



# Department of Defense **DIRECTIVE**

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Incorporating Change 1, August 31, 2018

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USD(A&S)

**SUBJECT:** Host Nation-Funded Construction Programs in the U.S. Pacific Command  
Area of Responsibility

**References:** (a) DoD Directive 4270.34, "Host Nation Funded Construction Programs,"  
October 19, 1982 (hereby canceled)  
(b) DoD Directive 4270.5, "Military Construction," February 12, 2005  
(c) DoD Instruction 4715.4, "Pollution Prevention," June 18, 1996  
(d) DoD Directive 6055.9E, "Department of Defense (DoD) Explosives Safety  
Management and the DoD Explosives Board (DDESB)," August 19, 2005  
(e) through (l), see enclosure 1

## 1. REISSUANCE AND PURPOSE

This Directive:

1.1. Reissues and renames reference (a) to update policies and responsibilities for DoD planning, programming, budgeting, developing technical criteria, and executing of host nation-funded construction (HNFC) programs as they relate to U.S. military construction (MILCON) in the U.S. Pacific Command (USPACOM) area of responsibility (AOR).

1.2. Recognizing the unique character of HNFC programs in the USPACOM AOR, addresses their management separate from other MILCON programs.

## 2. APPLICABILITY AND SCOPE

This Directive applies to:

2.1. The Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other

organization entities in the Department of Defense (hereafter referred to collectively as the “DoD Components”).

2.2. DoD activities pertaining to host nation and related US MILCON program expenditures in the USPACOM AOR.

### 3. DEFINITIONS

3.1. DoD Construction Agent. The construction agent assigned pursuant to DoD Directive 4270.5 (reference (b)).

3.2. Host Nation-Funded Project. Any construction project that is included in a HNFC program.

3.3. Host Nation-Funded Construction (HNFC) Program. Any construction program that provides facilities in direct support of DoD personnel or programs, and that is funded partially or totally by a host nation in which DoD personnel are stationed.

3.4. USPACOM AOR. The geographic area for which the Commander, USPACOM, has responsibility.

### 4. POLICY

It is DoD policy:

4.1. To actively seek host nation support for DoD construction requirements in the USPACOM AOR before U.S. MILCON funds are requested. If host nation funding is denied, if such funding shall not result in the timely satisfaction of U.S. requirements, or if there are other compelling reasons not to pursue HNFC program funding, required projects should be included in the U.S. MILCON program.

4.2. That a project funded by the host nation shall not be included in the U.S. MILCON budget. Programming of projects in both U.S. MILCON programs and HNFC programs is authorized beyond the first year of the current program objective memorandum (POM).

4.3. That host nation-funded projects shall be designed and constructed to meet U.S. MILCON program criteria and standards for reliability, maintainability, functionality, force protection, personnel health and safety, and environmental protection. Pollution abatement procedures at Federal facilities outside the United States shall be considered in HNFC projects in accordance with DoD Instruction 4715.4 (reference (c)).

4.4. That companion U.S. MILCON projects may be programmed to complement host nation-funded projects, as required, to provide for necessary, usable facilities.

4.5. That the DoD Components shall submit for review and approval to the DoD Explosives Safety Board, in accordance with DoD Directive 6055.9E (reference (d)), plans for HNFC projects or modification of fixed or movable ammunition and explosives facilities, including facilities in their proximity, before host nation action on the project is initiated.

## 5. RESPONSIBILITIES

5.1. The Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD(AT&L)) shall:

5.1.1. Exercise overall direction and policy control of the HNFC program.

5.1.2. Provide POM guidance to the DoD Components on their HNFC program submissions.

5.1.3. Review proposed project lists before their submission to the host nations.

5.1.4. Prepare and coordinate required reports to the Congress in accordance with Section 2350(j) of title 10, United States Code (U.S.C.) (reference (e)), for signature by the Secretary or the Deputy Secretary of Defense.

5.2. The Secretaries of the Military Departments shall:

5.2.1. Include in the annual POM submissions their projections of the 5-year HNFC programs to be requested of host nations in the USPACOM AOR, using the format identified in the POM preparation instruction, and providing copies of the projections to the Commander, USPACOM.

5.2.2. Ensure that funded HNFC projects are not included in annual budget requests.

5.2.3. Prepare basic project development documentation for HNFC projects, including DD Form 1391, "FY\_\_ Military Construction Project Data," under Volume 2B, Chapter 6 of DoD 7000.14-R (reference (f)).

5.2.4. Program the U.S. funds for, procure, and install U.S. equipment that is collateral to the HNFC project. Host Nation funds may be used if available for this purpose and authorized under the relevant agreements.

5.3. The Secretaries of the Army or the Navy, when the U.S. Army Corps of Engineers or the Naval Facilities Engineering Command, as the case may be, is designated as the DoD construction agent, shall:

5.3.1. Program, budget, and account for U.S. MILCON funding for U.S. design and construction surveillance, inspection, and overhead costs required to manage HNFC programs.

5.3.2. Provide the funds referred to in subparagraph 5.5.1. to the DoD construction agents.

5.4. The Chairman of the Joint Chiefs of Staff shall:

5.4.1. Monitor HNFC programs.

5.4.2. Assist the USD(AT&L) in reviewing the Military Departments' annual POM submissions as they concern HNFC programs to ensure compliance with the Strategic Planning Guidance (reference (g)).

5.4.3. Ensure that the Commander, U.S. Pacific Command, through the Chairman of the Joint Chiefs of Staff, shall:

5.4.3.1. Exercise overall theater direction and control of HNFC programs.

5.4.3.2. Ensure that host nations are informed of DoD procedures concerning HNFC programs.

5.4.3.3. Monitor the planning, programming, design, and construction of HNFC programs.

5.4.3.4. Integrate the DoD Components' construction requirements into annual programs and provide program data to the DoD Components concerned for use in POM development.

5.4.3.5. Provide appropriate data and information to the DoD construction agents to allow their formulation of budgets to support design and construction surveillance, inspection, and overhead costs for HNFC programs.

5.4.3.6. Negotiate with host nations for approval and funding of annual HNFC programs in accordance with the provisions of reference (e), DoD Directive 5530.3, and Section 2350(k) of title 10, U.S.C. (references (h) and (i)).

5.4.3.7. Recommend to the Deputy Under Secretary of Defense for Installations and Environment, through the Chairman of the Joint Chiefs of Staff and after coordination with the DoD construction agent, changes in construction agent assignments to facilitate the execution of the HNFC programs.

5.4.3.8. Publish implementing instructions for HNFC programs and provide copies to the USD(AT&L) and the DoD Components.

5.5. The DoD Construction Agent shall:

5.5.1. Provide complete design and construction criteria to host nations to ensure that projects are designed and constructed in accordance with U.S. MILCON program standards and criteria. Exceptions to U.S. criteria shall be coordinated with the DoD Component for which the facility is being constructed.

5.5.2. Provide design and construction surveillance, and inspection services.

5.5.3. Provide technical advice to the Combatant Commanders, the Commanders of Combatant Command components, and host nation government agencies.

5.5.4. Identify to the Secretaries of the Military Departments funding requirements to support design and construction surveillance services associated with host nation-funded projects.

6. INFORMATION REQUIREMENTS

In accordance with DoD 8910.1-M (reference (j)):

6.1. Within 60 days after the end of each fiscal year, the Commander, USPACOM, shall submit to the USD(AT&L), through the Chairman of the Joint Chiefs of Staff, a report that includes:

6.1.1. An annual assessment and identification of efforts to obtain host nation funding of construction requirements within the USPACOM AOR.

6.1.2. The approved annual construction program as submitted to the host nation.

6.1.3. A report of the most recent host nation approved and funded programs with design and construction milestone schedules. Projects shall be reported until construction is completed or the project is canceled. The information and data in enclosure 2 shall be included in an appropriate format for each project.


6.2. Within 30 days after the end of the second quarter of the fiscal year, the Commander, USPACOM, shall submit to the USD(AT&L), through the Chairman of the Joint Chiefs of Staff, a status report to update the information and data contained in enclosure 2.

6.3. Report Control Symbol DD-M(SA) 1610 has been assigned to this information requirement.

7. SUMMARY OF CHANGE 1. This change reassigns the office of primary responsibility for this Directive to the Under Secretary of Defense for Acquisition and Sustainment in accordance with the July 13, 2018 Deputy Secretary of Defense Memorandum (reference (k)).

8. EFFECTIVE DATE

This Directive is effective immediately.



Paul Wolfowitz  
Deputy Secretary of Defense

Enclosures - 2

- E1. References, continued
- E2. HNFC Program Status Report

E1. ENCLOSURE 1

REFERENCES, continued

- (e) Section 2350(j) of title 10, United States Code, “Burden Sharing Contributions by Designated Countries and Regional Organizations”
- (f) DoD 7000.14-R, “Financial Management Regulation,” Volume 2B, Chapter 6, June 2000
- (g) Strategic Planning Guidance, issued annually<sup>1</sup>
- (h) DoD Directive 5530.3, “International Agreements,” June 11, 1987
- (i) Section 2350(k) of title 10 United States Code, “Relocation within Host Nation Construction Programs”
- (j) DoD 8910.1-M, “Reporting Requirements,” June 30, 1998
- (k) Deputy Secretary of Defense Memorandum, “Establishment of the Office of the Under Secretary of Defense for Research and Engineering and the Office of the Under Secretary of Defense for Acquisition and Sustainment,” July 13, 2018
- (l) DoD Instruction 4165.3, “Department and Defense Facility Classes and Construction Categories,” October 24, 1978

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<sup>1</sup> Copies may be obtained from the Office of the Under Secretary of Defense for Policy.

E2. ENCLOSURE 2HOST NATION-FUNDED CONSTRUCTION PROGRAM STATUS REPORT

AS OF: YYMMDD

DoD Component: (1)

COUNTRY: (2)

MILITARY INSTALLATION AND CITY: (3) and (4)

<u>PROJECT TITLE</u>	<u>QUANTITY AND UNIT MEASURE</u>	<u>PURPOSE</u>	<u>COST (\$0000)</u>	<u>DESIGN START &amp; COMPLETION DATES</u>	<u>CONSTRUCTION START &amp; COMPLETION DATES</u>	<u>REMARKS</u>
(5)	(6)	(7)	(8)	(9)	(10)	(11)

INSTRUCTIONS

1. DoD Component (Army, Navy, Air Force, Defense Agency)
2. Country (list alphabetically)
3. Military Installation name (at which construction will occur or is occurring; list alphabetically under country)
4. City (closest city to which the construction will take place or is taking place)
5. Project title (list by military installation)
6. Quantity and unit measure (650 PN for unaccompanied housing; for example, see DoD Instruction 4165.3 (reference (1)))
7. Purpose (such as: support of a new unit, improved industrial operation, meet facility deficiency)
8. Estimated cost (in thousands of U.S. dollars at most current conversion rate)
9. Design start and completion dates (appropriate month and year; (E) by date means estimated; no (E) denotes an actual date)
10. Construction start and completion dates (same as item 9)
11. Remarks (as appropriate to explain problems, schedule slippages or advancements, cost increases or decreases, project cancellations or new projects). Also confirm in this column that completed projects have been reported as completed to the office responsible for maintaining the property inventory for that project.