MEMORANDUM OF AGREEMENT
BETWEEN
THE GOVERNMENT OF AUSTRALIA
AND
THE GOVERNMENT OF THE UNITED STATES
CONCERNING RECIPROCAL DEFENSE PROCUREMENT

PREAMBLE

The Government of the United States of America and the
Government of Australia, hereinafter referred to as the
Governments,

BEARING IN MIND their partnership in the Security Treaty
which was concluded between Australia, New Zealand, and the
United States of America at San Francisco on the first day
of September 1951;

HAVING REGARD to the friendly relations existing between
them;

DESIRING to make the most cost-effective and rational use of
the funds allocated to defense;

DESIRING to enhance and strengthen each country's industrial
base;

DESIRING to promote the exchange of defense technology
consistent with their respective national policies;

DESIRING to promote interoperability of their military
equipment;

DESIRING to facilitate procurement by each country from the
other;

HAVE AGREED as follows:

ARTICLE 1

Applicability

1. Subject to any exceptions prescribed by law, regulation, or
policy, this Agreement shall apply to the following procurement
of supplies by the U.S. Department of Defense and the Australian
Department of Defence:

   a. in the case of Australia, procurements requiring
      Advanced Purchasing methods; and
b. in the case of the United States, procurements over the simplified acquisition threshold; or

c. procurements worth such other values as the Governments may mutually determine.

2. This Agreement does not cover:

a. Construction.

b. Construction materials.

c. Research and Development.

ARTICLE 2

Procurement Principles

Consistent with their respective laws, regulations and policies, each Government shall, in relation to procurement:

a. Remove barriers to procurements of supplies produced in the country of the other Government.

b. Accord industries of the other Government treatment no less favorable in relation to procurement than that accorded to industries of its own country.

c. Use contracting procedures that, as a minimum, allow responsible suppliers from each country to compete for procurement by the other Government.

d. Exchange relevant implementing regulations, policy guidance, and administrative procedures.

e. Exchange, to the extent practicable and mutually beneficial, information regarding requirements for supplies and proposed purchases in accordance with Article 5 to ensure adequate time for industries of the other country to qualify for eligibility and submit a bid or proposal.

f. Exchange sufficient information to enable supplies being considered for procurement to be assessed in terms of operational and support requirements.

g. Collect and exchange statistics as mutually agreed.

h. Ensure that all controlled information, including proprietary technical data, and defense equipment released to industry pursuant to this Agreement, is used only for
submitting offers for and performing defense contracts covered by this Agreement, except as authorized by the releasing Government and by the holders of rights to the information or equipment.

ARTICLE 3

Maintenance of the Industrial Base

1. Both Governments recognize that each Government is responsible for maintaining a defense industrial base in its country consistent with that country's national security needs.

2. In respect of procurement, the Governments shall regularly discuss, on a bilateral or multilateral basis, measures to limit the adverse effects of offsets and other regulations and policies on the defense industrial base of each country.

ARTICLE 4

Waivers

Having regard to the desire of both Governments to make best use of their respective defense funds, each Government shall, subject to its laws, regulations and policies, waive customs duties for procurement.

ARTICLE 5

Procurement Procedures

1. To the extent practicable, each Government shall publish or have published, in a generally available periodical, a notice of proposed purchases prior to the issuance of solicitations. The notice shall contain:

   a. subject matter of the contract;

   b. time limits set for the submission of offers or an application for solicitation; and

   c. addresses from which solicitation documents and related data may be requested;

2. On request, the Governments shall provide copies of solicitations for proposed purchases. A solicitation shall constitute an invitation to participate in the competition and shall contain the following information:
a. the nature and quantity of the products or services to be supplied;
b. whether the procedure is by sealed bids or negotiation;
c. the basis on which the award is to be made, such as by lowest price or otherwise;
d. any delivery date;
e. the address and final date for submitting offers;
f. the address of the agency awarding the contract and providing any information required by suppliers;
g. any economic and technical requirements, financial guarantees, and information required from suppliers;
h. the amount and terms of payment of any sum payable for solicitation documentation.

3. Each Government undertaking procurement shall allow sufficient time, subject to its needs, for suppliers of the country of the other Government to comply with any conditions it specifies.

4. Each Government undertaking procurement shall promptly notify competing suppliers of the successful supplier.

5. Upon request, each Government undertaking procurement shall promptly explain to unsuccessful suppliers why they were not allowed to participate in a procurement or were not awarded a contract.

6. Each Government shall publish procedures for the review of complaints and disputes arising from its procurements to ensure that, to the greatest extent possible, such complaints and disputes shall be equitably and expeditiously resolved between it and suppliers.

ARTICLE 6

Promulgation of Agreement

1. Each Government shall:
   
   a. Promulgate this Agreement to the relevant industries of each country.

   b. Issue appropriate implementing guidance.
c. Ensure that its procurement and requirement officers are familiar with the obligations of this Agreement.

2. It is understood that primary responsibility for finding business opportunities shall rest with the industry of each country.

ARTICLE 7

Classified Information and Export Controls


2. With respect to procurement, each Government shall take all necessary steps to ensure the industries in its country comply with its laws, regulations, and policies for the safeguarding of unclassified information and technology which are subject to its export controls.

ARTICLE 8

Implementation and Administration

1. The officials responsible for implementation of this Agreement shall be:

   a. for the United States Government - the Under Secretary of Defense (Acquisition and Technology); and

   b. for the Australian Government - The Deputy Secretary of Defence for Acquisition and Logistics.

2. Each Government shall designate points of contact to represent these officials.

3. In order to facilitate implementation of this Agreement, the Governments shall:

   a. hold meetings of their representatives at the request of either Government as mutually convenient; and

   b. exchange defense professional staff as mutually convenient and appropriate.
ARTICLE 9

Duration and Termination:

1. This Agreement shall enter into force on the date of later signature and shall remain in force for ten (10) years unless otherwise agreed by the Governments, or unless terminated. This Agreement shall be automatically renewed for successive ten year periods unless the withdrawal intention by one Government is notified to the other Government. The Agreement may be terminated by either Government by notification in writing six months in advance.

2. In witness whereof, the undersigned, duly authorized by their respective Governments, have signed this Agreement.

For the Government of the United States

William J. Perry
Done in Washington, DC
Date: April 19, 1995

For the Government of Australia

Done in Washington, DC
Date: April 19, 1995
ANNEX I

REGARDING RECIPROCAL GOVERNMENT QUALITY ASSURANCE SERVICES TO THE MEMORANDUM OF AGREEMENT BETWEEN THE GOVERNMENT OF AUSTRALIA AND THE GOVERNMENT OF THE UNITED STATES CONCERNING RECIPROCAL DEFENSE PROCUREMENT SIGNED APRIL 19, 1995
ARTICLE I
Preamble

A. The Government of the United States of America (United States) and the Government of Australia (hereinafter collectively referred to as the "Parties") shall provide one another with reciprocal Government Quality Assurance (GQA) services in support of the procurement of defense products and services.

B. In general, the responsibilities of the Parties under this Annex shall be carried out by each Party’s respective quality assurance national authority listed in Article III (Definitions and General Information), paragraph A.2., of this Annex (hereinafter referred to as the “Authorities”). The Authorities shall accomplish such GQA services without charge in accordance with established and documented laws, directives, regulations, and procedures of their Governments.

C. The objective of this Annex is to ensure that each of the Authorities is able to employ the most effective and efficient GQA process possible when acting under the provisions of this Annex.

ARTICLE II
Scope

A. Applicability. Except as otherwise provided in this Annex, this Annex supersedes the Details of Agreement (D of A) Between the Defense Authorities of the United States of America and the Commonwealth of Australia for Mutual Acceptance of Government Quality Assurance (1994 D of A), dated November 29, 1994. The provisions of this Annex apply to contracts and derived subcontracts in support of contracts for defense articles and services entered into after the effective date of this Annex, in accordance with Article IX (Duration and Termination), paragraph A, of this Annex. However, a contract awarded by the U.S. Department of Defense (DoD) after the effective date of this Annex, but which supports a Foreign Military Sales (FMS) case that was entered into prior to the effective date of this Annex, shall not be covered by this Annex. Contracts awarded prior to the effective date of this Annex continue to be covered by the provisions of the 1994 D of A.

B. The provisions of this Annex apply to the following purchasing methods:

1. Purchases by the Government of Australia from the Government of the United States under the U.S. Foreign Military Sales (FMS) Program in accordance with the U.S. Arms Export Control Act and associated regulations, policies, and procedures.

2. Direct commercial procurement contracts made outside of Government-to-Government channels, whether by the Government of the United States with suppliers located in Australia or by the Government of Australia with suppliers located in the United States.
C. Notwithstanding any other provisions of this Annex, if special arrangements for GQA support are made under an international cooperative project agreement in which the Government of the United States and the Government of Australia participate, those special arrangements shall have precedence over this Annex.

D. A Request for GQA services under this Annex shall normally be restricted to those cases in which quality cannot be verified satisfactorily after receipt of the deliverables of a contract, or where GQA support at the source is otherwise considered essential. GQA should not normally be requested for non-complex, non-critical, or low-risk products or contracts.

ARTICLE III
Definitions and General Information

A. The following definitions apply to this Annex:

1. **Acquirer**: Government of the United States’ or Government of Australia’s organization or agency that enters into a contractual relationship with a Supplier and defines the product and quality requirements.


3. **Authorities**: The National Authorities are defined as the Defense Contract Management Agency (DCMA) for the U.S. Government and the General Manager Commercial Group within the Defence Materiel Organisation (DMO) for the Government of Australia.

4. **Classified Information**: Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking. This information may be in oral, visual, magnetic, or documentary form, or in the form of equipment or technology.

5. **Controlled Unclassified Information**: Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. It could include information that has been declassified but remains controlled.

6. **Delegator**: The representative authorized by an Authority or purchasing Government to request GQA support from the other Authority.

7. **Delegatee**: The representative authorized by an Authority to ensure GQA support is performed on behalf of the other Authority or purchasing Government.

8. **Government Quality Assurance (GQA)**: The process by which the appropriate national Authorities establish confidence that the contractual requirements relating to quality are met by the Supplier.

9. **Government Quality Assurance Representative (GQAR)**: The representative authorized by an Authority to perform GQA at the Supplier’s plant on behalf of the Delegator in accordance with an RGQA.

11. Supplier: A company that enters into a contract to provide products to the Acquirer.

B. Referenced documents (most recent edition):


3. GQA Administrative Procedure – The Authorities shall conduct and administer the GQA procedure in accordance with the NATO Allied Quality Assurance Publication (AQAP) 2070 – “Mutual Government Quality Assurance (QA) Process”.

C. Each Authority is responsible for arranging for the performance of the required GQA support by its appropriate national organization. Each Authority shall identify a Central Control Point (CCP) for receipt of an RGQA. The CCP contact information (e.g., mailing addresses, email addresses, phone numbers, etc.) shall be maintained and kept current as per Appendix One (attached) to this Annex.

1. Requests by the United States for GQA services in Australia shall be sent via DCMA Pacific Contract Management Office to DMO CCP.

2. Requests by Australia for GQA support in the United States shall be sent to the DCMA DoD CCP.

D. 1. FMS purchases are the Government of the United States’ (Acquirer) contracts and do not normally require an RGQA to be initiated by the Government of Australia purchaser. FMS purchases shall be afforded the same GQA support as the U.S. DoD invokes for similar procurements that it makes for its own use. However, when special or specific GQA requirements are necessary for FMS purchases, the requirements shall be communicated through the Letter of Request utilizing the RGQA process in accordance with AQAP 2070. If assistance is required by the Australian Delegator, he or she shall contact the DCMA DoD CCP directly.

2. For all other defense-related contracts issued by the United States or Australia, either Authority may request the other Authority to provide GQA services based on the process described in AQAP 2070.

E. Where GQA support on major programs or projects is contemplated, the Authorities shall consider conducting a joint GQA requirements review and planning meeting to ensure contractual requirements are thoroughly understood and that the agreed GQA plan and any surveillance activities are documented.
F. The Authorities shall endeavor to keep each other well informed regarding their GQA practices and resources to help ensure that requests for GQA support are reasonable and prudent. Continuous GQA process improvement efforts and opportunities shall be shared between the Authorities. Government Quality Assurance Representatives (GQARs) performing GQA services under this Annex are expected to be knowledgeable of the industry practices, techniques, and processes associated with the contract, and they are expected to be qualified under national practices.

G. The Authorities may perform other necessary contract administration functions (e.g., government property surveillance) through their own representatives, including GQA functions not delegated in an RGQA. In such cases, the Delegator or purchasing Authority shall inform the other Authority in order to avoid duplication of work.

H. Visits by representatives of the Acquirer’s Authority to its Supplier’s plant shall be coordinated with the Delegatée’s Authority, which should be invited to attend meetings with the visiting representatives. The Acquirer’s access to its suppliers, sub-suppliers, and their records, as may be authorized contractually, shall not be impaired or affected in any other way by the provisions of this Annex.

ARTICLE IV
GQA Delegation Process

A. The GQA Administrative Procedure, as outlined in the NATO Allied Quality Assurance Publication (AQAP) 2070 – “Mutual Government Quality Assurance (QA) Process”, and by other processes defined in this Annex, shall be used when:
1. Either Authority is requesting GQA services from the other Authority.
2. Either Authority is performing GQA services on behalf of the other Authority.

B. When GQA services are contemplated, the Delegator shall ensure:
1. Authorization (usually by contract or purchase order) is provided for GQAR access to the supplier or sub-supplier’s facilities and records and the use of supplier or sub-supplier assets, as necessary, for the performance of GQA services.
2. Appropriate quality assurance (QA) standards are imposed by the contract and/or subcontract. These QA standards may include International Organization for Standardization (ISO) 9001, Military QA standards, National QA standards, or other similar standards.
3. When non-military QA standards are used in a contract and/or subcontract, additional GQA requirements shall be specified as necessary on the RGQA.

C. To the greatest extent possible, the RGQA shall be risk-based. Each Authority shall use its own national practices to identify the specific risks that the Delegator requires to be mitigated by the GQA surveillance or the specific risk-related tasks the Delegator requires to be performed. The risks and/or risk-related tasks shall be documented in the RGQA. A copy of the risk assessment is not required to accompany each RGQA.
D. The Delegator may either seek the advice of the Delegates in identifying risks prior to submitting an RGQA or, if necessary, may simply request risk-based GQA. If the latter is requested, the Delegatee shall decide the minimum GQA surveillance requirements. RGQAs made in this manner shall be on an exception basis.

E. The Delegator may request the Delegatee to participate in other contractual matters/activities specifically related to GQA. The Delegatee may decline such requests if the Delegatee considers the request outside the scope of normally acceptable GQA practices.

F. Where the Acquirer has identified and/or imposed mandatory GQA requirements, these requirements shall be identified as such in the RGQA.

G. Critical product characteristics or processes (including safety of flight) that may require a more intensive GQA approach (other than risk-based) shall be coordinated with the Delegatee in advance of issuing an RGQA. It is the Delegator’s responsibility to identify in the RGQA the critical characteristics or processes requiring GQA surveillance. The Delegatee may propose an alternative GQA approach.

H. All RGQAs should be sent electronically to the CCP email address as identified at Appendix One to this Annex.

I. Normally, the Delegatee shall acknowledge receipt of an RGQA within 5 working days of receipt, and shall either accept or reject the RGQA within 20 days of receipt. Immediately upon acceptance of an RGQA, the Delegatee shall plan and implement the necessary GQA surveillance to mitigate the identified risks and/or to accomplish the requested tasks, in accordance with established national practices.

J. Rejection of an RGQA shall be on an exception basis only and shall be limited to unusual circumstances. Should it be necessary to reject an RGQA, the Delegator shall be notified and provided the rationale, in writing, as to why the RGQA was rejected. The Delegatee should propose an alternative GQA approach in lieu of rejecting the RGQA.

K. The Delegator may modify an RGQA during contract performance after consultation with the Delegatee. Based on knowledge of the supplier’s current or past performance, the Delegatee shall advise the Delegator when the risks or tasks identified on the RGQA are considered unwarranted, excessive, or insufficient. The Delegator is the final authority for defining the GQA requirements. The Delegatee may reject a modified RGQA in accordance with paragraph J of this Article.

L. If the requirements imposed by an RGQA include functions beyond the current technical capabilities or resource capacities of the Delegatee, the Delegatee shall immediately notify the Delegator. In such cases, the Delegatee shall not procure technical experts or additional resources needed to perform the functions without the written consent of the Delegator.

M. The Acquirer shall retain final authority over contract interpretations and enforcement actions, and it shall advise the assigned GQA support office in a timely fashion on such matters.
N. If at any time during the course of the GQA performance the Delegatee cannot proceed with the GQA surveillance, the Delegatee shall so inform the Delegator of the facts as soon as possible. Situations warranting notification shall include, but are not limited to:

1. Deficiencies in the Supplier’s quality management system, processes, or product.
2. Deficiencies expected to be a cause of excessive contract delivery delay.

O. The Delegatee shall maintain records of all GQA surveillance activity performed in support of an RGQA. Unless otherwise stated in the RGQA, record retention periods shall be in accordance with national practices. GQA surveillance records shall be made available to the Delegator upon request.

P. The Delegatee shall inform the Delegator when the requested GQA is complete in the format described in the AQAP 2070 process, or if special arrangements are required, they will be clearly identified on the RGQA. The Delegatee shall provide an affirmation, in the form of a Certificate of Conformity, which indicates that the contractually required supplies or products have been subject to GQA.

ARTICLE V
Responsibility and Liability

A. Nothing in this Annex shall relieve the Supplier of any responsibilities under the contract. No liability shall attach to the Party (including its Authority), its officers, or its representatives acting under this Annex on behalf of the other Party.

B. Should defective products or services be detected subsequent to delivery, the Delegatee shall assist the Delegator in the investigation of such defects.

ARTICLE VI
Security and Protection of Information

A. Any Classified Information, data, or material exchanged under the terms of this Annex shall be protected in accordance with each Party’s national laws and regulations for the protection of such information and the current security agreement between the Government of the United States and the Government of Australia for the protection of Classified Information.

B. The highest level of Classified Information that will be disclosed under this Annex will be consistent with (1) the terms of the RGQA and the contract under which QA services will be performed, and (2) the security agreement between the United States and Australia for the protection of Classified Information that is in effect at the time.

C. Each Party shall take all lawful steps available to it to keep information exchanged in confidence under this Annex free from disclosure under any legislative provision, unless the other Party consents to such disclosure.
D. To assist in providing the desired protection, each Party shall mark such information furnished to the other with a legend indicating the country of origin, the security classification, the condition of release, and, if unclassified, the fact that the information relates to this Annex and that it is furnished in confidence.

E. Unclassified information provided by either Party to the other in confidence, and information produced by either Party pursuant to this Annex or the Memorandum of Agreement requiring confidentiality, shall be safeguarded in a manner that ensures its proper protection from unauthorized disclosure.

F. 1. If the Delegatee requires access to Controlled Unclassified Information (CUI) (e.g., export-controlled drawings and specifications) in order to perform the required GQA surveillance at the Supplier’s plant, the CUI will be provided, controlled, and protected in accordance with the furnishing Party’s national laws and regulations, including the furnishing Party’s export control laws and regulations.

2. Both Parties recognize that it is the Supplier’s responsibility to comply with export control laws and regulations. RGQA personnel are not responsible for performing oversight or surveillance of a Supplier’s compliance with export controls or export licenses.

G. In the event of termination or expiration of this Annex, the provisions of this Article shall continue to apply.

ARTICLE VII
Charges

A. GQA services provided under this Annex shall be provided free of charge, subject to a joint review under Article VIII (Review and Revision) of this Annex of the services being exchanged. If, as a result of the joint review, either Authority determines that charges shall be necessary, charges may be imposed after not less than twelve months advance notice.

B. In the event of unusually heavy resource effects being incurred, appropriate charges may be negotiated. The expenses for product expended during the performance of GQA either on contracts or subcontracts (e.g., destructive testing, live-firing tests, etc.) shall be borne in accordance with arrangements made between the contracting parties.

ARTICLE VIII
Review and Revision

A. This Annex shall be jointly reviewed by the Authorities every five years to ensure that its provisions are being effectively implemented, that the quality of services being provided continue to meet the needs of the Authorities, and that general reciprocity is being maintained. However, if considered necessary by either Authority, a joint review may be initiated at any time during the intervening years.
B. If, as a result of such a review, either Authority determines that this Annex needs to be revised, the Authorities shall consult regarding the need for revisions. If the Authorities agree that changes are needed, they shall negotiate and conclude a revised Annex.

C. The Authorities are responsible for managing and continuously improving their implementation of the reciprocal GQA process.

ARTICLE IX
Duration and Termination

A. This Annex shall enter into effect on the date of the last signature. This Annex shall terminate automatically upon the termination of the RDP MOA.

B. Either Party may terminate this Annex by providing written notification of its intention to the other Party six months in advance of the effective date of the termination.

C. Unless otherwise agreed, if either Party terminates this Annex, GQA services shall continue to be provided until contract completion for those contracts for which GQA support is being provided under this Annex.

D. Any misunderstanding regarding the interpretation or application of this Annex shall be resolved by consultation between the Authorities or the Parties and shall not be referred to an international tribunal or third party for settlement.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Annex.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

[Signature]
Under Secretary of Defense (Acquisition, Technology and Logistics)

Date: 11 April 2013
Place: Sydney, Australia

FOR THE GOVERNMENT OF AUSTRALIA

[Signature]
Chief Executive Officer
Defence Materiel Organisation

Date: 11 April 2013
Place: Sydney, Australia
APPROPRIATE NATIONAL AUTHORITIES AND CENTRAL CONTROL POINTS FOR DELEGATION OF GOVERNMENT QUALITY ASSURANCE

United States of America

The Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) is the Appropriate National Quality Assurance Authority for the Government of the United States, as represented by the Department of Defense:

DoD National Quality Assurance Authority
Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics)
Attention: OUSD(AT&L)DDR&E/SE
3020 Defense Pentagon Room 3B938
Washington, DC 20301-3020 – USA

Tel: +1.703.695.3155
Fax: +1.703.614.9884
Email: dodccp@dcma.mil

Defence Contract Management Agency – DoD Central Control Point

Forward Requests for GQA to:

E-mail: dodccp@dcma.mil

Or mail to:

Department of Defense Central Control Point (DoDCCP)
Defense Contract Management Agency
Attn: DCMA-FBR
3901 Adams Avenue
Building 10500
Ft Lee, VA 23801-1809 – USA

Tel: +1.804.734.1275
Fax: +1.804.734.1346
Australia

The General Manager Commercial Group of Defence Materiel Organisation is the Appropriate National Quality Assurance Authority for the Government of Australia:

National Quality Assurance Authority  
General Manager Commercial Group  
Defence Materiel Organisation  
Department of Defence  
PO Box 7131  
Canberra BC, ACT, 2610  
AUSTRALIA

Tel: +61.2.6144.2251  
Mob: +61.439.435.465  
Fax: +61.2.6144.2639  
Email: austdefence.qa@defence.gov.au

Commonwealth of Australia – DoD Central Control Point

Forward Requests for GQA to:

E-mail: austdefence.qa@defence.gov.au

Or mail to:

Director Supplier Quality Assurance Services  
Defence Materiel Organisation  
Department of Defence  
PO Box 7131  
Canberra BC, ACT 2610  
AUSTRALIA

Tel: +61.2.6144.2251  
Mob: +61.439.435.465  
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