

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is a darker shade of blue. The hourglass is centered on the page.

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*Conventional Arms Transfers: President Clintons Policy  
Directive*

Richard F. Grimmett, Foreign Affairs and National Defense Division

Updated May 17, 1995

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## Conventional Arms Transfers: President Clinton's Policy Directive

May 17, 1995

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# Conventional Arms Transfers: President Clinton's Policy Directive

## Summary

President Clinton released details of his Conventional Arms Transfer Policy on February 17, 1995, which are embodied in Presidential Decision Directive 34 (PDD-34). The President's action followed several months of internal debate and discussion by the Clinton Administration, the first detailed examination of conventional arms transfer policy since the Cold War's end.

As outlined, United States Conventional Arms Transfer Policy codifies an approach toward arms transfers that has guided the Clinton Administration's decisions over the last two years. The United States continues to view transfers of conventional arms as a legitimate instrument of U.S. foreign policy when they enable the United States to help friends and allies deter aggression, promote regional security and increase interoperability of U.S. forces and allied forces.

Features of the Clinton Administration's Conventional Arms Transfer Policy are likely to form the basis for debates on conventional arms transfer issues for the foreseeable future. Among the issues likely to be raised by the policy include developing consensus for conventional arms transfer restraint, determining whether or not there should be U.S. government financing support for American arms suppliers, and the potential impact of the policy guidelines on sales and retransfers of upgraded military equipment.

President Clinton's Conventional Arms Transfer Policy represents a public articulation of a policy approach that has governed United States arms transfers at least since the Reagan Administration, if not earlier. Decisions to sell or not to sell American weapons will be made on a case-by-case basis. The guidelines set out in the policy are sufficiently broad so as to permit most U.S. sales on the grounds of advancing the national interest. The policy guidelines do not reflect more tightly drawn criteria for U.S. arms transfers such as the strict "code of conduct" test that potential arms recipients would have to meet under a proposal by some Congressional arms control advocates. The central multilateral arms control element of the policy is itself a continuation of general United States policy in this area. And, as with other efforts of this type undertaken in the past, it is essentially dependent for its success on securing the agreement of other major weapons suppliers to forego activities that might otherwise be to their financial benefit.

Although the Administration has emphasized that its decisions on arms transfers will not be driven by commercial considerations but primarily by national security, the Clinton arms transfer policy holds that supporting a strong, sustainable American defense-industrial base is a key national security concern, rather than a largely commercial matter. In so doing, the Clinton policy publicly elevates the significance of domestic economic considerations in the arms transfer decision-making process to a higher degree than has been formally the case in previous administrations.

## **Abstract**

This report details and analyzes President Clinton's Conventional Arms Transfer Policy as embodied in Presidential Decision Directive 34 (PDD-34), released on February 17, 1995. It reviews in depth the content of the President's policy directive, some implications of that directive for U.S. arms transfer policy and practice, and provides an appendix providing the key elements of PDD-34, as released by the White House in February 1995. This report will not be updated unless there is a notable change in the President's arms transfer policy.

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# Conventional Arms Transfers: President Clinton's Policy Directive

## Policy Overview

On February 17, 1995, President Clinton released details of his Conventional Arms Transfer Policy, embodied in Presidential Decision Directive 34 (PDD-34)<sup>1</sup> This action took place after several months of internal debate and discussion by the Clinton Administration. This review of conventional arms transfer policy was the first detailed examination of the subject since the end of the Cold War. Since that event, there has been much greater competition between the security and economic rationales for foreign arms sales within the United States Government than was the case previously. At the height of the Cold War, security considerations were preeminent when decisions were made regarding possible arms sales, economic benefits were largely secondary. Although there does not appear to be a dramatic change in U.S. conventional arms transfer policy compared to previous administrations, the Clinton policy does seem to ascribe a higher priority to domestic economic considerations, including a government willingness to help American arms sellers conclude foreign contracts. That element of the Clinton approach has been criticized by those who contend that U.S. policy should place greater emphasis on constraining arms sales and more actively promote conventional arms control generally.

As currently outlined, United States Conventional Arms Transfer Policy codifies an approach toward arms transfers that has guided the Clinton Administration's decisions over the last two years. The United States continues to view transfers of conventional arms as a legitimate instrument of U.S. foreign policy. The stated criteria for such transfers are that they enable the United States to help friends and allies deter aggression, promote regional security and increase interoperability of U.S. forces and allied forces.<sup>2</sup>

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<sup>1</sup> Statements outlining details of the President's Conventional Arms Transfer Policy were made public by the White House in the form of press releases on February 17, 1995. The State Department held a press conference the same day at which Eric Newsom, the Principal Deputy Assistant Secretary of State for Political-Military Affairs, gave a statement on the new policy, and answered questions, providing further clarification of various aspects of President Clinton's policy. See Daily Press Briefing #24, February 17, 1995.

<sup>2</sup> Previous Administrations have given varying degrees of public detail regarding the specific factors that would govern their decisions regarding transfers of conventional arms. The Bush Administration issued no policy statement of guidelines to the public. President Reagan issued a detailed Arms Transfer Policy Directive on July 8, 1981. The Reagan directive explicitly superseded President Carter's Presidential Directive 13 on Conventional (continued...)

The Administration argues that deciding when a specific arms transfer meets these standards will require examination of the dynamics of regional power balances and the potential for destabilizing changes within given regions. Specific criteria to govern these examinations are set out in a detailed series of guidelines for U.S. decisionmaking, including criteria related to participation by U.S. industries in upgrading of military equipment. Given what the Administration believes are the multiple U.S. interests involved in each arms transfer determination, decisions will continue to be made on a case-by-case basis.

The United States itself, under these guidelines, will unilaterally refrain from arms sales where it concludes the transfer of weapons runs counter to U.S. human rights policy or would contribute to indiscriminate casualties. Transfers of anti-personnel mines would fall into this latter category. Likewise it will unilaterally refrain from sales where national interests are served by doing so, such as by denying arms to pariah states, restricting exports to preserve a military advantage or a lead in weapons technology, or where regional stability can best be maintained by withholding U.S. weapons.

The Clinton Administration notes that the intent of its Conventional Arms Transfer Policy is to promote restraint, both by the United States and other suppliers, in transfers of weapons systems that may be destabilizing or dangerous to international peace. At the same time, it is U.S. policy to support transfers that meet legitimate defense requirements of America's friends and allies, in support of U.S. national security and foreign policy interests. The Administration argues that the U.S. record on arms transfers reflects these considerations. It points out that the United States historical average for its arms sales in recent years has been about \$12 billion a year, and sales and deliveries have been primarily to allies and major coalition partners such as NATO states and Israel.

The Administration further explicitly notes that once approval for an arms transfer is given, the United States Government will provide support for the proposed export. In such cases, the U.S. will, among other things, direct American overseas mission personnel to support foreign marketing efforts of American companies bidding on defense contracts and actively involve senior government officials in promoting arms sales of particular importance to the United States. The United States will further support official Defense Department participation in international air and trade exhibitions, when U.S. law permits, the Secretary of Defense determines such participation is in the national interest, and Congress is notified. The Administration notes that one major goal of its policy is to enhance the ability of the U.S. defense industrial base to meet U.S. defense requirements and maintain long-term military technological superiority at lower costs. In this context, it is deemed appropriate to provide the kinds of assistance noted above.

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<sup>2</sup>(...continued)

Arms Transfer Policy made public on May 19, 1977.

## Principal Goals of United States Conventional Arms Transfer Policy<sup>3</sup>

The key goals of the U.S. Conventional Arms Transfer Policy as set out by the Clinton Administration are:

- ! To ensure that U.S. military forces can continue to enjoy technological advantages over potential adversaries;
- ! To promote regional stability in areas critical to U.S. interests, while preventing the proliferation of weapons of mass destruction and their missile delivery systems;
- ! To promote peaceful conflict resolution and arms control, human rights, democratization, and other U.S. foreign policy objectives;
- ! To help allies and friends deter or defend themselves against aggression, while promoting interoperability with U.S. forces when combined operations are required;
- ! To enhance the ability of the U.S. defense industrial base to meet U.S. defense requirements and maintain long-term military technological superiority at lower costs.

### Arms Control Elements of the Clinton Policy

The background statements outlining President Clinton's Conventional Arms Transfer Policy note that the centerpiece of United States efforts to promote multilateral restraint is its initiative to work with allies and friends to establish a successor export control regime to COCOM (the Coordinating Committee for Multilateral Export Controls). American goals for this new regime are to establish effective international controls on arms sales and the transfer of sensitive technologies--particularly to regions of tension and to states that pose a threat to international peace and security. The United States will continue to seek to increase transparency of conventional arms transfers and related technologies. It intends to take the lead in efforts to expand the UN Register of Conventional Arms to include military holdings and procurement through national production. The U.S. will also encourage increased participation in the Register. The United States will further support regional initiatives to enhance transparency in conventional arms such as those being examined by ASEAN states and the OAS.

The Clinton Administration notes that it is the policy of the United States to continue to provide vigorous support for current arms control and confidence-building efforts to constrain the demand for destabilizing weapons and related technology. The United States recognizes that such efforts, currently under way in the Middle East and in Europe, bolster stability. They have the potential to assist other

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<sup>3</sup> See Appendix for texts of formal Administration statements released on February 17, 1995 outlining the Clinton Conventional Arms Transfer Policy.



suppliers to develop effective export control mechanisms to support responsible export policies. The United States will also continue to provide defense conversion assistance to the states of the former Soviet Union and Central Europe as a way of countering growing pressures to export.

Finally, the Clinton Administration has placed a new emphasis in its foreign and national security policies on regional security and stability, and the language of its Conventional Arms Transfer Policy seems to emphasize this approach somewhat more than was done in the past. In the post-Cold War era, the Clinton Administration believes that arms transfers are likely to have a greater effect on a regional basis due to the prevailing military balances that exist within various regions. Thus, while President Clinton's Conventional Arms Transfer Policy is cast in global terms, its application is likely to be guided by regional factors and considerations. It is likely to focus most attention on how a given arms sale by the United States, or by others, will affect a regional military balance--and thus harm or hinder stability in the given region.

## **Some Implications of The Clinton Conventional Arms Transfer Policy**

The Clinton Administration's Conventional Arms Transfer Policy establishes a set of guidelines that are likely to form the basis for debates on conventional arms transfers issues for the foreseeable future. What follows is a review of some of the more immediate implications of the Clinton arms transfer policy.

### **Developing Consensus for Conventional Arms Transfer Restraint**

Defense industries of major arms supplying countries are under great pressures to export arms to compensate for much reduced domestic weapons contracts. Further, some governments feel the need to sell weapons to any buyer both to maintain a viable defense industrial base and to secure needed foreign exchange. Within this environment, it will be very difficult for the United States to reach consensus among major arms supplying governments for new conventional weapons control regimes, whether regional or global. The Clinton Administration is especially likely to encounter resistance to a strong new post-COCOM regime, which it states is a central multilateral arms control element of its policy.

Foreign governments are also not likely to curtail their conventional arms exports in major markets such as the Middle East and Persian Gulf and in Asia unless the United States does likewise. Since it appears unlikely that the United States will limit its sales of military equipment to its major allies and coalition partner states in these regions on the grounds of key national security interests, the probable result is for a continuation of past arms sales patterns by the United States and other arms suppliers.

This potential outcome has led to strong criticism of the Clinton policy by those who had hoped it would contain features setting more difficult standards for arms sales by the United States to nations that had undemocratic governments or that did

not adequately protect human rights. The greater emphasis in the Clinton policy on providing government assistance to American arms sellers has also met with sharp criticism from American arms control advocates who note that relatively high overall American arms sales figures since the end of the Cold War belie the argument that the U.S. is not effectively competing with foreign weapons sellers. During the last and the current Congress, for example, Senator Mark Hatfield and Rep. Cynthia McKinney have introduced legislation in the Senate and the House that would establish a "code of conduct" for U.S. decisionmaking on conventional arms transfers. This legislation, among other things, would notably increase the requirements foreign governments would have to meet in the areas of democratic practices and respect for human rights before they could be eligible to receive U.S. weaponry.

## **Government Financing for Arms Exports**

The lack of financing from supplier states to support arms purchases by would-be buyers may curtail arms transfers in the near term. Even an oil-rich nation such as Saudi Arabia has had to curtail its arms purchases in light of the fall of the price of oil and its need to meet other, non-military, obligations. Neither the United States nor foreign arms suppliers have provided substantial amounts of financing for arms sales in recent years, and this has made potential arms purchases by less wealthy nations more difficult, if not impossible, in many cases. Sales to sub-Saharan African countries, for example, fell from over \$15 billion in the years 1986-1989 to about \$2 billion in the years 1990-1993.<sup>4</sup> Indeed, while the Clinton Conventional Arms Transfer Policy stipulates that the Administration will assist American defense industries in concluding an arms sale, once it has determined that the sale is in U.S. national interests, the Administration has not supported a proposal strongly sought by industry to create a financing vehicle to help underwrite purchases of American military equipment by foreign buyers.<sup>5</sup>

## **Impact on Sales and Retransfers of Upgraded Equipment**

While one can argue that the criteria for decisionmaking on U.S. arms exports set out as guidelines by the Clinton Administration are sufficiently broad and general so as to permit the justification of almost any arms sale proposal, one can also argue that the criteria to govern transfers of items to upgrade existing weapons systems are rather restrictive. For example, the upgrade criteria in the Clinton policy stipulate

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<sup>4</sup> Conventional Arms Transfers to the Third World, 1986-1993. CRS Report for Congress 94-612F by Richard F. Grimmett. July 29, 1994, p.52.

<sup>5</sup> American defense industry has argued that several foreign governments provide subsidies and other financing support to their domestic defense contractors and thereby have an unfair advantage when competing for arms contracts. To counter this situation, American industry has proposed that some type of fund be established by the U.S. government from which American industry could obtain financing for prospective foreign arms clients. If such a financing arrangement were established American industry could, it is asserted, be able to counter the competitive advantages foreign industry currently enjoys, and increase the prospects of American companies for winning additional arms contracts.

that there will be a presumption of denial of exports to upgrade programs that lead to a capability beyond that which the United States would be willing to export directly. In furtherance of this aim there is to be a careful review of the total scope of a proposed upgrade program to ensure that U.S. licensing decisions will be consistent with it.

In addition, U.S. contributions to upgrade programs initiated by foreign prime contractors are to be evaluated against the same standard. Upgrades will be subject to the standard U.S. Government written end use and retransfer assurances by both the nation doing the integrating of upgrade items and the final end user of the system upgraded. Under these conditions, the United States would be able to insist in weapons upgrade programs that the foreign nation using United States defense articles to upgrade a weapons system would have to allow the U.S. the unilateral right to block any sale to a third nation of the upgraded weapon system. And, in addition, the nation that was to be the ultimate purchaser of the upgraded weapon system would also have to agree that the U.S. could block its retransfer of the finished weapon to another party. The Clinton policy states that there will be strong and specific sanctions in place for those who violate these conditions.

Since the upgrading of existing weapons is likely to be an important part of the international arms market in years to come, this condition in the Clinton policy could be a source of significant U.S. control over which nations will get advanced, upgraded, weapons. At the same time it could be the source of contract losses and significant disputes between the United States and foreign governments who want to use American weapons technology in upgrading various weapons, but do not necessarily share the U.S. view regarding which countries should get certain types of advanced weaponry. The United States in pursuing this approach to upgrades control may find some supplier nations unwilling to restrict their freedom to sell finished, upgraded, weapons, and refuse to collaborate with the U.S. on some weapons projects. Yet, if the United States manufactures the best defense articles for a given upgrade project, foreign purchasers may have no option but to agree to the terms set by the U.S. under this policy.

In summary, President Clinton's Conventional Arms Transfer Policy represents a public articulation of a policy approach that has broadly governed United States arms transfers at least since the Reagan Administration, if not earlier. Decisions to sell or not to sell American weapons will be made on a case-by-case basis. The policy guidelines set out in the policy are sufficiently broad so as to permit most U.S. sales on the grounds of advancing the national interest. The policy guidelines do not reflect more tightly drawn criteria for U.S. arms transfers such as the strict "code of conduct" test that potential arms recipients would have to meet under a proposal by some Congressional arms control advocates. The central multilateral arms control element of the policy is itself a continuation of general United States policy in this area. And, as with other efforts of this type undertaken in the past, it is essentially dependent for its success on securing the agreement of other major weapons suppliers to forego activities that might otherwise be to their financial benefit.

While the Administration has emphasized that its decisions on arms transfers will not be driven by commercial considerations but primarily by national security, the Clinton arms transfer policy holds that supporting a strong, sustainable American

defense-industrial base is a key national security concern, rather than a largely commercial matter. In so doing, the Clinton policy publicly elevates the significance of domestic economic considerations in the arms transfer decision-making process to a higher degree than has been the case in previous administrations.

## Appendix

THE WHITE HOUSE

February 17, 1995

Statement by the Press Secretary

### CONVENTIONAL ARMS TRANSFER POLICY

The President has approved a comprehensive policy to govern transfers of conventional arms. This policy, as detailed in the attached fact sheets, serves our nation's security in two important ways. First, it supports transfers that meet the continuing security needs of the United States, its friends and allies. Second, it restrains arms transfers that may be destabilizing or threatening to regional peace and security.

This policy reflects an approach towards arms transfers that has guided the Administration's decisions over the last two years. Specifically, the United States continues to view transfers of conventional arms as a legitimate-instrument of U.S. foreign policy -- deserving U.S. government support -- when they enable us to help friends and allies-deter aggression, promote regional security, and increase interoperability of U.S. forces and allied forces. Judging when a specific transfer will meet that test requires examination of the dynamics of regional power balances and the potential for destabilizing changes in those regions. The criteria guiding those case-by-case examinations are set forth in the attached guidelines for U.S. decisionmaking on conventional arms transfers.

The centerpiece of our efforts to promote multilateral restraint is our initiative to work with allies and friends to establish a successor regime to COCOM. The new regime should establish effective international controls on arms sales and the transfer of sensitive technologies -- particularly to regions of tension and to states that pose a threat to international peace-and security. While pursuing multilateral restraint through this and other mechanisms such as the UN conventional arms register and regional initiatives, the United States will exercise unilateral restraint in cases where overriding national security or foreign policy interests require us to do so.

THE WHITE HOUSE  
February 17, 1995  
Office of the Press Secretary  
FACT SHEET

**CONVENTIONAL ARMS TRANSFER POLICY**

U.S. conventional arms transfer policy promotes restraint, both by the U.S. and other suppliers, in transfers of weapons systems that may be destabilizing or dangerous to international peace. At the same time, the policy supports transfers that meet legitimate defense requirements of our friends and allies, in support of our national security and foreign policy interests.

Our record reflects these considerations. U.S. arms sales remain close to our historical average -- approximately \$12 billion in government-to-government sales agreements in FY 1994. U.S. arms deliveries have also remained flat. Sales and deliveries have been primarily to allies and major coalition partners such as NATO member states and Israel.

**U.S. Goals**

The policy issued by the President will serve the following goals:

- 1) To ensure that our military forces can continue to enjoy technological advantages over potential adversaries.
- 2) To help allies and friends deter or defend themselves against aggression, while promoting interoperability with U.S. forces when combined operations are required.
- 3) To promote regional stability in areas critical to U.S. interests, while preventing the proliferation of weapons of mass destruction and their missile delivery systems.
- 4) To promote peaceful conflict resolution and arms control, human rights, democratization, and other U.S. foreign policy objectives.
- 5) To enhance the ability of the U.S. defense industrial base to meet U.S. defense requirements and maintain long-term military technological superiority at lower costs.

**Supporting Arms Control and Arms Transfer Restraint**

A critical element of U.S. policy is to promote control, restraint, and transparency of arms transfers. To that end, the U.S. will push to increase participation in the UN Register of Conventional Arms. We will also take the lead to expand the Register to include military holdings and procurement through national production, thereby providing a more complete picture of change in a nation's military capabilities each year.

The U.S. will also support regional initiatives to enhance transparency in conventional arms such as those being examined by the OAS and ASEAN, and will continue to adhere to the London and OSCE guidelines, while promoting adherence to such principles by others.

The United States will continue its efforts to establish a successor export control regime to the Cold-War era COCOM. Our goals for this regime are to increase transparency of transfers of conventional arms and related technology, to establish effective international controls and to promote restraint particularly to regions of tension and to states that are likely to pose a threat to international peace and security.

The United States will also continue vigorous support for current arms control and confidence-building efforts to constrain the demand for destabilizing weapons and related technology. The United States recognizes that efforts such as those under way in the Middle East and Europe bolster stability in a variety of regions.

The United States will act unilaterally to restrain the flow of arms in cases where unilateral action is effective or necessitated by overriding national interests. Such restraint would be considered on a case-by-case basis in transfers involving pariah states or where the U.S. has a very substantial lead on weapon technology, where the U.S. restricts exports to preserve its military edge or regional stability, where the U.S. has no fielded countermeasures, or where the transfer of weapons raises issues involving human rights or indiscriminate casualties, such as anti-personnel landmines.

Finally, the U.S. will assist other suppliers to develop effective export control mechanisms to support responsible export policies. The United States will also continue to provide defense conversion assistance to the states of the former Soviet Union and Central Europe as a way of countering growing pressures to export.

### **Supporting Responsible U.S. Transfers**

Once an approval for a transfer is made, the U.S. Government will provide support for the proposed U.S. export. In those cases the United States will take such steps as tasking our overseas mission personnel to support overseas marketing efforts of American companies bidding on defense contracts, actively involving senior government officials in promoting sales of particular importance to the United States, and supporting official Department of Defense participation in international air and trade exhibitions when the Secretary of Defense, in accordance with existing law, determines such participation to be in the national interest and notifies Congress.

### **Decisionmaking on U.S. Arms Exports: Criteria and Process**

Given the complexities of arms transfer decisions and the multiple U.S. interests involved in each arms transfer decision, decisions will continue to be made on a case-by-case basis. These case-by-case reviews will be guided by a set of criteria that draw the appropriate balance between legitimate arms sales to support the national security of our friends and allies, and the need for multilateral restraint against the transfer of arms that would enhance the military capabilities of hostile states or that would undermine stability. (See accompanying Fact Sheet, "Criteria for Decisionmaking on U.S. Arms Exports.")

THE WHITE HOUSE  
February 17, 1995  
Office of the Press Secretary  
FACT SHEET

**CRITERIA FOR DECISIONMAKING ON U.S. ARMS EXPORTS**

Given the complexities of arms transfer decisions and the multiple U.S. interests involved in each arms transfer decision, the U.S. Government will continue to make arms transfer decisions on a case-by-case basis. These reviews will be guided by the criteria below.

**General Criteria**

All arms transfer decisions will take into account the following criteria:

- Consistency with international agreements and arms control initiatives.
- Appropriateness of the transfer in responding to legitimate U.S. and recipient security needs.
- Consistency with U.S. regional stability interests, especially when considering transfers involving power projection capability or introduction of a system which may foster increased tension or contribute to an arms race.
- The degree to which the transfer supports U.S. strategic and foreign policy interests through increased Access and influence, allied burdensharing, and interoperability.
- The impact of the proposed transfer on U.S. capabilities and technological advantage, particularly in protecting sensitive software and hardware design, development, manufacturing, and integration knowledge.
- The impact on U.S. industry and the defense industrial base whether the sale is approved or not.
- The degree of protection afforded sensitive technology and potential for unauthorized third-party transfer, as well as in-country diversion to unauthorized uses.
- The risk of revealing system vulnerabilities and adversely impacting U.S. operational capabilities in the event of compromise.
- The risk of adverse economic, political or social impact within the recipient nation and the degree to which security needs can be addressed by other means.
- The human rights, terrorism and proliferation record of the recipient and the potential for misuse of the export in question.
- The availability of comparable systems from foreign suppliers.



- The ability of the recipient effectively to field, support, and appropriately employ the requested system in accordance with its intended end-use.

### **Upgrade Criteria**

Upgrades of equipment -- particularly that of former Soviet-bloc manufacture -- is a growing segment of the market. The U.S. government should support U.S. firms' participation in that market segment to the extent consistent with our own national security and foreign policy interests. In addition to the above general criteria, the following guidelines will govern U.S. treatment of upgrades:

- Upgrade programs must be well-defined to be considered for approval.
- Upgrades should be consistent with general conventional arms transfer criteria outlined above.
- There will be a presumption of denial of exports to upgrade programs that lead to a capability beyond that which the U.S. would be willing to export directly.
- Careful review of the total scope of proposed upgrade programs is necessary to ensure that U.S. licensing decisions are consistent with U.S. policy on transfers of equivalent new systems.
- U.S. contributions to upgrade programs initiated by foreign prime contractors should be evaluated against the same standard.
- Protection of U.S. technologies must be ensured because of the inherent risk of technology transfer in the integration efforts that typically accompany an upgrade project.
- Upgrades will be subject to standard USG written end use and retransfer assurances by both the integrator and final end user, with strong and specific sanctions in place for those who violate these conditions.
- Benchmarks should be established for upgrades of specific types of systems, to provide a policy baseline-against which
  - (1) individual arms transfer proposals can be assessed and
  - (2) proposed departures from the policy must be justified.