



International Programs

Contractor Personnel Serving as the Designated
Government Representative (DGR)

DEFENSE COUNTERINTELLIGENCE AND SECURITY AGENCY



What we will cover



General Guidelines

Violation of NISPOM,
ITAR or Directives

DGR
Role

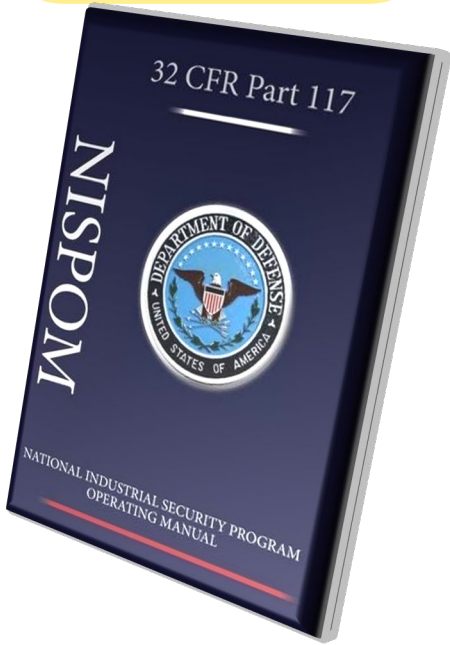
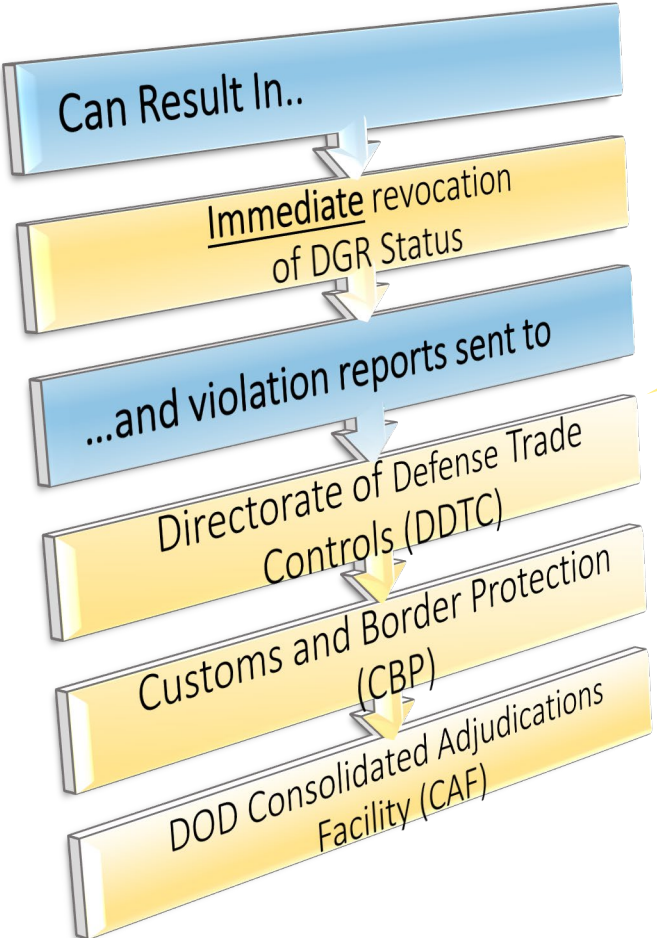


Appointed as a Contractor DGR



- Nominated by your facility
- Trained by DCSA Field Office personnel
- Designated by DCSA Field Office Chief
- All CTR-DGR documents will be reviewed during SVA's
- DGR refresher training will be conducted during annual SVA's

Negligent or Willful Violation of NISPOM or ITAR



International Transfers



- Formal transfer of classified material from one government to another
- Accomplished by Designated Government Representatives (DGRs)





Exports to Foreign Governments

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Prior to authorizing classified exports ensure:

All arrangements and procedures, such as:

- Transportation Plans (TP)
- Hand Carriage (HC) Requests, and/or
- Secure Communications Plans (SCP)

are coordinated and have been approved by both, DCSA and the Foreign Gov't

Reference: 32 CFR §117.19 (d)(1)(ii)

The DCSA Field Office (FO) has the original DSP-85 or other appropriate export authorization

All Applicable NISPOM and ITAR provisions are met

- Review Provisos on DSP-85 or DSP-5

A file for each export and import, including the required empowered official certification, are created and maintained for future review

Contractor DGR Role – Exports to Foreign Gov't

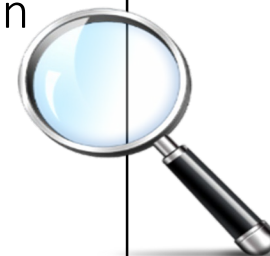
Certification 32 CFR §117.19 (d)(8)(iii)

Obtain written certification from the dispatching contractor's, Empowered Official, verifying the classified export is within the limitations of the approved export authorization or an authorized export exemption



Visual Inspection

- Detailed review of material and quantities
- Visually inspect all serial numbers (s/n) within documentation
 - When applicable, ensure serial number(s) match the serial number on the hardware





Contractor DGR Role – Exports to Foreign Gov't

Packaging and Marking

The material must be packaged, marked, and prepared in accordance with 32 CFR §117.15 (f) & §117.19 (d)(8). The inner wrapping must be marked with the material's classification

Labeling

Both the inner and outer wrapping will reflect the addresses of the dispatching and receiving facility's security office



Never authorize the export of a package without viewing the contents!!



Contractor DGR Role – Exports to Foreign Gov't

Receipts and Suspense

Contractor DGR will receipt the classified material to the U.S. DGR person

- ❖ The U.S. DGR will receipt the material to the Foreign Gov't DGR

Contractor DGR *receipt* will be included in the shipment, requesting a return receipt – suspended no later than 30 days from the date of dispatch

AF Form 310 Document, receipt certificate is acceptable

There must be a continuous chain of receipts, to record international transfers of all classified material, from the facility through the U.S. DGR to the recipient DGR

Follow-up action by DCSA must be requested, if the signed receipt is not returned within 45 days

Reference: 32 CFR §117.19 (d)(7)



Contractor DGR Role – Exports to Foreign Gov't

Contractor DGR Duties

Contractor will notify their local DCSA FO, *in writing*, after each classified authorization; providing the following information:

- Identification of the classified item
- The number of units, specifying, *shipped/received*
- Applicable import/export authorization number
- Dollar value of unit(s) shipped
- Port of embarkation

Notification Frequency

High volumes of exports, may warrant the need to report authorizations less frequently – your DCSA IS Rep will determine a timeframe, not to exceed 1-month

- Notification, typically, should take place on the day of shipment



Contractor DGR Role – Exports to Foreign Gov’t

Endorsing and Decrementing of the DSP-85

The final page of the DSP-85, within the *endorsement* section, the DGR will indicate which item on the face of the license is being exported, and maintain a continuing balance of the remaining value

- The DGR will notify their DCSA IS-Rep after each export or at a predetermined interval, and supply the necessary data for decrement
- The IS-Rep will decrement the original export license(s)
 - CTR DGRs **do not** decrement

| RETURN OF LICENSE | | | | | | |
|---|----------|---|----------------|-----------|----------|--------------------|
| This license must be returned to PM/DDTC, SA-1, 12th Floor, Directorate of Defense Trade Controls, Bureau of Political-Military Affairs, U.S. Department of State, Washington, DC 20522-0112, when: (1) the total value authorized has been shipped; (2) the applicant states that there will be no further shipments; (3) the date of expiration is reached; or (4) when requested by the Directorate of Defense Trade Controls. | | | | | | |
| ENDORSEMENT | | | | | | |
| Indicate below which <i>ITEM</i> on the face of the license is <i>BEING EXPORTED</i> and maintain a <i>CONTINUING BALANCE</i> of the remaining value: | | | | | | |
| Shipment Date (mm-dd-yyyy) | Quantity | Commodity (including classification) | Shipment Value | SED No. * | Initials | Port of Exit/Entry |
| Total Authorized Value: | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| * <i>The Automated Export System (AES) Internal Transaction Number (ITN) REPLACES the Shipper's Export Declaration (SED) number.</i> | | | | | | |
| | | | | | | |
| | | | | | | |
| Remaining Balance | | | | | | |
| NOTE: Continuation of additional shipments must be authenticated by use of continuation sheets in the <i>U.S. Customs Handbook</i> . (In the case of classified shipments, the Defense Security Service (DSS) is the endorsing agency for shipments.) | | | | | | |



Contractor DGR Role – Exports to Foreign Gov't

Return of License to DDTC

DCSA IS-Rep returns expired or completed licenses to the DDTC when:

- Dollar value of license has been shipped (may be exceeded by 10%)
- Quantity of material has been shipped
- Facility advises there will be no further shipments
- The license has expired
- DDTC requests the license be returned



DSP-85 Retention

A copy of the DSP-85 must be retained by the facility in accordance with the International Traffic in Arms Regulations (ITAR)



Foreign Embassy Transmissions

International Transmission through Foreign Embassies in Washington D.C. (some embassies accept and forward small classified packages via their diplomatic pouch)

- **SECRET** material may be mailed to the foreign embassy by U.S. Postal Service (USPS) Express Mail or USPS Registered Mail
- **CONFIDENTIAL** material may be sent, as above or, by USPS Certified Mail to the foreign embassy
- An approved Transportation Plan is required



Contact your local FO for the address and phone number of an embassy



Cover Letter

A transmittal letter will be enclosed between the inner and outer wrapping, to instruct the embassy staff of the:

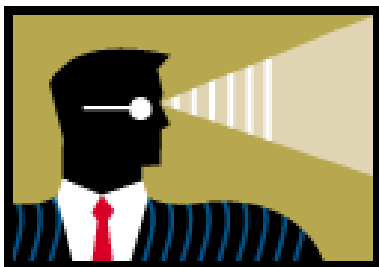
- purpose of the package, and
- intended recipient of the package

a sample letter can be provided by the IS Rep

Labeling

- The embassy address will be reflected on the outer envelope
- The inner envelope will reflect the final destination address and point of contact (POC)

Exports to Foreign Governments – Summary



Must have an approved Transportation Plan



Obtain written certification from the dispatching contractor's, Empowered Official



There must be a continuous chain of receipts – from facility, through U.S. DGR, to recipient DGR



Notify IS-Rep of shipment and IS-Rep will decrement the original export license(s)



Expired or completed licenses are returned to the DDTC by DCSA



Israeli and Canadian embassies will not accept classified mail or packages



Imports from Foreign Governments

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Contractor DGR Role – Imports from Foreign Gov't



- Imports take place by:
 - Hand Carry (HC)
 - Must have HC Plan approved by both governments
 - Import authorization TAA, DSP-85, etc.
 - Freight
 - Must have approved TP (by both governments)
 - DSP-85 Temporary Imports, no permanent imports
 - Permanent Imports must have ATF approval
 - or ITAR exemption
 - Mail from Embassies
 - Must have approved TP or agreed upon process between DCSA and the foreign embassy.



Procedures for Imports

- All imports will be opened in the presence of a DGR
- Immediately notify the DCSA Field Office of any discrepancies related to receipt of classified material
 - Tampered with or opened
 - Receipts incorrect
 - No approved TP or prior coordination
- The DGR will sign the hand receipt for all imports and return it to the originating DGR
- The DGR will prepare a receipt transferring the material from the DGR to the facility





Questions, to test your knowledge...

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Test Your Knowledge...



1. What document relieves the DGR from liability for an unlawful export?
 - a. Transportation Plan
 - b. Empowered Official's Certification
 - c. DSP-85
 - d. Technical Assistance agreement w/DSP-5

Test Your Knowledge...



2. On what document(s) would you find the Provisos?
 - a. DSP-85
 - b. E.O. Certification
 - c. DSP-5
 - d. a & c only
 - e. None of the above

Test Your Knowledge...



3. A foreign courier unexpectedly shows up at your facility with a classified document. Your research reveals that the program manager was aware of this incoming Hand Carry, but it was not coordinated through DCSCA or the Security Office. How should you respond?
- a. Refuse the shipment and tell the courier to go back to his home country.
 - b. Beat up the Program Manager
 - c. both a & b
 - d. Safeguard the package and contact your DCSCA IS-Rep for guidance.

Test Your Knowledge...



4. Which of the following is not an authorized action for the DSP-85 as it relates to licensing.
 - a. Temporary Imports of classified hardware
 - b. Temporary Exports of classified hardware
 - c. Permanent Imports of classified hardware
 - d. Permanent Exports of classified hardware

Test Your Knowledge...



5. As a Contractor DGR you will not have to prepare a receipt transferring the classified material from your facility to the US-DGR.
- a. True
 - b. False

Test Your Knowledge...



6. DCSA will do which of the following for Negligent or Willful Violation of NISPOM or ITAR?
- a. Violation Report to CPB, CAF and DDTC
 - b. Immediate revocation of DGR status
 - c. Immediately revoke your Security Clearance
 - d. All of the above
 - e. a & b only

Test Your Knowledge...



7. Expired and Completed licenses are returned to what organization?
- a. CBP
 - b. DCSA
 - c. ATF
 - d. DDTC

Test Your Knowledge...



8. What level of classified can be transmitted via foreign embassies?
- a. Top Secret
 - b. Up to and including Secret
 - c. Confidential only
 - d. None of the above, foreign embassies do not forward classified packages



Test Your Knowledge...

9. A DSP-85 was issued 3 years ago for the Permanent Export of 100 air launched guided missiles for a total value of \$10-Million dollars.
- a. Yes
 - b. No

Scenario

So far the facility has shipped 95 Missiles at \$9,700,000. Next shipment is 5 missiles at \$510,000 for a total value of \$10,210,000. Can this shipment be released?



Test Your Knowledge...

10. A DSP-85 was issued 3 years ago for the Permanent Export of 100 air launched guided missiles for a total value of \$10-Million dollars.
- a. Yes
 - b. No

Scenario

So far the facility has shipped 95 Missiles at \$9,500,000. Next shipment is 6 missiles at \$600,000 for a total value of \$10,100,000. Can this shipment be released?



Questions, to test your knowledge... *Answers*

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1.
b. Empowered Official's Certification
2.
d. a & c only
3.
d. Safeguard the package and contact your DCSA IS-Rep for guidance.
4.
c. Permanent Imports of classified hardware
Permanent imports are controlled by Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Reference: 22 CFR § 123.2 - Import Jurisdiction
5.
b. False
Reference: 32 CFR §117.19 (d)(7)



6.

e. a & b only

7.

d. DDTC

8.

b. Up to and including Secret

9.

a. Yes

Authorities may authorize shipments of hardware when the total value of the shipment does not exceed the aggregate value on the license by more than 10%. If the value has increased by more than 10% a new license is required.



10.

b. No

Quantities may not be amended. Additions should be treated as new order, as a result a new license is required.