



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 16-80]

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

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 16-80 with attached Policy Justification.

Dated: April 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

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

APR 06 2017

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. 16-80, concerning the Army Corps of Engineers' proposed Letter(s) of Offer and Acceptance to the Government of Kuwait for airbase construction and services estimated to cost \$319 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,



J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

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



Transmittal No. 16-80

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: Government of Kuwait

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 0 million
Other	<u>\$319 million</u>
TOTAL	\$319 million

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

Non-MDE:

Design, construction, and procurement of key airfield operations, command and control, readiness, sustainment, and life support facilities for the Al Mubarak Airbase in Kuwait. The U.S. Army Corps of Engineers (USACE) will provide project management, engineering services, technical support, facility and infrastructure assessments, surveys, planning, programming, design, acquisition, contract administration, construction management, and other technical services for the construction of facilities and infrastructure for the airbase. The overall project includes, among other features, a main operations center, hangars, training facilities, barracks, warehouses, support facilities, and other infrastructure required for a fully functioning airbase.

(iv) Military Department: U.S. Army Corps of Engineers (USACE) (HBE)

(v) Prior Related Cases, if any: N/A

(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: April 6, 2017

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

POLICY JUSTIFICATION

Government of Kuwait – Facilities and Infrastructure Construction Support Service

The Government of Kuwait has requested possible sale for the design, construction, and procurement of key airfield operations, command and control, readiness, sustainment, and life support facilities for the Al Mubarak Airbase in Kuwait. The U.S. Army Corps of Engineers (USACE) will provide project management, engineering services, technical support, facility and infrastructure assessments, surveys, planning, programming, design, acquisition, contract administration, construction management, and other technical services for the construction of facilities and infrastructure for the airbase. The overall project includes, among other features, a main operations center, hangars, training facilities, barracks, warehouses, support facilities, and other infrastructure required for a fully functioning airbase. The estimated total cost is \$319 million.

The proposed sale will contribute to the foreign policy and national security of the United States by supporting the infrastructure needs of a friendly country which has been, and continues to be, an important force for political stability and economic progress in the Middle East.

The facilities being constructed are similar to other facilities built in the past by USACE in other Middle Eastern countries. These facilities replace existing facilities and will provide autonomous airbase operations to the Kuwait Air Force. The new airbase will ensure the continued readiness of the Kuwait Air Force and allow for the continued education of current and future Kuwait Air Force personnel. The construction of this airbase will enable Kuwait to enhance the operational effectiveness of its military and promote security and stability throughout Kuwait. Kuwait will have no difficulty absorbing this additional capability into its armed forces.

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

USACE is the principal organization that will direct and manage this program. USACE will provide services through both in-house personnel and contract services. The estimated number of U.S. Government and contractor representatives to be assigned to Kuwait to implement the provisions of this proposed sale will be determined as a result of program definitization.

There are no known offset agreements proposed in connection with this potential sale.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Kuwait.

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