DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 01–24]

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 Pub. L. 104–164 dated July 21, 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 01–24 with attached transmittal and policy justification.

Dated: September 19, 2001.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–08–M

DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

5 September 2001

In reply refer to:
I-01/007283

The 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. 01-24, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Kuwait for defense articles and services estimated to cost $166 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

TOME H. WALTERS, JR.
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments

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

Transmittal No. 01-24

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

(i) **Prospective Purchaser: Kuwait**

(ii) **Total Estimated Value:**

Major Defense Equipment*	$ 0 million
Other	$166 million
TOTAL	$166 million

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: Contractor maintenance and technical services in support of the F/A-18 aircraft to include Contractor Engineering Technical Services (CETS), Contractor Maintenance Support (CMS), technical ground support equipment, spare and repair parts, publications and technical data and other related elements of logistics support.**

(iv) **Military Department: Navy (GFP)**

(v) **Prior Related Cases, if any:**
FMS case GEU - $97 million - 12May96
FMS case SAO - $1.6 billion - 05Jan89

(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: none**

(viii) **Date Report Delivered to Congress: 5 September 2001**

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

POLICY JUSTIFICATION

Kuwait - Technical/Logistics Support for F/A-18 Aircraft

The Government of Kuwait has requested a proposed continuation sale of contractor maintenance and technical services in support of the F/A-18 aircraft to include Contractor Engineering Technical Services (CETS), Contractor Maintenance Support (CMS), technical ground support equipment, spare and repair parts, publications and technical data and other related elements of logistics support. The estimated cost is $166 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 friendly country which has been and continues to be an important force for political stability and economic progress in the Middle East.

The Government of Kuwait needs the contractor technical, maintenance, and logistical services to maintain the operational capabilities of the aircraft, previously procured from the United States. These contractor services will provide for a continuation of the required logistics support through CY 2008.

The contractor maintenance and training technical services will not alter the basic military balance in the region.

The principal contractors participating in this proposed sale are the DYNCORP of Fort Worth, Texas; The Boeing Company of St. Louis, Missouri; and Kay and Associates, Incorporated of Arlington Heights, Illinois. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of 50 contractor representatives in Kuwait to maintain continuity in the program support through CY 2008.

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

[FR Doc. 01–24124 Filed 9–26–01; 8:45 am]
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