

Major Project Authorization

Q: Why does this authorization only apply to NATO, Japan and Australian governments and firms?

A: The Arms Export Control Act provides a statutory basis for affording this specific group of countries some form of expedited treatment regarding the arms transfer process.

Q: How is the issue of liability handled under this authorization. Does the U.S. prime contractor assume liability for the whole project?

A: Liability is assumed by each authorized exporter. As a pilot program, it is envisioned DTC will develop a system to identify, review and authorize the total Project and permit either the prime contractor or the subcontractors to seek specific individual approvals.

Q: How long does this authorization last?

A: A Major Project License Authorization is designed to last the duration of the project, not to exceed 10 years. However, the US exporter may seek extensions to the duration using an amendment process..

Q: Can the standard terms and conditions be amended as the project develops? Do subcontractors have the ability to request amendments?

A: Yes. Any license holder would have the ability to request an amendment to the authorization, to include the terms and conditions of approval.

Q: What requisites must a company have in order to qualify for a Major Project Authorization?

A: (1) Company must be registered with DTC (ITAR 122.1)
(2) Company must certify eligibility to export (ITAR 123.1© and 126.13)
(3) Company must certify that they have paid no political contributions, fees or commissions (ITAR 123.1©(5))
(4) Company must notify DTC of their empowerment official and agree to be responsible for all exports carried out by their company using the MPL

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