

DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 06-52]

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 21 July 1996.**FOR FURTHER INFORMATION CONTACT:** Ms. J. Hurd, DSCA/DBO/CFM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 06-52 with attached transmittal and policy justification.

Dated: September 28, 2006.

C.R. Choate,*Alternate OSD Federal Register Liaison Officer, Department of Defense.***BILLING CODE 5001-06-M**



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

27 SEP 2006

**In reply refer to:
I-06/009133**

**The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, DC 20515-6501**

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. 06-52, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services estimated to cost \$84 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink that reads "Richard J. Millies".

**Richard J. Millies
Deputy Director**

Enclosures:

- 1. Transmittal**
- 2. Policy Justification**

Same ltr to:

**House
Committee on International Relations
Committee on Armed Services
Committee on Appropriations**

**Senate
Committee on Foreign Relations
Committee on Armed Services
Committee on Appropriations**

Transmittal No. 06-52

**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:** Saudi Arabia
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|---------------------|
| Major Defense Equipment* | \$41 million |
| Other | <u>\$43 million</u> |
| TOTAL | \$84 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** for the continuation of the United States supported effort to modernize the Saudi Arabian National Guard (SANG) by providing Major Defense Equipment (MDE) and non-MDE items:
- 552 AN/VRC-90E Single Channel Ground and Airborne Radio Systems (SINGARS) Vehicular Single Long-Range Radio Systems; 225 AN/VRC-92E SINGARS Vehicular Single Long-Range Radio Systems Dual Long Range; 1,214 AN/PRC-119 E SINGARS Man-pack Single Long-Range Radio Systems and vehicular installation kits, communications management system computers, antennas, programmable fill devices, support equipment; publications and technical data; personnel training and training equipment; contractor engineering and technical support services and other related elements of logistics support.
- (iv) **Military Department:** Army (ZAC, Amendment 35)
- (v) **Prior Related Cases, if any:** numerous cases dating back to 1973
- (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:** 27 SEP 2006

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

POLICY JUSTIFICATION

Saudi Arabia - Continued Assistance in the Modernization of the SANG

The Government of Saudi Arabia has requested a possible sale for the continuation of the United States supported effort to modernize the Saudi Arabian National Guard (SANG) by providing Major Defense Equipment (MDE) and non-MDE items:

552 AN/VRC-90E Single Channel Ground and Airborne Radio Systems (SINCGARS) Vehicular Single Long-Range Radio Systems; 225 AN/VRC-92E SINCGARS Vehicular Single Long-Range Radio Systems Dual Long Range; 1,214 AN/PRC-119 E SINCGARS Man-pack Single Long-Range Radio Systems Man-pack and vehicular installation kits, communications management system computers, antennas, programmable fill devices, support equipment; publications and technical data; personnel training and training equipment; contractor engineering and technical support services and other related elements of logistics support. The estimated cost is \$84 million.

The proposed sale coupled with the training, assistance, and advice provided by the United States (U.S.) Government through the Office of the Program Manager SANG will serve to make a key regional ally and partner in the Global War on Terror more capable of defeating those who would threaten regional stability and less reliant on the deployment of U.S. combat forces to maintain or restore stability in the Middle East.

The SANG needs these defense articles so that it can effectively conduct security and counter-terrorism operations. The continuation of services under the SANG Modernization Program is an evolution of the SANG as an effective defensive force with the advice, assistance, and training of the U.S. Army. The Modernization Program ensures necessary training, logistics, support, doctrine development and force integration for the continuing expansion and use of their weapon systems. These services will remain the cornerstone of an effort to upgrade and enhance the infrastructure of the SANG organization.

The proposed sale will also provide SANG with additional command, control, and communications equipment needed to operate in a secure communications environment that will facilitate the performance of its mission within Saudi Arabia. It is consistent with the National Command Authority's intent for stability in the Central Command Area of Operation. The radios will provide the critical VHF and HF links necessary for a large fast moving force and integration with the SINCGARS radios SANG already has fielded in its Light Armored Vehicle and Light Infantry Brigades.

(C) The proposed sale of this equipment and support will not affect the basic military balance in the region. Saudi Arabia is capable of absorbing and maintaining this additional MDE equipment in its inventory.

The principal contractors will be:

**ITT Aerospace/Communications
Harris Corporation
Northrop Grumman Corporation**

**Fort Wayne, Indiana
Rochester, New York
Linthicum, Maryland**

There are no known offset agreements proposed in connection with this potential sale.

At present, there are approximately 250 U.S. Government personnel and 630 contractor representatives in country supporting the SANG modernization program.

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