



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-07]

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.

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

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 17-07 with attached Policy Justification.

Dated: May 9, 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

MAY 01 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. 17-07, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Kenya for defense articles and services estimated to cost \$253 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", written over a circular stamp or seal.

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification



Transmittal No. 17-07

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 Kenya

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 0 million
Other	<u>\$253 million</u>
TOTAL	\$253 million

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

Major Defense Equipment (MDE): None

Non-MDE:

Twelve (12) MD 530F Weaponized Aircraft
Twenty-four (24) Heavy Machine Gun Pod (HMP) 400 Systems
Twenty-four (24) M260 Rocket Launchers
Four thousand and thirty-two (4,032) M151 Rockets
One thousand five hundred and thirty-six (1,536) 2.75-inch M274 Smoke signature Warhead Rockets
Four hundred thousand (400,000) rounds of .50 Caliber Ammunition

Also included is communications and navigation equipment, contractor logistics support, training, U.S. Government technical assistance, airframe and weapon system spare parts support. Contractor Field Service Representative (CFSR) support, and Special Airlift Assignment Mission (SAAM) flight delivery support.

(iv) Military Department: Army (UDQ)

(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: May 1, 2017

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

POLICY JUSTIFICATION

Kenya –MD 530 Aircraft

The Government of Kenya has requested a possible sale of twelve (12) MD 530F weaponized aircraft to include twenty-four (24) Heavy Machine Gun Pod (HMP) 400 systems; twenty-four (24) M260 rocket launchers; four thousand and thirty-two (4,032) M151 rockets; one thousand five hundred and thirty-six (1,536) 2.75-inch M274 smoke signature warhead rockets; and four hundred thousand (400,000) rounds of .50 caliber ammunition. Also included are communications and navigation equipment, contractor logistics support, training, U.S. Government technical assistance, airframe and weapon system spare parts support, Contractor Field Service Representative (CFSR) support, and Special Assigned Airlift Mission (SAAM) flight delivery support. The total estimated cost is \$253 million.

This proposed sale contributes to the foreign policy and national security of the United States by improving the security of a strong regional partner who is a regional security leader, undertaking critical operations against al-Shabaab, and a troop contributor to the African Union Mission in Somalia (AMISOM).

The proposed sale of the MD 530F helicopters, weapons, ammunition, support items and technical support will advance Kenya's efforts to conduct scout and attack rotary wing aircraft operations in support of their AMISOM mission. The MD 530F will also replace Kenya's aging MD500 fleet, which is the current reconnaissance platform supporting Kenyan ground forces. This sale will significantly enhance the Kenyan Army's modernization efforts and increase interoperability with the U.S. Armed Forces and other partners in the region. Additionally, a strong national defense and dedicated military force will assist Kenya in its efforts to maintain stability in East Africa.

Kenya 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.

The principal contractor will be MD Helicopters, Mesa, AZ. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of approximately twelve (12) additional contractor representatives in country for a period of 12 months.

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