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October 7, 1994

MEMORANDUM FOR THE HONORABLE WILLIAM J. PERRY
The Secretary of Defense

SUBJECT:

Excess Strategic Ballistic Missiles

The National Space Transportation Policy, PDD/NSTC-4, approved by the President on August 5, 1994, includes a section providing policy guidance on the disposition of U.S. excess strategic ballistic missile assets. The policy, described in more detail below, reflects the consensus of an Interagency Working Group with representatives from DoD, NASA, DOS, DOT, DOC, ACDA, and USTR and reflects the results of a subgroup jointly chaired by NSC and OSTP.

In large measure the PDD/NSTC-4 policy regarding U.S. excess ballistic missile assets is based upon DoD's recommended policy (as set forth in Secretary Aspin's memoranda to the NSC and OSTP dated September 15, 1993), but provides additional clarification for the case-by-case review required prior to release of U.S. excess ballistic missile assets for launching government-sponsored payloads into orbit. In implementing PDD/NSTC-4, agencies should adhere to these guidelines as set forth below.

U.S. excess ballistic missiles that will be eliminated under the START agreements shall either be retained for government use or be destroyed. These assets may be used within the U.S. Government in accordance with established DoD procedures, for any purpose except to launch payloads into orbit. Requests from within the Department of Defense or from other U.S. Government agencies to use these assets for launching payloads into orbit will be considered by the DoD on a case-by-case basis and require approval by the Secretary of Defense.

Mindful of national policy guidance that U.S. Government agencies shall purchase commercially available U.S. space transportation products and services to the fullest extent feasible, use of excess ballistic missile assets may be permitted for launching payloads into crbit when the following conditions are met:

The payload supports the sponsoring agency's mission; for example, for Government authorized or sponsored research, technology development and test, experimentation, or education and training.

#4/43549 \$51812 the sponsoring agency certifies that use of excess assets will result in cost savings relative to the use of commercial launch services.

The U.S. Government encourages other nations that possess excess ballistic missile assets to adopt a comparable policy. However, the U.S. Government understands the desire and actions of some of the governments of the former Soviet Union to market commercial space launch services using excess ballistic missiles and the interest of some U.S. commercial companies in availing themselves of these services.

The U.S. Government will consider on a case-by-case basis requests from U.S. companies to use foreign excess ballistic missiles for space launch purposes. However, the U.S. Government will not approve such cases unless the use of such excess missiles is in conformity with arms control agreements, including obligations under the START Treaty, U.S. nonproliferation policies, U.S. technology transfer policies and U.S. policies regarding observance of the guidelines and Annex of the Missile Technology Control Regime. As this case-by-case policy is applied over time, the U.S. Government will assess whether the pattern of U.S. companies' use of foreign excess ballistic missiles for space launch purposes threatens the viability of relevant sectors of the U.S. defense industrial base.

Additionally, the use of foreign excess ballistic missile assets for space launch purposes must be subject to the terms and conditions of any relevant bilateral commercial space launch trade agreement with the United States, which permits any appropriate action to be taken consistent with U.S. laws and regulations.

Export license applications for satellites for launch on foreign excess ballistic missiles will be processed in accordance with existing laws and regulations. Unresolved issues regarding interagency review of requests will be resolved according to existing practices.

This policy statement supplements the National Space Transportation Policy, PDD/NSTC-4, regarding the use of excess ballistic missile assets and is effective immediately.

Anthony Lake

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