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**Billing Code: 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**[Transmittal No. 16-31]**

**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:** Pam Young, DSCA/SA&E-RAN, (703) 697-9107.

The following is a copy of a letter to the Speaker of the House of Representatives,  
Transmittal 16-31 with attached Policy Justification and Sensitivity of Technology.

Dated: December 12, 2016.

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



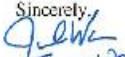
DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-6408

DEC 07 2016

The Honorable Paul D. Ryan  
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. 16-31, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance for the Kingdom of Saudi Arabia for defense articles and services estimated to cost \$3.51 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,  
  
James W. Rixey  
Dep Dir (CA)  
For J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



## Transmittal No. 16-31

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: The Kingdom of Saudi Arabia

(ii) Total Estimated Value:

Major Defense Equipment*	\$2.60 billion
Other	<u>\$ .91 billion</u>
TOTAL	\$3.51 billion

(iii) Description and Quantity or Quantities of Articles or Services under consideration for Purchase:

Major Defense Equipment (MDE):

Forty-eight (48) CH-47F Chinook Cargo Helicopters

One hundred twelve (112) T55-GA-714A Engines (ninety-six (96) installed, sixteen (16) spares)

One hundred sixteen (116) Embedded Global Positioning System (GPS)

Inertial Navigation Systems (EGI) (ninety-six (96) installed, twenty (20) spares)

Fifty-eight (58) AN/AAR-57 Common Missile Warning Systems (CMWS) (forty-eight (48) installed, ten (10) spares)

Forty-eight (48) M240H 7.62mm Machine Guns with spare parts

Non-MDE:

This request also includes the following Non-MDE: M134D Mini-Guns or equivalent type guns with support equipment and training; Aircraft Survivability Equipment (AN/APR- 39A(V) 1/4, AN/AVR-2B, AN/ARC-231, AN/ARC-201D, AN/APX-123A, ARN-147 VOR/ILS, ARN-153 TACAN, APN-209, IDM-401 Improved Data Modem, and AN/ARC-220); Infrared Signature Suppression System (IRSS); Fast Rope Insertion Extraction System (FRIES); Extended Range Fuel System (ERPS); Ballistic Armor Protection System; facilities; air worthiness support; spares and repair parts; communications equipment; personnel training and training equipment; site surveys; tool and test equipment; Ground Support Equipment (GSE); repair and return; publications and technical documentation; Quality Assurance Team (QAT); U.S. Government and contractor engineering, technical and logistics support services; and other related elements of logistics and program support.

(iv) Military Department: Army (SR-B-ZAG)

(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 attached.

(vii) Prior Related Case, if any: None

(viii) Date Report Delivered to Congress: December 7, 2016

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

### POLICY JUSTIFICATION

#### Kingdom of Saudi Arabia - CH-47F Chinook Cargo Helicopters:

The Kingdom of Saudi Arabia has requested a possible sale of:

#### Major Defense Equipment (MDE):

Forty-eight (48) CH-47F Chinook Cargo Helicopters

One hundred twelve (112) T55-GA-714A Engines (ninety-six (96) installed, sixteen (16) spares)

One hundred sixteen (116) Embedded Global Positioning System (GPS) Inertial Navigation Systems (EGI) (ninety-six (96) installed, twenty (20) spares)

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This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a strategic partner which has been and continues to be a leading contributor of political stability and economic progress in the Middle East. This sale will increase the Royal Saudi Land Forces Aviation Command's (RSLFAC) interoperability with U.S. forces and convey U.S. commitment to Saudi Arabia's security and armed forces modernization.

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

The proposed sale of the CH-47F aircraft will improve Saudi Arabia's heavy lift capability. Saudi Arabia will use this enhanced capability to strengthen its homeland defense and deter regional threats. Saudi Arabia will have no difficulty absorbing these aircraft into its armed forces.

The prime contractors will be The Boeing Military Aircraft Company, Ridley Park, Pennsylvania, and Honeywell Aerospace Company, Phoenix, Arizona. There are no known offset agreements in connection with this potential sale.

Implementation of this sale will require up to sixty (60) U.S. Government and contractor representatives to travel to Saudi Arabia for up to sixty (60) months for equipment de-processing, fielding, system checkout, training, and technical logistics support.

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

Transmittal No. 16-31

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 CH-47F Chinook Cargo Helicopter is a medium-lift helicopter equipped with the Common Avionics Architecture System (CAAS) cockpit, which provides aircraft system, flight, mission, and communication management systems, five multifunction displays, two general purpose processor units, two control display units and two data concentrator units. The navigation system will have two Embedded Global Positioning System/Inertial Navigation System (GPS/INS), two Digital Advanced Flight Control Systems (DAFCS), one ARN-149 Automatic Direction Finder, one ARN-147 Very High Frequency Omnidirectional Range/Instrument Landing System (VOR/ILS) marker beacon system, one ARN-153 Tactical Airborne Navigation (TACAN) system, two air data computers, and one Radar Altimeter system. The aircraft survivability equipment includes the AN/APR-39A(V) 1/4 Radar Signal Detecting Set, and the AN/AAR-57 Common Missile Warning System.

The Embedded Global Positioning System/Inertial Navigation System (GPS/INS) is SECRET. The AN/AAR-57 Common Missile Warning System (CMWS) is CONFIDENTIAL. Releasable technical manuals for operation and maintenance are SECRET. The AN/APR-39A(V) 1/4 Series Radar Detecting Set (RDS) is SECRET. The AN/AVR-2B, Laser Warning Set is CONFIDENTIAL. Releasable technical manuals for operation and maintenance are SECRET. The AN/ARC-231 (V)(C) is UNCLASSIFIED. The AN/ARC-201D Single Channel Ground and Airborne Radio System (SINCGARS), performance capabilities, Electronic Countermeasures/Electronic Counter Counter-Measures (ECM/ECCM) specifications and Engineering Change Orders (ECOs) are SECRET. The AN/APX-123A, Identification Friend or Foe (IFF) Transponder is UNCLASSIFIED. The AN/ARN-147, Very High Frequency Omni Ranging/Instrument Landing System (VOR/ILS) receiver is UNCLASSIFIED. The AN/ARC-220 is UNCLASSIFIED. The KN-77 is UNCLASSIFIED. The AN/PYQ-10 (C) Simple Key Loader (SKL) is UNCLASSIFIED. The TSEC KY-58 voice secure equipment is CONFIDENTIAL if software fill is installed. The TSEC KY-100 voice secure equipment is used with the FM Command Radio to provide secure two-way communication. It is Communications Security (COMSEC) Equipment and is classified SECRET if software fill is installed. The AN/AVS-6/7(V) is UNCLASSIFIED.

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.

3. determination has been made that Saudi Arabia can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Kingdom of Saudi Arabia.

[FR Doc. 2016-30164 Filed: 12/14/2016 8:45 am; Publication Date: 12/15/2016]