



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 16-41]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

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: Pamela Young, (703) 697-9107 or Kathy Valadez, (703) 697-9217; DSCA/SA&E-RAN.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 16-41 with attached Policy Justification and Sensitivity of Technology.

Dated: March 17, 2017.

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



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

MAR 02 2017

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

On December 20, 2016, a Section 36(b)(1) notification for the Government of Kuwait was forwarded to your office under Transmittal No. 16-40. As we have since learned that Transmittal No. 16-40 had previously been used, the Kuwait notification's number has been changed to 16-41, as of the above date, and will be referred to as such in all future documentation, to include publishing in the Federal Register.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. W. Rixey".

J. W. Rixey
Vice Admiral, USN
Director



**DEFENSE SECURITY COOPERATION AGENCY**

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-6408

OCT 13 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. 16-40, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Kuwait for defense articles and services estimated to cost \$37 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "J. W. Rixey".

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified document provided under separate cover)



Transmittal No. 16-40

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:

Major Defense Equipment*	\$36 million
Other	<u>\$ 1 million</u>
TOTAL	\$37 million

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

Major Defense Equipment (MDE):

Two hundred and fifty (250) Joint Direct Attack Munition (JDAM)
Tail Kits for 500-pound bombs
Two hundred and fifty (250) JDAM Tail Kits for 1,000-pound bombs
Two hundred and fifty (250) JDAM Tail Kits for 2,000-pound bombs

Non-MDE includes:

Two (2) 500-pound and two (2) 2,000-pound load Build Trainers, spares, support equipment, repair and return, and other associated logistical support.

(iv) Military Department: Air Force, KU-D-YAC (A3)

(v) Prior Related Cases, if any: KU-D-YAB (A2), 15 Jun 2015 (\$7.6M)

(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: December 20, 2016

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

POLICY JUSTIFICATION

Kuwait – Joint Direct Attack Munition (JDAM) Tail Kits

The Government of Kuwait has requested a possible total sale of seven hundred and fifty (750) JDAM Tail Kits (two hundred and fifty (250) for 500-pound bombs, two hundred and fifty (250) kits for 1,000-pound bombs, and two hundred and fifty (250) kits for 2,000-pound bombs). Sale also includes two (2) 500-pounds and two (2) 2,000-pounds JDAM Load Build Trainers spares, support equipment, repair and return, and other associated logistical support. The estimated cost is \$37 million.

This proposed sale contributes to the foreign policy and national security of the United States by improving the security of a Major Non-NATO Ally which continues to be an important force for political stability and economic progress in the Middle East. Kuwait plays a large role in U.S. efforts to advance stability in the Middle East, providing basing, access, and transit for U.S. forces in the region.

This proposed sale improves Kuwait's capability to deter regional threats and strengthens its homeland defense. Kuwait will be able to absorb this additional equipment and support into its armed forces.

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

The proposed sale does not require the assignment of any additional U.S. Government or contractor representatives to Kuwait.

The sole-source contractor is the original equipment manufacturer, Boeing, Chicago, Illinois. There are no known offset agreements proposed in connection with this potential sale.

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

Transmittal No. 16-40

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control ActAnnex
Item No. vii(vii) Sensitivity of Technology:

1. Joint Direct Attack Munition (JDAM) is a guidance tail kit that converts unguided free-fall bombs into accurate, adverse weather "smart" munitions. With the addition of a new tail section that contains an inertial navigational system and a global positioning system guidance control unit, JDAM improves the accuracy of unguided, general-purpose bombs in any weather condition. JDAM can be launched from very low to very high altitudes in a dive, toss and loft, or in straight and level flight with an on-axis or off-axis delivery. JDAM enables multiple weapons to be directed against single or multiple targets on a single pass. The JDAM All Up Round and all of its components are UNCLASSIFIED; technical data for JDAM is classified up to SECRET.

2. If a technologically advanced adversary obtains knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. The benefits to be derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.

4. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Kuwait.

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