DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 08-08]

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 08–08 with attached transmittal, and policy justification.

Dated: October 11, 2007.

L.M. Bynum,

OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-06-M



DEFENSE SECURITY COOPERATION AGENCY WASHINGTON, DC 20301-2800

OCT 0 4 2007 In reply refer to: I-07/010434-CFM

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. 08-08, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Kuwait for defense articles and services estimated to cost \$250 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

Richard J. Millies Deputy Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification

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. 08-08

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

(i) Prospective Purchaser: Kuwait

(ii) Total Estimated Value:

Major Defense Equipment* \$ 0 million
Other \$250 million
TOTAL \$250 million

- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: upgrade of three L-100-30 aircraft (a commercial version of the C-130 aircraft), modifications, spare and repair parts, support equipment, publications and technical data, flight engineer training, communications equipment, maintenance, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, preparation of aircraft for shipment, and other related elements of logistics support.
- (iv) Military Department: Air Force (QAD)
- (v) Prior Related Cases, if any: none
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: none
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense Services</u>

 <u>Proposed to be Sold:</u> none
- (viii) Date Report Delivered to Congress: DCT 0 4 2007

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

POLICY JUSTIFICATION

Kuwait - Upgrade of L-100-30 Aircraft

The Government of Kuwait has requested a possible sale to upgrade three L-100-30 aircraft (a commercial version of the C-130 aircraft), to include modifications, spare and repair parts, support equipment, publications and technical data, flight engineer training, communications equipment, maintenance, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, preparation of aircraft for shipment, and other related elements of logistics support. The estimated cost is \$250 million.

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

The proposed sale will provide Kuwait more robust regional airlift capability and will extend the useful life of its current and future L-100 aircraft.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

Various contractors will be used, depending on the exact nature of the contracting arrangements established. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of up to 10 U.S. Government and contractor representatives for one-week intervals twice annually to participate in training, and technical review.

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