



**Records of Discussion
MEETING DEFENSE MOU ATTACHÉS GROUP**

Thursday, February 24 2022

9:45 am – 1:00 pm Meeting hosted via Webex

VIRTUAL MEETING

Mr. Pieter-Henk Schroor (Chair)	Netherlands
Mr. Einar Gustafson (Vice Chair)	Norway
Mr. Alex Berger	Australia
Col. Heinz-Peter Kunzer	Austria
Col. Steven L. MacDonald	Canada
Mr. Eric Ploen	Canada
Ms. Heather Messera	Canada
Ms. Melissa Fuerth	Canada
Ms. Mounira Badro	Canada
LTC Jiri Klepetko	Czech Republic
Lt. Col. Harri Korhonen	Finland
Ms. Mari Etelapaa	Finland
Mr. Dominique Dahlmanns	Germany
Ms. Elisa Rosenkranz	Germany
Lt. Col. Georgios Karakostas	Greece
CDR Francesco Greco	Italy
Maj Gen Maurizio Cantiello	Italy
Mr. Ikuo Yoshida	Japan
Mr. Takashi Kodaira	Japan
Ms. Mei Sato	Japan
CDR Stefan Luteijn	Netherlands
CDR Harald Vasset	Norway



Maj Gen Odd-Harald Hagen	Norway
Col. Cardoso	Portugal
Col. Mojca Pešec	Slovenia
CAPT (SPN) Ignacio Sánchez de Toca	Spain
Lt. Col. Jesus Parra Pecharromán	Spain
Maj. Andrés Sambeat Vicien	Spain
Mr. Hakan Söderstedt	Sweden
Ms. Elizabeth Dall'Acqua	Switzerland
Miss Lois Nicholson	United Kingdom
Mr. Ben Grinham	United Kingdom
Mr. Graham Farnsworth	United Kingdom
ASD Deborah Rosenblum	OUSD (A&S)
DASD Jesse Salazar	OUSD (A&S)
Ms. Kelli Barron	OUSD (A&S)
Ms. Monika Jones	OUSD (A&S)

1. OPENING / INTRODUCTION BY THE VICE CHAIR

- Chairman Pieter-Henk Schroor started the meeting at 9:50 am and informed that Mrs. Rosenblum, our today's guest speaker, will join the meeting around 10 am.
- Some new members showed up today and Mr. Schroor kindly asked them to introduce themselves:
- Lt. Col. Jesus Parra Pecharromán from the Embassy of Spain is the new Assistant Defense Cooperation Attaché. He will stay until July 2024 and is the replacement of Maj. Andrés Sambeat.
- Mr. Alex Berger, the Director for Industrial Engagement from the Embassy of Australia, represented Ms. Alison Petchell and Mr. Anthony Walsh.
- The new Defense Attaché from the Embassy of Portugal, Col. Cardoso, introduced himself. It is his first time to be here in Washington DC and he just arrived this month. He will replace Col. João Miguel Vicente Carita.
- Lt. Col. Georgios Karakostas works at the Office of the Air Attaché and is the new FMS Officer at the Embassy of Greece. It is his first time here in DC and he will stay two or three years.



- Mr. Eric Ploen from the Embassy of Canada is currently acting as the Director of International Cooperation and Procurement.

2. REVIEW OF THE RECORD OF DISCUSSION OF THE PREVIOUS DMAG MEETING

- At 11:00 am Mr. Schroor resumed that it was a very interesting meeting with Mrs. Rosenblum and Mr. Salazar. He also recommended reading the report on supply chain vulnerabilities closely for discussing among ourselves the next time and to decide how to follow up on this report because industrial base cooperation and supply chain security is at the core of our relationship with DoD. As some kind of homework, we also need to think about interesting guest speakers to reflect on this report – on which the Executive Committee will have a look at.
- Mr. Schroor started with the second agenda item “review of the record of discussion of the previous DMAG meeting” and apologized that there were some difficulties to produce this ROD in time. We already sent out a draft ROD this morning. If the members have had the opportunity to read it, we could briefly discuss it. But the better way would be to read it before the next meeting and to discuss it together with the today’s ROD.

3. FOLLOW-UP ITEMS FROM THE PREVIOUS DMAG MEETING

- No comments.

4. REPORT FROM WORKING GROUP ON CYBER

- Col. Steve MacDonald took the floor and welcomed everyone warmly and started his first presentation on the screen.
- The presentation “DMAG Cybersecurity WG_Update_Feb 22.pptx” is an essential part of this ROD.
- At the end Mr. Schroor thanked Col. MacDonald for his great work.
- We should try to have Mr. McKeown for DMAG and FPG in a joint session. As discussed before, although the FPG also membership would be very interesting on CMMC, essentially this is of even bigger interest of the DMAG. If a joint event would not be possible in the future, but therefore a DMAG only meeting with Mr. McKeown could be set up rather soon than we should prefer the latter.
- Col. Steve MacDonald has not had yet the time to discuss this fact with Ms. Paula Folkes-Dallaire but as a member of Mrs. Folkes-Dallaire’s team Mr. Eric Ploen was tracking this discussion. It could be done as an independent discussion virtually and Col. MacDonald will follow up with Mr. Ploen’s team to continue to





effort them the opportunity to participate as well.

5. REPORT FROM WORKING GROUP ON EXPORT CONTROL

- Col. Heinz-Peter Kunzer gave a brief update about the WG's last meeting a day before. They discussed the next steps and a representative from the BIS joined this meeting too. The representative talked about the last BIS conference in autumn 2021. One of the most interesting information was about the exceptions of the EAR and Col. Kunzer is going to put this information on our website, so that every member can use it as a benefit.
- She put in prospect to support in reestablishing the contact to DDTC, because the WG reached out to DDTC but hasn't received a response yet. A lot of POC's might have changed in the past months, so it is complicated to get in contact regarding an dialogue.
- The next step is to identify the most common difficulties in licensing, what means to describe different scenarios during the next WG meeting. Col. Kunzer would like to distribute these information and his proposals to everybody during the next DMAG meeting to hear the other nation's challenges with licensing. After collecting all the nation's problems, he will submit the information to BIS and DDTC and reach out for representatives to join a future DMAG meeting. The idea is to discuss all the problems with licensing and to receive an advice from the representatives of BIS/ DDTC.
- The overall idea is to arrange training for newcomers and also a higher level of training for the more experienced users on the regular bases. These kind of trainings could take place twice a year: in autumn for beginners and in spring as an advanced training.
- Col. Kunzer attended the virtually SIA conference last week. It took place the whole week and it is about licenses, basic information on how licenses works and gives a good overview on all the related procedures of licensing. The conference's focus was on US industry requirements rather than government requirements and it was very detailed as well.
- It would be a good idea to concentrate on the support of BIS and DDTC because they will focus more on our governmental requirements than on industry issues.
- Mr. Schroor asked for the meaning of the scenarios Col. Kunzer mentioned. He meant third-party-transfers during exercises and operations.
- To get input on this scenarios and relevant questions within in the scenarios, he will give the members the opportunity to add their thoughts during the next



meeting. In the end, it is the idea to submit the whole list of challenging scenarios and questions to the BIS.

- Col. MacDonald suggested to engage with DTSA. They don't hold authorities specifically over export control but they do analysis on and provide input. But they also have a mandate to work with other countries. Col. MacDonald would appreciate to provide for POC's at DTSA and DDTC.
- Col. Kunzer is already in contact with DTSA and will have a meeting in about two weeks with a representative from this organization.
- Mr. Dominique Dahlmans added that whenever you are reaching out to DDTC, you will be treated as a company and not as a state. Our POC should know that we are asking a favor of a State and not as a company.

6. REPORT FROM WORKING GROUP ON INDUSTRIAL BASE COOPERATION

- Col. Steve started a new presentation on industrial base cooperation.
- The presentation "DMAG IBCWG_TOR_2022.pptx" is an essential part of this ROD.
- A document regarding the proposed terms of references was sent out and not everyone necessarily needs to comment on that today. If you want to, you are very welcome and there is plenty of time to do that.
- Regarding volunteering to be a part of this group, he mentioned Mr. Magnus Bergman from the Embassy of Sweden, already showed interest to join this WG during our meeting on December 16th, 2021. We have to seek for volunteers to become a member as well as to name a chair of this WG.
- This will be a very important WG for us. We don't have to rush too much, but there is a sense of urgency, but congress is kicking its efforts for the NDAA and there a lots of things are happening within the administration right now. There are a lot of things to scan on and to strategize on.
- Mr. Ben Grinham announced that Ms. Erin Morton and him would be happy to be a part of this important WG as representatives of the UK.
- Chairman Pieter-Henk Schroor encouraged the members to consider the work of this WG and even joining because it is one of the most WG that we have from the policy perspective. Mrs. Heather Messera will be working together with Col. MacDonald and the other members on this WG in the future.
- A separate announcement will be sent out via email, asking for volunteering and comments/ concerns about the terms of references.





7. REPORT FROM THE EXECUTIVE COMMITTEE

- The last executive committee meeting took place on February 15th.
- The terms of reference of the WG on Industrial Base Cooperation was discussed with the results that now were shown by Col. MacDonald.
- In a more general sense, this WG discussed the need to think ahead about guest speakers. Hopefully the next DMAG meetings will take place in person due to the falling Covid numbers. During and after this in person meetings, it would be easier to personally engage with our guest speakers. It would be ideally to have a list of guest speakers and names in stock so we can approach them whenever we think it would be interesting to have one of them in our meetings. A long time ago DTSA leadership joined the DMAG meeting and so we could reach out again to them to have them as guest speakers because DTSA is also an important partner of DMAG. Mr. Schroor encouraged to share names of persons who would be interesting to have as guest speakers.
- The lifting of the COVID-19 restrictions in the DC area on March 1st are very promising and perhaps we can resume to an in-person format in our meetings the month after next month. To actually have in person meetings we also need embassies to host those meetings. Mr. Schroor encouraged to ask the embassy's leaderships to see if somebody could be in the position to host one of our future meetings - volunteers are highly appreciated.
- Briefly discussed was the outreach to NDIA in the Delaware Valley Chapter (DVC) and the WG is now considering as a follow up of our first meeting the WG had with them to organize more in depth meetings in which one of our Defense Industry Associations will have the opportunity to give a more in depth presentation on the profile of the Defense Industry. There will also be given the opportunity to introduce members of the NDIA during the meeting. The WG is now working with the leadership of NDIA DVC on the actual format. This meeting will probably take place in May and Norway would like to volunteer. More details will follow.
- The website was also discussed. Mr. Schroor promised to provide CDR Francesco Greco some information to put on the website, but due to other commitments he haven't had the time to deliver yet.

8. OTHER ISSUES AFFECTING MEMBERS

- Mr. Ben Grinham announced that there were concerns about scheduling the next DMAG meeting on March 31st. This might not work for some of our





members due to the Sear Air and Space conference and so it was a suggestion to postpone this meeting to March 24th. After a discussion, the members finally agreed not to reschedule the meeting.

- He also reached out to Ms. Celeste Drake, the Director of Made in America at the Office of Management and Budget, as a potentially guest speaker for our next meeting.

9. UPCOMING DMAG MEETINGS and EVENTS

Month	Host	Details/Date	Guest Speaker
MARCH	VIRTUAL	Thursday, March 24	Ms. Celeste Drake (tbc)

10. DEFENSE COOPERATION EVENTS

- No comments.

11. ANY OTHER BUSINESS

- Col. Kunzer asked for an advice how to pay his membership fee. Our financial officer was not able to attend the meeting today. Financial issues will be discussed at the next DMAG meeting.

10:00 am guest speaker Mrs. Deborah Rosenblum

- Mr. Schroor announced that a link was sent to all members about an hour ago. This link includes an article, released by DoD, called as a strategic roadmap to address supply chain vulnerabilities in the defense industrial base: <https://www.businessdefense.gov/News/News-Display/Article/2944191/defense-department-releases-report-on-strengthening-defense-critical-supply-cha/>
- Due to the short notice, certainly not everyone has been able to read the article in advance - nevertheless, this article will be one of the main topics of today's guest speaker.
- After the introduction of Mr. Schroor, he introduced himself to our guest speaker Mrs. Rosenblum.





- Mrs. Rosenblum currently is the Secretary of Defense for the Nuclear Chemical and Biological Program in DoD and also performing the duties of the Assistant Secretary of Defense for Industrial Base Policy.
- She thanked the chair of DMAG for the opportunity to join the DMAG meeting and started remarking on the current affairs in Ukraine. The US is mindful that the situation in Ukraine is developing quickly. On Wednesday, the US Secretary of Defense Mr. Lloyd Austin met the Ukrainian Minister of Foreign Affairs to discuss support and assistance for Ukraine. Secretary Austin reaffirmed unwavering US support for Ukraine sovereignty and territorial integrity including on-going efforts by the United States, the European allies and partners to provide Ukraine with the capabilities it needs to defend itself.
- On a lighter note, she thanked for the invite to speak to the group. She has been briefed on all of the good work of DMAG and appreciates the opportunity to talk a little bit more in depth on the significance of the report which was released today and why we are drawing attention to it.
- Supply chain resilience is one of the top of mind issues in America, in a way in which it has not been for decades. An effort has been made to make supply chain resilience a priority. Due to the importance of healthy, dependable and secure supply chains for economic prosperity and national security as well as that about allies and partners, she want to note that President Biden signed executive order 14017 on Americas supply chains. This order directed multiple government agencies, including the Department of Defense, to review their critical supply chains and report back on their health.
- In June 2021, Mr. Jesse Salazar (Deputy Assistance Secretary of Defense for Industrial Base Policy) joined Mr. Peter Harrell (Senior Director for International Economics and Competitiveness on the White House National Security Council) to brief the DMAG and to discuss the findings and recommendations of the EO 100 day report on strategic and critical materials. DoD's recommendations from our 100 day assessment of the strategic and critical materials supply chain really reflects a whole of government approach and includes four pillars to strengthen Americas Industrial Base:
 1. Developing and fostering new sustainability standards for strategic and critical material intense of industries.
 2. Expanding sustainable domestic production and processing capacity, including non-traditional mining and recycling.





3. Strengthening US stock piles in general
 4. Working with allies and partners and promoting greater global transparency.
- DoD is in the midst of implementing these recommendations through a closely coordinated process led by the US National Security Council as well as the National Economic Council.
 - Today the Department of Defense released its one-year supply chain report and it is part of the follow-up of the executive order that was released earlier the last year. To defend a nation and deter America's adversaries, DoD works to ensure our Armed Forces have reliable access to every advantage which is enabled by manufacturing and delivering defense platforms and weapons systems in a timely and reliable manner. Meeting that mission requires a healthy domestic industrial base, built on resilience diversity and security of the US supply chains.
 - The US international partners are a critical component of this mission. DoD prioritized four key focus areas in which critical vulnerabilities posed the most pressing threat to national security. It is just that in order to be able to make real progress, they felt they needed to down scope to some of the most urgent needs within the understanding that we can expand as we go out later. So this is a place to start. The four areas of focus are:
 1. Kinetic capabilities, current missile systems and advanced and developing missile capabilities including hypersonic weapons technology as well as directed weapons
 2. energy storage and batteries with a particular focus on high capacity batteries with the particular focus within that on lithium batteries
 3. casting and forgings the metal, which is the metals and composites developed in the key parts in manufacturing tools to high intensity processes
 4. microelectronics with the need to have a state of the practice and dealing with both legacy as well as state of the art microelectronics
 5. critical and strategic materials which includes rare earth elements, metals and critical chemicals
 - This was the subject of the DoD's 100 day report for the EO 14017. Underpinning all of these key focus areas (= strategic enablers) that are required for mission



success. We are focused on addressing these enablers along with our focus in these key areas and to us the strategic enablers are:

1. workforce, helping to develop trade skills
 2. cyber posture (industrial security, cyber security)
 3. our small businesses (critical element overall to our supply chain and importantly on our resilience)
 4. manufacturing (current manufacturing practices, advanced technology)
- We have developed a framework to organize our planning in the four action of our grouping. Those things that we as the Department of Defense can do for ourselves through key investments that we can make with some unique efforts that the department has. Things that we are looking to our interagency partners to do on behalf of us and in partnership with the Department of Defense. The third point is “internationally” – that is all of our allies and partners. And the fourth point is entering into some unique industry initiatives = our public private partnerships.
 - The recommendations are very much and fundamentally centered on cooperation and collaboration with the particular footstep today for the international peace.
 - We recognize – and it is finally important for our economic prosperity and national defense – the US is heavily relying on the industrial capabilities of our international partners. Revitalizing the US supply chains to make strategic and timely decisions to build their domestic capabilities, but also to collaborate with partners and allies and safeguarding their markets.
 - The approach that they are taking will balance across both: supply and demand and will support development of a robust market – both here as well as abroad.
 - Some steps the DoD will explore in these areas over the coming year of:
 1. Identify what can be better built in domestically and what has allied production capability capacity to offer?
 2. coming up with new and innovative collaborations with allies and partners to develop policies and arrangements – that’s strengthen our collective and neutral defense industrial bases and improve supply chain resilience
 3. to do collaborative work together on safeguarding the integrity of markets
 - The DoD is committed to protecting its supply chains and defense industrial base from adversarial foreign ownership control and influence by stealing efforts to





identify early-on and address potential risks or concerns. In addition, they are looking hard at their evaluation and reconsidering some of their internal processes to improve their business practices and procurement behavior, allowing them to benefit from their investments and to be better partners to industry – recognizing that it is not always the easiest thing to partner with the US DoD for their industry partners. This is especially true for US small businesses.

- Over the next year DoD will take steps to incorporate robust data analysis so that they can better understand their supply chain. One of their vulnerabilities is that they have lost full transparency of their supply chain.
- They are also trying to accrue demand so that they can better signal to industry what the likely total demand is across multiple programs so the industry can better anticipate prepare for that demand.
- They are also focused on developing common standards to leverage commercial sector innovation and to imbed modern technologies into weapon systems. DoD will work, where possible, to limit its use of military unique requirements when developing its performance needs. They are also updating their acquisition policies to develop a focus more on a whole of governments' strategy and implementation plan to allow them to engage with industry as well as the US congress.
- Continuing to build supply chain resilience requires strategy, commitment and collaboration – not only internal to the US government but with our allies and partners. They also value very much the input from stakeholders such as DMAG – in helping to better understand where the vulnerabilities are.
- Mrs. Rosenblum thanked DMAG for the possibility to speak to the whole DMAG group and she is looking forward to a time when DMAG would have an opportunity to a kind of digest of what is in it in detail and then to have a more detailed conversation about that.
- Q&A. Maj Gen Harald Hagen, the Defense and Defense Cooperation Attaché from the Embassy of Norway, took the floor and congratulated Mrs. Rosenblum on the action plan. He said that one of the challenge is classification on reusability all information. The challenge is manifesting in different faces of a collaborative process. There are so many agencies etc. Is this area something that you will put some additional effort into in order to see how we can better facilitate by bilateral or multilateral collaboration between the US and its allies and partners? Mrs. Rosenblum thanked for this question and answered with a yes. The report as well as the majority of the work that they are doing relates to identifying investments





that the DoD is making, areas for potential collaboration with allies and partners. But they absolutely recognize that it is a challenge that they need to figure out how they can address that if we are looking to have more of the united front when it comes to some foreign investment.

- Mrs. Rosenblum added that the report brings together all of the challenges together in one place that they traditionally have talked about in isolated ways,
- The way she thinks about strategic enablers is that there are challenges in each of the sectors that we have selected to focus on, that have challenges that are the same in each of the sectors. We can't just approach this sectors specific, but we do need to approach it as there are underlying problems that we have to address in addition to sectors specific problems that we are confronting.
- Mrs. Rosenblum wished all the best to everyone and announced the arrival of Mr. Jesse Salazar. She underscores that she is looking forward to working with everyone of DMAG individually when we go forward as well as a group and it will certainly not be the last time that she addresses DMAG.
- Mr. Salazar apologized for coming in later into the meeting due to other commitments and encouraged to ask questions about the supply chain report the members may have. At first he added a few more comments.
- In his opinion, one of the core messages from this report is that it covers the broad supply chains that the US have, e.g. microelectronics, strategic and critical materials. The frame work about their response will always incorporate international cooperation. They want to signal very clearly that this cooperation is central to the way that they approach their supply chain resilience. They believe fundamentally that a command and control approach does not work in the long run. They do this work in mutuality and where they can take advantage of the national strength of the various countries. That commitment is clearly stated in the report and they want to elevate that commitment as well.
- They know that the supply chain work is detailed. So a big part of that is making sure that they have detailed information about each other's supply chains so that they can be there in a case of an emergency.
- In the past, he talked about the importance of security of supply arrangements. The security of supply arrangement that they have with Italy is a perfect agreement in the words of Leonardo and that's exactly what they want to hear from industry. Because these industries, that they have within their country, is that they need reliability and they need schedule. So if they do not have access to a specific part, this can have a multiplying effect on supply chain and by





establishing these security supply agreements they have the opportunity to bring the industries together. Facilitate that dialogue and ensure that their warfighters have a reliable access to supply.

- Mr. Salazar really would like to work with each of the DMAG member countries and he knows that there are already existing security supply arrangements. It is one of the most powerful tool that the DoD has..
- Mr. Schroor suggested during another meeting to spend some time in looking closer into the benefits of security supply arrangements to the DMAG members. That could be an interesting topic for one of our next meetings, especially for those DMAG members that are still without such an arrangement.
- With the UK, Canada and Australia there are working meetings monthly on foreign investment review as a way to share information and get better visibility into threats. He invites everyone on the line who wants to engage and dialogue with their foreign investment review team and that they are very happy to share information about how they are thinking through these threats, what are the areas that they are focusing and what kinds of technology are of high interest.
- Mr. Schroor notes that Mr. Salazar said that it is very important also for the US in order to address supply chain vulnerabilities to closely work with allies and partners. How does Mr. Salazar see that in practical terms? Is he going to engage with those allies and partners on a bilateral basis mainly or does he also think to use the framework NTIB for this kind of discussions? And maybe opening up the NTIB to other industrial base partners to discuss supply chain vulnerabilities? Mr. Salazar told that his focus is on strengthening NTIB .This meeting is a follow-up to the previous meeting from last year with DMAG and he is really reinforcing the commitment. He has an open invitation to everyone on this call if they would like to have a more focused conversation about defense industrial cooperation, we should let him know – because he would be more than happy to talk about what that cooperation looks like.
- Once again, Mr. Schroor thanked Mrs. Rosenblum, Mr. Salazar and their whole team for arranging this meeting.
- Mr. Schroor suggested everyone to read the report and to discuss how to follow-up on it at the next DMAG meeting.

Mr. Pieter-Henk Schroor concluded the meeting at 12:18 pm.

DMAG Secretariat

