

Frequently Asked Questions (FAQs)

Guidance for an Agreement Rebaseline

Q: What criteria does DDTC use in assessing the need for an agreement rebaseline?

A: The agreements officer will be looking at the age of the case. Agreements older than 10 years are prime candidates as the physical file may no longer be available to the reviewing officer. As well, there have been numerous policy updates over the last 10 years and many agreements have not been updated to meet these requirements. The number of substantive amendments approved for an agreement is also considered regardless of age. If more than 10 amendments, to include proviso reconsiderations, have been approved, an agreements officer's ability to audit and maintain an agreement becomes increasingly difficult.

Q: Will currently approved DSP licenses remain valid under the new agreement?

A: (**Answer Updated 7/1/08**) Under normal circumstances, DDTC considers approved DSP licenses granted "in furtherance" of an agreement to remain valid until the approved agreement is terminated or expires, at which time all associated licenses will also terminate or expire. However, in this case, DDTC will not consider the rebaselining activity to either terminate or expire the older agreement; rather, DDTC will consider the previously approved export licenses granted "in furtherance" of the older agreement to be included in the scope of the rebaseline. The procedures outlined in the Guidance for Agreement Rebaseline requires the applicant to identify the value of their currently approved licenses when valuing the agreement rebaseline. This is detailed in the way the (a)(6) table of the rebaseline application must be in three column "amendment" format and must identify the amount of currently approved hardware licenses and include that value in the rebaseline "Total Hardware" value field. When issuing the approval for a rebaselined agreement, DDTC will include a hardware proviso that limits hardware to a total value of that requested, including all exports to date under the older agreement (specifically identified by agreement number). DDTC considers this linkage in the proviso to "keep alive" all those previously issued license until their natural 4-year expiration date without the need to amend them to include reference

to the rebaselined agreement number. This decision will also impact the support documentation required for future licenses “in furtherance” of the rebaselined agreement. Specifically, the table of prior approvals required under the updated Guidance for Exporting Hardware “In Furtherance” of Agreements must include the licenses issued under the older agreement as well as any that were granted under the rebaselined agreement.

Q: Will the agreement rebaseline require staffing?

A: The agreement rebaseline submission will be treated as a new submission and will be staffed as required for a new agreement. The agreement rebaseline will also be assessed for re-notification to Congress. As the adjudication of the rebaseline will take time, the currently approved agreement will remain valid to allow the approved activities to continue.