

USASAC UPDATE

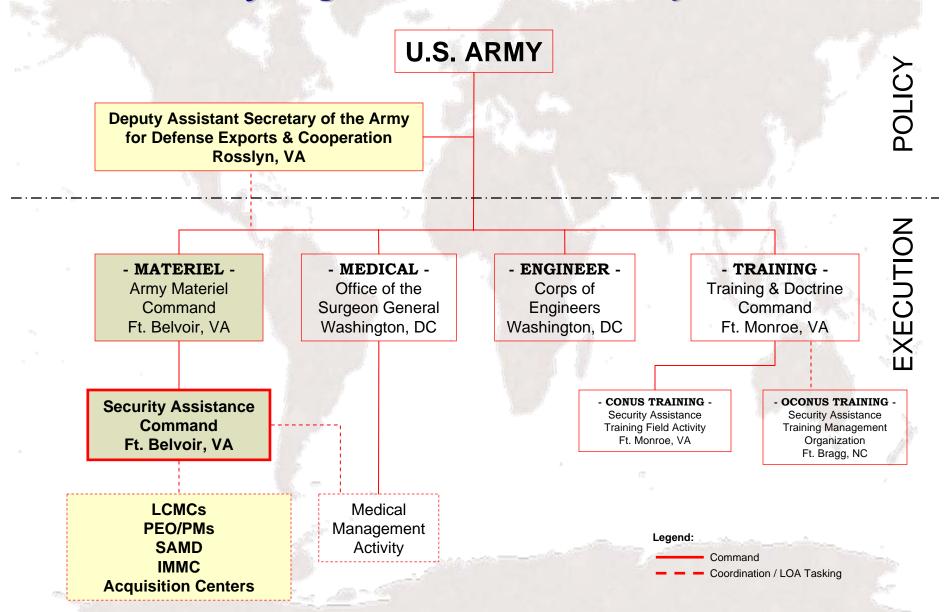


COL Catherine Lacina
Chief of Staff
United States Army Security Assistance Command

Why Security Assistance?

- One of the principal elements of the U.S.
 Foreign Policy
- Regulated by:
 - FOREIGN ASSISTANCE ACT
 - ARMS EXPORT CONTROL ACT
- Executed by the Department of Defense under Department of State oversight
- Designed to promote regional stability
- Supports mutual goals and objectives

U.S. Army Organization for Security Assistance



AMC Security Cooperation USASAC-Army's Face To The World

The Bottom Line:

Managing 3791 cases with an undelivered value of \$17.5B

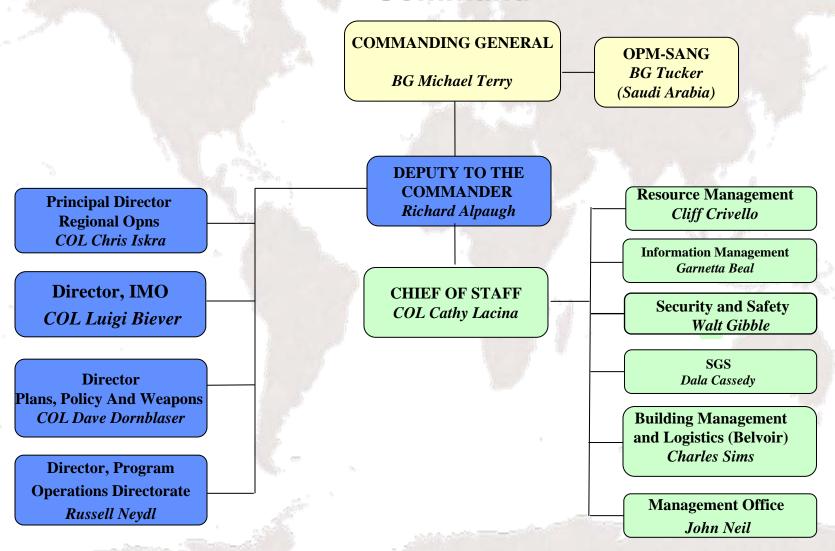
Total program value, \$60B – FY 94-04 AVG \$3.6B annual sales FY 05/06 sales >\$5B, FY 07 sales >\$9B, FY 08 sales to date >\$8.2B

119 Security Assistance Offices World Wide

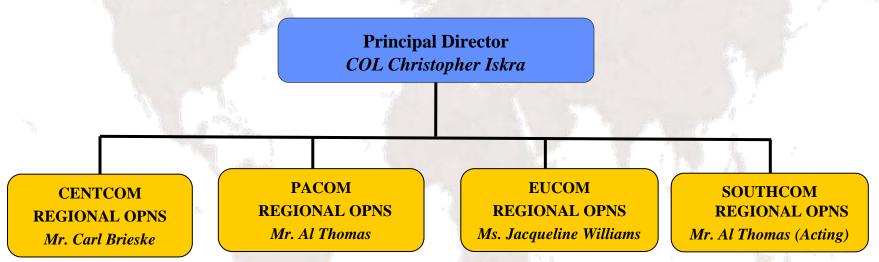
Army FMS is a link to 140 different Armies, 47 Air Forces, 26 Navies and 26 other country entities.



United States Army Security Assistance Command

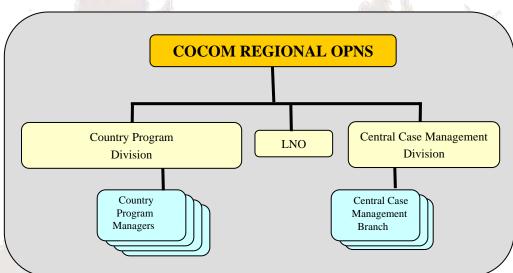


Regional Operations Directorate

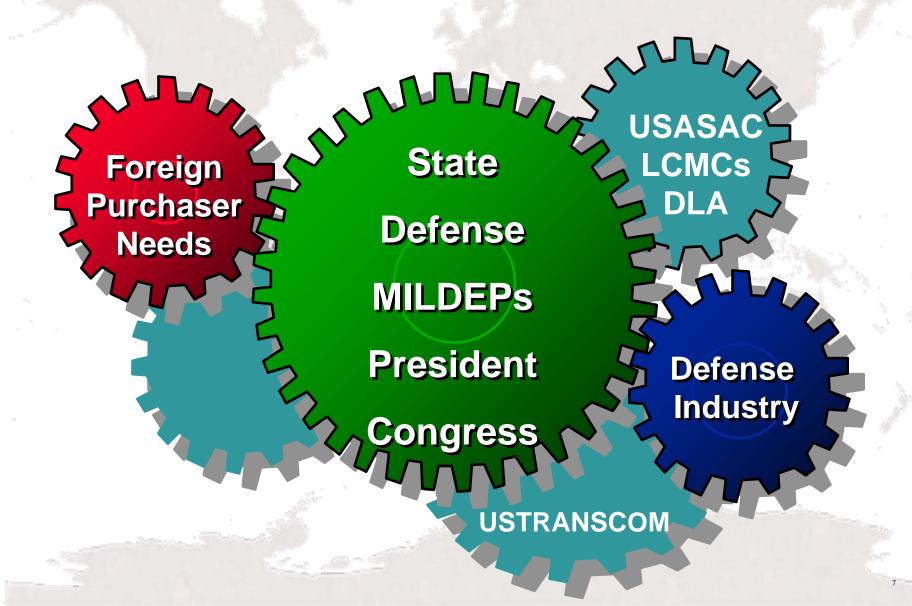


Core Competency of USASAC executed here...

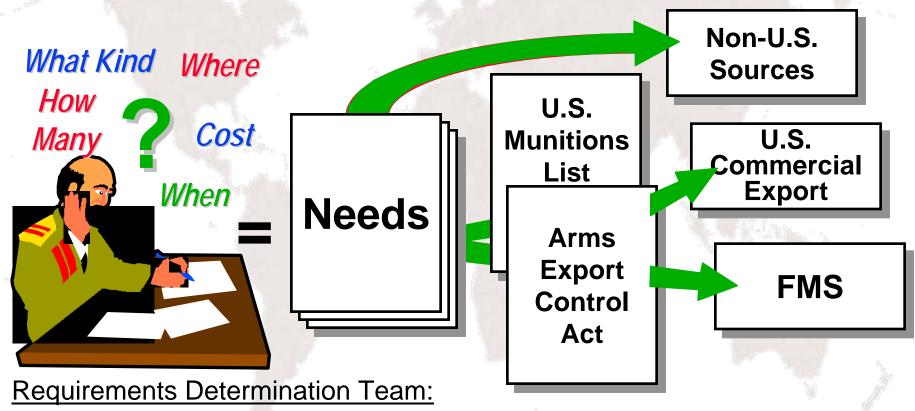
- Case Development
- Case Execution
- Case Closure



The Sales Process



Customer Decisions



Foreign Customer

MNSTC-I

CSTC-A

Security Assistance Office

USASAC LNO

DASA DE&C

USASAC

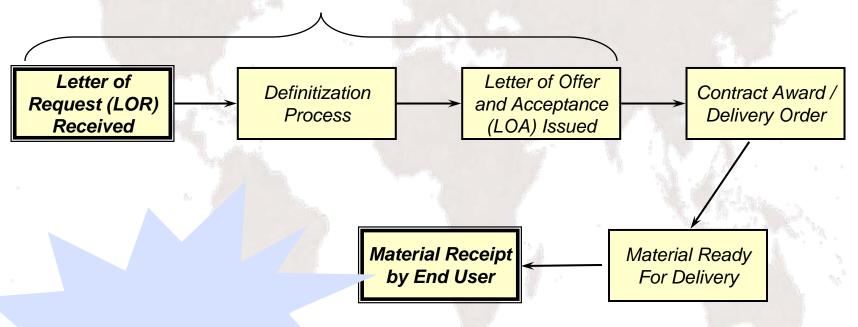
Industry

LCMCs

Foreign LNO

FMS Process Flow

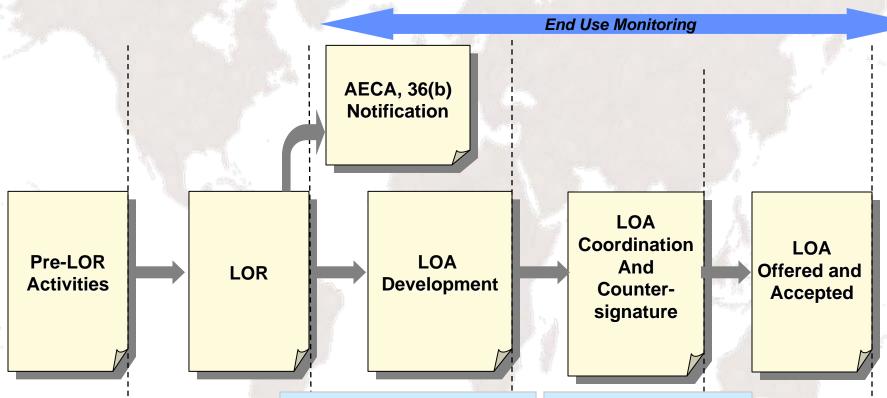
DoD Policy - </= 120 Days until LOA complete



THE BIG PICTURE

Typically materiel delivery is 250+ days from LOR

FMS Case Life Cycle



USASAC, SAMD, PEO/PM, DASA DE&C:

- Review for AECA, Section 36(b) applicability
- Waivers requested/approved/ disapproved
- Pricing Data collected

USASAC, SAMD, DASA DE&C, PEO/PM, DSCA:

- LOR is validated
- Eligible Customer
- Resource Analysis
- Disclosure/Releasability
- Total Package Approach
- Waiver Requirements
- EUM
- Diversion determination

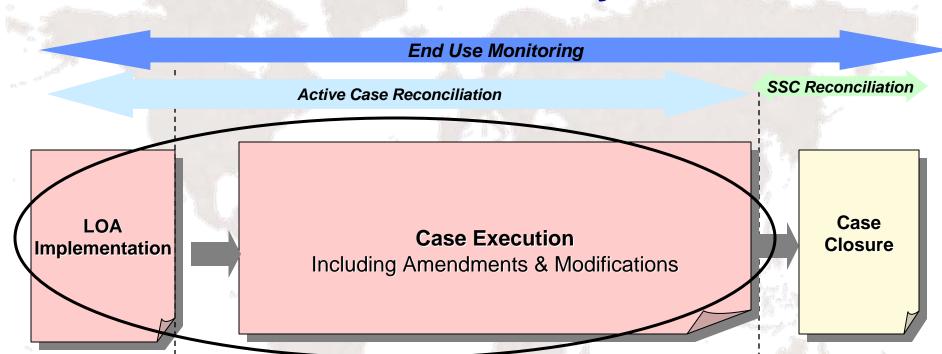
DSCA, USASAC, SAMD:

- Ensure LOR requirements met
- Pricing elements reviewed for all costs
- Compliance with SAMM Policy
- Approval of LOA content

USASAC, DFAS:

- Prepares cover letter & offers LOA to country
- LOA accepted by country
- Initial deposit received

FMS Case Life Cycle



DFAS, USASAC:

- Implements LOA in all data bases
- Establishes obligational authority

USASAC

- Issues requisitions
- Process status and billing transactions
- Ensures on time, within cost deliveries

SAMD, IMMC, PEO/PM, SDDC

- Receives requisitions
- Ships from stock
- Coordinates with acquisition center or industry
- Coordinates transportation
- Materiel Delivery
- Line Closure

Acquisition Center

- Awards Contact
- Processes progress payments
- Closes contract

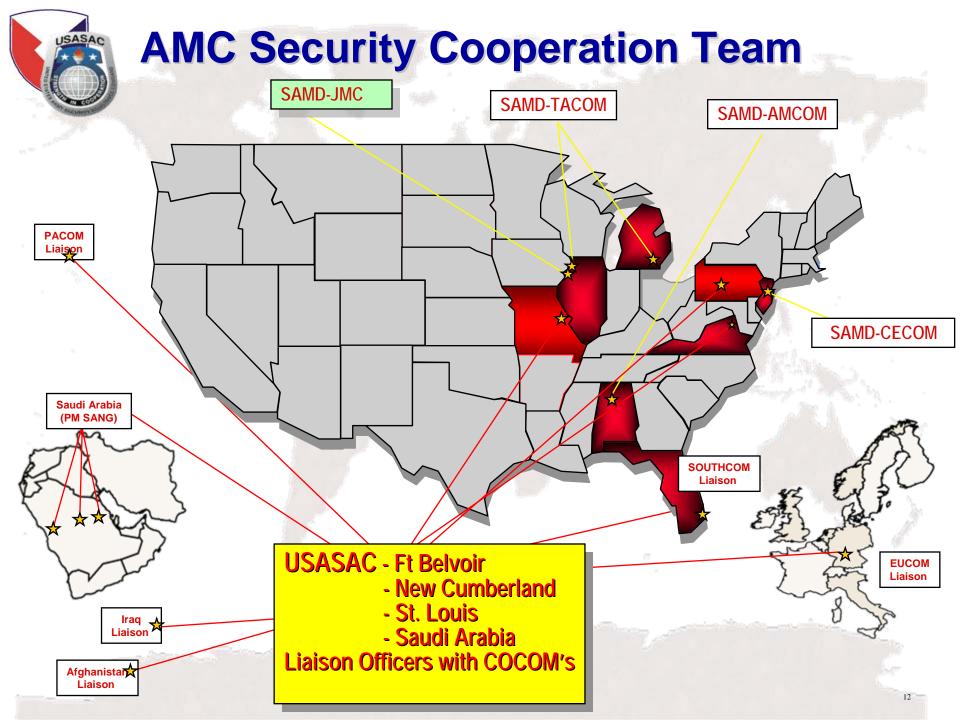
USASAC, CFLCC, MNSTC-I, CSTC-A

- Materiel receipt in theater
- EUM by SAO, country

USASAC, DFAS

- Closure certificate prepared
- Processes final billing
- Case is closed

11







Support to Coalition Forces

Poland

United Kingdom

PMND

Canada

Denmark

Pakistan

The Baltic's

Philippines

El Salvador

- Wheeled and Tracked Vehicles
 Vehicle Spare Parts
- Night Vision Devices & GPS
 - Communications
 Equipment
 - Ammunition and Explosives
 - Parachutes
 - UAVs
 - Apache Support
 - Small Arms
 - Vaccines
 - CH-47 Spares
- Javelin Support Equipment
 - Air Warrior Air Crew Ensemble
 - Missile Warning System
 - Clothing & Support
 - AH-1 Refurbishment
 - M109A5 refurbishment
 - Counter-Terrorism
 Equipment

SEEBRIG

Netherlands

Australia

Croatia

New Zealand

Czech Republic

Romania

Fiji (PMND)

Tonga

Military Sales Policies

- The President certifies eligible countries
- The relationship with the purchasing country is crucial ...

 The U.S. desires more than just a simple seller and buyer relationship
- Each sale is made in accordance with the policies and strategic interests of the U.S. Government

The U.S. Government will neither make nor lose money

- DoD promotes the acquisition of standard service configuration
 <u>U.S. industry does the marketing</u>
- The U.S. Government has no preference between military sales and commercial sales

The U.S. Armed Forces have priority

Material is either shipped from U.S. Government stocks or from production

Our goal is to field a total package and promote self-sufficiency

Security Assistance in Support of US Army Objectives

"How can we leverage FMS to help sustain critical product lines to surge production capability quickly to meet sudden warfighter requirements?"

Institutional Army Task Force -task from VCSA

"...to facilitate Interoperability with allied and coalition partners and supported U.S. national security interests (Political, Military, Economic...)"

Specified task – Foreign Military Sales (ST-FMS) – Army Campaign Plan Task

"...proactive Engagement....COCOM focus"

Gen Griffin, AMC Commander

A collaborative Partnership with USASAC, the Army Acquisition Community, and the Defense Industry