

#### **DEFENSE SECURITY COOPERATION AGENCY**

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July 8, 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 Agency Policy Memorandum 25-36, Return of Defense Articles through the Worldwide Warehouse Redistribution Services Program [SAMM E-Change 752]

References: (a) DSCA, Worldwide Warehouse Redistribution Services (WWRS), June 26, 2001

(b) SAF/IA, Inclusion of Direct Commercial Sales (DCS) Assets in the Worldwide Warehouse Redistribution Services (WWRS) Program (SAF/IAPX 16-032), August 2, 2016

This memorandum clarifies guidance in SAMM Chapter 6 on the ability of the Department of Defense (DoD) to accept the return of defense articles purchased through the Foreign Military Sales (FMS) program by adding information about the Worldwide Warehouse Redistribution Services (WWRS) program to SAMM Appendix 8. Section 21(m) of the Arms Export Control Act (AECA), as amended, authorizes the DoD to accept the return of a defense article from a country or international organization if the defense article was previously transferred to such country or organization under the AECA, is not significant military equipment (SME), and is in fully functioning condition. DSCA authorized the U.S. Air Force to establish the WWRS program in 2001 through reference (a), which provides FMS purchasers a

mechanism to sell defense articles that they previously purchased under FMS to other FMS purchasers or to the DoD. Under reference (b), DSCA authorized the addition of defense articles exported through Direct Commercial Sales to also be sold through WWRS. Sensitive defense articles that require export controls and release determinations are not to be returned and redistributed to other FMS purchasers through the WWRS program.

In addition to updating SAMM Appendix 8, this memorandum establishes a standard Letter of Offer and Acceptance (LOA) note in SAMM Appendix 6 for all LOAs where the FMS partner is returning defense articles through a WWRS services line. The updated initial deposit requirement for LOAs that provide for WWRS services will be effective 1 October 2025. All other requirements in this memorandum are effective immediately. The policy in the attachment is incorporated into the DSCA Security Assistance Management Manual (SAMM) at <a href="https://samm.dsca.mil">https://samm.dsca.mil</a>.

If you have questions on this memorandum, please contact DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)) at <a href="mailto:dsca.ncr.spp.mbx.epa@mail.mil">dsca.ncr.spp.mbx.epa@mail.mil</a>.

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Attachment: SAMM E-Change 752 - Return of Defense Articles through the Worldwide Warehouse Redistribution Services Program

#### **Security Assistance Management Manual E-Change 752**

# RETURN OF DEFENSE ARTICLES THROUGH THE WORLDWIDE WAREHOUSE REDISTRIBUTION SERVICES PROGRAM

1. Add SAMM Appendix 8, Section 21(m) Return of Defense Articles.

See Appendix 8 - Section 21(m) Return of Defense Articles for content.

- 2. Update Figure C5.F5. #2f Row 3. to the following:
- Term of Sale Cash with Acceptance or Prior to Delivery, Risk Assessed Payment Schedule, or Credit Assured Payment Schedules, Source Codes S, R, E, or F (Stock), based on Arms Export Control Act (AECA) Section 21(b). Worldwide Warehouse Redistribution Services (WWRS) seller lines.
- 3. Update Section C6.4.9. to the following:

**C6.4.9. Returns.** Returns may be accepted if the defense article was previously provided under the AECA, is not Significant Military Equipment (SME), and is in fully functioning condition without need of repair or rehabilitation. In addition, there must be either a DoD or FMS-funded requirement for the defense article. For FMS-funded requirements, sensitive defense articles that require export controls and release determinations are not provided to other FMS partners through the return process. See <u>Appendix 8 Section 21(m)</u> on the Return of Defense Articles for additional guidance. The purchaser's FMS account is credited with the appropriate type of funds, dependent upon the buyer.

**C6.4.9.1.** Return credits may be applied to collections of specific cases when requested by the purchaser.

- 4. Add Row #11 to Section C9.4.2.4.4.:
  - **C9.4.2.4.4. Manpower Travel Data Sheets Exemptions.** The following items are exempt from the MTDS requirement:

[1-10. No Changes]

11. Worldwide Warehouse Redistribution Services seller lines.

#### 5. Add the following row to Table C9.T17.:

**Table C9.T17. Initial Deposit Requirements** 

Condition	Initial Deposit Amount
The Term of Sale is "Cash with Acceptance – Balance as Billed"	WWRS: Five percent of the WWRS Services line value plus 35 percent of the calculated FMS administrative surcharge. If the calculated FMS Administrative Surcharge value is \$30,000 or less, the entire FMS Administrative Surcharge value must be included in the initial deposit.
	CLSSA FMSO I: 30 percent of the line value plus the Supply Support Arrangement Surcharge.

#### 6. Add the following Letter of Offer and Acceptance Note to Appendix 6:

#### **Worldwide Warehouse Redistribution Services Program Requirements**

#### **Note Usage**

FMS: Yes BPC: No

Mandatory for all new Foreign Military Sales (FMS) Letters of Offer and Acceptance with the WWRS Military Articles and Services List (MASL) "WWWRED1STSERV." Implementing Agencies will add this note to amendments and modifications with the WWRS MASL unless the note is on the current implemented version.

#### **References**

Appendix 8.S21(m) and the US Air Force WWRS Program

#### **Note Input Responsibility**

IA

#### **Note Text**

- 1) General.
  - a) This blanket order services line is for Seller participation in the DoD Worldwide Warehouse Redistribution Services (WWRS) Program.
  - b) This Letter of Offer and Acceptance (LOA) establishes the terms and conditions that govern the Seller's listing of defense articles in Air Force Security Assistance & Cooperation Directorate (AFSAC) On-Line (AOL) and the return of defense articles to the U.S. Government for redistribution.
- 2) Item Eligibility. A defense article is listed in AOL when it meets the following criteria:
  - a) The defense article was originally transferred to the Seller under the condition of the U.S. Arms Export Control Act (AECA) (<u>Title 22 United States Code Chapter 39</u>).

- b) The defense article is not Significant Military Equipment (SME) as defined in the U.S. AECA (<u>Title 22 United States Code</u>, <u>Section 2794 (9)</u>).
- c) The defense article is not subject to a release approval.
- d) The defense article has a shelf life of twelve months or greater and is in fully functioning condition without need of repair, reconditioning, or overhaul. Where defense articles are not fully functioning, the WWRS program office may assist the Seller in facilitating arrangements for repair, reconditioning, or overhaul under Foreign Military Sales (FMS). Defense articles will not be listed in AOL until they are restored to fully functioning condition.
- 3) Transportation, Discrepancy, and Related Provisions.
  - a) The Seller will adequately package the defense articles for shipment and will ship them by the date indicated on the accepted RDO to the In-transit Inspection Point (IIP) in accordance with International Standards for Phytosanitary Measurers (ISPM) 15 and Military Standard (MIL-STD) 38. Packaging or containers will be clearly marked to show the NSN(s), quantity, IIP address and the applicable Redistribution Order (RDO). In the event incomplete shipments of defense articles are received at the IIP, the Seller may be responsible for any related costs for the return to Seller or the disposition of defense articles.
  - b) The Seller will be requested to input inbound shipping information (while keeping Seller anonymity) with any changes to AOL or provide the information to the WWRS program office by email.
  - c) The WWRS program office will arrange for visual inspection of defense articles at the IIP. At the IIP, the defense article may be unpacked for inspection; verification of removal of Seller markings, weighing, photographing or if applicable serial number recording. The Seller agrees to accept the results of the inspection with respect to overage, shortage, damage, deficiency, improper identification, improper documentation, and condition assessment of the defense articles. In addition to any repackaging fees that may otherwise be charged to be ISPM 15 and/or MIL-STD 38 compliant, the Seller may be assessed a disposal fee on any shipped item with Wood Packing Materiel (WPM) that is not ISPM 15 compliant. The Seller also agrees USG will determine if defense articles will be accepted, in whole or in part. USG will give the Seller the option to have unaccepted materiel disposed of or returned to the Seller.
  - d) Defense articles passing inspection will be accepted for return. The Seller agrees that title to the defense article passes to the USG upon such acceptance.
  - e) The Seller agrees to accept the DD Form 645 as evidence that the service was rendered, and that title has passed with respect to the listed defense articles. The Seller may view its financial details in AOL.
  - f) The Seller is responsible for obtaining transportation, insurance coverage, and custom clearances for shipments of the defense articles to the IIP. The USG is not liable for defense articles while in-transit, including those held or delayed at any custom's point or for any other delays in shipment. The arranged customs broker is also responsible for filling out an American Goods Return (AGR) form (CBP Form 3311). This also includes adding below Tariff Statement to shipping documents for WWRS shipments: "SHIPMENT IS ENTITLED TO ENTRY UNDER 9801.00.10 HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES (HTSUS) FREE DUTY. USAF WWRS-FMS EXCESS MATERIAL RETURN SHIPMENT. PROPERTY BEING RETURNED TO U.S. GOVERNMENT FOR DEFENSE STOCK, NOT FOR COMMERCIAL USE. FREE ENTRY PARAGRAPH 1615, TARIFF ACT OF 1930, CUSTOMS REGULATION 10.103".

- g) Upon request of the WWRS program office, the Seller will provide the WWRS program office copies of shipment records and other documentation for the defense articles returned for redistribution.
- h) If the USG receives a claim for a damaged or defective item from the Buyer of a defense article under the WWRS program, the USG will process the claim in accordance Section 5.4 of the Letter of Offer and Acceptance Standard Terms and Conditions. If possible, the Seller will repair or replace each damaged or defective item, at no cost to the Buyer, when it is established that the deficiency existed prior to passage of title. If not possible, the material cost will be refunded to the Buyer.
- 4) Seller Responsibilities. The Seller will comply with the requirements established in WWRS User Guide on "Provider Responsibilities." Further, the Seller will only transfer the defense article to the WWRS program office when there is an order for the defense article through an implemented Letter of Offer and Acceptance and when the WWRS program office informs the WWRS to ship the item.

#### 5) Financial.

- a) The Seller agrees to pay the WWRS redistribution fee for each defense article returned to the U.S. Government for redistribution through this WWRS services line. The standard redistribution fee will be assessed as a percentage of the defense articles' extended value or a minimum fee of \$200 (whichever is greater). The extended value is determined by multiplying the quantity requested by AOL listed unit price. The fee is deducted at the end of the following month of acceptance at the WWRS In-Transit Inspection Point from the Seller's WWRS LOA.
- b) The Seller will be reimbursed the extended value listed in AOL by the end of the month after shipment acceptance. The amount will be deposited into the Seller's FMS Trust Fund Cash Holding Account, citing this LOA. The Seller can view the deposit on the DD645.
- c) The Seller must maintain funding on the WWRS services line to cover fees associated with WWRS orders. The WWRS program office will follow up with the Seller once 80 percent of the value on the WWRS services line has been expended.
- 6) Indemnification and Assumption of Risks.
  - a) The Seller recognizes the USG will furnish WWRS services described in this LOA and will accept defense articles for redistribution from the Seller under this LOA on a nonprofit basis for the benefit of the Seller. The Seller agrees that Section 3 of the "Letter of Offer and Acceptance Standard Terms and Conditions" applies to all actions under this LOA, including not only the furnishing of WWRS services, but also the acceptance of defense articles for return and redistribution.

#### 7) Clear Title.

a) The Seller ensures to the USG that it has free and clear title, without encumbrance, of defense articles returned to the USG for redistribution pursuant to this LOA. The Seller includes a DD Form 1348 (Issue Release/Receipt Document) with the shipment to the In-transit Inspection Point. Title transfers upon USG acceptance. The In-transit Inspection Point then creates a new DD Form 1348 and includes it with the material to the Buyer's first destination. This transfers the title from the USG to the Buyer.

# 7. Update the following term in the SAMM glossary:

## From:

Term	Definition	Link
Worldwide Warehouse Redistribution Service (WWRS)	A tri-service program that redistributes excess spare parts and support equipment acquired by foreign military sales customers.	https://afsac4.wpaf b.af.mil/WWRS

## To:

Term	Definition	Link
Worldwide Warehouse Redistribution Service (WWRS)	Pursuant to AECA Section 21(m), a defense service provided by the U.S. Air Force that provides a mechanism for partners to transfer to the DoD defense articles that were purchased under Foreign Military Sales (FMS) or purchased under Direct Commercial Sales (DCS) for sale to other partners through a Letter of Offer and Acceptance or to the DoD.	N/A