

**FOR OFFICIAL USE ONLY**

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN THE**

**DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA**

**AND THE**

**DEPARTMENT OF DEFENCE OF AUSTRALIA**

**CONCERNING**

**JOINT COMBINED TRAINING CENTER**

TABLE OF CONTENTS

INTRODUCTION ..... 3

SECTION I ..... 4  
DEFINITIONS

SECTION II ..... 6  
OBJECTIVES

SECTION III ..... 8  
MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

SECTION IV ..... 10  
CO-LOCATED EQUIPMENT

SECTION V ..... 12  
DISCLOSURE AND USE OF INFORMATION

SECTION VI ..... 13  
SECURITY

SECTION VII ..... 14  
CUSTOM DUTIES, TAXES, AND SIMILAR CHARGES

SECTION VIII ..... 15  
VISITS TO ESTABLISHMENTS

SECTION IX ..... 16  
GENERAL PROVISIONS

SECTION X ..... 17  
EXTENSION TO MULTILATERAL PARTICIPATION

SECTION XI ..... 18  
LIABILITY AND CLAIMS

SECTION XII ..... 19  
SETTLEMENT OF DISPUTES

SECTION XIII ..... 20  
ENTRY INTO EFFECT, DURATION, AND TERMINATION

## INTRODUCTION

The Department of Defense of the United States of America (DOD US) and the Department of Defence of Australia (DOD AS), hereinafter referred to as the "Participants":

Recognizing the Exchange of Notes Constituting an Agreement between the Government of the United States of America and the Government of Australia Concerning Certain Mutual Defense Commitments done at Sydney on December 1, 1995 (Chapeau Agreement), will apply to this Memorandum of Understanding (MOU);

Recognizing the Agreement between the Government of Australia and the Government of the United States of America concerning Security Measures for the Protection of Classified Information (GSOIA), which entered into force on November 7, 2002;

Recognizing the Agreement between the Government of Australia and the Government of the United States of America concerning Acquisition and Cross-Servicing (ACSA), done at Canberra, December 9, 1998, and the Exchange of Letters constituting an Agreement to Amend and Extend the Agreement between the Government of Australia and the Government of the United States of America concerning Cooperation in Defense Logistic Support (CDLSA), which entered into force on October 12, 2001;

Having a common interest in defense;

Recognizing the benefits that the Participants derive from the conduct of joint and combined training and the contribution to the knowledge base of the Participants by investigating through practical experience of actual applications the potential for and the actual establishment and operation of the Joint Combined Training Center (JCTC);

Recognizing that there is a requirement for their armed forces to maintain currency in operational capabilities and to improve the interoperability of the Participants;

Recognizing that high-quality, bilateral training between the Australian Defense Force and the U.S. Armed Forces has been a long standing and fundamental tenet of the Australia-U.S. Alliance; and

Recognizing the substantial technical contributions resulting from past and continuing cooperation and the benefits of future cooperation in technologies and capabilities related to the conduct of joint combined training;

Have reached the following understandings:

**SECTION I**  
**DEFINITIONS**

1.1. The Participants have jointly decided upon the following definitions for terms used in this MOU:

Capability Arrangement (CA) means a separate, mutually determined implementing arrangement, concluded after this MOU has come into effect, which details the provisions of collaboration between the Participants for particular Programs.

Classified Information means information that requires protection in the interests of national defense and is classified in accordance with applicable national laws and regulations and so designated by the application of a security classification marking. This information may be in oral, visual, magnetic or documentary form, or in the form of equipment or technology.

Connectivity means both the means to transfer information and the ability of systems to exchange information. It involves compatibility of systems by being connected and able to be integrated.

Contractor means any entity awarded a contract by a Participant's Contracting Agency.

Controlled Unclassified Information means unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this MOU and its CAs, the information will be designated so as to identify its "in confidence" nature. It could include information that has been declassified but remains controlled.

Defense Purposes means manufacture or other use in any part of the world by or for the armed forces of either Participant.

Designated Security Authority (DSA) means the security office approved by the Participants' national authorities to be responsible for the security aspects of this MOU and any of its CAs.

Financial Authority means the office or organization responsible for determining and certifying the cost of services provided under this MOU as established by the ACSA.

Financial Costs means costs met with monetary contributions from the Participants.

Instrumentation means the ability to equip personnel with hardware and attach hardware to platforms and sub-systems to provide information concerning the movement of personnel/platforms/sub-systems and support high-quality, after-action review for exercise purposes and post-exercise analysis, together with the necessary fixed infrastructure required to facilitate the gathering and transmission of information using the hardware.

JCTC Personnel means military members or civilian employees of a Participant assigned under a specific Annex to this MOU who perform managerial, engineering, technical, administrative, contracting, logistics, financial, planning, or other functions in furtherance of the scope and objectives of this MOU or any of its CAs.

Non-Financial Costs means any costs met using non-monetary contributions from the Participants.

Providing Participant means the Participant that provides personnel, property, equipment, material, or information in connection with this MOU or any of its CAs to the other Participant, regardless of whether the other Participant is acting as a Receiving Participant.

Receiving Participant means the Participant that receives personnel, property, equipment, material, or information in connection with this MOU or any of its CAs from the Providing Participant for its own use.

Sub-Contractor means any individual or entity acting on behalf of a Contractor pursuant to a contract.

Third Party means a government other than the government of a Participant and any person or other entity whose government is not the government of a participant.

## SECTION II OBJECTIVES

2.1. This MOU is intended to establish and define a framework under which specific activities can be mutually determined to facilitate the investigation of the viability and practical implementation of the JCTC to be assessed and benchmarked during Exercise Talisman Saber 07 (TS-07). The objectives for implementation of the JCTC will be mutually determined from time to time to meet the respective national and joint intentions of the Participants to fulfill the objectives of this MOU. The Participants will conduct a review of this MOU within six months of the completion of Talisman Saber TS-07.

2.2. The objectives of this MOU are to:

2.2.1. Enhance the Shoalwater Bay Training Area (SWBTA) to facilitate the operation of the JCTC in coordination with the use of the SWBTA for TS-07;

2.2.2. Facilitate the operation of the SWBTA using JCTC connectivity and available instrumentation in conjunction with one or more other training areas in Australia for TS-07;

2.2.3. Establish principles and standard operating procedures for the joint management of the JCTC under this MOU;

2.2.4. Assign JCTC Personnel to each Participant to achieve these objectives as mutually determined by the Participants and in accordance with relevant policies and regulations of the respective Participants;

2.2.5. Enable JCTC and U.S. Joint National Training Capability (JNTC) connectivity to support TS07; and

2.2.6. Define and set forth details to establish the general principles that will apply to the initiation, conduct, and management of separate CAs between authorized representatives, in accordance with the national procedures of the Participants.

2.3. Further objectives of this MOU may be included in related arrangements between the Participants or in CAs to this MOU.

2.4. CAs may be entered into pursuant to this MOU. The CAs should include, at a minimum, the following sections: Objectives, Management, Equipment, Disclosure and Use of Information, Security, Financial Arrangements, and Entry in Effect, Duration, and Termination. Should any section of a CA conflict with this MOU, this MOU will control.

2.5. The use of ranges and training database services or support between the Participants under the provisions of this MOU or its CAs will only be used for Defense Purposes.

2.6. Activities under this MOU are conducted on an as-available basis. Either Participant may deny a request by the other Participant for range or training database access under this MOU,

based upon its own operational commitments and requirements. To the extent possible, an explanation, at the appropriate classification level, will be provided to the Participant whose request is denied.

2.7. This MOU in no way limits the right of Participants to enter into any other arrangements for range use or training database services with other nations.

**SECTION III  
MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)**

3.1. The Participants will designate appropriate "Principals" to oversee the implementation of this MOU.

3.1.1. For the United States: U.S. Pacific Command (USPACOM) J-7.

3.1.2. For Australia: Director General Joint Combined Training Centre, Department of Defence.

3.2. The Participants will establish an Executive Steering Committee (ESC) to oversee all *interfaces and collaborative efforts under this MOU*. The Principals will jointly chair the ESC. The ESC will meet annually and as otherwise mutually arranged. Meetings will be held alternately in each country of the Participants. The Host Participant will be responsible at its expense for the provision of meeting facilities and administrative support. Each Participant will be responsible for its costs in attending meetings. At the end of each meeting, a record of the meeting will be prepared and signed by the Principals. All decisions of the ESC will be unanimous. Any decisions that cannot be made unanimously will be referred to the Principals for determination. All cooperative activities under this MOU involving Financial and Non-Financial contributions by the Participants will be managed by the ESC in accordance with this MOU.

3.3. The ESC will be responsible for:

3.3.1. Identifying and reviewing proposals regarding CAs;

3.3.2. Overseeing the Participants' day-to-day implementation of this MOU, including connectivity and communications requirements under this MOU, the exchange of information to support implementation of the MOU, and the development of related CAs;

3.3.3. Establishing appropriate CAs in accordance with the national procedures of the Participants;

3.3.4. Executing broad, executive-level oversight of CAs under this MOU;

3.3.5. Maintaining oversight of the security aspects associated with implementation of this MOU and its CAs;

3.3.6. Promptly appraising and consulting on matters that affect this MOU and resolving any issues brought forward by appropriate officials as provided in CAs;

3.3.7. Recommending amendments to this MOU; and

3.3.8. Reviewing the annual financial balance of the Financial Costs and Non-financial Costs provided under this MOU.



3.4. The Participants may mutually determine after the post-TS-07 review to establish and operate a JCTC Management Center at a location to be mutually determined pursuant to a CA. If a JCTC Management Center is established, it may replace the ESC and assume its responsibilities under this MOU and CAs.

**SECTION IV**  
**CO-LOCATED EQUIPMENT**

4.1. With the mutual consent of the Participants, either Participant may co-locate communications and/or cryptographic equipment, and any other necessary equipment, including spares and documentation, in the other Participant's nominated communications facilities to implement effectively the interoperability and intercommunication arrangements, and to effect connectivity and facilitate other activities under this MOU. Such co-located equipment will remain the property of the providing Participant. A list of all such co-located equipment will be developed and maintained by the ESC and incorporated into the appropriate CA in accordance with Section III (Management (Organization and Responsibility)) of this MOU prior to co-location of such equipment.

4.2. The Providing Participant will furnish the co-located equipment in a condition appropriate for the intended objectives stated in the CA. However, the providing Participant makes no warranty or guarantee of fitness of the co-located equipment for a particular purpose or use, and makes no commitment to alter, improve, or adapt the co-located equipment or any part thereof.

4.3. Co-located equipment will, unless otherwise mutually arranged pursuant to the Chapeau Agreement, be removed at the termination of this MOU or the CA under which it is furnished, at the conclusion of the equipment's useful life, or six months from the date of a written request from the Receiving Participant to remove such equipment.

4.4. The Providing Participant will pay all costs associated with transporting, maintaining, servicing, and repairing co-located equipment, unless otherwise mutually arranged between the Participants pursuant to the Chapeau Agreement.

4.5. The Participants may enter into appropriate arrangements allowing the Receiving Participant access to and use of co-located equipment for the purposes of facilitating activities under this MOU, consistent with this MOU and relevant CAs, and subject to the terms and conditions of the ACSA and respective national requirements.

**SECTION V**  
**DISCLOSURE AND USE OF INFORMATION**

5.1. The Participants recognize that successful implementation of this MOU depends on the full and prompt exchange of information between the Participants. The Participants intend to exchange sufficient information to implement this MOU and its associated CAs effectively. The nature and amount of information to be exchanged under the CAs will be consistent with this MOU and associated CAs, subject to the national requirements of the respective Participants.

5.2. Information exchanged under this MOU will be used solely for the objectives stated in this MOU or its CAs unless otherwise agreed to in writing by the Participants.

5.3. Each Participant further recognizes that all classified information will be provided pursuant to the GSOIA.

5.4. The Receiving Participant may, upon written request, make available to the Providing Participant a facility for on-site storage of Classified Information and Controlled Unclassified Information (CUI) pursuant to the GSOIA.

5.5. The Receiving Participant will not release or permit access to equipment, property, or information of a Providing Participant to a Third Party without the express written authorization of the Providing Participant.

5.6. Except as otherwise provided in this MOU or as authorized in writing by the Providing Participant, CUI provided or generated pursuant to this MOU will be controlled as follows:

5.6.1. Access to such information will be limited to personnel whose access is necessary for the implementation of this MOU or any of its CAs.

5.6.2. Prior to authorizing the release of CUI to contractors, the Receiving Participant will ensure the contractors are legally bound to control such information.

5.7. Each Participant will take all appropriate lawful steps, which may include national classification, available to it to keep such information free from further disclosure (including requests under any legislative provisions), unless the Providing Participant consents to such disclosure. In the event of unauthorized disclosure, or if it becomes probable that the information may need to be further disclosed under any legislative provision, immediate notification will be given to the Providing Participant.

SECTION VI  
SECURITY

6.1. All classified information and material provided or generated under this MOU and its CAs will be protected in accordance with the GSOIA.

6.2. Classified Information and material will be transferred only through official government-to-government channels or through channels approved by the DSAs of the Participants. To assist in providing the desired protection, each Participant will indicate, on or with the furnished information, the country of origin, the security classification, the conditions of release, and the fact that the information is related to this MOU (and the applicable CA), and that it is furnished in confidence.

6.3. Each Participant will take all appropriate lawful steps available to it to keep both classified information provided or generated under this MOU or a CA and unclassified information provided or generated "in confidence" under this MOU or a CA free from unauthorized disclosure. Accordingly, each Participant will ensure that:

6.3.1. The recipient will not release the Classified Information to any government, national organisation, or other entity of a Third Party without the prior written consent of the Providing Participant.

6.3.2. The recipient will not use the Classified Information for any purpose other than that provided in this MOU.

6.3.3. The recipient will comply with any distribution and access restrictions on information that is provided under this MOU.

6.4. Classified Information exchanged under this MOU will be used solely for the objectives stated in this MOU or its CAs unless otherwise agreed to in writing by the Participants.

6.5. The DSAs will prepare a Program Security Instruction (PSI) and a Classification Guide (CG) for a CA that requires the exchange of classified information. The PSI and the CG, in accordance with the GSOIA, will describe the methods by which information generated by or exchanged in connection with this MOU or a CA will be classified, marked, used, transmitted, and safeguarded. The DSAs will develop the PSI and CG, as appropriate, within three months after a CA enters into effect. CGs will be applicable to all Government and Contractor personnel participating in the Program. The CG will be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The PSI and the CG will be approved by the appropriate DSA prior to the transfer of any classified information or CUI.

6.6. Contractors, sub-contractors, prospective contractors, and prospective sub-contractors who are determined by the DSAs to be under financial, administrative, policy or management control of a Third Party may participate in a contract or sub-contract requiring access to classified information or CUI provided or generated pursuant to this MOU or any of its CAs only when enforceable measures are in effect to ensure that the Third Party will not have access to classified

information or CUI. If enforceable measures are not in effect to preclude access by a Third Party, the other Participant will be consulted for written approval prior to permitting such access.

6.7. For any facility wherein classified information or material is to be used, the responsible Participant or contractor will approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such a facility the information or material generated or exchanged in connection with this MOU or any of its CAs. These officials will be responsible for limiting access to Classified Information or material exchanged or generated pursuant to this MOU or its CAs to those persons who have been approved for access and have a need-to-know.

6.8. Information and material provided or generated pursuant to this MOU or any of its CAs may be classified as high as Secret. The existence of this MOU is Unclassified, and the contents are Unclassified.

**SECTION VII**  
**CUSTOM DUTIES, TAXES AND SIMILAR CHARGES**

7.1. *Customs duties, import and export taxes, and similar charges will be administered in accordance with each Participant's respective laws and regulations, as well as any applicable international agreements. Insofar as existing national laws and regulations permit, the Participants will endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this MOU or any of its CAs.*

**SECTION VIII**  
**VISITS TO ESTABLISHMENTS**

8.1. All visits in connection with this MOU will be in accordance with the requirements and procedures of the GSOIA.

8.2. Each Participant will permit visits to its facilities for the purposes of this MOU by personnel of the other Participant or by employees of the other Participant's contractor(s), provided that the visit is authorized by both Participants and the visitors have all necessary and appropriate access clearances.

8.3. All visiting personnel will be required to comply with the security regulations of the Receiving Participant. Any information disclosed or made available to visitors will be treated as if supplied to the Participant sponsoring the visiting personnel and will be subject to the provisions of this MOU.

8.4. Requests for visits by personnel of one Participant to a facility of the other Participant will be coordinated through the DSAs and will conform to the established international visit procedures of the Receiving Participant.

8.5. Lists of personnel of each Participant required to visit on a continuing basis facilities of the other Participant will be submitted through the DSAs in accordance with each Participant's recurring international visit procedures.

**SECTION IX**  
**GENERAL PROVISIONS**

9.1. General administration of any JCTC Personnel required for implementation of this MOU will be mutually determined by the Participants in applicable CAs.

9.2. Subject to the terms of this MOU and the availability of funds appropriated for such purposes, the activities of the Participants under this MOU will be carried out consistent with their national laws and the responsibilities of the Participants.

9.3. The Participants have entered into this MOU with the understanding that the attainment of the overall objectives of this MOU and related activities undertaken pursuant to this MOU as reflected in appropriate CAs, will be apportioned equally between the Participants, by contribution of value by Financial Costs and Non-Financial Costs. Each Participant will share equitably the benefits of activities conducted under this MOU and the costs associated with activities under this MOU. Each Participant will bear entirely its costs associated with any unique national requirements that it identifies to satisfy its own needs, as well as pay costs associated with national representation at meetings. A Participant will promptly notify the other Participant if available funds are not adequate to fulfill its responsibilities under this MOU. In such instances, the Participants will immediately consult with a view toward continuation on a changed or reduced basis.

9.4. Consistent with the ACSA, the Participants at appropriate times will review activities undertaken in connection with this MOU and any of its CAs and determine the status of applicable exchanges of logistics, services, supplies, or support for the preceding 12 months.

9.5. Administrative costs associated with implementation of this MOU will be borne by each Participant, respectively.

9.6. The Participants undertake activities in connection with this MOU in a manner consistent with the Joint Statement of Environmental and Heritage Principles for Combined Activities signed on November 18, 2005.



**SECTION X**  
**EXTENSION TO MULTILATERAL PARTICIPATION**

10.1. By mutual consent of the Participants, cooperative activities under this MOU may allow the participation of governments of other nations. The terms of such participation will be as mutually determined by the Participants.

**SECTION XI**  
**LIABILITY AND CLAIMS**

11.1. Claims arising under this MOU will be dealt with in accordance with paragraph 1 of the Chapeau Agreement. The Participants will share any costs required to be shared under subparagraph 1(b)(ii) of the Chapeau Agreement on the following basis:

11.1.1. Where responsibility for the damage, injury or death can be specifically attributed to one Participant, the cost of handling and settling the claim will be the sole responsibility of that Participant;

11.1.2. Where both Participants are responsible for the damage, injury or death, the costs of handling and settling the claim will be apportioned between the Participants based on their degree of responsibility for the damage, injury or death; and

11.1.3. Where it is not possible to attribute responsibility for damage, injury or death, the costs of handling and settling the claim will be distributed equally between the Participants.

11.2. Claims arising under a contract will be resolved in accordance with the contract. Unless otherwise mutually determined by the Participants, the costs of claims arising as a consequence of a contract awarded pursuant to this MOU will be the sole responsibility of the Participant that is the party to the contract.

**SECTION XII**  
**SETTLEMENT OF DISPUTES**

12.1. Disputes between the Participants arising under or relating to this MOU will be resolved only by consultation between the Participants and will not be referred to a national court, an international tribunal, or any other persons or entity for settlement.

SECTION XIII  
ENTRY INTO EFFECT, DURATION, AND TERMINATION

13.1. In the event of a conflict between a Section of this MOU and any CA to this MOU, this MOU will prevail.

13.2. This MOU may be amended by the mutual written consent of the Participants. The Participants will regularly review this MOU.

13.3. Either Participant may terminate this MOU upon 180 days written notification to the other Participant. The terminating Participant will continue participation, financial or otherwise, up to the effective date of termination. Each Participant will pay the costs it incurs as a result of termination. The Participants may mutually terminate this MOU at any time. Termination of this MOU results in termination of its CAs. Termination of a CA does not result in the termination of the MOU.

13.4. The respective benefits and responsibilities of the Participants regarding Section V (Disclosure and Use of Information), Section VI (Security), Section XI (Liability and Claims), and Section XIII (Entry into Effect, Duration and Termination) will continue to apply notwithstanding termination or expiration of this MOU or any CA.

13.5. This MOU consisting of 13 Sections will come into effect upon the date of signature by both Participants.

For the  
Department of Defense  
of the  
United States of America:



Signature

Donald H. Rumsfeld

Name

Secretary of Defense

Title

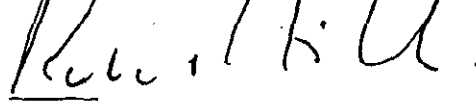
November, 18 2005

Date

Adelaide, Australia

Location

For the  
Department of Defence  
of  
Australia



Signature

Robert Hill

Name

Minister for Defence

Title

November, 18 2005

Date

Adelaide, Australia

Location