



Records of Discussion
MEETING DEFENSE MOU ATTACHÉS GROUP

Thursday May 25th 2023

10:00am - 1:00pm, hosted at Embassy of Norway

Mr. Sander Oude Hengel (Chair)	Netherlands
Mr. Einar Gustafson (Dep Chair)	Norway
Maj Gen. Odd-Harald Hagen	Norway
CDR Harald Vasset	Norway
Mr. Alexander Berger	Australia
Ms. Rosemary Gauci	Australia
Ms. Irene Lack.Hagender	Austria
COL. Heinz-Peter Kunzer	Austria
LTC. Dirk Storms	Belgium
Mounira Badro	Canada
Eric Ploen	Canada
Heather Messera	Canada
Stephen L. McDonald	Canada
CDR. Jiri Klepetko	Czech Republic
CDR. Jesper Duevang Rasmussen	Denmark
Lt Col. Maged Abdallah	Egypt
Mr. Martti Wallin	Finland
LTC. Markus Mecklin	Finland
Mr. Dominique Dahlmanns	Germany
LCDR Sungsik Shin	Korea
LtCol. Erwin Koeken	Netherlands
CDR. Stefan Luteijn	Netherlands
Mr. Patrick Slaman	Netherlands
Col. Luis Miguel Correia Cardoso	Portugal
ItCol. SP Army Jesús Parra Pecharromán	Spain
Mr. Reto Weber	Switzerland
Capt. Gunduz Bingol	Turkey
Lt Col. Serkan Gergic	Turkey
Mr. Jon Watson	United Kingdom
Lorenz Rainer Klaus	
Eric Lofgren	SASC staffer
James Mazool	SASC staffer
Rick Berger	SASC staffer,



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OPENING / INTRODUCTION BY THE CHAIRMAN

Norwegian Defence Attaché, Maj Gen. and Odd-Harald Hagen, opens the meeting by highlighting the importance of good relations between partners. He illustrated this by the United States's carrier, USS Gerald R. Fords, visiting Oslo.

The Maj. Gen underlined the important of the Ukraine contact group. The Group's ambition to support and consolidate Ukraine's fighter capacity is very important.

Chairman, Sander Oude Hengel thanks the Norwegian embassy for hosting the meeting.

He announces that the group on export control has a new chairman, Martti Wallin. DMAG will assist in helping Mr. Wallin get the workforce necessary to move forward with the working group.

REVIEW OF THE RECORD OF DISCUSSION OF THE PREVIOUS DMAG MEETING

Follow-up on the DMAG LinkedIn page. The way forward is to move from a group page to a public page.

REPORT FROM THE EXECUTIVE COMMITTEE (EXCOM)

Chairman thanks the EXCOM members who provided input to the letter to the HASC.

REPORT FROM WORKING GROUP ON INDUSTRIAL BASE COOPERATION

Presentation from Industrial Base Cooperation Working group (IBCWG)

Presented by Ms. Rosemary Gauci, Embassy of Australia on behalf of Mr. Joakim Lewin, and Mr. Patrick Slaman, from the Ministry of Defense , Netherlands.

The IBCWG reviewed the Security of Supply Arrangements (SOSA) and linked this to the defense priorities and allocation system program (DPAS).

The group identified 13 SOSA's that are non-binding and arrangements of understanding between the U.S. and allied partner countries. There is potential to use the SOSA more than current practice, which involves the use of DPAS. The DPAS system is a legal tool for the U.S. government to steer the industry by prioritizing the performance of a contract for the promotion of U.S. national defense. Ms. Gauci punctuated the importance of communicating the meaning of these contracts to the industry. It was mentioned that they provide opportunities as the U.S. is looking for long-term contracts, the DMAG can expect them to engage with SOSA more, while the U.S.' DoD faces domestic supply chains challenges and are given more authority from congress to address these issues.

At next DMAG meeting there will be a follow up from the working group.



DPAS has no legal standing and allows 2 levels of prioritization. DPAS priority means that U.S. government contracts are prioritized over commercial and foreign customers. DPAS are only applied by a U.S. contracting officer against a U.S. contract.

The U.S. encourages countries without SOSAS to start a dialogue about it. Yet, each country will have a different MoU, so Gauci pointed out that other bilateral- and multilateral agreements must be considered in relation to SOSA's.

SOSA's are grounded in the Defense Production Act. The Act limits SOSAS to military use. This means that SOSA's do not supply with other security related challenges.

A DPAS doesn't guarantee priority on the list. DMAG countries have not been using SOSA as an active tool for our industrial base.

REPORT FROM WORKING GROUP ON EXPORT CONTROL

The Group on Export Control invites people to participate. But there must be a clear prioritization list to invest time accordingly.

REPORT FROM WORKING GROUP ON CYBER

The rule is now with the office of regulatory affairs and the MoD. It is mentioned that there are uncertainties the direction this will take. The group is currently mandated to write a letter. The letter should focus on i) queries about international recognition and reciprocity for industrial cyber programs for other countries and ii) the plan to address international supply chains.

OTHER ISSUES AFFECTING MEMBERS

The Chairman points out that there are currently 28 countries who have an RDP. Invitations will be sent to three Baltics with a RDP.

ACTION ITEMS

No.	Description	Responsible	Origin Date	Due date
1	Write letter re. CMMC	Steve MacDonalds (CAN)		
2	New coins, pins and logo	LtCol Erwin Kroeken (NL)		

UPCOMING DMAG MEETING AND EVENTS

Month	Host	Details/Date	Guest Speaker
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JUNE	NETHERLANDS	Thursday, 29 th of June	Dr. Jerry McGinn
SUMMERBREAK			
SEPTEMBER	Switzerland	Friday, 1 st of September	Dak Hardwick (AIA)
OCTOBER	TBD	Thursday, 27 th of October	TBD
NOVERMBER	TBD	TBD	TBD
DECEMBER	TBD	TBD	TBD

DEFENSE COOPERATION EVENTS

Nothing to report.

ANY OTHER BUSINESS

GUEST SPEAKER's: Mr Rick Berger, Mr Eric Logfren, Mr. James Mazool, SASC Budget Director and

The SASC is rooted in the state department and works on several topics relevant for DMAG.

1. "Buy America": Berger notes the work continues to "defeat some of the works "Buy America" legislation", hopeful with support from DMAG members.
2. ITAR: The Department does not have a massive role in it. Berger mentions that there is a genuine frustration of the pace of AUKUS, but he notes that "people are coming around" to ITAR.
3. FMS reform: The DoD and Department of State completed their separate reviews.

Berger highlights some challenges with the FMA process.

- The security cooperation office workforce and its counterparts in the department of state. The SASC has been underfunded and wrestling stagnant cases. Cross-pollination between SASC, DoD, Department of State and DMAG members.
 - SASC is trying to reduce much of the red tape that is geared toward efficiency and put in place during peacetime. However, it is challenging to remove barriers, get contracting officers to move forward more quickly, and take risks.
 - Getting financial support to the defense attaches. People at the DoD and Hill are interested in supercharging F-staff (special acquisition fund) to give customers ability to specify funds against orders.
4. AUKUS: DoD and SASC is focused on pillar one of the agreements, but Berger notes that "the honeymoon phase is coming to an end". While the agreement is an opportunity for generational



investment in industrial bases, questions about alliance management and the response of the Australian public to U.S. stationing submarines remains. Yet, AUKUS is still a great opportunity and a big challenge.

5. Ukraine: Staffers note that there are commitments to support Ukraine, but that there is frustration about the lack of long range fires.

Q&A

1. *FMS reform*

SASC does not control FMS reform, that is the Department of State and the Foreign Relations Committee.

2. *Progress on the status of a report from the commission? Maj Gen. Odd-Harald Hagen*

The report will be published in August-September of 2023. It focuses on what the pentagon can change internally and how it can improve the transition of information between the Pentagon the Department of State. Sharing of information and Incremental progress is good as long as the increments are big enough.

3. *Front-end process and U.S. industrial base. If we expediate the front-end process, all it is going to do is drop in the lap of an at-capacity industrial base. How might we expand the industrial base to get support from DMAG members? If there is no future investment in the U.S. industrial base, it is not fruitful, yet we have industrial bases which could be utilized, but it would require changes in the legislation, Rosemary Gauci.*

Berger and Mazool address several challenges.

Communication between industrial bases is important but this has been challenging. There is currently a drift between what U.S. could sell and what it is actually planning on selling. Regarding expanding the industrial base, SASC members note that the U.S. had a complete scrub of their ammunitions. They are currently either at capacity or have maxed out investments to expand those lines in a reasonable timeframe. The industrial base is cautious to invest in an uncertain security environment, with volatile time cycles, and due to red tape from cost-risk analysis from the US government.

SASC: There is a bigger focus on moving from research and development to procurement for the future. Wartime footing relating to 2027 and later is attracting focus. Looking at procurement therefore means looking at the long-term, of 20 + years.



ATTACHMENTS

DMAG Secretariat

May 25th, 2023

