



DEFENSE SECURITY COOPERATION AGENCY

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22 JAN 2025

MEMORANDUM FOR 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
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE
AGENCY
DIRECTOR, SECURITY COOPERATION ACCOUNTING
DIRECTORATE, DEFENSE FINANCE AND ACCOUNTING
SERVICE, INDIANAPOLIS OPERATIONS
DIRECTOR OF CYBERSECURITY DIRECTORATE AND DEPUTY
NATIONAL MANAGER FOR NATIONAL SECURITY
SYSTEMS, NATIONAL SECURITY AGENCY

SUBJECT: Defense Security Cooperation Policy 24-53 Memorandum, Updates to Chapter 5:
Implementing Agency Disapproval Recommendation [SAMM E-Change 702]

Reference: DSCA Policy Memo 24-05, Implementing Agency (IA) Disapproval
Recommendation

Effective immediately, the Security Assistance Management Manual (SAMM) is updated to clarify the process for notification of disapproval of Major Defense Equipment (MDE), Significant Military Equipment (SME), requested support of these articles, or the entirety of a purchaser's request. The policy in the attachment is incorporated into the DSCA Security Assistance Management Manual (SAMM) at <https://samm.dsca.mil/>.

If you have any questions concerning this guidance or for general SAMM questions, please contact DSCA (Office of Strategy, Plans, and Policy/Execution Policy and Analysis Directorate (SPP/EPA)), at dsca.ncr.spp.mbx.epa@mail.mil.

A handwritten signature in black ink, appearing to read "David Ferrari", is located below the text.

David Ferrari
Assistant Director
Strategy, Plans, and Policy

Attachment:
SMM E-Change 702 - Updates to Chapter 5: Implementing Agency Disapproval
Recommendation

Attachment: Security Assistance Management Manual E-Change 702

Process Updates to C5.2.2.1. and C4.14.5.:

- 1) Revise Section C.5.2.2.1. per below:

Current:

C5.2.2.1. Implementing Agency Disapproval Recommendation. If the IA recommends that Major Defense Equipment (MDE), Significant Military Equipment (SME), requested support of these articles, or the entirety of the purchaser's request be disapproved, the IA notifies DSCA (Office of International Operations (IOPS)). DSCA coordinates the disapproval with the Department of State, Bureau of Political and Military Affairs (State (PM)) as required and formally notifies the customer of the disapproval.

C5.2.2.1.1. This procedure applies to requests for FMS, coproduction, sensitive technical information, leases, etc. This procedure does not apply to negative responses to technical inquiries on implemented FMS cases unless, if approved, the request would result in an amendment to the case (e.g., requests involving a significant system modification or an increase in the overall capability of the item).

Revised:

C5.2.2.1. Implementing Agency Disapproval Recommendation. If the IA recommends that Major Defense Equipment (MDE), Significant Military Equipment (SME), requested support of these articles, or the entirety of the purchaser's request be disapproved, the IA will coordinate with the purchaser, the applicable geographic Combatant Command (CCMD), and the SCO to remove the requirement or replace the requirement with a comparable substitution.

C5.2.2.1.1. If the purchaser accepts that a requirement be replaced with a comparable substitution or removed altogether, the case may continue with development. The updated requirement date may be noted with a new LOR Actionable milestone posted (see Table C5.T20 for information on LOR Actionable), with purchaser acknowledgment/acceptance as supporting documentation, which must be submitted to DSCA in the Case Tracking System (CTS)) (see Section C5.4.14.5.).

C5.2.2.1.2. The IA will notify the DSCA (Office of International Operations (IOPS)) Country Portfolio Director (CPD) if the purchaser does not agree to remove the requirement or replace the requirement with a comparable substitution per IA recommendation. DSCA (IOPS) will coordinate the disapproval recommendation with the Department of State, Bureau of Political and Military Affairs (PM/RSAT) FMS Team, DSCA Offices, Office of the Under Secretary of Defense for Policy, Office of the Under Secretary of Defense for Acquisition & Sustainment, and the Defense Technology Security Agency if equities are identified and will request State PM, through its designated Embassy representative or other appropriate channel, formally notify the purchaser formally notify the purchaser of the disapproval. The formal notification will provide the purchaser's options, which include canceling the LOR, revising the LOR to

include a comparable substitution or differing capability, or agreeing to continue LOA development without the disapproved requirements if feasible, and will request a response from the purchaser within ten business days. The respective IA shall include a copy of the notification for disapproved items in the supporting documentation submitted to DSCA in the CTS (see Section C5.4.14.5.).

C5.2.2.1.3. This procedure applies to FMS purchaser requests for defense articles, defense services, training, and co-production.

2) Revise Section C5.4.14.5. per below:

Current wording:

C5.4.14.5. Other Documents. If there are any waivers or unique circumstances related to the case, applicable documentation should be included as part of the electronic package. Such information includes, but is not limited to, EDA approval; NC waivers; NVD approval; 36(b) notification; Yockey Waiver; National Security Agency (NSA) approval; and Grant Agreements.

Revised wording:

C5.4.14.5. Other Documents. If there are any waivers of applicable laws, policies, or other unique circumstances related to the case, applicable documentation **must** be included as part of the **package submitted to DSCA in CTS**. Such information includes, but is not limited to, EDA approval; **Nonrecurring Cost (NC)** waivers; NVD approval; ~~36(b) Congressional Notification~~; Yockey Waiver; National Security Agency (NSA) approval; **Grant Agreements**; and **FMS purchaser notifications as described in Section C5.2.2.1.**