

[FR Doc. E8-23335 Filed 10-3-08; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 08-19]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 08-19 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 25, 2008.

Patricia L. Toppings,
OSD Federal Register Liaison Officer,
Department of Defense.

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**DEFENSE SECURITY COOPERATION AGENCY
2800 DEFENSE PENTAGON
WASHINGTON, DC 20301-2800**

SEP 08 2008

**In reply refer to:
USP002188-08**

**The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, DC 20515-6501**

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 08-19, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the United Arab Emirates for defense articles and services estimated to cost \$6.95 billion. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Wieringa".

**Jeffrey A. Wieringa
Vice Admiral, USN
Director**

Enclosures:

- 1. Transmittal**
- 2. Policy Justification**
- 3. Sensitivity of Technology**

Same ltr to:

House

**Committee on Foreign Affairs
Committee on Armed Services
Committee on Appropriations**

Senate

**Committee on Foreign Relations
Committee on Armed Services
Committee on Appropriations**

Transmittal No. 08-19

**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act**

- (i) **Prospective Purchaser:** United Arab Emirates
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|-----------------------|
| Major Defense Equipment* | \$4.20 billion |
| Other | <u>\$2.75 billion</u> |
| TOTAL | \$6.95 billion |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 3 Terminal High Altitude Air Defense (THAAD) Fire Units with 147 THAAD missiles, 4 THAAD Radar Sets (3 tactical and one maintenance float), 6 THAAD Fire and Control Communication stations, and 9 THAAD Launchers. Also included are fire unit maintenance equipment, prime movers (trucks), generators, electrical power units, trailers, communications equipment, tools, test and maintenance equipment, repair and return, system integration and checkout, spare/repair parts, publications, documentation, personnel training, training equipment, contractor technical and logistics personnel services, and other related support elements.
- (iv) **Military Department:** Missile Defense Agency through Army (FAA)
- (v) **Prior Related Cases, if any:** None.
- (vi) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** None
- (vii) **Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:** See Annex attached
- (viii) **Date Report Delivered to Congress:** **SEP 08 2008**

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Arab Emirates – Terminal High Altitude Air Defense System (THAAD)

The Government of the United Arab Emirates has requested a possible sale of 3 Terminal High Altitude Air Defense (THAAD) Fire Units with 147 THAAD missiles, 4 THAAD Radar Sets (3 tactical and one maintenance float), 6 THAAD Fire and Control Communication stations, and 9 THAAD Launchers. Also included are fire unit maintenance equipment, prime movers (trucks), generators, electrical power units, trailers, communications equipment, tools, test and maintenance equipment, repair and return, system integration and checkout, spare/repair parts, publications, documentation, personnel training, training equipment, contractor technical and logistics personnel services, and other related support elements. The estimated cost is \$6.95 billion.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been and continues to be an important force for political stability and economic progress in the Middle East.

The proposed sale of the weapons will strengthen the effectiveness and interoperability of a potential coalition partner, reduce the dependence on U.S. forces in the region, and enhance any coalition operations the U.S. may undertake. The United Arab Emirates will have no difficulty absorbing this weapon system into its armed forces. The proposed sale of this weapon system will not affect the basic military balance in the region.

The principal contractors are Lockheed Martin Space Systems Corporation in Sunnyvale, CA and the sub-contractor is Raytheon Corporation in Andover, MA.

The purchaser requested offsets; however, at this time, agreements are undetermined and will be defined in negotiations between the purchaser and contractor.

The United Arab Emirates does not desire a government support presence in its country on an extended basis. A total of 66 contractor logistic support personnel are anticipated to be stationed in United Arab Emirates for extended periods. Additional training and major defense equipment personnel may be in the United Arab Emirates for short periods of time, not to exceed 24 months.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 08-19**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act****Annex
Item No. vii****(vii) Sensitivity of Technology:**

1. The Terminal High Altitude Area Defense (THAAD) Ballistic Missile Defense System contains classified Confidential/Secret components and critical/sensitive technology. The THAAD Fire Unit a ground-based, forward-deployable terminal missile defense system, requested by the United Arab Emirates, represents significant technological advances. The THAAD System continues to hold a technology lead over other terminal ballistic missile systems.

2. THAAD is the first weapons system with both endo and exo atmospheric capability developed specifically to defend against ballistic missiles. The higher altitude and theater-wide protection offered by THAAD provides more protection of larger areas than lower-tier systems alone. THAAD is designed to defend against short, medium, and intermediate range ballistic missiles. The THAAD system consists of four major components: Fire Control/Communications, Radar, Truck-mounted Launchers, and Interceptors (eight per missile round pallet).

3. The THAAD Ballistic Missile Defense System sensitive/critical technology is primarily in the area of design and production know-how and primarily inherent in the design, development and/or manufacturing data related to certain critical components. Information on operational effectiveness with respect to countermeasures, low observable technologies, select software documentation and test data are classified up to and including Secret.

4. If a technologically advanced adversary were to obtain knowledge of the specific hardware in the proposed sale, the information could be used to develop countermeasures which might reduce weapons system effectiveness or be used in the development of a system with similar or advanced capabilities.

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 08-26]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCAIDBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 08-26 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 25, 2008.

Patricia L. Toppings,
OSD Federal Register Liaison Officer,
Department of Defense.

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