

amelioration of an EUC's restrictive language.

(b) The Under Secretary of Defense for Policy shall:

(1) Consult with the USD(A) on waivers authorized by this part and, if appropriate, coordinate with the Department of State.

(2) When requested, and in coordination with the USD(A), assist the Military Departments and Defense Agencies in negotiating the elimination or amelioration of the EUC's restrictive language.

(3) Develop procedures for coordination and review of EUC's internally and with the Department of State.

(4) Establish, with the concurrence of the USD(A), specific acceptable end use restrictions in addition to those set forth in Category I, which shall be added immediately to Category I and a corresponding administrative change made to §205.4(c)(1).

(c) The Secretaries of the Military Departments and the Directors of the Defense Agencies shall:

(1) Authorize the execution of Category I and II EUCs in accordance with the procedures outlined in §205.6. This responsibility may not be delegated by the Directors of Defense Agencies; it may be delegated by Secretaries of the Military Departments to civilian officers of their respective departments appointed by the President with the advice and consent of the Senate. Once EUC execution is authorized, the Director of a Defense Agency, or Military Department civilian official who has been delegated authorization authority may delegate the authority to sign individual EUCs.

(2) Establish procedures to ensure compliance with this part. These procedures should ensure compliance, for the life of the purchased item, with the transfer or use restrictions agreed to in signing an EUC. They should also ensure 21-calendar day notification to USD(A) before authorizing the execution of a Category II EUC.

§205.6 Procedures.

(a) Procedures for the three categories of EUCs established in §205.4(c) are:

(1) Category I. Secretaries of the Military Departments and Directors of

Defense Agencies may authorize Category I EUCs.

(2) Category II. Not less than 21 calendar days before authorizing the execution of a Category II EUC, Military Departments and Defense Agencies shall provide notification to the USD(A). The notification will contain a description of the item and the limitations to be imposed by the exporting government. The USD(A) shall coordinate with the USD(P), providing at least 14 days for review. If appropriate, the USD(P) shall coordinate with the Department of State. The USD(A) shall notify the submitting DoD Component of any further action required before final authorization of the EUC; otherwise, concurrence may be assumed after expiration of the 21-day period.

(3) Category III. To acquire an item requiring a Category III EUC, the Secretary of a Military Department or Director of a Defense Agency must request a waiver from the USD(A). Requests for waivers should specify:

(i) Why it is in the interest of the U.S. Government to procure the item.

(ii) The limitations to be imposed by the exporting government and a justification for acceptance of those limitations by the U.S. Government.

(iii) A statement that no satisfactory alternative to the item, considering cost, schedule, or operational requirements, is available from domestic or foreign sources without equivalent limitations.

The USD(A) shall coordinate the waiver with the USD(P), who, if appropriate, shall then coordinate with the Department of State. USD(A) shall notify the submitting DoD Component of the results.

(b) Copies of signed EUCs of all three categories shall be provided promptly to USD(A).

(c) A record of any waivers or modifications of this policy shall be maintained by the USD(A).

PART 206—NATIONAL SECURITY EDUCATION PROGRAM (NSEP) GRANTS TO INSTITUTIONS OF HIGHER EDUCATION

Sec.
206.1 Major characteristics of the NSEP institutional grants program.