

POLICY JUSTIFICATION

Iraq –30-35 Meter Coastal Patrol Boats and 55-60 Meter Offshore Support Vessels

The Government of Iraq has requested a possible sale of (20) 30-35meter Coastal Patrol Boats and (3) 55-60 meter Offshore Support Vessels, each outfitted with the Seahawk MS1-DS30MA2 mount using a 30 x 173mm CHAIN gun and short range Browning M2-HB .50 cal machine gun, spare and repair parts, weapon system software, support equipment, publications and technical data, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support. The estimated cost is \$1.010 billion.

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. This proposed sale directly supports the Iraq government and serves the interests of the Iraq people and the U.S.

The sale of these patrol boats and support vessels will enhance the ability of the Iraqi naval forces to sustain themselves in their efforts to bring stability to their country, prevent overflow of unrest into neighboring countries, and protect their maritime oil platforms and territorial waters.

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

The principal contractor is unknown at this time, however, acquisition is subject to FAR and DFARS domestic sourcing requirements. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this sale will require the assignment of two contractor representatives in Iraq for a period of 8 years.

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

[FR Doc. E8-30444 Filed 12-22-08; 8:45 am]
BILLING CODE 5001-06-C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 09-08]

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. 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 09-08 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 16, 2008.

Patricia L. Toppings,
OSD Federal Register Liaison Officer,
Department of Defense.

BILLING CODE 5001-06-M



**DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408**

DEC 09 2008

**The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, DC 20515-6501**

Dear Madam 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. 09-08, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Iraq for defense articles and services estimated to cost \$2.160 billion. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Wieringa".

**Jeffrey A. Wieringa
Vice Admiral, USN
Director**

Enclosures:

- 1. Transmittal**
- 2. Policy Justification**
- 3. Sensitivity of Technology**
- 4. Regional Balance (Classified Document Provided Under Separate Cover)**

Same ltr to:

**House
Committee on Foreign Affairs
Committee on Armed Services
Committee on Appropriations**

**Senate
Committee on Foreign Relations
Committee on Armed Services
Committee on Appropriations**

Transmittal No. 09-08

**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:** Iraq
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|------------------------|
| Major Defense Equipment* | \$.612 billion |
| Other | <u>\$1.548 billion</u> |
| TOTAL | \$2.160 billion |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 140 M1A1 Abrams tanks modified and upgraded to the M1A1M Abrams configuration, 8 M88A2 Tank Recovery Vehicles, 64 M1151 A1B1 Armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWV), 92 M1152 Shelter Carriers, 12 M577A2 Command Post Carriers, 16 M548A1 Tracked Logistics Vehicles, 8 M113A2 Armored Ambulances, and 420 AN/VRC-92 Vehicular Receiver Transmitters. Also included are: 35 M1070 Heavy Equipment Transporter (HET) Truck Tractors, 40 M978A2 Heavy Expanded Mobility Tactical Truck (HEMTT) Tankers, 36 M985A2 HEMTT Cargo Trucks, 4 M984A2 HEMTT Wrecker Trucks, 140 M1085A1 5-ton Cargo Trucks, 8 HMMWV Ambulances w/ Shelter, 8 Contact Maintenance Trucks, 32 500 gal Water Tank Trailers, 16 2500 gal Water Tank Trucks, 16 Motorcycles, 80 8-ton Heavy/Medium Trailers, 16 Sedans, 92 M1102 Light Tactical trailers, 35 635NL Semi-Trailers, 4 5,500 lb Rough Terrain Forklifts, 20 M1A1 engines, 20 M1A1 Full Up Power Packs, 3 spare M88A2 engines, 10 M1070 engines, 20 HEMTT engines, 4 M577A2 spare engines, 20 5-ton truck engines, 20 spare HMMWV engines, ammunition, spare and repair parts, maintenance, support equipment, publications and documentation, personnel training and equipment, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support.
- (iv) **Military Department:** Army (VDI)
- (v) **Prior Related Cases, if any:** FMS case VPP-\$684M-20Oct08

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

- (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:** See Annex attached.
- (viii) **Date Report Delivered to Congress:** DEC 09 2008

POLICY JUSTIFICATION

Iraq - M1A1 and Upgrade to M1A1M Abrams Tanks

The Government of Iraq has requested a possible sale of 140 M1A1 Abrams tanks modified and upgraded to the M1A1M Abrams configuration, 8 M88A2 Tank Recovery Vehicles, 64 M1151A1B1 Armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWV), 92 M1152 Shelter Carriers, 12 M577A2 Command Post Carriers, 16 M548A1 Tracked Logistics Vehicles, 8 M113A2 Armored Ambulances, and 420 AN/VRC-92 Vehicular Receiver Transmitters. Also included are: 35 M1070 Heavy Equipment Transporter (HET) Truck Tractors, 40 M978A2 Heavy Expanded Mobility Tactical Truck (HEMTT) Tankers, 36 M985A2 HEMTT Cargo Trucks, 4 M984A2 HEMTT Wrecker Trucks, 140 M1085A1 5-ton Cargo Trucks, 8 HMMWV Ambulances w/ Shelter, 8 Contact Maintenance Trucks, 32 500 gal Water Tank Trailers, 16 2500 gal Water Tank Trucks, 16 Motorcycles, 80 8-ton Heavy/Medium Trailers, 16 Sedans, 92 M1102 Light Tactical trailers, 35 635NL Semi-Trailers, 4 5,500 lb Rough Terrain Forklifts, 20 M1A1 engines, 20 M1A1 Full Up Power Packs, 3 spare M88A2 engines, 10 M1070 engines, 20 HEMTT engines, 4 M577A2 spare engines, 20 5-ton truck engines, 20 spare HMMWV engines, ammunition, spare and repair parts, maintenance, support equipment, publications and documentation, personnel training and equipment, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support. The estimated cost is \$2.160 billion.

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. This proposed sale directly supports the Government of Iraq and serves the interests of the people of Iraq and of the U.S.

This proposed sale would advance Iraq's effort to develop a strong, well-equipped, trained, and dedicated military force, to establish security and stability throughout Iraq, and to promote the stability and development of a friendly, democratic central government.

The proposed sale and upgrade will allow Iraq to operate and exercise a more lethal and survivable M1A1M tank for the protection of critical infrastructure. Iraq will have no difficulty absorbing these tanks, including the support vehicles, into its armed forces.

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

The prime contractors will be General Dynamics Land Systems Division of Sterling Heights, Michigan; Honeywell International, and General Motors Allison Transmission Division of Detroit, Michigan. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of approximately 8 U.S. Government and 35 contractor representatives to Iraq for up to four years.

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

Transmittal No. 09-08**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 M1A1M Abrams Tank components considered to contain sensitive technology in the proposed program are as follows:

a. The M1A1M Thermal Imaging System (TIS) 2nd Generation Forward Looking Infrared (FLIR) constitutes a target acquisition system which, when operated with other tank systems, gives the tank crew a substantial advantage over a potential threat. The TIS provides the M1A1 crew with the ability to effectively aim and fire the tank main armament system under a broad range of adverse battlefield conditions. The hardware itself is Unclassified. The engineering design and manufacturing data associated with the detector and infrared (IR) optics and coatings are considered sensitive. The technical data package is Unclassified with exception of the specifications for target acquisition range (Confidential), nuclear hardening (Confidential, restricted data), and laser hardening (Secret).

b. Major components of Special Armor are fabricated in sealed modules and in serialized removable subassemblies. Special armor vulnerability data for both chemical and kinetic energy rounds are classified Secret. Engineering design and manufacturing data related to the special armor are also classified Secret.

c. The 120mm Gun and 120mm KEW II Tungsten Ammunition with standard High Explosive Anti-Tank (HEAT) and training ammunition will be authorized for export. Performance characteristics of service rounds are sensitive since they reveal the penetration capabilities of the Abrams tank. Since the U.S. intends to offer only the most basic ammunition, the capability of the Abrams tank would not be seriously compromised. Most of the components of the training ammunition are not considered to be sensitive material or technology. These rounds could be reverse engineered given sufficiently capable analysis. Technical information available from testing and analysis of this ammunition could form the basis of research to develop more capable rounds.

d. The use of the Advanced Gas Turbine-1500 (AGT-1500) Gas Turbine Propulsion System in the M1A1M is a unique application of armored vehicle power pack technology. The hardware is composed of the AGT-1500 engine and transmission, and is Unclassified. Manufacturing processes associated with the production of turbine blades, recuperator, bearings and shafts, and hydrostatic pump and motor, are proprietary and therefore commercially competition sensitive.

e. A major survivability feature of the Abrams Tank is the compartmentalization of fuel and ammunition. Compartmentalization is the positive separation of the crew and critical components from combustible materials. In the event the fuel or ammunition is ignited or deteriorated by an incoming threat round, the crew is fully protected by the compartmentalization. Sensitive information includes the performance of the ammunition compartments as well as of the compartment design parameters.

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 or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 09-09]

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Dated: December 16, 2008.

Patricia L. Toppings,
OSD Federal Register Liaison Officer,
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