DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 97–38]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Assistance 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, DSAA/COMPT/CPD, (703) 604–6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 97–38, with attached transmittal and policy justification pages.

Dated: September 9, 1997.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5000–04–M

DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

03 SEP 1997

In reply refer to:
I-51545/97

Honorable Newt Gingrich
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. 97-38 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Kuwait 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 of the unclassified portion of this Transmittal.

Sincerely,

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

Attachments

Separate Cover:
Classified Annex

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

Transmittal No. 97-38

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*	$ 440 million
Other	$ 360 million
TOTAL	$ 800 million

(iii) Description of Articles or Services Offered:
Sixteen AH-64D APACHE attack helicopters, 384 HELLFIRE missiles (including 24 training and 50 dummy missiles), two spare HELLFIRE launchers, four spare T-700 GE engines, one spare Target Acquisition Designation Sight system, spare and repair parts, support equipment, tools and test sets, ammunition, 10,916 Hydra-70 rockets, chaff, Integrated Helmet and Display Sight System (IHADSS), 30mm cartridges, electronic equipment test facility spares, publications, U.S. maintenance of selective repairable material, personnel training and training equipment, Quality Assurance Team (QAT) and Technical Assistance Fielding Team (TAFT), U.S. Government and contractor engineering and technical services, facility design and construction and other related elements of logistics support.

(iv) Military Department: Army (JBC)

(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:
See Annex under separate cover.

(vii) Date Report Delivered to Congress: 08 Sep 1997

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

POLICY JUSTIFICATION

Kuwait - AH-64D APACHE Attack Helicopters

The Government of Kuwait has requested the purchase of 16 AH-64D APACHE attack helicopters, 384 HELLFIRE missiles (including 24 training and 50 dummy missiles), two spare HELLFIRE launchers, four spare T-700 GE engines, one spare Target Acquisition Designation Sight system, spare and repair parts, support equipment, tools and test sets, ammunition, 10,916 Hydra-70 rockets, chaff, Integrated Helmet and Display Sight System (IHADSS), 30mm cartridges, electronic equipment test facility spares, publications, U.S. maintenance of selective repairable material, personnel training and training equipment, Quality Assurance Team (QAT) and Technical Assistance Fielding Team (TAFT), U.S. Government and contractor engineering and technical services, facility design and construction and other related elements of logistics support. The estimated cost is $800 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services.

This sale will enable Kuwait to upgrade its anti-armor day/night missile capability, provide for the defense of vital installations and provide close air support for the military ground forces. Kuwait will have no difficulty absorbing these helicopters into its armed forces.

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

The principal contractors are: McDonnell Douglas Helicopter Systems, Mesa, Arizona; Lockheed Martin Electronics and Missiles, Orlando, Florida; Lockheed Martin Federal Systems, Incorporated, Owego, New York; and General Electric, Lynn, Massachusetts. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this sale will require the assignment in-country of six U.S. Government Quality Assurance Team personnel for a period up to 12 weeks and an eight person Technical Assistance Fielding Team for a period up to two years. If a maintenance contract is part of this program, a large contingency of U.S. personnel and contractor representatives would be required in-country for up to two years.

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

[FR Doc. 97–24289 Filed 9–12–97; 8:45 am]
BILLING CODE 5000–04–C