



Defense Security Cooperation Agency
NEWS RELEASE

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Canada – Support for C-17 Globemaster III aircraft

Washington, September 14, 2006 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Canada in support of a Direct Commercial Sale for four Boeing C-17 Globemaster III aircraft. The total value, if all options are exercised, could be as high as \$1.3 billion.

The Government of Canada requested a possible sale in support of a Direct Commercial Sale for four Boeing C-17 Globemaster III aircraft. This proposed sale includes 18 Pratt & Whitney F117-PW-100 engines, 4 AN/AAQ-24V(13) Large Aircraft Infrared Countermeasures (LAIRCM) Systems, 20 AN/AVS-9 Night Vision Goggles, Electronic Combat International Security Assistance Program software equipment, spare and repair parts, mission planning system and software, Personnel Life Support equipment, flares, COMSEC equipment, supply support, training equipment and support, publications and technical data, U.S. Government and contractor technical assistance, and other related elements of logistics support. The estimated cost is \$1.3 billion.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada and by furthering weapon system standardization and interoperability with U.S. forces. Additionally, their efforts in peacekeeping and humanitarian operations have made a significant impact to regional political and economic stability and have served U.S. national security interests. The sale of C-17s to Canada will significantly increase its capability to rapidly deploy its forces.

Canada does not currently have a heavy airlift capability and must rely on outside sources for their heavy military airlift needs. This assistance normally takes the form of either U.S. Air Force airlift or contract carriers that use Russian heavy airlift aircraft. The C-17 will greatly improve Canada's capability to rapidly deploy in support of global coalition operations and will also greatly enhance its ability to lead regional humanitarian/peacekeeping operations.

Canada has the ability to absorb and employ the C-17. They are currently studying where in Canada to base the aircraft and plan on building new infrastructure and upgrading current infrastructure as required to support the C-17.

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

This proposed sale will involve the following contractors:

Boeing Company	Long Beach, California
Boeing Company Training Systems	St. Louis, Missouri
AAI Services Corporation	Goose Creek, South Carolina
United Technologies Cooperation	East Hartford, Connecticut
Northrop Grumman Systems Corporation	Rolling Meadows, Illinois

Additional subcontractors may be needed depending on the exact nature of the contracting arrangements established. Offset agreements associated with this proposed sale are expected, but at this time the specific offset agreements are undetermined and will be defined in negotiations between the purchaser and contractors.

This proposed sale will result in Boeing establishing a facility in Canada to provide C-17 logistics support under the current GLOBEMASTER Support Partnership. The proposed plan will require seven U.S. Government representatives at the facility. Implementation of this proposed sale will require the assignment of up to ten each U.S. Government and contractor representatives in country for annual participation in training, program management, and technical review.

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

This notice of a potential sale is required by law; it does not mean that the sale has been concluded.