



Billing Code: 5001-06

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**[Transmittal No. 17-26]**

**Arms Sales Notification**

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Arms sales notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of an arms sales notification.

**FOR FURTHER INFORMATION CONTACT:** Pamela Young, (703) 697-9107, [pamela.a.young14.civ@mail.mil](mailto:pamela.a.young14.civ@mail.mil) or Kathy Valadez, (703) 697-9217, [kathy.a.valadez.civ@mail.mil](mailto:kathy.a.valadez.civ@mail.mil); 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 17-26 with attached Policy Justification and Sensitivity of Technology.

Dated: October 24, 2017.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer,*

*Department of Defense.*



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5406

OCT 12 2017

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. 17-26, concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Kuwait for defense articles and services estimated to cost \$342.6 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,



Charles W. Hooper  
Lieutenant General USA  
Director

Enclosures:

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



## Transmittal No. 17-26

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*	\$ 0.0 million
Other	<u>\$342.6 million</u>
TOTAL	\$342.6 million

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

Major Defense Equipment (MDE): None

Non-MDE:

Non-MDE items and services for three-years (with option for two additional years) of follow-on support of two (2) C-17 aircraft includes participation in the Globemaster III Integrated Sustainment Program (GISP), contract logistic support, Class I modifications and kits support, in-country contractor support, alternate mission equipment, major modification and retrofit, software support, aircraft maintenance and technical support, support equipment, personnel training and training equipment, additional spare and repair parts, technical orders and publications, airworthiness certification support, engine spares, engine maintenance and logistics support, inspections support, on-site COMSEC support, Quality Assurance and other U.S. Government and contractor engineering, logistics and program support. Required upgrades will include fixed installation satellite antenna, Mode 5, plus installation and sustainment, Automatic Dependent Surveillance-Broadcast Out, and other related elements of logistics and program support.

(iv) Military Department: Air Force (X7-D-QAH)

(v) Prior Related Cases, if any: KU-D-SAA

(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 Attached Annex

(viii) Date Report Delivered to Congress: October 12, 2017

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

## POLICY JUSTIFICATION

### Kuwait –Continuation of C-17 Logistics Support Services and Equipment

The Government of Kuwait has requested three years (with option for two additional years) of follow-on support of two (2) C-17 aircraft, which includes participation in the Globemaster III Integrated Sustainment Program (GISP), contract logistic support, Class I modifications and kits support, in-country contractor support, alternate mission equipment, major modification and retrofit, software support, aircraft maintenance and technical support, support equipment, personnel training and training equipment, additional spare and repair parts, technical orders and publications, airworthiness certification support, engine spares, engine maintenance and logistics support, inspections support, on-site COMSEC support, Quality Assurance and other U.S. Government and contractor engineering, logistics, and program support. Required upgrades will include fixed installation satellite antenna, Mode 5, plus installation and sustainment, Automatic Dependent Surveillance-Broadcast Out, and other related elements of logistics and program support. The estimated cost is \$342.6 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country. 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 is required to maintain the operational readiness of the Kuwaiti Air Force C-17 aircraft. Kuwait's current FMS contract supporting its C-17's will expire in September of 2017. Kuwait will have no difficulty absorbing this support.

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

The prime contractor will be the Boeing Company, Chicago, IL. The purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

There is an on-going Foreign Military Sale (FMS) case providing C-17 sustainment services. There are currently nine (9) contractors from Boeing Company (aircraft) in-country providing Contractor Engineering Technical Services (CETS) on a continuing basis.

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

## Transmittal No. 17-26

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. This sale will involve the release of sensitive technology to the Government of Kuwait in the performance of services to sustain two (2) Kuwaiti C-17 aircraft. While much of the below equipment supporting the C-17 is not new to the country, there will be replenishment spares of these following sensitive technologies purchased to support the fleet.
2. The Force 524D is a 24-channel Selective Availability Anti-Spoofing Module (SAASM) based Global Positioning System (GPS) receiver with Precise Positioning Service (PPS) capability built upon Trimble's next generation GPS technology. The Force 524D retains backward compatibility with the proven Force 5GS while adding new functionality to interface with digital antenna electronics to significantly improve Anti-Jam (AJ) performance. The host platform can select the radio frequency (RF) or Digital Antenna Electronics (DAE) interface. In the digital mode, the Force 524D is capable of controlling up to 16 independent beams. The hardware and software associated with the 542D receiver card is UNCLASSIFIED.
3. The C-17 aircraft will be equipped with the GPS Anti-Jam System (GAS-1) antenna which consists of a multi-element Controlled Reception Pattern Antennas (CRPA) and separate antenna electronics which is able to recognize multiple sources of deliberate jamming and other electrical interference allowing the navigation equipment to function safely, accurately, and efficiently in the presence of multiple jammers. The hardware is UNCLASSIFIED.
4. The GPS Inertial Reference Unit (IRU) is a type of inertial sensor which uses only gyroscopes to determine a moving aircraft's change in angular direction over a period of time. Unlike the inertial measurement unit, IRUs are generally not equipped with accelerometers, which measure acceleration forces.

IRUs are used for altitude control and navigation of vehicles with relatively constant acceleration rates, such as larger aircraft as well as geosynchronous satellites and deep space probes. The GPS IRU is UNCLASSIFIED.
5. Crypto appliqué for Mode 5 Identification Friend or Foe (IFF), which includes hardware that is UNCLASSIFIED.
6. Software, hardware, and other data/information, which is sensitive, is reviewed prior to release to protect system vulnerabilities, design data, and performance parameters. Potential compromise of these systems is controlled through management of the basic software programs

of highly sensitive systems and software-controlled weapon systems on a case-by-case basis.

7. Kuwait is both willing and able to protect United States Classified Military Information (CMI). Kuwaiti physical and document security standards are equivalent to U.S. standards. Kuwait has demonstrated its willingness and capability to protect sensitive military technology and information released to its military in the past. Kuwait is firmly committed to its relationship with the U.S. and to its promise to protect CMI and prevent its transfer to a third party. The Government of Kuwait signed a Technical Security Arrangement (TSA) with the USG on 01 January 1989 that commits them to the protection of CMI.

8. If a technologically advance adversary were to obtain knowledge of the specific hardware or software source code in this proposed sale, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of systems with similar or advanced capabilities. The benefits to be derived from this sale in the furtherance of the U.S. foreign policy and national security objectives, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.

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

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