



**DEFENSE SECURITY COOPERATION AGENCY**  
**2800 DEFENSE PENTAGON**  
**WASHINGTON, D.C. 20301-2800**

19 APR 2018

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR  
 DEFENSE EXPORTS AND COOPERATION  
 DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR  
 INTERNATIONAL PROGRAMS  
 DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR  
 INTERNATIONAL AFFAIRS  
 DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY  
 DIRECTOR, SECURITY ASSISTANCE, DEFENSE FINANCE AND  
 ACCOUNTING SERVICE  
 DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY  
 DIRECTOR, DEFENSE THREAT REDUCTION AGENCY  
 DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY  
 DIRECTOR, MISSILE DEFENSE AGENCY  
 DIRECTOR, DEFENSE LOGISTICS AGENCY  
 DIRECTOR, DEFENSE LOGISTICS INFORMATION SERVICE  
 DIRECTOR, DEFENSE LOGISTICS AGENCY DISPOSITION  
 DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,  
 NATIONAL SECURITY AGENCY

**SUBJECT:** Assignment of Program Code “AZ” to track Fiscal Year (FY) 2018/2019 DSCA Operation and Maintenance Funds Provided for the Southeast Asia Maritime Security Initiative (MSI), DSCA Policy 18-23 [SAMM E-Change 382]

Effective immediately, Program Code “AZ” is issued to track FY 2018/2019 (two year Base Operation and Maintenance) funds provided to conduct or support programs utilizing the authority provided by section 1263 “the South China Sea Initiative” of the FY 2016 National Defense Authorization Act (Public Law (P.L.) 114-92), as amended by section 1289 of the FY 2017 National Defense Authorization Act (P.L. 114-328) that re-named the authority as “the Southeast Asia Maritime Security Initiative” (MSI). Funds are provided under Division C of the Consolidated Appropriations Act, 2018 (P.L. 115-141) and will remain available for obligation until September 30, 2019. Management and execution of FY 2018/2019 “AZ” will comply with guidance provided in the Security Assistance Management Manual (SAMM), Chapter 15.

The SAMM Table C4.T2B, Security Cooperation (SC) Customer and Regional Codes and FMS Eligibility, is updated as follows:

| Organization                                      | SC Code | Combatant Command \1 | Regional Grouping \2 | FMS AECA Eligible \3 | Accel. Case Closure Eligible |
|---|---------|----------------------|----------------------|----------------------|------------------------------|
| Southeast Asia Maritime Security Initiative (MSI) | AZ      | PA                   | NR                   | AECA Only            | No                           |

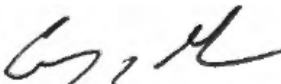
The appropriation available for “AZ” Letters of Offer and Acceptance (LOAs) is recorded in the SAMM, Table C15.T2, Appropriation Authority column, and shall be cited on each “AZ” LOA in the Funds Expiration, Purpose, Availability, and Amount note.

The SAMM Table C15.T2, Building Partnership Capacity (BPC) Programs and Authorities, is updated to include the following:

| Program  | Pgm Code | Program Authority                      | Purpose  | Fund Source   | Appn Authority | Funds Availability Ends on September 30 | Funds Cancel on September 30 |
|--|----------|--|--|---------------|----------------|---|------------------------------|
| Southeast Asia Maritime Security Initiative” (MSI) | AZ       | P.L. 114-92 as amended by P.L. 114-328 | Increase maritime security and maritime domain awareness for foreign countries along the South China Sea | 97 18/19 0100 | P.L. 115-141   | 2019                                    | 2024                         |

Instructions for preparation of “AZ” LOA documents are found in the SAMM, Table C15.5. Funding associated with “AZ” LOAs will be fully expended and “AZ” cases will be reconciled and closed as soon as possible, but no later than two months before the funds cancellation date.

If you have any questions concerning this guidance, please contact Ms. Caroline Chin, DSCA-STR/SPI, caroline.s.chin.civ@mail.mil, (703) 697-9073.



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Deputy Director

cc:

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