

EDA INFORMATION PAPER

SUBJECT: Excess Defense Articles (EDA) Programs and Process

BACKGROUND:

- EDA enables the U.S. to meet many of its foreign policy objectives while simultaneously supporting our friends and allies in improving their defense capabilities. Objectives met by the EDA program include strengthening coalitions, enhancing interoperability, furthering legitimate modernizing efforts of our allies and aiding in peacekeeping, anti-narcotics and demining efforts.
- EDA is defined in Section 644 of the Foreign Assistance Act (FAA) as the quantity of defense articles (other than construction equipment), which are in excess of, approved force acquisition objectives and approved force retention stock. Legislation prohibits the transfer of construction equipment and places limits on the transfer of firefighting equipment. EDA can be sold via Foreign Military Sales and can be grant transferred to certain eligible countries. EDA is provided on an “as is, where is” basis with the transportation, refurbishment and support costs being the responsibility of the recipient.
- With the stabilization of our own troop strengths, the volume of material offered under the EDA program has been greatly reduced. Currently, we use caution when referring to this program and the possible benefits it may offer to our friends and allies because of the condition of the items and the associated support costs.
- Since EDA is provided on an “as is, where is” basis, the associated costs for packaging, handling, crating and transportation and refurbishment of the defense article are generally the determining factor as to whether or not a country accepts the EDA, even if it is offered on a grant basis. These associated costs prove to be cost prohibitive to many countries wanting EDA equipment.
- Most EDA articles are unserviceable and require major repair. Additionally, spare parts, tools and manuals, if available, must be purchased separately. In some cases, no follow-on support is available since the USG MILDEPs no longer fields the items. These associated costs often outweigh the benefit of the material being offered for transfer.
- EDA availability changes almost on a daily basis; therefore there are no published lists of EDA except for the Defense Logistics Agency Disposition Service, the DoD’s disposal agency, which has a list available via the Internet.
- This program continues to work best in assisting our friends and allies who use the program in augmenting their current inventories of like items since they already have a support structure in place.

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EDA PROCESS:

- There are three main ways in which countries can request EDA.
 1. Countries can provide complete and accurate responses to MILDEP's survey messages of interest for EDA by the requested deadline.
 2. The most widely used method is for countries to submit realistic, short lists of requirements. Upon receipt relevant MILDEPs will determine whether the item is available as EDA. If not, the MILDEP will keep the request on file.
 3. The third way is to visit the nearest Defense Reutilization and Marketing Office (DRMO) or visit the Defense Logistics Agency Disposition Services website at www.drms.dla.mil.
- Under the EDA process, each MILDEP determines what items are excess. Additionally, the MILDEPs must ensure that the items must also be excess to other Military Departments, Defense Agencies, Reserve components, and the National Guard before being offered to a foreign government.
- The MILDEPs will either fill existing requirements for EDA or conduct a survey for country requirements.
- When a MILDEP is responding to a country request, and if requirements exceed available assets, the interagency EDA Coordinating Committee (EDA CORCOM) meets and determines the overall prioritized allocation plan.
 - The Committee is co-chaired by DSCA and State Department. Each OSD regional office has a seat, as well as, JCS/J-5 and Commerce Department.
 - The Commerce Department's role is to ensure that the transfer of EDA does not adversely impact industry. By law, Section 516 of the FAA, we cannot transfer the EDA if it will have an adverse impact on industry or a private entity trying to sale like or similar items to the same country. This requirement can be problematic on EDA transfers.
- If the MILDEP is able to fill the country's request and the transfer does not require an allocation plan, the transfer packages are coordinated with the OSD regional offices (the relevant OSD country desk office), Department of State, and Department of Commerce.
- Once coordination is complete, if the EDA being transferred is Significant Military Equipment (SME) or valued at \$7M or higher in original acquisition value, then a 30-day congressional notification is required.

- Upon completion of notification, DSCA authorizes the MILDEPS to officially offer/transfer the EDA.
- Joint Visual Inspections (JVI) by the foreign country are highly encouraged prior to acceptance so that the country is aware of the current condition of the equipment that has been offered.
- The foreign country is then responsible for all refurbishment, follow-on support, training, and transportation of the item either through FMS channels or commercial means.

