

DEPARTMENT OF DEFENSE**Office of the Secretary****[Transmittal No. 00-32]****36(b)(1) Arms Sales Notification****AGENCY:** Defense Security Cooperation Agency, Department of Defense.**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. J. Hurd, DSCA/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 00-32 with attached transmittal and policy justification.

Dated: April 24, 2000.

L.M. Bynum,

Alternate, OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

14 April 2000

In reply refer to:
I-00/002813

Honorable J. Dennis Hastert
Speaker of the House of
Representatives
Washington, D.C. 20515-6501

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 00-32, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to the United Kingdom for defense articles and services estimated to cost \$210 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "MS Davison", is positioned above the typed name.

MICHAEL S. DAVISON, JR.
LIEUTENANT GENERAL, USA
DIRECTOR

Same ltr to: House Committee on International Relations
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on National Security
Senate Committee on Armed Services
House Committee on Appropriations

Attachments

Transmittal No. 00-32

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

- (i) **Prospective Purchaser:** United Kingdom
- (ii) **Total Estimated Value:**

Major Defense Equipment*	\$ 0 million
Other	<u>\$ 210 million</u>
TOTAL	\$ 210 million
- (iii) **Description of Articles or Services Offered:** Training and logistics support in support of a potential direct commercial lease of up to four USAF standard Lot XII Boeing C-17A Globemaster III cargo aircraft. This proposed sale includes one spare engine, spare and repair parts, support equipment, modification kits, publications and technical data, U.S. Government and contractor technical and logistics personnel services and other related elements of program support.
- (iv) **Military Department:** Air Force (SAN and TGI)
- (v) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** none
- (vi) **Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:** none
- (vii) **Date Report Delivered to Congress:** 14 April 2000

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

POLICY JUSTIFICATION

United Kingdom - Contractor Logistics Support Services

The Government of United Kingdom (UK) has requested a possible sale for training and logistics support in support of a potential direct commercial lease of up to four USAF standard Lot XII Boeing C-17A Globemaster III cargo aircraft. This proposed sale includes one spare engine, spare and repair parts, support equipment, modification kits, publications and technical data, U.S. Government and contractor technical and logistics personnel services and other related elements of program support. The estimated total cost is \$210 million.

This proposed case will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of United Kingdom in fulfillment of its NATO obligations; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The inability to rapidly deploy European forces during the Bosnia and Kosovo campaigns to forward area unprepared runways highlighted the need for additional NATO strategic airlift. In addition, the United Kingdom's 1998 Strategic Defence Review expressly stated the requirement for "four C-17 or equivalent" strategic airlift aircraft by 2001 for movement of "outsize and oversize" cargo. The C-17 will greatly enhance interoperability and commonality with the U.S. and provide UK and NATO forces with rapid global strategic mobility into austere locations. The UK will have no difficulty absorbing these services into its armed forces.

The proposed sale of these support services will not affect the basic military balance in the region.

The prime contractor will be the Boeing Company of Long Beach, California. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of a Mobile Training Team to the United Kingdom for up to six months to assist in the delivery of the aircraft. There will be 14 contractor representatives in country to conduct contractor-provided training, logistics support, and engineering technical services for up to nine years after initial aircraft delivery.

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