

DPAS

DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

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DPAS 2000

“THE PAST IS PROLOGUE”



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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

- DPA REAUTHORIZATION
- DPAS REVISIONS
- DPAS AND SECURITY OF SUPPLY
- DPAS CURRENT ISSUES

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

DEFENSE PRODUCTION ACT REAUTHORIZATION

- **SEPTEMBER 30, 2000**
 - BRIEFINGS TO SENATE AND HOUSE STAFF
 - SIMPLE EXTENSION FOR ONE YEAR IS LIKELY
- ***FALL BACK:* SELECTIVE SERVICE ACT OF 1948**
 - PROMPT DELIVERY OF ARTICLES OR MATERIALS FOR EXCLUSIVE USE OF U.S. ARMED FORCES

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- EFFECTIVE JULY 13, 1998
- IMPROVE EFFECTIVENESS AND EFFICIENCY
- RESPOND TO CURRENT INDUSTRY PRACTICES
- REMOVE OBSOLETE PROVISIONS
- UPDATE, SIMPLIFY, STREAMLINE
REGULATION, DELEGATIONS OF AUTHORITY, AND
INTERAGENCY MEMORANDA OF UNDERSTANDING

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- **THE CONTROLLED MATERIALS**
 - DEACTIVATE PROGRAM
 - REMOVE ALL PROVISIONS FROM REGULATION
- **GENERIC ALLOCATIONS PROCEDURES IN A NATIONAL EMERGENCY**

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- **COMBINING RATED AND UNRATED ORDERS**
 - ELIMINATE ATTACHED SEPARATE RATED ORDER
 - SEPARATE AND CLEAR IDENTIFICATION OF RATED ORDER QUANTITIES
 - USE MODIFIED STATEMENT

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- PRECEDENCE OF CONFLICTING RATED ORDERS AFTER ACCEPTANCE
 - EARLIEST DELIVERY DATE
 - IF SAME DAY -- EARLIEST RECEIPT DATE
 - REQUEST SPECIAL PRIORITIES ASSISTANCE (IF NEEDED)

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- EXTEND TIME FOR SUPPLIERS TO ACCEPT OR REJECT RATED ORDERS
 - TEN (10) WORKING DAYS FOR DX
 - FIFTEEN (15) WORKING DAYS FOR DO
- MINIMUM RATED ORDER DOLLAR AMOUNT
 - INCREASED FROM \$5000 TO \$50,000
 - TIMELY DELIVERY WITHOUT PRIORITY RATING

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- **NEW APPROVED PROGRAM**
 - FOOD RESOURCES (COMBAT RATIONS) -- C1
 - SPECIAL PROJECTS -- H8
- **EMERGENCY DELEGATION OF DPAS AUTHORITY**
 - COMMUNICATIONS SEVERED IN A NATIONAL EMERGENCY
 - REGIONAL EMERGENCY COODINATORS

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- JURISDICTION
 - HHS -- HEALTH RESOURCES
 - DOT -- CIVIL TRANSPORTATION
 - DOD/USACE -- WATER RESOURCES
- SELECTIVE SERVICE ACT AND RELATED STATUTES
- TECHNICAL, ADMINISTRATIVE, MISC.

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

REVISIONS

- LIMITATION ON USE OF DPAS IN DOD DEL. 1
 - NOT USED TO SUPPORT PROCUREMENT OF END ITEMS
 - » COMMONLY AVAILABLE IN COMMERCIAL MARKETS FOR GENERAL CONSUMPTION
 - » NOT REQUIRING MAJOR MODIFICATION WHEN PURCHASED FOR APPROVED PROGRAM USE
 - » READILY AVAILABLE IN SUFFICIENT QUANTITY SO AS TO CAUSE NO DELAY IN MEETING APPROVED PROGRAM REQUIREMENTS

DPAS

AND

SECURITY OF SUPPLY

WHY INTERNATIONAL SECURITY OF SUPPLY IN THE POST COLD WAR 21st CENTURY

- **GLOBAL MARKETPLACE**
- **INCREASING INTERDEPENDENCE**
- **NEED TO DEVELOP INTEGRATED DEFENSE
SUPPLY PROCESS**

DPAS

AND

SECURITY OF SUPPLY

GLOBALIZATION OF NATIONAL DEFENSE INDUSTRIAL BASE

- **FOREIGN SOURCING OF CRITICAL COMPONENTS**
 - **DURING OPERATION DESERT SHIELD / STORM**
 - » **SEARCH AND RESCUE RADIOS, GPS SYSTEMS, FLAT PANEL DISPLAYS -- JAPAN**
 - » **COMPUTER BATTERY PACKS -- FRANCE / JAPAN**
 - » **AIRCRAFT COCKPIT DISPLAYS -- ENGLAND**
 - **MORE RECENTLY**
 - » **HELICOPTER ANTENNAS -- ENGLAND**
- **DOMESTIC SOURCES ARE DISTRIBUTORS FOR FOREIGN SUPPLIERS**

DPAS AND SECURITY OF SUPPLY

- **U.S. DPAS**
 - MILITARY ASSISTANCE TO FOREIGN NATIONS UNDER DPA
 - PRIORITY RATING TO SUPPORT FOREIGN PROCUREMENT
 - » CANADA -- APPROVED PROGRAMS
 - » CO-PRODUCTION -- F-16 AIRCRAFT
 - » CO-DEVELOPMENT -- JAPANESE F-2 AIRCRAFT
 - » FRIENDLY FOREIGN NATIONS -- NATO AND OTHERS
- **NATO**
 - PRIORITIES AND ALLOCATIONS SYSTEMS WITHIN THE ALLIANCE (APRIL 1997)
 - PROPOSED AGREEMENT ON PRIORITIES AND ALLOCATIONS SYSTEMS WITHIN THE ALLIANCE (FEB 2000)

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AND

SECURITY OF SUPPLY

- WESTERN EUROPEAN UNION
 - PAPER EXPRESSING INTEREST AND UNDERSTANDING (OCTOBER 1999)
- UNITED KINGDOM -- BILATERAL AGREEMENT
 - DOD/MOD DECLARATION OF PRINCIPLES FOR DEFENSE EQUIPMENT AND INDUSTRIAL COOPERATION (FEB 2000)
 - » MEETING NATIONAL DEFENSE REQUIREMENTS
- FRANCE, GERMANY, AUSTRALIA, NORWAY

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

CURRENT ISSUES

- EFFECTIVE AND EFFICIENT **DPAS** ADMINISTRATION
- DEFENSE PRODUCTION ACT REAUTHORIZATION
- PROMOTE AND SUPPORT EUROPEAN SECURITY OF SUPPLY
- DIMINISHING MANUFACTURING SOURCES / MATERIAL SHORTAGE (DMS/MS) SITUATIONS
 - UNAVAILABLE CRITICAL ITEM
 - DISCONTINUE PRODUCTION
 - CLOSE PRODUCTION LINE / CLOSE FACILITY
 - MOVE OFFSHORE

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

CURRENT ISSUES

- REVISION OF FAR AND DFAR TO REFLECT DPAS REVISIONS
- REVISION AND UPDATE OF:
 - EXECUTIVE ORDERS 12919, 12742, AND 12656
 - NATIONAL SECURITY DIRECTIVE 47
 - PRESIDENTIAL EMERGENCY ACTION DOCUMENT
- MILITARY READINESS AND CIVIL EMERGENCY PREPAREDNESS EXERCISES (U.S. AND NATO)

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

IN THE 21st CENTURY

- DEFENSE AND EMERGENCY PREPAREDNESS
 - ASSURED SOURCE OF SUPPLY, TIMELY DELIVERY
- MILITARY READINESS
 - SPARE AND REPAIR PARTS, CONSUMABLES
- “LEAN AND MEAN” ARMED FORCES
- SHRINKING DEFENSE INDUSTRIAL BASE

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DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

IN THE 21st CENTURY

- COMMERCIAL SOURCING / DUAL USE PRODUCTS
- IDENTIFY DEFENSE CONTRACTS
- JUST-IN-TIME PRODUCTION AND INVENTORY
- INSURANCE POLICY