Foreign Military Sale is not feasible, the intended recipient government is not authorized a MAP grant or loan, and a lease under 10 USC 2667 is in the national interest. For example, a foreign government may desire to obtain a defense article for a short period under a lease for test purposes to assist it in determining whether to procure the article in quantity. As another example, the U.S. Government may only be able to respond to an urgent foreign requirement for defense property by making it available from inventory, but for national defense reasons cannot sell the property and must require its return to inventory after a specified term. When a Military Department does enter into a lease, it may not do so on a DD Form 1513, since that document is authorized only for FMS transactions. However, any associated items to be consumed during the lease period will be sold pursuant to an FMS agreement on a

DD Form 1513. Associated services may be reimbursed pursuant to the lease agreement or may be sold pursuant to an FMS agreement on a DD Form 1513.

2. Loss, Destruction, or Damage of Articles Leased

Lease terms will stipulate that in the event of loss or destruction of any article during its lease, the lessee government will reimburse the U.S. Military Department for the depreciated value of the article at the time of its loss or destruction. Lease terms will also provide that if any article is returned with damage beyond normal depreciation sustained during its lease, the lessee government will reimburse the U.S. Military Department for such damage upon return of the article.

3. Coordination

Each proposed lease to a foreign government must have the concurrence of the General Counsel or Judge Advocate General of the Military Department concerned prior to securing the approval of DSAA. DSAA Comptroller will assure appropriate coordination within OSD, including with the DSAA Operations Directorate and DSAA Legal Counsel, and with the Department of State. Revocation of a lease also requires such coordination.

4. Congressional Notification**a. Notification Threshold**

(1) Section 109 of the International Security and Development Cooperation Act

of 1980 (P.L. 95-533, 16 December 1980) requires prior Congressional notification of any lease of defense property to a foreign government for more than six months under 10 USC 2667, if such lease includes a total value of at least \$7,000,000 in major defense equipment (MDE), or a total value of at least \$25,000,000 in any defense property. "Value" for this purpose is the current procurement value or last procurement cost, whichever is higher. If there is no procurement contract in effect for an item which is identical to the property to be leased, the last procurement cost applies, adjusted as appropriate for condition and market value.

(2) If a lease meeting the above Congressional notification dollar thresholds is for six months or less, but is renewed one or more times so that the total period of the original lease and the renewal or renewals exceeds six months, Congress must receive a notification under Section 109, prior to entering into the renewal which would cause the six month period to be exceeded. Renewals of a lease subsequent to a Congressional notification do not require new notifications, unless such renewals singly or cumulatively result in an extension of more than six months beyond the lease period previously notified under Section 109, and the original lease does not expressly provide for such renewals.

(3) If a lease for more than six months which is below the Section 109 dollar threshold is amended to meet the threshold, the lease as amended requires Congressional notification. Amendments subsequent to a Congressional notification which affect the value of a lease do not require new Congressional notifications, unless they either singly or cumulatively increase the total amount of MDE in the lease by a value of at least \$7,000,000, or the total value of all defense property in the lease by a value of at least \$25,000,000. However, amendments of such values should be rare. Military Departments should satisfy requirements to lease additional property of such values by entering into a new lease rather than by amending an existing one, unless an overriding reason favors an amend-

ment. An example of such an overriding reason would be that a lessee government has an urgent need for the additional property and can enter into an amendment to a lease substantially more quickly than it can enter into a new lease.

b. Notification Procedure

Section 109 requires notification to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate. Such notification must occur not less than 30 days before the Secretary of a Military Department exercises his leasing authority under 10 USC 2667. To ensure submission of a timely notification, the cognizant Military Department will forward to the DSAA Comptroller the information in the format at Figure J-1 at least 60 days prior to the projected date for entering into the associated lease, lease renewal, or lease amendment. The DSAA Comptroller will assign a notification number, coordinate within OSD, including with the DSAA Operations Directorate and DSAA Legal Counsel, and subsequently submit the proposed notification to the Department of State for approval. The DSAA Comptroller will inform the Military Department of approval by the Department of State. Within five days after being so informed, the Military Department will submit to the DSAA Operations Directorate for information and forwarding to the DSAA Comptroller a copy of the proposed lease agreement and of the associated determinations and findings by the Secretary of that Department pursuant to 10 USC 2667. The DSAA Comptroller will then submit the Section 109 notification to Congress, using the format in Figure J-1 and the cover letter in Figure J-2. At this time, the Military Department may, with coordination from the DSAA Comptroller, furnish the prospective lessee an unsigned copy of the lease under a cover letter in the format at Figure J-3. Thirty days after the Congressional notification, the DSAA Comptroller will authorize the Military Department to enter into the lease. Immediately on signature of the lease by the parties, the Military

Department will forward three signed copies to the DSAA Comptroller for transmittal to Congress. The DSAA Comptroller will obtain the prior concurrence of the Department of State in the transmittal. Congress must receive a copy of the lease not later than 30 days after signature by the parties.

5. Emergency Waiver of Congressional Notification Requirement

Section 109(d) of the International Security and Development Cooperation Act of 1980 authorizes waiver of the Congressional notification requirement described in paragraph 4 above, if the President determines and immediately reports to Congress that an emergency exists which requires a lease in the national security interests of the United States. In the event of any such emergency, DSAA will provide instructions to the concerned Military Department as appropriate to the particular circumstances.

6. Quarterly Reporting to the Congress

Part III, Chapter B, paragraph 3 outlines

the requirement for quarterly reporting to Congress of certain leases to foreign governments.

7. U.S. Navy Ships

For leases of U.S. Navy ships, the guidance in Part I, Chapter E also applies.

8. Leases under Authority of Secretary of Defense

For any lease with a foreign government to be executed under the authority of the Secretary of Defense rather than the Secretary of a Military Department, the above procedures will apply by analogy.

9. Loans

Loans of defense articles to foreign governments or international organizations may be arranged under authority of the Foreign Assistance Act, Section 503, in accordance with Part II, Chapter C, paragraph 4.c.

**CONGRESSIONAL NOTIFICATION (NO., TO BE INSERTED BY
DSAA COMPTROLLER) UNDER SECTION 109,
INTERNATIONAL SECURITY AND DEVELOPMENT
COOPERATION ACT OF 1980 (P.L. 96-533)**

1. Prospective lessee: Government of (country)
2. Type, quantity, and value of defense property to be leased: (quantity) (list major end items only) and associated support items (if any), with an approximate total value of (round off to the nearest million \$).
3. Terms and duration of lease: (Summarize the most important terms, and state duration. If this notification pertains to a renewal or amendment of an existing lease, identify that lease and any renewals or amendments which are not the subject of this notification, and state whether the lease and any such renewals or amendments were the subject of a prior Congressional notification. If they were, identify the notification number applicable to any such prior notification. If they were not, summarize briefly their most important terms, and specify the type, quantity, and value of defense property involved if such property was in addition to that which is the subject of this notification.)
4. Justification for lease: (Describe specifically the use to which the prospective lessee intends to put the property, and why it is in the national defense and foreign policy interests of the United States to make the property available for such purpose. Explain why a Foreign Military Sale is not feasible.)
5. Date notification delivered to the Congress: (to be completed by DSAA.)

Figure J-1

In reply refer to:

Honorable (Name)
Speaker of the House of
Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Attached is a notification to Congress pursuant to Section 109 of the International Security and Development Cooperation Act of 1980 (P.L. 96-533). This notification, (No.), provides information regarding a proposed lease of (major defense equipment valued at \$7,000,000 or more) (defense property valued at \$25,000,000 or more) to the Government of (country) under Title 10, United States Code, Section 2667.

Sincerely,

Attachment
as stated

(Same letter to:)
Senator (Name)
Chairman, Senate Foreign Relations
Committee
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Figure J-2

Dear

Enclosed for preliminary consideration by your government is an unsigned advance copy of a proposed lease for (specify major item or items) and support items (if any).

Section 109 of the International Security and Development Cooperation Act of 1980 requires notification to Congress at least 30 days prior to consummation of the enclosed lease. The Department of Defense submitted the notification to Congress on (date), and we anticipate that a representative of the Department of the (Army, Navy, or Air Force) will sign and forward to your government for acceptance a copy of the enclosed lease on or about (date).

We hope that this information is of assistance for your government's planning purposes.

Sincerely,

**Attachment
as stated**

Figure J-3

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sequence is segregated by area and is listed by alphabetic name.

Footnote: Certain country activity codes listed below and prescribed for use are at variance with the DOD/FIPS standard for Countries of the World (CO-XV) contained in DOD 5000.12M.

Country	Code	Unified Command Cognizance	Area/Congressional Grouping
---------	------	----------------------------	-----------------------------

I. Alphabetic

a. Countries

Afganistan	AF	PA	NESA
Algeria	AG	EU	NESA
Andorra	AN	EU	EUR
Angola	AO	EU	AFR
Anguilla	AV	SO	AR
Antigua	AC	SO	AR
Argentina	AR	SO	AR
Australia	AT	PA	EAP
Austria	AU	EU	EUR
Bahamas	BF	SO	AR
Bahrain	BA	EU	NESA
Bangladesh	BG	PA	NESA
Barbados	BB	SO	AR
Belgium	BE	EU	EUR
Belize (UK)	BH	SO	AR
Benin	DA	EU	AFR
Bermuda (UK)	BD	SO	AR
Bhutan	BT	EU	NESA
Bolivia	BL	SO	AR
Botswana	BC	EU	AFR
Brazil	BR	SO	AR
British Virgin Islands (UK)	VI	SO	AR
Brunei	BX	PA	EAP
Bulgaria	BU	EU	EUR
Burma	BM	PA	EAP
Burundi	BY	EU	AFR
Cameroon	CM	EU	AFR
Canada	CN	NR	EUR
Cape Verde, Republic of	CV	EU	AFR
Cayman Islands (UK)	CJ	SO	AR
Central African Emp.	CT	EU	AFR
Chad	CD	EU	AFR
Chile	CI	SO	AR
China	CH	PA	EAP
Colombia	CO	SO	AR
Comoros	CR	EU	AFR
Congo	CF	EU	AFR
Costa Rica	CS	SO	AR

Country	Code	Unified Command Cognizance	Area/Congressional Grouping
Cuba	CU	SO	AR
Cyprus	CY	EU	EUR
Denmark	DE	EU	AFR
Djibouti	DJ	EU	EUR
Dominica	DO	SO	AR
Dominican Republic	DR	SO	AR
Ecuador	EC	SO	AR
Egypt	EG	EU	NESA
El Salvador	ES	SO	AR
Equatorial Guinea	EK	EU	AFR
Ethiopia	ET	EU	AFR
Falkland Islands (UK)	FA	SO	AR
Fiji	FJ	PA	EAP
Finland	FI	EU	EUR
France	FR	EU	EUR
French Guiana (FR)	FG	SO	AR
French Polynesia (FR)	FP	PA	EAP
Gabon	GB	EU	AFR
Gambia	GA	EU	AFR
Germany (Bonn)	GY	EU	EUR
Ghana	GH	EU	AFR
Gibraltar (UK)	GI	EU	EUR
Greece	GR	EU	EUR
Greenland (DEN)	GL	SO	AR
Grenada	GJ	SO	AR
Guadeloupe (FR)	GP	SO	AR
Guatemala	GT	SO	AR
Guinea	GV	EU	AFR
Guinea—Bissau	PU	EU	AFR
Guyana	GU	SO	AR
Haiti	HA	SO	AR
Honduras	HO	SO	AR
Hong Kong (UK)	HK	PA	EAP
Iceland	IL	EU	EUR
India	IN	PA	NESA
Indochina	IC	PA	EAP
Indonesia	ID	PA	EAP
Iran	IR	EU	NESA
Iraq	IQ	EU	NESA
Ireland	EI	EU	EUR
Israel	IS	EU	NESA
Italy	IT	EU	EUR
Ivory Coast	IV	EU	AFR
Jamaica	JM	SO	AR
Japan	JA	PA	EAP
Jordan	JO	EU	NESA

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<i>Country</i>	<i>Code</i>	<i>Unified Command Cognizance</i>	<i>Area/Congressional Grouping</i>	<i>Country</i>	<i>Code</i>	<i>Unified Command Cognizance</i>	<i>Area/Congressional Grouping</i>
Kampuchea (Cambodia)	CB	PA	EAP	Reunion (FR)	RE	EU	AFR
Kenya	KE	EU	AFR	Romania	RO	EU	EUR
Kiribati	KR	PA	EAP	Rwanda	RW	EU	AFR
Korea (Seoul)	KS	PA	EAP	San Marino	SM	EU	EUR
Kuwait	KU	EU	NESA	Sao Tome and Principe	TP	EU	AFR
Laos	LA	PA	EAP	Saudi Arabia	SR	EU	NESA
Lebanon	LE	EU	NESA	Senegal	SK	EU	AFR
Lesotho	LT	EU	AFR	Seychelles	SE	EU	AFR
Liberia	LI	EU	AFR	Sierra Leone	SL	EU	AFR
Libya	LY	EU	NESA	Singapore	SN	PA	EAP
Liechtenstein	LS	EU	EUR	Solomon Islands	BP	PA	EAP
Luxembourg	LX	EU	EUR	Somalia	SO	EU	AFR
Macau (PORT)	MC	PA	EAP	South Africa	UA	EU	AFR
Madagascar	MA	EU	AFR	Spain	SP	EU	EUR
Malawi	MI	EU	AFR	Sri Lanka	CE	PA	NESA
Malaysia	MF	PA	EAP	St Christopher-Nevis (UK)	SC	SO	AR
Maldives	MV	EU	NESA	St Helena (UK)	SH	EU	AFR
Mali	RM	EU	AFR	St Lucia	ST	SO	AR
Malta	MT	EU	EUR	St Pierre and Miquelon (UK)	SB	SO	AR
Martinique (FR)	MB	SO	AR	St Vincent & Grenadines	VC	SO	AR
Mauritania	MR	EU	AFR	Sudan	SU	EU	AFR
Mauritius	MP	EU	AFR	Suriname	NS	SO	AR
Mexico	MX	SO	AR	Swaziland	WZ	EU	AFR
Monaco	MN	EU	EUR	Sweden	SW	EU	EUR
Mongolia	MG	PA	EAP	Switzerland	SZ	EU	EUR
Montserrat (UK)	MH	SO	AR	Syria	SY	EU	NESA
Morocco	MO	EU	NESA	Taiwan	TW	PA	EAP
Mozambique	MZ	EU	AFR	Tanzania	TZ	EU	AFR
Nambia	WA	EU	AFR	Thailand	TH	PA	EAP
Nauru	NR	PA	EAP	Togo	TO	EU	AFR
Nepal	NP	PA	NESA	Tonga	TN	PA	EAP
Netherlands	NE	EU	EUR	Trinidad-Tobago	TD	SO	AR
Netherlands Antilles (NE)	NA	SO	AR	Tunisia	TU	EU	NESA
New Caledonia (FR)	NC	PA	EAP	Turkey	TK	EU	EUR
New Zealand	NZ	PA	EAP	Turks and Caicos (UK)	TS	SO	AR
Nicaragua	NU	SO	AR	Tuvalu	TV	PA	EAP
Niger	NK	EU	AFR	Uganda	UG	EU	AFR
Nigeria	NI	EU	AFR	Union of Soviet Socialist Republics	UR	EU	EUR
Niue	NQ	PA	EAP	United Arab Emirates	TC	EU	NESA
Norfolk Islands (AUST)	NF	PA	EAP	United Kingdom	UK	EU	EUR
Norway	NO	EU	EUR	Upper Volta	UV	EU	AFR
Oman	MU	EU	NESA	Uruguay	UY	SO	AR
Pakistan	PK	PA	NESA	Vanuata	NH	PA	EAP
Panama	PN	SO	AR	Venezuela	VE	SO	AR
Papua—New Guinea	PP	PA	EAP	Vietnam	VS	PA	EAP
Paraguay	PA	SO	AR	Western Somoa	WS	PA	EAP
Peru	PE	SO	AR	Yemen (Aden)	YS	EU	NESA
Philippines	PI	PA	EAP	Yemen (Sana)	YE	EU	NESA
Pitcairn (UK)	PC	PA	EAP	Yugoslavia	YU	EU	FUR
Portugal	PT	EU	EUR				
Qatar	QA	EU	NESA				

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Country	Code	Unified Command Cognizance	Area/Congressional Grouping
Zaire	CX	EU	AFR
Zambia	ZA	EU	AFR
Zimbabwe	ZI	EU	AFR

b. Activities

Country	Code	Unified Command Cognizance	Area/Congressional Grouping
Africa Region	R6	EU	AFR
American Republic Region	R5	SO	AR
Central Treaty Organization (CENTO)	T3	NR	NR
Department of Defense (DoD)	00	NR	NR
East Asia/Pacific Region	R4	PA	EAP
European Region	R2	EU	EUR
International Civil Aviation Organization (ICAO Hq)	T7	NR	NR
International Civil Defense Organization (ICDO Hq)	T8	NR	NR
MAP ICP—U.S. Army Logistics Depot, Japan (USALDJ)	D4	PA	NR
MAP Owned Materiel (MAPOM)	M3	NR	NR
MAP Property Sales and Disposal (MAPSAD)	M2	NR	NR
North Atlantic Treaty Organization (NATO)	N2	NR	NR
NATO Airborne Early Warning and Control Program Management Office (NAPMO)	N1	NR	NR
NATO Aircraft Early Warning and Control (Ground Environment Interface) (NATO AWE+C (GEI))	K8	NR	NR
NATO Aircraft Early Warning and Control (Operations and Support Budget) (NATO AWE+C (O+S))	K7	NR	NR
NATO Headquarters	N6	NR	NR
NATO Infrastructure	N5	NR	NR
NATO Integrated Communications System Management Agy (NICSMA)	K4	NR	NR
NATO Maintenance and Supply Agency—General (NAMSA—General)	N4	NR	NR
NATO Maintenance and Supply Agency—Nike Training Center (NAMSA—NNTC)	K6	NR	NR

Country	Code	Unified Command Cognizance	Area/Congressional Grouping
NATO Maintenance and Supply Agency—F104 (NAMSA—F104)	K2	NR	NR
NATO Maintenance and Supply Agency—HAWK and NATO HAWK Production & Logistics Office (NAMSA—HAWK & NHPLO)	N7	NR	NR
NATO Missile Fire Installation (NAMFI)	N9	NR	NR
NATO Multi-Role Combat Aircraft (MRCA) Development & Prod. Agency (NAMMA)	K3	NR	NR
NATO Mutual Weapons Development Program (MWDP)	N8	NR	NR
NATO Seasparrow	N3	NR	NR
NATO—Weapons Production Program (NATO—WPP)	K1	NR	NR
Near East and South Asia Region (NESA)	R3	EU	NESA
Organization of American States (OAS Hq)	A1	NR	NR
South East Asia Treaty Organization (SEATO)	T4	NR	NR
Supreme Allied Commander Atlantic (SCLANT)	K5	NR	NR
Supreme Headquarters, Allied Powers, Europe (SHAPE)	A2	EU	EUR
United Nations (UN)	T9	NR	NR

II. Alphabetic by Country/Activity Code

Code	Country/Activity Name	Unified Command Cognizance	Area/Congressional Grouping
00	Department of Defense (DoD)	NR	NR
A1	Organization of American States (OAS)	NR	AR
A2	Supreme Hq, Allied Forces (SHAPE)	EU	EUR
AC	Antigua (UK)	SO	AR
AF	Afganistan	PA	NESA
AG	Algeria	EU	NESA
AN	Andorra	EU	EUR
AO	Angola	EU	AFR
AR	Argentina	SO	AR
AT	Australia	PA	EAP
AU	Austria	EU	EUR
AV	Anguilla	SO	AR

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Code	Country/Activity Name	Unified Command Cognizance	Area/Congressional Grouping	Code	Country/Activity Name	Unified Command Cognizance	Area/Congressional Grouping
BA	Bahrain	EU	NESA	GH	Ghana	EU	AFR
BB	Barbados	SO	AR	GI	Gibraltar (UK)	EU	EUR
BC	Botswana	EU	AFR	GJ	Grenada	SO	AR
BD	Bermuda (UK)	SO	AR	GL	Greenland (DEN)	SO	AR
BE	Belgium	EU	EUR	GP	Guadeloupe (FR)	SO	AR
BF	Bahamas	SO	AR	GR	Greece	EU	EUR
BG	Bangladesh	PA	NESA	GT	Guatemala	SO	AR
BH	Belize (UK)	SO	AR	GU	Guyana	SO	AR
BL	Bolivia	SO	AR	GV	Guinea	EU	AFR
BM	Burma	PA	EAP	GY	Germany (Bonn)	EU	EUR
BP	Solomon Islands	PA	EAP				
BR	Brazil	SO	AR	HA	Haiti	SO	AR
BT	Bhutan	EU	NESA	HK	Hong Kong (UK)	PA	EAP
BU	Bulgaria	EU	EUR	HO	Honduras	SO	AR
BX	Brunei	PA	EAP				
BY	Burundi	EU	AFR	IC	Indochina	PA	EAP
CB	Kampuchea (Cambodia)	PA	EAP	ID	Indonesia	PA	EAP
CD	Chad	EU	AFR	IL	Iceland	EU	EUR
CE	Sri Lanka	PA	NESA	IN	India	PA	NESA
CF	Congo	EU	AFR	IQ	Iraq	EU	NESA
CH	China	PA	EAP	IR	Iran	EU	NESA
CI	Chile	SO	AR	IS	Israel	EU	NESA
CJ	Cayman Islands (UK)	SO	AR	IT	Italy	EU	EUR
CM	Cameroon	EU	AFR	IV	Ivory Coast	EU	AFR
CN	Canada	NR	EUR				
CO	Colombia	SO	AR	JA	Japan	PA	EAP
CR	Comoros	EU	AFR	JM	Jamaica	SO	AR
CS	Costa Rica	SO	AR	JO	Jordan	EU	NESA
CT	Central African Emp.	EU	AFR				
CU	Cuba	SO	AR	K1	NATO—Weapons Production Program (NATO—WPP)	NR	NR
CV	Cape Verde, Republic of	EU	AFR	K2	NATO Maintenance and Supply Agency—F104 (NAMSA—F104)	NR	NR
CX	Zaire	EU	AFR	K3	NATO Multi-Role Combat Aircraft (MRCA) & Prod. Agency (NAMMA)	NR	NR
CY	Cyprus	EU	EUR	K4	NATO Integrated Communications Systems Management Agency (NICSSMA)	NR	NR
				K5	Supreme Allied Commander Atlantic (SCLANT)	NR	NR
D4	MAP ICP (USALDJ)	PA	NR	K6	NATO Maintenance and Supply Agency—Nike Training Center (NAMSA—NNTC)	NR	NR
DA	Benin	EU	AFR				
DE	Denmark	EU	EUR	K7	NATO Aircraft Early Warning and Control (Operations and Support Budget) (NATO AWE +C (O+S))	NR	NR
DJ	Djibouti	EU	AFR				
DO	Dominica	SO	AR	K8	NATO Aircraft Early Warning and Control (Ground Environment Interface) (NATO AWE+C (GEI))	NR	NR
DR	Dominican Republic	SO	AR				
EC	Ecuador	SO	AR				
EG	Egypt	EU	NESA				
EI	Ireland	EU	EUR				
EK	Equatorial Guinea	EU	AFR				
ES	El Salvador	SO	AR				
ET	Ethiopia	EU	AFR				
FA	Falkland Islands (UK)	SO	AR				
FG	French Guiana (FR)	SO	AR				
FI	Finland	EU	EUR				
FJ	Fiji	PA	EAP				
FP	French Polynesia (FR)	PA	EAP				
FR	France	EU	EUR				
GA	Gambia	EU	AFR	KE	Kenya	EU	AFR
GB	Gabon	EU	AFR	KR	Kiribati	PA	EAP

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Code	Country/Activity Name	Unified Command Cognizance	Area/Congressional Grouping	Code	Country/Activity Name	Unified Command Cognizance	Area/Congressional Grouping
KS	Korea	PA	EAP	NH	Vanuata	PA	EAP
KU	Kuwait	EU	NESA	NI	Nigeria	EU	AFR
LA	Laos	PA	EAP	NK	Niger	EU	AFR
LE	Lebanon	EU	NESA	NO	Norway	EU	EUR
LI	Liberia	EU	AFR	NP	Nepal	PA	NESA
LS	Liechtenstein	EU	EUR	NQ	Niue	PA	EAP
LT	Lesótho	EU	AFR	NR	Nauru	PA	EAP
LX	Luxembourg	EU	EUR	NS	Suriname	SO	AR
LY	Libya	EU	NESA	NU	Nicaragua	SO	AR
M2	MAP Property Sales & Disposal (MAPSAD)	NR	NR	NZ	New Zealand	PA	EAP
M3	MAP Owned Materiel (MAPOM)	NR	NR	PA	Paraguay	SO	AR
MA	Madagascar	EU	AFR	PC	Pitcairn (UK)	PA	EAP
MB	Martinique (FR)	SO	AR	PE	Peru	SO	AR
MC	Macau (PORT)	PA	EAP	PI	Philippines	PA	EAP
MF	Malaysia	PA	EAP	PK	Pakistan	PA	NESA
MG	Mongolia	PA	EAP	PN	Panama	SO	AR
MH	Montserrat (UK)	SO	AR	PP	Papua—New Guinea	PA	EAP
MI	Malawi	EU	AFR	PT	Portugal	EU	EUR
MN	Monaco	EU	EUR	PU	Guinea—Bissau	EU	AFR
MO	Morocco	EU	NESA	QA	Qatar	EU	NESA
MP	Mauritius	EU	AFR	R2	Europe Region	EU	EUR
MR	Mauritania	EU	AFR	R3	Near East/South Asia Region	EU	NESA
MT	Malta	EU	EUR	R4	East Asia/Pacific Region	PA	EAP
MU	Oman	EU	NESA	R5	American Republic Region	SO	AR
MV	Maldives	EU	NESA	R6	Africa Region	EU	AFR
MX	Mexico	SO	AR	RE	Reunion (FR)	EU	AFR
MZ	Mozambique	EU	AFR	RM	Mali	EU	AFR
N1	NATO Airborne Early Warning and Control Program Management Office (NAPMO)	NR	NR	RO	Romania	EU	EUR
N2	North Atlantic Treaty Organization (NATO)	NR	NR	RW	Rwanda	EU	AFR
N3	NATO Seasparrow			SB	St Pierre and Miquelon (FR)	SO	AR
N4	NATO Maintenance and Supply Agency—General (NAMSA—General)	NR	NR	SC	St Christopher—Nevis (UK)	SO	AR
N5	NATO Infrastructure	NR	NR	SE	Seychelles	EU	AFR
N6	NATO Headquarters	NR	NR	SH	St Helena (UK)	EU	AFR
N7	NATO Maintenance and Supply Agency—HAWK and NATO HAWK Production & Logistics Office (NAMSA—HAWK & NHPLO)	NR	NR	SK	Senegal	EU	AFR
N8	NATO Mutual Weapons Development Program (MWDP)	NR	NR	SL	Sierre Leone	EU	AFR
N9	NATO Missile Firing Installation (NAMFI)	NR	NR	SM	San Marino	EU	EUR
NA	Netherlands Antilles (NE)	SO	AR	SN	Singapore	PA	EAP
NC	New Caledonia (FR)	PA	EAP	SO	Somalia	EU	AFR
NE	Netherlands	EU	EUR	SP	Spain	EU	EUR
NF	Norfolk Islands (AUST)	PA	EAP	SR	Saudi Arabia	EU	NESA
				ST	St Lucia	SO	AR
				SU	Sudan	EU	AFR
				SW	Sweden	EU	EUR
				SY	Syria	EU	NESA
				SZ	Switzerland	EU	EUR
				T3	Central Treaty Organization (CENTO)	NR	NR
				T4	South East Asia Treaty Organization (SEATO)	NR	NR
				T7	International Civil Aviation Organization (ICAO Hq)	NR	NR

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Code	Country/Activity Name	Unified Command Cognizance	Area/Congressional Grouping
T8	International Civil Defense Organization (ICDO Hq)	NR	NR
T9	United Nations (UN)	NR	NR
TC	United Arab Emirates	EU	NESA
TD	Trinidad-Tobago	SO	AR
TH	Thailand	PA	EAP
TK	Turkey	EU	EUR
TN	Tonga	PA	EAP
TO	Togo	EU	AFR
TP	Sao Tome and Principe	EU	AFR
TS	Turks and Caicos (UK)	SO	AR
TU	Tunisia	EU	NESA
TV	Tuvalu	PA	EAP
TW	Taiwan	PA	EAP
TZ	Tanzania	EU	AFR
UA	South Africa	EU	AFR
UG	Uganda	EU	AFR
UK	United Kingdom	EU	EUR
UR	Union of Soviet Socialist Republics	EU	EUR
UV	Upper Volta	EU	AFR
UY	Uruguay	SO	AR
VC	St Vincent & Grenadines	SO	AR
VE	Venezuela	SO	AR
VI	British Virgin Islands (UK)	SO	AR
VS	Vietnam	PA	EAP
WA	Nambia	EU	AFR
WS	Western Somoa	PA	EAP
WZ	Swaziland	EU	AFR
YE	Yemen (Sanaa)	EU	NESA
YS	Yemen (Aden)	EU	NESA
YU	Yugoslavia	EU	EUR
ZA	Zambia	EU	AFR
ZI	Zimbabwe	EU	AFR

III. Area Listing

1. East Asia and Pacific (EAP)

Australia	AT
Burnei	BX
Burma	BM
China	CH
East Asia/Pacific Region	R4
Fiji	FJ
French Polynesia (FR)	FP
Gilbert Islands	GS
Hong Kong (UK)	HK
Indochina	IC
Indonesia	ID
Japan	JA
Kampuchea (Cambodia)	CB

Kiribati	KR
Korea (Seoul)	KS
Laos	LA
Macau (PORT)	MC
Malaysia	MF
Mongolia	MG
Nauru	NR
New Caledonia (FR)	NC
New Zealand	NZ
Niue	NQ
Norfolk Islands (AUST)	NF
Papua-New Guinea	PP
Philippines	PI
Pitcairn (UK)	PC
Singapore	SN
Solomon Islands	BP
Taiwan	TW
Thailand	TH
Tonga	TN
Tuvalu	TV
Vanuata	NH
Vietnam	VS
Western Somoa	WS

2. Near East & South Asia (NESA)

Afganistan	AF
Algeria	AG
Bahrain	BA
Bangladesh	BG
Bhutan	BT
Egypt	EG
India	IN
Iran	IR
Iraq	IQ
Israel	IS
Jordan	JO
Kuwait	KU
Lebanon	LE
Libya	LY
Maldives	MV
Morocco	MO
Nepal	NP
Near East & South Asia Region	R3
Oman	MU
Pakistan	PK
Qatar	QA
Saudi Arabia	SR
Sri Lanka	CE
Syria	SY
Tunisia	TU
United Arab Emirates	TC
Yemen (Aden)	YS
Yemen (Sanaa)	YE

3. Europe (EUR)

Andora	AN
Austria	AU
Belgium	BE
Bulgaria	BU

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Canada
 Cyprus
 Denmark
 European Region
 Finland
 France
 Germany (Bonn)
 Gibraltar
 Greece
 Iceland
 Ireland
 Italy
 Liechtenstein
 Luxembourg
 Malta
 Monaco
 Netherlands
 Norway
 Portugal
 Romania
 San Marino
 Spain
 Supreme Headquarters, Allied Powers,
 Europe (SHAPE)
 Sweden
 Switzerland
 Turkey
 Union of Soviet Socialist Republics
 United Kingdom
 Yugoslavia

4. Africa (AFR)

Angola
 Africa Region
 Benin
 Botswana
 Burundi
 Cameroon
 Cape Verde, Republic of
 Central African Emp.
 Chad
 Comoros
 Congo
 Djibouti
 Equatorial Guinea
 Ethiopia
 Gabon
 Gambia
 Ghana
 Guinea
 Guinea-Bissau
 Ivory Coast
 Kenya
 Lesotho
 Liberia
 Madagascar
 Malawi
 Mali
 Mauritania

CN
 CY
 DE
 R2
 FI
 FR
 GY
 GI
 GR
 IL
 EI
 IT
 LS
 LX
 MT
 MN
 NE
 NO
 PT
 RO
 SM
 SP

A2
 SW
 SZ
 TK
 UR
 UK
 YU

AO
 R6
 DA
 BC
 BY
 CM
 CV
 CT
 CD
 CR
 CF
 DJ
 EK
 ET
 GB
 GA
 GH
 GV
 PU
 IV
 KE
 LT
 LI
 MA
 MI
 RM
 MR

Mauritius
 Mozambique
 Namibia
 Niger
 Nigeria
 Reunion (FR)
 Rwanda
 Sao and Principe
 Senegal
 Seychelles
 Sierra Leone
 Somalia
 South Africa
 St Helena (UK)
 Sudan
 Swaziland
 Tanzania
 Togo
 Uganda
 Upper Volta
 Zaire
 Zambia
 Zimbabwe

MP
 MZ
 WA
 NK
 NI
 RE
 RW
 TP
 SK
 SE
 SL
 SO
 UA
 SH
 SU
 WZ
 TZ
 TO
 UG
 UV
 CX
 ZA
 ZI

5. American Republic/Latin America (AR)

American Republic Region R5
 Angiulla AV
 Antigua (UK) AC
 Argentina AR
 Bahamas BF
 Barbados BB
 Belize BH
 Bermuda BD
 Bolivia BL
 Brazil BR
 British Virgin Islands (UK) VI
 Cayman Islands (UK) CJ
 Chile CI
 Colombia CO
 Costa Rica CS
 Cuba CU
 Dominica DO
 Dominican Republic DR
 Ecuador EC
 El Salvador ES
 Falkland Islands (UK) FA
 French Guinea (FR) FG
 Greenland (DEN) GL
 Grenada GJ
 Guadeloupe (FR) GP
 Guatemala GT
 Guyana GU
 Haiti HA
 Honduras HO
 Jamaica JM
 Martinique (FR) MB
 Mexico MX
 Montserrat (UK) MH
 Netherlands Antilles (NE) NA
 Nicaragua NU

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Organization of American States (OAS)	A1
Panama	PN
Paraguay	PA
Peru	PE
St Christopher-Nevis (UK)	SC
St Lucia	ST
St Pierre and Miquelon (FR)	SB
St Vincent & Grenadines	VC
Suriname	NS
Trinidad-Tobago	TD
Turks and Caicos (UK)	TS
Uruguay	UY
Venezuela	VE

7. Non-Regional (NR)

Central Treaty Organization (CENTO)	T3
Department of Defense (DoD)	Ø
International Civil Aviation Organization (ICAO Hq)	T7
International Civil Defense Organization (ICDO Hq)	T8
MAP ICP—U.S. Army Logistics Depot, Japan (USALDJ)	D4
MAP Owned Materiel (MAPOM)	M3
MAP Property Sales and Disposal (MAPSAD)	M2
North Atlantic Treaty Organization (NATO)	N2
NATO Airborne Early Warning and Control Program Management Office (NAPMO)	N1
NATO Aircraft Early Warning and Control (Operations and Support Budget) (NATO AWE+C (O+S))	K7
NATO Aircraft Early Warning and Control (Ground Environment Interface) (NATO AWE+C (GEI))	K8
NATO Headquarters	N6
NATO Infrastructure	N5
NATO Integrated Communications System Management Agy (NICSMA)	K4
NATO Maintenance and Supply Agency—General (NAMSA-GENERAL)	N4
NATO Maintenance and Supply Agency—Nike Training Center (NAMSA—NNTC)	K6
NATO Maintenance and Supply Agency—F104 (NAMSA—F104)	K2
NATO Maintenance and Supply Agency—HAWK and NATO HAWK Production & Logistics Office (NAMSA—HAWK & NHPLO)	N7
NATO Missile Firing Installation (NAMFI)	N9
NATO Multi-Role Combat Aircraft (MRCA) Development & Prod. Agency (NAMMA)	K3
NATO—Mutual Weapons Development Program (MWDP)	N8
NATO Seasparrow	N3
NATO—Weapons Production Program (NATO-WPP)	K1

Supreme Allied Commander Atlantic (SCLANT)	K5
South East Asia Treaty Organization (SEATO)	T4
United Nations (UN)	T9

NOTE:

EU	European Command
PA	Pacific Command
SO	Southern Command
AFR	Africa Region
AR	American Republic Region
EAP	East Asia and Pacific Region
EUR	European Region
NESA	Near East and South Asia Region
NR	Non-Regional

22. CRA Code—1000 System

All program lines must contain a CRA code. The CRA codes listed below indicate that amount of "Continuing Resolution" funds required to preclude disruption of essential activities of a continuing nature. These codes are in conjunction with Funding Priority codes to determine. (a) the Program Lines to be funded, and (b) the percentage of each line to be funded. Training "each" lines must contain the code Ø for program years prior to 78. For IMET PY 78 and subsequent years funding priority code will be entered in this field—See para 32.

Code	Amount Required
Ø	None
1	10%
2	20%
3	30%
4	40%
5	50%
6	60%
7	70%
8	80%
9	90%
T	Total
M	Used for prior years
O	Used for prior years

23. Credit Arrangement Number—1100 System

A three digit number assigned by DSAA to each agreement with, or commitment to, a foreign government that the U.S. will advance or guarantee a stipulated amount of credit for the financing of Foreign Military Sales to that government; the first two digits represent the fiscal year of the agreement,

and the third digit is a serial number identifying credit agreements made with the country for the indicated fiscal year.

24. Customer Within Country Code—1000 System

A one-digit alphabetic or numeric MILSTRIP code that identifies the final recipient and port of discharge within the country. The

current listing contained in the following Military Department implementations of MILSTRIP will be used:

<i>Department</i>	<i>Directives</i>
Army	Army Regulations No. 725-50
Navy	NAVSUP Publication 437 "MILSTRIP/ MILSTRAP"
Air Force	DOD 4140.17-M

This code is not required in program data for those program lines for which requisitions will be submitted by the recipient country/MAAG. It is essential that it be entered for all other materiel line items to ensure shipment to the proper in-country destination.

25. Delivery Commitment Date—1100 System

The delivery commitment date is that date reflected in the DD Form 1513 for complete delivery of the total value and/or quantity of the line item, and is expressed by a three digit numeric code—the first two digits represent the fiscal year and the third digit represents the quarter of the fiscal year.

26. Delivery Forecast Date—1100 System

The delivery forecast date is that date when delivery of the line will be completed and is expressed by a three digit numeric code—the first two digits represent the fiscal year and the third digit represents the quarter of the fiscal year.

27. End Use Code—1000 System

The following codes identify (where applicable) end uses for which the articles and services are programmed for MAP programs prior to PY 78. For PY 78 & subsequent years this field will reflect fiscal code. See para 30.

<i>Code</i>	<i>Description</i>
A -----	Naval Defense Forces (CINCSO only)
B -----	Civil Action
C -----	Internal Security
E -----	Western Hemisphere Defense

28. Excess Offer Number Code—1000 System

This code is used to identify MIMEX and MAPEX transactions in the MAP Order-Program directive documents and other EDP listings provided by DSAA. The code is punched in Card columns 60-64 to identify the Military Department MIMEX Offer

Number, Defense Property Disposal Service (DPDS) listing or flyer number, and MAPEX project numbers when submitting program card formats 3 and 5. Codes are as follows:

Codes

- Card Col. 60. Punch "A"—for Army
- "N"—for Navy
- "F"—for Air Force
- "D"—for DPDS Flyer
- "L"—for DPDS Listing
- "X"—for MAPEX

The second digit is an alphabetic assigned to identify each funding command or agency, as applicable.

The third digit is an alphabetic or numeric assigned to identify each school or training activity, as applicable. (Chapter E, Part II, Table E-6 provides breakdown of EXA by Military Department.)

Card Col. 61-64 Punch serial number of offer by military department, flyer/listing number assigned by DPDS, or MAPEX numbers by CINCPAC. Right justify; zero fill the card field.

Examples:

- Army MIMEX Offer 194—Key punch A0194
- DPDS Listing 71/D-11—Key Punch L0011
- DPDS Flyer IDF-0398—Key Punch D0398

This card field is used in the EDA money value card to cross reference the RCN number of the quantity EDA card.

Columns 60-64 may also be used to identify Issue/Priority/Required Delivery Date. (See para 36).

29. Execution Agency Identifier Code—1000 System

A three digit code used with training program lines to identify the military department (unless OSD, AID, or State) providing the training, the funding command or agency, and the school or training activity at which training is expected to be performed, as follows:

The first digit of the EXA code is an alphabetic identifying the U.S. Military Depart-

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ment or other agency responsible for providing the service.

<i>Code</i>	<i>Explanation</i>
B -----	Army
P -----	Navy
D -----	Air Force
S -----	OSD
X -----	Agency for International Development (AID)
Y -----	State Department

The second and third digits are selected by the agency preparing the MASL input, as follows:

The second digit is an alphabetic assigned to identify each funding command or agency, as applicable.

The third digit is an alphabetic or numeric assigned to identify each school or training activity, as applicable. (Chapter E, Table E-6 provides breakdown of ECA by Military Department.)

30. Fiscal Code

The Fiscal Code identifies the fund source for each program line. This code will appear in column 71. For example:

<i>Fiscal Year</i>	<i>Code</i>
1977	7
1978	8
1979	9
1980	0
1981	1
1982	2

31. Footnote Code—MASL

An alphabetic code used in the MASL to provide significant information on MA articles and services as follows:

<i>Code</i>	<i>Explanation</i>
A -----	Availability associated with production capability.
B -----	No assets currently available for delivery to MAP. Available for future delivery only.
C -----	Under study by R&D (Research and Development).
D -----	Limited supply available. Replacement or preferred item, if any, is also listed in the MASL. Under normal circumstances, preferred item should be programmed.

H ----- Ancillary equipment must be programmed separately.

J ----- Spell out desired configuration in separate correspondence.

<i>Code</i>	<i>Explanation</i>
K -----	MILSTRIP Routing Identifier data field in the MASL has been left blank because this is a dollar value line for which the program originator is required to select the appropriate implementing agency. Program originators will enter the appropriate MRI in columns 66-68 of Card 3 as follows:

<i>Implementing Agency</i>	<i>MRI</i>
Army -----	BY7
Navy -----	NBZ
Air Force -----	FA0

In selecting the implementing agency, the objective is to identify the Military Department best positioned to provide the required articles or service. As a general rule, the Military Department which is the normal recipient of MAP orders for the related end item (as indicated by the MRI assigned to the end item in the MASL) is in the best position to provide ancillary equipment and efficient and effective follow-on support.

Source of supply codes B, F, J, N, O, R, S, or T require the use of specific MRIs. Where the source code is J, always use MRI code W03. Where the source code is S, always use MRI code FA0. Program originators will determine the proper MRI from the headquarters directing the use of source codes B, F, N, O, R, or T.

L ----- Items supplied in a variety of voltages and configurations. If shipment is to be effected direct to country without mounting in a vehicle or aircraft within CONUS, spell out the required voltage of the item by separate correspondence.

NN or N --- No source of supply normally available to MAP. However, in special circumstances, Military Department assets are made available to meet MAP requirements. MAAGs should not program articles footnote coded NN unless previously advised of specific availability and price by the supplying Military Department (Implementing Agency).

- 6. Extraordinary Expenses
 - A. Extraordinary Expenses
- 7. Other Training Support
 - A. Training Exercises
 - B. Escort Officers
 - C. Supplies and Materials
 - D. Facilities/Rehabilitation
 - E. Medical Services
 - F. Other
 - Z. ABBR TNG Plan Reqmt
- 9. Training Aids and Publications
 - A. Training Aids and Devices
 - B. Books, Maps, and Publications
 - X. Training Aids/Devices—PCH and T
- P. RESEARCH AND DEVELOPMENT
 - 1. Development of Advance Design Weapons
 - A. Development of Advance Design Weapons
 - 2. Other Development Costs
 - A. Non-Recurring R&D Costs
 - B. First Article Testing

Q. CONSTRUCTION

- 1. Infrastructure (MAP 1000 System Only)
 - A. Infrastructure
- 2. Other Construction
 - A. Contract Construction
 - B. A-E Services
 - C. U.S. Government Costs
 - D. Construction, A-E Services and Administrative Costs—MAAG Facilities
 - E. Other Construction

R. SPECIAL ACTIVITIES

- 1. International Military Headquarters
 - A. International Military Headquarters
 - B. Technical Assistance Field Teams
- 2. International Forces Support
 - A. UN Forces Support in Korea
 - C. IAF Support in Dominican Republic
 - D. OAS Peace Keeping Forces
- 3. Expenses, Inspector General Foreign Assistance, State (MAP 1000 System Only)
 - A. Expenses, Inspector General, Foreign Assistance, State
- 4. Studies and Surveys
 - A. Studies and Survey
- 5. Weapons Production Projects (MAP 1000 System Only)
 - A. Weapons Production
- 6. Extraordinary Expenses
 - A. Extraordinary Expenses
- 7. Ship Transfer Costs
 - A. Ship Transfer Costs
- 8. Special Insurance
 - A. Special Insurance
- 9. Other Special Activities
 - A. Special Activities
 - B. Nonspecific Requirements
 - C. Foreign Currency MAAG Support
 - D. Royalty Payments

- E. Loan Fees
- F. Contract Termination Costs
- G. Technical Assistance Field Team (TAFT)
- H. Asset Use Charges
- Z. Other Services

T. ADMINISTRATION (Expenses)

- 1. Administrative Expenses, Departmental and Headquarters—MAP
 - A. Administrative Expenses, Departmental and Headquarters—MAP
- 2. Military Mission Expenses—MAP
 - A. Military Mission Expenses—MAP
- 3. Contractor Expenses—FMS
 - A. Contractor Expenses—FMS
- 4. Administrative Surcharges—FMS
 - A. Administrative Surcharges—FMS

U. FOREIGN MILITARY SALES ORDER NO. 1 (FMSO) (FMS 1100 System Only)

34. Implementation Date—1100 System

The date when supply action on the FMS case is initiated. This date is most concurrent with or subsequent to the acceptance date if the DD Form 1513 does not contain, at the time of signing, sufficient authority for procurement of items therein. Example, a required cash payment does not accompany the DD Form 1513. The date is expressed by a five digit numeric code. The first two digits are the calendar year and the third through the fifth digits express the julian date.

35. Implementing Agency Code

a. 1000 System

The implementing agency code is assigned by DSAA and designates the agency to be the recipient of the MAP Order. It is shown in Card 5 furnished implementing agencies with MAP Orders.

<i>Code</i>	<i>Implementing Agency</i>
B -----	Department of the Army
D -----	Department of the Air Force
P -----	Department of the Navy
S -----	Office Secretary of Defense
X -----	Agency for International Development
Y -----	State Department

b. 1100 System

The implementing agency code is a single digit alpha code identifying the military department or agency which has made the sales on behalf of the U.S. Government. In addition, a code is provided for the Office of the Secretary of Defense to be used for docu-

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menting certain financial transactions which are performed at that level. Codes are as follows:

<i>Code</i>	<i>Implementing Agency</i>
B -----	Department of the Army
D -----	Department of the Air Force
L -----	Defense Audio Visual Agency (DAVA)
M -----	Army Other
P -----	Department of the Navy
Q -----	DSAA (Defense Security Assistance Agency)
R -----	DLA (Defense Logistics Agency)
S -----	Commercial
U -----	DMA (Defense Mapping Agency)
V -----	DCAA (Defense Contract Audit Agency)
W -----	DARPA (Defense Advanced Research Projects Agency)
Z -----	DNA (Defense Nuclear Agency)

36. Issue Priority/Required Delivery Date Code—1000 System

Provision is made in the card format for programming materiel (cards 3 and P) for inclusion of Issue Priority (columns 60-61) and Required Delivery Date (columns 62-64). The purpose is to provide all necessary data for preparation of requisitions for definitized items by the Military Department upon receipt of MAP Order. Issue priority codes are those prescribed in MILSTRIP regulations; RDD is entered by punching the last digit of calendar year in first position and month of calendar year in second and third position. Military Departments can convert RDD to MILSTRIP system when requisition is prepared. These columns may also be used to identify MIMEX excess offer number. (See para 28.)

37. Lead Time Code—1000 System

A numeric code identifying the MAP lead time (see definition), in months, for MA articles and services as follows:

<i>Code</i>	<i>Lead Time</i>	<i>Explanation</i>
0	0 to 12 months	Delivery (articles) or expenditure of funds (services) during the same fiscal year as programmed.
1	13 to 24 months	Delivery (articles) or expenditure of funds (services) during the fiscal year

following the one in which programmed.

2	25 to 36 months	Delivery (articles) or expenditure of funds (services) during the second fiscal year following the one in which programmed.
3	37 to 48 months	Delivery (articles) or expenditure of funds (services) during the third fiscal year following the one in which programmed.
4	49 to 60 months	Delivery (articles) or expenditure of funds (services) during the fourth fiscal year following the one in which programmed.

38. Letter of Request—1100 System

A letter from a country requesting materials/or services which will lead to the preparation of a DD Form 1513. The LOR is the document used to initiate the entry of a Q card into the LOR/FMS system.

39. Major Defense Equipment Code—1100 System

A code entered in Card number 1 or A which classifies the case by category of major weapons or weapons-support items as listed in the MASM, Part III, Appendix A.

<i>Codes</i>	<i>Generic Category Description</i>
A -----	Aircraft
B -----	Missiles
C -----	Ships
D -----	Combat Vehicles
E -----	Tactical Support Vehicles
F -----	Weapons
G -----	Ammunition
H -----	Communications Equipment
K -----	Supplies

40. MAP Element Code—1000 System

The MAP element code is a four digit code identifying the force, unit and/or activities for which requirements are programmed. The first digit is a numeric identifying a MAP major program as follows:

mines that such military efforts or preparations have ceased (this restriction may not be waived under Section 614(a) of the Act, and what constitutes engaging in, or preparing for, aggressive military efforts will be determined on a case-by-case basis by the legal offices of DOD, AID, and the Department of State). No assistance shall be furnished to Egypt unless the President determines that the furnishing of such assistance is "essential to the national interest of the United States" (it should be noted that this determination is more difficult to make than the Presidential finding under Section 503(a), which permits assistance to friendly foreign countries, "the assisting of which the President finds will strengthen the security of the United States and promote world peace"). The President can deny assistance under the Act to the government of any less developed country which has failed to enter into an agreement with the U.S. to institute an investment guaranty program providing protection against inconvertibility, expropriation or confiscation. No assistance shall be provided to any country (unless the President finds such action contrary to national security) which is indebted to any U.S. citizen for goods or services furnished where such citizen has exhausted available legal remedies or the debt is not denied or contested by such government. Finally, assistance may be excluded from any country which seizes or imposes any penalty or sanction against a U.S. fishing vessel on account of its fishing activities in international waters.

e. Section 505(d) makes any country which uses assistance provided under the Foreign Assistance Act of 1961, as amended, or any predecessor Act, ineligible for further assistance whenever the prior assistance was used in violation of provisions of applicable U.S. legislation or any agreement entered into with that government.

f. Section 505(f) of the Act specifies that: "Effective July 1, 1974, no defense article shall be furnished to any country on a grant basis unless such country shall have agreed

that the proceeds of sale received by such country in disposing of any weapon, weapons system, munition, aircraft, military boat, military vessel, or other implement of war received under this chapter will be paid to the United States Government and shall be available to pay all official costs of the United States Government payable in the currency of that country, including all costs relating to the financing of international educational and cultural exchange activities in which that country participates under the programs authorized by the Mutual Educational and Cultural Exchange Act of 1961."

g. Section 481(a) of the Act provides for the suspension of economic and military assistance furnished under this act or any other act with respect to any country when the President determines that the government of such country has failed to take adequate steps to prevent narcotic drugs and other controlled substances produced or processed in such country or transported through such country, from being sold illegally within the jurisdiction of such country to U.S. Government personnel or their dependents or from entering the United States unlawfully.

h. Sec. 644(m) of Foreign Assistance Act (FAA), as amended on 17 December 1973, defines value of Excess Defense Articles (EDA) as actual value plus cost of repair and rehabilitation (R&R).

Sec. 31(d), AECA, as amended on 30 September 1978, placed a limit of \$150 million on the aggregate acquisition cost of excess defense articles that may be issued under MAP and FMS in any fiscal year after FY 1979.

i. Foreign excess property may be donated under Title 40, USC, Sec. 512(a). Under this authority only that property may be transferred which has no commercial value or the estimated cost of care and handling of which would exceed the estimated proceeds of its sale. Foreign excess property of DOD which does not fall into this category must be reported under provisions of Sec. 8 of P.L. 91-

672 as amended 17 December 1973, unless such property is transferred in exchange for substantial benefits or is sold at property disposal sale.

In the event the Department of State determines that it is necessary to suspend the MAP or IMET Programs to any recipient country, DSAA will issue instructions to the Military Departments and the Defense Logistics Agency as required. See Part I, Chapter C, paragraph 11 for detailed instructions.

5. Suspensions/Cancellations

(b) Transportation for dependents of trainees will not be provided. If the trainee elects to bring his dependents to the U.S. (or to an overseas training installation) he may be allowed the cost of the transportation to which he is entitled as prescribed in his invitational travel orders in order that he may travel with his dependents. When this election is made the student will be encouraged to utilize U.S. flag carriers to the maximum degree possible.

(c) Round trip transportation costs for a trainee returning to his homeland on emergency leave will be paid by the trainee or his government if he is to return to the U.S. for continuation of training.

(d) When a trainee is permitted by his government to deviate from the most direct route for the purpose of visiting other countries, sponsorship will terminate at the point and time of such deviation. Further, should a trainee elect to remain at a point enroute to his homeland beyond the time normally required to make travel connections, funding of allowances during that excess time is not authorized.

(4) Accommodations

Accommodations on U.S. installations provided to foreign students enroute will be commensurate with those provided U.S. personnel of equivalent grade.

q. Living Allowances for FMTs

(1) Trainees from countries for whom the U.S. pays transocean travel are entitled to living allowances in a travel status to include the day of departure from home country through the day of arrival at their first training location. Living allowance in training status will commence the day after arrival at training location. Living allowance in a travel status will resume the day of departure from the last training location and terminate the day of arrival in home country, excluding leave period authorized by trainees government following termination of training.

(2) Trainees whose trans-ocean travel costs are paid by their own governments are entitled to living allowances in a travel status to include the day of departure from the

U.S. entry port enroute to the training location, through the day of arrival at the training location. Living allowance in a travel status will resume the day of departure from the last training location and include the day of arrival at the U.S. departure point.

(3) Living allowances are not authorized for:

(a) Periods of unauthorized absence from duty.

(b) Excess travel time when proceeding by other than government transportation when not authorized by the administrative authority of the Military Department concerned.

(c) Periods of delay not in connection with training, except for hospitalization or outpatient care.

(d) Trainees whose country assumes the payment of all living costs.

(e) Periods of training conducted in the home country of the trainees.

(f) Periods of leave for individuals on orientation tours.

(g) Period of leave authorized by trainee's government following termination of all training courses.

(4) Leave with living allowances may be granted within CONUS as specified below:

(a) During authorized holidays.

(b) Period between consecutive courses. It is not the intent of this provision that leave be given or used indiscriminately to occupy the trainees during period between courses of instruction when appropriate on-the-job training is feasible.

(c) Period of delay while awaiting transportation at port for departure to home country.

(5) Living allowance rates for FMTs are set forth in Table E-1. Living allowance rates for FMTs accompanied by dependents will not be increased over those authorized by Table E-1.

(6) Advance payment of living allow-

ances not to exceed \$50 may be made to trainees at the port of entry or first training location for U.S. trainees and at the first training activity for overseas trainees. Military Departments may authorize advance payment of allowances to accrue during leave following the termination of training.

(7) No attempts will be made to collect overpayments from trainees after they have departed from the U.S. or overseas training activity.

r. Baggage Weight Allowance for FMTs

(1) Authorized Baggage Weight Allowance.

A baggage weight allowance of 100 pounds is authorized for FMTs when travel costs are paid from U.S. funds. When duration of training is 270 days or longer a baggage allowance of 150 pounds is authorized. Baggage will accompany FMTs. In addition to the baggage allowance, instructional course material not to exceed 50 pounds may be shipped in the case of students attending language training with the exception of instructor-students. For the latter, and for all other students, when the total training time exceeds 26 weeks, the shipping weight allowance for instructional material will be 100 pounds. This material will be packaged and appropriately labeled at the training activity and shipped normally via the most expeditious means to the MAAG/Mission/ODC for delivery to the trainee. In those instances where country pays any portion of student's travel cost, the country/student is responsible to pay total cost for shipment of instructional material direct from training activity to country. IMET funds should pay the cost for shipment of instructional material when student's travel cost is included in the IMET program.

(2) Unauthorized Baggage

Shipment of baggage in excess of the weight allowance contained in (1) above is not authorized. Disposition of unauthorized baggage will be made at the expense of the trainee or his government. Commanding officers of the training or administrative installation should insure that unauthorized baggage is shipped at the trainee's expense prior to his departure from the installation. Trainees reporting to ports of departure

with unauthorized baggage will be requested to forward the unauthorized baggage by commercial means at their expense. If lack of time prohibits this, unauthorized baggage will be taken into custody by the traffic representative, and the trainee will be given a receipt for the baggage. The trainee will remain on the flight or carrier. After departure of the carrier, the traffic representative will deliver the unauthorized baggage to the nearest appropriate foreign consulate.

(3) Guest Instructors at Panama Canal Area Military Schools (PACAMS).

Shipment of household goods from Panama Canal area to their home country is authorized for Latin American guest instructors who have completed a tour of duty at PACAMS. The net weight allowance for married and single guest instructors is 2,000 and 200 pounds, respectively. A net weight allowance of 4,000 pounds is authorized for married Latin American guest instructors assigned as Deputy Commandant at PACAMS. In addition to net weights listed above, weight allowances are authorized for crating and packing materials on same basis as for US military personnel and in accordance with the JTR. Shipment of household goods in excess of authorized net weight will be at the expense of the guest instructor or his government. Shipment will be by surface common carrier. Air freight may be used only when surface common carrier is not available.

(4) Country Liaison Personnel

Foreign personnel on duty at U.S. training installations as liaison officers are authorized a baggage allowance of 150 pounds.

10. Mobile Training Teams (MTT)

a. See para. 7.b, above.

b. MTTs provided under budget project N20 are composed of Military Department personnel on temporary duty for the purpose of training foreign personnel.

(1) MTTs are authorized for (1) a specific training requirement in-country which is beyond the capability of the MAAG/Mission/ODC and for which it is more expeditious, practical, and economical to bring the training to the country, (2) training associated with equipment transfers wherein the

country English language training programs may be programmed and funded under Budget Project N9 as part of the IMET program of eligible countries. Based on the Federal Supply Classification System (Cataloging Handbook H2-1), requisitioning of training aids and devices will be limited to Group 69 and books and other publications to Group 76.

b. Other training aids and devices and books, maps, and other publications should be obtained through FMS channels. Requests for exceptions to this policy will be considered on a case-by-case basis upon receipt of complete written justification. The justification must include statements as to why the provision of training materials under the IMET program is necessary, why it is in the US interest and the impact on the country training program (i.e., specific courses and training that will be deleted and how this training will be accomplished). Exceptions will be granted on a one-time basis and will not apply automatically to similar future requirements.

c. This policy is effective with the FY 81 IMET program.

15. Programming

a. General

(1) In addition to individual courses of instruction available from Military Departments for foreign students, other categories of training assistance which may be required in developing the program are contained in the MASL in line-item detail. A summary of all categories of training N10 through N70 is shown in Table E-2. This summary provides a reference for identifying specific training contained in the MASL.

(2) Detail identification and explanation of the requirement(s) involved will be provided for each of the following line items when submitted for programming under

IMET. When support is associated with type aircraft, specific support details included in these items must be identified.

(a) Observer Training.

(b) On-the-job training not in conjunction with formal course of instruction.

(c) MTTs—where description does not adequately identify team as to specific type (e.g. MTT—other).

(d) Services.

(e) Other Training Support/Costs

(f) Supplies/Materials

(g) Field Training Services

b. Requirements

For use in submitting requirements Table E-3 prescribes the execution agency (EXA) identifier codes to be used to identify the agency responsible for providing the service, the funded command or agency and the school or training activity at which services are expected to be performed.

c. Formal Training, United States (U.S.) (Generic Codes N1A-N1J)

Two elements of cost are involved in determining the Total Cost entry to be entered in columns 73-80 of cards 4 or Q for students who will train at U.S. schools and facilities. These cost elements are the Unit Price and Travel and Living Allowance (TLA). Each of these two cost elements is computed on a "per personnel space" basis. The Total Cost entry columns 73-80 of cards 4 or Q is obtained by multiplying the sum of Unit Price in columns 36-43 and the TLA in columns 51-56 by the quantity (number of personnel spaces) in columns 26-29, i.e., ((Unit Price + TLA) × Quantity = Total Cost.) Following is cost factor guidance in deriving the two elements of cost involved in the Total Cost:

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(1) Unit Price (columns 36-43).

(a) The unit price, where listed in the Military Articles and Services List (MASL), will be entered in columns 36-43.

(b) Where the MASL indicates "N/C" (no charge), no charge is made by the Military Department for the course. Leave columns 36-43 blank for these courses.

(c) Where the MASL indicates "EST" (Estimate), a unit price estimate is to be made by the program originator, and entered in columns 36-43. A number of variables normally are related to unit price determination such as the number of personnel spaces or the length of on-the-job training (OJT). The basis for estimating the unit price will be provided in supplementary guidance furnished by the Military Departments.

(2) Travel and Living Allowance (columns 51-56)

The unit (per personnel space) TLA cost is comprised of three cost elements—travel, living allowance while in a training status and special factors. These are computed as follows:

(a) Travel

1. In no case will the program pay travel costs of trainees traveling within their own country.

2. Where the first training destination in United States is known at the time of programming or can be provided by the Military Department at or prior to the annual training workshop, travel costs will be calculated in accordance with para 3, a and b, below; otherwise, a composite travel cost factor provided by the Military Departments in their supplementary guidance may be used.

3. Travel includes the cost of transportation to and from United States, within United States, excess baggage and living allowances during travel. Transportation by military or commercial aircraft, (when authorized), ship, bus, rail or other conveyance

will be paid when the United States provides the transportation as indicated in paragraph 9p(2). The following specific guidance is provided for calculating travel costs to and from United States and within United States.

a. To and From United States. Round trip travel between the embarkation point in the recipient country and the gateway terminus (point of debarkation) in the United States will be programmed for all trainees, unless otherwise directed. Table E-2 will be used to determine the amount to be programmed for round trip transportation, excess baggage and living allowance while in a travel status.

b. Within CONUS. Round trip travel between the gateway terminus and city nearest the training facility at which the initial training is to be conducted will be programmed for all trainees unless otherwise directed. When the first destination is not known, a program factor of \$130.00 per trainee will be added to cover the round trip travel, excess baggage and living allowance while in a travel status. See paragraph (c)1 below for additional cost to be programmed where cross training is involved.

SPECIAL NOTE: In all cases students are required to travel over the least cost route.

(b) Living Allowances While in a Training Status

A living allowance will be programmed for all trainees in a training status, unless otherwise directed, as indicated in paragraph 9g.

1. For programming purposes, a standard factor of \$70.00 per week for officers and \$39.00 per week for enlisted personnel will be used on the assumption that quarters are available, mess not available for officers; quarters and mess available for enlisted personnel. All of the \$39.00 per week for enlisted personnel is not paid to the trainee. Enlisted personnel are paid \$28.00 per week (\$4.00 per day) for the purchase of personal items of health and comfort; the

balance is programmed for reimbursement to the appropriate Military Department for laundry and subsistence. Where it is known in advance that quarters or mess or neither are not available, the appropriate factors in Table E-1 will be used for programming. Where it is determined that dependents are authorized to accompany trainees, the factor of \$140.00 will be used.

2. Where the training is conducted under contract, civilian institutions or industry, it will be assumed that Government quarters and messing facilities are not available. A programming factor of \$140.00 per week will be applied under these circumstances.

(c) Special Instructions

1. Cross-Training, Sequence Training, Prerequisite Training, is training following an initial course of instruction or preceding a course of instruction (prerequisite), without the trainee returning to home country between courses. When programming of this type is required column 65 of cards 4 or Q is to be used by program originators to indicate whether the training is a single line item or whether cross training is involved. If cross training is programmed, the letter "A" will be entered in column 65 for the initial course, the letter "B" will be entered in column 65 for the second course, the letter "C" for the third course and so on in alphabetic sequence. When English language is programmed as a prerequisite course, the work sheet control number suffix (column 65) will be the letter "L" and the courses following will have work sheet control number suffixes A, B, C, etc. Each course will be costed separately.

Course "A" will be charged with the round trip transocean travel costs and the round trip CONUS costs. When English language training is required as a prerequisite, cost of round trip will be included in the "A" line computed on the basis of the location of the "L" line. The living allowance while in a training status will be costed separately for each course in accordance with paragraph c(2)(b) above. A factor of \$130.00 per

trainee will be added for transportation, excess baggage and living allowance while in a travel status for sequence courses other than Course "A". The \$130.00 factor will not be included where the sequence training is conducted at the same location. Where the prior course is a civilian institution, industry or contract training, a new location will be assumed and the \$130.00 factor added. The sum of the living allowance, the cost estimates or the \$130.00 factor where applicable, will be entered in columns 51-56 of cards 4 or Q.

2. Cross Service Training. Cross-service training will be programmed as follows:

a. When a trainee from one military service is selected for training exclusively within schools of another military service, such training will be requested in the program of, and administered by, the military service providing the training.

b. When a trainee is selected for training involving courses of more than one military service, the training will be programmed in the program of the service providing the majority of the training (excluding English language training).

c. The MAAG/Mission/ODC is responsible for amendments to original travel orders and arrangements for course quotas when subsequent cross-service training is required.

d. Orientation tours to U.S. military installations of more than one military service will be programmed and administered by the MAAG/Mission/ODC section corresponding to the trainee's service branch; or when identifiable with a military service, by the service having predominant interest.

e. Costs of training courses conducted by the Unified Commands will be distributed insofar as possible to country programs.

f. Joint courses will be included in

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the program of the service having administrative agency responsibility for the course.

3. Orientation Tours

a. The TLA entry for columns 51-56 should be computed as the composite cost of living allowances, transportation, based on itinerary, and excess baggage. A total of 100 pounds is authorized.

b. An escort officer may be programmed for orientation tours. A factor of \$600.00 per man week will be used and entered under TLA in columns 51-56.

c. The procedures in paragraph a and b above, do not apply to observer training. Observer training will be costed in the normal manner described in paragraph c(2)(b) above.

4. Temporary Duty Cost. The following factors per personnel space may be added to cover the cost of temporary duty travel for training item indicated:

<i>Item</i>	<i>Factor (Per Space)</i>
Country	
Liaison	
Officer	\$1,000.00

d. Formal Training Overseas (O/S) (Generic Codes N1N-N1W)

The same two cost elements (unit price and TLA) described in para a., are involved in determining the total cost entry in columns 73-80 for students who will train at overseas schools and facilities. The course cost shown in the MASL will be entered in columns 36-43 of cards 4 or Q. The TLA factors for overseas training also differ from United States training and are described below, by command:

(1) U.S. European and Pacific Commands

(a) Travel Costs

1. Each country will pay its own transportation for those trainees training in their home country.

2. Travel costs for personnel spaces cross-training from the original course will not be included; however, \$50.00 per trainee will be added for travel (including living allowance during travel) for courses which follow the initial course and are conducted at a different location.

(b) Living Allowances While in a Training Status

1. Each country will pay its own living allowance rates for trainees training in their home country.

2. If training is conducted at a location other than within home country, the programming factor for living allowance while in training status will be computed at \$70.00 per week for officers and \$39.00 per week for enlisted men. When TLA rates established above are considered inappropriate due to local conditions, prior approval by DSAA will be required before making any commitment to the host country.

3. Students who cross-train have, in some cases, a waiting period before entering the second course. The living allowance is authorized for the waiting period (except for Panama) and will be included in the TLA for the second course.

(c) Orientation Tours

A factor of \$100.00 per man week will be used to cover travel and living allowance in the overseas area where the tour is being conducted. The \$100.00 factor will be added

to the cost of the round trip travel and the total amount per personnel space will be entered in columns 51-56 of cards 4 or Q.

(2) U.S. Southern Command

(a) Living Allowances While in a Training Status

(1) The programming factor for student living allowance for students while in training status at U.S. service schools in the Canal Zone, (Army School of the Americas, Navy Small Craft Inspection and Training Team (SCIATT), Air Force Inter-American Air Force Academy) will be computed at the rate of: \$63.00 per week for officers and \$30.00 per week for enlisted personnel.

(2) All of the \$30.00 per week programmed for enlisted personnel is not paid to the student. The rate of daily living allowance payment is shown in Table E-1, "Table of Living Allowances for Grant-Aid Foreign Military Trainees", the balance is reimbursed to the appropriate Military Department for student laundry and subsistence.

(c) Special Instructions

(1) Foreign Guest Instructors (Canal Zone Schools Only). Costs incidental to the use of foreign guest instructors are to be included in the operating costs of activities utilizing guest instructors and included in course tuition costs.

(2) OJT/Observer Courses. A living allowance while in a training status will be paid by IMET. Living allowances will be programmed in accordance with paragraph (2)(b), above.

(3) Third Country Training

(a) Third country training should be encouraged, with the two participating countries making their own arrangements for the training and associated costs.

(b) When it is considered necessary that tuition costs be funded by the U.S., the MAAG Chief, in coordination with the Chief of Diplomatic Mission, should submit a request for offshore procurement certification, in accordance with DOD Directive 2125.1, to the Director, DSAA, with information copies to the appropriate Military Department, Unified Commander, and Component Commander.

(c) The request for offshore procurement certification should include a detailed

description of tuition costs and training services to be provided. In no case will costs include items previously furnished under the Security Assistance Program.

(d) No commitment to the third country offering the training will be made until the request for offshore procurement certification is approved. MAAGs/Missions/ODCs will use the fund citation contained in the student invitational travel order to provide reimbursement of tuition costs to the country furnishing the training.

e. Mobile Training Teams (Generic Codes N2A-N2V)

(1) Mobile training teams (MTT) will be programmed to indicate duration in weeks and number of team members. The cost of teams will include:

Transocean Travel (round trip)
Station and Travel Per Diem Allowance
CONUS Travel and Team Orientation
In-Country Travel
Excess Official Baggage, if justified
Salaries of DOD civilians

(2) Per diem allowance costs during TDY travel outside CONUS will be computed according to rates shown in current Joint Travel Regulations for military personnel and according to rates shown in current Standard Regulations, Government Civilians, Foreign Areas (published by the Department of State) for U.S. Government civilians.

(3) Cost of CONUS travel of team members will be programmed at the rate of \$320.00 per man. This factor includes cost of commercial air transportation, excess baggage (not to exceed 150 pounds), and per diem.

(4) Cost of teams furnished from overseas will be computed using commercial air (tourist rate), per diem as per paragraph (2) above, and excess baggage.

(5) In addition to the factors indicated above, \$15.00 per man per week is authorized for program purposes to cover overseas in-country travel.

(6) When the nature of a team requires official baggage not to exceed 150 pounds per man (84 pounds excess), \$150.00 overseas round trip per man is authorized for pro-

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gramming purposes. Cost estimates for mobile team baggage which exceed 150 pounds per man will be obtained from the Military Department concerned prior to programming.

(7) A joint MTT will be programmed using the appropriate MASL line of the Military Department having the predominant number of members. In the event of a balanced team, use the MASL line of the Military Department counterpart to the requesting foreign country service.

(8) When programming MTT requirements only the cost to cover transportation (including authorized excess baggage) and living allowance (TLA) for team members will be programmed in columns 51 through 56 of country program. Costs for deployment orientation/training and training aids (including PCH&T) that are necessary to accompany MTT to properly carry out their function will be programmed as follows:

(a) Predeployment orientation/training costs for team members will be reflected as "unit cost" and programmed in columns 36 through 43 of country program.

(b) Training aids (including PCH&T) will be programmed separately in country program under Generic Code N2, description: MTT-TRNG AIDS (MASL Item-ID 309000-CONUS, 319000-O/S). This program line will show next appropriate "alpha" in column 65 of worksheet control number. Only those training aid requirements for use by MTT that cannot be predetermined and programmed under Generic Code N9 will be included under this procedure.

f. Field Training Services (Generic Codes N3A-N3J)

(1) Contract Field Services

(a) Contract Field Services (CFS) requirements will be programmed on the basis of man month requirements. The pro-

gram cost will include:

- Transocean Travel (round trip)
- Contract Cost (per month)
- Living Allowance
- Excess Baggage, if justified

(b) Contract cost will be based on a per month rate and will include cost of transportation from home office to the U.S. port of embarkation, less the living allowance payment (in local currency described below).

(c) As a means of utilizing local currency, a daily living allowance (payable in local currency) is authorized for Contract Field Services Personnel.

(d) For programming purposes, a factor of \$210.00 per man per month is authorized (payable in local currency) to support the living allowance payment. The \$210.00 factor will be programmed as a dollar requirement.

(e) Unless other and more accurate cost requirements are known program \$150.00 round trip per man for excess baggage (150 pounds total, 84 pounds excess). CFS may be programmed on a one-year basis in fiscal year program for total man-month cost regardless of whether the duration (man-month service) extends into succeeding fiscal year.

(2) DOD Engineering and Technical Service Specialist (ETSS)

(a) DOD military and civilian personnel Field Technical Training Services (FTTS) will be programmed on the basis of man-month requirements. The program cost will include:

- CONUS Travel
- Transocean Travel (round trip)
- In-Country Travel
- Station Allowance (military or civilian)
- Overseas Allowance (military or civilian)
- Excess Official Baggage, if justified
- Salaries of DOD civilians

(b) A factor of \$40.00 per man per month is authorized for programming purposes to cover the cost of in-country travel.

(c) A factor of \$320.00 is authorized for programming CONUS travel.

(d) For programming purposes, a factor of \$210.00 per man per month is authorized to support the station overseas area living allowance payment.

(e) For programming purposes, \$150.00 round trip per man is authorized for excess baggage (150 pounds total, 84 pounds excess).

g. Extraordinary Expenses (Generic Code N6A)

(1) The Military Department will compute extraordinary expenses on a world-wide basis. The following cost factors are applicable to the computation of extraordinary expenses related to representation activities of IMET trainees undergoing training in the United States and overseas:

Senior Officer—\$60.00 each
Officers and Civilians—\$10.00 each
Enlisted—\$5.00 each

(2) These factors are for programming purposes only and are not intended as operating guidelines as contained in paragraph 12c.

h. Other Training Support (Generic Codes N7A-N7F)

For the costs authorized in accordance with paragraph 13. As appropriate the following programming factors will be used:

(1) Escort Officers—A factor of \$400.00 per man week is authorized for programming (N7B) when escort officer services are required in connection with orientation tours. Dollar value of escort officers is programmed in cols. 51-56 of cards 4 or Q as applicable.

(2) Medical Costs—For the purpose of providing medical expenses of Foreign Mili-

tary Trainees (IMET—Grant Aid) attending U.S. training, a factor of \$35.00 per student training course (exclusive of orientation) is authorized for programming purposes under Generic Code N7E (MASL line 365003). Student support for such costs as burial expense, or other student support costs will be programmed under Generic Code N7F on a case-by-case basis only after DSAA approval.

(3) Supplies and Training Materials—Costs of supplies and training materials (N7C) (excluding training aids) may be financed when authorized by DSAA. When requirements in these areas exist, supporting documentation will be provided by the appropriate Unified Command to DSAA for approval prior to programming. When third country training requirements exist for supplies and training materials (N7C), and services (N7E), MAAGs will submit a request for offshore procurement certification, in accordance with DOD Directive 2125.1, to Director, DSAA, with information copies to the appropriate Military Department and Unified Command.

(4) Guest U.S. Lecturer (CINCSO only)—Guest U.S. lecturers normally visit two Western Hemisphere countries for one week each during a single tour. The factor for TLA to be programmed by each country visited will be \$620.00 or less and programmed under generic code N7F.

(5) Guest Training Lecturer (EUCOM only)—Guest training lecturers from USEUCOM normally visit EUCOM countries for one week during a fiscal year. A dollar factor to finance TLA costs will be furnished by EUCOM when guest lecturer services are required for each country visited and programmed under generic code N7F.

TABLE E-1
TABLE OF LIVING ALLOWANCES FOR
GRANT-AID FOREIGN MILITARY TRAINEES

	DAILY RATES			
	U.S. (10)		Overseas (1)	
	Off (11)	EM	Off (11)	EM
In travel status, including unscheduled delays: (2)	Various	Various	Various	Various
In training status:				
Neither qtrs nor mess available (3)	\$25.00	\$25.00	Various	Various
Qtrs available, mess not (4)	15.00	13.00	\$13.00	\$11.00
Mess available, qtrs not (5)	19.00	17.00	19.00	17.00
Both qtrs, mess available (6)	11.00	5.00	8.00	3.00
Both qtrs, mess available free of charge, (aboard ship)	5.00	5.00	5.00	5.00
Both qtrs, mess available, officers charged for mess (aboard ship)	8.00	N/A	8.00	N/A
Dependents authorized (7)	25.00	N/A	25.00	N/A
On leave (8)	N/A	N/A	N/A	N/A
In military hospital (9)	5.00	5.00	5.00	5.00
Orientation tour participants (14)	18.00	N/A	18.00	N/A
BOQ/BEQ charge (13)	6.00	3.00	6.00	3.00

- (1) Not applicable to enlisted students attending U.S. Canal Zone training at School of the Americas, Small Craft Inspection and Training Team (SCIATT) facility and Inter-American Air Forces Academy. The daily living allowance rate authorized for enlisted personnel is \$1.50 per day.
- (2) Travel allowance rate is authorized to include the day of arrival at, and day of departure from, training installation. Rates on Travel status, including unscheduled delays, are based on rates equal to those in the Joint Travel Regulations for U.S. personnel.
- (3) In overseas areas, where government quarters and mess are not available, the rates authorized are equal to those authorized for U.S. personnel in the JTR.
- (4) "Quarters available" means that government quarters were furnished or were made available to FMTs and shall be considered as furnished to officer personnel who defray personally the BOQ charge. Enlisted FMTs will be subject to service charge of \$2.00 per day when occupying USAF Quarters for durations less than 20 consecutive weeks, and \$1.00 to \$2.00 per day for U.S. Army NCO occupancy of Senior Enlisted Bachelor Quarters (SEBQ). Programming of this additional charge is authorized when payment is required by military service concerned.
- (5) "Mess available" means three meals per day were available in a U.S. Government Mess, whether or not actually consumed (Government Mess, equivalent to Field Ration Mess, excludes

- Open Mess). Military Departments will be reimbursed from IMETP funds for costs of meals furnished free of charge to eligible enlisted FMTs. All officer FMTs and enlisted FMTs not authorized a U.S. living allowance will pay for their meals from personal funds.
- (6) Rate of \$11.00 will also apply for officers when government mess is furnished in connection with maneuvers, field exercises, and training in the field.
 - (7) This rate authorized for students attending certain courses designated by the Military Departments (including authorized leave periods).
 - (8) Leave with living allowances may be granted within CONUS as specified in Para 9Q(4) at the rate that is appropriate to training status. Living allowance for leave period following determination of training is not authorized.
 - (9) In those cases where the FMT is authorized increased living allowance for accompanied dependents and is subsequently hospitalized, the increased living allowance shall apply during the period of hospitalization rather than the reduced rate specified herein.
 - (10) "U.S." includes Hawaii and Alaska.
 - (11) Includes Civilians
 - (12) MAP sponsored students attending Inter-American Geodetic School (Panama) authorized \$11.00 per day, when government mess not available.
 - (13) Use one-half this rate where facilities do not meet established standards.
 - (14) Meal allowance only. Cost of quarters to be paid from programmed funds by Class A agent/cashier (excort officers).

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TABLE E-2
DEFINITION GUIDE AND TRAINING MASL SUMMARY—N00

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N				TRAINING			
N1			STUDENT TRAINING	FORMAL TRAINING/UNITED STATES (U.S.)			
N1A	04	01	Ø110000	Flying Training, U.S.			
N1A	04	01	Ø111000	Pilot, Jet, Fixed Wing	x		
			Ø112000	Pilot, Convent, Fixed Wing	x		
			Ø113000	Pilot, Helicopter	x		
			Ø114000	Non-Pilot	x		
			Ø115000	Instructor	x		
			Ø116000	Special Techniques	x		
			Ø117000	Crew/Transition	x		
			Ø118000	Flight Test	x		
			Ø119000	Other	x		
N1B	04	02	Ø120000	Operations Training, U.S.			
N1B	04	02	Ø121000	Combat Operations	x		
			Ø122000	Weapons/Tactics/FAM	x		
			Ø123000	Minewarfare/ASW	x		
			Ø124000	Amphibious Operations	x		
			Ø125000	Recce, Mapping/Photo	x		
			Ø126000	Counterinsurgency/Psy War	x		
			Ø127000	C B R	x		
			Ø128000	Training Devices/Simulators	x		
			Ø129000	Other	x		
N1C	04	03	Ø130000	Comm/Elect Training, U.S.			
N1C	04	03	Ø131000	Electronic Fundamentals	x		
			Ø132000	Ground Comm/Signal	x		
			Ø133000	Air Comm/Signal	x		
			Ø134000	Fire Control Sys/Sur-Air	x		
			Ø135000	ASW Systems/Sur-Air	x		

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TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N1D	04	04	Ø136 000	ECM Systems/Sur-Air	x		
			Ø137 000	Other Radar Sys/Sur-Air	x		
			Ø138 000	(Unassigned)	x		
			Ø139 000	Other	x		
N1D	04	04	Ø140 000	Maintenance Training, U.S.			
N1D	04	04	Ø141 000	Aviation	x		
			Ø142 000	Armament/Ammunition	x		
			Ø143 000	Auto/Ground Support	x		
			Ø144 000	Combat/Special Vehicle	x		
			Ø145 000	Ships/Boats	x		
			Ø146 000	Weather/Meteorology	x		
			Ø147 000	Training Equip/Devices	x		
			Ø148 000	Support Tech Skills	x		
			Ø149 000	Other	x		
N1E	04	05	Ø150 000	Logistics Training, U.S.			
N1E	04	05	Ø151 000	Logistics Management	x		
			Ø152 000	Supply/Warehousing	x		
			Ø153 000	Transport/Distribution	x		
			Ø154 000	Procurement	x		
			Ø155 000	Comptroller/Stat/ADPS	x		
			Ø156 000	Finance	x		
			Ø157 000	(Unassigned)	x		
			Ø158 000	(Unassigned)	x		
Ø159 000	Other	x					
N1F	04	06	Ø160 000	Administrative Training, U.S.			
N1F	04	06	Ø161 000	Personnel	x		
			Ø162 000	Manpower/Management	x		
			Ø163 000	Food Handling/Admin	x		
			Ø164 000	Info/Education	x		
			Ø165 000	Clerical	x		
			Ø166 000	Instructor/Supervisor	x		
			Ø167 000	(Unassigned)	x		
			Ø168 000	Women's Military	x		
			Ø169 000	Other	x		

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TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N1G	04	07	Ø170 ØØØ	Professional/Special Training, U.S.			
N1G	04	07	Ø171 ØØØ	Command/Staff	x		
			Ø172 ØØØ	Intelligence	x		
			Ø173 ØØØ	Mil Police/Civil Affairs	x		
			Ø174 ØØØ	Engineering/Construction	x		
			Ø175 ØØØ	Medical/Health/Hygiene	x		
			Ø176 ØØØ	Legal	x		
			Ø177 ØØØ	English Language	x		
			Ø178 ØØØ	Civilian Institution	x		
			Ø179 ØØØ	Other	x		
N1H	04	08	Ø180 ØØØ	Orientation Training, U.S.			
N1H	04	08	Ø181 ØØØ	Orientation Tours/DV	x		
			Ø182 ØØØ	Orientation Tours/Non DV	x		
			Ø183 ØØØ	Observer	x		
			Ø184 ØØØ	Exchange Student	x		
			Ø185 ØØØ	Informational Program	x		
			Ø186 ØØØ	(Unassigned)	x		
			Ø187 ØØØ	(Unassigned)	x		
			Ø188 ØØØ	(Unassigned)	x		
			Ø189 ØØØ	Other	x		
N1J	04	09	Ø190 ØØØ	Missile Training, U.S.			
N1J	04	09	Ø191 ØØØ	I R B M	x		
			Ø192 ØØØ	N I K E	x		
			Ø193 ØØØ	H A W K	x		
			Ø194 ØØØ	Other/Surface to Surface	x		
			Ø195 ØØØ	Other/Surface to Air	x		
			Ø196 ØØØ	Air to Air	x		
			Ø197 ØØØ	Air to Surface	x		
			Ø198 ØØØ	Target Drone	x		
			Ø199 ØØØ	Other	x		

TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
			STUDENT TRAINING	FORMAL TRAINING/OVERSEAS (O/S)			
N1N	04	10	0210 000	Flying Training, O/S			
N1N	04	10	0211 000	Pilot, Jet, Fixed Wing	x		
			0212 000	Pilot, Convent, Fixed Wing	x		
			0213 000	Pilot, Helicopter	x		
			0214 000	Non-Pilot	x		
			0215 000	Instructor	x		
			0216 000	Special Techniques	x		
			0217 000	Crew Transition	x		
			0218 000	(Unassigned)	x		
			0219 000	Other	x		
N1P	04	11	0220 000	Operations Training, O/S			
N1P	04	11	0221 000	Combat Operations	x		
			0222 000	Weapons/Tactics/FAM	x		
			0223 000	Minewarfare/ASW	x		
			0224 000	Survival/Jungle/Arctic	x		
			0225 000	Recce, Mapping/Photo	x		
			0226 000	Counterinsurgency/Psy War	x		
			0227 000	C B R	x		
			0228 000	Training Devices/Simulators	x		
			0229 000	Other	x		
N1Q	04	12	0230 000	Comm/Elect Training, O/S			
N1Q	04	12	0231 000	Electronic Fundamentals	x		
			0232 000	Ground/Comm/Signal	x		
			0233 000	Air/Comm/Signal	x		
			0234 000	Fire Control Sys/Sur Air	x		
			0235 000	ASW Systems/Sur-Air	x		
			0236 000	ECM Systems/Sur-Air	x		
			0237 000	Other Radar Sys/Sur-Air	x		
			0238 000	(Unassigned)	x		
			0239 000	Other	x		

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TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N1R	04	13	0240000	Maintenance Training, O/S			
N1R	04	13	0241000	Aviation	x		
			0242000	Armament/Ammunitions	x		
			0243000	Auto/Ground Support	x		
			0244000	Combat/Special Vehicles	x		
			0245000	Ships/Boats	x		
			0246000	Other Support Equip	x		
			0247000	Training Aids/Devices	x		
			0248000	Support Technical Skills	x		
			0249000	Other	x		
N1S	04	14	0250000	Logistics Training, O/S			
N1S	04	14	0251000	Logistics Management	x		
			0252000	Supply/Warehousing	x		
			0253000	Transport/Distribution	x		
			0254000	Procurement	x		
			0255000	Comptroller/Stat /ADPS	x		
			0256000	Finance	x		
			0257000	(Unassigned)	x		
			0258000	(Unassigned)	x		
			0259000	Other	x		
N1T	04	15	0260000	Administrative Training, O/S			
N1T	04	15	0261000	Personnel	x		
			0262000	Manpower/Management	x		
			0263000	Food Handling/Admin	x		
			0264000	Info/Education	x		
			0265000	Clerical	x		
			0266000	(Unassigned)	x		
			0267000	(Unassigned)	x		
			0268000	(Unassigned)	x		
			0269000	Other	x		
N1U	04	16	0270000	Professional/Special Training, O/S			

TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N1U	04	16	0271 0000	Command/Staff	x		
			0272 0000	Intelligence/Counter-Intel	x		
			0273 0000	Mil Police/Civil Affairs	x		
			0274 0000	Engineering/Construction	x		
			0275 0000	Medical/Health/Hygiene	x		
			0276 0000	Cadet	x		
			0277 0000	English Language	x		
			0278 0000	(Unassigned)	x		
			0279 0000	Other	x		
N1V	04	17	0280 0000	Orientation Training, O/S			
N1V	04	17	0281 0000	Orientation Visits/DV	x		
			0282 0000	Orientation Tours/Non-DV	x		
			0283 0000	Observer	x		
			0284 0000	Exchange Student	x		
			0285 0000	(Unassigned)	x		
			0286 0000	(Unassigned)	x		
			0287 0000	(Unassigned)	x		
			0288 0000	(Unassigned)	x		
			0289 0000	Other	x		
N1W	04	18	0290 0000	Missile Training, O/S			
N1W	04	18	0291 0000	(Unassigned)	x		
			0292 0000	(Unassigned)	x		
			0293 0000	(Unassigned)	x		
			0294 0000	(Unassigned)	x		
			0295 0000	(Unassigned)	x		
			0296 0000	(Unassigned)	x		
			0297 0000	(Unassigned)	x		
			0298 0000	(Unassigned)	x		
			0299 0000	Other	x		
N2				MOBILE TRAINING TEAMS/DETACHMENTS			
N2	04	19	0300 0000	Mobile Training Teams, Detachments, CONUS			

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TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N2A	04	19	0301000	Aviation	x		
N2B	04	19	0302000	Combat Operations/Intel	x		
N2C	04	19	0303000	Communications/Electronics	x		
N2D	04	19	0304000	Supply/Maintenance	x		
N2E	04	19	0305000	Personnel/Administration	x		
N2F	04	19	0306000	Counterinsurgency	x		
N2G	04	19	0307000	English Language	x		
N2H	04	19	0308000	Missiles	x		
N2J	04	19	0309000	Other	x		
N2	04	20	0310000	Mobile Training Teams, Detachments, O/S			
N2M	04	20	0311000	Aviation	x		
N2N	04	20	0312000	Combat Operations/Intel	x		
N2P	04	20	0313000	Communications/Electronics	x		
N2Q	04	20	0314000	Supply/Maintenance	x		
N2R	04	20	0315000	Personnel/Administration	x		
N2S	04	20	0316000	Counterinsurgency	x		
N2T	04	20	0317000	English Language	x		
N2U	04	20	0318000	Missiles	x		
N2V	04	20	0319000	Other	x		
N3				FIELD TRAINING SERVICES			
N3A	04	21	0321000	Aircraft Engine/Airframe	x		
N3B	04	21	0322000	Communications/Electronics	x		
N3C	04	21	0323000	Radar Systems	x		
N3D	04	21	0324000	Armament	x		
N3E	04	21	0325000	Maintenance	x		
N3F	04	21	0326000	Training Aids/Devices	x		
N3G	04	21	0327000	English Language	x		
N3H	04	21	0328000	Missiles	x		
N3J	04	21	0329000	Other	x		

TABLE E-2 (Continued)

Generic Code	Gp	Item Identification		Description/Category	Program as:		Remarks
		Class	Item Ident. No.		Major Item	Dollar Line	
N5				TRAINING of U.S. MAP PERSONNEL			
N5A	04	27	0381000	Contract Cost			
N5B	04	27	0382000	Tng of U.S. MAP Personnel		x	Phase I and Phase II. Not included as part of unified command ceiling but programmed worldwide by military departments.
N5C	04	27	0383000	Language		x	Not included in unified command ceiling. Worldwide program prepared by DSAA.
N5E	04	27	0385000	Other Training Costs		x	Not included in unified command ceiling. Worldwide program budgeted for by military departments for training of U.S. personnel in skill peculiar to MAP assignments. Requirements associated with MASF programs will be carried in country programs.
N6				EXTRAORDINARY EXPENSES			
N6A	04	28	0390000	Extraordinary Expenses		x	Not included in unified command ceiling. Worldwide program budgeted for by military departments. Requirements associated with MASF programs will be carried in country programs.
N7				OTHER TRAINING SUPPORT			
N7A	04	25	0361000	Training Exercises		x	
N7B	04	25	0362000	Escort Officers	x		
N7C	04	25	0363000	Supplies and Materials		x	
N7D	04	25	0364000	Facilities/Rehabilitation		x	
N7E	04	25	0365000	Services	x	x	
N7F	04	25	0366000	Other	x	x	
N7Z	04	26	0399000	Abbr Tng Plan Reqmt		x	To be used only when training items are unknown at time of programming.

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TABLE E-3

MILITARY DEPARTMENT EXECUTION AGENCY IDENTIFIER CODES

Codes shown below are for the purpose of identifying the Military Department execution agency which provides the service, the funding agency, and the training agency.

ARMY

The EXA code used by the Army is a three digit alpha numeric wherein the first alpha represents the Army (B), the second alpha the funding agency and the third alpha or numeric the training agency. The following codes are to be used for Department of the Army IMET programming.

B. Department of the Army

- A. U.S. Army Materiel Development and Readiness Command (DARCOM)
 - A. Army Logistics Management Center, Ft Lee, VA
 - B. Army Management Engineer Training Activity, Rock Island, IL
 - C. Army Defense Ammunition School, Savannah, IL
 - D. Joint Military Package Training Center, Aberdeen Proving Ground, MD
 - E. Army Tank-Automotive Command, Warren, MI
 - G. Army Depot Systems Command, Chambersburg, PA
 - H. Letterkenny Army Depot, Chambersburg, PA
 - K. Lone Star Ammunition Plant, Texarkana, TX
 - L. Army Test and Evaluation Command, Aberdeen Proving Ground, MD
 - M. New Cumberland Army Depot, New Cumberland, PA
 - N. Army Troop Support and Aviation Materiel Readiness Command, St. Louis, MO
 - P. Army Mobility Equipment Research and Development Command, Ft. Belvoir, VA
 - Q. Pueblo Army Depot, Pueblo, CO
 - S. Army Electronics Research and Development Command, Adelphi, MD
 - T. Army Communications Electronics Command, Ft. Monmouth, NJ
 - U. Red River Army Depot, Texarkana, TX
 - V. Army Aviation Research and Development Command, St. Louis, MO
 - W. Tobyhanna Army Depot, Tobyhanna, PA
 - X. Tooele Army Depot, Tooele, UT
 - Y. Yuma Proving Ground, Yuma, AZ
- 2. U.S. Army Security Assistance Center (USASAC), Alexandria, VA
- 3. Anniston Army Depot, Anniston, AL
- 4. Dugway Proving Ground, Dugway, UT
- 6. Corpus Christi Army Depot, Corpus Christi, TX
- 7. Army Armament Research and Development Command, Dover, NJ
- 8. Army Armament Materiel Readiness Command, Rock Island, IL
- 9. Army Missile Command (MICOM), Redstone Arsenal, AL
- Ø. (Unidentified DARCOM Location)

C. U.S. Army Training and Doctrine Command (TRADOC)

- A. Army Aviation School, Ft Rucker, AL
- B. Army Training Support Center (Correspondence Courses), Ft Eustis, VA
- C. U.S. Army War College, Carlisle, PA
- D. Defense Language Institute, Monterey, CA
- E. Army Engineer School, Ft Belvoir, VA
- F. Army Field Artillery School, Ft Sill, OK
- G. Army Infantry School, Ft Benning, GA
- H. Army Ordnance School, Aberdeen Proving Ground, MD
- I. Defense Information School, Ft Benjamin Harrison, IN
- J. Army Quartermaster School, Ft Lee, VA
- K. Army Chemical School, Ft McClellan, AL
- L. Army Soldier Support Center, Ft Benjamin Harrison, IN
- M. Army Chaplain School, Ft Monmouth, NJ
- N. Army Military Police School, Ft McClellan, AL
- P. Army Signal School, Ft Gordon, GA
- Q. Judge Advocate General School, Charlottesville, VA
- R. Army Air Defense School, Ft Bliss, TX
- S. Army Transportation School, Ft Eustis, VA
- T. Army Command and General Staff College, Ft Leavenworth, KS
- U. Army Intelligence School, Ft Huachuca, AZ
- W. Army Institute for Military Assistance, Ft Bragg, NC
- X. Army Missile and Munitions School, Redstone Arsenal, AL
- Y. Army Armor School, Ft Knox, KY
- Z. U.S. Army Organizational Effectiveness Training Center and School, Ft Ord, CA
 - 1. Ft Dix, NJ
 - 2. Ft Leonard Wood, MO
 - 3. Ft Jackson, SC
 - 8. TRADOC Combined Arms Test Activity (TCATA), Ft Hood, TX
 - 9. HQ, TRADOC, Ft Monroe, VA
 - Ø. (Unidentified TRADOC Location)
- E. Office, Chief of Engineers
 - Ø. (Unidentified Chief of Engineers Location)
- F. U.S. Army Finance and Accounting Center (USAFAC)
 - A. USAID Training All Areas
 - B. Defense Intelligence Agency (DIA), Washington, DC
 - C. U.S. Coast Guard Training
 - D. Defense Logistics Agency (DLA), Washington, DC
 - E. Defense Systems Management College, Ft Belvoir, VA
 - M. U.S. Marine Corps Training
 - N. U.S. Navy Training

TABLE E-3 (Continued)

- S. Defense Mapping Agency (DMA), Washington, DC
- T. Defense Mapping School, Ft Belvoir, VA
- X. U.S. Air Force Training
- Ø. Training U.S. Map Personnel (N5B)
- G. U.S. Army Health Services Command (USAHSC)
 - A. Armed Forces Institute of Pathology, Washington, DC
 - B. William Beaumont Army Medical Center, El Paso, TX
 - F. Fitzsimmons Army Medical Center, Aurora, CO
 - H. Army Environmental Hygiene Agency, Aberdeen Proving Ground, MD
 - L. Letterman Army Medical Center, San Francisco, CA
 - M. Madigan Army Medical Center, Tacoma, WA
 - S. Academy of Health Sciences, Ft Sam Houston, TX
 - Brooke Army Medical Center, Ft Sam Houston, TX
 - T. Tripler Army Medical Center, Honolulu, HI
 - W. Walter Reed Army Medical Center, Washington, DC
 - X. Medical Cost—CONUS (GC N7E)
 - Z. Army Institute of Dental Research, Washington, DC
 - Ø. (Unidentified USAHSC Location)
- H. Western Command (WESTCOM)
 - H. All Training in WESTCOM Schools or Units
 - I. Third Country Training in WESTCOM Areas
 - Ø. (Unidentified Pacific Command (PACOM) Location)
- I. U.S. Army Forces Command (FORSCOM)
 - A. 1st Infantry Division (Mechanized), Ft Riley, KS
 - B. 1st Cavalry Division, Ft Hood, TX
 - C. 2d Armored Division, Ft Hood, TX
 - D. 3d Armored Cavalry Regiment, Ft Bliss, TX
 - E. 4th Infantry Division (Mechanized), Ft Carson, CO
 - F. 5th Infantry Division (Mechanized), Ft Polk, LA
 - G. 7th Infantry Division, Ft Ord, CA
 - H. 9th Infantry Division, Ft Lewis, WA
 - I. 24th Infantry Division, Ft Stewart, GA
 - J. 82nd Airborne Division, Ft Bragg, NC
 - K. 101st Airborne Division, Ft Campbell, KY
 - L. 197th Infantry Brigade, Ft Benning, GA
 - M. 194th Armored Brigade, Ft Knox, KY
 - N. 193rd Infantry Brigade (Panama), Ft Clayton
 - P. 172nd Infantry Brigade (AK), Ft Richardson, AK
 - Q. 3d Corps Artillery, Ft Sill, OK
 - 9. HQ, FORSCOM, Ft McPherson, GA
 - Ø. (Unidentified FORSCOM Location)
- M. U.S. European Command (EUCOM)
 - M. All Training in U.S. Army Europe (USAREUR) Schools or Units
 - Ø. (Unidentified EUCOM Location)

- S. U.S. Southern Command (SOUTHCOM)
 - A. School of the Americas
 - B. Inter-American Geodetic Survey School
 - S. Other Training in SOUTHCOM Areas
 - X. Medical Cost—Overseas (GS N7F)
- Z. Unidentified
 - Z. Unidentified Location, Worldwide (Used only for Initial Programing Until Correct Execution Agency is Determined)

NAVY

The EXA code used by the Navy is a three digit alpha code wherein the first alpha represents the Navy (P), and the second and third represent either the major claimant responsible for funding the particular training activity or a category of training such as OJT. The following EXA codes are to be used for Department of the Navy MAP-T programming.

- P—Department of the Navy
- PBM—Bureau of Medicine and Surgery (BUMED)
- PCG—U.S. Coast Guard (COGARD)
- PCI—DOD Computer Institute (DODCI)
- PCL—Commander in Chief, Atlantic Fleet (CINCLANTFLT)
- PCP—Commander in Chief, Pacific Fleet (CINCPACFLT)
- PCT—Chief of Naval Education and Training (CNET)
- PMC—U.S. Marine Corps (COMDT MARCORPS)
- PNA—Naval Air Systems Command (NAVAIRSYSCOM)
- PNE—Naval Electronics Systems Command (NAVELECSYSCOM)
- PNF—Naval Facilities Engineering Command (NAVFACENCOM)
- PNM—Chief of Naval Material (CHNAVMAT)
- PNØ—Naval Oceanographic Office (NAVOCEANO)
- PNR—Chief of Naval Reserve (CHNAVRES)
- PNS—Naval Sea Systems Command (NAVSEASYSYSCOM)
- PSØ—Commander Naval Forces, U.S. Southern Command (COMUSNAVSO)
- PSU—Naval Supply Systems Command (NAVSUPSYSCOM)
- PBØ—U.S. Army courses
- PDØ—U.S. Air Force courses
- PØØ—Miscellaneous

AIR FORCE

The EXA code used by the Air Force is a three digit alpha code wherein the first alpha represents the Air Force (D), the second the funding agency

TABLE E-3 (Continued)

and the third the training agency. The following codes are to be used for Department of the Air Force MAP-T programming.

- D. United States Air Force¹
 - (USAFE)
 - Ø United States Air Force Europe (USAFE)
- E. (AFLC)
 - Ø Air Force Logistic Command (AFLC)
- J. (ATC)
 - Ø Air Training Command (ATC)
- L. (USAFSO)
 - A. United States Air Force Southern Command/IAAFA
 - Ø United States Air Force Southern Command/Other
- N. (Hq USAF)
 - Ø Hq United States Air Force (ACBIS)

- R. (PACAF)
 - C. Pacific Air Forces/Clark AFB
 - G. Pacific Air Forces/Guam (Anderson AFB)
 - H. Pacific Air Forces/Hickam AFB
 - J. Pacific Air Forces/Japan
 - Ø Pacific Air Forces/In-Country
 - T. Pacific Air Forces/Thailand
 - V. Pacific Air Forces/Vietnam
 - X. Pacific Air Forces/In-Country/Contract
 - Z. Pacific Air Forces/Special

¹ Where "DZZ" appears in the MASL for EXA, it is an indication that the command to be funded for the program line may apply to more than one command. Unified commands submitting program entries utilizing these "DZZ" designated MASL lines will enter the appropriate command code from the above series of Execution Agency (EXA) identifiers (DDO through DRO).

8. Compliance with paragraphs (enter appropriate paragraph numbers) of attached special instructions is directed.

9. Authority (both must be indicated):

a. _____
(MAP Order Number or FMS Case Designator)

b. _____
(Service document which allocates spaces/authorizes issuance of ITO)

COMMAND LINE

SIGNATURE

DISTR: (Per Service Directives)

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NOTES:

1. For Air Force, enter Project No.; for Army and Navy, enter GC.

2.

EAST COAST

<i>Port of Entry/ Departure</i>	<i>Office</i>	<i>Telephone</i>	<i>Applicable</i>
John F. Kennedy Airport	Between 1500-2200 hrs	212-632-4534	Commercial
	Between 0800-1500 hrs Protocol Bureau Ft Hamilton, NY	212-836-4100 (Ext. 2124, 4244)	
	Between 2200-0800 hrs Staff Duty Officer Ft Hamilton, NY	212-836-4100 (Ext. 3165)	
McGuire AFB Wrightstown, NJ	Special Passenger Lounge	609-724-2100 (Ext. 2749)	MAC trans- ocean travel
Charleston AFB Charleston, S.C.	Protocol Section	803-747-4111 (Ext. 2347)	MAC Trans- ocean travel

WEST COAST

Travis AFB, CA	Military Personnel and Transportation Assistance Office	707-438-3164	MAC trans- ocean travel
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NOTE: Only above listed ports of entry or exit have U.S. military facilities available to aid students. Students arriving or departing such terminals as Boston, Miami, Washington, Los Angeles, and New Orleans must be prepared to make own travel arrangements. There are no billeting or dining facilities at Ft Hamilton; students must use commercial facilities in vicinity of JFK Airport and must have sufficient dollars to defray costs.

3. Modify ITO as appropriate for observer training (except USAF). Number of weeks of English language training in CONUS will be specified as well as reports and dates of language training.

4. a. U.S. security screening has been accomplished (for all training allocated on an unclassified basis).

b. U.S. security requirements have been complied with. The Government of (country) has granted the individual a security clearance equivalent to US (classification level). This of itself does not permit the disclosure of classified US information. Such disclosure must be specifically authorized by an official delegated authority by pertinent Military Department Foreign Disclosure Regulations or Directives.

5. a. Trainee is authorized medical services on same basis as U.S. military/dependent personnel. (For use by NATO countries.)

b. Trainee/authorized dependent medical services are authorized by and will be reimbursed under provisions of (para 4-27 AR 40-3) (BUMEDINSTR 6320-31) (AFM 50-29) (Use one, as appropriate.) Authorized dependent medical services are authorized and will be reimbursed by (trainee concerned) (Embassy) (use one). (For use by non-NATO countries under IMET).

c. Trainee/authorized dependent medical services to be reimbursed by (FMS Case) (Embassy) (Trainee concerned) (Use one). Authorized dependent medical services will be furnished on a space available, reimbursable basis. (For use by non-NATO countries under FMS).

CHAPTER F
PROGRAM SUBMISSION AND MANAGEMENT

1. Purpose

The purpose of this Chapter is to provide guidance and instructions governing the preparation and submission of detailed program data, including changes thereto, and the conversion of these data into approved and funded programs authorized for implementation by the Military Departments. These instructions apply to programs for articles and services and for training; they do not apply to programs categorized as "general costs" (e. g., supply operations, administrative support).

2. Submission of Data

a. Method of Submission

MAAGs will submit program data by punch card, transcript sheet, message or letter communication in the ADP card format portrayed in Figure F-1. This includes

changes submitted through Military Departments to reduce or delete items from the funded program. Submission of final current year program changes for MAP requirements must arrive in DSAA not later than September 15 in order to be considered during the end-of-year closeout of that program on September 30. The cut-off date for receipt of training increases and/or additions to the IMET program is August 15 (see Chapter E). Changes justified only on the basis of urgent military necessity, will be considered after these cut-off dates provided there is sufficient time to process the change and obligate the funds by the end of the fiscal year. Following are detailed preparation instructions for each type of transaction and medium of submission.

(1) Additions

(a) Card 3 (MAP—Materiel and Services Other Than Training)

<i>Card Column</i>	<i>Data</i>	<i>Instruction</i>
1	Card Code -----	Punch "3".
2-5	RCN -----	Punch Record Control Number.
6	Method of Funding Code -----	Leave blank.
7	Action Code -----	Leave blank.
8-20	National Stock Number -----	Punch the group, class, NCB Code Materiel and Services only) and item ident numbers as they appear in the MASL.
21	Generic Code -----	Punch, 1st position only, the generic code exactly as it appears in the MASL.
22	Commitment -----	Punch appropriate Commitment Code. See Commitment Code in Appendix A, Part I.
23-24	Reason Code -----	Punch appropriate Program Change Reason Code. See Program Change Reason Code in Appendix A, Part I.
25-29	Quantity -----	Dollar Lines—Leave blank. Major Item—Punch total quantity. Right justify (units position in Column 29, ten position in Column 28, etc.).
30	Program Originator -----	Punch Program Originator Code. See Program Originator Code in Appendix A, Part I.

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Card Column	Data	Instruction
31-32	Country/Activity Code -----	Punch Country/Activity Code. See Country/Activity Code in Appendix A, Part I.
33	Customer -----	Dollar Lines—Leave blank. Major Items—Punch Customer Within Country Code required for entry in Column 33 of MILSTRIP requisitions. Refer to Customer Within Country Code in Appendix A, Part I, for explanation and Military Department directive containing the codes.
34	Special Supply Procedure -----	Punch appropriate code. See Special Supply Procedure Code in Appendix A, Part I. See paragraph 5 below for Excess Defense Articles.
35	Type of Assistance -----	Punch Type of Assistance code. See Type of Assistance/Financing Code in Appendix A, Part I.
36-43	MAP Unit Price -----	Obtain from the Military Department. Must reflect Repair & Rehabilitation costs (as applicable) for Excess Defense Articles (Source of Supply E).
44	Cost Code -----	Punch Cost Code. See Cost Code in Appendix A, Part I.
45-46	Program Year -----	Punch last two digits of fiscal year in which the item is programmed or to be programmed.
47-50	MAP Element -----	Punch MAP Element Code. See MAP Element Code in Appendix A, Part I.
51	Lead Time -----	Major Items—Obtain Lead Time Code from the Military Department. Dollar Value Line Items—Leave blank.
52	Spare Parts -----	Punch "N" for concurrent spare parts (CSP). Punch "A" for initial aerospace ground equipment (AGE). Punch "E" for concurrent equipment attachments in FSC 3810 and 3830 (item identification number 383ZATCHMNT).
53	Condition Code/Commercial Item Code -----	Punch Condition Code for Excess Defense Articles. See Condition Code in Appendix A, Part I. Punch numeric "1" for Commercial Items.
54	Communications/Ancillary Code -----	Punch Communications/Ancillary Code. See Communications/Ancillary Item Code in Appendix A, Part I.
55	Implementing Agency -----	Leave blank. Implementing Agency Code to be assigned by DSAA.
56	Blank -----	Leave blank.
57	Status -----	Leave blank. Status Code to be entered by DSAA only.
58-59	Funding Priority -----	Punch funding priority code on all articles and services program lines in budget year program. See Funding Priority Code in Appendix A, Part I.
60-61	Issue Priority -----	Punch Issue Priority. Issue Priority Codes are those prescribed in MILSTRIP regulations.
62-64	Required Delivery Data -----	Punch Required Delivery Date, as appropriate. See Issue Priority/Required Delivery Date Code in Appendix A, Part I.
<i>NOTE: Columns 60-64 may also be used to identify Military Department MIMEX offer number or DPDS listing/flyer number for Excess Defense Articles. See Excess Offer Number Code in Appendix A, Part I.</i>		
65	Source of Supply -----	Obtain applicable Source of Supply Code in Appendix A, Part I, from the Military Department. Do not leave unpunched.
66-68	MILSTRIP Routing Identifier -----	Punch from MASL, except as follows: A change from the MASL entry may be necessary when a change in Source of Supply Code, as in the case of codes B, E, F, J, N, O, R, S, or T, is effected. Punch appropriate MRI Code in all cases as determined

which intended at the time the release order was issued.

(d) DSAA will submit program data (3 card) to cognizant logistics center, and issue MAP Orders without funds to document the transaction.

(4) Delivery

(a) Military Departments will record delivery and maintain delivery records in customary method for MAP transactions.

(b) Materiel furnished at no cost to MAAG will be reported in terms of acquisition value.

(c) DSAA will furnish delivery data to MAAGs in the same fashion used for reporting deliveries against funded lines.

(5) Requests for authority to approve MAP-EX transactions outside the scope of the authority contained in paragraph (1) above will be submitted to DSAA for review on a case-by-case basis as an exception to policy. Such requests should indicate, in addition to basic information required in paragraph (3) above, estimated proceeds from disposal sale, intended recipient and sufficient justification to support a defense decision.

6. Excess Defense Articles (EDA) General Programming Instructions

a. Major Items

(1) Major items will be programmed with the R&R cost, where applicable, in the line. If there is no R&R cost, program at zero MAP cost.

(a) If the item comes from overseas and is within the \$250 million exception, code M will be placed in Column 53. If the overseas item is not within the \$250 million exception, enter a P in Column 53.

(b) If the item comes from domestic sources, enter R in Column 53.

(2) Reporting of Deliveries.

(a) Major Items: When major items are delivered, 8 cards must be submitted reflecting the quantity delivered, acquisition value (CC 36-43) and R&R cost (CC 73-80).

(b) Secondary items:

1. If permission has been given to program a SS "E" dollar line, deliveries will

be reported at standard stock price (CC 36-43) and at actual value (CC 73-80).

7. MAP Orders

a. Purpose

(1) The term "MAP Orders", is used to describe the document issued by DSAA which authorizes and directs the delivery of defense articles or the furnishing of defense services to designated MAP recipients. It also identifies the fund source for each program line. During FY 1981, a "1" will appear in column 71 to indicate funding from the 1981 appropriation.

(2) MAP Order amendments are the documents used to delete, change or add new program lines to a MAP Order previously issued. Program (fiscal) year identification will be maintained throughout all phases of MAP execution. MAP Order amendments will be identified by program year with the original MAP Order being changed, and separate amendments will be issued for each program year involved. As used throughout this manual, the term "MAP Order" also refers to MAP Order amendments.

(3) MAP Orders will be issued for all items in the approved and funded MAP (i.e., materiel, training, construction, supply operations, administrative expense, etc.). All Orders will be produced from the ADPS master program file maintained by DSAA.

(4) Advice to a Unified Command or MAAG indicating that MAP Orders or MASF program directives have been issued and funded constitutes specific approval of the Director DSAA, in accordance with Para 8, Chapter C, Part I (Commitments), unless instructions to the contrary are contained in the advice or in other instructions issued by the Department of Defense or the Department of State. Such advice must not be construed, however, as a commitment to deliver the articles or services at the time indicated in the advice unless the advice specifically indicates that there is a U.S. commitment as to the delivery date.

b. MAP Order Procedure

(1) A separate MAP Order will be issued for each country or activity, and the MAP Order number will include the appropriate country/activity code (see Appendix A, Part I).

(2) The number assigned to MAP Orders and amendments thereto will be composed of:

- (a) Program Year.
- (b) Implementing Agency.
- (c) Country/Activity Code.
- (d) Two-digit sequential numbers.

(3) The initial MAP Order issued for each country or activity for a given program (fiscal) year will be identified by sequential number 00. Subsequent MAP Orders for the program year will be issued as amendments to the initial MAP Order and will be number 01 through 99, followed by alpha-numeric numbers as necessary.

(4) EAM cards 5 or 6 for each program line will be furnished with MAP Orders issued to Military Departments. (EAM card R will be furnished also for program lines deleted by a MAP Order amendment). The format of cards 5 and 6 will be the same as that of cards 3 and 4 with the following modifications:

<i>Card Column</i>	<i>Modification</i>
1—Card Codes 5 and 6	will be substituted for Card Codes 3 and 4, respectively.
2—5—Record Control Number (RCN)	will be shown.
6—Method of Funding Code	will be shown in this column.
23—24—Unit of Issue.	
55—Implementing Agency Code	will be shown in this column on card 5 only.
58—59—MAP Order or MAP Order Amendment Number (MO)	will be substituted for Unified Command Deferral Priority/Reman Training.
71—MAP appropriation used to fund transaction.	

c. MAP Order Recipients

The recipient of a MAP Order and associated fund allocation is responsible for implementation of the Order, including accounting and fiscal reporting as prescribed by DOD

Instruction 7290.1. The implementing agency will be identified in the MAP Order number. The implementing agency for each program line will be determined as follows:

- (1) Materiel.
 - (a) Major Items.

1. MAP Orders for major items will be issued to the implementing agency designated by DSAA in coordination with OASD (MRA&L).

2. Subject to case-by-case exceptions to avoid jeopardizing necessary control over program exception, DSAA will apply the following criteria in designating the implementing agency:

a. For all Investment (Cost Code I) items which are an integral part of a major weapons, electronics, or other selected system, the MAP Order will be issued to the Military Department which has been assigned DOD logistical management responsibility for the system as a whole. MAAGs will identify investment cost items programmed as integral parts of such systems by entering the appropriate systems identifier code in Column 70 of the cards 3 and P.

b. If the OSD has assigned wholesale inventory management responsibility for an item to a Military Department, the Order normally will be issued to that Department.

c. If the OSD has not assigned wholesale inventory management responsibility for an item to a Military Department the MAP Order normally will be issued to the U.S. counterpart of the recipient country using service.

(b) Dollar Value Lines.

1. Orders for dollar value lines with an assigned MILSTRIP routing identifier in the MASL will be issued in the same manner as a major item.

2. Orders for dollar value lines without an assigned MRI (i.e., footnote coded K) in the MASL will be issued to the Military Department represented by the first digit of the MILSTRIP routing identifier entered by the Unified Command in accordance with the instructions for footnote code K.

(c) Concurrent (Initial) Spare Parts (CSP).

1. MAP Orders for CSP program lines assigned the item identification number of the related major item will be issued to the same Military Department as the major item.

2. Orders for CSP program lines assigned a spare part item identification number will be issued in the same manner as other dollar value lines.

(d) Source of Supply Codes J, S, and T. Program lines identified with source of supply codes J (Logistical Center Japan), S (F104G Spares Depot), and T (Transfer) and excepted from the procedures described in paragraphs (a) and (b) above. MAP Orders will be issued as follows:

<i>Source of Supply</i>	<i>Implementing Agency</i>
J	Department of the Army.
S	Department of the Air Force.
T	Military Department holding the specified items in MAP-owned stockpiles (MAPOM account).

(2) Administration and Operational Support. MAP Orders for administration and

operational support program lines will be issued to the Military Department assigned administrative agency responsibility for the area, country, or activity.

(3) Training. MAP Orders for training program lines will be issued to the Military Department providing the training except in the case of cross-service training. MAP Orders for entire cross-service training sequences will be issued to the Military Department providing the majority of the training.

(4) Construction. MAP Orders for construction program lines will be issued to the Military Department which has been designated as the construction agency for the country concerned. However, the construction agency will be responsible for coordinating country construction with the Military Department counterpart of the recipient country using service to assure that the facilities meet the operational requirements of the recipient country forces.

CHAPTER A

ELIGIBILITY FOR FOREIGN MILITARY SALES

1. General Authority

No defense article or defense service may be sold to any country or international organization unless the President finds, in accordance with Section 3 of the Arms Export Control Act, as amended (hereafter referred to as the AECA), that

(1) the furnishing of defense articles and defense services to such country or international organization will strengthen the security of the United States and promote world peace;

(2) the country or international organization shall have agreed not to transfer title of, or possession of, any defense article or related training or other defense service so furnished to it to anyone not an officer, employee, or agent of that country or international organization and not to use or permit the use of such article or related training or other defense service for purposes other than those for which furnished unless the consent of the President has first been obtained;

(3) the country or international organization shall have agreed that it will maintain the security of such article and will provide

substantially the same degree of security protection afforded to such article by the United States Government; and

(4) the country or international organization is otherwise eligible to purchase defense articles or defense services (see para 2, below).

2. Conditions of Eligibility

Countries or international organizations found eligible to purchase defense articles and defense services under the Presidential finding are also subject to other provisions of the AECA. A summary of the major restraints on FMS and FMS Credits is included under MASM III, Chapter B, Foreign Military Sales Policies, Guidelines and Restrictions, para 3.

3. Eligible Countries and International Organizations

The current list of eligible countries and international organizations as determined by the President is appended as Table A-1. Foreign countries and International Organizations authorized to receive Defense Logistics Agency (DLA) excess property listings are appended as Table A-2.

Table A-1

FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS ELIGIBLE TO PURCHASE DEFENSE ARTICLES AND DEFENSE SERVICES UNDER THE AUTHORITY OF THE ARMS EXPORT CONTROL ACT¹

COUNTRIES

<i>Africa</i>		<i>Near East and South Asia</i>	
Benin	Malagasy Republic	Afghanistan	Nepal
Botswana	Mali	Bahrain	Oman
Cameroon	Mauritius	Egypt	Pakistan
Chad	Morocco	Greece	Qatar
Ethiopia*	Niger	India	Saudi Arabia
Gabon	Nigeria	Iran	Sri Lanka (Ceylon)
Ghana	Senegal	Israel	The United Arab Emirates
Guinea	Somalia	Jordan	Turkey
Ivory Coast	Sudan	Kuwait	Yemen Arab Republic
Kenya	Tunisia	Lebanon	
Liberia	Upper Volta		
Libya*	Zaire		
<i>Europe</i>		<i>Western Hemisphere</i>	
	(Less Greece & Turkey)	Argentina*	Haiti
Austria	Malta	Bahamas	Honduras
Belgium	Netherlands	Barbados	Jamaica
Denmark	Norway	Bolivia	Mexico
Finland	Portugal	Brazil	Nicaragua
France	Spain	Canada	Panama
Germany	Sweden	Chile*	Paraguay
(Fed Rep of)	Switzerland	Colombia	Peru
Iceland	United Kingdom	Costa Rica	St Lucia
Ireland	(Incl Crown Agents)	Dominica	St Vincent
Italy	Yugoslavia	Dominican Republic	Surinam
Luxembourg		Ecuador	Trinidad and Tobago
		El Salvador	Uruguay
		Guatemala	Venezuela
<i>Far East</i>		<i>International Organizations</i>	
Australia	Korea, Rep of	North Atlantic Treaty Organization (NATO)	
Brunei	Laos*	and its agencies	
Burma	Malaysia	Organization of American States (OAS)	
China, Rep of	New Zealand	United Nations (UN) and its agencies to include International Civil Aviation Organization (ICAO)	
Fiji	Philippines		
Indonesia	Singapore		
Japan	Thailand		
Kampuchea	Vietnam, Rep of*		
(Cambodia)*			

1. As of 1 December 1980

* Sales to these countries have been suspended.

Table A-2

**FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS AUTHORIZED
RECEIPT OF DLA EXCESS PROPERTY LISTINGS¹**

COUNTRIES

	<i>Africa</i>		<i>Near East and South Asia</i>
Botswana	Sudan	Bahrain	Nepal
Kenya	Tunisia	Bangladesh	Oman
Liberia	Zaire	Egypt	Pakistan
Morocco		India	Qatar
		Israel	Saudi Arabia
	<i>Europe</i>	Jordan	Sri Lanka (Ceylon)
Austria	Malta	Kuwait	The United Arab Emirates
Belgium	Netherlands	Lebanon	Yemen Arab Republic
Denmark	Norway		
France	Portugal		<i>Western Hemisphere</i>
Germany (Federal Republic of)	Spain	Bahamas	Jamaica
Greece	Sweden	Barbados	Mexico
Iceland	Switzerland	Brazil	Nicaragua
Ireland	Turkey	Canada	Panama
Italy	United Kingdom	Colombia	Paraguay
Luxembourg	Yugoslavia	Costa Rica	Peru
		Dominica	St Lucia
	<i>Far East</i>	Dominican Republic	St Vincent
Australia	Malaysia	Ecuador	Suriname
Burma	New Zealand	Guatemala	Trinidad and Tobago
Brunei	Philippines	Haiti	Uruguay
Indonesia	Singapore	Honduras	Venezuela
Japan	Taiwan		
Korea	Thailand		
			<i>International Organizations</i>
			NATO (North Atlantic Treaty Organization and its agencies)

1. As of 1 October 1981

Change No. 6, 1 October 1981

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services or training to foreign organizations or units, including foreign police forces, will not be made under the Arms Export Control Act unless such organizations or units are a part of the national defense forces under the direction and control of the Ministry responsible for defense matters. Prior approval of DSAA is required for the sale of defense articles, defense services or training to foreign organizations or units that are under the direction and control of the Ministry responsible for defense matters if they are engaged in on-going civilian police functions.

(24) Consistent with its resources and the situation prevailing in-country, the MAAG is responsible for supervising and reporting on the utilization by the foreign country of defense articles and services acquired through FMS.

b. Significant Reports to the Congress

(1) Quarterly reports of:

(a) all Letters of Offer to sell any major defense equipment for \$1,000,000 or more under this Act to each foreign country and international organization, by category, if such Letters of Offer have not been accepted or cancelled. (Sec. 36(a)(1)).

(b) all such Letters of Offer that have been accepted during the fiscal year in which such report is submitted, together with the total value of all defense articles and defense services sold to each foreign country and international organization during such fiscal year. (Sec. 36(a)(2)).

(c) the cumulative dollar amounts, by foreign country and international organization, of sales credit agreements under Section 23 and guaranty agreements under Section 24 made during the fiscal year in which such report is submitted. (Sec. 36(a)(3)).

(d) projections of the dollar amounts, by foreign country and international organizations, of cash sales expected to be made under Sections 21 and 22, credits to be extended under Section 23, and guaranty agreements to be made under Section 24 in the quarter of the fiscal year immediately following the quarter for which such report is submitted. (Sec. 36(a)(5)).

(e) a projection with respect to all cash sales expected to be made and credits expected to be extended to each country and organization for the remainder of the fiscal year in which such report is transmitted. (Sec. 36(a)(6)).

(f) an estimate of the number of officers and employees of the United States Government and of United States Civilian contract personnel present in each country at the end of that quarter for assignments in implementation of sales and commercial exports under this Act. (Sec. 36(a)(7)).

(g) Each price and availability (P&A) estimate provided to a foreign country/international organization with respect to a possible sale of major defense equipment (MDE) for \$7 million or more or of any other defense articles or services for \$25 million or more (i.e., any potential AECA Section 36(b) case). The report must also include a listing of each request from a foreign country/international organization for a LOA if the proposed sale was not previously reported under the P&A requirement above and the issuance of the LOA would be subject to the AECA Section 36(b) requirements (i.e., MDE for \$7 million or more and/or articles or services for \$25 million or more). Specific reporting requirements are found in Part III, Chapter C, para 16.b. (AECA Section 28).

(h) A listing (classified if necessary) of all property valued at \$1,000,000 or more which was leased, during the quarter for which such report is submitted, to a foreign government for a period of more than six months under Section 2667 of Title 10, United States Code. This quarterly report is required by Section 36(a)(10) of the Arms Export Control Act.

(2) In the case of any Letter of Offer to sell any defense articles or services under this Act for \$25,000,000 or more, or any major defense equipment for \$7,000,000 or more, a numbered certification of (1) the foreign country or international organization to which the defense article or service is offered or was sold, (2) the dollar amount of the offer to sell or the sale and the number of

MILITARY ASSISTANCE AND SALES MANUAL—PART III

defense articles offered or sold, (3) a description of the defense article or service offered or sold, and (4) the United States Armed Force or other agency of the United States which is making the offer to sell or the sale, as the case may be; and a description of any contribution, gift, commission, or fee paid or offered or agreed to be paid in order to solicit, promote, or otherwise to secure such Letter of Offer. See Appendix B, Figure App B-2 for a detailed listing of the information specified to be included in this report. (Sec. 36 (b)(1)).

(3) Notification to the Congress before issuance of Letters of Offer in the amount of \$25,000,000 or more or for the sale of major defense equipment in the amount of \$7,000,000 or more. Further, the Arms Export Control Act provides that the Letter of Offer shall not be issued if Congress, within 30 calendar days of receipt of such notification, adopts a concurrent resolution stating in effect that it objects to such proposed sale, unless the President in his notification to Congress states that an emergency exists which requires such sale in the national security interests of the United States (Sec. 36(b)(1)). See Chapter C, paragraph 16 for processing LOAs in the amount of \$25 million or more or for LOAs in the amount of \$7 million for major defense equipment.

(4) Third Country Transfer Certification.

(a) Under Section 3(d) AECA, the Congress must be notified 30 days in advance of the date the Department of State consents to the transfer of defense articles or defense services provided under MAP or sold under the AECA from the recipient to anyone not an officer, employee, or agent of that recipient. This reporting requirement does not apply to the following transfers:

1. temporary transfer of defense articles for the sole purpose of receiving maintenance, repair, or overhaul;

2. transfer of maintenance, repair, or overhaul defense services, or of repair parts or other defense articles used in furnishing such services, if the transfer will not result in any increase, relative to the original specifications, in the military capability of the items to be maintained, repaired or overhauled;

3. transfers pursuant to arrangements among NATO members or between NATO and any of its member countries for cooperative cross servicing;

4. transfers pursuant to arrangements among NATO members or between NATO and any of its member countries for lead-nation procurement, (see paragraph b below).

(b) In the last-mentioned category of transfers exempted from the reporting requirement of section 3(d) AECA, if the defense article or defense service to be transferred was originally purchased from the USG and that purchase had been the subject of a notification to the Congress under Section 36(b) AECA, the proposed transfer is exempt from the reporting requirement of Section 3(d) AECA only if the Section 36(b) notification with respect to such lead-nation procurement had identified the transferee on whose behalf the lead-nation procurement was proposed. For Section 36(b) AECA proposed sales to NATO or to another NATO member country purchasing on behalf of a third NATO party, information as to possible subsequent transfers shall be provided to DSAA in accordance with Figure Appendix B-1, paragraph m., and Figure Appendix B-3, paragraph m.

issued under this Act for the export of any major defense equipment sold under a contract in the amount of \$100,000,000 or more to any foreign country which is not a member of the North Atlantic Treaty Organization unless such major defense equipment was sold under this act." For detailed procedures on commercial sales, see Chapter H.

d. The Department of Defense recognizes that there are cases in which it is to our advantage to encourage the use of commercial sources by customer countries. Nevertheless, some two-thirds to three-fourths of all U.S. military exports actually are conducted on a government-to-government basis for one or more of the following reasons:

(1) Government furnished equipment manufactured in a Government-Owned, Government-Operated (GOGO) facility cannot be sold directly to U.S. prime contractors. The furnishing of this type of materiel is via an FMS transaction only. (See Paragraph 22, this Chapter for appointment of an agent procedures whereby a customer country can appoint a commercial source to act as an agent for the receipt of FMS GFE/spares/support items which are required by that commercial source to effect the manufacture/assembly or repair/rehabilitation of a defense item owned by the customer country.)

(2) For some special situations, the U.S. Government wishes to exercise the control that is more easily achieved with the FMS channel.

(3) Classified equipment, which must in any event be delivered through government channels, is often easier to sell through the government channel.

(4) Sales made under supply support arrangements and similar logistics sales arrangements are handled through the FMS channel as the only practicable way of permitting the armed forces of friends and allies to "buy into" the procedures as do using U.S. units.

e. Direct contact between MAAGs and Military Departments is authorized to provide information to host countries concerning technical advice, data on item configuration and availability, cost factors, and other essential technical and supply data.

6. Basic Foreign Military Sales Procedures (see Figure C-3)

a. The Department of State has statutory responsibility for approving all requests for Foreign Military Sales to eligible countries and international organizations. To aid in the approval process, all requests have been divided into: "Significant Combat Equipment (SCE)" as defined in the International Traffic in Arms Regulation (ITAR) and "All Other Foreign Military Sales." The Department of State has established the following procedures for the submission of requests in each category:

(1) Requests to purchase SCE which originate in-country should be transmitted by the US Embassy rather than by the MAAG or similar military element and should be addressed for joint action to SecState-PM/SecDef-DSAA, with information copies to the appropriate DOD component, Unified Command, and ACDA. Requests to purchase SCE which originate with customer country representatives in Washington, D.C. should be jointly addressed to the Bureau of Politico-Military Affairs, Department of State and DSAA.

(2) Requests for Foreign Military Sales, other than SCE which originate in-country should be transmitted either through the customer country's representative in the US or by the embassy or the DOD element of the US country team directly to the cognizant DOD component with an information copy to SecState-PM/SecDef-DSAA. Requests originated by foreign representatives in the US should be sent directly to the cognizant DOD component with an information copy to the Bureau of Politico-Military Affairs, Department of State and DSAA.

b. Should a DOD component receive a request from a foreign country to purchase SCE, the request should be retransmitted to SecState-PM/SecDef-DSAA for action. Should a DOD component receive a request for a Foreign Military Sale other than SCE with no indication that an information copy was provided to SecState-PM/SecDef-DSAA,

the DOD component should take immediate action to retransmit the request to SecState-PM/SecDef-DSAA for information.

c. When it is determined that a DOD component cannot respond favorably to a foreign country request, the proposed negative response to the foreign country must be coordinated with DSAA Operations. DSAA will coordinate with the Department of State. This procedure applies to inquiries involving requests for foreign military sales, requests to coproduce, requests for offset arrangements, requests for sensitive technical information, etc. This procedure is not intended to apply to negative responses to inquiries of a technical nature involving accepted FMS cases unless, if approved, the request would have resulted in the issuance of an amendment to the basic LOA (e.g., requests involving a significant modification of a system or an increase in the overall capability of the item requested, etc.). In addition, the following routine training actions are exempt from this prior coordination requirement; however, DSAA should be an information addressee on all such responses.

(1) Denial of requests within established policy (e.g., courses closed to all foreign nationals; information not cleared for release; training to support equipment not in country's inventory).

(2) Notification of class cancellations for previously approved quotas.

(3) Quota requests which cannot be accommodated within desired timeframe.

(4) Senior officer courses where annual foreign participation is limited and restricted to those invited by chiefs of services.

7. Furnishing Information on Price, Availability and Condition of Military Equipment to Foreign Governments

a. Importance of Accurate Estimates

The terms and conditions of the DD Form 1513 stipulate that price and availability data shown on the DD Form 1513 are estimates and must not be considered fixed priced or firm commitments. This point is very important and should be continually stressed to foreign governments. Nevertheless unexpected and substantial price increases, delivery delays, or the receipt of equipment in poor condition can lead to a foreign government's disappointment or even dissatisfaction with the FMS system. It is essential that all DOD components strive for accuracy in the development of planning and review (P&R) and price and availability (P&A) data within the constraints imposed by applicable procedures; the process must include the identification of contingencies which might cause the "best estimate" of price and availability to fluctuate beyond acceptable bounds. The nature of any such contingency or qualification as to the accuracy of estimates should be brought to the attention of the FMS purchaser during the offer and acceptance process.

b. Discussions with Foreign Governments

Economic, production and budget uncertainties all contribute to DOD component difficulties in making accurate price and availability estimates. The large volume of P&R and P&A estimates which are processed also increase the likelihood of error. It is imperative that the utmost discretion be exercised by members of the country team or other US officials in discussion with foreign government officials of price and availability data. Only specific data provided by the DOD component or the Defense Security Assistance Agency (DSAA) should be used.

c. Foreign Government Requests for FMS Data

Depending upon the nature of a foreign government's requirements, there are two categories of data which a foreign government may request: planning and review (P&R) data or price and availability (P&A) data.

(1) Planning and Review (P&R) data should be used by a foreign government solely for preliminary review and planning for the possible purchase of a defense article or service. P&R data should not be considered valid for use in programming budget requests or for purposes of preparing a LOA. DOD components should ensure that the information provided is sufficiently accurate to serve the planning purposes of a foreign government. Contract expiration dates should be verified and the foreign country advised of limitations such dates place on the data provided.

(2) Price and Availability (P&A) data should be detailed to the degree that the information could be transferred to a Letter of Offer without further modification. In the event that the P&A information is being provided separately from a LOA, coordination with DSAA is required under the same guidelines as apply for the submission of actual Letters of Offer. An information copy of P&A data provided to all countries will be furnished DSAA.

(3) Requests for P&R data or P&A data should be submitted in accordance with the guidelines contained in paragraph 6, this chapter. The Military Departments will pro-

vide P&R data within 45 days after receipt of the request. P&A data will be provided 60 days after receipt of request.

(4) In all cases, foreign country requests for P&R or P&A data should be as clear and complete as possible, so that they are understood and data can be properly estimated by the DOD components concerned. USG officials who initially accept such requests for transmittal to the DOD components concerned should review them to ensure that (1) they are sufficiently specific to be understood and provide a firm basis for preparing estimates, and (2) request states specifically whether it is for P&R or P&A data. When requests for estimates are received that do not specify whether they are for P&R or P&A data, the recipient initially receiving the request shall notify the requestor of this requirement and hold action on the request until the information is received.

d. Format for Response to Requests for P&R and P&A Data

(1) The following format must be used in responding to a request for Planning and Review (P&R) data:

—List the quantity, major item/service and estimated cost. (Cost must include an inflation factor. In the absence of clear inflation trends on a given system which can be used, the OSD/C standard inflation factor should be used.)

—List the ancillary support equipment which is necessary for the operabi of the system requested and include the estimated cost.

—Indicate estimated dollar value of training, publications, etc.

—List the estimated accessorial charges.

—List the source of the data (e.g., last contract award, stock price, contractor quote).

—List the estimated availability of the item.

—List the key assumptions used in developing the data.

For example:

(a) Standard Military Department factors were used in developing the ancillary equipment necessary to support the quantity of items requested.

(b) Training, publications and quality assurance cost estimates are based on criteria used by the Military Departments.

—List the key factors which will effect the above planning data.

For example:

(a) Current contract for this item expires on (indicate date) and LOA must be accepted by (indicate date) so that options can be added to the current contract. If LOA is not accepted by the indicated date, the price will rise substantially and new data should be requested.

(b) Production line is due to phase out by (indicate date). Start-up costs would have to be applied if an LOA is not accepted by (indicate date).

(c) Materiel has a shelf-life of (indicate time).

—Expiration date: _____ After this date, if the item/service is still under review, revised data should be requested.

—Validity: The above information is not valid for purposes of preparing a Letter of Offer and Acceptance nor should it be used for budget submissions. It is planning information for review purposes only, to assist in your government's determination of the feasibility of requesting a Letter of Offer and Acceptance.

(2) P&A data will be prepared along the same guidelines as a LOA. P&A data should include the following statement: Expiration date: _____ After this date, if the item/service is still under review, revised data should be requested.

e. Estimates are not Commitments

All responses for P&R or P&A data will include the following note: "The provision of the foregoing P&R (or P&A) data does not constitute an agreement between the US Government and the Government of (insert the appropriate foreign country), nor a US Government commitment to provide items or services for which these estimates are provided."

f. Requests for P&R Data, P&A data or LOA Which Involves a Less than Economic Order Quantity (EOQ)

When a request is received for P&R, P&A or a Letter of Offer which cannot be supplied from stock and cannot be immediately obtained from normal procurement because it represents less than an Economic Order Quantity (EOQ), the response to such requests should provide the following information to the country:

(1) Whether the contractor would be willing to provide the quantity requested under separate procurement, and if so at what price and availability date, and

(2) Whether a US Government procurement is planned for the near future, the anticipated price of such procurement and the anticipated delay in supplying the item if the requirement were held pending such procurement. All such responses to a foreign country must be coordinated with DSAA Operations.

g. Coordination of Requests for P&R Data, P&A Data, or a LOA

The Joint Chiefs of Staff and the USDR&E must be advised of all new FMS requests which meet the following criteria:

(1) All requests for major defense equipment as defined in Appendix A, Part III of the MASM, and

(2) All requests for coproduction or licensing agreements. All requests received directly by the Military Department, which meet these above two criteria should be referred to DSAA for review with the JCS and USDR&E. This referral to DSAA can be done simultaneously with the implementation of action within the Military Departments to obtain the information requested. In no case should such requests be answered without the prior approval of DSAA having first been obtained.

NOTE: All requests for information, no matter how informal the request, e.g., oral, letter, message, etc., (other than P&A requests intended to lead to the preparation of a Letter of Offer) are considered to be P&R requests and require the same channels of submission as outlined in paragraph 7.c(3).

Director
 Defense Security Assistance Agency
 Room 4E837, The Pentagon
 Washington, DC 20301

Dear Sir:

The Government of _____
 hereby appoints _____ whose
 address is _____
 as its Agent for the purpose of receiving
 deliveries of the following items:

Above items will be used for the (manufacture/assembly)*(repair/rehabilitation)* of the _____
 Said Agent is hereby authorized to sign in the name of the Government of _____
 as its Agent for the receipt of these items as indicated by the shipping instructions contained in Blocks 33 and 34 of the DD Form 1513.

The Government of _____
 undertakes to instruct _____
 as its Agent to maintain possession of the above specified items in accordance with paragraph B.9 of Annex A (General Conditions) of the DD Form 1513 until transferred by such Agent of the Government of _____

Yours Very Truly,

*Insert the appropriate phrase describing the Agent's function.

23. Foreign Military Sales (FMS) Customer Procedures Guide

The Director, DLA, after appropriate coordination with interested DOD components, and approval from the Director, DSAA, shall develop, publish, revise as necessary and distribute the DOD Foreign Military Sales Standard Customer Procedures Guide. This responsibility includes the creation, maintenance, and disposition of the records of the publication.

24. Cooperative Projects

a. The term "cooperative project" means a project described in an agreement entered into after October 29, 1979, under which:

(1) NATO or one or more member countries agrees to share with the US the RDT&E of certain defense articles and the costs of any agreed joint production of those articles in order to further standardization and interoperability among NATO countries.

(2) NATO or one or more member countries other than the US agrees to bear the costs of RDT&E of certain defense articles and to have such articles produced for sale to and licensed for production within other participant member countries including the US, and the US agrees to bear the costs of RDT&E of other defense articles and to have such articles produced for sale to and licensed for production within other participant member countries in order to further rationalization of the industrial and technological resources within NATO.

b. A provision for the waiver or reduction of certain charges associated with such cooperation projects is provided for in Section 27 of the AECA. Waiver or reduction of appropriate charges must be approved by the Director, DSAA, prior to the negotiation of the "Cooperative Project" Agreement.

c. In accordance with Section 27(c) of the AECA, all cooperative projects must be certified to the Congress, 30 days prior to signature of the agreement. Certification will include:

(1) a detailed description of the cooperative project with respect to which the certification is made;

(2) an estimate of the amount of sales and exports expected to be made or approved under this Act in furtherance of such cooperative project;

(3) an estimate of the dollar value of any charges expected to be reduced or waived under this section in connection with such cooperative project, such dollar value to consist of expenses that will be charged against Department of Defense funds with-

out reimbursement and amounts not be recovered and deposited to the General Fund of the Treasury;

(4) an estimate of the dollar value of the costs to be borne by the North Atlantic Treaty Organization or by the member countries thereof in connection with such cooperative projects; and

(5) a statement of the foreign policy and national security benefits anticipated to be derived from such cooperative projects.

d. All proposals to certify to the Congress NATO Cooperative Projects must be furnished to the Director, DSAA in sufficient time to permit compliance with this requirement.

25. Major Defense Equipment

a. A US defense article is considered to be an item of major defense equipment when it is identified as significant combat equipment on the United States Munitions List and when it is anticipated that the US Government will incur for the item either a nonrecurring research and development cost of more than \$50 million or a total production cost of more than \$200 million. These dollar thresholds encompass all expenditures to date, including both military service and security assistance requirements, and all estimated future DOD, MAP, and FMS costs for the item. Once identified as major defense equipment, the item is then recorded on the Major Defense Equipment List (MDEL), which designates equipment for special scrutiny when considered for sale to foreign governments either through foreign military sales or commercial sales channels. (See Appendix A for current MDEL.)

b. In determining whether an item meets the criteria for major defense equipment, the following definitions apply:

(1) Items of significant combat equipment are identified in Section 121.03 of the International Traffic in Arms Regulation (ITAR).

(2) Estimates of nonrecurring research and development cost will include those cost elements identified in the nonrecurring por-

tion of the term "Development Cost" as defined in para. D.4.a. and Figure 11 of DOD Instruction 5000.33 "Uniform Budget Cost Terms and Definitions," dated 15 August 1977.

(3) Estimates of total production cost will include those cost elements identified in the term "Procurement Cost" as defined in para. D.4.d. and Figure 11 of DOD Instruction 5000.33, cited above.

26. Authority to Negotiate and Sign International Agreements

DOD Directive 5530.3 provides that no DOD element may negotiate or sign an international agreement (other than those in the intelligence field) without the prior concurrence of the Assistant Secretary of Defense, ISA, unless specific delegation of authority has been received. DOD Instruction 2050.1 provides delegation of authority to specified DOD elements for certain types of agreements. For all other areas, international agreements will either be negotiated by an element within the office of the Assistant Secretary, ISA, or will require case by case delegation of authority in writing. Within the Security Assistance field, Foreign Military Sales Letters of Offer and Acceptance (DD Form 1513) are exempted from the requirements of DOD Directive 5530.3. For all other agreements, such as Memoranda of Understanding covering coproduction arrangements or licensed production agreements, or other special types of sales not reflected on a DD Form 1513, the terms of DOD Directive 5530.3 must be met. This requires that written authority be obtained from DSAA prior to entering into negotiations, as defined in Paragraph C.2 of the Directive. It should be noted that requests for such authority must include not only a description of the project involved, but also fiscal and legal memoranda, as outlined in Section H of the Directive.

27. Exclusive Licensing Arrangements

In cases where a request for P&R, P&A or a LOA is received from a country falling within the area of a known exclusive com-

mercial license arrangement for the item or service the following special procedures will apply:

a. The prospective buyer will be provided with the name of the foreign firm involved and informed that this firm has exclusive rights in that country relating to the sale of the item or service being sought.

b. In the event the prospective buyer insists that it wishes an FMS transaction it should be advised that the request should be set forth in a letter from the Minister of Defense or the Deputy Minister of Defense (or the equivalent) to the Director, DSAA outlining the reasons for the desire to purchase by means of an FMS transaction rather than from the foreign licensee.

c. On receipt of such written requests containing justification, in order to comply with provisions of the AECA (Section 42(a)), the Director, DSAA will advise the foreign firm involved (or its designated representative in

the US) in writing of such requests. DSAA will provide the foreign firm with a copy of the written request, if unclassified, and of other unclassified records pertinent and material to the transaction, and give the foreign firm an opportunity to provide data pertinent to the request, including a statement as to the amount of financial return to the US economy should such a sale be made by the foreign firm. The foreign firm will normally be allowed 30 days to provide their comments.

d. In the event it is determined that price and availability data is to be provided, or that a Letter of Offer and Acceptance (DD Form 1513) is to be issued to the requesting government, the Director, DSAA will so advise the foreign firm, and will provide upon its request relevant unclassified and non-proprietary pricing and availability (P&A) data. DSAA will advise the foreign firm of all renewals, modifications or extensions of such Letter of Offer and Acceptance prior to acceptance by the purchasing country.

**RECOUPMENT OF NONRECURRING COSTS ON
SALES OF MAJOR DEFENSE EQUIPMENT**

Change No. 6, 1 October 1981

Weapon System or Component	Nonrecurring Costs (\$ Thousands)			Production Quantity					Recommended Pro Rata Unit Charge (\$ Dollars)			Previous Unit Charge																				
	RDT&E	Production	Total	Army	Navy	A/F	MAP/FMS/Di- rect Sale *	Total	RDT&E	Production	Total	(\$ Dollars)																				
<p>* Breakout of quantities by country for FMS/MAP/Direct Commercial Sales:</p> <table border="1"> <thead> <tr> <th><u>Country/Int'l Org</u></th> <th><u>Quantity</u></th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>													<u>Country/Int'l Org</u>	<u>Quantity</u>																		
<u>Country/Int'l Org</u>	<u>Quantity</u>																															

MILITARY ASSISTANCE AND SALES MANUAL—PART III

Figure C-1

Change No. 6, 1 October 1981

PRICE AND AVAILABILITY REPORT (RCS: DSAA(Q) 1138)					
QUARTER ENDING _____				_____ (Agency)	
(Date)					
PART I—PRICE AND AVAILABILITY ESTIMATES PROVIDED					
COUNTRY	DESCRIPTION OF ARTICLES/SERVICES	QUANTITY	PRICE EST.	DATE INFORMATION PROVIDED LETTER/MSG. REF.	
PART II—REQUESTS FOR ISSUANCE OF A LETTER OF OFFER RECEIVED					
COUNTRY	DATE OF REQUEST	DATE REQUEST RECEIVED	DESCRIPTION OF ARTICLES/SERVICES	QUANTITY	P&A TERMS REQUESTED (IF ANY)

Figure C-2

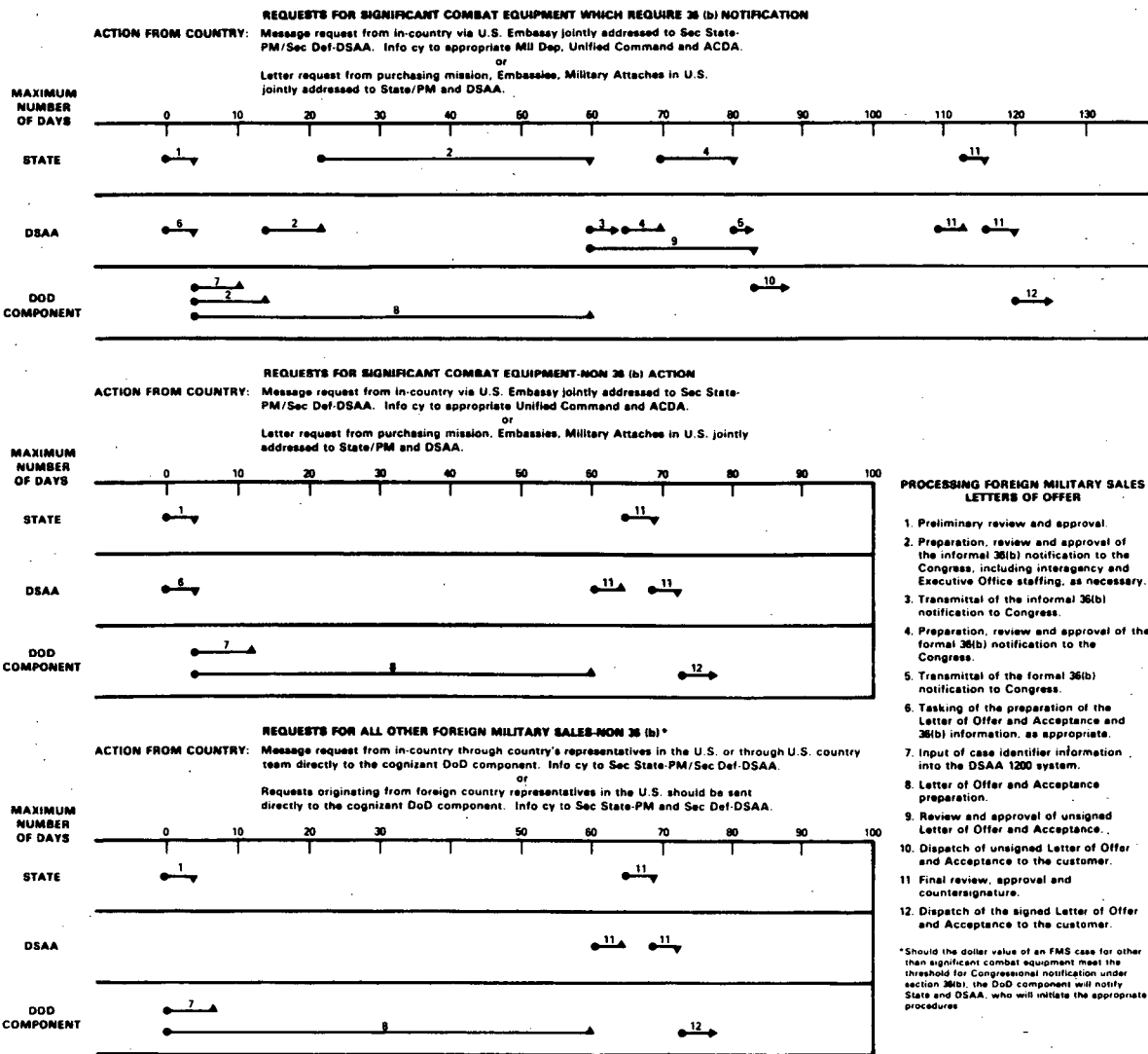


Figure C-3

CHAPTER D

PREPARATION AND PROCESSING OF FOREIGN MILITARY SALES TRANSACTIONS

1. Introduction

a. The guidance contained in this chapter provides specific instructions for the utilization and processing of the DD Form 1513—Offer and Acceptance, the DD Form 1513-1—Amendment to the Offer and Acceptance, the DD Form 1513-2—Notice of Modification of Offer and Acceptance, and the Letters of Intent—DD Form 2012 and DD Form 2012-1. Further provided in this chapter is a description of data which must be included in Letters of Offer submitted in response to requests from FMS purchasers. It also prescribes normal time for processing requests for Letters of Offer, and allowable times between release and expiration of such offers.

b. The Operations Directorate (DSAA-TS) is the point of entry in OSD for the DOD components to use in coordinating FMS Cases (LOAs, Amendments, and Notices). The Operations Directorate is also responsible for obtaining coordination of appropriate OSD staff elements, as well as obtaining coordination from the DSAA Comptroller. (This is not the Countersignature required for all LOAs, Amendments and Notices (see paragraph 10, this chapter, for those notices requiring countersignature)). FMS cases must contain, as minimum, the following supportive and explanatory documentation:

(1) Financial Analysis in accordance with paragraph 8.a, below.

(2) Financial Annex, except for FMSO I cases.

(3) All amendments must be accompanied by the basic DD Form 1513 and any changes or notices that preceded the amendment.

(4) All Letters of Offer should indicate a coordination by the cognizant comptroller and legal counsel, as required.

FMS transactions submitted for coordination which do not include the proper documentation will be returned to the appropriate DOD Component without coordination. If the urgency of the situation requires processing without waiting for the required documents, the matter should be referred to the Director or Deputy Director, Operations Directorate. DSAA Operations coordination occurs prior to DOD component submission to DSAA Comptroller for countersignature.

2. DD Form 1513—Offer and Acceptance

a. The DD Form 1513—Offer and Acceptance (LOA) will be used for all foreign military sales of defense articles and services (including training) by the Military Departments and Defense Agencies. LOAs for open cases, e.g., cases providing for the requisition of spare parts and components, or cases covering the provision of a continuing service such as contractor administrative services or engine or component improvement programs, will normally be of one-year's duration.

b. LOAs for blanket order FMS cases, training cases or cases covering the provision of a continuing service (e.g., contractor administrative services or engine or component improvement programs), may be written for up to two year's duration, provided total value of case does not exceed \$5 million. Exceptions to this duration and dollar limitation require the approval of DSAA.

c. The offer will itemize the defense articles and services offered and when executed becomes an official tender by the Government of the United States.

d. The acceptance constitutes the agreement of the foreign government to the offer and with applicable funding completes the contract.

e. Annex A of the Offer and Acceptance contains the General Conditions which are an official part of every offer issued.

f. In all FMS cases involving major systems/end items, the LOA will include all complementing/supporting material and services as opposed to negotiating separate cases for each of these items/services. Exceptions to this requirement must have prior DSAA Operations approval.

g. Such additional terms and conditions as may be appropriate for a particular sales case shall be set forth in one or more attachments or continuation sheets to the DD Form 1513. All attachments (including notes) are an integral part of the LOA. Each page should indicate the case identifier at the top of the page and be numbered consecutively from the first page of the LOA to the end of all information provided with this LOA. Thus the number on the DD Form 1513 would reflect the total number of pages in the LOA.

h. If all line items cannot be listed on the first page of an offer and acceptance, show only the program total and list the remaining line items on DD Form 1513c continuation sheets. (See Figure D-4).

i. The percentage rate used for determining packing, crating and handling costs, general administrative costs, and supply support arrangement costs should not be indicated in the applicable blocks. (This guidance also pertains to Other Estimated Costs (Block 25) should a percentage rate be applicable.)

j. See Figure D-1 for detailed instructions on the filling in of the blocks on the DD Form 1513—Offer and Acceptance.

3. Processing Requests for Letters of Offer and Acceptance

a. Approval channels for requests for Letters of Offer are included in Paragraph 6, Chapter C, Part III. DOD components must formally acknowledge receipt of such

requests within five days. Maximum processing time between the receipt of a request for a Letter of Offer and submission of the Offer or Amendment to DSAA for coordination and/or countersignature is sixty (60) days. Earlier response will be made whenever possible.

b. DOD components will submit all Letters of Offer for SCE and for those items or services of a critical or special nature to the Operations Directorate, DSAA, for approval prior to submission to the Comptroller, DSAA, for countersignature and onward processing to the requesting country. Additional LOA's which require Operations Directorate, DSAA, approval are:

(1) All Letters of Offer for \$10 million or more, and all amendments which increase the value of a case \$10 million or more,

(2) all Letters of Offer for which the terms of payment are credit or guaranteed funds,

(3) all Letters of Offer for items containing a nonrecurring surcharge as an element of cost of the items when the surcharge requires the approval of DSAA as prescribed in DOD Directive 2140.2,

(4) all Letters of Offer for items or services which are not standard in DOD inventory or for which new development effort is included as an element to be procured,

(5) all Letters of Offer involving the sale of Technical Data Packages or similar data for production purposes which would result in the establishment of a foreign production capability for an item, and

(6) all Letters of Offer including agent's fees.

c. After Operations Directorate, DSAA approval of the LOA has been obtained, if required (and, in the case of Section 36(b) actions, the Congressional review period is

completed), DOD components should forward to DSAA-TC, FMS Control Division, the original plus two copies (three copies if it is a credit case) of the signed LOA for countersignature prior to release to the purchasing country. This requirement also applies to DD Form 1513-1 Amendments and certain DD Form 1513-2 Notices (see paragraph 12, this chapter). DSAA-TC and SAAC will take action to process and record appropriate extracts of data from the DD Form 1513 (1513-1 and 1513-2) into the DSAA FMS Data Base.

4. Duration of Letters of Offer

a. Each Letter of Offer (DD Form 1513) or Amendment (DD Form 1513-1) will include the date upon which the offer expires. DOD policy is to allow the purchaser no more than sixty (60) days between the date of issue of the Offer or Amendment and its expiration date. When the Letter of Offer or Amendment is forwarded to the DSAA, for coordination and/or countersignature, the date of the Offer (Block 7) or the date of the Amendment (Block 8) should be completed along with the signature and typed name and title of the U.S. Department/Agency authorized representative. Additionally, Block 8 of the Offer or Block 9 of the Amendment should contain an expiration date of 85 days after the date placed in Block 7 of the Offer or Block 8 of the Amendment. This 85 day period permits a 60 day review period for the country and a 25 day period for the administrative processing required for countersignature and for DOD component issuance of the LOA or Amendment to the purchaser.

b. If a shorter expiration period is required because of (1) the validity of contractor quotes comprising the price and availability information included on the Offer or Amendment, or (2) the time sensitivity of any information included in the Offer or Amendment, then the shorter expiration period should appear on the LOA or Amendment, and a note placed on the Letter of Offer which explains why the expiration period is less than 60 days.

c. Requests by the purchasers for extensions to expiration dates will be honored only

after a full review by the preparing agency and DSAA to insure that all data included in the Offer remains valid, to include ceiling availability. The foreign country should be advised of the new expiration date via message along with authorization to make a pen and ink change to the expiration date listed on the LOA or amendment. The Security Assistance Accounting Center and Defense Security Assistance Agency should be provided an information copy of the message.

d. Upon the receipt of each accepted Letter of Offer (DD Form 1513), accepted Amendment (DD Form 1513-1) or acknowledgement of receipt of a Notice (DD Form 1513-2), the initiating DOD component will provide a copy to the FMS Control Division (FMSCD), DSAA Comptroller.

5. Information Conveyed by Letters of Offer

The Letter of Offer and Acceptance, when signed, is an official agreement between the United States and the purchasing nation regarding terms and conditions pertaining to furnishing certain goods or services. As such, the DD Form 1513 and its enclosures must provide sufficient detailed information so as to make clear the obligations of the United States and the Purchaser. The type and amount of information which must be conveyed will vary depending on the nature of the sale. However, at least some information which is supplemental to the preprinted "General Conditions" of Annex A of the DD Form 1513 must be provided for each sale. The normal method of accomplishing this is in the form of explanatory "Notes" which are cross-referenced to information included on the face of the DD Form 1513. Inclusion of this information as a complete package within the Offer, rather than orally or by separate correspondence, reduces misunderstandings over FMS Cases.

6. Supplemental Information for Letters of Offer

Figure D-5 indicates that information must be provided to purchasers in the form of Notes or Supplemental Terms and Condi-

tions, depending upon the nature of the material and/or services being sold. Items indicated by X must be addressed in Notes or Supplemental Terms and Conditions to the DD Form 1513; those indicated as being on an as required basis (A/R) should be addressed if the nature of the transaction so warrants. The following subparagraphs include instructions and discussion regarding the nature of this supplemental information. The subparagraphs are aligned to the column "Supplementary Information for Letters of Offer" of Figure D-5. The Checklist shown in Figure D-6 must accompany each case submitted to the Defense Security Assistance Agency (DSAA).

a. Transportation Instructions

(1) There must be clear understanding between the USG and the purchaser as to where and how purchased material will be shipped. Blocks (19), (20), (33) and (34) of the DD Form 1513 are designed to fulfill this purpose under the normal Foreign Military Sales (FMS) method of shipment (i.e., by collect commercial bill of lading to freight forwarders), by the use of codes prescribed in DOD Directive 4140.17-M. However, supplementary instructions are required to enable purchasers to fill out Blocks (33) and (34) properly. Figure D-7 shows the instructions furnished by the Defense Logistics Agency (DLA) to meet this need; it should be used by all DOD components concerned as a guide.

(2) The normal method of movement of FMS materiel is by commercial carrier to a freight forwarder designated by the purchaser. The use of the DOD Transportation System (DTS) is authorized as an exception to this policy for the shipment of classified materiel, firearms, all classes of explosives, lethal chemicals, other hazardous cargo and materiel outsized to the capability or availability of commercial air carriers, and waivers previously approved by the Defense Security Assistance Agency (DSAA). Any other exceptions must be specifically approved by DSAA on a case-by-case basis. Use of the DTS, to include all related terms and condi-

tions for movement, must be stated in the DD Form 1513. Each request for an exception to use the DTS must be supported with a statement that addresses projected tonnage, special transportation requirements, and other relevant information that will justify the commitment of DOD transportation assets. Upon approval, the extent of authorization must be clearly delineated in the supplementary conditions in the DD Form 1513. This would include identification, by specific item, when certain items in the DD Form 1513 are to be shipped via DTS and others are to be shipped via country freight forwarders.

(3) The transportation of materiel to U.S. facilities for repair and return is normally the responsibility of the FMS customer. Use of the DOD Transportation System (DTS) for such materiel will be authorized only in exceptional situations. The factors, criteria, and approval channels summarized in paragraph 6a(2) above for authorizing the use of the DTS also apply to such authorizations for the repair and return of foreign country owned materiel. Figure D-7 provides instructions for completing the transportation related blocks of the DD Form 1513 for repair and return FMS cases. It is the responsibility of the cognizant Military Department to assure that the DD Form 1513 for the repair and return of materiel is complete and provides all information required by the customer. A complete CONUS address for each item or category of items must be identified in the DD Form 1513.

b. Delivery Schedules of Items

Block (18) of the DD Form 1513 provides the appropriate leadtime from the date of order of material to the date of delivery. This provides sufficient information for most cases, unless delivery of major end items (i.e., airplanes, ships, missiles, or major combat vehicles) is involved. A schedule of estimated in-country or CONUS equipment deliveries by month, will be provided for major end items. When appropriate, the schedule of deliveries will include required delivery dates for items not to be delivered earlier than a specified date.

c. Personnel Movement to and from Country

Cases which provide for the provision of technical assistance services, either by contractor or military personnel, should specify to the extent known:

- (1) The number of personnel who will perform the task.
- (2) Planned date of arrival in-country.
- (3) In-country destination and "home station".
- (4) Extent of in-country travel required to perform the mission.
- (5) Planned duration of stay in-country, and planned departure date.

d. Qualifications Regarding Price and Availability Data Furnished on the DD Form 1513

(1) There must be as clear an understanding as possible of the limitations of the validity of data included in the Letter of Offer; much of the "boilerplate" of the DD Form 1513 is designed for this purpose. However, any of the following data which is pertinent to the case must be provided as

"Notes" to the Letter of Offer.

(a) Any deviations or substitutions to quantities or equipment which was included in the country request for Letter of Offer, with explanation for the deviation or substitution.

(b) The last date of validity of either price or availability data included in the Letter of Offer, with an explanation of the reason why, if the Offer is time-sensitive. Even though each Offer carries an expiration date, it is important that the purchaser be aware of any criticality in that date.

(c) Any particular reservations regarding the price quoted in the Offer should be noted and explained.

(d) The extent to which either the price or availability quoted is dependent upon an action yet to be taken by the USG (e.g., the selection of the equipment for U.S. forces).

e. Agreements to Safeguard Status or Provide Facilities for USG or Contractor Personnel While in Host Country

for each line item in sufficient detail to enable the reviewer to judge the accuracy, completeness, and firmness of the estimated prices.

9. Termination Liability Reserve Data to be Included with Selected Letters of Offer

a. Letters of Offer and Acceptance (DD Form 1513) and amendments thereof with a value of seven million dollars or more will be accompanied by a termination liability worksheet as part of the required financial analysis when the Letter of Offer and Acceptance is submitted to DSAA for countersignature. The purpose of this worksheet is to provide the Director, DSAA with information concerning the implementing agency's determination of and plan for the collection of an appropriate amount of funds to cover the liability that would accrue to the US Government should the sales agreement be terminated prior to normal completion. This worksheet is for internal management purposes and normally will not be furnished to the purchaser of the defense article or service.

b. The following information will be included on the worksheet:

(1) Deposit date. Normally quarterly in accordance with the schedule of payments.

(2) Total payment. Amount required to be deposited for both disbursements and reserves.

(3) Estimated disbursements. Anticipated payments to contractors or suppliers during the period.

(4) Contractor holdback. Amount earned by contractors or suppliers during the period but held back to ensure future performance.

(5) Termination reserve. Amount required to cover liability should the contract be terminated during the period.

(6) Remarks/computations. Appropriate comments concerning the methodology by which the data was determined.

c. Figure D-13 presents a format for use in presenting this termination liability reserve information. Entries for each date

should show both the quarterly transactions and the cumulative totals.

d. These instructions do not apply to any cases for cooperative logistics (FMSO I and II), spare parts requisitions, training, and other equipment or services to be provided from Department of Defense inventories, or those programs for which termination liability requirements have been waived.

10. Direct Charges to FMS Cases

See Appendix 1, this chapter, for detailed discussion of certain estimated costs which will be presented on DD Form 1513 and case execution reports.

11. DD Form 1513-1—Amendment to Offer and Acceptance

a. Changing circumstances frequently require that changes be made to a completed Letter of Offer and Acceptance (DD Form 1513). To assure that FMS records reflect adjustments to program content in the fiscal year in which such changes occur, it is essential that we make all practical efforts to process new DD Form 1513's to provide for significant increases in scope to previously approved programs.

b. It is recognized that there are times when U.S. interests are best served by processing Amendments to cover small changes in scope, since administrative reasons sometimes preclude, or make difficult and costly, the preparation of new Letters of Offer. The Amendment to Offer and Acceptance (DD Form 1513-1) should be used to meet only minimum essential administrative needs. The amendment to Offer and Acceptance (DD Form 1513-1) may be used for minor changes in scope when such use of the form is essential for administrative reasons. Minor changes in scope occur most frequently for:

(1) Changes or requirements within FMS training cases.

(2) Minor changes in configuration of equipment previously ordered in an original Letter of Offer.

(3) Minor changes in scope due to omission in the original LOA of supporting equipment or services for major weapon systems previously sold.

(4) Increases in time of performance which result in an increase in cost.

(5) Increases in the estimated costs of a blanket order type case due to an increase in the amount of items purchased under this case.

(6) Extensions of the order period for blanket order type cases which cause an increase in estimated cost.

(7) Minor increases in quantity of a definitive quantity case.

(8) Changes in description which increases the item/service.

(9) Changes in terms or conditions (other than unilateral changes on the part of the USG), or a change of transportation delivery codes which result in increased costs to the customer.

(10) All revisions to FMSO I cases.

c. All changes in the scope of an existing Letter of Offer should be treated as a new FMS case unless minor changes in scope of the nature referred to in b(1) through (10) above occur which would, for administrative reasons, be more effectively handled as an amendment. When a new case is prepared on the basic DD Form 1513, a cross-reference to the previous FMS case may be made on LOAs issued due to an increase in scope.

d. The DD Form 1513-1 would be used only if the revision requires purchaser acceptance before implementation. If this revision is a unilateral change on the part of the USG to the terms and conditions of the LOA, or provides for the addition of a previously omitted pricing element or surcharge (except as indicated in para 11b(9)), which does not require purchaser acceptance, the DD Form 1513-2, Notice of Modification of Offer and Acceptance, should be provided the purchaser. (See Figure D-3).

e. Major changes in the scope of an existing LOA require the preparation of a new FMS case on the basic DD Form 1513 unless approval has been obtained from DSAA to utilize the DD Form 1513-1 Amendment.

However, should major (or minor) changes in scope occur in the same fiscal year as that in which the original LOA was accepted by the purchaser and such amendment would also be accepted in the same fiscal year, use of the DD Form 1513-1 Amendment is permitted.

f. The percentage rate used for determining packing, crating and handling costs, general administrative costs, and supply arrangement costs should not be indicated in the applicable blocks. (This guidance also pertains to Other Estimated Costs (Block 26) should a percentage rate be applicable.)

g. All DD Forms 1513-1 which reflect an increase in excess of \$50,000 should be coordinated with the Director, DSAA Operations. Such increases will be recorded in the fiscal year the DD Form 1513-1 is accepted. DD Forms 1513-1 which reflect an increase of \$50,000, or less, shall be recorded in the year of the basic FMS case.

h. See Figure D-2 for detailed instructions on the filling in of the blocks on the DD Form 1513-1.

12. Pen & Ink Changes

a. "Pen & Ink" changes are modifications to a DD Form 1513 or DD Form 1513-1 authorized by the issuing agency prior to acceptance of the document. The change may be at the request of the purchaser or initiative of the issuing agency. The issuing agency must authorize the pen and ink change by message or letter to the purchaser with a copy to SAAC. If the change authorizes a new offer expiration date or modified unit or total costs, DSAA/TC FMS Control Division must concur and be furnished a copy of the authorization.

b. Extensive changes should be made by issuance of a new DD Form 1513 or a DD Form 1513-1 rather than a pen and ink change.

13. DD Form 1513-2—Notice of Modification of Offer and Acceptance

a. This form is utilized to record modifications to an existing offer and acceptance,

19. Block (23) ESTIMATED GENERAL ADMINISTRATIVE COSTS

Enter in whole dollars based on the percentage set forth in DOD Instruction 2140.1, or enter "actual" cost if appropriate. If the charge is shown as actual cost based on a management case(s), show the value and reference the case(s). Do not show the percentage rate used in determining the cost contained in this block.

20. Block (24) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT

Enter the value in whole dollars based on the percentage set forth in DOD Instruction 2140.1. Do not show the percentage rate used in determining the cost contained in this block.

21. Block (25) OTHER ESTIMATED COSTS

Describe the charge and enter in whole dollars. If there are several specific costs, identify each in Block 13 as a NOTE. If a percentage is used, do not show the percentage rate used in determining the cost contained in this block.

22. Block (26) ESTIMATED TOTAL COSTS

Enter the costs in whole dollars (total of Blocks (21) through (25)).

23. Block (27) TERMS

Enter appropriate terms of sale in accordance with the guidance contained in Chapter G, Part III of the MASM. If an initial deposit is required, this fact should be so stated and the amount of the initial deposit entered in Block 28. In all cases where DOD direct or guaranteed credit are used insert the credit loan agreement number and its date.

24. Block (28) AMOUNT OF INITIAL DEPOSIT

If by the terms of this LOA an initial deposit is required and has been stated in Block (27), the dollar amount in whole dollars of this initial deposit should be entered.

25. Block (29) through (37)

Leave blank. These blocks should be filled in by the authorized representative of the purchasing government.

26. The name and telephone number of the action officer responsible for the preparation of the DD Form 1513 should appear at the bottom of all copies submitted to DSAA for countersignature, excluding the original.

Note the following information before submission of this notice for countersignature:

a. The Operations Directorate (DSAA-TS) is the point of entry in OSD for the Military Departments and Defense Agencies to use in coordinating FMS cases. The Operations Directorate is also responsible for obtaining the coordination of appropriate OSD staff elements. (See Chapter C, paragraph 6.b(4) for those LOAs and amendments which require DSAA coordination.)

b. Submit for countersignature to the FMS Control Division, DSAA Comptroller (DSAA-TC) all DD Forms 1513 in original and 2 copies (one extra copy for credit cases).

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- c. Attach a Financial Annex to all DD Forms 1513 except FMSO I cases.
- d. Before notifying the customer of an extension of the expiration date or change to cost prior to acceptance, obtain approval from DSAA/TC.
- e. Attach a termination liability worksheet for each case of \$7 million or more.
- f. Attach a financial analysis worksheet for each line item (end items or services) with a total cost of \$7 million or more.
- g. All DD Forms 1513 must be listed in the Letter of Request (LOR) system for at least seven (7) days prior to countersignature.
- h. Letters of Offer reported under Section 36(b), AECA will include below Block 11 the identifying DSAA Transmittal Number used in the Statutory Congressional Notification (e.g., 81-15).

Figure D-1

19. The name and telephone number of the action officer responsible for the preparation of the DD Form 1513-1 should appear at the bottom of all copies submitted to DSAA for countersignature, excluding the original.

Note the following information before submission of this amendment for countersignature:

a. The Operations Directorate (DSAA-TS) is the point of entry in OSD for the Military Departments and Defense Agencies to use in coordinating FMS cases. The Operations Directorate is also responsible for obtaining the coordination of appropriate OSD staff elements. (See Chapter C, paragraph 6.4(4) for those LOAs and amendments which require DSAA coordination.)

b. Submit for countersignature to the FMS Control Division, DSAA Comptroller (DSAA-TC) all DD Forms 1513-1 in original and 2 copies (one extra copy for credit cases).

c. Attach a Financial Annex to all DD Forms 1513-1 except FMSO I cases, which result in changes to the payment schedule.

d. Indicate the date of acceptance of the basic case. (The acceptance date is defined in paragraph 6.1. of Chapter M of the MASM. It is the date the DD Form 1513 is signed by the customer representative). The acceptance date should be conspicuously annotated in the upper right hand corner of Block 12, Description and Reason(s) for Amendment. (Example: "Basic Case accepted 25 Aug 1975").

e. Before notifying the customer of an extension of the expiration date or change to cost prior to acceptance, obtain approval from DSAA/TC.

f. Whenever a DD Form 1513-1 increases the original case value by \$50,000 or more, the DD Form 1513-1 will be treated as a new case. Therefore, the DD Form 1513-1 information must be entered in the Letter of Request (LOR) system (in the same way the information was entered for the original DD Form 1513).

g. Attach a termination liability worksheet for each case of \$7 million or more.

h. Attach a financial analysis worksheet for each line item (end items or services) with a total cost of \$7 million or more.

i. Letters of Offer reported under Section 36(b), AECA will include below Block 11 the identifying DSAA Transmittal Number used in the Statutory Congressional Notification (e.g., 81-15).

Figure D-2

INSTRUCTIONS FOR PREPARING THE UNITED STATES DEPARTMENT OF DEFENSE NOTICE OF MODIFICATION OF OFFER AND ACCEPTANCE (DD FORM 1513-2)

1. Block (1) PURCHASER

a. For a country, enter "Government of (name of country)" and show the office and address of the purchaser's activity designated to receive the Notice of Modification of Offer and Acceptance (e.g., Defense Attache, 1111 24th Street, N.W., Washington, D.C. 20301).

b. For an international organization, enter the title of the organization along with the appropriate office and address.

2. Block (2) PURCHASER'S REFERENCE

A reference will be shown when appropriate. A reference may be a letter, telegram, conference, meeting, oral request, etc. The reference will always include a date and any other pertinent data.

3. Block (3) NOTICE NO.

Use Arabic numbers in consecutive sequence. Do not mix Notice Numbers with Amendment Numbers. Number of Amendments (DD Form 1513-1) and Notices (DD Form 1513-2) are independent, thus a possible sequence of events might be: (1) Letter of Offer, (2) Notice 1, (3) Amendment 1, (4) Notice 2, (5) Amendment 2.

4. Block (4) CASE IDENTIFIER

Enter the appropriate country code, implementing agency code and case designator (e.g., UK-P-DLG).

5. Block (5) SIGNATURE

Type or stamp name and title of the U.S. representative. Authorized representative should also sign this block.

6. Block (6) TYPED NAME AND TITLE

Type or stamp the name and title of the US representative who signed Block (5).

7. Block (7) ADDRESS

Enter the name of the issuing organization along with the address (e.g., DA, DCAS-SA, Pentagon, Wash., D.C.).

8. Block (8) DATE

Enter day, month and the year.

9. Block (9) COUNTERSIGNATURE

The authorized representative within DSAA Comptroller for countersignature of the modification should sign in this block. Signature will not occur unless all the necessary information is contained on the DD Form 1513-2.

10. Block (10) TYPED NAME AND TITLE

Type the name and title of the DSAA Comptroller authorized representative for countersignature who signed Block (9).

11. Block (11) DESCRIPTION OF AND REASONS FOR MODIFICATION

Describe briefly the modification(s) and the reason(s) requiring that such modification be made. Such information should be sufficiently clear, complete and specific that it could reasonably be anticipated to satisfy the customer without recourse to further correspondence. (These remarks may be continued on the reverse of the DD Form 1513-2, under Box 26, Continuation). See paragraph 10, Chapter D for further guidance. Enter the acceptance date of LOA or amendment being revised. In all cases where DOD direct or guaranteed FMS credit is being used, insert the credit (loan) agreement number and its date.

12. Block (12) ITEM OR REFERENCE NUMBER

Enter reference to a specific part of the basic case or previous amendment.

13. Blocks (13) through (18)

List only the items modified. Show dollar amounts in whole dollars only. For all notifications of price changes enter the previous cost along with the revised cost.

14. Blocks (19) through (24)

Enter in Column a the previous applicable costs from the original offer and acceptance or prior amendments and/or notices of modifications thereto for the applicable cost lines. The best estimate of the revised costs should then be entered in Column b. If the administrative or accessorial costs change, do not indicate the percentage rate used to determine the costs conditioned in the applicable block.

15. Blocks (25) through (28) ACKNOWLEDGEMENT OF RECEIPT

An authorized official of the foreign customer should sign and forward the document to the Military Department or Defense Agency concerned to ensure that the Notice of Modification has been received.

16. The name and telephone number of the action officer responsible for the preparation of the DD Form 1513-2 should appear at the bottom of all copies submitted to DSAA for countersignature, excluding the original.

Note the following information before submission of LOA for countersignature: (See Chapter D, Paragraph 11, for those 1513-2 actions exempt from countersignature requirement).

a. The Operations Directorate (DSAA-TS) is the point of entry in OSD for the Military Departments and Defense Agencies to use in coordinating FMS cases. The Operations Directorate is also responsible for obtaining the coordination of appropriate OSD staff elements. (See Chapter D, paragraph 11.d. for those notices required DSAA coordination and countersignature).

b. Submit for countersignature to the FMS Control Division, DSAA Comptroller (DSAA-TC) all DD Forms 1513-2 in original and 2 copies (one extra copy for credit cases).

c. Attach a Financial Annex to all DD Forms 1513-2 except FMSO I cases, which result in changes to the payment schedule.

d. Indicate the date of acceptance of the basic case. (The acceptance date is defined in paragraph 5.j. of Chapter M of the MASM. It is the date the DD Form 1513 is signed by the customer representative.) The acceptance date should be conspicuously annotated in the upper right hand corner of Block 8, Description of and Reason(s) for Modification. Example: "Basic Case accepted 25 Aug 1975"). This date is important to determine the fiscal year to which the change is applicable.

Figure D-3

TRANSPORTATION INSTRUCTIONS, DD FORM 1513

1. Sale of Materiel

When all items on the Offer and Acceptance document (DD Form 1513) require a single code in Blocks 19, 20, 33, and 34, the appropriate code as determined below will be entered in the respective blocks of the DD Form 1513:

Block (19): Offer Release Code. Enter one of the following codes opposite each materiel line item, as applicable:

<i>Code</i>	<i>Explanation</i>
A	Freight and parcel post shipments will be released automatically by the shipping activity without advance notice (Notice of Availability).
Y	Advance notice is required before release of shipment, but shipment can be released automatically if release instructions are not received by shipping activity within 15 calendar days. Parcel post shipments will be automatically released.
Z	Advance notice is required, before release of shipment. Shipping activity will follow-up on the notice of availability until release instructions are furnished. Parcel post shipments will be automatically released.
X	The US Service and country representative have agreed that the: <ol style="list-style-type: none"> a. US Service will sponsor the shipment to a country address. Under this agreement Block (34) (Freight Forwarder Code) must contain "X" and a customer-within-country (CC) Code must be entered in Block (33) (MARK FOR Code). The MAPAD must contain the CC Code and addresses for each type address required, i.e., parcel post, freight, documentation. b. Shipments are to be made to an assembly point or staging area as indicated by clear test instructions on exception requisitions. Under this agreement Block (34) must contain Code "W". A MARK FOR Code may be entered in Block (33) and the MAPAD must contain the MARK FOR Code if the MARK FOR Address is to be used on the shipment to the assembly point or staging area.

Block (20): Delivery Term Code. Enter one of the following codes opposite each materiel line item as applicable:

<i>Code</i>	<i>Explanation</i>
2	Delivery to Destination (Inland Origin to Inland Destination Within CONUS or Within the Same Overseas Geographic Area).
3	Delivery Alongside Vessel at Port of Exit.
4	Collect Commercial Bill of Lading to Commercial Port of Exit.
5	Delivery to Commercial Port of Exit by GBI.
6	Delivery to Overseas Port of Discharge (Shipment by Capability of DTS).
7	Delivery to Destination, specified point in receipt country.
8	Delivery to Vessel (onboard)—Port of Exit.
9	Delivery to Port of Discharge (Landed).

Block (33): MARK FOR Code. Enter the MARK FOR Code from DOD 5105.38D, that identifies the organization in-country which is to receive the materiel. This address will be added to the SHIP TO address on all freight containers. The MARK FOR Code will appear on all materiel forwarded by parcel post/small parcel delivery service. As a minimum, it should consist of the port of discharge name and designator (water and air); street, city, and state/province address of organization; country name; and country service name.

If Delivery Term Codes and addresses are not published, the US shippers are not author-

Figure D-7

ized to apply these markings. This causes containers to be received at the freight forwarder or US military representative in-country unmarked for onward shipment with resultant shipping delays, misdirected and lost shipments, and unnecessary work at the freight forwarder port of exit and/or the port of discharge. The US Government will sponsor shipment of this materiel to FOB US Point of Origin.

2. Repair and Return of Foreign Country Owned Materiel

The offer and acceptance document (DD Form 1513) will be annotated in Blocks 19, 20, 33 and 34, to reflect the appropriate Code as determined below:

Block (19) : Offer Release Code. The appropriate Code from paragraph 1 above should be entered opposite each materiel line item. This Code provides instructions for the return shipment to the customer.

Block (20) : Delivery Term Code. Enter one of the following Codes opposite each materiel line item as applicable:

<i>Code</i>	<i>Explanation</i>
A	US/DOD is responsible for transportation from a designated overseas port of embarkation (POE) to a CONUS destination, and return to a designated overseas port of debarkation (POD). Customer country is responsible for overseas inland transportation of materiel to/from the overseas POE/POD and overseas port handling.
B	US/DOD is responsible for transportation from a designated overseas port of embarkation (POE) to a CONUS destination, return to a CONUS port of embarkation and CONUS port handling. Customer country is responsible for overseas inland transportation to the overseas POE, overseas port loading, and overocean transportation from the CONUS POE to ultimate destination.
C	US/DOD is responsible for CONUS port unloading of country arranged carrier, transportation to and from a designated CONUS destination and CONUS port loading of country arranged carrier. Customer country is responsible for movement of materiel to and from the CONUS POD/POE.
D	US/DOD is responsible for CONUS port unloading of country arranged carrier, transportation to a CONUS destination and return to an overseas designated POD. Customer country is responsible for overocean transportation to a CONUS POD, overseas port unloading and overseas inland transportation to ultimate destination of returned materiel.
E	Customer country is responsible for all transportation from overseas point of origin to CONUS activity and return to an overseas destination.
F	US/DOD is responsible for transportation from an overseas inland location to an overseas port of embarkation (POE), overseas port handling, overseas transportation to a CONUS port of debarkation (POD), CONUS port handling, inland transportation to be a designated CONUS destination, and return to an overseas destination.
G	US/DOD is responsible for overseas port handling through an overseas port of embarkation (POE), overseas transportation to a CONUS port of debarkation (POD), CONUS port handling, inland transportation to a CONUS destination, and return to an overseas port of debarkation and overseas port handling. Customer country is responsible for overseas inland transportation to and from the overseas port.
H	Customer country is responsible for all transportation from overseas point of origin to CONUS activity. US/DOD is responsible for return transportation from CONUS activity to CONUS POE. Customer country is responsible for return CONUS port handling and all transportation to overseas destination.
J	Customer country is responsible for all transportation from overseas point of origin to CONUS activity. US/DOD is responsible for all transportation from CONUS activity to overseas destination.

The DD Form 1513 will provide a complete CONUS address for each item identified for repair and return. The customer must assure this complete address is clearly identified on all containers and documentation when materiel is returned.

Figure D-7

Block (33): Enter the MARK FOR Code from DOD 5105.38D, that identifies the organization in the customer country which is to receive the materiel after repair by the US. This address will be added by the U.S. installation to the SHIP TO address on all freight containers. The MARK FOR Code will appear on all materiel forwarded by parcel/small parcel delivery service. As a minimum, it should consist of the port of discharge name and designator (water and air); street, city, and state/province address of organization; country name; and country service name.

Block (34): See paragraph 3 below.

3. The following applies to DD Form 1513's for both the sale of materiel and repair and return of customer owned items:

a. All data necessary to personnel at the port of exit or entry, port of discharge, in-country or US custom authorities, and overseas or CONUS inland carriers to route materiel after receipt at port of exit or entry should be included in this address. It should be brief, to the extent possible, and still retain clarity to all users. It should be in the language of the country, when this is possible, using English characters. Addresses should not be punctuated and should be properly blocked.

b. If the MARK FOR addresses are not published in DOD 5105.38D, or are incomplete, submit new or changed addresses with a request for expedited publication to the Defense Automatic Addressing System Office, ATTN: MAPAD Custodian, Gentile Air Force Station, Dayton, Ohio 45444. (Furnish a copy to Commander, US Army International Logistics Command, ATTN: DRSIL-NS/LP, New Cumberland Army Depot, New Cumberland, PA 17070.)

c. When Code "X" is authorized and entered in Blocks 33 and 34, a customer-within-country (CC) Code must be entered in Block 33. The MAPAD must contain the CC Code and address for each type address required, i.e., parcel post, freight, documentation.

d. Block (34): Enter the appropriate freight forwarder code contained in MAPAD. When Code "X" is authorized and entered in Block 19, a Code "X" or "W" must be entered in Block 34.

e. When the Offer and Acceptance document (DD Form 1513) contain items which require multiple codes in Blocks 19, 20, 33, and 34 (example: explosives, classified, different priorities, others), the appropriate blocks will be completed as indicated below:

(1) BLOCK 19: If more than one offer/release code is applicable, Block 19 will contain "See Note ____" and appropriate explanatory notes will be included in the DD Form 1513.

(2) BLOCK 20: If more than one Delivery Term Code is applicable, Block 20 will contain "See Note ____" and appropriate explanatory notes will be included in the DD Form 1513.

(3) BLOCK 33: If more than one MARK FOR Code is applicable, Block 26 will contain "See Note ____" and appropriate explanatory notes will be included in the DD Form 1513.

(4) BLOCK 34: If more than one Freight Forwarder Code is applicable or a Freight Forwarder Code and a Code "X" is applicable, Block 34 will contain "See Note ____" and appropriate explanatory notes will be included in the DD Form 1513.

Figure D-7

standards have been met except where the purchaser elects to have maintenance performed in an FAA certified facility, in which case release will be accomplished by an FAA or service of origin inspection, as appropriate; or,

(2) Aircraft not to be restored to the above criteria will be sold with the understanding that they will be delivered to destination by surface transportation only.

8. Suspensions/Cancellations

In the event the Department of State determines that it is necessary to suspend the

FMS Program to any purchaser, DSAA will issue instructions to the Military Departments and the Defense Logistics Agency as required for each suspension or cancellation requirement. See Part I, Chapter C, paragraph 11 for detailed instructions.

9. Management Reports

Reports and EAM card submissions integrating supply and financial management of FMS are described in Chapters K and L.

CHAPTER G

FINANCIAL PROCEDURES

1. Purpose

This chapter provides a general description of the financial principles and procedures which apply for various FMS transactions. It is designed to provide an overview of FMS financing and the responsibilities of concerned activities. Detailed guidance on the financial functions of pricing, preparation of billings, and accounting is included in DOD Instructions 2140.1, 2140.3 and 2110.29.

2. Basic Principles**a. Recovery of Costs**

The goal of FMS management is to conduct the FMS program at no cost to the US Government, while insuring prompt and complete service to the customer nation. Achievement of this goal requires a thorough understanding of procedures for pricing items or services furnished, administering FMS cases, and reporting of deliveries of materiel or services. The DD Form 1513 Offer and Acceptance contract makes it mandatory for the purchaser to pay for the full value of the transaction, regardless of terms of sale specified for the individual case.

b. Administration of Cash Sales Program

(1) Separate trust funds (account XX-11X8242.XX) have been established for each Military Department to account for payments received from customers and disbursements to suppliers for FMS cash sales. These funds can be either cited directly on contracts for FMS items for that customer, or can be used to reimburse Military Department appropriations for deliveries (or progress payments made) of items initially procured by those appropriations.

(2) Each Military Department has

established a central office to dispatch billings to, and receive payments from, FMS customers. This provides the customer with a single source to which payments can be made, and to which queries concerning these payments can be addressed.

(3) Cash payments deposited to the customer trust fund, other than for cash-in-advance sales, are based on requests for funds or billings submitted by the Military Department. Requests for funds under a dependable undertaking transaction will be submitted so as to insure receipt of customer payments in advance of delivery or contractor requirement for funds, regardless of whether Military Department appropriations or trust funds are cited on procurement contracts. Billings for Foreign Military Sales under 120 day payment transactions should be submitted at time of delivery. The accumulation of large unexpended balances in customer trust accounts, for substantial periods, should be avoided.

(4) The countries identified in Table G-2 are authorized to make direct arrangements with the cognizant DOD component for purchase under a dependable undertaking transaction.

(5) Cash payments often will be received, for an individual FMS case, which are in excess of the final value of that particular case. With customer approval, these funds can be retained in the customer's trust fund and applied against other FMS cases. Upon customer demand, however, these overpayments will be refunded at the time the FMS case is closed, provided there are no collection delinquencies for other FMS cases for that customer.

c. Administration of FMS Credit Program

(1) The FMS credit appropriation provides initial funding of FMS or commercial sales under medium-term credit terms. Annual appropriation requirements are defended before Congress by OSD/DSAA. The appropriation is administered by DSAA.

(2) Customer payments of principal and interest, for items received under medium-term credit sales, are based upon the terms of individual credit agreements.

d. Preparation and Implementation of DD Form 1513 Letters of Offer

Military Departments are responsible for preparing DD 1513's and for establishing estimated prices and availabilities of defense articles and services offered for sale thereon, and for initiating and processing such amendments or modifications to the DD Form 1513's as may be appropriate. Military Departments are responsible for negotiating terms of sale for cash sales, in accordance with policy guidance provided by DSAA. They are responsible for establishing management systems necessary to insure prompt implementation of FMS cases, including those systems required to finance, account, and report accomplishment for each individual case. Copies of all DD 1513's and amendments thereto citing credit funding will be provided to the Comptroller, DSAA, at the time that they are submitted to the country.

3. Terms of Sale; Type of Assistance Codes

a. General

(1) A Letter of Offer for a sale of defense articles and services may involve one or more of the following sections of the Arms Export Control Act:

- Section 21. Cash sale from DOD stocks.
- Section 22. Cash sale from DOD procurement.
- Section 23. DOD direct credit extended to a purchaser to finance a sale from DOD stocks or procurement.
- Section 24. DOD guaranteed credit extended by a lending institution to a purchaser to finance a sale from DOD stocks or procurement.

(2) Terms of Sale and accompanying Type of Assistance codes indicate the statutory authority for a Foreign Military Sale; the time of payment for the sale; whether the sale is to be from DOD stocks or procurement; and whether the sale is to be financed on a cash or credit basis. The implementing agency enters the appropriate Terms of Sale in the "Terms" block of the Letter of Offer. Type of Assistance codes should not be placed in the "Terms" block, but may be placed on any other appropriate part of the LOA if needed by implementing agencies for supply or other purposes. The implementing agency uses Type of Assistance codes for MILSTRIP requisitioning purposes. Paragraphs b.(1)–(9) below list Type of Assistance codes and Terms of Sale. If a Letter of Offer involves more than one of the Type of Assistance codes and Terms of Sale specified in paragraphs b.(1)–(9) below, the implementing agency will cite on the Letter of Offer all of the applicable Terms of Sale, associated dollar amounts, and Type of Assistance codes.

(3) The purchaser must pay cash in full with acceptance or make an initial cash deposit with acceptance as specified in paragraphs b.(1), (2), (3), (7), and (8) below. Where such payment is required, the purchaser must pay at the time of and as an integral part of acceptance of the Letter of Offer; in the absence of such payment, there is no legally binding Foreign Military Sales agreement.

(4) For that portion of the sale price for which the purchaser need not pay cash upon acceptance, the Security Assistance Accounting Center will bill the purchaser as required by paragraph b.(1)–(9) below, and in accordance with DOD Instruction 2140.3, "Foreign Military Sales Billing Procedures".

b. Type of Assistance Codes and Terms of Sale (Refer also to Table G-1)

(1) Cash Sale from Stock with Payment in Advance—Type of Assistance Code 3.

This type of Assistance applies to cash

Table G-2

**FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS AUTHORIZED
DIRECT ARRANGEMENTS FOR DEPENDABLE UNDERTAKING¹**

COUNTRIES

	<i>Africa</i>		<i>Near East and South Asia</i>
Botswana	Morocco	Bahrain	Nepal
Cameroon	Nigeria	Bangladesh	Pakistan
Kenya	Sudan	Egypt	Oman
Liberia	Tunisia	India	Qatar
		Israel	Saudi Arabia
		Jordan	The United Arab Emirates
		Kuwait	Yemen Arab Republic
		Lebanon	
	<i>Europe</i>		<i>Western Hemisphere</i>
Austria	Malta	Bahamas	Haiti
Belgium	Netherlands	Barbados	Honduras
Denmark	Norway	Brazil	Jamaica
France	Portugal	Canada	Mexico
Germany (Federal Republic of)	Spain	Colombia	Panama
Greece	Sweden	Costa Rica	Peru
Iceland	Switzerland	Dominica	St Lucia
Ireland	Turkey	Dominican Republic	St Vincent
Italy	United Kingdom	Ecuador	Suriname
Luxembourg	Yugoslavia	El Salvador	Trinidad and Tobago
		Guatemala	Venezuela
	<i>Far East</i>		
Australia	New Zealand		
Brunei	Philippines		
Indonesia	Singapore		
Japan	Taiwan		
Korea	Thailand		
Malaysia			
			<i>International Organizations</i>
			NATO (North Atlantic Treaty Organization and its agencies)

1. As of 1 October 1981

CHAPTER H

FOREIGN MILITARY SALES—COMMERCIAL AVAILABILITY

1. Purpose

This chapter establishes guidelines for sale by the Department of Defense of US defense articles and services which are commercially available. Provisions of this chapter apply to all elements of the Department of Defense.

2. Legislative Provisions

a. The Arms Export Control Act (Section 1), states that "It remains the policy of the United States to facilitate the common defense by entering into international arrangements with friendly countries which further the objective of applying agreed resources of each country to programs and projects of cooperative exchange of data, research, development, production, procurement, and logistic support to achieve specific national defense requirements and objectives of mutual concern," and that "all such sales be approved only when they are consistent with the foreign policy interests of the United States."

b. The Act (Section 38(b)(3)) provides that no license may be issued for the commercial export to any foreign country of any major defense equipment in the amount of \$100,000,000 or more except for:

(1) Members of the North Atlantic Treaty Organization, Australia, Japan, or New Zealand or;

(2) Major defense equipment sold commercially in implementation of an agreement between the USG and a foreign government, if a certification has been submitted to the Congress in accordance with procedures and limitations similar to those required by the provisions of Section 36(b) of the Act.

3. Department of Defense Policy

The DOD recognizes that, within the objective and limitation stated in paragraph 2

above, there are cases in which it is advantageous to encourage the use of commercial sources by foreign purchasers.

Responsibility for determining whether, within the context of this chapter, an article or service is to be offered for sale by DOD rests with DSAA. The Military Department processing the foreign government request is responsible for providing a recommendation to DSAA based upon the factors and criteria in paragraphs 4 and 5 below.

Nothing in this chapter will be construed as precluding DOD from making any sale, regardless of the defense articles or services involved, that is approved on a case-by-case basis by the Director, DSAA.

4. Guidelines for Determining Commercial Availability

a. In the absence of special circumstances, the following normally will be sold through FMS procedures if requested by the foreign purchaser and will not be considered commercially available:

(1) Classified articles and services.

(2) Items provided under Cooperative Logistics Supply Support Arrangement (CLSSA) and similar follow-on support sales arrangements.

(3) Surplus personal property including MAP disposable property.

(4) Department of Defense long supply stocks when, in the judgment of the Military Department concerned, reduction of such stocks is desirable.

(5) Repair parts or components normally carried in DOD stocks, and support services, when, in the judgment of the Military Department concerned, such parts, components or services are required for follow-on support of end items previously sold by the Military Department.

(6) All ammunition rounds above 20mm in caliber.

(7) All aircraft flares which are not procured in complete form from commercial sources.

(8) All defense articles which contain components as Government Furnished Equipment (GFE) which were manufactured in a Government-Owned, Government-Operated (GOGO) facility.

(9) Any defense article normally procured by the Military Department which the US producer requests be sold through FMS channels, in the absence of a known exclusive commercial licensing arrangement covering the territory in which the purchasing government is located.

(10) Any defense article not normally procured or type-classified by the Military Departments, when FMS is requested by a foreign government and the US producer agrees, in the absence of a known exclusive commercial licensing arrangement covering the territory in which the purchasing government is located.

(11) Those defense articles which could, if provided through commercial channels, adversely affect deliveries to a US Military Department or other FMS customers under existing contracts.

(12) Any article/service required in conjunction with a major system sale.

b. Common support or general use maintenance articles not directly related to a requirement for support or maintenance of military equipment are normally considered to be commercially available. Examples of articles in this category are listed in Part II, Chapter C, Paragraph 5d(9).

c. If there are two or more producers who are known to be qualified and currently capable of producing the article or providing the service, to avoid any connotation of favoritism toward one of the producers, the article or service will normally be provided through FMS and not identified as commercially available.

d. Prior to notification to the foreign purchaser of the commercial availability of the article or service, the following must be considered:

(1) Whether the customer country has the necessary technical and administrative capability to make a prudent purchase of the article directly from the US commercial source. A known previous commercial procurement of the same or similar article or service could be one form of evidence of this capability. A subjective assessment may be required for this evaluation.

(2) Whether there is a specific government-to-government agreement approved by the Director, DSAA or higher authority, covering such a sale or a special exemption to commercial availability approved by the Director, DSAA.

e. Special Exemptions

(1) In accordance with a special agreement with the Federal Republic of Germany (FRG), any defense article or service that would otherwise be available for sale to Germany may, on request of the FRG, be sold through FMS even though it may qualify as commercially available under the criteria set forth in paragraphs 4a and b above.

(2) The Government of Thailand has requested and been granted an exception to purchase via FMS, articles and services identified as commercially available.

5. Responses to Industry Requests for Commercial Availability Designation

a. It is the responsibility of the US commercial source to inform the Defense Security Assistance Agency (DSAA) Operation Directorate (DSAA-TS), that articles it manufactures or services it provides are commercially available, that it is a US commercial source for the articles or services, and that it prefers that these articles or services not be sold via FMS. Such notifications from the commercial source should include sufficient information to enable DSAA to evaluate the request and at a minimum provide the following:

Specific article designation/nomenclature, military model number and national stock number (if applicable), most recent contract with DOD including date and number, and the cognizant Military Department for that contract. DOD components will not solicit information on whether an article or service is commercially available; therefore, in the absence of specific notification to DSAA, an article or service will not be considered commercially available. Upon receipt of a commercial availability notification DSAA will query the Military Departments for comments on the commercial source request. The Military Departments will be asked to advise whether the firm is the only known or possible source for the article or service and to consider other factors pertinent to DSAA evaluation of the commercial source notification. Such factors could include:

(1) Previous contract history with that firm;

(2) Advice as to whether the firm is considered to be the sole source for the article;

(3) Information regarding other qualified potential commercial sources for the article or service;

(4) Information as to whether the article or service has previously been determined to be commercially available, provided, however, that such previous determination shall not be considered as making the same determination mandatory in any given case;

(5) Information as to whether stocks for the article in question are in long supply.

b. Based on the request of the US commercial source and the information provided by the cognizant Military Department, a determination will be made by DSAA regarding whether the article or service is to be designated as commercially available. The Military Department will be provided an information copy of the response to the US commercial source and appropriate instructions regarding processing of requests for commercially available articles or services.

c. DSAA will provide to each Military Department a semi-annual summary listing of

contractor commercial availability notifications processed. This summary listing will identify articles which DSAA considers to be commercially available and the applicable commercial firms. Military Departments will maintain this listing on file to assist in evaluating foreign country requests for the article or service.

6. Procedures for Processing Foreign Government Requests with Respect to Commercially Available Articles

a. The Military Department concerned, upon receipt of a request for P&R, P&A or a LOA, will screen the request against the summary listing of commercially available articles or services and the criteria in paragraph 4 above to determine if the article or service requested is considered to be commercially available. If it is so determined, the Military Department will promptly inform the foreign purchaser of such commercial availability and of DOD policy regarding the sale by DOD of such article or service. Such notification will normally be provided to the foreign purchaser within three weeks of receipt of the request to preclude any inference that the USG is prepared to sell the articles or services via FMS. (Text of letter or message to purchaser is at paragraph 6b below.) The letter or message will be coordinated with DSAA (DSAA/TS). In the event the Military Department considers that there are important factors justifying an exception to policy in a specific case, the matter shall be referred to the DSAA (DSAA/TS), for decision together with the Military Department's recommendation and reason therefor. Referral to DSAA of matters requiring a decision will normally be made within three weeks of receipt of the request from the foreign purchaser.

b. Response to Requests

(1) When it has been determined that a purchaser should be notified that the article or service requested is commercially available, a letter or message response to the foreign purchaser will be prepared which states:

“(Indicate commercial firm and address) has advised us that it has the capability of providing the (indicate article or service) which you have requested to purchase via FMS and prefers to market it on a direct commercial basis. If a commercial transaction is undertaken please note that the US Government makes no representation regarding price, quality, suitability for use, interoperability of articles or components, performance, or supportability regardless of the designation or nomenclature applied by the commercial firm and regardless of the service the commercial firm states it can provide. Should you still desire an FMS transaction, please advise us of the specific reasons why you do not wish to pursue a direct commercial purchase.”

(2) The Military Department concerned may be aware of a previous commercial purchase or of a request by the customer country for price and availability data from a US commercial source. If this is the case, insert the appropriate form of the following addi-

tional sentence prior to the last sentence indicated in paragraph (1) above: “It is our understanding that you have (1) previously purchased this article on a commercial basis from this commercial source, and/or (2) been negotiating with the commercial firm for a direct commercial transaction.”

(3) Coordination requirement: All transactions or correspondence between Military Departments and customer countries or commercial concerns relating to commercial availability must be coordinated with DSAA (DSAA/TS).

7. Information Requirement

In implementing these procedures each DOD element or Agency involved in processing purchase requests will to the extent such activities are known, keep DSAA Operations (DSAA/TS), the Military Department, and the MAAGs or other appropriate in-country DOD representatives informed of significant commercial sales activities.

a. Living Allowances of FMS students are defrayed by the student or by his government. The purchasing country should assure that students receive sufficient allowances to meet all mandatory living costs and personal expenses. Allowance costs are not included in tuition course costs, nor are they included in the FMS case.

b. Subsistence. Officers and enlisted personnel will pay for meals taken in government dining facilities at the rate prescribed by the Military Departments.

c. Quarters. All FMST students who occupy military quarters must personally pay the service charge or custodial fee as established by the installation commander.

d. Privileges. Foreign military personnel involved in security assistance training, on competent orders (ITOs) authorized by the Military Departments, and *bona fide* dependents, will be extended commissary, exchange and similar privileges ordinarily available to military personnel of the U.S. Armed Forces of similar rank. Equivalent rank assigned in the ITO must be based on U.S. Armed Forces grade structure, reflecting time in service, experience and age—not the rank title of the foreign country.

e. Medical Care. Foreign personnel (involved in security assistance training, on competent orders (ITOs) authorized by the Military Departments, and *bona fide* dependents are eligible for care in DOD medical (to include dental) facilities.

(1) Foreign Military trainees of non-NATO nations and all related civilian trainees will be provided medical care on a space-available, reimbursable basis at rates established by DOD.

(2) Foreign military trainees from NATO countries will be furnished medical care in the same scope and same costs as for U.S. military personnel and their dependents.

9. Training of Civilians Under FMS

a. Foreign civilian personnel may receive training provided they are Ministry of Defense (MOD) employees of eligible FMS

countries, or employees of military agencies of eligible international organizations. Civilians must meet the normal course requirements, including proper security clearance when necessary.

b. Civilians are generally afforded the same protocol status as their equivalent military counterparts as shown in the ITO.

c. Civilians are not authorized commissary and exchange privileges. However, MilDeps may grant exceptions to this policy where warranted by unusual circumstances.

10. FMS Orientation Training Courses and Visits

a. Orientation training and visits as described in Chapter E, Part II are available to FMS purchasers on a full reimbursable basis to include expenses for a U.S. escort officer(s), CONUS travel of tour participants, local project officers, extraordinary expense and asset use charges. U.S. organizations in-country responsible for security assistance will plan orientation visits far enough in advance to permit adequate planning, and during the negotiation phase, will specify any unusual tour requirements.

b. Each orientation tour will be covered by a separate FMS case except when an open-end FMS training case exists against which, with the consent of the country, the cost of the tour is to be applied.

11. Mobile Training Teams (MTTs), and Field Training Services (FTS)

MTT and FTS as described in Chapter E, Part II are available to FMS purchasers on a fully reimbursable basis in accordance with DODI 2140.1, to include those costing factors for IMET as well as full pay and allowances of team's member. Planning and funding are as indicated for tours in paragraph 10, above. MTT and FTS should be included as a separate training item.

12. Training Relations

DOD organizations in foreign countries responsible for managing security assistance activities have the same responsibilities for FMST as for IMET, where practical, the

foreign governments will be encouraged to the maximum in supervising and administering their training programs (e.g., language testing, preparation of ITOs, pre-departure briefing, etc.).

13. Restrictions on Transfer of Training

Purchasing governments may not transfer training related to the use of U.S. materiel or services to other countries or organizations, or to anyone not an officer, employee, or agent of the purchasing government, nor use or permit the use of such training for purposes other than those for which furnished, without the consent of the USG. Therefore, technical skills and information acquired through U.S. training may not be used by the purchasing country to train personnel from a third country unless approved in advance. Countries should submit, via diplomatic note to the Department of State, requests for USG consent to transfer of training to third parties. If such requests are received by the Military Departments, they should be referred to DSAA, Comptroller for forwarding to the Department of State.

a. DOD policy on the sale of police training is as stated in para 3a(23), Chapter B, Part III based upon the restrictions placed on such training under IMET by Section 660 of the Foreign Assistance Act of 1961, as

amended. (See Chapters C and E, Part II). Training on a sales basis must be in support of military missions, including internal security, and not related to civilian law enforcement. Any request for training of units or individuals engaged in on-going civilian police functions will be reviewed by DSAA, Comptroller on its own merits. Major consideration is given to the type of training requested, purpose of training, functions the individual or unit will perform and organizational structure of the unit. Generally, the organization or individual must be under the control of the Ministry of Defense and not be engaged in on-going civilian police functions. (See para 3a(23), Chapter B, Part III).

14. Intelligence Training

Military intelligence training is a component of professional command staff training programs. The scope of military intelligence training normally available under FMST is limited to that which is directly related to combat or operational intelligence. All training requirements will be reviewed carefully by the Military Department and, wherever determined to be potentially sensitive, prior approval of DSAA will be obtained.

APPENDIX A

MAJOR DEFENSE EQUIPMENT LIST

CATEGORY I—FIREARMS

Rifle, 5.56mm M-16 Series (A)

CATEGORY II—ARTILLERY AND PROJECTORS

Gun, 20mm (AF)

Gun, GAU-8, 30mm (AF)

CATEGORY III—AMMUNITION

Cartridge, 20mm (A)
 Cartridge, 30 mm (GAU8) (AF)
 Cartridge, 40mm, HE (only) (A)
 Cartridge, 60mm, HE (only) (A)
 Cartridge, 81mm, HE (only) (A)
 Cartridge, 105mm, (APFSDS-T) (A)
 Cartridge, 105mm, (M1) (A)
 Cartridge, 4.2", HE (A)
 Projectile, 5"/38 cal. (A)
 Projectile, 5"/54 cal. (A)
 Projectile, 155mm, (M107) (A)
 Projectile, 155mm, (CLGP) (A)
 Projectile, 175mm, HE (M437) (A)
 Projectile, 8", HE (M106) (A)
 Projectile, 8", HE, ICM (M509) (A)
 Projectile, 8", HE (M650) (A)

CATEGORY IV—LAUNCH VEHICLES, GUIDED MISSILES, BALLISTIC MISSILES, ROCKETS, TORPEDOES, BOMBS AND MINES

ASROC, Antisubmarine Rocket (N)
 Bomb, Anti-Armor Cluster Munition (AF)
 Bomb, Combined Effects Bomblet, CBU 87 (AF)
 Bomb, Cluster, TMD/Gator Mines, CBU 89 (N, AF)
 Bomb, MK-20, Cluster Bomb, Rockeye (N, AF)
 Bomb, MK-82, 500#, General Purpose (N, AF)
 Bomb, MK-83, 1,000#, General Purpose (N, AF)
 Bomb, MK-84, 2,000#, General Purpose (N, AF)
 Bomb, M-117, 750#, General Purpose (AF)
 Fuel Air Explosive Weapon FAE II (N, AF)
 Gun Mount, 5", 54 MK-45 (N)
 Gun Mount, 76 mm gun, MK-75 (N)
 Launcher, TOW (A)
 Launcher Missiles, MK-13 (N)
 Launcher PATRIOT, M901 (A)
 Light, Antitank Weapon, 66mm, LAW M72 Series (A)
 Missile, Advanced Medium Range, Air-to-Air (AF, N)
 Missile, AIM-4, Falcon (AF)
 Missile, AIM-7, Sparrow (AF, N)
 Missile, AIM-9, Sidewinder (AF, N)
 Missile, AGM-45, Shrike (AF, N)

Missile, AGM 65A/B, Maverick (AF)
 Missile, AGM-65D (AF)
 Missile, AGM-65E (N)
 Missile, Chaparral Series (A)
 Missile, Dragon, HEAT and Practice Missiles (A)
 Missile, Harm (N, AF)
 Missile, Harpoon (N)
 Missile, Hawk Series (A)
 Missile, Lance (A)
 Missile, Pershing Series (A)
 Missile, Phoenix (N)
 Missile, Redeye (A)
 Missile, Stinger (A)
 Missile, Walleye (N)
 Missile, Nike Hercules (A)
 Missile, Patriot MIM-104 (A)
 Missile, Roland (A)
 Missile, Standard Arm (N, AF)
 Missile, Standard ER RIM-67A (N)
 Missile, Standard MR RIM-66A (N)
 Missile, Tomahawk (N)
 Missile, TOW HEAT and Practice Missiles (A)
 Missile, M-65 Airborne TOW (A)
 Rocket, 2.75" Series (A, AF)
 Torpedo, MK-46 (N)
 Torpedo, MK-48 (N)
 Torpedo, MK-48 ADCAP Kit (N)

CATEGORY V—PROPELLANTS, EXPLOSIVES AND INCENDIARY AGENTS

Items in this category which meet the dollar criteria for major defense equipment are not significant combat equipment as defined in the US Munitions List.

CATEGORY VI—VESSELS OF WAR AND SPECIAL NAVAL EQUIPMENT

CC—Guided Missile Cruiser (N)
 CIWS—Close In Weapon System (N)
 DD-963—Destroyer, SPRUANCE Class (N)
 DD—Destroyer (N)
 DDG—Guided Missile Destroyer (N)
 FFG—Guided Missile Frigate (N)
 LPD—Amphibious Transport Dock (N)
 LSD—Dock Landing Ship (N)
 LST—Tank Landing Ship (N)
 LKA—Amphibious Cargo Ship (N)
 LPA—General Purpose Amphibious Assault Ship (N)
 MSO—Minesweeper, Ocean, Nonmagnetic (N)
 PHM—Patrol Combatant Missile, Hydrofoil (N)
 SS—Submarine, Conventionally Powered (N)

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CATEGORY VII—TANKS AND MILITARY VEHICLES

Armored Reconnaissance Airborne Assault Vehicle, M-551 (A)
Carrier, Armored Personnel, M-113 Series (A)
Carrier, Command Post, M-577 Series (A)
Carrier, Cargo, M-548 Series (A)
Gun, Self-Propelled, 175mm, M-107 (A)
Howitzer, Self-Propelled, 8", M-110 Series (A)
Howitzer, Self-Propelled, 155mm, M-109 Series (A)
Howitzer, Med, Towed, 155mm, M-198 (A)
Mechanized Infantry Combat Vehicle, M-723 (A)
Tank, M-48 Series (A)
Tank, M-60 Series (includes CEV, M-728) (A)
Tank, XM-1 (A)
Vehicle, Recovery, M-88 Series (A)
Vehicle, Amphibious, LVTP (Marine Corps)
Vulcan Air Defense System, M-163 and M-167 Series (A)

CATEGORY VIII—AIRCRAFT, SPACECRAFT, AND ASSOCIATED EQUIPMENT

A-4 (N)
A-6 (N)
A-7 (N)
A-10 (AF)
A-37 (AF)
AH-1S (A)
AH-1J (N)
AV-8B (N)
C-5 (AF)
C-130 (AF)
C-141 (AF)
CH-47 (A)
E-2C (N)
E-3A (AF)
EA-6 (N)
F-4 Series (AF, N)
F-4G Wild Weasel (AF)
F-5 (AF)
F-8 (N)
F-14 (N)
F-15 (AF)
F-16 (AF)
F-18 (N)
F-100 (AF)
F-101 (AF)
F-102 (AF)
F-104 (AF)
F-105 (AF)
F-106 (AF)
F-111 (AF)
H-3 (N,AF)
H-46 (N)
H-53 (S-65) (N, AF)
KC-10 (AF)
OV-1 (A)
OV-10 (N,AF)
P-3 (N)
RF-4C (AF)
S-2 (N)
S-3 (N)
S-65 (N)
SH-2D/F (LAMPS, MARK I) (N)
SH-60B (LAMPS, MARK III) (N)
T-2 (N)
T-33 (AF)
T-37 (AF)
T-38 (AF)
UH-1H (A)
UH-1N (N,AF)
UH-60A (A)

Engines

F-100 (AF)
F-101 (AF)
F-101X (AF,N)
F-107 (AF)
F-401 (N)
F-404 (N)
J-47 (AF)
J-52 (N)
J-57 (AF,N)
J-60 (AF)
J-75 (AF)
J-79 (AF)
J-85 (AF,N)
JT-3D (AF)
JT-8D (AF)
P-100 (AF)
T-33-P-100 (AF)
T-53 (A,N,AF)
T-55 (A)
T-56 (AF,N)
T-58 (AF,N)
T-64 (AF,N,A)
T-700 (A,N)
TF-30 (N,AF)
TF-34 (N,AF)
TF-39 (AF)
TF-41 (N,AF)

CATEGORY IX—MILITARY TRAINING EQUIPMENT

No items in this category are defined in the US Munitions List as significant combat equipment.

CATEGORY X—PROTECTIVE PERSONNEL EQUIPMENT

No items in this category are defined in the US Munitions List as significant combat equipment.

CATEGORY XI—MILITARY AND SPACE ELECTRONICS

Air Weapons Control System, 412L (AF)
AN/TTC-39 (A)
Backup Interceptor Control, 416M (AF)
DOD AIMS, 499L (AF)
ECM, ALQ-94 (AF)
ECM, ALQ-119 (AF)
ECM, ALQ-131 (AF)
Engagement Control System (ECS), PATRIOT, AN/MSQ-104 (A)
Joint Tactical Information Distribution System, JTIDS (AF)
NAVSTAR Global Positioning System (GPS) (AF)
Radar, AN-389/FPS (AF)
Radio, AN/ARA-54 (A)
Radio, AN/VRC-12 Series (12, 43 through 49) (A)
Tactical Air Control System, 407L (AF)
Tactical Air Control System, 495L (AF)
Versatile Avionics Shop Test (VAST), AN/USM-247 (V) (N)

CATEGORY XII—FIRE CONTROL, RANGE FINDER, OPTICAL AND GUIDANCE AND CONTROL EQUIPMENT

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Computer, Fire Control, MKiA (N)
Close In Weapon Systems, CIWS, PHALANX (N)
Director, Fire Control, MK51-2 (N)
Fire Control System, MK-74, SM-1 MR Missile (N)
Goggles, Night Vision, AN/PVS-5 (A)
Pave Tack, NA/AVQ-26 Target Designator (AF)
Position Location Reporting System, PLRS (A)
Radar, AN/TPQ-36 (A)
Radar, AN/TPQ-37 (A)
Radar, APG-63 (AF)
Radar, PATRIOT, AN/MPQ-53 (A)
Radar, Fire Control, MK-25 (N)
System, Fire Control, MK-86 (N)
System, Fire Direction, AN/GSG-10 TACTFIRE
(A)

Tactical Operations System, TOS (A)
Guided Bomb Unit, GBU-10 (AF)
Guided Bomb Unit, GBU-12 (AF)
Guided Bomb Unit, GBU-15 (AF)
Guided Bomb Unit, GBU-16 (N)

CATEGORY XIII—AUXILIARY MILITARY EQUIPMENT

No items in this category are defined in the US
Munitions List as significant combat equipment.

Military Departments will furnish a copy of the unsigned LOA to the purchaser and to the DSAA FMS Control Division, after coordination with DSAA Operations, as an enclosure to a transmittal letter in the format of Figure Appendix B-4. This will be done only after receiving express authority from the Comptroller, DSAA.

e. Concurrent with the transmittal of the unsigned copy of the LOA to the purchaser, and following completion of the 20-day advance notification, the Director, DSAA will, in satisfaction of the requirements of Section 36, formally notify the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate, respectively. If Congress adopts a concurrent resolution objecting to a proposed sale, the Director, DSAA, will promptly notify the applicable Military Department of that fact and seek the guidance of the President as to the course of action which should be taken. When signing H.R. 13680, 94th Congress (P.L. 94-329, 30 June 1976), the International Security Assistance and Arms Export Control Act of 1976, the President reserved the right to proceed with a sale notwithstanding the adoption of a concurrent resolution, based upon constitutional grounds.

f. The Military Departments will submit signed LOAs to DSAA Comptroller, FMS Control Division within five working days prior to completion of the statutory 30-day Congressional review period. Unless there are appropriate reasons to do otherwise, the expiration date assigned by the Military Departments will allow for normal country review periods beyond the final date of the Congressional review. When the signed LOA is submitted to DSAA, as above, it will include Block 11 under "DSAA Accounting Activity" the identifying DSAA Transmittal Number used in the Statutory Congressional Notification (e.g., 80-15).

g. Cases of \$7 million or more must be submitted with a termination liability worksheet—except for FMSO I and 2 cases, spare parts requisition cases, training cases, equipment and services cases where the source is

DOD inventories, or programs for which termination liability requirements have been waived pursuant to DOD Instruction 2140.3.

h. Upon the expiration of the statutory 30-day waiting period, the Comptroller DSAA, will, if Congress has not adopted a concurrent resolution objecting to the proposed sale, countersign the LOA and return the original to the cognizant Military Department and forward a copy to SAAC. At this time DSAA will also authorize the cognizant Military Department to forward the signed LOA to the purchaser.

5. Classification

a. All advance Congressional notifications will be treated as CONFIDENTIAL. The following classification guidelines apply to all inputs of supporting data required for advance notifications by the DSAA Comptroller (TC), Foreign Military Sales Control Division (FMSCD):

(1) If none of the data presented is classified, the documents will be stamped "CONFIDENTIAL" on the top and bottom of each page, all paragraphs will be preceded by "(U)," and the following marking will be shown on the bottom of the first page of each submittal:

"CLASSIFIED BY MASM (DOD 5105.38M) (PART 1, CH G).
DECLASSIFY ON STATUTORY NOTIFICATION TO
CONGRESS UNLESS REQUIRED OTHERWISE
BY COMPETENT AUTHORITY."

(2) If any of the data presented is classified, the documents will be stamped with the required level of classification on the top and bottom of each page, each classified paragraph will be marked with the required classification, and the appropriate "classified by" and "declassify on" or "review on" data are to be entered on the bottom of the first page of each submittal. The markings indicated in paragraph a(1) above will not be used on these submittals.

b. The statutory notification provided to the Congress will be classified in accordance with Section 36(b), AECA. Any exception must be for extraordinary circumstances and must be justified fully to the Director, DSAA

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and included as an attachment to the Memorandum for the Comptroller, ATTN: DSAA/TC-FMSCD (Figure Appendix B-3). Supporting data inputs pertaining to statutory notifications will be submitted to DSAA/TC-FMSCD in accordance with the following classification guidelines:

(1) If none of the data presented is classified, the procedures indicated in paragraph a (1) above are to be followed.

(2) If any of the data presented is classified, the procedures indicated in para-

graph a(2) above are to be followed.

c. Classification guidance indicated in paragraph a(1) or a(2) above is to be followed in submitting Section 813 of the Department of Defense Appropriations Authorization Act, 1976, supporting data to DSAA/TC-FMSCD.

d. Classification guidance indicated in paragraph a(1) or a(2) above is to be followed in submitting Sensitivity of Technology statements (Figure Appendix B-6) supporting data to DSAA/TC-FMSCD.