THE WHITE HOUSE
WASHINGTON

September 28, 1995

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE SECRETARY OF COMMERCE
THE SECRETARY OF TRANSPORTATION
UNITED STATES TRADE REPRESENTATIVE
DIRECTOR, UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY
ADMINISTRATOR, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SUBJECT: U.S. Policy on the Use of Foreign Excess Strategic Ballistic Missiles

The National Space Transportation Policy, PDD/NSTC-4, approved by the President on August 5, 1994, includes guidance on the use of U.S. excess strategic ballistic missile assets. This policy was amplified in a October 7, 1994, NSC/OSTP joint memorandum to the Secretary of Defense. Policy regarding the U.S. use of foreign excess ballistic missiles has been a subject of continuing review by an NSC working group, with membership from State, Defense, Commerce, Transportation, ACDA, NASA, USTR and various Executive Offices of the President. The consensus view developed within this interagency process has resulted in the additional guidelines regarding the use of foreign excess ballistic missile assets as set forth below.

U.S. Government policy regarding the use of U.S. excess ballistic missiles that will be eliminated under START I and II Treaties is contained in the National Space Transportation Policy (PDD/NSTC-4) of August 1994. National Space Transportation Policy directs that U.S. excess ballistic missiles shall either be retained for U.S. Government use or be destroyed. Requests by U.S. Government agencies to use such assets for launching payloads into orbit will be considered by the Secretary of Defense on a case-by-case basis and may be permitted if the following conditions are met:

- the payload supports the sponsoring agency's mission;
- use of excess missiles is consistent with international obligations, including MTCR and START; and
The use of excess ballistic missile assets is consistent with international obligations, including the MTCR guidelines and the START agreements.

The sponsoring agency must certify the use of excess ballistic missile assets results in cost savings to the U.S. Government relative to the use of available commercial launch services that would also meet mission requirements, including performance, schedule and risk.

In implementing PDD/NSTC-4 policy guidance, the government shall avoid subsidizing an excess ballistic missile launch industry. To ensure an equitable comparison with the U.S. commercial launch industry, the price for launching a payload using excess ballistic missile assets shall contain all additional costs, both recurring and non-recurring, associated with providing that service. The Department of Defense will work with other U.S. government agencies to establish a baseline cost that can be used for the purposes of such comparison.

The decision to allow use of an asset will be the sole discretion of the Government. DoD shall retain ownership and accountability and maintain control and supervision of all assets and related Government Furnished Equipment. The DoD shall also negotiate and monitor all launch operations.

In summary, the basic tenets of the proposed DoD policy on excess ballistic missiles have been approved with the additional clarifications and guidelines described above. The case-by-case review of potential orbital launches should ensure cost-effective use of government assets without conflicting with the government objective to promote growth and development within the commercial launch industry.

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copy to: The Secretary of State
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The Secretary of Transportation
The United States Trade Representative
The Director, Arms Control and Disarmament Agency
The Administrator, National Aeronautics and Space Administration