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Exhibit R-2, RDT&E Budget Item Justification: PB 2013 Office of Secretary Of Defense **DATE:** February 2012

APPROPRIATION/BUDGET ACTIVITY				R-1 ITEM NOMENCLATURE							
0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 6: <i>RDT&E Management Support</i>				PE 0605110D8Z: <i>USD (A&T) Critical Technology Support</i>							
COST (\$ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
Total Program Element	4.314	1.433	0.840	-	0.840	0.904	0.972	1.648	1.678	Continuing	Continuing
P110: <i>USD (A&T) Critical Technology Support</i>	4.314	1.433	0.840	-	0.840	0.904	0.972	1.648	1.678	Continuing	Continuing

A. Mission Description and Budget Item Justification

(1) Export Control Program:

The Militarily Critical Technologies Program (MCTP) provides the technical reference guidance in support of development and implementation of DoD technology security policies on international transfers of defense related goods, services, and technologies. The export control program provides an ongoing assessment and analysis of global goods and technologies. Determines significant advances in the development, production, and use of military capabilities by potential adversaries. Determines goods and technologies being developed worldwide with potential to significantly enhance or degrade U.S. military capabilities in the future. Identified in the Export Administration Act of 1979 and extended by Presidential Executive Order to review militarily critical goods and technologies and to consider worldwide technology capabilities. The Militarily Critical Technologies List (MCTL) is a congressionally mandated source document for identification of leading edge and current technologies monitored worldwide for national security, nonproliferation control of weapons of mass destruction, and advanced conventional weapons.

Specific activities include:

- Develop and publish in electronic form (including Internet version) restricted editions of the MCTL document that describe the military and proliferation significance of various technologies.
- Monitor and assess dual-use and military technologies worldwide.
- Assist in the development of proposals for negotiation in various multilateral export control regimes.
- Limited worldwide technology capability assessments for the MCTL and other U.S. international critical technologies efforts.
- Identification and determination of technical parameters for proposals for international control of weapons of mass destruction.
- Identification of foreign technologies of interest to the DoD and opportunities for international cooperative research and development.

(2) The DoD Damage Assessment Management Office (DAMO) Program: The Defense Industrial Base (DIB) secures critical DoD programs and technology by protecting DoD unclassified information resident on and transiting DIB unclassified networks. This project further establishes the DoD DAMO to coordinate the conduct of assessments involving the loss of DoD information requiring controls resulting from the unauthorized access and/or exfiltration of technical data maintained on unclassified DIB networks. The DAMO identifies and categorizes the impact of the loss of acquisition information contained on the affected systems, organizes and coordinates the assessment reports with all affected components and DIB members, and establishes a process to appropriately share collected information with all affected parties. The DAMO establishes policy and procedures for conducting damage assessments applicable to all DoD components and in concert with Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation (DFAR) procedures pertaining to contracts with the DIB.

Specific activities include:

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APPROPRIATION/BUDGET ACTIVITY

0400: *Research, Development, Test & Evaluation, Defense-Wide*
 BA 6: *RDT&E Management Support*

R-1 ITEM NOMENCLATURE

PE 0605110D8Z: *USD (A&T) Critical Technology Support*

- Provide technical expertise and analyses in assessing the impact of data lost as a result of the unauthorized access and/or exfiltration.
- Develop a damage assessment ontology and data repository in order to provide analysis to identify trends in the targeting and compromise of defense program information.

B. Program Change Summary (\$ in Millions)	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013 Base</u>	<u>FY 2013 OCO</u>	<u>FY 2013 Total</u>
Previous President's Budget	4.743	1.486	0.863	-	0.863
Current President's Budget	4.314	1.433	0.840	-	0.840
Total Adjustments	-0.429	-0.053	-0.023	-	-0.023
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-0.300	-			
• SBIR/STTR Transfer	-0.092	-0.043			
• Economic Assumptions	-0.024	-	-	-	-
• FFRDC	-0.012	-0.010	-	-	-
• Other Program Adjustments	-0.001	-	-0.023	-	-0.023

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Exhibit R-2A, RDT&E Project Justification: PB 2013 Office of Secretary Of Defense									DATE: February 2012		
APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 6: RDT&E Management Support				R-1 ITEM NOMENCLATURE PE 0605110D8Z: USD (A&T) Critical Technology Support				PROJECT P110: USD (A&T) Critical Technology Support			
COST (\$ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
P110: USD (A&T) Critical Technology Support	4.314	1.433	0.840	-	0.840	0.904	0.972	1.648	1.678	Continuing	Continuing
Quantity of RDT&E Articles											

A. Mission Description and Budget Item Justification

(1) Export Control Program:

The Militarily Critical Technologies Program (MCTP) provides the technical reference guidance in support of development and implementation of DoD technology security policies on international transfers of defense related goods, services, and technologies. The export control program provides an ongoing assessment and analysis of global goods and technologies. Determines significant advances in the development, production, and use of military capabilities by potential adversaries. Determines goods and technologies being developed worldwide with potential to significantly enhance or degrade U.S. military capabilities in the future. Identified in the Export Administration Act of 1979 and extended by Presidential Executive Order to review militarily critical goods and technologies and to consider worldwide technology capabilities. The Militarily Critical Technologies List (MCTL) is a congressionally mandated source document for identification of leading edge and current technologies monitored worldwide for national security, nonproliferation control of weapons of mass destruction, and advanced conventional weapons.

Specific activities include:

- Develop and publish in electronic form (including Internet version) restricted editions of the MCTL document that describe the military and proliferation significance of various technologies.
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- Assist in the development of proposals for negotiation in various multilateral export control regimes.
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(2) The DoD Damage Assessment Management Office (DAMO) Program:

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Specific activities include: - Provide technical expertise and analyses in assessing the impact of data lost as a result of the unauthorized access and/or exfiltration. - Develop a damage assessment ontology and data repository in order to provide analysis to identify trends in the targeting and compromise of defense program information.				
B. Accomplishments/Planned Programs (\$ in Millions)		FY 2011	FY 2012	FY 2013
Title: Militarily Critical Technologies Program (MCTL) FY 2011 Accomplishments: (1) Export Control Program: - Conducted limited MCTL annual update and reviews. - Contributed technical evaluation to Defense Logistics Agency (DLA) for the Rare Earth Element Supply Risk Report to Congress, required by the Section 843 of the FY 2011 National Defense Authorization Act (NDAA). - Provided technical evaluation to Defense Technology Security Agency (DTSA) for the Updated Risk Assessment of Proposed Transfer of Export Control Jurisdiction on Commercial Satellites to Congress, required by the Section 1248 FY 2010 NDAA. - Extended technology assessment support to Counter-Intelligence (CI) community by participation with Federal Law Enforcement via the National Counter-Intelligence Working Group (NCIWG); with the CI-Interagency Management Group (IMG) and with the Services via the industrial security working group (ISWG). (2) Damage Assessment Management Office (DAMO) Program: - Finalized damage assessment ontology and plan for a data repository to allow for trend analysis and data discovery. FY 2012 Plans: - Transition legacy data to Positive Control List. - Maintain technical interface to export technology security organizations and functions. - Migrate technical standard production to external activity. FY 2013 Plans: - Maintain technical interface to export technology security organizations and functions.		4.314	1.433	0.840
Accomplishments/Planned Programs Subtotals		4.314	1.433	0.840
C. Other Program Funding Summary (\$ in Millions) N/A				
D. Acquisition Strategy N/A				

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E. Performance Metrics

The indicator below allow the DoD to measure the success of the Critical Technology Support program element:

- Currency of the MCTL with perspectives of user community.