



DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

OCT 7 2003

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
United States House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

This constitutes notice to Congress, consistent with section 8065 of the Department of Defense Appropriations Act, 2004, that the Department plans to transfer defense articles and services to another nation or an international organization for use in international peacekeeping, peace enforcement, or humanitarian assistance operations during FY 2004 as set out in the five sections below.

This notification does not include transfers of defense articles and services to another nation or international organization to support activities related to Operation IRAQI FREEDOM.

I. Defense articles and services to be transferred to the United Nations and to nations and organizations participating in United Nations and other peace operations as set forth below.

Transfers of defense articles and services in connection with peace operations are conducted under several authorities, including acquisition and cross-servicing agreements (10 U.S.C. sections 2341-2350), agreements concluded pursuant to section 607 of the Foreign Assistance Act of 1961 (22 U.S.C. section 2357), section 7 of the United Nations Participation Act of 1945 (28 U.S.C. section 287d-1), the CINC Initiative Fund (10 U.S.C. 166a. (a)), drawdown authorities under the Foreign Assistance Act of 1961 (sections 506 and 552), and purchases or leases under the Arms Export Control Act (22 U.S.C. section 2751 et seq.).

The Department of Defense will receive reimbursement for transfers conducted under reimbursable authorities in cash or in-kind, or on an advance-of-funds basis, depending on the authorities used.



The defense articles and services that may be transferred include food and other subsistence items; billeting; transportation (including aircraft); vehicles; equipment and services; medical facilities, supplies, and services; operational supplies and services, including ammunition; base operations support (and construction incident to base operations support); engineering services; storage services; use of facilities; training services; spare parts and components; repair and maintenance services; calibration services; port services; information processing services and equipment; contractual goods and services; and other incidental goods and services, including the disposal of hazardous wastes.

In addition to the value of defense articles and services previously notified but not yet transferred, the incremental cost of the defense articles and services to be transferred in FY 2004 will not exceed a total of \$150 million without additional notification. Not to exceed \$100 million of this total is expected to be transferred in connection with any new operations related to or stemming from the war against terrorism. Not to exceed \$25 million of this total is expected to be transferred in connection with operations in the former Yugoslavia. Not to exceed a total of \$25 million is expected to be transferred in connection with various existing and new missions, including but not limited to UNMEE (Ethiopia-Eritrea), UNMIK (Kosovo), UNTSO (Israel and neighboring states), UNOMIG (Georgia) and existing and future peace operations in Liberia.

Moreover, not more than \$125 million will be transferred under non-reimbursable authorities without further notification. Notification for transfers under non-reimbursable authorities is in addition to any notification that may be otherwise required. Every effort will be made to provide specific notification for transfer under drawdown authorities if and when such drawdowns are executed. The value of transfers made under drawdown and other non-reimbursable authorities exceed \$125 million total value absent further notification.

No transfers will be made that will have a significant impact on the inventory requirements of the Armed Forces (including Reserve Components) without further notice. To the extent that reimbursements are made in cash, the Department will credit the appropriate appropriation, fund, or account with reimbursements received (10 U.S.C. section 2346; 22 U.S.C. section 2357(a), 2777). The period in which transfers will occur will be limited to the mandate of the relevant operations and the withdrawal operations at their conclusion.

The Department will not transfer defense articles or services to another nation or an international organization if otherwise prohibited by law.

II. Training and other activities related to the detection and clearance of land mines for humanitarian purposes as provided in 10 U.S.C. section 401.

Defense articles and services that may be transferred include training services and materials, land mine clearance equipment and materials, contractual supplies and services, and related operations and incidental supplies and services.

In addition to the value of defense articles and services previously notified but not yet transferred, the value of defense articles and services to be transferred in FY 2004 for this purpose will not exceed a total of \$50 million without additional notification. Consistent with 10 U.S.C. section 401(c)(3), not more than \$5 million in equipment, services, or supplies will be transferred or otherwise furnished under paragraph (c)(2)(B) of that section.

No transfers will be made that will have a significant impact on the inventory requirements of the Armed Forces (including the Reserve Components).

III. Humanitarian and civic assistance activities in conjunction with authorized operations of the armed forces as authorized under 10 U.S.C. section 401.

The humanitarian and civic assistance activities that may be carried out include medical, dental and veterinary care provided in rural areas of a country; construction of rudimentary surface transportation systems; well drilling and construction of basic sanitation facilities; and minor construction and repair of public facilities.

The incremental cost incurred by the Department of Defense in carrying out these activities in FY 2004 will not exceed a total of \$50 million without additional notification.

No transfers will be made that will have a significant impact on the inventory requirements of the Armed Forces (including the Reserve Components). The Department will not transfer defense articles or services to another nation or to an international organization if otherwise prohibited by law.

IV. Humanitarian assistance for the purpose of providing transportation of humanitarian relief and for other humanitarian purposes worldwide as authorized under 10 U.S.C. section 2561, and sections 506 and 552 of the Foreign Assistance Act.

The Department may transfer defense articles and services to other nations or international organizations for humanitarian purposes, including transportation (including transportation of excess property transferred to the Secretary of State under 10 U.S.C. section 2557); food and other subsistence items; clothing; medical facilities, supplies, and services; contractual goods and services; and other incidental goods and services.

In addition to the value of defense articles and services previously notified but not yet transferred, the value of defense articles and services transferred for humanitarian purposes under these authorities in FY 2004 will not exceed a total of \$50 million under 10 U.S.C. section 2561, \$25 million under the CINC Initiative Fund, and \$75 million under section 506 and \$25 million under section 552 of the Foreign Assistance Act, without additional notification. In addition to such amounts, the value of defense articles and services transferred for humanitarian purposes under these authorities in FY 2004 related to Operation ENDURING FREEDOM will not exceed an additional \$250 million, without further notification, using funds appropriated by P.L. 107-38 and P.L. 107-117.

No transfers will be made that will have a significant impact on the inventory requirements of the Armed Forces (including the Reserve Components) without further notice.

V. Transportation on a space-available basis of supplies furnished by non-governmental sources that are intended for humanitarian assistance.

This transportation will be provided under the Denton Amendment, 10 U.S.C. section 402. Such transportation will be provided on a space-available basis.

The Department of Defense will incur only minimal costs in providing such transportation on this basis. These transfers will not adversely affect the inventory requirements of the Armed Forces (including the Reserve Components).

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Wolfowitz", with a long horizontal flourish extending to the right.