SEC. ___. EXTENSION OF AUTHORITY TO ACQUIRE PRODUCTS AND SERVICES PRODUCED IN COUNTRIES ALONG A MAJOR ROUTE OF SUPPLY TO AFGHANISTAN.

Section 801(f) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84; 123 Stat. 2399), as amended by section 841(a) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239; 126 Stat. 1845), is amended by striking "December 31, 2014" and inserting "December 31, 2015",

Section-by-Section Analysis

This proposal would make one amendment to section 801 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2010 (Public Law 111-84; 123 Stat. 2399), as amended by section 841(a) of the FY 2013 NDAA, relating to the authority to acquire products and services produced in countries along a major route of supply to Afghanistan. Specifically, this proposal would extend the authority by one year, from December 31, 2014, to December 31, 2015.

Extension of this authority is necessitated by a prospect of retrograde operations that would continue after December 31, 2014. Regional sourcing of Operation ENDURING FREEDOM (OEF) requirements from the countries along the Northern Distribution Network (NDN) is critical to U.S. Government efforts to gain regional access and permissions for supporting retrograde operations in, to, and from Afghanistan. This supports the United States Central Command (USCENTCOM) Theater Campaign Plan and the International Security Assistance Force Civil Military Campaign Plan, as well as long-term economic development and stability in the region.

The procurement of supplies, services, and construction material from the NDN will provide economic opportunities and bolster stability in the region that would positively impact our negotiations with these countries in gaining regional access and permissions for critical retrograde operations in support of OEF.

In addition, local procurement from the NDN region will decrease overall transportation costs and risks. Shipping goods from Europe or the United States to Afghanistan is very costly, requires multiple modes of transportation, and relies on uninterrupted throughput in diverse facilities (ports, rails, roads, and air) in many different countries, while going through numerous customs processes. By reducing the distance, complexity, risk, and cost involved in resupplying forces in Afghanistan, the United States will gain a strategic advantage.

This proposal supports requirements of both USCENTCOM and the Defense Logistics Agency.

Budget Implications: It would not increase costs to the Government to extend the authority by one year. Increasing the local procurement of goods will decrease overall U.S. transportation costs and risks. Shipping goods from Europe or the United States to Afghanistan is very costly, requires multiple modes of transportation, and relies on uninterrupted throughput in a number of diverse facilities (ports, rails, roads, and air) in many different countries, while dealing with numerous customs services. By reducing the distance, complexity, risk, and cost involved in resupplying forces in Afghanistan, the United States will gain a strategic advantage in that effort.

Changes to Existing Law: This proposal would make the following change to section 801 of the National Defense Authorization Act for Fiscal Year 2010 (P.L. 111-84), as amended by section 841 of the FY 2013 NDAA:

SEC. 841. EXTENSION OF AUTHORITY TO ACQUIRE PRODUCTS AND SERVICES PRODUCED IN COUNTRIES ALONG A MAJOR ROUTE OF SUPPLY TO AFGHANISTAN.

(a) IN GENERAL.—In the case of a product or service to be acquired in support of military or stability operations in Afghanistan for which the Secretary of Defense makes a determination described in subsection (b), the Secretary may conduct a procurement in which—

(1) competition is limited to products or services that are from one or more countries along a major route of supply to Afghanistan; or

(2) a preference is provided for products or services that are from one or more countries along a major route of supply to Afghanistan.

(b) DETERMINATION.—A determination described in this subsection is a determination by the Secretary that —

(1) the product or service concerned is to be used—

(A) in the country that is the source of the product or service;

(B) in the course of efforts by the United States and the NATO International Security Assistance Force to ship goods to Afghanistan in support of military or stability operations in Afghanistan;

(C) by the military forces, police, or other security personnel of Afghanistan; or

(D) by the United States or coalition forces in Afghanistan if the product or service is from a country that has agreed to allow the transport of coalition personnel, equipment, and supplies;

(2) it is in the national security interest of the United States to limit competition or provide a preference as described in subsection (a) because such limitation or preference is necessary—

(A) to reduce overall United States transportation costs and risks in shipping goods in support of military or stability operations in Afghanistan;

(B) to encourage countries along a major route of supply to Afghanistan to cooperate in expanding supply routes through their territory in support of military or stability operations in Afghanistan; or

(C) to help develop more robust and enduring routes of supply to Afghanistan; and

(3) limiting competition or providing a preference as described in subsection (a) will not adversely affect—

(A) military or stability operations in Afghanistan; or

(B) the United States industrial base.

(c) PRODUCTS AND SERVICES FROM A COUNTRY ALONG A MAJOR ROUTE OF SUPPLY TO AFGHANISTAN.—For the purposes of this section:

(1) A product is from a country along a major route of supply to Afghanistan if it is mined, produced, or manufactured in a covered country.

(2) A service is from a country along a major route of supply to Afghanistan if it is performed in a covered country by citizens or permanent resident aliens of a covered country.

(d) COVERED COUNTRY DEFINED.—In this section, the term "covered country" means Georgia, Kyrgyzstan, Pakistan, Armenia, Azerbaijan, Kazakhstan, Tajikistan, Uzbekistan, or Turkmenistan.

(e) CONSTRUCTION WITH OTHER AUTHORITY.—The authority provided in subsection (a) is in addition to the authority set forth in section 886 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181; 122 Stat. 266; 10 U.S.C. 2302 note).

(f) TERMINATION OF AUTHORITY.—The Secretary of Defense may not exercise the authority provided in subsection (a) after December 31, ~~2014~~ 2015.