POLICY JUSTIFICATION

Iraq – M1A1 Abrams Tank Ammunition

The Government of Iraq has requested a possible sale of 14,010 TP-T M831A1 120mm Cartridges, 16,110 TPCSDS-T M865 120mm Cartridges, and 3,510 HEAT-MP-T M830A1 120mm Cartridges. The estimated cost is $36 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. This proposed sale directly supports the Iraqi government and serves the interests of the Iraqi people and the U.S.

The proposed sale of the ammunition and support will advance Iraq’s efforts to develop an integrated ground defense capability, a strong national defense, and a dedicated military force. This will enable the Iraqi Government to sustain its efforts to establish stability.

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

The prime contractor will be General Dynamics-Ordnance Tactical Systems in St Petersburg, Florida. There are no known offset agreements proposed in connection with this potential sale.

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

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

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.


SUPPLEMENTARY INFORMATION: The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 10–72 with attached transmittal, and policy justification. Dated: December 1, 2010. Morgan F. Park, Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–06–P
The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

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. 10-72, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Japan for defense articles and services estimated to cost $119 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,

Richard A. Genaille, Jr.  
Deputy Director

Enclosures:  
1. Transmittal  
2. Policy Justification
Transmittal No. 10-72

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:** Japan

(ii) **Total Estimated Value:**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Defense Equipment*</td>
<td>$0 million</td>
</tr>
<tr>
<td>Other</td>
<td>$119 million</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$119 million</td>
</tr>
</tbody>
</table>

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** Installation and checkout of four previously procured RADAR SYSTEM IMPROVEMENT PROGRAM (RSIP) Group A and B kits in E-767 AIRBORNE WARNING AND CONTROL SYSTEMS (AWACS). Also provided are the transportation of the E-767s to/from Japan, spare and repair parts, support and test equipment, publications and technical documentation, U.S. Government and contractor personnel support services, and other related program elements to ensure complete AWACS mission equipment supportability.

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

(v) **Prior Related Cases, if any:**

- FMS case QDE-$146M-02Aug06
- FMS case QDO-$17M-20Jul07
- FMS case QAN-$64M-25Sep09

(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:** 29 November 2010

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

Japan – Mission Equipment for AWACS Aircraft

The Government of Japan has requested installation and checkout of four previously procured Radar System Improvement Program (RSIP) Group A and B kits in E-767 Airborne Warning and Control Systems (AWACS). Also provided are the transportation of the E-767s to from Japan, spare and repair parts, support and test equipment, publications and technical documentation, U.S. Government and contractor personnel support services, and other related program elements to ensure complete AWACS mission equipment supportability. The estimated cost is $119 million.

Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key ally of the United States in ensuring peace and stability in that region. It is vital to the U.S. national interest to assist Japan with developing and maintaining a strong and ready self-defense capability, which will contribute to an acceptable military balance in the region. The proposed sale is consistent with U.S. objectives and the 1960 Treaty of Mutual Cooperation and Security.

Japan previously purchased four sets of AWACS RSIP Group A and B kits mission equipment to enhance the operational capability of its E-767 radar electronic countermeasures, and now requires this Installation and Checkout to integrate extended Airborne Early Warning (AEW) capability as well as enhanced command, control and communications (C3).

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

The prime contractor will be Boeing Aerospace Company in Seattle, Washington. 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 Japan.

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