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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-59]

Arms Sales Notification

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

ACTION: Arms sales notice.

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

FOR FURTHER INFORMATION CONTACT: Neil Hedlund at neil.g.hedlund.civ@mail.mil or
(703) 697-9214.

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 21-59 with attached Policy Justification.

Dated: May 8, 2024.

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

FEB 22 2022

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. 21-59 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Kuwait for defense articles and services estimated to cost \$1 billion. 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 "James A. Hursch".

James A. Hursch
Director

Enclosures:

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

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 billion
Other	<u>\$1 billion</u>
TOTAL	\$1 billion

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

Major Defense Equipment (MDE):

None

Non-MDE:

Planning, design, construction, and associated procurement of Kuwait Ministry of Defense (KMOD) Headquarters Complex in Kuwait. This includes provisions for all physical building and infrastructure construction costs. The U.S. Army Corps of Engineers will provide life cycle design, construction, and project management, engineering services, technical support, facility and infrastructure assessments, surveys, planning, programming, design, acquisition, contract administration, construction management, and other technical services. The overall project includes over twenty facilities, including primary headquarters facilities for both civilian and military leadership, as well as any and all engineering studies, designs, construction, and construction management services necessary in order to provide a fully functioning headquarters complex.

(iv) Military Department: Army (KU-B-HBJ)

(v) Prior Related Cases, if any: KU-B-BAT

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None known

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None

(viii) Date Report Delivered to Congress: **February 22, 2022**

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

POLICY JUSTIFICATION

Kuwait – Design and Construction of the Kuwait Ministry of Defense Headquarters Complex

The Government of Kuwait has requested to buy planning, design, construction, and associated procurement of Kuwait Ministry of Defense (KMOD) Headquarters Complex in Kuwait. This includes provisions for all physical building and infrastructure construction costs. The U.S. Army Corps of Engineers will provide life cycle design, construction, and project management, engineering services, technical support, facility and infrastructure assessments, surveys, planning, programming, design, acquisition, contract administration, construction management, and other technical services. The overall project includes over twenty facilities, including primary headquarters facilities for both civilian and military leadership, as well as any and all engineering studies, designs, construction, and construction management services necessary in order to provide a fully functioning headquarters complex. The estimated total cost is \$1 billion.

This proposed sale will support the foreign policy and national security objectives of the United States by helping to improve the infrastructure of a Major Non-NATO ally that has been an important force for political stability and economic progress in the Middle East.

This proposed sale will improve Kuwait's capability to meet current and future threats by modernizing the KMOD headquarters and associated infrastructure. Kuwait will have no difficulty absorbing this infrastructure, support, and associated services into its armed forces.

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

No principal contractor has been identified for this sale. Contracts funded by this case are likely to be competitive acquisitions. The host nation has the ability to limit competition if they so choose, but has not requested to do so at this time. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of as many as ten (10) additional U.S. Government or U.S. contractor representatives to Kuwait for a duration of up to seven (7) years to provide construction management and oversight. It may be possible to utilize locally available labor to provide some oversight services in lieu of the assignment of U.S. personnel to the program.

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

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