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SPEAKER'S ROOMS
U.S. HOUSE OF REPS.

PERSONNEL AND
READINESS

The Honorable J. Dennis Hastert
Speaker of the House
Washington, DC 20515

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Dear Mr. Speaker:

Section 2492 of Title 10, United States Code, requires an annual report describing host nation laws and treaty obligations of the United States, and the conditions within host nations, that necessitate restrictions on purchases in overseas commissaries and exchange stores. The enclosed report describes, by country within each Combatant Command, the restrictions and rationale for these restrictions. This letter provides notification that the Department intends to approve the Joint Task Force-Bravo, Honduras, commander's limitations on purchase quantities of special merchandise items listed in the report.

A similar letter is being sent to the President of the Senate, Chairman, Senate Appropriations Committee; Chairman, Senate Appropriations Committee/Defense Subcommittee; Chairman, House Appropriations Committee; Chairman, House Appropriations Committee/Defense Subcommittee; Chairman, Senate Armed Services Committee; and Chairman, House Armed Services Committee.

Sincerely,


Charles S. Abell
Principal Deputy

Enclosure:
As stated



Department of Defense Report to Congress



Overseas Commissaries and Exchange Stores — Access and Purchase Restrictions

December 2002

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Section 1

U.S. Joint Forces Command

U.S. Forces Azores

There are no Army and Air Force Exchange Service (AAFES), Navy Exchange (NEX), or Defense Commissary Agency (DeCA) restrictions that limit purchases of food, beer, liquor, cigarettes, appliances, etc., by U.S. personnel, DoD civilian employees, and their dependents. There are, however, restrictions concerning the importation of agriculture products (i.e., trees, plants, soil products, etc.).

The Technical Agreement with Portugal, in essence an abbreviated Status of Forces Agreement (SOFA), states that U.S. Forces can import goods free of duty and other taxes for use by members of the Force, the civilian component, and dependents. However, it is not permissible to transfer these duty/tax free goods to Portuguese citizens unless:

- (1) those citizens are entitled to import goods duty and tax free in accordance with Portuguese law, or
- (2) special permission is granted by a competent Portuguese official to do so.

The Commander, U.S. Forces Azores, has imposed limitations on shopping days for Portuguese Nationals who are authorized exchange patrons. The limitations close the exchange to the local nationals on Sundays to follow the spirit and intent of local and regional law prohibiting large stores from being open on Sundays.

Iceland Defense Force

There are no ration controls or purchase restrictions in effect at the NEX and DeCA commissary on U.S. Naval Air Station, Keflavik, Iceland. There are limitations on the quantities of certain items that can be removed from the base for personal use and consumption. These items are documented on a "ration control card" at base egresses when the patron departs the installation, in lieu of, at the time of purchase. In addition, certain items such as hard liquor in any quantity are prohibited from departing the installation at any time.

The only items restricted for importation from the U.S. for resale on the installation are plants, soils and associated products. These products may be imported only if they are flown directly onto the base via military aircraft, as is the case with meats and produce sold at the commissary.

Section 2

U.S. Central Command

Command-wide Policy and Conditions

U.S. Central Command General Order #1A applies to all U.S. military personnel, and to civilians serving with, employed by, or accompanying the Armed Forces of the U.S., while present in the U.S. Central Command Area of Responsibility (AOR) except for personnel assigned to: the Defense Attaché Office; the counterintelligence activities that are conducted under the direction and control of the Chief of Mission/Chief of Station; or other U.S. Government agencies and departments.

Islamic law and Arabic customs prohibit or restrict certain activities that are generally permissible in western societies. Commander, U.S. Central Command determined that restrictions upon these activities are essential to preserving U.S. – host nation relations and combined operations of U.S. and friendly forces. Therefore, the following are considered prohibited activities under General Order #1A:

- (1) Introduction, possession, use, sale, transfer, manufacture or consumption of any alcoholic beverage within the countries of Kuwait and Saudi Arabia. In all other countries of the U.S. Central Command AOR, U.S. military and civilian personnel must conform to their respective component restrictions on alcohol, and follow appropriate department in abiding by host-nation laws and customs. In addition, partial waivers to the prohibition of possession and consumption of alcoholic beverages are in effect for certain categories of DoD personnel (such as those assigned to the Security Assistance Organizations) and in specific circumstances (for example, when participating in official events).
- (2) Introduction, possession, transfer, sale, creation or display of any pornographic or sexually explicit photograph, videotape, movie, drawing, book, magazine or similar representations.

There are no treaty obligations or pertinent host nation laws that obligate the U.S. to impose the above restrictions or prohibitions. The restrictions are in force in consideration of the cultural and religious sensitivities of the host nations. An additional concern is the potential black-marketing of restricted items, particularly to third country foreign nationals who would not otherwise have access to them.

Kuwait

The following merchandise is controlled or restricted:

- (1) Pornographic material
- (2) Alcoholic beverages

Saudi Arabia

The following merchandise is controlled or restricted:

- (1) Pornographic material
- (2) Alcoholic beverages
- (3) Pork products

Bahrain

The following merchandise is controlled or restricted:

- (1) Pornographic material

Egypt

The following merchandise is controlled or restricted:

- (1) Pornographic material
- (2) Alcohol beverages

Section 3

U.S. European Command

Command-wide Policy and Conditions

All U.S. military personnel, full-time U.S. DoD civilian employees, U.S. Reserve and National Guard personnel assigned to the U.S. European Command Area of Responsibility; and other categories of employees, contractors, and others assigned to or in support of U.S. European Command are eligible for ration privileges. Family members of those eligible are also included.

Supplemental Agreements to the SOFA are the basis for items being included on the list of rationed items.

The rationale for the inclusion of each item on the list is that the host nations involved intend to limit authorized Exchange and Commissary customers to purchasing selected duty free items in sufficient quantities for personal use only.

Belgium

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to four cartons of cigarettes; 200 cigars; 400 cigarillos; or 1000 grams pipe tobacco per month.
- (2) Alcohol is limited to three liters of spirits per month.

Germany

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to four cartons of cigarettes per month.
- (2) Soluble coffee is limited to five pounds ground or 20 ounces instant per month.
- (3) Alcohol is limited to five bottles or a total of 6.5 liters of spirits per month.

Greece

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to six cartons of cigarettes, 200 cigars, or 400 cigarillos per month.
- (2) Playing cards are limited to two decks every three months.
- (3) Alcohol is limited to five bottles or a total of 6.5 liters of spirits per month.

Netherlands

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to four cartons of cigarettes per month.
- (2) Alcohol is limited to five bottles or a total of 6.5 liters of spirits per month.

Spain

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to five cartons of cigarettes, five boxes of 50 cigars, or five pounds of cut tobacco per month.
- (2) Alcohol is limited to five bottles or a total of 6.5 liters of spirits per month.

Turkey

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to four cartons of cigarettes per month.
- (2) Alcohol is limited to five bottles or a total of 6.5 liters of spirits per month.

United Kingdom

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to four cartons of cigarettes, 16 pocket tins or two pounds of pipe tobacco, or 100 cigars per month.
- (2) Alcohol is limited to six bottles or a total of six liters of spirits per month.

Italy

The following merchandise is controlled or restricted:

- (1) Tobacco is limited to six 'units' per month. A 'unit' may be 1 carton of cigarettes, 8 ounces of cut tobacco, or 25 cigars.
- (2) Alcohol is limited to six bottles or a total of 10.5 liters of spirits per month.

Section 4

U.S. Pacific Command

Korea

U.S. Forces Korea employs both access controls and purchase restrictions on controlled items, alcohol, wine and beer for all categories of eligible patrons. Local policy prohibits authorized patrons from escorting visitors into the commissary. This stems from bilateral agreements aimed at preventing the abuse of duty-free privileges and the disposal of Exchange and Commissary articles into the Republic of Korea (ROK) to persons not entitled to make purchase from such organizations.

The SOFA requires the U.S., in cooperation with the authorities of the Republic of Korea, to take such steps as are necessary to prevent the abuse of duty-free privileges.

The following merchandise is controlled or restricted:

- (1) Spirits are limited to three bottles per unaccompanied member and five bottles per accompanied member per month.
- (2) The limitation on bottles of wine authorized per month varies based on established 'shelf limits'. Shelf limits ensure availability to all eligible patrons.
- (3) Beer is limited to two cases per week, not to exceed eight cases per month. The purchase of three or fewer six-packs per day by an individual is not counted against the eight case lot monthly limit; however, an individual who purchases two case lots in one day may not purchase six-packs that same day.
- (4) The commissary dollar limit for unaccompanied personnel rose to \$450 per month. Accompanied personnel with a family of two can purchase up to \$700 per month. Accompanied personnel with a family of three can purchase up to \$900 per month. An additional \$200 per month is added to this total for each additional command sponsored member, up to a maximum of \$1,450 per month.
- (5) The list of all American Merchandise items currently controlled or restricted are: air conditioners, clothes dryers, color TVs and monitors greater than 27 inches, computer hardware, cosmetics with a value greater than \$50, diamonds or jewelry with diamonds, furniture exceeding \$200 in

value, golf clubs costing more than \$50 each, liquor with 20% alcohol or greater volume, perfume costing more than \$50, ranges, refrigerators/freezers, washing machines, and watches costing more than \$200.

Japan

U.S. Force Japan (USFJ) sales activities are limited to customers authorized under the U.S.-Japan SOFA. The SOFA permits sales to active duty military members in Japan, civilian component members assigned in Japan, and certain family members. The SOFA also permits sales to staff members of the U.S. State Department in Japan and personnel from other government agencies performing work with or for the DoD. It is the position of USFJ that U.S. military retirees eligible to collect retirement pay are also authorized purchases under the SOFA. Further, military reservists are permitted to purchase items when they are on active duty orders.

The following merchandise is controlled or restricted by Marine Forces Japan. Although not restricted or controlled by host nation laws or treaty obligations, the restrictions are based on alcohol-related incidents and Marine Corps-wide efforts to promote responsible use of alcohol and deter abuse.

- (1) Alcohol restrictions: E-3 and below personnel are limited to six, 12 ounce beers or wine coolers per day.
- (2) Alcohol restrictions: E-4 & E-5 personnel are limited to twelve, 12 ounce beers or wine coolers per day.
- (3) Alcohol restrictions: E-1 through E-5 personnel under age 21 are not authorized to purchase hard liquor or wine.

Singapore

The 1990 Memorandum of Understanding (MOU) between the U.S. and Singapore prohibits the sale of duty free goods except to “members of the force” defined as active duty military and DoD civilian personnel stationed in Singapore or on orders, as well as those dependents that possess military identification cards. Such restrictions are in place due to fear from the host nation of black-marketing. Singapore law prohibits the sale of chewing gum and adult oriented type magazines or videotapes, considering them pornographic.

Section 5

U.S. Southern Command

Puerto Rico

As a territory of the U.S. the commissaries and exchanges are excluded from reporting.

Cuba

There are no host nation agreements (laws or treaty obligations) between Cuba and the U.S. relating to commissaries or exchanges.

Honduras

There are no host nation agreements (laws or treaty obligations) between Honduras and the U.S. relating to commissaries or exchanges. Though not required by law or treaty, the Joint Task Force-Bravo commander has implemented limitations on items purchased to a quantity intended to suppress contraband activities but are reasonable to meet the personal use and consumption needs of all authorized patrons.

(1) Alcohol and Tobacco: Daily household limits of 1 case of beer, 2 bottles of liquor, 2 bottles of wine, 1 carton of cigarettes.

(2) Food and Household: Daily household limits of:

1 package of bacon	1 package of hand soap
2 packages of hotdogs	1 container of toothpaste
2 packages of lunchmeat	2 containers of milk
4 packages of frozen chicken	3 packages of cheese
1 case of soda	2 dozen eggs
2 bags of chips	2 bags of sugar
5 cans of soup	2 bags of flour
5 cans of chili	1 bottle of cooking oil
5 cans of beans	1 box of laundry soap
2 cans of coffee	1 bottle of shampoo

(3) Major Products: With commander's approval, special ordered and limited to one item per household per year of stereo speakers, car stereo, television, VCR, microwave, refrigerator, washing machine, dryer, watch, sunglasses, DVD players, video game console. Stereos are limited to 2 per year and do not need to special ordered.