

Fact Sheet to Support SECDEF Summary Statement

Background

On 1 August 2006, a military logistics command located on Hill Air Force Base, Utah, shipped what was believed to be four helicopter batteries to Taiwan to fill a foreign military sales order. The items actually shipped, however, had been previously misidentified and were actually four classified MK-12 Forward Section Reentry Vehicle Assemblies (forward section assemblies), which are used on the Minuteman III Intercontinental Ballistic Missile (ICBM). These forward section assemblies arrived in Taiwan in October and November 2006. The forward section assemblies were under Taiwan military control for approximately 17 months. After U.S. personnel realized the shipment was not helicopter batteries, the forward section assemblies were brought back into U.S. custody on 21 March 2008 and returned to Hill Air Force Base on 25 March 2008.

Timeline

8 March 2005: Ten MK-12 Reentry Vehicle forward section assemblies (which included the four forward section assemblies sent to Taiwan) were shipped by Defense Distribution Depot Hill, Utah to F. E. Warren Air Force Base, Wyoming.

28 March 2005: F. E. Warren, Air Force Base sent four forward section assemblies (the four assemblies sent to Taiwan) back to Defense Distribution Depot Hill, Utah for storage. Due to supply shipping errors, the four classified forward section assemblies were sent to the Defense Distribution Depot Hill, Utah unclassified warehouse with inaccurate description information on the outside of the containers.

30 March 2005: The four individually packaged forward section assemblies were received at the Defense Distribution Depot Hill, Utah unclassified warehouse. The receiving custodian did not follow receipt procedures which required opening shipping containers to verify contents. The receiving custodian then incorrectly receipted and marked the four forward section assemblies as helicopter batteries because of inaccurate information on the outside of the containers.

16 June 2006: Defense Distribution Depot Hill, Utah received a Foreign Military Sales requisition for helicopter batteries from Taiwan through U.S. Army Security Assistance Command.

1 August 2006: Defense Distribution Depot Hill, Utah filled the Foreign Military Sales requisition by shipping the four individually containerized, incorrectly

marked forward section assemblies to Taiwan's designated freight handler for further shipment to Taiwan.

25 September 2006 and 15 October 2006: Taiwan's designated freight handler arranged for shipment of the four individually containerized forward section assemblies to Taiwan. Three were shipped on 25 September 2006; one was shipped on 15 October 2006.

25 October 2006 and 9 November 2006: Four individually containerized forward section assemblies were received at Aviation Depot, Tainan, Taiwan. Three were received on 25 October 2006; one was received on 9 November 2006.

16 January 2007: Taiwan Army personnel submitted a Supply Discrepancy Report to U.S. Army Security Assistance Command reporting that the batteries requisitioned were not received. U.S. personnel did not recognize that the items were actually forward section assemblies even though the Supply Discrepancy Report included enough information to properly identify the items.

19 January 2007: U.S. Army Security Assistance Command mailed a hard copy of the Supply Discrepancy Report to Defense Distribution Depot Hill, Utah. Defense Distribution Depot Hill, Utah did not respond and there was no record of Defense Distribution Depot Hill, Utah receiving the Supply Discrepancy Report.

5 June 2007: U.S. Army Security Assistance Command submitted an electronic follow-up Supply Discrepancy Report for resolution. This action by U.S. Army Security Assistance Command was late.

20 July 2007: U.S. Army Security Assistance Command contacted Defense Supply Center (Columbus) for action on the Taiwan Supply Discrepancy Report. Defense Supply Centers (both Columbus and Richmond) acted on the Supply Discrepancy Report, submitted a credit memorandum to the Defense Financial Accounting Service to authorize a credit to Taiwan's Foreign Military Sales account, and authorized disposal of the material without knowledge of its identity.

24 September 2007: Defense Supply Center (Richmond) confirmed the previous Supply Discrepancy Report response and resubmitted the credit memorandum to Defense Finance and Accounting Service.

25 November 2007: Defense Supply Center (Richmond) closed the Supply Discrepancy Report.

14 March 2008: Taiwan liaison officer at U.S. Army Security Assistance Command notified U.S. Army Security Assistance Command that Taiwan Combined Logistics Command stated that they could not dispose of the material and requested further guidance or instructions.

19 March 2008: U.S. Army Security Assistance Command located and contacted the integrated material manager for forward section assemblies at Ogden Air Logistics Center, 526th ICBM Systems Group. The integrated material manager identified the material as forward section assemblies and requested assistance in the return of the material to U.S. control. U.S. Army Security Assistance Command requested Taiwan cease disposal activities.

19-25 March 2008: U.S. Army Security Assistance Command, Office of the Secretary of Defense, and American Institute in Taiwan acted to secure the four forward section assemblies and returned them to Hill Air Force Base.