International Acquisition and Exportability (IA&E)

Lunch and Learn
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Overview

• International Acquisition and Exportability Defined
• New Guidance Documents & Tools
• International Acquisition Career Path (IACP)
• DAU International Training
• Workflow and Performance Learning
• International Programs Outreach
• Summary
International Acquisition and Exportability (IA&E) Defined

The term "International Acquisition and Exportability (IA&E)" refers to DoD efforts in the following four complementary areas:

• International Cooperative Programs;
• Sales and Transfers;
• Technology Security and Foreign Disclosure; and,
• Defense Exportability Integration.
Int’l Acquisition & Exportability (IA&E)

Acquisition Workforce conducts IA&E in support of USG/DoD Strategy & Policy

DoDI 5000.02
January 2015

DoDD 5132.03
October 2008

IA&E Planning & Analysis

International Cooperative Programs

Sales & Transfers

Defence Security & Foreign Disclosure

International Contracting

Security Cooperation

Combined Exercises

Equipment Sales & Financing

Defense Contacts & Familiarization

Support to Operations

Int’l Training & Education

Int’l Armaments Cooperation

Elements that involve defense acquisition in color

International Acquisition & Exportability (IA&E)
US Gov’t/DoD Strategy and Policy

National Security Strategy
• We recognize the invaluable advantages that our strong relationships with allies and partners deliver
• Allies and partners magnify our power
• Together with our allies, partners, and aspiring partners, the United States will pursue cooperation with reciprocity

National Defense Strategy
• Faster delivery of capabilities to the warfighter through innovation and rapid acquisition
• Strengthen alliances and attract new partners
• Reform the Department for greater performance and Affordability

Conventional Arms Transfer Policy
• White House published revised CAT Policy in mid-April 2018
  o Gov’t “advocacy” of US defense industry sales
  o USG policy/process “streamlining” to facilitate industry sales activities
  o USG Unmanned Aerial Systems policy changes

• State Dept published CAT Policy Implementation Plan Fact Sheet in July 2018
  o Seven “Tasks” summarized
  o Sales efficiency and defense exportability emphasized
  o Details still pending

Importance of Relationships with Allied/Friendly Nations Emphasized
Example

An Ally asks to buy a new U.S. weapons system
• Did we plan to sell it?
• Do we want them to have it?
• Will they use it in a way that helps us?
• Can they effectively integrate and use it?
• Can they protect it?
• Have we protected it?
• How do they want to buy it?
• Who are the stakeholders?
• What are the processes and why are they needed?

There are more questions. Answering the questions involves all aspects of IA&E, and depends on the work done in the acquisition program.
“[Program Management is responsible for integrating [IA&E] considerations into the program’s Acquisition Strategy at each major milestone or decision point. [PM] will consider the potential demand and likelihood of cooperative development or production, Direct Commercial Sales, or Foreign Military Sales early in the acquisition planning process; and consider U.S. export control laws, regulations, and DoD policy for international transfers when formulating and implementing the acquisition strategy”

First Mention Ever of Foreign Sales in DoD Acquisition Policy

Provisions reflected in 2016 NDAA for major programs

DoDI 5000.02 (Enclosure 2, paragraph 7.a.)
“Program protection also supports international partnership building and cooperative opportunities objectives by enabling the export of capabilities without compromising underlying U.S. technology advantages.”

Program managers will describe in their PPP the program’s critical program information and mission-critical functions and components … [including] planning for exportability and potential foreign involvement.

Countermeasures should include anti-tamper, exportability features, security … and other mitigations …” (emphasis added)
## Defense Exportability

<table>
<thead>
<tr>
<th>Past</th>
<th>Present</th>
<th>Why</th>
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</table>
| • Launch customer or partner nation paid for exportability design and development (D&D) modifications to original U.S. configuration  
• Expensive and time consuming with negative impact on ICP/FMS/BPC  
• No authority to use appropriated funds for exportability design | • Defense Exportability Features (DEF) Pilot Program authorized by Congress in FY11  
• DEF Pilot Programs assess technology protection features needed in systems with high export potential during early R&D  
• Provides DoD funds to conduct exportability feasibility studies and facilitate initial D&D planning; plus, industry shares in the cost  
• 15 programs served as DEF Pilot Programs | • Enhance protection of Critical Program Information (CPI) and mission critical functions on exportable systems  
• Reduce overall domestic/exportable program protection costs  
• Make our systems/equipment available earlier to allies and friends |
International Program Benefits

• Improved Interoperability
• Economies of Scale
  – Production
  – Operations & Support
• Maintain hot production base
• Share sustaining engineering costs
• Share production line shutdown costs
• Share RDT&E costs
• Gain access to foreign technology
• Share production non-recurring costs

FMS – Foreign Military Sales
BPC – Building Partner Capacity
DCS – Direct Commercial Sales
ICP – Int’l Cooperative Programs
New Guidance Documents
Defense Acquisition Guidebook (DAG)

• AT&L published a comprehensive DAG update in Feb 2017
  − Calls for greater integration of international considerations
  − Provides more comprehensive guidance on IA&E activities

• Program Management (Chapter 1)
  − International Acquisition and Exportability Considerations (DAG Chapter 1 (paragraph 4.2.8))
  − Substantial IA&E Supplement provides detailed guidance
Defense Exportability Dimensions

**Anti-Tamper (AT)**
- Deter, impede, detect, and respond to potential exploitation of CPI in DoD systems resulting from combat losses, unauthorized intrusions, and exports
- AT SSE activities during the system design process protect CPI against:
  - Capability/performance degradation to counter unauthorized system intrusion/modification
  - Countermeasure development
  - Unwanted technology transfer

**Differential Capability (DC)**
- Modifications to the DoD configuration that create one or more exportable versions of the system in order to:
  - Incorporate partner/customer nation unique capabilities
  - Remove (and confirm the removal of) U.S.-only capabilities/CPI

DC and AT efforts ultimately lead to D&D of U.S. and exportable versions

See Anti-Tamper Executive Agent (ATEA) 2016 Tech Implementation Guide (TIG) Changes
New DAU IA&E Job Aids

- DAG contains links to new DAU-developed Job Support Tools (JSTs)
  - International Acquisition & Exportability (IA&E) Assessment
  - Acquisition Strategy - International Considerations
  - Defense Exportability Integration
  - International Cooperative Programs (ICPs)
  - Foreign Military Sales (FMS) Systems Acquisition
  - International Business Planning
- JSTs contain information on relevant policies, best practice procedures, and key areas for analysis and evaluation
- JSTs can be found on the DAU International Acquisition Management Community of Practice (ICoP)
International Acquisition
Career Path
Int’l Acquisition Career Path (IACP)

- Created by AT&L in 2007 to ensure more knowledge of international acquisition processes and program implications
- Requires identifying and coding positions supporting international acquisition programs and projects
  - Initially only Program Management Career Field positions required identification/coding
  - Expanded in Sep 2014 to allow coding of positions in any functional area
- Creates mandatory training requirement for personnel in coded positions

It is a Career Path not a Career Field
IACP Position Coding

- Duties that involve implementing or providing support to international programs or projects:
  - Associated with an Acquisition Strategy with an international system or cooperative opportunity identified
  - Associated with an existing A&S cooperative international agreement or upon submission or approval of a Summary Statement of Intent for a potential international agreement
  - Associated with an approved Foreign Military Sales Letter of Offer and Acceptance for purposes of international sale, lease, or logistics support of U.S. major defense equipment
  - Designated an international program/project or high-potential future foreign sales program (FMS or DCS) by the USD(A&S) or Component Acquisition Executive, or as further delegated
DACMs identify and designate INTL positions

Military and civilian personnel systems annotated to reflect required training and status

Designated personnel complete required training

DAU transcripts will reflect training completion

DAU provides “Certificates”
Major “IACP Career Fields”

- Program Management
- Engineering
- Life Cycle Logistics
- Contracting
- Business Financial Management

Career path population of ~5,000
DAU International Training
Acquisition Learning Model (ALM)

DAU is with you throughout your career

Gain fundamental acquisition knowledge and skills
Find acquisition resources to help you on the job
Receive assistance tailored to your organization’s specific needs
Foundational Learning

Level 1

- ACQ 101: Fundamentals of Sys Acq Mgt
- ACQ 120: Fundamentals of Int’l Acquisition
- ACQ 130: Fundamentals of Tech Sec/Transfer

Level 2

- ACQ 230: Int’l Acquisition Integration
- ACQ 202: Intermediate Sys Acquisition

Level 3

- ACQ 380: Int’l Acquisition Management
- ACQ 350: Adv Tech Sec/Control Workshop
- ACQ 340: Adv Int’l Mgt Workshop

= Functional Training Prerequisite Courses

= Int’l Acq Level 1, 2, and 3 and Required Courses

= Int’l Acq Duty Specific Courses

International Acquisition Training Standards & Core Plus Development Guide
Other DAU IA&E Training

• Defense Acquisition Workforce at Large
  – Additional international content being added to basic acquisition courses
  – DSMC executive training courses include international modules

• Security Cooperation Workforce
  – Two hour DAU module in Security Cooperation Management Executive (SCM-E) course
  – Acquisition content to be developed for Security Cooperation Management Overseas (SCM-O) course
DISCS vs DAU Training Focus

Defense Acquisition University (DAU)

- IA&E Integration with Defense Acquisition System
- The Practice of International Acquisition

Defense Institute of Security Cooperation Studies (DISCS)

- Security Cooperation
- Policies and Procedures

The two schools have a good working relationship
## 100-Level Distance Learning Courses

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Seat Hours</th>
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</thead>
<tbody>
<tr>
<td>ACQ 120</td>
<td>Fundamentals of International Acquisition</td>
<td>19</td>
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<tr>
<td></td>
<td>• Security Cooperation Basics</td>
<td></td>
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<td></td>
<td>• Key Players and Roles</td>
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<td></td>
<td>• International Cooperative Programs</td>
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<tr>
<td></td>
<td>• Foreign Military Sales Process</td>
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<td></td>
<td>• Building Partner Capacity Process</td>
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<td>• International Contracting</td>
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<td>• International Logistics</td>
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<td>• Program Protection</td>
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<td></td>
<td>• Technology Security &amp; Foreign Disclosure</td>
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<tr>
<td></td>
<td>19 Seat Hours</td>
<td></td>
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<tr>
<td>ACQ 130</td>
<td>Fundamentals of Technology Security/Transfer</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>• Basic Principles &amp; Authorities</td>
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<td></td>
<td>• Classified Information &amp; Technology</td>
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<td>• Controlled Unclassified Information</td>
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<tr>
<td></td>
<td>• Foreign Disclosure Authorizations</td>
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<td>• Export Authorizations</td>
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<td>• Foreign Visit Authorizations</td>
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<td></td>
<td>• Acq Process &amp; Security Documents</td>
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<td>• Industrial Security</td>
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<td>• Foreign Investment</td>
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<tr>
<td></td>
<td>12 Seat Hours</td>
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ACQ 230 Course Overview

• Integration of international competencies across all phases of the Defense Acquisition System

Defense Acquisition System

- International Cooperative Programs
- Sales & Transfers
- Technology Security & Foreign Disclosure
- Defense Exportability Integration

• Dealing internally with USG organizations and externally with foreign personnel & governments

• Practical Exercises (PEs) for each acquisition phase (PM, systems engineering, logistics, business, and contracting aspects)

• Mini-PEs on stakeholder perspectives, cross-cultural communications, and ethical considerations and ending critical incident exercise
ACQ 380 Course Overview

- Enhance IA&E functional knowledge
- Mature critical thinking skills
- Introduce Job Support Tools (JSTs)
- Develop IA&E improvement project proposal
- Gain guest speaker (OSD and industry) perspectives

**IA&E Assessment***
**Acquisition Strategy Development***
**International Business Planning***

* Lesson & Practical Exercise (PE)
** Lesson & Case Study
*** Lesson, PE & Case Study

IA&E = International Acquisition & Exportability
IA&E Assessment

Interoperability Requirements
Program Protection
Cooperative Opportunities
International Markets

Assessment

Inform Acquisition Strategy
Inform MDA Decisions

Foreign Solutions
Coalition Interoperability
ICP Participation
Foreign Sales
Design for Exportability
Acquisition Strategy IA&E Factors

IA&E Assessment

Acquisition Strategy

Key IA&E Decisions

Law & Policy

Foreign Industry Participation

International Cooperation Potential

Foreign Sales Potential

Business Strategy Considerations
International Business Planning

Tool to enhance a program’s domestic and international acquisition outcomes
Defense Exportability Framework

**Program Protection**
(International Considerations)

- **International Security**
- **Exportability Design & Development**
- **Defense Exportability Elements**
- **TSFD Approvals**
- **Export Authorizations**

**Exportability Integration**

Need to address and integrate each element in program planning
# FMS Systems Acquisition Process

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
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<tbody>
<tr>
<td>Pre-LOR</td>
<td>Assisting the customer in developing a defined Letter of Request (LOR)</td>
</tr>
<tr>
<td>LOR</td>
<td>Receipt and analysis of the LOR</td>
</tr>
<tr>
<td>LOA</td>
<td>Preparation of a Letter of Offer and Acceptance (LOA)</td>
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<tr>
<td>RFP</td>
<td>Preparing the Request for Proposal (RFP)</td>
</tr>
<tr>
<td>Contract</td>
<td>Negotiating and awarding contracts</td>
</tr>
<tr>
<td>Execution</td>
<td>Managing contract and program execution</td>
</tr>
<tr>
<td>Delivery</td>
<td>Preparing for and delivering a “total package”</td>
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</table>

What are the best practices in each phase of the cycle that the acquisition community should use to improve acquisition outcomes for the FMS customer?
Opportunity identification & Assessment

Identifying a potential cooperative opportunity, conducting exploratory or technical discussions, and assessing viability of the effort.

Request Authority to Develop (RAD)

Staffing of the Summary Statement of Intent (SSOI) “business case” within Component and OSD to obtain approval to negotiate.

IA Negotiation

Negotiating the International Agreement (IA) with partner nation(s) after obtaining authority through RAD approval.

Request Final Approval (RFA)

Obtaining approval to sign the IA based on Component and OSD staffing of the IA text and an updated SSOI.

IA Signature

Obtaining U.S. and partner nation(s) signature of the IA.

ICP Execution

Executing the cooperative project/program in accordance with the signed IA.
Workflow Learning
Workflow Learning

Visit our online resources
- **Tools & Resources** - hundreds of assets at your fingertips with faceted and intuitive search across all DAU resources
- **Web enabled guidebooks** - take your notes and bookmarks with you! Download and view guidebooks, such as the DAG, on your mobile device
- **Connect with experts and peers** - 50+ Communities of Practice
- **Interactivity** – provide feedback and ratings

The help you need, when and where you need it
International Acquisition Management (IAM) Community of Practice (ICOP)

IAM Functional Gateway

International Acquisition Tools

ICOP Team Sites (Password Protected)

International Acquisition Videos
Performance Learning
IA&E Performance Learning

IA&E Performance Learning support is available

Tailored Workshops
Consulting
Team Training
International Training
Allied Assistance

Please contact us if we can be of any assistance!
Examples

• Direct Assistance (visit) to 3DELRR office at Hanscom AFB to assist their FMS planning (last week and continuing)
• Assistance to Joint Program Office AV-8B Harrier Cooperative Program and Navy Comptroller to develop Navy policy for funds transfers in cooperative programs (early 2018)
• Assistance to the International Programs Opportunities and Engagement Tool (iPOET) project (OPNAV, Navy IPO, and Naval Surface Warfare Center) to assist their building of an Open Cognitive Computing Framework (continuing)
• Assistance to International Space Engagement (SAF/IAPC) on cooperative programs (early 2018)
• Assistance to the Army UH-60 Office (Huntsville) on Developing International Acquisition expertise (June 2018)
• September 2018 visit to the P-8 and Triton Program Offices for Cooperative Program planning
• There are many more…..
Summary

- Recent acquisition policies require more integration of defense sales considerations in planning programs
- Guidance and tools developed and available
- IACP training curriculum development completed
- Emphasis being placed on IA&E workflow learning and performance learning
- DAU is involved in international outreach/training