

May 2008

DoD 4500.9-R Defense Traffic Management Regulation (DTR) --

Refer to the following website:

http://www.transcom.mil/j5/pt/dtr_part_ii.cfm

DTR Part II, CHAPTER 201 - GENERAL CARGO MOVEMENT PROVISIONS

E. DCMA - ADMINISTERED CONTRACTS (DTR Page II-201-18)

1. IAW the Federal Acquisition Regulation (FAR), contract management may be delegated to DCMA for full management or for transportation support only. The management office TO will provide traffic management functions IAW contract terms and DCMA Policy available at <http://guidebook.dcma.mil> (use Internet Explorer) and then selecting T (for Transportation and Traffic Management).
2. DCMA TOs may delegate traffic management authority to qualified contractors by written agreement IAW DCMA Instruction/Guidebook.

**S. CONTRACTING SUPPORT POLICY FOR TRANSPORTATION ACTIVITIES
(DTR, Page II-201-32)**

1. This paragraph establishes an interface between transportation and contracting and stipulates policies and procedures related to transportation support of contracting for the movement of Government materiel from contractor and vendor plants to overseas destinations.
2. The FAR directs Procuring Contracting officers to obtain traffic management advice and assistance prior to contract award. It is essential that a liaison be established between the two activities to produce the best possible contractual instrument, clearly defining the responsibilities of the contractor and the Government.
3. The acquisition process will involve the customer and transportation service providers early in and throughout the transportation acquisition process. The involvement of transportation providers will be accomplished in a fair and equitable manner; care will be taken not to favor some firms in an industry over others.
4. It is the DOD policy to procure transportation and related services using streamlined "best value" acquisition processes. See definition of "Best Value."
5. All DOD contracts must include, as a minimum, the following transportation instructions:
 - a. All shipments moving within the DTS must comply with the DTR.
 - b. All shipments must comply with ITV requirements by providing movement data to GTN via EDI using ANSI X12 codes IAW DOD timeliness criteria or best business reporting procedures.

6. All shipments will comply with DOD AIT standards. As a minimum, shipments must contain 2D bar coding.
7. All planeload/shipload movements going to an OCONUS destination (prior to movement) must be cleared through the USTRANSCOM DDOC by calling Commercial: 618 229-1698 or DSN: 779-1698.
8. All export OCONUS shipments entering the DTS, except for materiel moving direct to the customer by commercial carrier, must be precleared using an ATCMD(s) through the sponsoring shipper Service clearance authority. If in doubt concerning clearance requirements, contact the USTRANSCOM DDOC at Commercial: 618 229-1698, DSN: 779-1698 or toll free: 866 622-2875.

DTR Part II, CHAPTER 202 - CARGO ROUTING AND MOVEMENT

G. PROOF OF SHIPMENT AND PROOF OF DELIVERY (POD) (DTR, Page II-202-5 and 6)

1. Tenders may contain provisions for carriers to furnish proof of shipment and POD records.
2. Proof of shipment is a paper or electronic carrier record provided by the carrier at the time of shipment and signed by the origin TO or representative. The signed copy of the proof of shipment provides the shipper with evidence a specific shipment was tendered to a carrier for transportation.
3. POD is a paper or electronic record maintained by the carrier that establishes when a specific shipment was offered for delivery at the destination and when it was accepted for delivery as authenticated by the signature of the consignee TO or representative.
4. Proof of receipt for delivery at the stopoff unloading point will utilize DD Form 1371, Consignee's Receipt for Delivery at Stopoff/Unloading Point, Figure 202-6.
5. All DOD shipments must comply with DOD ITV requirements by having carriers submit movement data to GTN via EDI using ANSI X12 codes IAW DOD Timeliness Evaluation Criteria, Table 202-2, or best business reporting procedures.

DTR Part II, CHAPTER 204 - HAZARDOUS MATERIAL

B. RESPONSIBILITIES (DTR, Page II-204-2)

3. The TO will:

c. Ensure shipping papers (i.e., BL; GBL [Korea only], DD Form 836, Dangerous Goods Shipping Paper/Declaration and Emergency Response Information for Hazardous Materials Transported by Government Vehicles, Figure 204-3, Shippers Declaration for Dangerous Goods, Figure 204-7, or DD Form 2890, DOD Multimodal Dangerous Goods Declaration, Figure 204-12) are annotated with HAZMAT data IAW modal regulations. Additionally, ensure the CAA, COE, DOT-SP number or Special Approval is annotated on the shipping papers.

d. Ensure the HAZMAT is properly marked, packaged, and labeled for shipping IAW MILSTD-129 and directives as specified in Paragraph C.

C. REGULATORY REQUIREMENTS (DTR, Page II-204-5)

1. This applies to all regulated HAZMAT. Ammunition or explosives may not be shipped in unloaded and ready-to-fire configuration over public highways, via rail, vessel, or commercial/military aircraft. Regulated DOT HAZMAT will be shipped in UN/DOT or DOD-approved packages.

2. Commercial surface and air movement. Military shippers arranging transportation of HAZMAT must comply with local, State, Federal (49CFR), and international laws and regulations and SOFA, STANAG, HN, and DOD Component publications. Procedures for transporting government-owned small arms, ammunition, and HAZMAT aboard commercial/passenger aircraft in scheduled and charter service are contained in Appendix S. DOD or contractor personnel who fail to comply may be liable for civil and criminal personal liability penalties for violations and any resulting penalties.

3. Military Airlift. Requirements for military aircraft and commercial aircraft under contract to the AMC operating under DOT-SP 7573 and 9232 are covered in AFMAN 24-204(I)/TM 38250/MCO P4030.19I/NAVSUP Pub 505/DLAI 4145.3/DCMAD1, CH 3.4 (HM24). Procedures for transporting government-owned small arms, ammunition, and HAZMAT aboard commercial aircraft in scheduled and charter service are contained in Appendix S.

4. Shipments for National Security. The provisions of 49CFR173.7(b), may only be used under a special program approved by the Service or DOD component HQs. The program will provide equal or better protection than the normal DOD/Service/DOT rules during transport. The approving official will be at the general officer level or equivalent. The approving official will sign the memorandum that certifies that the shipments made within the specific program are in the interest of national security. A copy of the memorandum will be in the possession of the person who is in charge of the security escort team.

5. Military Vehicle Surface Movement.

Installation (other than public highway). The Services will determine requirements for on-installation transportation of regulated amounts of HAZMAT as defined in 49CFR172.101, Purpose and Use of Hazardous Materials Table. At a minimum, the Services/Agencies will address operator training, driver licensing, minimum blocking and bracing requirements, and emergency notification procedures for incidents and/or accidents on roads controlled by the Services/Agencies. A road is considered controlled by the Services/Agencies if access to the road is restricted at all times through the use of gates and guards.

Installation (public access). Comply with the requirements of Paragraph C.2 when moving HAZMAT over uncontrolled roads. A road is considered uncontrolled by the Services/Agencies if it is used by the general public (including family members of Service/Government personnel).

Off-installation. The Service tactical and combat units must adhere to the requirements of 49CFR when transiting public highways. Installation CDRs will develop procedures for the movement of HAZMAT on installation or government roads and over public highways IAW or more stringent than 49CFR and this regulation if tactical or combat units travel on roads accessible to civilians, family members, military personnel, or contractors, to include operations needed to meet daily training and mission readiness requirements (i.e., Explosive Ordnance Disposal (EOD), security forces, munitions or ordnance handling functions). OCONUS comply with HN requirements.

Intra-facility. The EPA promulgated a rule that exempts manifest requirements for all intra-facility/on-installation HW shipments, as defined by 40CFR261.3. If a HW shipment is made on a public or private right-of-way that is within or along the border of the installation, an EPA manifest, otherwise required under 40CFR262, Standards Applicable to Generators of Hazardous Waste and 49CFR172.205, Hazardous Waste Manifest, is not required; however, Material Safety Data Sheets are still required. DOD has also adopted these standards for intra-facility/on-installation shipments of HW. However, DD Form 836 Figure 204-3 or DD Form 2890 Figure 204-12 and any other forms (e.g., DD Form 1348-1A, Figure 204-7, DA Form 3161, Request for Issue or Turn-In, Figure 204-9) describing the HW must accompany the shipment to aid in tracking and managing HW while on-installation. HW being transported off-installation must comply with all DOD, DOT and EPA transport requirements. UN packaging is not required for on-installation movement of HAZMAT and HW unless prescribed by the Service/Agency Standard Operating Procedures (SOP) or regulation but is required for all off-installation movement unless packaged IAW procedures described in Paragraph H below.

6. Brokers and freight forwarders (which includes shipper agents and shipper associations) are restricted from handling Class 1, Division 1.1 thru 1.6, sensitive munitions, or other shipments requiring Protective Security Service (PSS), Dual Driver Protective Service (DDP), Constant Surveillance Service (CIS), Motor Surveillance Service (MVS), or Signature and Tally Record Service (675). All cargo subject to FAR-based contracts originating at installations must be first offered to one of the awarded FAR-based contract carriers of a given lane before moving traffic via an alternate means. Upon approval by SDDC, voluntary tenders may be used only during contingency conditions or when the volume exceeds the contractor's capacity.

7. The shipper or person who stuffs the container and has been designated by the CDR to certify HAZMAT cargo will sign the DD Form 2890, DOD Multimodal Dangerous Goods Form, Figure 204-12, and the DD Form 2781, Container Packing Certificate or Vehicle Packing Declaration, Figure 204-13.

DTR Part II, CHAPTER 207 - CARRIER PERFORMANCE

C. RESPONSIBILITIES (DTR, Page II-207-1)

1. Shipping activities will:

- a. Implement the CPP to ensure local carrier performance is adequately monitored.
- b. Report performance issues to the SDDC Operations Center for action as warranted.

2. Receiving activities will:

- a. Monitor performance of carriers delivering to their activities.
- b. Report any service failures to shipping activities for their consideration.
- c. Communicate with shipping activities on carrier performance.

3. The SDDC Operations Center will:

- a. Manage and monitor the effectiveness of the CPP.
- b. Monitor carriers' overall performance and their ability to provide service to the DOD.
- c. Consider service elements such as compliance with DOD and DOT regulations, rules publications, and qualification agreements.
- d. Determine when a pattern of non-use actions and service failures documented by the TO warrants further non-use or disqualification.

4. Questions or concerns regarding any aspect of CPP should be forwarded to the attention of the SDDC Operations Center. Addresses and phone numbers are as follows:

Military Surface Deployment and Distribution Command Operations Center
ATTN: SDG3-GD-CS
661 Sheppard Place
Ft Eustis, VA 23604-1644
Telephone: DSN: 826-8724, Commercial: 757 878-8724

DTR Part II, CHAPTER 209 - LOSS AND DAMAGE CLAIM PREVENTION AND ASTRAY CARGO PROCEDURES

B. SHIPPING AND RECEIVING RESPONSIBILITIES (DTR, Page II-209-1)

1. The TO or receiving facility will:

a. Accept all government shipments. The TO will not refuse delivery of government cargo at their facility. There may be receiving exceptions for express carriers and USPS.

b. Receive copies of the shipping documents (BL), from the shipping office and establish a due in suspense file. If the cargo is not received, contact the origin shipper and or carrier. Initiate tracer and claim action.

c. Implement effective shipping and receiving procedures to minimize cargo loss and damage (See Figure 209-1, Shipping Checklist, Figure 209-2, Receiving Checklist, and Figure 209-3, Suggested PowerTrack Astray Cargo Procedures).

d. Document and resolve transportation discrepancies, to include misdirected and damaged cargo, IAW Chapter 210.

e. Submit changes to the Transportation Facilities Guide IAW Appendix A.

f. Conduct or arrange for comprehensive training of all personnel involved with packaging and documentation.

C. SHIPPING PROCEDURES

1. Outbound freight personnel will:

a. Ensure freight is packaged to withstand the ordinary transportation hazards based on the transportation mode selected.

b. Ensure documentation and labeling are complete and accurate. Labels will include, at a minimum, in-the-clear addresses for consignor and consignee; TCN, and piece count, e.g., "1 of 2", "2 of 2".

c. Provide a legible copy of the BL or other shipping papers to the consignee(s), via electronic, FAX or REPSHIP (See Figure 204-8). See Appendix E for FMS shipments.

d. Consider increasing the declared valuation and pay additional minimal costs if a shipment requires additional coverage because of its sensitivity, scarcity, historical value, or other unusual characteristics. Government freight shipments moved by commercial carriers are subject to varying degrees of valuation, depending on the mode of shipment or the terms of carriage. Shipping personnel will consult and follow Service specific guidance to determine when an increased, declared value is appropriate.

D. DELIVERY PROCEDURES

1. Designated receiving personnel will:

a. Count all boxes, containers, and pieces received in each shipment.

b. Examine each item unloaded from the carrier's conveyance. When a box or shipment shows evidence of damage or pilferage, call it to carrier's attention and segregate these items from other unloaded items to ensure that a proper record is made.

c. Keep a record of piece count and condition of material when shipment is in-checked. This record will show shipment identification, carrier equipment number, time, date, seal number, condition of seals, and checker's name. Consignee's copy of the BL, a tally sheet, or other approved forms will be used.

d. Record any overage, shortage, or damage.

(1) When material received is in excess of the quantity shown on the BL, annotate carrier delivery receipt and report all overages and reconciliation IAW Chapter 210.

(2) Annotate original and consignee's copy of carrier's delivery receipt with specific identification of missing or damaged items. Sign and date all copies of the delivery receipt.

(3) Ensure the carrier's representative signs all copies of delivery receipt.

(4) Do not annotate the carrier's delivery receipt with comments such as "Subject to count and inspection."

e. Take photographs (before unloading, if possible) when damage exists or other conditions indicate loss or damage may exist.

f. If damage is noted after the carrier's representative departs, immediately contact carrier's nearest office to report the damage and request a shipment inspection.

g. Give the carrier up to seven calendar days to inspect the shipment. If the carrier waives inspection, make a record of the waiver; include the name of carrier representative and the date and time the carrier waived shipment inspection. The carrier must FAX a statement waiving inspection. The FAX will include the carrier representative name, date, and time waived.

h. Avoid opening damaged freight until a carrier representative is present.

(1) Unless prompt unpacking reduces damage to a shipment, the shipment may be unpacked, or;

(2) Damaged freight creates a hazardous situation or presents a health risk. If this occurs, unpacking must occur immediately.

i. Obtain a copy of the carrier's inspection report to include in the TDR package. If the carrier assumes responsibility, obtain a certified statement attesting to this assumption.

j. Not release any TOP SECRET, SECRET, CONFIDENTIAL, sensitive, and technical supplies or equipment to a carrier for repair or salvage. Contact the IM for disposition instructions. (See Chapter 210)

k. Avoid discussing liability with the carrier.

1. Accept delivery of shipments damaged during transportation regardless of who has damage risk responsibility and annotate the carrier delivery receipt.

DTR Part II, CHAPTER 210 - TRANSPORTATION DISCREPANCY REPORT (TDR)

A. GENERAL

1. This chapter prescribes responsibilities and procedures for reporting transportation discrepancies involving commercial carriers and military shippers worldwide. The Services, DLA, and GSA approved these procedures.
2. Purpose: TDRs are created for two purposes:
 - a. To document loss of or damage to government material to support the filing of claims against carriers for Government reimbursement. If a claim is not filed, the Government is not compensated by a carrier for loss/damage, which leaves the Government, and thereby the taxpayer, to pay the bill.
 - b. To document shipper-related discrepancies, e.g., those associated with HAZMAT requiring corrective action.
3. This chapter provides the receiver with rules to:
 - a. Document facts and evidence to claims offices (DFAS) for each of the Services, DLA, DCMA, and the GSA National Customer Service Center to support loss and damage claims against the carrier or contractor to ensure recovery of government funds.
 - b. Provide facts to the SDDC Operations Center and other responsible activities for use in loss and damage prevention.
 - c. Provide proof of transportation discrepancies so changes can be made to financial records, property, and inventory files, and dependent on Service and Agency policy, to the IM who can reissue the lost or damaged material.
4. Report transportation discrepancies involving motor, air, water, rail, and small package commercial carriers. Use the procedures in this chapter for discrepancies involving:
 - a. Astray cargo.
 - b. Shortage.
 - c. Pilferage.
 - d. Theft.
 - e. Damage.
 - f. Vandalism.

g. Material overage.

- h. Contract services not provided.
 - i. Non-conformance with HAZMAT shipping requirements.
5. For miscellaneous transportation discrepancies, see Paragraph H.

DTR Part II, CHAPTER 211 - LOSS AND DAMAGE CLAIMS PROCEDURES

C. PROCEDURES

1. Before claim action can be initiated, the TO must complete three actions:

- a. Initiate Report. Transportation personnel must gather facts on the time, place, and circumstances of an in transit property loss or damage.
- b. Additional Development. Coordinate the loss or damage investigation with other offices and obtain legal or technical help as necessary.
- c. Evaluate Responsibility. Determine who is responsible for the loss or damage.

2. Initiating Claim Action. Calculate the amount of loss or damage. Determine if the carrier is responsible for the loss or damage. When the loss or damage is less than \$500, file a claim against the carrier, following the procedures outlined in Figure 211-1, Local Claim Filing Guidelines. When the loss or damage exceeds \$500, send a completely documented TDR (See Figure 210-1) to the finance center or claim office for action.

D. INVESTIGATING DISCREPANCIES

The primary purpose of discrepancy investigation is to determine responsibility for loss or damage and establish the full actual loss to the Government. The TO must conduct a full and impartial investigation of the responsibility for loss or damage. The investigation must establish such factors as proximate cause of damage, measure of loss or damage, market value (or Federal Supply Catalog or DLA Consolidated Management Data List value), preshipment repairable value, salvage allowance, depreciation, inspection by the carrier or Government, actual repair cost, and disposition of damaged property.

DTR Part II, APPENDIX E - SECURITY ASSISTANCE PROGRAM (SAP) SHIPMENTS: FOREIGN MILITARY SALES (FMS) AND GRANT AID

A. GENERAL

1. The SAP is a United States Government (USG)-sanctioned program that authorizes and controls government-to-government transfer of defense articles and services. Authority and procedures for the program come from several levels of the USG. These include Congressional legislation; Presidential Determinations (PD); and rules, regulations, and procedures published by the Department of State, Department of Commerce, and Department of Defense (DOD). Within the DOD, each of the Services issues its own SAP rules, regulations and procedures. Each Service is identified as an Implementing Agency (IA) or a Sponsoring United States (US) Service when it

administers SAP functions. The SAP is divided into two sub-programs, the FMS Program and a collection of Grant or Grant Aid programs.

2. Since 1981, FMS has been the major SAP. In 1981, most Grant recipients began receiving grant funds directly to use for FMS purchases (MAP Merger). MAP Merger has since been replaced by non-repayable credit money for FMS purchases. FMS Customer Countries buy defense articles and services from the DOD or the USG. They may use their own funds for purchases or use credit, either repayable or non-repayable. Regardless of the fund source, US law states that the DOD will not operate the FMS program at a loss.

3. Under FMS, a Customer Country takes possession or custody of its purchases at various points. Custody can change hands at a shipment's continental US (CONUS) or overseas point of origin, at a Customer Country's CONUS-located facility (usually a Purchaser's freight forwarder), or at an overseas Port of Debarkation (POD) or inland point in the Purchaser's Country. FMS materiel can, therefore, move to a Customer Country as totally non-Defense Transportation System (DTS), partially DTS, or totally DTS. Regardless of where custody or control of FMS shipments changes, however, title or ownership almost always passes to the purchaser at its CONUS or overseas point of origin. There are rare exceptions to this policy, but they must be specifically addressed in an FMS Case.

4. Change of custody is identified by Delivery Term Codes (DTCs). The transfer point is agreed to by the Purchaser and the USG in an FMS Case or Letter of Offer and Acceptance (LOA). Even though a DTC is always negotiated in the LOA process, the kind of materiel involved can determine DTCs. For example, Sensitive Arms and Ammunition and Explosives (AA&E) must be controlled by the DOD at least through a DOD-controlled Port of Embarkation (POE). Therefore, a minimum of DTC 8 must be assigned to an LOA for this materiel. Besides the DTC, an LOA contains all the data that is normally needed to process and ship FMS materiel.

5. DTCs, Type Assistance or Finance Codes, address codes, are transferred from an LOA to Military Standard Requisitioning and Issue Procedures (MILSTRIP) requisitions and release documents by IAs. This MILSTRIP data provides DOD/USG shipping activities information needed to release FMS shipments. This data identifies the custody transfer point, the IA, ship-to and mark-for addresses (address codes), FMS Case Codes that are used to construct Transportation Account Codes, and the need to use a US carrier (Type Finance or Assistance code).

6. The Grant Aid Program is actually more than one program; for example, the International Military Education and Training Program. Although technically not part of the Grant Aid Program because Congress does not fund them, PD shipments are processed as Grants. MILSTRIP documentation for Grant Aid releases also provides all of the data needed for shipment. Unlike FMS, all Grant Aid shipments are moved via the DTS to a recipient country POD (offloaded).

7. Because title or ownership to FMS and Grant Aid materiel passes to a Customer or Recipient Country at its CONUS or overseas point of origin, DOD/USG-procured transportation may be furnished as a reimbursable service for a Customer Country. However, the USG will not be held responsible for damage or loss that may occur in transit, regardless of the mode of transportation used. Customer countries are advised during FMS case preparation to obtain commercial insurance if they want to recover materiel costs for in transit loss or damage. DOD shipping activities or transportation agencies, however, must initiate tracer actions or submit claims against carriers on behalf of Customer Countries for loss or damage that occurs during DOD-sponsored

transportation.

8. See Chapter 205 for information on shipments of SECRET, CONFIDENTIAL, CCI, and SENSITIVE material.

B. RESPONSIBILITIES

1. For DTS surface-moved FMS and Grant Aid cargo, the Military Surface Deployment and Distribution Command (SDDC) Operations Center will:

a. Determine proper freight classification, rates, charges, rules, and regulations that apply to SAP traffic.

NOTE: DOD tenders also apply to the movement of SAP shipments.

b. Negotiate with all commercial for-hire carriers to establish or modify rates, classification descriptions and ratings, charges, rules regulations, or accessorial freight services.

c. Ensure that rates and charges that involve accessorial freight services incidental to a linehaul transportation movement under SDDC routing control are solicited as follows:

(1) Rates and charges for performance of transportation (does not include accessorial freight services).

(2) Rates and charges for performance of transportation plus accessorial freight services.

d. Advise IAs and other DOD agencies of the results of negotiation actions taken.

e. Recommend litigation in transportation and traffic management areas to protect and promote the interests of the DOD SAP.

2. Transportation Officers (TOs) and contracting officers will furnish the SDDC Operations Center with all information in connection with negotiations with commercial carriers as far in advance as possible. Ideally, Volume Movement Request (VMR) for DTS-routed SAP-planned volume movements will be submitted at least 60 days in advance of a movement, but not less than 30 days before the date of the movement. If a movement develops within a shorter timeframe, the information must be furnished as soon as possible.

3. Commanding officers, purchasing and contracting officers, inventory managers, TOs at contract administration offices, and other DOD officials having advance information concerning procurement or other actions involving DTS-routed SAP-planned volume movements will furnish such information to the TO or traffic analyst serving the purchasing activity (Federal Acquisition Regulation, Part 42-1402, Volume Movements within the Continental United States). The TO or traffic analyst, in turn, will furnish the required information to the SDDC Operations Center In Accordance With (IAW) transmittal instructions as far in advance as possible.

.....
F. TRANSPORTATION PROCEDURES

1. Shippers must determine whether FMS cargo will move under DOD control (DTS) or Customer Country control (non-DTS). This is identified by a shipment DTC unless an IA issues official instructions to ship under another DTC. MILSTRIP document numbers and their associated Transportation Control

Numbers (TCNs) cannot be changed; so a shipper only ships differently from an assigned DTC according to specific written instructions received from an IA. Defense Working Capital Fund (DWCF) materiel includes inland CONUS transportation cost in its materiel prices. Therefore, all inland-CONUS transportation of DWCF is done on a pre-paid basis regardless of the DTC assigned. All sensitive AA&E materiel must move, as a minimum, in DOD-controlled transportation through a DOD-controlled POE into a Customer Country controlled vessel or aircraft. If a DTC is assigned to an FMS release that does not conform to this policy, the shipper will contact the IA to have the release upgraded to at least a DTC 8. Classified materiel may also require this minimum of DOD control. If DTC 8 is assigned to a non-sensitive AA&E or Unclassified shipment, the IA will also be contacted to have the DTC downgraded.

2. DTCs and other SAP-related codes are found in MILSTRIP requisitioning and release documents placed by material managers on DOD and General Services Administration shipping activities. DOD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP) and IA Service regulations provide release procedures for FMS and Grant Aid shipments. They also identify supply documentation needed to properly mark and address the materiel. Codes such as DTCs, Country Codes, Offer/Release Option Codes will be used by shippers to apply the correct release procedures to a SAP shipment. DTCs are defined and described in Paragraphs O and P below. They are located in Record Position (rp) 34 of a MILSTRIP document or the fifth position of a TCN.

3. Depending on a shipment's DTC, the source of materiel (i.e., DWCF or non-DWCF items), and the nature of the materiel, e.g., sensitive AA&E or classified items, the following transportation will be arranged by DOD shipping activities for FMS shipments. Grant Aid shipments will be processed in the same way as DTC 9 FMS shipments, i.e., DOD will arrange shipment from point of origin to overseas POD plus overseas carrier offloading.

a. Unless a Customer Country or its agent (freight forwarder) makes arrangements for pickup at the shipping activity; DTC 4 and E, non-DWCF and non-sensitive cargo will be shipped to a CONUS ship-to address on a Collect Commercial Bill of Lading (CCBL). Ship-to addresses are identified in the Military Assistance Program Address Directory (MAPAD) as Type Address Code (TAC) 2 addresses.

NOTE: Small parcels will be forwarded on a pre-paid basis to the TAC 1 address found in the MAPAD even if they meet all the above requirements for collect shipment.

Pre-pay-and-add procedures will be followed to reimburse the USG for this transportation. Also, if a TAC 7, third-party billing address appears in the MAPAD for a DTC 4 collect shipment, the carrier selected must be willing to follow third-party billing procedures before being given the shipment.

b. DTC 5, 7, 8, 9, A, B, C, D, F, G, H, and J and all DWCF materiel will be shipped pre-paid to a CONUS location. This location will be a Customer Country's own facility, its freight forwarder's facility, a commercial port facility when directed by a Notice of Availability (NOA) response, or a CONUS POE. Payment for the inland CONUS transportation will be made under a BL or other acceptable DOD method of carrier payment. Shippers must ensure that they cite the DWCF funds for shipments of DWCF materiel and the FMS transportation fund for non-DWCF shipments.

NOTE: Although DTC 5 involves shipment to a Customer Country's freight forwarder, the Customer Country or its freight forwarder cannot designate which carrier a shipper must use. The DOD is furnishing transportation, and DOD carrier selection rules must be followed.

Only when shipments are being made on a collect basis can the purchaser or freight forwarder name the carrier. These instructions may come in a NOA response, or be furnished as Special Instructions to an address in the MAPAD.

c. Deviations from shipment DTCs may occur. Since MILSTRIP document numbers are permanent records, they or their related TCNs will not be amended to reflect these changes. When a change occurs, the shipping activity will be advised in writing by an IA or a materiel manager to process a shipment according to the revised DTC. The materiel manager will use a Transportation Bill Code to advise the Defense Finance and Accounting Service-Denver (DFAS-DE) of the action for billing corrections.

4. Shipment Discrepancies. Customer Country can make claims for deficiencies in materiel that occur prior to shipment, i.e., title transfer. Claims for materiel deficiencies, including nonshipment, are submitted by Customer Countries in Supply Discrepancy Reports (SDRs). Shippers must furnish proof of shipment if a SDR is submitted for non-receipt or damaged materiel. SAP regulations define this proof of shipment as, "Constructive Proof of Delivery". Proof of shipment can be any BL or small parcel carrier pickup register that shows acceptance of the shipment by the carrier. It can also be a US Postal Service Insurance, Certified, or Registered mail form that shows initial movement of the materiel from a DOD shipping activity. In addition to depots, "shipping activity" includes commercial vendors who supply materiel under a DOD contract for the FMS Program. Any cost for loss or damage to materiel while in transit, regardless of where DOD/USG control terminates, must be absorbed by the purchaser. Customers are advised during the LOA process that, due to limited liability by carriers, they will purchase commercial insurance if they wish to obtain full value for shipments that are damaged or lost in transit, including in the DTS. Responsibility for tracer actions or claims against carriers, however, will depend on if shipments are DOD-controlled or Customer Country/freight forwarder-controlled. These responsibilities are described below.

a. When the DOD/USG furnishes or procures transportation for FMS shipments, the shipping activity is responsible for initiating a tracer action with a carrier if a request is received from a Customer Country representative. If loss or damage to a shipment while in transit is involved, the shipper will file a claim against the carrier on behalf of the Purchaser. Claim proceeds, if any, will be forwarded to the Customer Country's account held at DFAS-DE. DOD transportation agencies will use TDR procedures for tracers and claims for FMS materiel moving overseas via the DTS.

b. When a CCBL is used, DOD will only need to prove shipment. All tracer or claim action is the responsibility of the Customer Country or its freight forwarder.

5. DOD/USG-furnished transportation will for the most part follow normal DTS procedures for carrier selection, routing, and discrepancy reporting. Some special procedures, such as sending NOAs, will apply to some DOD transportation. When a Customer Country or its freight forwarder furnishes transportation, different tracing, claim, and carrier selection responsibilities will apply. Even though the majority of DTC 4 shipments are released to a carrier selected by a DOD shipping activity, a Customer Country or its freight forwarder are technically in control because the BLs are CCBLs. A "no-recourse" clause will be added to every CCBL by a shipper as a precaution against consignee default. An NOA response or Special Instructions in the MAPAD may instruct a shipper to use a carrier of the Purchaser's or Freight Forwarder's choice; so shippers must always be especially alert to NOA responses and MAPAD Special Instructions that apply to DTC 4 releases. In addition to these general considerations, SAP shipments require an understanding of several terms that do not apply to DOD shipments. Described below, these

terms are used in conjunction with the general transportation procedures found in Chapter 203.

a. DTS. When FMS and Grant Aid materiel is transported under DOD control, it is being moved within the DTS. The usual meaning of DTS for DOD cargo is that portion of the worldwide transportation infrastructure that supports the DOD common-user transportation needs across the range of military operations. The DTS consists of those common-user military and commercial assets, services, and systems organic to, contracted for, or controlled by the DOD, except for those that are Service-unique or theater-assigned. Overseas movement via a carrier paid with a GBL, CBL, or Electronic Data Interchange (EDI) that cites a DOD-controlled fund is a DTS movement. Even when FMS cargo is moved to a freight forwarder in the CONUS (DTC 5) or through a DOD port for pickup by an FMS Customer Country (DTC 8), it is in the DTS if the shipment is prepaid from the shipping activity. NOA and other special FMS procedures apply to these shipments, but tracing and claim responsibility belong to the DOD because the transportation has been procured by DOD activities.

.....

H. ADVANCED NOTICES AND OCEAN DOCUMENTATION

1. In most cases, advance notices must be transmitted for all SAP shipments. Likewise, shippers must send NOAs before releasing FMS shipments to CONUS freight forwarders unless specified below. DTS shipments of protected cargo, such as ammunition, require Reports of Shipment (REPSHIPS). Ocean cargo documentation is required for SAP cargo lifted by DTS ocean transportation. This documentation must be delivered to US MILREPs in recipient countries before ship arrivals. SDDC or SDDC-contracted ports transmit this documentation to preclude Customs and offload problems at destination ports.

4. Ocean and Air Documentation. USMILREPs assigned to Customer/Recipient Countries must monitor and coordinate transfer of DTS-routed SAP shipments from DOD/USG to Customer Country control at PODs. Advance notice of incoming shipments plus copies of release documents, manifests, REPSHIPS, Cargo Traffic Messages and BL are needed to carry out these functions. Timely notice and accurate documentation are absolutely necessary for preventing release and Customs problems at PODs.

a. Release Documents. Copies of DD Form 1348-1A or DD Form 250 must be firmly attached to every SU released to a Freight Forwarder, FMS Customer Country, or Grant Aid recipient. These documents are mandatory for Customs. Although packaging regulations require that copies of these documents be placed inside shipments as well as outside, the ones on the outside are the only ones that freight forwarder or port personnel are authorized to open. Shippers will ensure that the outside copies are properly attached to SUs and that backup copies are available to replace any lost in transit.

b. Air. Advance documentation, especially air manifests, is not available for AMC-lifted cargo. Manifests normally travel with cargo, and these will be available for USMILREPs located in destination countries. USMILREPs have access to requisition status; they will make use of this to keep informed of in transit cargo.

c. Ocean. Following time standards found elsewhere in this regulation, certain notices and documentation will be forwarded to USMILREPs located in destination countries upon the departure of the cargo from CONUS ports. The SDDC Operations Center, port operations

contractor designated by SDDC, and the ocean carrier contracted by SDDC for lift are responsible for sending these documents in a timely manner. These notices/documents are as follows:

(1) Cargo Traffic Messages. These advise USMILREPs that materiel is en route to the country where USMILREP is assigned. Besides weight and cube, it advises, if possible, of any ship changes en route and of any hazardous or sensitive cargo destined for the SPOD in the destination country.

(2) Ocean Manifests. Most Customer/Recipient countries do not have access to the Worldwide Port System. Therefore hard copy ocean manifests must be forwarded to USMILREPs located in these countries. These manifests need to be in the hands of USMILREPs in advance of ship arrivals.

(3) GBLs. If used, copies must be forwarded to USMILREP in Customer/Recipient countries.

(4) Ocean BL (OBL). Originals of these documents are the most important document of all for USMILREPs located in a recipient country. Foreign Customs officials will normally accept nothing else for releasing cargo from a SPOD. Original OBLs will be forwarded by expedited delivery service.

(5) The correct address for these USMILREPs is usually identified by a TAC 4 address in the MAPAD. Plain language message or e-mail addresses for these USMILREPs.

.....
I. SPECIAL CONSIDERATIONS

Shippers and other transportation activities or agencies must comply with special considerations when processing SAP shipments. Some of these special considerations are as follow:

1. Labeling. SAP shipments are labeled as outlined in MIL-STD-129. Unique labels, color codes, or other special markings are not authorized. When such requests are received from a Customer Country, they must be advised that such services must be obtained from their freight forwarder.
2. Mandatory Use of US Carriers. FMS materiel sold under non-repayable credit or funded with Grant Aid funds must be transported under certain rules. Overseas ocean lift must be made in US Flag carriers unless waivers are obtained from the US Maritime Administration. First priority must be given to US Flag commercial air carriers for airlifted cargo. FMS shipments that must follow these rules are identified with the following TACs in rp 35 of MILSTRIP requisitions/MROs or sixth position of TCNs: M - Grant Aid/MAP merger, N - Non-repayable credit, Z - DOD direct or guaranteed credit. All Grant Aid shipments must follow these rules.
3. DOD/USG Freight Rates. Special reduced rates for USG shipments also apply to FMS shipments. BLs for FMS shipments are annotated, "This is an FMS shipment, commercial rates do not apply." This policy includes reduced rates under the SDDC Universal Service Contract.
4. Suspensions. Shipments may be held or suspended as outlined in DOD 5105.38-M, Security Assistance Management Manual, and in individual Service directives.
5. When CCBLs are used, shipping activities must ensure that the NO RECOURSE CLAUSE (Section 7) is executed in the bills. This includes third-party bills when TAC 7 addresses apply.
6. Irresolvable Problems. FMS shipment problems that cannot be resolved by the shipper and/or freight forwarder will be referred to the IA/Sponsoring Service SAP Agency. POCs at these agencies are listed in Table E-4.
7. HAZMAT Certifications. FMS HAZMAT shipments must be certified by shipping activities according to international requirements for overseas movement. This also applies for shipments to CONUS freight forwarders. DOD policy states that all HAZMAT certifications may be done

only on a Shippers Declaration for Dangerous Goods or a Multimodal Dangerous Goods Form is an option, but it is not mandatory. NOA addressees cannot demand this form. NOAs for II-E-19

HAZMAT will request that the addressee clearly state whether the cargo will be exported by air or by surface so the proper certificate can be prepared.

8. Shipments of Hazardous Class 1.4 to freight forwarders. For Air Force sponsored shipments, when a freight forwarder requests to receive Class 1.4 items, OO-ALC/WMR (See Table E-1) will direct the shipment to the freight forwarder, send a copy of the Competent Authority Approval (CAA) letter to the freight forwarder, and ensure the transportation billing is adjusted to reflect the change in delivery.

.....
M. COMMINGLING

Do not commingle FMS material on the same BL with DOD material.
.....

O. DTCs OUTBOUND ONLY

1. These DTCs define DOD/USG responsibility for custody and transportation of FMS purchases from DOD/USG supply sources (from stock or DOD procurement). FMS shipments can originate from CONUS or from overseas sources (including procurements but excluding shipments from overseas depots). Title/ownership almost always passes from the USG to the foreign customer at origin, even if the materiel comes from a commercial vendor. DTCs describe physical custody or responsibility. They do not necessarily identify the funding used for DOD furnished or procured transportation. When the USG provides transportation, it is performed as a reimbursable service. Funding may be from the FMS Trust Fund Transportation Cost Clearing Account, from DWCFs if inland CONUS transportation is part of the materiel purchase price, or from some form of direct funding used for very high-cost transportation, such as SAAMs. Paragraph 2 below gives a brief summary of FMS DTCs.

NOTE: Zero (0) is not a DTC. It is assigned to Grant Aid type MILSTRIP documents to fill the DTC position. DOD responsibility for Grant Aid shipments is equivalent to DTC 9. Paragraph O.3 gives a detailed explanation of the uses of the DTCs.

2. Summary of DOD responsibility.

DTC DOD Delivers

- 7 To an overseas inland destination on board inland carriers equipment.
- 9 To the overseas POD alongside ship; includes offloading.

3. Detailed explanation of DOD responsibility for CONUS originated FMS shipments. The zero (0) is not a DTC. It is used as filler for any Grant Aid procedure shipment, e.g., PD Drawdown shipments. Materiel management commands will not use this as a substitute for a DTC, such as DTC 9, to avoid complex billing procedures for shipments lifted with special transportation (SAAMs for example). DOD policy is to handle Grant Aid type shipments as DTC 9.

DTC Explanation

- 7 Delivery to an inland point in the recipient country. The DOD is responsible for

transportation, including overocean and inland overseas movement, from point of origin to a specified inland point overseas. The Customer Country is responsible for offloading the shipment from the overseas inland carrier's equipment for a subsequent onward movement. Use of this DTC is kept to a minimum because it can obligate the USG to procure transportation in geographical areas where inland transportation is difficult to arrange. It is often used for countries that are authorized to use the DTS but have no seaports (e.g., Bolivia and Austria). It also is applied to shipments routed via an Air Force/Army/Navy Post Office since these shipments are routed to destinations beyond in-country PODs.

NOTE: Under this DTC, shipping activities must identify materiel as DWCF or non-DWCF to ensure that the correct fund citation is used for the inland CONUS portion of transportation. DWCF materiel moves under the DWCF citation; non-DWCF materiel moves under the FMS Trust Fund Transportation Cost Clearing Account citation.

- 9 Delivery to overseas POD offloaded. The DOD will effect movement of materiel from point of origin to overseas port of discharge, including offload at POD from the ship or aircraft. The Customer Country is responsible for all handling and onward movement of the materiel from the dock alongside the ship or from the air terminal.

NOTE: Under this DTC, shipping activities must identify materiel as DWCF or non-DWCF to ensure that the correct fund citation is used for the inland CONUS portion of transportation. DWCF materiel moves under the DWCF citation; non-DWCF materiel moves under the FMS Trust Fund Transportation Cost Clearing Account citation.

DTR Part II, APPENDIX I - TRANSPORTATION DISCREPANCY REPORT (TDR) INSTRUCTIONS

A. INSTRUCTIONS FOR PREPARING DD FORM 361, TRANSPORTATION DISCREPANCY REPORT (TDR)

DTR Part II, APPENDIX L - TRANSPORTATION CONTROL NUMBER (TCN)

C. SA FOREIGN MILITARY SALES (FMS)/GRANT AID SHIPMENTS

<u>TCN rp</u>	<u>TCMD rp</u>	<u>Explanation</u>
1-14	30-43	Enter the 14 position (rp 30-43) MILSTRIP requisition document number. If the shipment unit contains multiple requisitions (permitted by Chapter 203, Paragraph B.6), use any of the document numbers, but ensure the earliest RDD (if any) is reflected on the Military Shipping Label and DD Form 1384.

15	44	Enter the suffix code; if none, enter "X".
16	45	Enter the partial shipment code (See Paragraph L).
17	46	Enter the split shipment code (See Paragraph L).

L. PARTIAL AND SPLIT SHIPMENTS

DTR Part II, APPENDIX T - SHIPMENT TRACING, DIVERTING, AND HOLDING

B. TRACING PROCEDURES

DTR Part II, APPENDIX V7 - SECURITY ASSISTANCE PROGRAM (SAP) SHIPMENT TRANSPORTATION ACCOUNT CODES (TACS)

DTR Part II, APPENDIX W - IN TRANSIT DATA REPORTING

A. PURPOSE

This appendix details the general requirements and procedures for collecting data used in transportation evaluation. The procedures contained in this appendix apply to reporting shipments for the Army and may be modified as agreed between the Army and shippers, trans-shippers, and receivers. The procedures outlined in this appendix do not apply to any shipments by the Defense Logistics Agency.

DTR Part II, APPENDIX OO - AIR CARGO MANIFEST REFERENCE CODES

Number of Characters: Two
 Type of Characters: Alpha
 Data Location
 Air Manifest - DD Form 1384: Block 20
 - DD Form 1385: REF Block 5
 Automated Record: rp 28-29
 Responsible Agency: Defense Transportation Regulation Administrator

A. GENERAL

The air cargo manifest reference code is used to further identify a particular manifest and to crossreference the air manifest header cards with the data cards for the air cargo pallets and individual shipment units. The codes are used only in the airlift systems and are not included on the documentation forwarded to the consignee. The codes are used repeatedly starting with AA and continuing through the alphabet to ZZ before returning to AA. The letters I and O are not used in either position.

DTR Part II, APPENDIX PP – CONSOLIDATION AND CONTAINERIZATION POINT (CCP) CENTER CODES

DTR Part II, APPENDIX YY - OTHER CODES IN THE DEFENSE TRANSPORTATION REGULATION (DTR)

A. GENERAL

Other codes are included elsewhere in the DTR when they relate most directly to only one specific topic or are more meaningful by such placement. These codes and their locations are listed below

B. DTR DOCUMENT CODES

Route Order Number – Codes and Structure.....	Chapter 202, Table 202-1
Transportation Holding Delay Codes.....	Chapter 202, Table 202-2
Explanation of Codes for Ocean Cargo Manifest Distribution	Chapter 203, Figure 203-9
Application of Transportation Mode/Priorities	Chapter 203, Table 203-3
Demilitarization Codes.....	Chapter 203, Table 203-4
ANSI X.12 Table.....	Chapter 205, Table 205-17
ETRR Lading Terms Code.....	Appendix D, Paragraph A.6
ETRR Type of Special Container Equipment Required.....	Appendix D, Paragraph A.12
ETRR Container Source Loading Limits	Appendix D, Paragraph A.13
ETRR Transportation Account Codes.....	Appendix D, Paragraph A.16
ETRR Vehicle Level of Processing Codes.....	Appendix D, Paragraph A.29
ETRR Type Rate	Appendix D, Paragraph A.44
ETRR Accessorial Services Surcharge	Appendix D, Paragraph A.45
ETRR Delay Codes	Appendix D, Paragraph A.64
ETRR Cancellation Codes.....	Appendix D, Paragraph A.65
ETRR State/Possession Code.....	Appendix D, Paragraph A.67
Implementing Agency/Security Assistance Program Points of Contact.....	Appendix E, Table E-1

Delivery Term Codes-Department of Defense Responsibility.....	Appendix E, Table E-2
Foreign Military Sales Delivery Term Codes.....	Appendix E, Table E-3
BL Accessorial and Protective Service Codes for Tailored Transportation Contract Shipments.....	Appendix G-3, Table G3-1
BL Accessorial and Protective Service Codes for Motor Shipments	Appendix G-3, Table G3-2
BL Accessorial and Protective Service Codes for Rail Shipments	Appendix G-3, Table G3-3
BL Accessorial and Protective Service Codes for Bulk Fuel Shipments ..	Appendix G-3, Table G3-4
BL Accessorial and Protective Service Codes for Pipeline Shipments.....	Appendix G-3, Table G3-5
BL Accessorial and Protective Service Codes for Miscellaneous Services	Appendix G-3, Table G3-6
BL Freight Weight Qualifier Definitions	Appendix G-3, Table G3-7
BL Packages (Kind)	Appendix G-3, Table G3-8
BL Unique Commodity Codes	Appendix G-3, Paragraph C
BL Type of Equipment-Motor and Trailer on Flatcar Codes.....	Appendix G-3, Table G3-9
BL Type of Equipment-Rail Codes.....	Appendix G-3, Table G3-10
BL Type of Equipment-Containers Codes	Appendix G-3, Table G3-11
BL Type of Equipment-Water Codes.....	Appendix G-3, Table G3-12
BL Type of Equipment-Air Codes	Appendix G-3, Table G3-13
BL Type of Equipment-Other	Appendix G-3, Table G3-14
BL Mode.....	Appendix G-3, Table G3-15
TDR Routing Identifier/Category Codes.....	Appendix I, Paragraph C
TDR Discrepancy Codes	Appendix I, Paragraph D
TDR Mode of Shipment Codes	Appendix I, Paragraph E
TDR SDDCVAN, MILVAV, SEAVAN Shipments.....	Appendix I, Paragraph F
TDR Type of Pack.....	Appendix I, Paragraph G

C. TRANSPORTATION CONTROL NUMBER

1. Type shipment codes for nonappropriated fund purchase orders Appendix L, Paragraph D.
2. Type shipment codes for non-DTR shipments Appendix L, Paragraph H.
3. Type shipment codes for personal property..... Appendix L, Paragraph I.
4. SEAVAN service/type codes..... Appendix L, Paragraph J.
5. Partial and split shipment codes..... Appendix L, Paragraph L.

D. TRANSPORTATION MODE/PRIORITY CODES

Transportation mode/priority codes Chapter 203, Table 203-3.

E. FOREIGN MILITARY SALES DELIVERY TERM CODES

Appendix E, Paragraph O and P