Policy Justification
Peru—Refurbishment of Two C–130E Aircraft

The Government of Peru has requested a possible sale for the modification and refurbishment of two C–130E aircraft being provided as Excess Defense Articles (grant EDA notification submitted separately) to include: aircraft ferry, spare and repair parts, support equipment, personnel training and training equipment, publications and technical data, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support. The estimated cost is $74 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 that has been, and continues to be, a close partner in countering illicit drug trafficking, a force for economic progress in South America, and a proponent of hemispheric cooperation. This proposed sale will enable the Peruvian Air Force to modernize its aging aircraft and enhance its capacity to support humanitarian efforts in the region. Peru occupies a strategic location in South America, and the sale of refurbishment support for its EDA grant C–130 aircraft will improve Peru’s efforts in conducting maritime interdiction operations, improve its ability to execute counter-narcotics and counterterrorism capabilities, and ensure Peru’s overall ability to maintain the integrity of its borders. Additionally, this transfer will enhance the Peruvian Military’s ability to support Humanitarian Assistance and Disaster Relief (HA/DR) efforts. Peru, which already has C–130 and L–100 aircraft in its inventory, will have no difficulty absorbing these additional aircraft into its armed forces.

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

The prime contractor for the refurbishment is undetermined at this time. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government and contractor representatives to Peru.

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

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 11–41 with attached transmittal and policy justification.

Dated: November 17, 2011.

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

BILLING CODE 5001–06–P
The Honorable John A. Boehner  
Speaker of the House  
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. 11-41, concerning the Department of the Navy’s proposed Letter(s) of Offer and Acceptance to Kuwait for defense articles and services estimated to cost $100 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 F. Landay III  
Vice Admiral, USN  
Director

Enclosures:  
1. Transmittal  
2. Policy Justification

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**Transmittal No. 11–41**

*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:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Defense Equipment *</td>
<td>$ 0 million</td>
</tr>
<tr>
<td>Other</td>
<td>$ 100 million</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 100 million</strong></td>
</tr>
</tbody>
</table>

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** continuing logistics support, contractor maintenance, and technical services in support of the F/A–18 aircraft to include Contractor Engineering Technical Services/Contractor Maintenance Services, Hush House Maintenance Support Services, and Liaison Office Support Services, U.S. Government and contractor technical and logistics personnel services and other related elements of program support.

(iv) **Military Department:** Navy (GGT).

(v) **Prior Related Cases, if any:** numerous cases dating back to 1995.

(vi) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** None.

* as defined in Section 47(6) of the Arms Export Control Act.
DEPARTMENT OF DEFENSE
Office of the Secretary
Defense Audit Advisory Committee (DAAC); Notice of Meeting

AGENCY: Under Secretary of Defense (Comptroller), Department of Defense (DoD).

SUMMARY: Under the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C., Appendix, as amended), the Government in the Sunshine Act of 1976 (5 U.S.C. 552b, as amended), and 41 CFR 102–3.150, the Department of Defense announces the following Federal advisory committee meeting of the Defense Audit Advisory Committee (DAAC) will be held.

DATES: Friday, December 9, 2011 beginning at 2 p.m. and ending at 4 p.m.

ADDRESSES: Pentagon, Room 3E754, Washington, DC (escort required, see SUPPLEMENTARY INFORMATION).

FOR FURTHER INFORMATION CONTACT: The Committee’s Designated Federal Officer (DFO) is Sandra Gregory, Office of the Under Secretary of Defense (Comptroller) (OUSDC(C)), 1100 Defense Pentagon, Room 3D150, Washington, DC 20301–1100, sandra.gregory@osd.mil, (703) 614–3310. For meeting information please contact Christopher Hamrick, OUSDC(C), 1100 Defense Pentagon, Room 3D150, Washington, DC 20301–1100, Christopher.Hamrick@osd.mil, (703) 614–4819.

SUPPLEMENTARY INFORMATION:

(a) Purpose
The mission of the DAAC is to provide the Secretary of Defense, through the Under Secretary of Defense (Comptroller)/Chief Financial Officer, independent advice and recommendations on DoD financial management to include financial reporting processes, systems of internal controls, audit processes, and processes for monitoring compliance with relevant laws and regulations.

(b) Agenda
2 p.m. Opening Remarks
2:15 p.m. Comments from Under Secretary of Defense (Comptroller)’s
2:45 p.m. 13 Oct Secretary of Defense Memorandum
3:15 p.m. Overview of the November Financial Improvement and Audit Readiness Plan Status Report
3:30 p.m. Proposed DoD Financial Management Professional Certification
3:45 p.m. Conclusion

Policy Justification
Kuwait—Technical/Logistics Support for F/A–18 Aircraft

The Government of Kuwait has requested a possible sale of continuing logistics support, contractor maintenance, and technical services in support of the F/A–18 aircraft to include Contractor Engineering Technical Services/Contractor Maintenance Services, Hush House Maintenance Support Services, and Liaison Office Support Services, U.S. Government and contractor technical and logistics personnel services and other related elements of program support. The estimated cost is $100 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 this logistics support, contractor maintenance, and technical services to maintain the operational capabilities of its aircraft.

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

The principal contractors will be The Boeing Company in St. Louis, Missouri; Kay and Associates in Buffalo Grove, Illinois; Industrial Acoustics Company in Winchester, United Kingdom; and General Dynamics in Fairfax, Virginia. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any U.S. Government or contractor representatives to Kuwait.

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

(c) Accessibility to the Meeting
Pursuant to 5 U.S.C. 552b and 41 CFR 102–3.140 through 102–3.165, and the availability of space, this meeting is open to the public. Seating is on a first-come basis. Members of the public who wish to attend the meeting must contact Mr. Christopher Hamrick at the number listed in this Federal Register notice no later than noon on Friday, December 2, 2011, to arrange a Pentagon escort.

Public attendees are required to arrive at the Pentagon Metro Entrance by 1 p.m. and complete security screening by 1:15 p.m. Security screening requires two forms of identification: (1) A government-issued photo I.D., and (2) any type of secondary I.D. which verifies the individual’s name (i.e. debit card, credit card, work badge, social security card). Special Accommodations: Individuals requiring special accommodation to access the public meeting should contact Mr. Hamrick at least five business days prior to the meeting to ensure appropriate arrangements can be made.

(d) Procedures for Providing Written Comments
Pursuant to 41 CFR 102–3.105(j) and 102–3.140, and section 10(a)(3) of the Federal Advisory Committee Act of 1972, the public or interested organizations may submit written comments to the Committee about its mission and topics pertaining to this public session.

Written comments are accepted until the date of the meeting, however, written comments should be received by the Designated Federal Officer at least five business days prior to the meeting date so that the comments may be made available to the Committee members for their consideration prior to the meeting. Written comments should be submitted to the Designated Federal Officer listed in this notice. Email submissions should be in one of the following formats (Adobe Acrobat, WordPerfect, or Word format).

Please note: since the committee operates under the provisions of the Federal Advisory Committee Act, as amended, all written comments will be treated as public documents and will be made available for public inspection, up to and including being posted on the OUSDC(C) Web site.

Dated: November 17, 2011.

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

BILLING CODE 5001–06–P