

# Department of Defense Strategic Plan



## Distribution of Arms, Ammunition and Explosives

May, 2004

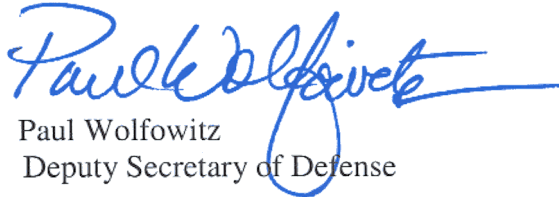
## FORWARD

The Department of Defense (DoD) continues to enhance and improve the safe and secure distribution of its arms, ammunition and explosives (AA&E). The terrorist attacks of September 11, 2001 heightened our awareness of potential vulnerabilities and brought renewed emphasis on the need to closely examine and strengthen the AA&E logistics chain. Since 2001, we have undertaken several studies, conducted senior leadership meetings, and instituted new policies and procedures to dramatically improve the safe and secure movement of AA&E. In addition, the General Accounting Office (GAO) has reinforced this need in several reports it has issued over the past 3 years. While we have made significant progress, our job is not complete.

Our efforts to date have focused on specific issues, industries or segments of the AA&E logistics chain and have not considered a global, system-wide approach. Therefore, this strategic plan charts a path to strengthen and improve the Department's end-to-end AA&E logistics chain. While it focuses primarily on AA&E global distribution considerations, this plan includes actions that need to be taken by certain activities in other segments of the DoD logistics chain that affect distribution, safety, security, effectiveness, efficiency or accountability.

This plan contains the vision, goals, objectives, actions and milestones necessary to improve the oversight, management, control, safety and security of AA&E across the entire DoD logistics chain. It also lists the measures of performance to track our progress in meeting the plan's goals. To support this broad framework, the plan recognizes the various AA&E-related organizational roles and responsibilities, statutes, policies and implementing regulations influencing the key segments of the logistics chain—including testing, development, acquisition, production, storage, materiel issue, transportation, receipt and disposal within the United States and in overseas theaters of operation. Lastly, this plan recognizes that many systems and technology enablers support AA&E logistics chain business processes and procedures.

The success of the plan's goals and objectives is a shared responsibility, which depends on leveraging joint cooperation, commitment, resources and talents—both across the Department and with our industry partners. I embrace the vision, goals, objectives and actions outlined in this plan. I ask that you commit the necessary resources and focus your collective efforts to implement the plan to achieve a more secure, safe, effective and efficient AA&E distribution system that meets warfighter requirements for AA&E in peace and wartime, well into the future.



Paul Wolfowitz  
Deputy Secretary of Defense

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# DoD Strategic Plan for the Distribution of Arms, Ammunition and Explosives

## The Challenge

The Department of Defense faces a significant challenge as it seeks to protect and safely test, acquire, produce, store, transport, maintain, and dispose of its arms, ammunition and explosives (AA&E) while it effectively meets the requirements of warfighters for timely supplies of AA&E worldwide. Meeting these demands must be effective and efficient in the face of an ever-changing and growing threat environment. Terrorists, or other individuals or entities pursuing their own agenda, seek to exploit the vulnerabilities of the United States and use our nation's AA&E and conveyances in ways never conceived before.

The current environment demands we place greater priority on bold steps that further scrutinize and strengthen the AA&E logistics chain.<sup>1</sup> We must first chart a course for the entire Department by providing a strategic vision with supporting goals, objectives and actions. The DoD will use this plan as a means to achieve this end.

## Scope

The scope of this plan includes selected activities in the testing, acquisition, production, storage, issue, transportation, receipt and disposal of AA&E—from origin to final destination. It focuses on the distribution process and the interaction, integration and interoperability of these logistics chain activities. This plan encompasses the requisite safety, security and accountability provisions dictated by national, international, state, and local laws and regulations; host nation agreements; and DoD policies.

The DoD AA&E logistics chain comprises a partnership of commercial and internal DoD (organic) capabilities, assets and infrastructure, business processes and technologies. While this plan does not specifically address actions involving tactical in-theater movement of AA&E, it is the responsibility of the theater combatant commander to implement AA&E safety and security measures commensurate with his mission and the threats and risks within his assigned geographic area of responsibility.<sup>2</sup>

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<sup>1</sup> The objectives and actions identified in this Plan are not to prejudge the effectiveness of current policies, roles, responsibilities, capabilities and procedures. Rather, they are intended to recognize the need to revisit and validate areas that deserve greater emphasis and management attention in consideration of the current and evolving security environment.

<sup>2</sup> DoD Manual 5100.76M, *Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives* (currently under revision).

## **AA&E Logistics Chain Mission**

The mission of the AA&E logistics chain is to provide an effective end-to-end system that consistently and quickly delivers AA&E materiel to the warfighter while maintaining the security and safety of the materiel and the public. Inherent in this mission is the requirement to implement mechanisms to rapidly and properly act and respond to threats or incidents that could compromise the mission, safety or security of AA&E during the distribution segment of the overall logistics chain.

## **Strategic Vision**

In meeting the challenges of today's AA&E logistics chain, the DoD strategic vision can be stated as follows:

*An effective and efficient worldwide logistics chain that meets warfighters' demands for AA&E where and when needed while protecting against security threats, limiting exposure to the public and minimizing the potential for safety mishaps.*

## **Strategic Goals and Performance Measures**

The Department has four overarching strategic AA&E distribution goals. These are the basic tenets to which all stakeholders must subscribe and dedicate their efforts. This plan defines a set of strategic performance measures DoD will use to determine progress toward each of the goals. The objectives and actions outlined in this plan support the goals and require the office of primary responsibility (OPR) to create and collect data to support the measures of performance identified for each of the goals. The Plan of Actions and Milestones (POA&M) and performance measures that support this plan are provided in Appendix A and Appendix B, respectively.

**Goal 1: Security**—Seamless integration of AA&E security business rules across the entire logistics chain based on a current assessments of the threat, risk and vulnerability

This goal focuses on policies, responsibilities, procedures, business rules, required actions and information awareness to keep AA&E in the custody of only those with specific authorization, and to quickly identify and respond to situations or incidents of actual or potential compromise.

**Goal 2: Safety**—An AA&E distribution system that minimizes public exposure and advances safety awareness within DoD and its industry partners

This goal focuses on policies, responsibilities, procedures, business rules, required actions and information awareness to keep the public and those who use or handle AA&E as safe as possible from the inherent dangers associated with exposure to explosive materiel.

**Goal 3: Accountability and Visibility—Complete accountability and visibility for AA&E throughout its life cycle**

This goal focuses on policies, responsibilities, procedures, business rules, required actions and information awareness to ensure AA&E can be located, identified and tracked throughout the logistics chain, with clear responsibility for ownership, handoffs and performance.

**Goal 4: Effectiveness and Efficiency—An effective and efficient distribution system that meets warfighter time-definite AA&E materiel requirements**

This goal focuses on policies, responsibilities, procedures, business rules, required actions and information awareness to accomplish the AA&E distribution mission with the fewest resources (dollars, inventory, people and infrastructure) possible while meeting the warfighters' requirements for materiel when and where it is needed.

## **Objectives**

In order to achieve these goals we identify eight key objectives. Each objective has an assigned OPR to oversee implementing the objectives and supporting the initiatives reflected in the POA&M (provided in Appendix A). The OPR also will be responsible for monitoring performance metrics (Appendix B) and providing quarterly status reports to the Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD[L&MR]) and the Senior AA&E Steering Group. Affected goals and supporting POA&M actions are listed below the description of each objective.

**1. Integrate safety and security business rules across the entire AA&E logistics chain**

This objective addresses two key issues: the need to coordinate integrated safety and security policies and regulations in the AA&E logistics chain, and the lack of consistent application of security and safety rules among the various organizations within the logistics chain.

- The DoD promulgates policies and issues regulations along physical security, safety, or functional lines of authority. (Appendix C illustrates the current AA&E policy and organizational relationships.) When the business processes for a highly sensitive commodity like AA&E transition from one segment of the logistics chain to another, gaps, redundancies and conflicts emerge. These issues reveal the need for better coordination to ensure safety measures do not impinge on or negatively affect security measures, and vice versa. While the Defense Transportation Regulation (DTR) consolidates both safety and security policies, it is only applicable to the transportation segment of the logistics chain. Other stakeholders often need to refer to multiple policies and regulations, which can cause confusion and result in non-compliance. For example, vendors must comply with the Federal Acquisition Regulation/Defense Federal Acquisition Regulation Supplement (FAR/DFARS) and applicable clauses that cover safety and security for DoD-owned AA&E, DoD 5100.76-M for physical security policy of AA&E, and DoD 5105.38-M for foreign military sales (FMS).

Many vendors lack clear DoD guidance for moving sensitive AA&E among their own facilities or to other contractors (for testing, assembly, etc.) before delivery to DoD or foreign governments.

- Logistics chain decisions made early in the design and execution process (such as acquisition and sourcing) may sub-optimize the AA&E distribution process and cause inconsistencies in security and safety. One key area of concern is the transportation of AA&E using freight terms that do not direct the movement of materiel within the Defense Transportation System (DTS). Therefore, AA&E shipments may be moved without the safety, security, accountability and visibility assurance levels required within the DTS.

In order to ensure the concurrent consideration of safety and security in the creation and enactment of policy and subsequent regulations and procedures, an OSD -level advisory group must be created. This advisory group will coordinate safety and security policy issues and provide up-front and ongoing safety and security input to all AA&E policy. As such, it will provide a mechanism for addressing policy questions and maintaining a central virtual repository for all safety and security policies, regulations, instructions, manuals and other material, as appropriate.

To ensure the consistent consideration and application of safety and security throughout the AA&E logistics chain, including acquisition and contracting, the advisory group also must enforce the same security criteria for internal vendor AA&E movements as used under procurement contract delivery terms of free-on-board (FOB)-origin. Under FOB-origin terms, DoD AA&E ownership begins just before shipment (after signature of the DD Form 250), thus requiring the use of transportation security provisions in accordance with the Defense Transportation Regulation, DoD 4500.9-R, Part II (Cargo Movement). Policy will be developed to explicitly address contractor-owned materiel that moves without government knowledge. These include test items, inter-contractor movements, items for disposal, third-party sales and AA&E that moves in conjunction with a weapons system life-cycle management contract. The policy will also address steps to ensure contractor compliance. It must address when accountability starts, how contractor items will be accounted for, and what and how item asset visibility information will be shared.

*Goals supported:* Goal 1, Security, and Goal 2, Safety

*Supporting POA&M actions:* 1A and 1B

## **2. Establish security business rules and risk mitigation actions on the basis of current threats**

Security risk categories, criteria and business rules were last reviewed immediately before and following the events of September 11, 2001. Existing security criteria are based on an assessment of the threats, risks, vulnerabilities and industry capabilities identified at that time. Risks, vulnerabilities and threats are constantly changing, however. As a result, current DoD resources and oversight may not focus on the most logical threats or highest priorities.

An updated and recurring end-to-end strategic-level threat, risk and vulnerability assessment must be accomplished at least every 3 years to maintain currency with new and changing threats. These assessments will validate the need and effectiveness of current security business rules, and

will identify any new criteria, such as new security considerations for uncategorized AA&E, which traditionally have not been viewed as a significant security risk. New, additional or modified levels of security will be established based on the results of these assessments and made scalable to mitigate increases in the threat level.

In addition to physical security criteria, these assessments must include information security. This is especially important in recognition that real-time electronic AA&E information is currently available and disseminated to the multiple DoD and contractor entities involved in the logistics process.

*Goals supported:* Goal 1, Security  
*Supporting POA&M actions:* 2A and 2B

### **3. Clarify roles, responsibilities and business rules across the entire spectrum of DoD AA&E logistics chain management**

A complete review of all existing AA&E policies, regulations and joint doctrine is necessary to ensure guidance is consistent and coordinated for all AA&E stakeholders; all conflicts are resolved; and any gaps or redundancies are eliminated.

Some policies and regulations leave room for varying interpretations of security levels and compliance with business rules for processing and moving AA&E, especially when DoD does not own the AA&E. This may include distribution of AA&E between contractor facilities for test or assembly purposes; from a contractor facility directly to an end user (FOB destination); or from a contractor to a foreign government under the FMS program. Different policies, regulations and contract clauses contribute to a complex process and create the potential for these categories of AA&E to be processed under lower levels of security than what is prescribed under the direct control of DoD. In addition, with so many stakeholders and business rules promulgated through many different policy documents, maintaining AA&E visibility and monitoring compliance with DoD policies and procedures is more challenging and invites omission or non-compliance.

To achieve this objective, DoD will undertake a comprehensive review of all these areas to streamline and fill policy voids, clarify ambiguous or conflicting policies and contract terms, and, when necessary, define a clear chain of authority and responsibility across all segments of the AA&E logistics chain. Based on the review, the OPR for each policy document will be asked to update and synchronize their respective documents.

*Goals supported:* ALL  
*Supporting POA&M actions:* 3A and 3B

### **4. Improve collaboration and information exchange among all AA&E stakeholders**

While much has been done to improve AA&E information exchange within DoD, there is room for further improvement. Specifically we need to improve emergency response and interagency coordination.

- *Emergency response.* A complete review and evaluation of DoD's current commercial AA&E incident notification process is necessary to ensure valuable time is not being lost



in notifying lower-level first respondent activities (that is, those that must directly investigate or render assistance). To ensure the most timely and effective emergency response, DoD will review current procedures and take steps to identify opportunities to further streamline and enhance the notification process, taking maximum advantage of emergent technologies and concurrent electronic notification strategies.

- *Interagency coordination.* Over the past 2 years, the Department of Homeland Security (Transportation Security Administration), Department of Transportation, Assistant Secretary of Defense for Homeland Defense, and NORTHCOM have assumed new or expanded roles for public safety and security matters as they relate to homeland defense and security. DoD's mission of distributing AA&E within national and international commerce requires improved relationships with principal security stakeholders. Inherent in that requirement are joint exercises, sharing threat information and intelligence, and coordination of mutual plans, issues, technologies and emergency response procedures that specifically involve consequence management of AA&E.

*Goals supported:* ALL

*Supporting POA&M actions:* 4A, 4B and 4C

## **5. Assess the OCONUS segments of the AA&E logistics chain**

OCONUS locations present unique and diverse challenges in distributing AA&E. Undeveloped theaters usually lack the infrastructure and technology to track movements of AA&E. International laws and host nation agreements may dictate requirements and procedures that are substantially different than the criteria mandated within CONUS. Moreover, threat and force protection conditions may differ from those in CONUS and between theaters of operation.

DoD policies and regulations recognize that diverse conditions may dictate variations in the OCONUS security criteria. As such, they give theater commanders some discretion as they apply the security criteria directed in DoD 5100.76-M. Nonetheless, there is a need to independently assess the policies, procedures and doctrinal responsibilities for distributing AA&E within each theater of operation, and for recommending improvements and implementing lessons learned across theaters of operation.

*Goals supported:* Goal 1, Security; Goal 2, Safety; and Goal 3, Accountability and Visibility

*Supporting POA&M actions:* 5A, 5B and 5C

## **6. Transform DoD's AA&E management, business processes and technology investments from an individual segment view to an end-to-end logistics chain view**

The efforts of multiple stakeholders managing and optimizing individual segments of the AA&E distribution system are not conducive to optimizing the entire end-to-end system. Instead, these efforts have resulted in independently developed business processes and narrow single-point technology solutions, both of which are often redundant. Unfortunately, these efforts and solutions often do not consider their role in the complete logistics chain and may actually cause an overall decrease in performance. For example, the current AA&E logistics chain uses multiple automated information systems (AISs) and automatic identification technology (AIT), with little coordination among the sponsoring activities of data elements, data formats, transfer methods

and business process requirements. A frequent result is incomplete, inaccurate, and untimely data that negatively affect visibility, accountability, efficiency, and, potentially, safety and security. Information about studies, tests, research, lessons learned and other informative material is fragmented throughout the logistics chain, oftentimes due to limited coordination across the chain. There is no formal mechanism for creating information and sharing it with all stakeholders, even though doing so would create a more agile, knowledgeable AA&E community.

To better integrate the segments of the AA&E logistics chain, all stakeholders must collaborate to improve and integrate the entire chain, and share their knowledge and experiences in a formal repository. This will involve dedication and compromise as well as monetary commitment and investment. Current ways of doing business and organizational barriers must be challenged, with cooperation a priority. New systems and processes should be explored in conjunction with the overall logistics chain and all of its stakeholders and needs.

The Joint Ordnance Commanders' Group (JOCG) provides an existing forum to facilitate this level of collaboration for conventional ammunition and explosives. While JOCG members principally serve as advisors to their respective Services, they can play a significant role in achieving the transformation necessary for improved DoD management, business processes and technology as they apply to the distribution of conventional ammunition and explosives. Accordingly, the Services should leverage the JOCG structure and expertise, within its existing charter and through its sub-groups, to review recommendations, offer guidance and provide a forum to:

- Coordinate joint conventional ammunition and explosives RDT&E efforts, training requirements, and technology investments from an end-to-end logistics chain perspective; Coordinate business rules that impact on the safe and secure distribution and end-to-end accountability of conventional AA&E DoD-wide,
- Facilitate data rationalization and standardization; and coordinate integrated AA&E AIS solutions with stakeholders and the OSD Logistics Domain owner to ensure their compliance with the DoD Business Enterprise Architecture, and;
- Collaborate on the creation of an AA&E knowledge management portal where all pertinent AA&E information can be posted and maintained.

The United States Transportation Command (USTRANSCOM) should be invited to be a full member of the JOCG and to participate on appropriate JOCG sub working groups. These additions are particularly relevant in light of USTRANSCOM's designation as the DoD Distribution Process Owner (DPO).

Finally, new and promising technology should be assessed continually and exploited to further strengthen the AA&E distribution process. To facilitate the consistent and cost-effective exploration and application of new technologies, DoD will centrally coordinate AA&E technology insertion initiatives and testing and prototyping efforts for DoD. This does not include or intended to imply central management of all AISs involved in the AA&E logistics chain.

*Goals supported:* Goal 3, Accountability and Visibility, and Goal 4, Effectiveness and Efficiency  
*Supporting POA&M actions:* 6A, 6B, 6C, 6D, and 6E

## **7. Develop an AA&E logistics chain certification program that focuses on an end-to-end system view**

Recent GAO reports and the Joint Collaborative Working Group meeting called attention to the lack of sufficient training for Installation Transportation Office (ITO) staff, vendors and carriers, which leads to compliance problems with established DTR procedures. Training shortfalls may also exist within individual service, agency, or command logistics staffs and within the acquisition community involved with the procurement and subsequent delivery of AA&E to U.S. and foreign governments. It is imperative that personnel are well trained in their roles and responsibilities. Although there are many specialized training programs for personnel working in the individual segments of the AA&E logistics chain, there is no comprehensive training program for ensuring that all personnel comply with the rules of other segments, collaborate on business process changes and improvements, and exchange information between segments.

DoD will establish an AA&E logistics chain certification program (or functional area specific programs), as necessary, for DoD and selected contractor personnel involved in the acquisition, production, storage, transportation and receipt of AA&E. This effort will require well-defined, measurable training curricula for all aspects of the AA&E logistics chain. Training should utilize existing classes and certifications when possible, and take maximum advantage of distance learning techniques with online training materials for easy access and reference. New training and certification programs should be devised where necessary to fill training gaps. An individual's training must be monitored and tracked, and requirements for initial training and re-certification training must be highlighted. Position descriptions and hiring qualification announcements for personnel working in AA&E-related positions above the entry level should require the position be filled by an AA&E-certified individual.

*Goals supported: ALL*

*Supporting POA&M actions: 7A, 7B, and 7C*

## **8. Improve AA&E business rule compliance**

The end-to-end performance of the AA&E logistics chain must be continually evaluated in order to determine the current level of success or effectiveness and areas targeted for improvement. To evaluate how well the AA&E distribution system is working, performance measures and metrics will be defined, collected, calculated and published for use by all stakeholders. While various segments of the overall AA&E logistics chain may have established operational metrics for their specific sectors, there are few, if any, overall metrics currently collected to measure the performance of the overall chain. In many instances, metrics do not appear to be readily available or accessible due to the many data handoffs among the AISs that support individual segments of the overall logistics chain. In conjunction with Objective 6, performance measures and metrics should be created and the appropriate data collected to allow future monitoring of the system's performance and stakeholder compliance with relevant policies, regulations and business processes.

*Goals supported: ALL*

*Supporting POA&M actions: 8A and 8B*

## **Resource Requirements**

In coordination with offices of collateral responsibility (OCRs), organizations designated as OPRs will assign resources to achieve or coordinate their respective actions (which are listed in Appendix A). This includes the identification and allocation of funds to initiate each action and budget for requirements, as necessary.

## **AA&E Strategic Plan Annual Review**

This strategic plan is a living document and is subject to modification as implementation plans mature, follow-on issues are identified, and resources and costs are defined. The DUSD(L&MR) will lead an annual review of this strategic plan and supporting implementation plans and will publish revisions, as appropriate.

# Appendix A

## Plan of Actions and Milestones

This appendix highlights the actions necessary to achieve the eight objectives outlined in the strategic plan. The actions have been categorized by the major objectives they impact. Each action description includes the office of primary responsibility (OPR) and the offices of collateral responsibility (OCR) for the action, as well as an estimated start and completion date (month and year).

Following the individual action definitions is a spreadsheet summary that shows all of the actions on a single timeline with significant milestones and action inter-dependencies.

### Objective 1 Actions

Actions to support Objective 1 focus on seamless integration of security and safety policies, business practices, and business rules, and the consist consideration and application of safety and security in all areas of the logistics chain, including acquisition.

***Action 1.A—Create a combined safety and physical security working group comprised of members of the DoD Explosives Safety Board, DoD Physical Security Review Board, Transportation Policy, Defense Procurement, and other designated experts.***

The first task of this group will be to review DoD and Joint security and safety policies, instructions, regulations, and manuals and identify the specific content within those documents that need to be clarified, strengthened, consolidated, eliminated and where new guidance should be created to fill voids. The second task of this group is to institute a forum to coordinate their recommended policy and other guidance document changes with the appropriate issuing offices for the purposes of revising and synchronizing the various documents.

This effort will include a review of Federal Acquisition Regulations (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) provisions, contract clauses, and procedures to ensure they are clear and complete with respect to the safe and secure distribution of AA&E. Specific emphasis will be given to the accountability and visibility of movements of AA&E between contractor/sub-contractor facilities, from contractors directly to the end customer and foreign governments under the foreign military sales program.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), ASD(NII), Services, USTRANSCOM, DLA	4QTR, FY04	2QTR, FY05

**Action 1.B**—Establish a working group to continuously monitor and manage the safety and security policy and regulatory content placed in the AA&E Knowledge Management Portal (Action 6E).

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), ASD(NII), Services, USTRANSCOM, DLA	3QTR, FY05	Continuous

## Objective 2 Actions

These actions are intended to address the need to base security criteria and measures used across the AA&E logistics chain on current threats, vulnerabilities, and risks.

**Action 2.A**—Perform threat, vulnerability, and risk assessments of the AA&E distribution system to manage AA&E risks with current information. These assessments will be performed at least once every 3 years. The assessments will address key nodes and installations, and the entire end-to-end AA&E distribution system. Because threats and vulnerabilities vary across different localities, these assessments must contain sections that are specific to each theater of operation.

Information security threats, vulnerabilities and risks must also be included in these assessments. The information security assessments must also address issues of access to AA&E systems information, business processes to identify information security weaknesses and measures to reduce information security risk. As an example, within CONUS, personnel taking physical possession of DoD AA&E must meet certain background, citizenship or security clearance requirements. However, other personnel have access to aggregate, real-time AA&E information as a byproduct of the distribution business process. The assessment should target whether information is being shared only with those individuals with a need-to-know and what, if any, changes and controls should be instituted to safeguard this information.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), USTRANSCOM, ASD(NII), Services, DLA, NAVSEA (Naval Surface Weapons Center)	4QTR, FY04	4QTR, FY05

**Action 2B**—Based on the results of the most current threat, vulnerability and risk analysis, ensure DoD AA&E security-related business rules are scalable and are applied appropriately and consistently with current distribution system risks. These periodic updates include reassessment of security risk categories and levels of security services that must be provided to each category.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), USTRANSCOM, ASD(NII), Services, DLA	4QTR, FY05	2QTR, FY06

## Objective 3 Actions

Actions to support Objective 3 focus primarily on the identification and determination of stakeholders in the AA&E logistics chain, their roles and responsibilities, and the coordination and handoffs required among stakeholders, in terms of both the physical material and any information related to the acquisition, production, storage, transport and use of AA&E.

**Action 3.A**—Define and map all stakeholders in the current AA&E distribution system and document their explicit roles, responsibilities and authorities (via policies, regulations, etc.). Appendix C shows current AA&E policy and organizational relationships. Compare all roles and responsibilities, identify redundancies and gaps, and recommend resolutions.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), Services, USTRANSCOM, DLA	3QTR, FY04	1QTR, FY05

**Action 3.B**—Create, cancel or refine policies, instructions, manuals and regulations to formalize the recommendations of Action 3.A.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), Services, USTRANSCOM, DLA	4QTR, FY04	4QTR, FY05

## Objective 4 Actions

The intent of these actions is twofold. The first is to improve coordination and cooperation of AA&E emergency response to incidents and to improve AA&E interagency coordination. The second is to promote interagency information exchanges and cooperation on AA&E-related areas of common interest. These actions focus on leveraging efforts, promoting shared information and identifying national voids or redundancies that require the collective knowledge and statutory authority of various agencies outside the DoD.

**Action 4.A**—Establish a forum or interagency working group to provide a comprehensive mechanism for interagency information exchange and collaborative readiness planning for AA&E distribution and other hazardous material security management and surveillance between key components (such as the Services, JMC, USTRANSCOM, NORTHCOM, OASD[HD], OUSD[I], Department of Homeland Security, and the Department of Transportation). The purpose of this effort is to facilitate the exchange of information on threats that specifically target the distribution of AA&E and other high-interest hazardous materials, identification of critical AA&E infrastructure, science and technology, and plans for responding to AA&E incidents, including joint training opportunities.

OPR	OCRs	Start date	Completion date
OSD (Policy)	OSD(AT&L), OSD(Intelligence), Services, DLA, USTRANSCOM, NORTHCOM	4QTR, FY04	3QTR, FY05

**Action 4.B**—Review the current process of notifying management, investigative and incident assistance activities to determine if there are opportunities for streamlining the process to achieve a more timely, and effective mode of operation. Based on the results of Action 4.A., incorporate NORTHCOM, Department of Homeland Security, Department of Transportation, and others, as appropriate, into the AA&E incident notification process. Establish MOUs where necessary to provide timely notification of accidents or incidents of national interest.

OPR	OCRs	Start date	Completion date
OSD(AT&L)	Services, DLA, USTRANSCOM, NORTHCOM, OASD(HD)	4QTR, FY04	3QTR, FY05

**Action 4.C**—Using the interagency forum established by Action 4.A, coordinate a national position and implementing rules or legislation that should be implemented with respect to the purchase, domestic storage, and global distribution of sensitive AA&E items purchased and distributed by U.S. commercial entities and foreign governments when no U.S. federal agency or department is a party to the transaction.

OPR	OCRs	Start date	Completion date
OASD (HD)	OSD(Policy), OSD(Intelligence), Joint Staff, USTRANSCOM, NORTHCOM, Services, DLA	1QTR, FY05	3QTR, FY05

## Objective 5 Actions

Actions that support Objective 5 address the fact that the majority of our AA&E improvement efforts have been focused on the domestic sector. In conjunction with the actions to be taken in support of Objectives 1 and 2, the following actions require the review of AA&E policies and procedures within each major combatant command and an effort to standardize, where possible, or document and formalize necessary differences.

**Action 5.A**—Document the current AA&E policies, procedures (including emergency response procedures) and unique circumstances that may impact AA&E movements in each combatant commander's theater of operation, identify voids and recommend areas for improvement.

OPR	OCRs	Start date	Completion date
Joint Staff	OSD(Intelligence), USTRANSCOM, Combatant Commanders, Services, DLA	4QTR, FY04	2QTR, FY05



**Action 5.B**—Compare combatant command and CONUS roles, responsibilities and procedures with respect to AA&E management, accountability and visibility. Justify the unique differences in each command or recommend where standard processes should be used.

OPR	OCRs	Start date	Completion date
Joint Staff	OSD(AT&L), OSD(Policy), Combatant Commanders, Services, DLA, USTRANSCOM	1QTR, FY05	4QTR, FY05

**Action 5.C**—Create or refine policies, instructions, manuals and regulations to formalize the recommendations of Action 5.B.

OPR	OCRs	Start date	Completion date
Joint Staff	OSD(AT&L), OSD(Policy), Combatant Commanders, Services, DLA, USTRANSCOM	4QTR, FY05	3QTR, FY06

## Objective 6 Actions

Actions that support Objective 6 deal with enhancements that improve overall business processes and the efficient flow of information across the multiple segments of the AA&E distribution system.

**Action 6.A**—The OSD Logistic Domain owner will designate the AA&E business area a priority for review for compliance with the DoD Business Enterprise Architecture and to expedite steps (portfolio management activities) required to identify legacy system brown-out dates and to follow through with early transition to the ultimate AA&E AIS solution. Early decisions on migration and legacy systems—including use of COTS, data standardization and interoperability—will facilitate improved end-to-end distribution of AA&E and result in enhanced system-wide internal controls for strengthening safety and security of AA&E. In addition, the review should assess systems backup and continuity of operations plan (COOP)—particularly for ensuring continuous AA&E tracking and emergency response capabilities under different scenarios.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	USTRANSCOM, Services, DLA, JMC	4QTR, FY04	4QTR, FY05

**Action 6.B**—Identify and pursue innovative distribution alternatives or initiatives that effectively balance public exposure considerations with minimizing materiel handling and avoiding routing predictability, while ensuring warfighter time-definite delivery requirements for AA&E are satisfied.

Also explore new tracking and sensing/intrusion technologies and techniques to further enhance the AA&E end-to-end distribution process worldwide based on the threat, risks and vulnerability assessments.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	USTRANSCOM, Services, DLA, JMC	3QTR, FY04	Continuous

**Action 6.C**—Enhance current business processes and modify or replace DoD systems to focus on process flows across organizational boundaries, rather than niche solutions.

As a start, this task includes leveraging existing systems or creating a new cross-organizational system that provides a workflow-based solution to generating and submitting AA&E reports of shipment (REPSHIPS) and providing positive confirmations of shipment delivery. Currently, there are systems that generate REPSHIPS and systems that perform receipts. Unfortunately, these systems are not tied together to create a closed-loop system; one that also confirms every shipment is received. The AA&E solution will be designed and implemented to generate the REPSHIP notification and provide that shipment a unique identification number (perhaps the bill of lading number). The electronic REPSHIP notification is provided to the consignee and remains in the system until the shipment is delivered and the consignee confirms delivery within the system.

This same system will be enhanced to commence and guide the discrepancy report process. Upon shipment delivery, the transportation office can confirm delivery and then indicate if there are any transportation discrepancies. Similarly, as materiel is unloaded and checked, receiving personnel can leverage this capability to identify any supply discrepancies. The system can provide electronic screens for all required detail input and can route the information to the appropriate groups for feedback or resolution.

Finally, this system should allow for “pre-booking” of shipments to consignees. Shippers can request a delivery day and the consignee can indicate if the shipment can be received on that day or suggest an alternate delivery date. This will reduce the number shipments turned away at destination due to an inability to accommodate the shipment. A concept of operations and prototypes must be developed to explore and validate this capability.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	Services, USTRANSCOM, JMC, DTTS, DLA	4QTR, FY04	4QTR, FY05

**Action 6.D**—Establish a process and lead agent to coordinate and leverage the various AA&E-related research, development, test and evaluation (RDT&E) efforts underway at any given time (both pre and post-acquisition of AA&E) within the department that affects the AA&E logistics chain. Testing and prototype efforts tend to focus on optimizing specific segments of the logistics chain rather than the pipeline as a whole. As a result, limited RDT&E funds may not be used efficiently. Similarly, innovative solutions are not always leveraged for the benefit of all stakeholders.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	Services, JMC, USTRANSCOM, DLA	4QTR, FY04	1QTR, FY05

**Action 6.E**—Develop an on-line AA&E Knowledge Management Portal to achieve a “virtual AA&E one book.” This information sharing central repository will contain key safety, security and accountability policies, business rules, and operational and training references. The capability must have multiple-level access security because it will be used by DoD employees, vendors and carriers that participate in the AA&E logistics chain. The repository must be indexed to provide guidance addressing each segment of the logistics chain to include information for acquirers, vendors/contractors, storage, transportation, safety and security personnel.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), Services, USTRANSCOM, DLA	4QTR, FY04	4QTR, FY05

**Action 6.F**—Develop an accurate and timely capability for centrally tracking AA&E movements worldwide. This will require integrating CONUS tracking with OCONUS capabilities (where they exist) to provide central management and visibility across multiple modes and nodes within the logistics chain and between theaters of operation.

In conjunction with Actions 5.A and 5.B, identify any theater-unique visibility requirements, emergency response procedures and tracking limitations—and implement tracking capabilities wherever they do not exist. The single AIS that serves as the central AA&E tracking system should be capable of providing timely and accurate data concerning the item, quantity, owner, custodian, condition, status and location. This will not change theater commander responsibility for physical security, exercising movement control and directing emergency response for AA&E within their respective theaters of operation.

Review existing AIT initiatives and develop new tracking methods that track the actual AA&E, not the conveyance, and identify appropriate situations for the use of such AIT.

OPR	OCRs	Start date	Completion date
OSD (AT&L)	OSD(Policy), OSD(Intelligence), USTRANSCOM, Services, DLA	1QTR, FY05	1QTR, FY06

## Objective 7 Actions

Actions to support Objective 7 deal with the need for a clearly defined training and certification curriculum for all aspects of the AA&E logistics chain. Actions defined here are intended to identify existing training and to formulate new training and methods for providing the appropriate training to each individual. The Services should leverage JOCG and Defense Ammunition Center expertise in support of these actions, as appropriate.

**Action 7.A**—Identify all current AA&E-related training courses to establish the baseline for the scope and amount of safety, security, business process and systems training provided to personnel involved in the distribution of AA&E. Map all current AA&E-related training courses against the goals of the AA&E distribution system and the various stakeholders and stages of the system. Establish training goals where they are needed. Identify gaps and recommend modified or new training, as required.

OPR	OCRs	Start date	Completion date
Army (AMC/JMC)	Services, USTRANSCOM, DLA	1QTR, FY05	3QTR, FY05

**Action 7.B**—Devise an overarching training curriculum for AA&E processes, including safety, security, business rules and systems. Develop a training matrix for each stakeholder in the distribution system, including certifications required and recertification timelines. Design the appropriate training material, as identified in Action 7.A. Create a system for certifying and tracking the status of trained personnel.

OPR	OCRs	Start date	Completion date
Army (AMC/JMC)	Services, DLA, USTRANSCOM	3QTR, FY05	2QTR, FY06

**Action 7.C**—Manage the AA&E training content and related reference material that is on the AA&E Knowledge Management Portal (Action 6.E). The portal should contain information on all of the latest training material, and serve as a host for any distance-based learning classes designed in Action 7.B.

OPR	OCRs	Start date	Completion date
Army (AMC/JMC)	Services, DLA, USTRANSCOM	3QTR, FY05	Continuous

## Objective 8 Actions

Actions to support Objective 8 focus on the need for detailed measurable metrics to measure goal success and ensure compliance with policies, instructions, manuals and regulations. The ability to measure how well stakeholder business processes and the entire distribution system performs is critical to achieving DoD's AA&E vision and a smoothly operated distribution system. These actions are intended to establish and guide the creation of management and operational metrics using a balanced scorecard approach; publication of the metrics to highlight system-wide per-

formance; and to ensure business process compliance. For the most part, service and agency systems will be the source of metrics data that must be captured in support of this objective. OSD (AT&L) will rely on USTRANSCOM, as the DPO, to monitor and provide distribution system performance metrics (to include performance data specifically related to the distribution of AA&E). With few exceptions, the metrics collection process needed to support this Plan should be very similar to the process the DPO must use to monitor overall distribution system performance for all commodities.

*Action 8.A—Coordinate the necessary actions to develop, implement and maintain an end-to-end Distribution Performance Metrics Collection and Evaluation process, including establishment of the program baselines, such that the distribution performance can be monitored. At a minimum, the metrics collection and evaluation process will be capable of measuring on-time performance, distribution costs, shipment discrepancies, and compliance with AA&E information exchange rules between functional activities.*

OPR	Supporting component	Start date	Completion date
OSD (AT&L)	USTRANSCOM, JMC, Services, DLA	4QTR, FY04	2QTR, FY05

*Action 8.B—Monitor AA&E logistics chain performance and refer actions to improve performance, and ensure compliance with established business rules to the appropriate component when performance metrics indicate the need for improvement or enforcement.*

OPR	OCRs	Start date	Completion date
OSD (AT&L)	USTRANSCOM, DCMA, Services, DLA, JMC	1QTR, FY06	Continuous

# Appendix B

## AA&E Strategic Plan Measures of Performance

These measures of performance will be used to determine if DoD is making progress toward meeting the four AA&E strategic goals. Data collection mechanisms for several of these measures do not exist and must be developed and implemented. We would like to have a leading measure (such as the estimated percentage of risk reduction or avoidance) has been achieved by implementing a mitigating measure, and a lag measure (such as those indicated by heuristic performance statistics). In all cases, however, collecting and monitoring both types of metrics may be either inappropriate or not practical. Moreover, some metrics, such as number of security related incidents, may result in a very small sampling from which to determine a developing trend. Over time, however, the entire metrics system should provide a fairly reasonable method of determining if the actions stipulated in this plan are getting us closer to our stated goals.

### Goal 1. Strategic Plan Performance Measures—Security

#### 1.A. Number of incidents related to security

This measure will require the establishment of an initial baseline—by type, logistics chain segment, activity, location and severity—and then tracking the reduction or increase in security-related incidents for each subsequent year.

#### 1.B. AA&E threat analysis, vulnerability and risk assessment results

Threats to the AA&E logistics chain are constantly changing and may vary between geographic areas of operation. It is imperative for DoD to maintain a current assessment of the threat and vulnerabilities and to adjust AA&E business rules to manage risks in a changing global environment. This measure is intended to gauge how current the Department's threat, vulnerability and risk assessments are by comparing the date of the most current assessment against a goal of conducting such analyses every 3 years (or more frequently if resources permit). This measure will be expressed as either "yes," there is a current assessment, or "no," an assessment has not been conducted within the past 3 years. Periodic threat, vulnerability and risk assessment will not only ensure DoD maintains an up-to-date appraisal of the threats, vulnerability and risks to the AA&E logistics chain, it will also provide senior management with a comprehensive picture of the overall health of DoD's AA&E security program. In addition, a quantitative risk assessment and mitigated reduction methodology should be applied to each tri-annual assessment to measure the estimated risk reduction or avoidance that should reasonably be expected from risk reduction investment initiatives.

## **Goal 2. Strategic Plan Performance Measures—Safety**

### **2.A. Number of AA&E safety incidents related to safety**

This measure will require establishing an initial baseline, by type, logistics chain segment, activity, location, and severity and tracking the reduction or increase in safety related incidents for each subsequent year.

### **2.B. In-transit public exposure**

This measure focuses on more effective methods of distribution—consistent with public safety and security—that meet or exceed the customer’s delivery requirements and are compatible with strategic warfighter operational plans. To accomplish this measurement, a baseline of historical AA&E miles and cargo workload volume must be determined. A metrics collection system also must be designed and implemented to routinely collect mileage, volume, and on-time delivery data for an annual or semiannual comparison against the baseline.

## **Goal 3. Strategic Plan Performance Measures—Accountability and Visibility**

### **3.A. Notice of Shipment and Acknowledgement of Delivery Information Exchange**

Due to the critical nature of DoD AA&E, every shipment should generate an electronic shipment record (i.e., REPSHIP), and should have a positive delivery confirmation by the consignee. This confirmation should generate an electronic delivery record that can be matched with the shipment record. The goal will be to achieve a 100 percent one-to-one correlation between the issuance of bills of lading, reports of shipment and delivery acknowledgements.

### **3.B. Complete and accurate in-transit visibility of AA&E shipments**

Unlike most of the other commodities, DoD’s AA&E shipments require near-real-time tracking while in transit. The Defense Transportation Tracking System (DTTS) is the DoD’s satellite surveillance system of record for domestic AA&E shipments moving via commercial carrier. As such, DTTS must receive shipment load data a minimum of 30 minutes before shipment departure at origin. The Global Transportation Network (GTN)<sup>3</sup> tracks visibility from port to port for international shipments, and requires shipment movement events to be reported within 4 hours of the event’s occurrence. There are some known gaps in the current DoD satellite surveillance and tracking capability that must be closed in order to collect all the data required to implement this measure. Two of the most challenging are OCONUS tracking and tracking the cargo instead of the conveyance. The goal will be to achieve 100 percent visibility of AA&E items in transit from the moment they depart a point of origin to the moment they arrive at the consuming customer’s storage destination—whether CONUS or OCONUS.

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<sup>3</sup> GTN is USTRANSCOM’s system for providing in-transit visibility of materiel.

### **3.C. Complete and accurate inventory accountability of AA&E between wholesale and retail inventory systems**

This measure of performance will require strict compliance with current Defense Logistics Management System (DLMS) Manual business rules by requiring the issuing inventory account managers of AA&E to retain accountability of shipped inventory until the consignee provides a materiel receipt acknowledgement (MRA). While the MRA process had been in effect for some time, this metric will, for the first time, track compliance of both the supply stock accounting receipts and transportation receipt responsibilities.<sup>33</sup>

### **3.D. Inventory adjustments**

DoD inventory managers adjust line-item inventory quantities through a Financial Liability Investigation of Property Loss (FLIPL) and inventory adjustment reports (IARs). These adjustments, which are based on DoD controlled item criteria and dollar thresholds, are subjected to causative research and FLIPL reporting to determine the underlying cause of the adjustment. IARs are usually required for minor discrepancies discovered in inventory records and are usually assumed to be the result of accounting errors or improper reports of expenditure of munitions during training exercises. There are two metrics for this measure:

- Determine an initial baseline of historical AA&E inventory adjustment losses (that is, reductions or write-offs).
- Capture AA&E line-item inventory adjustment data (that is, inventory loss or gain, loss reversal or gain reversal) for a quarterly comparison against the baseline throughout each subsequent year.

## **Goal 4. Strategic Plan Performance Measures—Efficiency and Effectiveness**

### **4.A. On-time order delivery**

The DoD tracks customer wait time (CWT) through service programs and the Logistics Metrics and Analysis Reporting System (LMARS). A reengineered AA&E shipper-receiver information exchange will require receiver's to annotate this information on the date the carrier is supposed to deliver the shipment, and the receiver's shipment receipt acknowledgement must indicate if the shipment was delivered late. This measure of performance will also require DoD to develop a system of collecting and formally reporting on AA&E on-time delivery performance.

### **4.B. AA&E distribution cost**

This measure will require identifying, collecting, and reporting costs associated with distributing AA&E orders. This measure displays the AA&E order fulfillment workload with the cost to distribute that workload. When this measure is implemented, DoD stakeholders can identify relative progress in designing more efficient distribution methods without sacrificing safety or security.



#### **4.C. Shipment discrepancies**

**World-class logistics chains strive to deliver the right item, at the right price, on time and without damages or shortages. This measure of performance will measure the occurrence of shipment discrepancies, including late shipments.**

#### **4.D. Number of AA&E-certified personnel**

**An efficient, safe and secure delivery system will be achieved only if all participants in the AA&E logistics chain are trained on all the business rules from end-to-end, especially for successful hand off of responsibilities. The goal is to provide 100 percent training and certification to individuals involved in the AA&E logistics chain. This measure will produce a metric that identifies the certification status of DoD personnel performing such functions.**

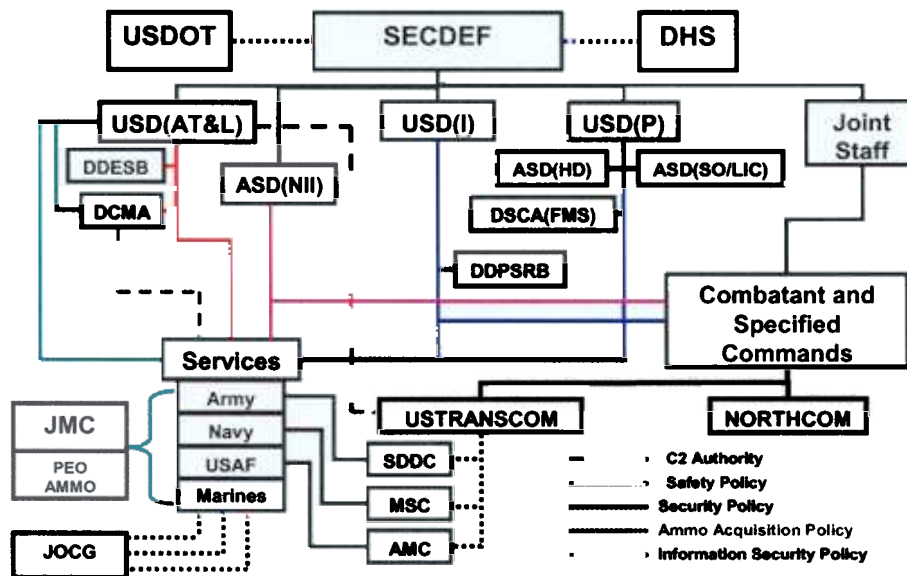
# Appendix C

## AA&E Policy Makers and Stakeholders

Figure C-1 presents a high level overview of the major organizations that establish policy, business processes, and manage some aspect of the DoD AA&E global logistics chain.

Figure C-1. AA&E Policy Makers and Stakeholders

### AA&E Policy Makers & Stakeholders



**Organization Legend:**

- AMC = Air Mobility Command
- ASD(HD) = Assistant Secretary of Defense (Homeland Defense)
- ASD(NII) = Assistant Secretary of Defense (Networks & Information Integration)
- ASD(SO/LIC) = Assistant Secretary of Defense (Special Operations & Low Intensity Conflict)
- DCMA = Defense Contract Management Agency
- DDESB = Department of Defense Explosives Safety Board
- DDPSRB = Department of Defense Physical Security Review Board
- DHS = Department of Homeland Security
- DSCA = Defense Security Cooperation Agency
- JMC = Joint Munitions Command
- JOCG = Joint Ordnance Commanders Group
- MSC = Military Sealift Command
- NORTHCOM = Northern Command
- PEO Ammo = Program Executive Office, Ammunition
- SDDC = Military Surface Deployment and Distribution Command\*
- USD(AT&L) = Under Secretary of Defense (Acquisition Technology & Logistics)
- USD(I) = Under Secretary of Defense (Intelligence)
- USD(P) = Under Secretary of Defense (Policy)
- USDOT = United States Department of Transportation
- USTRANSCOM = United States Transportation Command

\* In January 2004, Military Traffic Management Command was renamed the Military Surface Deployment and Distribution Command (SDDC)

# Appendix D

## Definitions

Arms, Ammunition, and Explosives (AA&E) is a broad categorical concept, which can have multiple interpretations and definitions. Each of the DoD military services and agencies, plus the federal government (through the Code of Federal Regulations), have various definitions which can apply to material that may be considered AA&E, yet there is no standard definition.

Below, we have crafted working definitions to apply to this strategic plan, combining input from various sources. For the strategic plan, these definitions are kept at high-level, but will be the basis for subsequent implementation planning. They are intended to reflect the need for AA&E safety, security, accountability, and effectiveness in today's high-risk environment.

Arms, Ammunition, and Explosives (AA&E). For this plan, AA&E is a term used to inclusively mean weapons, components requiring special controls, ammunition or munitions for those weapons, and other conventional items or materials with explosive, chemical, or electro-explosive properties designed for and/or capable of inflicting property damage, and death or injury to humans and animals. Items should be considered for inclusion in the AA&E category if they meet any of the following tests:

- a. Possession of, or access to the item is controlled due to potential risk associated with loss of the item, or its use for unintended purposes by unauthorized persons
- b. The handling, transporting, storage, or use of the item presents a potential safety risk for the general population, and the risk must be controlled through visibility and specific procedures.
- c. The handling, transporting, storage, or use of the item presents a potential or known security risk. Exceptional care must be taken to maintain accountability over the item and information about it, to preclude disclosure of classified or sensitive information, or to prevent unauthorized persons from accessing or acquiring the item intentionally or unintentionally.

Continuity of Operations Plan (COOP). A plan to ensure that a military function can be continued without interruption, despite accidents, natural disaster, weather, or intentional events. A COOP plan provides for distributed command, control, and communications, plus procedures to pass responsibilities from a primary location to an alternate location outside the affected area.

Conventional Ammunition and Explosives (CAE). For this plan, the term "conventional" refers to weapons, ammunition, ordnance, and explosives that are "not nuclear" in nature. Guideline lists of CAE are found in various military Services' regulations. This distinction is used for practical purposes, in an attempt to avoid further definition and categorization by weapon or munitions type, etc.

Department of Defense Explosive Safety Board (DDESB). A Joint Service board composed of a chair, voting representatives from the Armed Services, and a permanent military and civilian Se-

cretariat, to perform Board operational and administrative functions. The DDESB provides advice to the Secretary of Defense and DoD Components on explosive safety matters. (See DoD 6055.9-STD for a detailed assignment of Board functions.)

**Distribution Chain.** That complex of facilities, installations, methods, and procedures designed to receive, store, maintain, distribute, and control the flow of military materiel between the point of receipt into the military system and the point of issue to using activities and units. (JP 1-02) (Distribution represents that portion of the logistics or supply chain involving the receipt, storage and preparation for movement, transportation and delivery of materiel to the final destination.)

**Explosive Ordnance Disposal (EOD) Unit.** Personnel with special training and equipment who render explosive ordnance safe (such as bombs, mines, projectiles, and booby traps), make intelligence reports on such ordnance, and supervise the safe removal thereof. (JP 1-02) As used in this Plan, EOD units respond to incidents involving DOD explosives while in the distribution system—whether under commercial or military control.

**Emergency.** (1) Safety: A situation involving the immediate potential for, suspicion of or detected damage to or deterioration of explosives or munitions as a result of an accident or incident. An emergency creates an actual or potential imminent threat to humans (health and/or safety), the environment, or property, as determined by appropriate authorities. An explosives or munitions emergency response specialist should be engaged to assess the nature and extent of the risks associated with an emergency. (2) Security: A situation involving the imminent threat of or actual terrorist or other hostile acts affecting the AA&E; theft, espionage, sabotage or other potential threat to the AA&E.

**Emergency Response.** (1) Safety: For the purpose of this plan, emergency response is separated from the “first response” of local authorities to an incident or accident. In our context, it refers to an immediate response by DoD explosives and munitions emergency response personnel to assess, control, mitigate, or eliminate the actual or potential risk encountered during an explosives or munitions emergency. An explosives or munitions emergency response may include in-place render-safe procedures, treatment or destruction of the explosives or munitions or their transport to another location to be rendered safe, treated, or destroyed. Explosives and munitions emergency responses can occur on either public or private lands. (2) Security: the response of local, state, or federal authorities to *security*-related incidents involving AA&E; i.e., terrorist or other hostile acts, theft, espionage, sabotage, or other potential threat to the AA&E.

**Free on Board (FOB).** An acquisition delivery term associated with transfer of title to property and responsibility for arranging transportation and delivery. The most common FOB terms are:

- a. FOB Origin: the Government takes title to the property at the seller’s location, and arranges transportation and delivery to the ultimate consignee
- b. FOB Destination: the seller arranges transportation and delivery to the Government consignee’s location, and retains title to the property while in transit. Title conveys when the shipment is delivered and accepted at the consignee’s location.

**Logistics Chain.** For the purpose of this plan, the logistics chain is comprised of the planning, testing, procurement, production, supply, inventory management, transportation, receipt and maintenance of materiel in support of military forces—including the return and disposal of materiel, when required.

**Retrograde.** The process of moving material counter to the normal direction of distributing supplies and material, such as in returning munitions to the United States from overseas.

**Safety.** For the purpose of this plan, safety entails keeping the public and those who use or handle AA&E protected to the maximum extent possible from the inherent dangers associated with exposure to explosive or chemical materiel while in the distribution chain.

**Single Manager for Conventional Ammunition (SMCA):** The Secretary of Defense has designated the Army to be the SMCA; objectives and responsibilities are in DoD Directive 5160.65 and DoD Instruction 5160.68. The SMCA concept pulls management of CAE used by more than one Service under a single DoD activity, to avoid duplication of effort and to prevent the military services from separately contracting for (and competing with each other) the same types of munitions. SMCA:

- a. increases DoD's acquisition leverage with the industry
- b. promotes industry's ability to supply CAE for the military while simultaneously reducing the need for DoD-owned production
- c. enhances the integration of wholesale CAE logistics functions, maximizing efficiency and effectiveness

**Security:** (DOD). (1) A condition that results from the establishment and maintenance of protective measures that ensure a state of inviolability from unintentional or directly hostile acts or influences. With respect to classified matter, the condition that prevents unauthorized persons from having access to official information or material that is safeguarded in the interests of national security. (JP 1.02)

(2) For the purpose of this plan, security entails visibility over and physically keeping AA&E in the custody of only those with specific authorization, and the ability to quickly identify and respond to situations or incidents of actual or potential compromise of AA&E while in the logistics chain.