

Defense Production Act (DPA) Title III Receives Emergency Supplemental Funding for Ukraine

The Emergency Supplemental Funding for Ukraine includes \$600M for the Defense Production Act (DPA) Title III fund for Missiles & Munitions Defense Industrial Base (DIB) Areas of Interest and the Strategic & Critical Materials DIB Areas of Interest as listed below.

Missiles and Munitions

Part of the supplemental DPA funding will be used to mitigate DIB constraints to enable faster missile production in order to resupply U.S. stocks transferred to Ukraine, or potentially stocks of partner nations who have donated munitions in support of Ukraine.

The following are DIB Areas of Interest, at minimum, for Missiles and Munitions:

- Next Generation Electronic Safe, Arm and Fire (eSAF) Devices for Missile Systems
- Redesign of Ignition Safety Devices (ISD) for Missile Systems
- Modernized and Expanded Large Caliber Shell Forging Capabilities
- Enhanced Tooling, Testing, and Lab Equipment for Guidance and Warhead Fuze Sub-Components in Missile Systems
- Expanded Capacity for High Precision, Performance Ball Bearings for Missile, Space, and Other Advanced Systems

Strategic & Critical Materials

Russia's war against Ukraine has resulted in global supply chain disruptions and skyrocketing prices for strategic and critical materials necessary for national defense and economic security. Part of the supplemental DPA funding will be used to expand domestic capacity and invest in domestic production of strategic and critical materials to respond to global shortfalls to ensure a secure and resilient industrial base.

The following are Strategic & Critical Materials DIB Areas of Interest:

- **Feasibility Studies:** This includes comprehensive technical and economic study of a selected development option for a strategic and critical material project that includes appropriately detailed assessments of realistically assumed extraction, processing, metallurgical, economic, marketing, legal, environmental, social, and governmental considerations, together with any other relevant operational factors and detailed financial analysis, that are necessary to demonstrate at the time of reporting that production is reasonably justified. The results of the study may serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. A feasibility study is more comprehensive, and has a higher degree of accuracy, than a pre-feasibility study. It must contain process designs completed with sufficient rigor to serve as the basis for an investment decision or to support project financing. The confidence level in the results of a feasibility study is higher than the confidence level in the results of the pre-feasibility study. Industry terms such as "full", "final", "comprehensive", "bankable" or "definitive" feasibility study are equivalent to a feasibility study in this section.
- **By-Product and Co-Product Extraction:** This includes the recovery of strategic and critical materials from a host material that may or may not be a strategic and critical material used in the

production of large capacity batteries for automotive for use by DoD, e-mobility, and stationary storage applications. The recovery of such strategic and critical materials is considered a “co-product” if it contributes approximately equivalent revenue as the host material. The recovery of such strategic and critical materials is considered a “by-product” if it contributes less than 50% of total revenue, compared to the host material.

- **Modernization and Productivity Improvements:** This includes deployment and integration of flowsheet modifications to increase process efficiency and strategic and critical materials recovery through, for example, decreased consumption of water and power, more efficient extractants, and recovery of spent acids and other chemicals. This also includes transformational changes to mining, beneficiation, and value-added processing operations through, for example, the adoption of autonomous, low-emission trucking and hauling, non-line-of-sight bulldozer operations, automated logistics and material handling operations, and related facility infrastructure.
- **Recycling and Reclamation:** This includes the recovery of strategic and critical materials from in-process waste streams — such as scrap or slag — and the recovery of such materials from post-consumer products or post-processing wastes (e.g., tailings or off-specification final-products). This section also includes the deployment and integration of capital equipment and other industrial processes to automate the identification, disassembly, and recovery of sub-components that contain strategic and critical materials, for subsequent metallurgical processing.
- **Enabling Sub-Tier Suppliers and Industrial Resources:** This includes the creation, maintenance, protection, expansion, or restoration of domestic capability for “industrial resources” that are necessary to accomplish the work covered under the preceding bullets within the Strategic & Critical Materials section of this message but are not produced by the prime contractor or major subcontractors performing the work. Examples of enabling sub-tier suppliers and industrial resources include, but are not limited to, production of diamond core drill bits, skilled trades programs and certifications (e.g., welding, pipefitting), and mitigation of single points of failure in enabling supply chains.

About DPA Title III

DPA Title III authorities were established in the Defense Production Act of 1950 and provide the President broad authority to ensure the timely availability of industrial base capabilities essential to national defense. The DPA Title III program is dedicated to ensuring the timely availability of essential domestic industrial resources to support national defense and homeland security requirements. The DPA Title III Program is managed by the Office of the Assistant Secretary of Defense (OASD) for Industrial Base Policy (IBP) and executed by the Department of Defense (DoD) Executive Agent Program Office, a component of the Manufacturing & Industrial Technologies Division (AFRL/RXM) of the Materials and Manufacturing Directorate, Air Force Research Laboratory.

DPA Title III has a Funding Opportunity Announcement, Defense Production Act Title III Expansion of Domestic Production Capability and Capacity (FA8650-19-S-5010), that is accepting white papers on a variety of topics under the DPA Title III program. The DPA Title III Funding Opportunity Announcement can be found at the following link:
<https://sam.gov/opp/a832ba4582884c8d8993bfce69e93c1e/view>