SO YOU THINK YOU KNOW SOMETHING ABOUT SECURITY ASSISTANCE?

By

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Background

I'll begin by telling you what this article is not about. It is not about hiring of personnel, housing, operating budgets or buying office furniture. Although these are important in an SAO/ODC, this article will focus on establishing core Security Assistance (SA) and international armaments cooperation programs in a country that has had little or no experience with SA programs. This article isn't intended to be a cure—all but could serve as a start for a strategy leading to a capable and efficient ODC.

This article addresses three core programs administered by an SAO/ODC: foreign military sales, international military education and training, and defense cooperation in armaments (FMS, IMET, and DCA, with an emphasis on FMS). Throughout, I'd ask you to remember that the basis for this article is one person's humble experience and the actions and thought processes she went through in arriving at an infrastructure plan.

The adventure begins. I arrived at my new assignment November 1996, armed with over 20 years of FMS experience. I came well prepared (I thought) for any and all SA challenges. Upon my arrival, the ODC had been in operation for eight months with no FMS infrastructure in place. Accomplishments were limited to office furniture procurement and hiring of local national personnel. Confident, arms swinging, smile on my face, high steppin', proud to be an American working at the American Embassy, I arrived. I was ready to support the CINC's objectives through SA and ready to become an integral part of the Ambassador's country team! Country team? Hummmmm, I wondered who they are, what they do, and how the SAO/ODC interfaces with them?

My new office consisted of a desk in the corner, behind a bookcase, covered with a dozen boxes of spare parts. I could easily recognize the boxes as DOD shipments and realized the ODC was being used as a freight forwarder. I could see that my first task was to call the host country program manager and arrange for movement of *their* spare parts. After a few days of research I learned the host country had no designated program managers, no freight forwarder and no FMS office. All business to date had been conducted through high level bilateral meetings. There was one FMS case initiated in 1995 with material being shipped everywhere. Not good! I also learned the host country had been allocated Foreign Military Financing (FMF) grants for FYs 96-97. We were well into FY 97 and no FMS cases had been generated. Why weren't they using their grant funds? Why hadn't we received Letters of Request (LORs)? Who could answer these questions?

With the smile wiped from my face, arms no longer swinging, and enthusiasm waning, I rolled up my sleeves to get to work. The challenges seemed overwhelming and I wondered how I could dig my way out when I didn't know a single person on the country team or in the host country. Needless to say, there was no "struttin' my stuff" going on, just desperation...sheer desperation! Although I had worked many SA programs, nothing in my background prepared me for starting at ground zero in a country with no experience in FMS. How could this be

approached? Where to start? At this point, I had no host country contacts. What to do? With whom? I felt as if I had been dropped off in the middle of a desert and asked to bake a cake with no ingredients. and worse yet, no recipe!

In the midst of all this comes an emotional call from the American Ambassador who had just gotten off the phone with an irate Vice Minister of Defense. The Minister wanted to know why Corporation X was not on contract to do a study agreed upon at the bilateral meetings. The Ambassador had arranged a meeting *for* me the next morning with the Vice Minister to *fix* this *misunderstanding*. My reaction was, "Yes sir, it will be fixed."

With no organized files and no background, I began scouring the office for bits of information. After many hours, I emerged from a mound of paper and realized the host country would need intensive training on all aspects of SA. I had found the minutes of the bilateral talks but also found that no action had been taken on either side to obtain the study. Not being aware of U.S. laws. FMS procedures. nor our acquisition processes, the host country was waiting for material/services to magically appear. This experience with the ambassador and vice minister made me understand that my immediate focus had to be on familiarizing the host country with procedures on Letter of Request (LOR) submittal. Whom would I teach?

I arrived at the Vice-Minister's office prepared to advise him on the processes and procedures needed to acquire Corporation X's study. The minister didn't care about all the details —he just wanted the study! In my pocket I had a computer diskette with a prepared "Sample Letter of Request and Statement of Work". The Vice-Minister handed the diskette to his aide who made appropriate changes. printed it on Ministry of Defense letterhead. signed it, and handed it back to me. He was happy but I wasn't. This couldn't become the standard way of doing business. However. it was the opportunity I had been waiting for—establishing a contact. Needless to say I seized the moment. In those few minutes, I was able to make recommendations on how to proceed. I discussed establishing host country program managers for each area of support required. establishment of an SAO/ODC counterpart office. appointment of a central funds manager. hiring of a freight forwarder, host country training in LOR submittal, sole source request processing. and other points. This discussion led to the appointment of a single point of contact within the host country. Regularly scheduled meetings were begun, program managers were designated. our basic infrastructure plan was developed and presented. and our newly formed U.S./host country team began work on the plan. Today, SA business is conducted in this forum.

Infrastructure Plan Development for FMS

Now that the host country had identified an office responsible for SA and had named program managers for each of their requirements, I had to identify and then prioritize the tasks that lay ahead. Further, with the host country having options to procure items and services from many other competing countries, I had to establish reasons for them to "buy in" to our system. Grant funds would not be provided indefinitely. and establishment of the infrastructure needed to do business with the U.S. would be costly. These factors lead to many questions. lots of research. brainstorming and long discussions with my DISAM colleagues. with the Defense Security Cooperation Agency (DSCA) and others.

What should this plan include—what steps should be taken first? How should I translate grant funds into real assets and services? All these questions were eventually answered, resulting in one person's approach to defining and prioritizing events to lead a host country to a level of proficiency and understanding needed to conduct SA business with the U.S.—hence, an SA infrastructure plan.

The first important step is to establish contact with the Ambassador's country team and the host country Ministry of Defense to begin developing relationships needed to conduct SA business. It's a lot in who you know: introductions and contacts are the starting point for security assistance success. I began with interviewing each of the country team members and familiarizing myself with their charter. Country team members and their charters change, so this process will continue for the duration of your assignment. Especially in developing countries. country team responsibilities may shift as the host country moves to higher levels of sophistication. In some cases a member of the country team may be able to assist with host country introductions.

A note about embassy functions. Obviously, good communication and social skills are beneficial and can help establish contacts more easily. Take advantage of the opportunities the Ambassador and Deputy Chief of Mission provide at the various functions throughout the year. Attend when possible for the more you understand about the intricacies of your embassy and the host country's government, the better equipped you will be to support them. Since a country team assessment must accompany all requests for significant military equipment and major defense items, you'll also need their support. You will work with the country team on all major security assistance issues.

A few words about communication and foreign language capability—there is no question that being proficient in the host country language is a benefit. However, previous experience and knowledge of SA programs are far more important than language capability. Remember. one must first know something in order to transmit it to another—in any language. Having both experience and language capability would be ideal but given a choice. I would select experience over language every time. Translators or bilingual colleagues can usually be found to assist if necessary.

You must familiarize yourself with the HQ desk officer, Program Offices (IPOs). DSCA. Training Commands. DISAM. and other personnel in the many offices with which you will be interfacing. When you're in a foreign country, your contacts become your lifeline!

Providing grant funds can do little to help a host country if they are not properly instructed on our FMS process through which all grant monies are managed. What to order? Which configuration? Is it interoperable? Size? Quantity? Supportability? Refinement and definition of host country requirements into an understandable and usable form is a difficult process. In the early stages of program development, the host country may not have the necessary research data (codification/cataloging information) to know what is available in the DOD inventory. This stage is possibly the most challenging for a new ODC. and is a classic chicken or the egg problem of "they don't know what we have and we don't know what they want."

The need for codification/cataloging data must be addressed. Why is it important to have stock number and item nomenclature information? The simple answer is that the better a country can define its requirement. the sooner and cheaper it will get what it needs. The host country should understand that they must provide enough identifying information (specifications) for an item in their LOR or they must match a U.S. inventory item to their requirement (including giving a national stock number where possible). Also, in the follow-on support mode. the host country will be submitting many of their support orders against blanket order cases electronically and bypassing SAO/ODCs: therefore, SAO/ODC's must assist the country in moving toward this new level of independence. In the early stages of establishing a country infrastructure. it is important that the SAO/ODC work with the host country and the appropriate DOD service to assist in defining the requirement so it results in a viable LOR. An SAO/ODC must not pass an LOR to the managing service without ensuring it addresses logistical support needs and provides enough identifying information for a successful procurement. If this cannot be accomplished between host country technicians, and the SAO/ODC working with U.S. services, the next step is

to begin the process for a site survey or pre-LOR meeting. This is expensive and devours much of the funding desperately needed for equipment and services. This is also expensive in terms of time.

The need for establishing blanket order cases must be discussed. A blanket order case is an agreement between a foreign government and the U.S. government for a specific category of items or services. Blanket order cases have no definitive listing of items or quantities; rather, they specify a dollar ceiling against which orders may be placed. Likely candidates for blanket order cases are publications, spares, equipment, and training. Blanket order cases provide an efficient way for a host country to order and receive material/services once research tools are in place. Procedures for handling blanket order cases differ among services so take the time to learn the peculiarities.

The host country must have supply/maintenance training to properly use cataloging data and to place orders for material. They must understand what each supply code means and how to translate host country needs into national stock numbers. The relationships between supply and maintenance are important. Fortunately, there are numerous senior and junior foreign officer supply and maintenance courses available to help. These courses can be made part of your country's IMET program. Discuss them with your host country FMS and training officers and get your counterparts selected for this training.

Once FMS cases are established and material is ready for shipment, there must be a means to transport material in the most economical and efficient manner. This means assisting the host country in understanding the need to select a freight forwarder. The freight forwarder is the essential link between the logistics systems of the U.S. and the purchaser. Without one, the purchaser would have to rely on the Defense Transportation System. This is a costly option and its use reduces national or grant funds badly needed for procurements. Much has been written about the freight forwarder selection process. One source for this information is the DISAM "Green Book". Instructions found there will assist you in properly advising the host country in this process. Once a freight forwarder is selected, the SAO/ODC must work with the host country in constructing Military Assistance Program Address Codes (MAPAC) addresses and properly registering their data in the Military Assistance Program Address Directory System (MAPAD).

Another type of training your host country will require is SA training. There are excellent DISAM courses designed for the foreign student. SAO/ODCs can use local national personnel in managing SA programs. Where possible, schedule the courses designed for the foreign student and get ODC local nationals trained to assist you. DISAM can tailor courses to meet your needs and will work with you to schedule a mobile education team (MET). METs can train the most host country personnel in the least amount of time.

Communications systems such as the International Logistics Communications System (ILCS) and Supply Tracking and Reparable Return (STARR/PC) are needed to provide a communications link to U.S. suppliers, to create an audit trail for status and tracking and to bring the host country to a new level of independence. The ILCS system is used to electronically communicate transactions created in STARR to the U.S. Government and to transmit the return status from the USG to the host country. The host country for requisitioning, follow-ups, deficiency reporting, technical order requests, and material receipt documents uses STARR. ILCS and STARR/PC are key systems; explaining their importance and encouraging steps to establish them should be a priority.

Some countries have benefited from acquiring Excess Defense Articles (EDA). However, the program has its pitfalls. The first step is to train the host country on how to access our EDA. One way is to request a team from the U.S. (DISAM and Defense Reutilization and Marketing

Service) to instruct host country students. This training could be added to the curriculum of a DISAM MET. the host country could send personnel to DISAM. or perhaps during in-country visits, DSCA could provide training. SAOs/ODCs must ensure the host country fully understands the "as is, where is" concept and must give advise on supportability, condition, the cost to return the EDA item to serviceable condition (if needed). packaging. handling. and cost of transportation. Although the EDA program can be a valuable resource, it must be properly managed to ensure that serviceable and supportable items are provided to a customer knowledgeable about the EDA program and the terms of sale.

Defense Cooperation in Armaments (DCA)

Defense Cooperation in Armaments covers programs that promote rationalization. standardization and interoperability. These are cooperative programs. defined in written agreements between DOD and one or more country. DCA involves work in the following areas:

- Research development, testing and evaluation (RDT&E). as well as joint production and procurement
- Data information and personnel exchange activities conducted under approved DOD programs
- Testing and evaluation of conventional defense equipment. munitions. and technologies

As a guide to help establish your DCA plan. here are some of the agreements we have signed or are pursuing with our host country.

- Government Security of Military Information Agreement
- Acquisition Cross Servicing Agreement
- Master Information Exchange Agreement and associated Annexes
- Engineers & Scientists Exchange Agreement
- Reciprocal Procurement Agreement

After establishing basic agreements needed for the conduct of business. DCA specialists must familiarize themselves with the host country defense industry. with the country's R&D establishments. and just as importantly, must establish a dialog with the host country MOD R&D Director. The goal should be a working knowledge of the host country privatization process. its defense industry capabilities and products. and the potential for future DCA programs. supporting mutual areas of interest.

A DCA specialist must gain points of contact in each of the services. meet the HQ representatives for DCA. and seek to participate in such conferences as the Annual International Defense Educational Arrangement (IDEA) conference conducted by Defense Systems Command College (DSMC) and attend Conference of National Armaments Directors (CNAD) debriefs. etc.

A DCA specialist can assist the host country by seeking funding for familiarization through US research institutions and the DCA agencies of the military services. Some possible sources are the Joint Contact Team. Edison House. and DCA focal points in each of the services.

The DCA specialist should seek to familiarize the host country with the Foreign Comparative Testing (FCT) Program and other such programs that could be of mutual benefit to the US and the host country.
However, a country's access to the FCT program depends to a large degree on its ability to access and utilize the Commerce Business Daily (CBD). Training on CBD can be included in the host country's acquisition training program.

Acquisition Training. The SAO/ODC must assess the host country's ability to provide for fair and open competition. Further the SAO/ODC must ensure the country understands U.S. acquisition principles and must work with the country to establish an atmosphere that allows U.S. companies to conduct business. We initiated a three-phase program with the Navy Post Graduate School that will provide long term acquisition training tailored to our host country's particular needs. Phase I, the country that needs assessment, is followed by Phase II, course development. Once the courses are designed and approved by the host country, we begin Phase III, an in-country mobile training team. This is an excellent program that has now expanded to 11 countries with more on the horizon. Such training efforts, and close cooperation with the Director of Defense Procurement, Foreign Contracting, provide the way ahead for a concluded Reciprocal Procurement Agreement.

Executive Level Seminars. Special seminars (logistics, acquisition, C4I, and other important areas) have been funded in the past by OSD using Warsaw Initiative appropriations. Such seminars can provide a forum for high level (ministerial) exchanges of information and can establish the basis for continued cooperation. Work with your desk officers to find out how you can incorporate these seminars into your program and ensure your host country has been considered in the planning of them.

U.S. Contractor Visits/Calls. These become a very important and time-consuming part of the DCA process. Meeting with U.S. contractors, understanding their products, and matching a host country need to a U.S. contractor's capability can result in win-win outcomes for all concerned. ODC's must always ensure they support all U.S. defense contractors equally. Records of such visits should be kept to provide background and program continuity.

IMET

Training for managers of this program is institutionalized. There is excellent training available at both DISAM and the HQ level. European Command holds yearly training conferences to assist each country with its unique program and plan. Two-year training plans are submitted that provide the roadmap to a comprehensive and fully coordinated program. These plans are fully reviewed by HQ personnel for accuracy and completeness and they are adjusted as necessary.

It is important to note, however, that even in a program as well-established as IMET, each SAO/ODC must work to establish and nurture relationships with the host country training representatives. The SAO/ODC must establish guidelines, deadlines, and overall parameters for doing business. In countries where Joint Contact Teams (JCTs) are established, much coordination and cooperation is required to ensure a logical flow from the familiarization programs of the JCT to the "hands on" training offered by IMET and FMS. As the SAO/ODC implements the IMET program it can identify the need for familiarization as a lead-in to formal training and request the JCT to schedule the familiarization. SAO/ODC's and JCTs should become a well-oiled team, working together to ensure optimum results are obtained by each program.

Summary

The infrastructure plan must be a living document, always tailored to the country's current needs. It must be adjusted as progress is made from one stage to the next - events and steps are concurrent and interrelated. The host country must understand each of the steps and their relative importance in overall infrastructure planning. At each step of the way, the host country must understand the task, and must approve and authorize expenditures for each of the program areas presented.

Although DISAM provides excellent training to the overseas bound student, and much has been written about the subjects we've discussed above, nothing can fully prepare us to walk into a cold new office with no infrastructure in place, no contacts, and for most of us, our first experience with an Embassy Country Team. Each country will have unique requirements and different levels of sophistication and understanding. These will drive your own infrastructure planning.

Attached is a checklist covering FMS related issues discussed above. As you begin developing your own infrastructure plan, perhaps this can serve as a guide. I encourage the use of the multitude of resources available to you--DISAM with its instructors, the famous "Green Book" and the increasingly useful DISAM Web Site), DOD services desk officers, your HQ desk officer, DSCA desk officer, The Security Assistance Management Manual, and others. These add up to a pile of help and they haven't failed me yet!

With the smile back on my face, arms swinging again, and high steppin' (with a slight limp), I'm happy to have had this great opportunity to work hand-in-hand with a host country in developing their SA program. This experience has helped me more fully appreciate the world of security assistance, understand the problems faced in the early stages of ODC development (only experienced by a privileged few), and what quality support means to our new friends and allies!

FMS INITIAL INFRASTRUCTURE CHECKLIST

1. Relationships

   - Have you conducted country team interviews?
   - Have you familiarized yourself with HQ, IPO's, and DSCA desk officers?
   - Have you established points of contact in the host country for security assistance?
   - Have program managers been assigned for security assistance projects?
   - Has a central financial manager been assigned?

2. Have you briefed the host country on need for cataloging/codification data?

   Data needed:

   - CD-Fiche
   - Master Cross Reference List (MCRL), Parts 1, 2 and 3
   - Management List-Consolidated (ML-C)

- U.S. Foreign Vendor CAGE File (H4/H8/NATO)
- Federal Supply Classification (H2)
- Federal Item Name Directory (H6)
- Past Procurement Histories (20 plus depots/sources)
- Technical Characteristics
- Standard Industrial Code Directory (SIC)
- Capabilities
- Manufacturer's Part Number for NSN Data, MCRL-1
- National Stock Numbers to Part Number Data, MCRL-2
- Vendor Code(s) to NSN Data
- Vendor Code to Vendor Name, Address and Phone
- Vendor Manufacturer's Name to Vendor Code
- City/State/Zip Code to Vendor Name, Address and Phone
- Federal Supply Class, Source of Supply, End Item

3. Has the host country selected a freight forwarder? Have you explained the need for one?

   Purpose:

   - Agent of the host country
   - Receives material
   - Consolidates material
   - Stages material
   - Customs
   - Arranges movement
   - Inspects packages for damage
   - Provides notice of availability
   - Marking, labeling, documentation

4. Has supply/maintenance training been scheduled for the host country?

   - Courses available:
   - Senior Foreign Officer's Supply Course

- 8 Weeks
- Held once each year in Washington, DC
- Junior Foreign Officer's Supply Course
- Supply and Maintenance Course
- 7 Weeks
- Athens, Georgia

5. Have host country and ODC local national personnel been scheduled for DISAM courses?

- ODC personnel training, including local nationals
- Foreign office training
- MET's in host country
- DISAM executive level courses for host country high ranking officials
- U.S. contractor/ DISAM Executive Course

6. Have communication lines been established?

- International Logistics Communications Systems (ILCS)* provides:
- Computer-to-computer telecommunications capability
- Interfaces between host country and U.S. DOD logistics community
- Order processing - Military Standard Issue Requisition Procedures
- (MILSTRIP) requisitions
- Message transmission

7. Does the host country have timely status visibility of their orders?

STARR/PC* provides:

- Status of FMS requisitions
- Financial status tracking
- Reports of discrepancy tracking
- Contract accounting
- Material Repair Requirements List (MRRL)

* Complete explanation in DISAM "Green Book"

- Movement of material and reparables through supply system
- Tracking and transmitting freight movement transactions

8. Is your host country trained in how to obtain U.S. DOD Excess Defense Articles? Training can be provided by several sources:

- DISAM On -site
- Defense Reutilization and Marketing Service
- DISAM MET
- DSCA
- Combination of Above

9. Have Blanket Order support cases been established?

- Publications
- Spares
- Equipment
- Training

10. Has a training plan for ODC/SAO staff members been developed?

- Ensure ODC personnel obtain DISAM training
- Ensure refresher courses are scheduled

About the Author

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