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OFFICE OF THE
SECRETARY OF DEFENSE

2005 MAR 11 11:00 AM

ACTION MEMO

DepSecDef
POUSD *[Handwritten initials]*
I-04/017570
ES-2373

0913

Paul Butler

FOR SECRETARY OF DEFENSE

3/4
pub

FROM: Peter W. Rodman, Assistant Secretary of Defense (ISA) *[Handwritten initials]* 17 FEB 2005

SUBJECT: Reallocation of FY 2005 FMF and IMET Funding Within the SOUTHCOM AOR

- GEN Craddock, Commander, USSOUTHCOM, sent you a "personal for" message (Tab B) requesting that programmed FY 05 security assistance monies withheld from SOUTHCOM countries sanctioned under the American Servicemembers' Protection Act be retained in his AOR.
- The SOUTHCOM AOR has legitimate requirements for these funds. We should recognize the contributions of those countries that support American political and military objectives.
- Nevertheless, SOUTHCOM requirements have to be balanced against worldwide strategic demands. The draft response to GEN Craddock says that you will keep in mind his recommendations as we work with the Department of State on reallocating FY 2005 security assistance funding.

17 FEB 05

RECOMMENDATION: Sign letter at Tab A.

COORDINATION: DSCA (Lt Gen Kohler)

Attachments: as stated

Prepared by: M. M. MacMurray, ISA/WHA, 697-9301

MA SD	SM DSD	SRS	3/4
TSA SD	SA DSD	314	
EXEC SEC	M	3/4	
ESR MA	KSV	3/4/05	

OSD 20952-04

16-00-00 ADD: 3 17

29 APR 04

TAB B



OAAUZYUW RUEOMFI6787 3641627-UUUU--RUEKMA,
ZNR UUUUU ZUI RUEOMCF7112 3641627
O R 2916252 DEC 04
FM CDR USSOUTHCOM MIAMI FL
TO ZEN/SECDEF WASHINGTON DC
INFO RUEKJCS/CJCS WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC//DEPSECDEF//
RUEKJCS/VCJCS WASHINGTON DC
ZEN/PTC WASHINGTON DC//DSCA ADMIN//

204 DEC 29 PM 4: 25

UNCLAS

SUBJ: REALLOCATION OF FY05 FMF AND IMET FUNDING WITHIN THE SOUTHCOM
AOR

GENERAL BANTZ J. CRADDOCK, COMMANDER, US SOUTHERN COMMAND, SENDS
PERSONAL FOR HONORABLE DONALD H. RUMSFELD, SECRETARY OF DEFENSE;
INFO: GENERAL RICHARD B. MYERS, CHAIRMAN, JOINT CHIEFS OF STAFF;
HONORABLE PAUL WOLFOWITZ, DEPUTY SECRETARY OF DEFENSE; GENERAL PETER
PACE, VICE CHAIRMAN, JOINT CHIEFS OF STAFF; LIEUTENANT GENERAL
JEFFREY B. KOHLER, DIRECTOR DEFENSE SECURITY COOPERATION AGENCY.

1. MR. SECRETARY, DUE TO THE ARMED SERVICEMEMBERS PROTECTION ACT
(ASPA), A SIGNIFICANT AMOUNT OF PROPOSED FY05 FMF AND IMET WILL NOT
BE RECEIVED BY PARTIES TO THE INTERNATIONAL CRIMINAL COURT (ICC)
THAT HAVE NOT ENTERED INTO AN ARTICLE 98 AGREEMENT WITH THE USG. IT
IS MY CONCERN THESE FORFEITED FUNDS WILL BE TRANSFERRED OUTSIDE OF
THE USSOUTHCOM AOR. THESE FUNDS ARE VERY MUCH NEEDED IN THE
USSOUTHCOM AOR. FURTHERMORE, I BELIEVE WE NEED TO REWARD THE
COUNTRIES THAT ARE WORKING WITH US IN SUPPORT OF THE GLOBAL WAR ON
TERRORISM (GWOT), OPERATION IRAQI FREEDOM AND OTHER REGIONAL
MULTINATIONAL OPERATIONS OF INTEREST TO THE UNITED STATES.
ADDITIONALLY, THOSE WHO HAVE SIGNED AN ARTICLE 98 AGREEMENT WITH US
SHOULD BE REWARDED WITH ADDITIONAL SUPPORT.

- A. OF THE 31 COUNTRIES FOR WHICH USSOUTHCOM MAINTAINS SECURITY
ASSISTANCE RESPONSIBILITY, TWELVE HAVE RATIFIED AN ARTICLE 98
AGREEMENT (WITH ARGENTINA EXEMPT DUE TO NOM-NATO ALLY STATUS).
- B. FOUR OF THESE COUNTRIES STAND OUT IN THEIR SUPPORT OF THE US
GLOBAL WAR ON TERRORISM: THE GOVERNMENTS OF THE DOMINICAN REPUBLIC,
EL SALVADOR, HONDURAS AND NICARAGUA CONTRIBUTED SIGNIFICANT MANPOWER
AND MATERIEL TO SUPPORT OPERATIONS IN IRAQ. OF PARTICULAR NOTE, EL
SALVADOR IS PREPARING FOR THEIR FOURTH DEPLOYMENT TO IRAQ.

2. IN FY04 \$9.8M OF USSOUTHCOM AOR FMF WAS SUBJECT TO REALLOCATION
DUE TO ASPA. USSOUTHCOM RETAINED ONLY \$2.651 OF THIS, DIVIDED
BETWEEN EL SALVADOR, HONDURAS AND NICARAGUA. THE REMAINDER WAS

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TRANSFERRED OUTSIDE OF THE USSOUTHCOM AOR.

3. AS OF 21 DECEMBER 2004, 11 ICC MEMBER STATES WITHIN THE USSOUTHCOM AOR STAND TO LOSE \$6.7M IN PROPOSED FY05 FMF AND \$2.13M IN FY05 IMET FUNDING. I BELIEVE IT IS ESSENTIAL THAT WE MAKE EVERY EFFORT TO SECURE FUNDS EARMARKED FOR ASPA-SANCTIONED COUNTRIES AND REALLOCATE THEM TO THOSE GOVERNMENTS IN THE USSOUTHCOM THEATER THAT TRULY STAND OUT IN SUPPORT OF AMERICAN POLITICAL AND MILITARY OBJECTIVES. A LITTLE MONEY GOES A LONG WAY IN THE USSOUTHCOM AOR.

4. BY REALLOCATING THE FY05 FMF/IMET FUNDING TO THE COUNTRIES THAT SUPPORT US THE MOST, WE SEND A CLEAR MESSAGE THAT THE UNITED STATES IS A RELIABLE PARTNER IN HEMISPHERIC DEFENSE. VERY RESPECTFULLY,
JOHN.

+++PERSONAL FOR+++

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THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000



MAR 7 2005

091,3

General Bantz J. Craddock, United States Army
Commander, United States Southern Command
3511 NW 91st Avenue
Miami, FL 33172-1217

Dear General Craddock:

Thank you for your thoughts on Foreign Military Financing (FMF) and International Military Education and Training (IMET) funding within the Southern Command area of responsibility.

I agree that we should help those countries that are standing with us in the Global War on Terrorism, working with us on regional multinational operations and have signed Article 98 agreements. At the same time, we have to balance these requirements against our global security cooperation requirements.

I will keep your recommendations in mind as we work with the Department of State on the Fiscal Year FY 2005 and 2006 security assistance allocations.

Sincerely,

7 MAR 05



OSD 20952-04

29 DEC 04