Congressional Research Service
Informing the legislative debate since 1914

IN FOCUS

June 9, 2023

Defense Primer: International Armaments Cooperation

What is International Armaments Cooperation?

International armaments cooperation (IAC) refers to an array of research, development, testing, and evaluation (RDT&E), procurement, and sustainment partnerships between the U.S. Department of Defense (DOD) and foreign governments, militaries, or commercial entities. IAC encompasses a broad array of activities, ranging from the exchange of basic RDT&E information to multi-billion dollar joint procurement programs. DOD considers IAC to be a form of *security cooperation* intended to accomplish operational, economic, technological, political, and industrial objectives.

Legal and Policy Framework

Statutory Authorities

The statutory authorities for IAC activities are contained within Titles 10 and 22 of the *U.S. Code*. Title 10, Chapter 138 contains provisions that authorize: international cross-servicing agreements; international RDT&E agreements and projects; international acquisition agreements and projects; international logistic support agreements; acceptance of foreign financial contributions for cooperative projects; and international test facility agreements. Title 22, Chapter 39 contains provisions that authorize the President to establish international cooperative projects and enter into international loan agreements for research and development purposes.

IAC Governance and Stakeholders

DOD Directive 5132.03 establishes policy and responsibilities relating to security cooperation activities. The Undersecretary of Defense for Policy is designated as the principal staff assistant to the Defense Secretary for overall security cooperation policy and oversight. The Undersecretary of Defense for Acquisition and Sustainment (USD (A&S)) is responsible for "establish[ing] and maintain[ing] policies for the effective development of international acquisition, technology, and logistics programs, including international armaments cooperation." The secretaries of the military departments (MILDEPS) are responsible for "conduct[ing] international armaments cooperation with eligible allied and partner nations."

Each MILDEP has a designated office responsible for oversight of IAC projects. For the Department of the Army, this is the Deputy Assistant Secretary of the Army for Defense Exports and Cooperation (DASA DE&C); for the Department of the Navy, this is the Navy International Programs Office (NIPO); and for the Department of the Air Force, this is the Secretary of the Air Force, International Affairs (SAF/IA). Within each MILDEP, participating organizations in IAC projects may include research laboratories, program offices, and other components of the RDT&E and acquisition enterprises.

In addition, other organizations in DOD or the U.S. government may support a particular IAC effort. For instance, activities involving classified information subject to foreign disclosure limitations may require the involvement of the interagency National Disclosure Policy Committee.

IAC Projects

The scale, objectives, and management of IAC activities vary considerably. Broadly speaking, DOD and its partners may initiate an IAC effort through a bilateral or multilateral agreement (often called a Memorandum of Understanding, or MOU) that specifies contributions, responsibilities, participant organizations, and timelines. Unlike Foreign Military Sales (FMS), IAC activities are not structured around a buyer-seller relationship. Instead, all participants typically provide resources (i.e., funds, personnel, facilities, or information) in return for a share of the project's outcomes (e.g., new or improved technologies). See **Figure 1** below for a notional overview of the process by which an IAC project is developed and executed.

Figure 1. Notional IAC Process

Source: CRS graphic based on analysis of DOD information.

Notes: This process may vary depending on the type of project, organizations involved, and other considerations.

Within the office of USD (A&S), the Director for International Cooperation has identified a number of broad goals for IAC programs, including:

- Reducing U.S. RDT&E, procurement, and sustainment costs;
- Enhancing interoperability with allied and partner militaries;
- Improving access to foreign technology and industrial capacity for the U.S. military and defense industrial base; and

- Expanding the operator base for U.S.-origin weapons and equipment.

DOD does not currently maintain a comprehensive, publicly available list of IAC efforts; three examples of recent projects are discussed below.

F-35 Lightning II

The F-35 Lightning II is a fifth-generation fighter aircraft, also called the Joint Strike Fighter, operated by the U.S. Air Force, Navy, and Marine Corps, as well as the militaries of 16 other countries (including 3 with pending programs). From the program's beginning, DOD planned for IAC activities: international participation commenced in 1995 with a U.S.-UK MOU that provided for British participation in setting requirements and design. After system development and design began in 2001, DOD invited seven other nations to contribute resources in return for access to the platform itself as well as program management input, technology access, and coproduction opportunities. Partner country involvement operated on a tiered system – based on the financial value of contributions, the eight international participants were designated Level I (the United Kingdom), II (Italy and the Netherlands), or III (Australia, Norway, Denmark, Canada, and Turkey (Türkiye); Turkey was expelled from the program in 2019) partners. For more information, see CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program*.

Mark 48 Heavyweight Torpedo

The Mark 48 heavyweight torpedo is a primarily submarine-launched weapon designed for use against surface ships and submarines. Since 2003, the U.S. Navy and the Royal Australian Navy have cooperatively developed, produced, tested, and provided in-service support for the Mark 48 torpedo and successive capability-enhancing modifications (including improved sonar, guidance and control, and signal processing). These cooperative efforts are managed through a bilateral MOU that establishes the broad activities, costs, and timelines of this collaboration. The MOU also establishes a fixed ratio according to which each country will contribute resources. For the most recent publicly available MOU (in effect from 2009 through 2019), the total estimated cost of both parties' contributions to Mark 48 was $407 million (contributed on a ratio of 85:15, United States: Australia).

M982 Excalibur

The M982 Excalibur is a 155mm precision-guided, cannon-fired projectile used for extended range fire support that was initially developed through an IAC partnership between the United States and Sweden. In 1999, the U.S. Army and the Swedish Defense Materiel Administration began cooperative RDT&E efforts aimed at developing trajectory correctable munitions. Both parties contributed existing artillery and munitions technology, as well as funding, personnel, and facilities. Following the completion of planned RDT&E activities in 2002, the bilateral IAC partnership continued into the procurement process.

Considerations for Congress

Joint production arrangements to support Ukraine. In response to Russia's 2022 invasion of Ukraine, the United States and many other countries have provided the Ukrainian military with a large and diverse quantity of defense articles. The scale of this assistance has diminished existing U.S. stocks and put strain on domestic U.S. production capabilities, particularly for munitions. DOD and its international counterparts have sought ways to cooperatively address production and supply chain constraints. Congress may study and identify ways to expand executive branch IAC authorities to increase production capacity and efficiency for high-priority systems while reducing the impact to U.S. readiness.

IAC programs in support of AUKUS. In 2021, the United States, the United Kingdom, and Australia announced a tripartite defense partnership referred to as AUKUS. The partnership includes two broad lines of effort (called 'pillars'). Pillar 1 aims to provide Australia with nuclear-powered submarines. Pillar 2 aims to foster security cooperation across eight technological and functional areas. As both pillars may involve considerable IAC activities, Congress may consider the extent to which dedicated oversight and additional appropriations may be necessary, both to support the efficacy of AUKUS efforts and to limit negative impacts on U.S. readiness (particularly given current capacity limitations of the U.S. submarine industrial base) or other congressional priorities.

Legal and administrative challenges. The U.S. export control regime—especially the International Traffic in Arms Regulations (ITAR)—has been criticized by some analysts and policymakers (including some Members of Congress) who argue that existing restrictions impede IAC efforts by delaying project development and execution, creating administrative burdens, and deterring U.S. and partner organizations from initiating projects. On the other hand, proponents of current export restrictions argue that they protect critical technology and prevent defense transfers that could harm U.S. interests. At least two bills have been introduced in the 118th Congress that aim to modify defense export controls by relaxing legal and administrative requirements for certain security cooperation activities (H.R. 1093 and S. 1471).

Luke A. Nicastro, Coordinator, Analyst in U.S. Defense Infrastructure Policy
Christina L. Arabia, Analyst in Security Assistance, Security Cooperation and the Global Arms Trade
Alexandra G. Neenan, Analyst in U.S. Defense Infrastructure Policy

IF12425

Disclaimer