

Billing Code



This document is scheduled to be published in the Federal Register on 12/28/2020 and available online at [federalregister.gov/d/2020-28507](https://www.federalregister.gov/d/2020-28507), and on [govinfo.gov](https://www.govinfo.gov)

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-04]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

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

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

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 21-04 with attached Policy Justification.

Dated: December 18, 2020.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

December 1, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam 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. 21-04 concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Canada for defense articles and services estimated to cost \$275 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 cursive script that reads "Heidi H. Grant".

Heidi H. Grant
Director

Enclosures:

1. Transmittal
2. Policy Justification

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 Canada

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 0 million
Other	<u>\$275 million</u>
TOTAL	\$275 million

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

Major Defense Equipment (MDE):

None

Non-MDE:

C-17 sustainment support to include aircraft hardware and software modification and support; software delivery and support; ground handling equipment; component, parts and accessories; GPS receivers; alternative mission equipment; publications and technical documentation; contractor logistics support and Globemaster III Sustainment Program (G3) participation; other U.S. Government and contractor engineering, technical, and logistical support services; and related elements of program and logistical support.

(iv) Military Department: Air Force (CN-D-QCV)

(v) Prior Related Cases, if any: CN-D-QCR, CN-D-QZZ

(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: **December 1, 2020**

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

POLICY JUSTIFICATION

Canada – C-17 Sustainment

The Government of Canada has requested to buy C-17 sustainment support to include aircraft hardware and software modification and support; software delivery and support; ground handling equipment; component, parts and accessories; GPS receivers; alternative mission equipment; publications and technical documentation; contractor logistics support and Globemaster III Sustainment Program (G3) participation; other U.S. Government and contractor engineering, technical, and logistical support services; and related elements of program and logistical support. The total estimated program cost is \$275 million.

This proposed sale will support the foreign policy and national security objectives of the United States by helping to improve the military capability of Canada, a NATO ally that is an important force for ensuring political stability and economic progress, and a contributor to military, peacekeeping and humanitarian operations around the world.

The proposed sale will improve Canada's capability to meet current and future threats by sustaining their strategic air lift capability, which allows Canada to maintain sovereignty and homeland defense, increase interoperability with the United States and other partners, and deter potential adversaries. Canada already operates the C-17 and will have no difficulty absorbing the additional sustainment or upgrades 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 The Boeing Company, Chicago, IL. There are no known offset agreements in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Canada.

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

[FR Doc. 2020-28507 Filed: 12/23/2020 8:45 am; Publication Date: 12/28/2020]