
Major Program Authorization

In recent years, a substantial reduction in defense funding, global competition and the teaming of US and European has lead to an increased cross-border co-development, manufacturing and procurement.

Achieving a comprehensive and timely approval process for supply of defense articles and services ~~known~~ and a timely and comprehensive, clear line of supply is fundamental to the US/European promotion of transnational defense cooperation. To promote this circumstance, the USG has developed a ~~a~~ Major Program Authorization designed to provide US industry a mechanism that will significantly limit the number of instances that they will need to seek an approval from the USG in order to export defense articles. This will facilitate an Allied government's procurement of a U.S. defense firms' technologies for use in integration, manufacturer or co-development and production of defense articles.

The USG is prepared to provide to a single registered US exporter a comprehensive authorization for a well defined commercially developed "major program (including the required hardware, technical data, defense services, development, manufacturing, and logistical support) at the inception of a U.S. sanctioned program with a NATO government, Japan and/or Australia. ~~In~~In such instances, licenses will have a duration not to exceed eight years, (currently licenses are valid for a maximum duration of four years); and the exporter must establish a plan for recordkeeping and auditing all phases of the program. The participating single registered U.S. exporter will be required to define in advance the parameters of a broad commercial program for which the registrant will be providing all phases of the necessary support (including needed hardware, technical data, defense services, development, manufacturing, and logistic support). Foreign end users will be required to conform to the conditions of approval regarding end use, end user, and USG re-transfer approval. If acceptable, the Office of Defense Trade Controls (ODTC), U.S. Department of State, will provide a comprehensive authorization for the subsequent all phases of the program to include temporary import, permanent and temporary export of defense articles, including technical data and defense services.

The U.S. exporter would only need to seek additional approvals when program activities extend beyond the original approved parameters. In such cases, the USG will institute ~~d~~ an amendment process. It is anticipated that these authorizations will assist in expediting the licensing of a broad range of ventures, including co-development projects for defense articles to be commercially developed in anticipation of the potential marketing and sale to foreign and U.S. governments.