



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-10]

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

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 17-10 with attached Policy Justification.

Dated: April 21, 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 18 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. 17-10, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Iraq for defense articles and services estimated to cost \$295.6 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 blue ink, appearing to read "J. W. Rixey", written over a circular stamp.

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. 17-10

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 Iraq

(ii) Total Estimated Value:

Major Defense Equipment*	\$40.6 million
Other	\$255.0 million
 TOTAL	 <u>\$295.6 million</u>

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

Major Defense Equipment (MDE):

Four thousand four hundred (4,400) M16A4 Rifles

Forty-six (46) M2 50 Caliber Machine Guns

One hundred eighty-six (186) M240B Machine Guns

Thirty-six (36) M1151 High Mobility Multipurpose Wheeled Vehicles
(HMMWVs)

Seventy-seven (77) M1151 up-armored HMMWVs

Non-MDE:

All necessary equipment and accessories to outfit two Peshmerga Regional Brigades and two support artillery battalions, to include twelve (12) 3 kilowatt tactical quiet generator sets, body armor, helmets, and other Organization Clothing and Individual Equipment (OCIE); small arms and associated accessories including tripods, cleaning kits, magazines, and mounts; mortar systems and associated equipment; Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE) detection and protective equipment; dismounted and mounted radio systems; commercial navigation equipment including compasses, binoculars, and Geospatial Position System (GPS) limited to the Standard Positioning System (SPS); M1142 HMMWVs; medical equipment; Mine Resistant Ambush Protected Vehicles (MRAP); cargo and transportation equipment, including light tactical vehicles, medium tactical vehicles, water trucks, fuel trucks, and ambulances; thirty-six (36) refurbished M119A2 105mm howitzers; RF-7800V Very High Frequency (VHF) dismounted radios; spare parts, training and associated equipment related to the mentioned vehicles and artillery systems.

(iv) Military Department: Army (ADI, ADJ)

(v) Prior Related Cases, if any: None

(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 18, 2017

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

POLICY JUSTIFICATION

Government of Iraq –Equipment for Two Peshmerga Infantry Brigades and Two Support Artillery Battalions

The Government of Iraq has requested a possible sale of the equipment necessary to fully outfit two full Peshmerga Regional Brigades of light infantry, as well as the equipment necessary to outfit two artillery battalions that will ultimately provide support to those regional brigades. These artillery battalions and infantry brigades will operate under the Kurdistan Regional Governments Ministry of Peshmerga (KRG MOP) with the concurrence of the central government. Requested equipment includes the following: (4,400) M16A4 rifles; (46) M2 50 caliber machine guns; (186) M240B machine guns; (36) M1151 HMMWVs; (77) M1151 up-armored HMMWVs; (12) 3 Kilowatt Tactical Quiet Generator sets; body armor, helmets, and other Organization Clothing and Individual Equipment (OCIE); small arms and associated accessories including tripods, cleaning kits, magazines, and mounts; mortar systems and associated equipment; Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE) detection and protective equipment; dismounted and mounted radio systems; commercial navigation equipment including compasses, binoculars, and Geospatial Position System (GPS) limited to the Standard Positioning System (SPS); M1142 HMMWVs; medical equipment; Mine Resistant Ambush Protected Vehicles (MRAP); cargo and transportation equipment, including light tactical vehicles, medium tactical vehicles, water trucks, fuel trucks, and ambulances; (36) refurbished M119A2 105mm howitzers; spare parts, training and associated equipment related to the mentioned vehicles and artillery systems.

This proposed sale will contribute to the foreign policy and national security objectives of the United States, by supporting Iraq's capacity to degrade and defeat the Islamic State of Iraq and the Levant (ISIL). Iraq will have no difficulty absorbing this equipment into its armed forces.

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

region.

There are a number of contractors involved in this effort, including but not limited to AM General, Oshkosh Defense, Navistar Defense, Harris Radio, and Colt Corporation. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the deployment of any additional U.S. Government or contractor personnel to Iraq.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.
[FR Doc. 2017-08455 Filed: 4/26/2017 8:45 am; Publication Date: 4/27/2017]