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From: Jeff Bofgard	Fax#:
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Special Instructions:	
As discussed in yesterday's IWG mand questions and enswers on the policy.	meeting, attached are talking points foreign excess ballistic missile
The policy memo should be signed on Friday.	tonight. We'll forward copies ASAP
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CONGRESSIONAL/INDUSTRY TALKING POINTS

- The President's National Security Advisor, Anthony Lake, and his Science and Technology Advisor, John Gibbons, jointly released a policy statement on the U.S. commercial use of foreign excess strategic ballistic missiles.
- The joint memorandum to Departments and Agencies updates the National Space Transportation Policy, approved by the President on August 5, 1994. That policy statement included policy guidance on the disposition of U.S. excess strategic ballistic missile assets. U.S. policy regarding use of foreign excess ballistic missiles was deferred and further reviewed by an NSC-led Interagency Working Group.
- The joint NSC/OSTP policy statement restates the August 1994 "domestic" policy of using U.S. excess ballistic missiles for government use or destroying them.
- The new policy encourages other nations that possess excess ballistic missile assets to adopt a comparable policy, but states understanding of the desire of these countries to market excess missiles for commercial use.
- The new policy states that 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, providing the use 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 cbservance of the guidelines and Annex of the Missile Technology Control Regime.
- It notes the applicability of commercial space launch agreements and states that the effects of case-by-case approvals on relevant U.S. defense industrial base sectors will be monitored and assessed over time.
- The new policy becomes effective immediately. Questions regarding the details of the policy and its implementation should be directed to the Department of State and the Department of Commerce.

Q. Why did the Administration need to develop this policy?

A. In the course of developing our own domestic space launch policy, we concluded that U.S. excess ballistic missiles should be retained only for government use or destroyed. Although we would prefer other countries adopt a policy like ours, we acknowledge that some states of the former Soviet Union desire to market these assets commercially. There is also an interest by some U.S. companies to use these foreign assets. This policy defines the conditions that must be met as we review these cases. This type of guidance was needed for the federal licensing agencies as well as private sector entities that may contemplate use of foreign assets.

Q. Doesn't the Administration's space transportation policy prohibit the commercial use of U.S. excess ballistic missiles? Why are the Russians allowed to use their systems commercially?

A. The use of U.S. excess ballistic missiles was addressed as part of the Administration's overall space transportation policy; which included civil, national security and commercial interests. In the process of developing the policy, we concluded that it could be detrimental to the emerging U/S. commercial space launch sector for the U.S. government to allow unrestricted entry of U.S government excess assets into the marketplace. For this reason, we restricted their use to only government sponsored research, development and testing programs. As we review cases involving use of foreign assets, we will also be looking at the potential impacts on the U.S. defense industrial base.

Q. The policy says that the USG will encourage other countries to adopt a policy similar to ours. How will we do that?

- A. We have an ongoing dialogue with Russia and the Ukraine on a variety of space and commercial matters. We will be reiterating our view at appropriate opportunities with both countries.
- **Q.** Is the US going to also raise the GEO quota for the Russians on commercial space launch?

A. We have an open and ongoing dialogue with the Russians on commercial space launch with a consultative process outlined in our agreement. As part of this process, we will be meeting with the Russians to discuss some of their views on the space launch agreement.

- Q. How does this relate to the U.S.-Russian commercial space launch agreement?
- A. The most likely uses for these systems will be delivery of payloads to low earth orbit. The U.S.-Russian agreement includes a provision for case-by-case consultations on low earth orbit launches. The license issued today is consistant with the terms of the agreement.

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