



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

## OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

27 SEP 2001

Honorable Bob Stump  
Chairman, Committee on Armed Services  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the Secretary, I am submitting this report pursuant to Section 27(j)(2) of the Arms Export Control Act (AECA) (22 USC 2767(j)(2)) to advise your committee of those countries eligible for participation in cooperative defense project agreements entered into under the provisions of this statute. The Department of Defense relies upon the authority of Section 27 of the AECA, as well as those found in Title 10, U.S. Code for entering into numerous cooperative project agreements as the basis for conducting cooperative research, development, test, evaluation, and joint production projects with NATO, NATO member countries and other friendly foreign countries.

Specifically, under Section 27(j)(1), the President is authorized to enter into such agreements with a friendly foreign country that is not a member of NATO if we determine that the cooperative project agreement would be in the foreign policy or national security interests of the United States. This authority is delegated to the Secretary of Defense and is a designation solely for purposes of entering into Section 27 cooperative project agreements.

Accordingly, on behalf of the Secretary of Defense, with the concurrence of the Department of State, the following countries have been designated friendly foreign countries eligible to participate in cooperative project agreements in calendar year 2001 with the United States: Argentina, Australia, Brazil, Egypt, Finland, Israel, Japan, New Zealand, Republic of Korea, Singapore and Sweden.

We have designated these friendly foreign countries based on the following criteria. First, those countries with whom the U.S. is likely to enter into or continue cooperative programs were included. Second, the countries possess the industrial or technological means to cooperate meaningfully with the United States in defense research, development, test, evaluation or joint production programs.

This list includes countries with whom we have entered into AECA Section 27 cooperative project agreements in the past and countries with whom we may pursue such agreements. Please note also that individual notifications of each project-specific agreement the Department plans to sign are routinely forwarded to your committee pursuant to Section 27(f).



If you have any questions or concerns about this notification or cooperative programs under this statute, please contact Mr. Frank Kenlon, Director, International Cooperation/Plans & Analysis at (703) 697-1130 X8.

*A. Volkman*

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