



2008 Defense Technology Forum

Australia-US Defence Trade Cooperation Treaty

11 June 2008

Mr Jim Gledhill

Defence Materiel Attaché

Embassy of Australia



Elements of the Treaty

- Establishes an ITAR-free environment for the US and Australian Government, and US and Australian companies and sites
- Applies to bilateral collaborative programs, operations and support, Australian Defence and counter terrorism end-use programs, and US Government end-use
- Normal licensing remains an option – use is voluntary
- Covers classified and unclassified data, software, services and material
- Preserves all the normal rights conveyed by contracts and agreements
- Provides for the exclusion of highly sensitive technologies, manufacturing know-how, source code, NVG tech data, anti-tamper,



Operation of the Treaty

- Criteria will be established to qualify companies and facilities into the Approved Community:
 - Membership of Defence Industry Security Program
 - Foreign Ownership Control and Influence
 - An assessment of breaches of Australian or US export laws or regulations
 - An assessment of US export history
 - National security risk including interactions with countries identified or proscribed by US law or regulations
- Under commercial arrangements, companies will be able to exchange data, services and material without licenses or agreements



Operation of the Treaty (cont'd)

- Under FMS Cases, once the Australian Government has received the data, services or material, it can then be handled under the Treaty provisions – transferred within the approved community
- Participants will be required to record the movement of items under the Treaty – enhanced record keeping and audits
- Transgressions bring the ITAR into effect, including the ITAR-like provisions which Australia has in place



Criteria to Use the Treaty

1. Is the Program/Operation/Activity approved ?
2. Does the technology/equipment qualify ?
3. Are the facilities and/or personnel approved ?

3 yes answers allows freedom of movement and exchange of data, hardware and software, and the provision of services throughout the Approved Community subject to any contractual restrictions



Benefits

- Australia had 312 Agreements & 787 export licences in 2006
- Enhance interoperability for Australian Forces with US forces
- Blanket authorisation - no further licences are required
- Facilitated sharing of technical data
- Expedited delivery of defence projects
- Improved whole-of-life sustainment
- Reduced time required to export or transfer



Status

- Treaty signed 5 September 2007
- Implementing Arrangements signed 14 March 2008
- Australia
 - Tabled in Parliament in May 08
 - Joint Standing Committee on Treaties
 - Introduce new legislation
- US
 - Senate Foreign Relations Committee Hearing – 21 May 2008
 - Requires 2/3 Senate vote
 - Regulations to be written this summer
- Exchange of Letters will bring the Treaty into effect on



Further Information

<http://pmddtc.state.gov/treaties.htm>

Mr Jim Gledhill
Defence Materiel Attaché
Embassy of Australia
Phone: (202) 797 3388
Email: jim.gledhill@defence.gov.au