Dated: June 21, 2011.

Valerie Green,
General Counsel.

DEPARTMENT OF DEFENSE
Office of the Secretary

[Transmittal Nos. 10–03]

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 July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. John Unglesbee, DSCA/DBO/CFM, (703) 601–6026.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 10–03 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: June 16, 2011.

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

BILLING CODE 5001–06–P
DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5409

The Honorable John A. Boehner
Speaker
U.S. House of Representatives
Washington, DC 20515

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. 10-03, 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 $355 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,

William E. Landay III
Vice Admiral, USN
Director

Enclosures:
1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified Document Provided Under Separate Cover)
Transmittal No. 10-03

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:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Defense Equipment*</td>
<td>$235 million</td>
</tr>
<tr>
<td>Other</td>
<td>$120 million</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$355 million</td>
</tr>
</tbody>
</table>

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 404 CBU-105D/B Sensor Fuzed Weapons, 28 CBU-105 Integration test assets, containers, spare and repair parts, support and test equipment, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering, technical, and logistics support services, and other related elements of logistics support.

(iv) Military Department: Air Force (QBH)

(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: JUN 10 2011

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

Saudi Arabia – CBU-105 Sensor Fuzed Weapons

The Government of Saudi Arabia has requested a possible sale of 404 CBU-105D/B Sensor Fuzed Weapons, 28 CBU-105 Integration test assets, containers, spare and repair parts, support and test equipment, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering, technical, and logistics support services, and other related elements of logistics support. The estimated cost is $355 million.

This proposed sale will contribute to the foreign policy goals and national security objectives of the United States by meeting the legitimate security and defense needs of a partner nation, which has been and continues to be an important force for peace, political stability, and economic progress in the Middle East.

Saudi Arabia intends to use Sensor Fuzed Weapons to modernize its armed forces and enhance its capability to defeat a wide range of defensive threats, to include: strongpoints, bunkers, and dug-in facilities; armored and semi-armored vehicles; personnel; and certain maritime threats. Additionally, the precision nature and extremely low dud rate of these munitions will reduce fratricide incidents and increase effectiveness. The Royal Saudi Air Force will be able to develop and enhance its standardization and operational capability and its interoperability with the USAF, Gulf Cooperation Council member states, and other coalition air forces. Saudi Arabia will have no difficulty absorbing these munitions into its armed forces.

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

After arming, the CBU-105D/B Sensor Fuzed Weapon will not result in more than one percent unexploded ordnance across the range of intended operational environments. The agreement applicable to the transfer of the CBU-105D/B and the CBU-105 integration test assets will contain an agreement of the Government of Saudi Arabia that the cluster munitions and cluster munitions technology will be used only against clearly defined military targets and will not be used where civilians are known to be present or in areas normally inhabited by civilians.

The prime contractor will be Textron Systems Corporation of Wilmington, MA. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require annual trips to Saudi Arabia involving up to two U.S. Government and three contractor representatives for technical reviews/support, and program management for a period of approximately two years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.
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 CBU-105D/B Sensor Fused Weapon (SFW) is an advanced 1,000-pound class cluster bomb munition containing sensor fused sub-munitions that are designed to attack and defeat a wide range of moving or stationary land and maritime threats with minimal collateral damage. The SFW is currently the only combat proven, clean battle weapon that meets U.S. law regarding cluster munition safety standards. In addition to added safety, no other munition is as versatile and effective against so many different target types. Major components and technical data are classified up to Secret. Anti-tamper security measures are incorporated into the munition to prevent exploitation. The munition will be delivered in its Unclassified All-Up-Round configuration.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.