BREAKING BARRIERS TO ACCELERATE Acquisition with Allies and Partners

LeAnne Noelani Howard, DMgt

MITRE's <u>Breaking Barriers Acquisition Summit</u> was a call to action to accelerate acquisition reform. Congressional, defense, and industry leaders offered near-term recommendations to better leverage the Department of Defense's (DoD's) extensive rapid acquisition toolkit through efforts including software pathways implementation plans, AI-rapid adoption, supply chain diversification, and adaptive manufacturing. Each critical acquisition reform area that was explored illuminated the need for collaboration with allies and partners in this transformation—from sourcing, force structure, and posture implications to interoperable capability design, and acquisition policy reform. Ultimately better burden sharing, shifting, and integration with allies and partners strengthens U.S. national security.

The 'need for speed' in acquisition reform will persist, along with better ways to purchase iterative advances in capabilities. These points have been flagged in hundreds of papers and events, with an exponential increase in the first five months of the Trump Administration. The acquisition ecosystem is clear-eyed about the challenge—processes, policies, and tools like International Traffic in Arms Regulations (ITAR) often impede the ability to prepare for future conflicts—and it is moving out from words of change to tangible actions.

MITRE offered initial considerations for <u>Strengthening Allied Defense Cooperation</u> to include building a broader, stronger supply chain; enhancing DoD acquisition workforce partnerships; institutionalizing international collaboration and 'buying the way we fight'; and reforming regulatory frameworks. These recommendations set the table for deeper exploration of practical solutions with industry, U.S., and Allied government representatives. This paper outlines tangible next steps in 12 areas brought forward through the Breaking Barriers Summit.

ULTIMATELY BETTER BURDEN SHARING, SHIFTING, AND INTEGRATION WITH ALLIES AND PARTNERS STRENGTHENS U.S. NATIONAL SECURITY.

MITRE

The U.S. Government State of Play

On the statutory side of the aisle, the House Armed Services Committee released the SPEED Act in June 2025, adding to the Congressional prioritization of acquisition reform with recommendations. Much of this House bill complements Senator Wicker's FoRGED Act and more recent updates to the Defense Reconciliation Bill, including \$3.3B in additional funding for defense industrial base efforts. The SPEED Act includes establishing an integration directorate, known as Requirements, Acquisition and Programming Integration Directorate (RAPID), charged with assessing joint capability requirements by integrating resource analysis, mission-based experimentation, and acquisition program leadership, ultimately delivering prioritized recommendations. RAPID, or an office along these lines that centralizes related functions across the department, would also incorporate technology protection to enable the sale of solutions with allies and partner countries that protects U.S. national security while promoting international collaboration. Equally critical, changes must derisk potential for backlash on leaders that drive speed, experimentation, and iterating in fielding new capabilities.

The DoD acquisition reforms are now moving from theory to practice with specific next steps, from Golden Dome pilot programs to the Army's Transformation Initiative and the related reform steps within each. DoD's internal reform must be expanded to collaboration through with allies and partners, as explicitly stated in emerging guidance. As a complement, implementation of executive orders, such as Reforming Foreign Defense Sales to Improve Speed and Accountability, the White House will drive efficiencies in Foreign Military Sales (FMS) in parallel with ITAR, Federal Acquisition Register (FAR), and Defense Federal Acquisition Regulation Supplement (DFARS) reviews to reduce regulations to statutory requirements. FMS must become less burdensome, and FMS and Direct Commercial Sales (DCS) speed to delivery must increase for the U.S. to retain its lead in an interoperable network of Allied and

Partner military capabilities.

Some metrics of success will be obvious. Reducing wait times for FMS from upwards of 10 years for certain capabilities, or even just updates of existing FMS systems, has been identified by the U.S., allies, and partners as a key problem requiring solutions in both domestic production and bureaucratic streamlining. New, more flexible ways to pool resources and drive research, engineering, prototyping, experimentation, and adaptation are also sorely needed to ensure efficient and effective implementation of technological advances to how the U.S. and allies collectively deter, defend, and fight when necessary. From this standpoint, the ultimate metric is capacities of the right capabilities.

Recommendations

Now is the time to move from theory to practice with allies and partners. The recommendations below include specific opportunities to apply reforms along with pilot programs for further exploration. It is important to note that NATO is accelerating progress in select areas and this progress needs to be expanded for a wider range of capabilities. In other cases, such as AUKUS, some of these tools have been in the chest for a few years now, but the potential to make them true gamechangers has not yet been realized.

At the Policy Level

 Establish the 'RAPID' initial operating capability for global awareness and international collaboration in the Office of the Secretary of Defense (OSD) immediately. Charge it with short-term exceptions to policies to conduct pilot programs to test and evaluate benefits of acquisition reform efforts that accelerate integration and delivery of capabilities with allies and partners. This should ultimately lead to a "Foreign Expertise and Collaboration Exchange" office that focuses on removing barriers to collaboration in a standardized, systemic way and enables rapid collaboration when in line with our defense plans and requirements. The current format of considering each program individually slows progress. The National Technology Industrial Base (NTIB) offers a potential pilot approach. While Congress wants DoD to use the forum more aggressively, it needs to be empowered so that its benefits are clear for the U.S., allies, and partner nations. Additionally, OSD should consider using this function to approve suites of technologies and programs with groups of countries to provide better collaboration, versus signing joint agreements at the country level. This approach, taken with the F-35, better enabled its development. Other agencies may also provide appropriate umbrellas for this type of collaboration in their respective areas. For example, the Space Development Agency could leverage this type of authority to collaborate on capabilities outside of FMS such as training and systems engineering with close allies and partners.

- 2. Consider an Allied Implementation Review System, either managed by RAPID or another OSD office in close cooperation across OSD (A&S), (R&E), and Policy, to take more risk with our closest allies, focusing on the technologies that matter most in conjunction with allies and partners, e.g. hypersonics, AI, undersea, etc. Create special dispensations in these key areas, including trade, supply chain, and establish common research communities and markets that ensures integration from design to implementation. Consider aligning offsets in different countries based on each nation's unique priorities to create trade-space for deep investments across key allies. DoD should leverage lessons, learning from AUKUS, NATO, PIPIR, and other allied and partner acquisition successes, and replicate success more widely.
- 3. Normalize the establishment of multinational funding pools and streams for research, development, and experimentation. A mix

of statutory language and executive branch interpretation, to include how we extrapolate status of forces agreements, have created perceived legal limitations on bilateral and multilateral efforts. OSD should create a pool for bilateral or multilateral efforts, building upon AUKUS or other structures, to allow for better commercial, government, and non-profit collaboration in research and development. OSD should also consider review and updates to <u>Special Measures Agreements</u> focused on outcomes, not reciprocity, to ensure international agreements underpin effective collaboration.

4. Enact FMS, direct commercial sales (DCS), and ITAR reform recommendations. With a total value of \$117.9 billion in sales under the FMS program and over \$200 billion in DCS in FY 2024, noting 45.7% and 28% increases from FY 2023, how the U.S. manages, and accelerates FMS and DCS need to become more automated and streamlined. Doing so will illuminate chokepoints and additional recommendations for cutting redtape. Timely adjudication between departments and agencies and Congress and expediting congressional notifications are also key. Revisions to FMS-only and munitions list should increase flexibility and empower the right DoD officials to make decisions, especially to 'priority partners' as cited in the Executive Order. Further, allies and partners should be provided everything they need as a package with third-party transfers rather than having to work each element within a capability separately. FMS leads should work with NATO, AUKUS and other entities to streamline multinational group buys or deals to protect industry investments in increasing production lines. These challenges will require collaboration with Congress, and both chambers have voiced support for reforms. A fulsome list of recommendations was developed by the Aerospace Industries Association and discussed by President Eric Fanning at the MITRE Breaking

Barriers Summit, and AIA followed up with an open letter to Defense Secretary Pete Hegseth with additional specifics.

- 5. As a corollary to these reforms, as <u>cited by United</u> Kingdom and Canadian colleagues at the Breaking Barriers Summit, improvements could be realized by harmonizing legal terminology, better managing our international property issues, information sharing, improving cyber security, and working towards and enforcing common standards. Organizations like the Foreign Procurement Group—comprised of 46 nations providing a unified voice to the U.S. Security Cooperation enterprise for their \$300B in FMS through Washington, D.C.based collaboration—offer the U.S. key forums to collaborate with Allies and Partners on shaping and implementing reforms. Through groups like FPG, the U.S. may consider other AUKUS-like models of like-minded nations to advance technologies and capabilities in mutually beneficial areas rather than deferring to laborious bilateral memorandums of understanding (MOUs) on case-by-case bases.
- 6. In close coordination with OSD (A&S), OSD (R&E) and OSD (Policy), empower combatant commands (CCMDs) to advise and accelerate FMS, DCS, and ITAR by requesting exemptions—and unlock opportunities through information-sharing and resource pooling to allow the U.S., allies, and partners to engage at the front-end of acquisition through enhanced collaborative R&D to include foreign comparative testing, prototyping, experimentation, and rapid-fielding initiatives. Noting our nations apply forces jointly in conflict, and many technology advances are not Service-specific, COCOMs should therefore have a more active role in driving DoD, allies, and partner acquisition.
- Embrace the urgency of now. Consider requirements of venture capitalists and nontraditional industry partners to get after talent, raw materials, and price arbitrage with traditional allies and new partners. Incentivize new partners

to choose to work with the U.S., its allies and partners, rather than with potential adversaries. This applies to nations and to industry traditional defense companies and large nations need to partner with smaller countries and non-traditional start-ups. Further unlock more investment opportunities through creating a more joint, less fragmented OSD system through related reforms. Cohering these efforts in a DoD economic deterrence strategy, orchestrated in coordination with other departments and agencies, and synchronizing decisions across domains to achieve the desired strategic deterrent effects, operationalizes DoD's buying power and supplychain into a powerful strategic asset and capability.

8. To strengthen U.S. capabilities and resilience, when possible, leverage systematic inclusion of allied capability assessments in acquisition planning and require workforce participation in structured knowledge-sharing platforms. Increasing awareness of—and access to—shared production capacity ensures the DoD can draw from a diverse set of suppliers who bring a wider range of capabilities to the table while systemically enhancing interoperability with allies through U.S. FMS. Increasing mutual access to the American industrial base and U.S. acquisition workforce ensures allies and partners can contribute meaningfully to coalition activities, both financially and operationally.

Connect Policy Changes to Strengthen Regional Opportunities

 Champion the expansion of NATO's industry collaboration in line with the <u>2024 Industrial</u> <u>Capacity Expansion Pledge</u> and <u>2025 Hague</u> <u>Summit 5% commitment</u>, to include continuing to drive new matchmaking and growth in codevelopment/investment/production bolstered by <u>NATO's Rapid Adoption Action Plan</u>. These initiatives need to connect to real-world exercises and other rapid experimentation efforts. NATO

must continue to steer nations to update procurement policies and processes to focus on flexibility, allow for iterative effects-based capabilities, and incentivize allies to invest in interoperabledesigned capabilities from the start. As an example, NATO should expand new approaches as seen in Task Force X to other key areas, including Integrated Air and Missile Defense and critical enablers, and also pull in lessons from other operational theaters when possible. In doing so, NATO enables guicker, iterative acquisition adjustments and capability enhancements by leveraging linkages with findings from other Allied Command Transformation and Allied Command Operations activities. The NCIA-facilitated Communications and Information Partnership (C&IP) warrant further exploration, and Air Command and Control (C2), digital security, and dual-use space capabilities are additional areas ripe for accelerating collaboration. For these, and other priority areas, NATO is changing policies to enable industry access to warfighters-at ranges, exercises, and through experimentation. This needs to become the new standard, not an exception to the rule. Increasing 'validation' pathways should then streamline and simplify processes for allies to conduct group purchases to achieve economies of scale.

- 10. NATO should source and delegate additional common funding purchasing power to its military commands for prototyping emerging capabilities, integrating new and capabilities into the Allied Response Force (ARF) as a testbed for nations to replicate, and creating an iterative process to recommend enhancements to allies for strengthening deterrence and defense within accepted capability targets. NATO should also energize, expand, and where possible, incentivize regional memorandum of understanding (MOU) efforts across groups of allies and partners, and streamline and digitize standardization agreements, to strengthen and increase capacity for key capabilities based on these new initiatives.
- 11. As a transregional opportunity, supercharge the Partnership for Indo-Pacific Industrial Resilience (PIPIR) and use its technical exchanges to identify additional pilot programs to expand its scope. Connect this program with similar programs hosted by the Defense Innovation Unit (DIU) and various WERX programs. Create an advisory loop to the OSD 'RAPID' office based on these partnerships' outcomes. As an example, INDOPACOM's Hellscape was informed by the Ukrainian battlefield experience and derived those lessons to test connecting unmanned systems in every domain, producing new lessons in logistics and sustainment, cyber security, and interoperability. More efforts like this should inform PIPIR priorities and future iterations or offshoots. Scoping multinational versions of initiatives like Hellscape, aimed to lead to rapidly procuring and fielding large amounts of unmanned systems across nations, should be considered. As a corollary, NATO should join PIPR or establish an active liaison office if partnership is limited to nations.
- 12. As the Pentagon reviews AUKUS to determine recommended modifications, it should develop a roadmap for realizing the objectives of Pillar Two. Areas, including electronic warfare (EW) and command and control (C2), are critical to Golden Dome as well as new defense planning scenarios and the transformation of military Services. As cited in the CSIS Brief on AUKUS Pillar Two, "AUKUS could catalyze the integration of artificial intelligence (AI) technologies among its partners and into defense and security applications-but only if these countries act now to harmonize their approaches and consult experts." Australia and the United Kingdom require the U.S. to champion AUKUS processes that pool R&D and drive results by taking steps to breakdown barriers to cooperation, improve information sharing, and reform export controls. Creating this new musclememory and cultural commitment will also have a deterrent effect on adversaries.

Next Steps

At the Breaking Barriers Summit, Admiral Samuel Paparo, U.S. Navy, Commander, United States Indo-Pacific Command addressed the attendees with the following call to action:

"We must break down the barriers to cooperation for data sharing and interoperability by aligning standards and reevaluating restrictions hindering collaboration. Our most powerful advantage remains our relationships with industry and with our allies and partners. By breaking down barriers and fostering collaboration, we can and will maintain our technical edge and preserve peace and prosperity."

This vision sets the acquisition reform communities of interest to continue to work collectively to deliver recommendations and practical next steps to U.S. government leaders. The line of effort to improve acquisition with allies and partners is a critical piece of the U.S.'s overall industrial base rejuvenation and acquisition reform effort. The collective acquisition ecosystem will be more effective when working together to support the U.S. in driving the changes necessary to ensure U.S., allies, and partners, maintain the collective edge to deter, and fight and win when necessary, future conflicts.

A rising tide lifts all boats. Accelerating, improving, and increasing collaboration with allies and partners in defense acquisition will ensure the U.S. maintains its long-term advantage in deterrence, defense, and warfighting, and is squarely in the U.S. strategic interest.

To keep up with changes and learn more, visit <u>Breaking Barriers</u> on mitre.org.

"OUR MOST POWERFUL ADVANTAGE REMAINS OUR RELATIONSHIPS WITH INDUSTRY AND WITH OUR ALLIES AND PARTNERS. BY BREAKING DOWN BARRIERS AND FOSTERING COLLABORATION, WE CAN AND WILL MAINTAIN OUR TECHNICAL EDGE AND PRESERVE PEACE AND PROSPERITY."

ADMIRAL SAMUEL PAPARO, COMMANDER, U.S. INDO-PACIFIC COMMAND