DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 05–36]

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. J. Hurd, DSCA/DBO/ADM, (703) 604–6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 05–36 with attached transmittal and policy justification.

Dated: September 29, 2005.

L.M. Bynum,

OSD Federal Register Liaison Officer Department of Defense.

BILLING CODE 5001–06–M

DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

27 SEP 2005
In reply refer to:
I-05/007718

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, as amended, we are forwarding herewith Transmittal No. 05-36, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services estimated to cost $800 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

Richard J. Millies
Deputy Director

Enclosures:
1. **Transmittal**
2. **Policy Justification**

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

Transmittal No. 05-36

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:** Saudi Arabia

(ii) **Total Estimated Value:**

Major Defense Equipment*	$ 0 million
Other	$800 million
TOTAL	$800 million

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** upgrade kits and services for 54 C-130E/H aircraft. The Avionics Modernization Program upgrade includes navigation and communications equipment, LCD displays with a heads-up display, software development/integration, associated support equipment, modification kits, spare and repair parts, test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services and other related elements of logistics support.

(iv) **Military Department:** Air Force (QDD)

(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:** none

(viii) **Date Report Delivered to Congress:** 27 SEP 2005

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

POLICY JUSTIFICATION

Saudi Arabia - Upgrade Services of C-130E/H Aircraft

The Government of Saudi Arabia has requested a possible sale of upgrade kits and services for 54 C-130E/H aircraft. The Avionics Modernization Program upgrade includes navigation and communications equipment, LCD displays with a heads-up display, software development/integration, associated support equipment, modification kits, spare and repair parts, test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services and other related elements of logistics support. The estimated cost is $800 million.

This 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.

Saudi Arabia desires the ability to operate in civil airspace in compliance with current requirements. The C-130E/H system requires upgrades to radar, navigation and communication systems, as well as the man-machine interface. The aircraft will be used in the normal, day-to-day operations of the existing C-130 fleet within the Air Traffic Control environment. Saudi Arabia will have no difficulty absorbing the upgraded aircraft into its armed forces.

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

For planning purposes, the prime contractor will be the Boeing Company of Long Beach, California. 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 18 U.S. Government and contractor representatives for one-week intervals twice annually to participate in training, program management and technical review. The number of U.S. Government personnel and contractor representatives required in-country to support the C-130 Avionics Modernization Program will be determined in joint negotiations as the program proceeds through the assessment and installation phases.

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

[FR Doc. 05–19899 Filed 10–4–05; 8:45 am]
BILLING CODE 5001–06–C