



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

24 JUNE 2021

MEMORANDUM FOR COMMANDERS OF THE COMBATANT COMMANDS
DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
INTERNATIONAL AFFAIRS
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
INTERNATIONAL PROGRAMS
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
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DIRECTOR, MISSILE DEFENSE AGENCY
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DIRECTOR, SECURITY ASSISTANCE, DEFENSE FINANCE AND
ACCOUNTING SERVICE
DIRECTOR OF CYBERSECURITY DIRECTORATE AND DEPUTY
NATIONAL MANAGER FOR NATIONAL SECURITY
SYSTEMS, NATIONAL SECURITY AGENCY

SUBJECT: Transportation Updates for Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOA) for the Afghanistan Security Forces Fund (ASFF), Defense Security Cooperation Agency (DSCA) Policy 21-46 (SAMM E-Change 533)

REFERENCES:

- a) [DSCA Policy 19-03](#), Prior Year Adjustments (PYA) Requests for Building Partner Capacity (BPC) Cases, February 22, 2019
- b) [DSCA Policy 20-12](#), Clarification of DSCA Policy on Prior Year Adjustment (PYA) Requests, November 20, 2020

The withdrawal of U.S. forces and U.S.-contracted support from Afghanistan requires updates to the terms and conditions for Title 10 Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs) implemented for the benefit of Afghanistan. Effective immediately, this memorandum incorporates the attachment E-Change 533 into Appendix 6 of the Security Assistance Management Manual (SAMM) by adding the “Building Partner Capacity (BPC) Materiel Transfer for Afghanistan” note.

Upon receipt of a memorandum of request (MOR) from DSCA, the Implementing Agency (IA) will initiate an LOA modification for all existing Afghanistan Security Forces Fund (ASFF) BPC LOAs that include defense articles that have not yet been transferred to the

Government of Afghanistan. DSCA Case Writing Division will replace the standard “BPC Materiel Transfer” note with the new “BPC Materiel Transfer for Afghanistan” note. In the case description, the IA will indicate that the purpose of the modification is a change in delivery and transfer terms due to withdrawal of U.S. forces and contracted support from Afghanistan.

The new note for Afghanistan alters the point at which title for the defense articles transfers. The new note provides that for all defense articles on existing ASFF BPC LOAs that have not yet reached the point of delivery in Afghanistan, title transfers when defense articles arrive at the agreed point of delivery in Afghanistan. Title previously transferred when the Transfer and Receipt document was signed by the U.S. Department of Defense (DoD) and Government of Afghanistan representatives. However, there is no longer a requirement for the U.S. DoD representative to sign the Transfer and Receipt document. Therefore, the U.S. DoD representative will confirm physical delivery and physical custody of materiel by requesting the Government of Afghanistan representative to sign the Transfer and Receipt document. With the new note, the Transfer and Receipt document establishes the date the Government of Afghanistan accepted physical custody of the defense articles and acknowledges that title immediately transferred to the Government of Afghanistan upon the articles’ arrival at the agreed point of delivery in Afghanistan.

If changes to an ASFF BPC LOA include additional transportation charges, a line item price increase, a Total Case Value increase, or a Months of Service extension, the IA should follow the PYA procedures outlined in references a) and b). Requests to expedite PYA packages will be written on the package and processed appropriately.

For questions on this memorandum, please contact Ms. Caroline Chin, DSCA SPP/EPA, caroline.s.chin.civ@mail.mil, (703) 697-9073.



Alan Gorowitz
Assistant Director
Strategy, Plans, and Policy

Attachment:
As stated

cc:
STATE/PM-RSAT
USASAC
SATFA TRADOC
NAVSUP WSS
NETSAFA
AFSAC

AFSAT

MARCOR IP

MCSCG

USCG International Affairs

Security Assistance Management Manual (SAMM), E-Change 533

Transportation Updates for Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOA) for the Afghanistan Security Forces Fund (ASFF)

1) Add to Appendix 6 the following new case note:

Building Partner Capacity (BPC) Materiel Transfer for Afghanistan

Note Usage
FMS: No BPC: Yes <p>Mandatory for all new and existing Afghanistan Security Forces Fund (ASFF) BPC LOAs that include defense articles for the Government of Afghanistan. All existing ASFF BPC LOAs that include any defense articles that have not yet been transferred to the Government of Afghanistan must be immediately modified to replace the standard “BPC Materiel Transfer” note with this mandatory note. For all defense articles on existing ASFF BPC LOAs that have not yet reached the point of delivery in Afghanistan by the effective date of the completed modification, this note alters the point at which title transfers. For existing ASFF BPC LOAs, the use of this mandatory note does not redefine the point of title transfer for any defense articles for which title transfer occurred prior to the effective date of the completed modification.</p>
References
See SAMM Section C15.5.4 , and Section C15.5.5 .
Note Input Responsibility
CWD
Note Text
<ol style="list-style-type: none">1. Shipment and Delivery:<ol style="list-style-type: none">a. All shipments will be marked and labeled in accordance with DoD Standard Practice for Military Marking (MIL-STD 129).b. The U.S. Government agrees to provide transportation services for the items identified in this LOA to the agreed point of delivery in the Benefitting Country. The SCO (or U.S. Government representative) will confirm receipt of all materiel deliveries within 30 days in accordance with SAMM Section 15.5.4.6.c. Any shipment discrepancies or damage will be reported by a U.S. Government representative through the existing DoD discrepancy reporting system (Transportation Discrepancy Report (TDR) or Supply Discrepancy Report (SDR)), according to procedures for processing U.S. Government-owned materiel

transported through the Defense Transportation System (DTS)). The SDR (Standard Form 364) will be used by the SCO to promptly report any overage, shortage, damage, item deficiency, improper identification, improper documentation, or non-shipment of defense articles. The SCO may submit SDRs for documentation purposes regardless of the dollar value of the discrepancy, but only claims valued at \$200 or more (based on the value of the item plus any transportation and handling costs) will be reviewed for possible funding reimbursement. Discrepant articles will be returned to the U.S. Government's custody. Any claim, including a claim for shortage or nonperformance, received more than one year after delivery of the defense articles to the Benefitting Country (or after the end of the scheduled period of performance for services) will not be processed.

2. Title and Custody Transfer:

- a. The U.S. Government will retain title to the offered defense articles throughout transportation until the agreed point of delivery in the Benefitting Country. Title for any offered defense articles transfers to the Benefitting Country when defense articles arrive at the agreed point of delivery in the Benefitting Country.
- b. The U.S. Government representative will confirm physical delivery and physical custody of materiel by requesting an authorized Benefitting Country representative or agent to sign a Transfer and Receipt document. The Transfer and Receipt document establishes the date the Benefitting Country accepted physical custody of material and acknowledges that title for the material immediately transferred to the Benefitting Country upon the material's arrival at the agreed point of delivery in the Benefitting Country. The U.S. Government representative will document when, where, and to whom delivery was made and will provide a copy of this documentation to the DSCA Program Director and the IA.