

POLICY JUSTIFICATION

Spain – Turbine Engines

The Government of Spain has requested a possible sale of 43 T55-GA-714A Turbine Engines, modification and fielding kits, test equipment, technical assistance, spare and repair parts, and other related elements of logistics support. The estimated cost is \$73 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by helping to improve the military capabilities of Spain and furthering standardization and interoperability with U.S. forces.

Spain needs these engines to replace those used in the CH-47 Chinook aircraft supporting coalition operations. The proposed sale will enhance Spain's ability to continue to engage in coalition warfare along with the U.S. Army. Spain will have no difficulty absorbing these additional engines into its armed forces.

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

The prime contractor will be Honeywell International of Phoenix Arizona. There are no known offset agreements proposed in connection with this potential sale.

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

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

Editorial Note: FR Doc. 06-6727 was originally published at page 44634 in the issue of Monday, August 7, 2006. In that publication a graphic was improperly substituted. The corrected document is republished in its entirety.

[FR Doc. R6-6727 Filed 8-15-06; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 06-43]

36(b)(1) Arms Sales Notification; Republication

Editorial Note: FR Doc. 06-6728 was originally published at page 44637 in the issue of Monday, August 7, 2006. In that publication a graphic was improperly substituted. The corrected document is republished below in its entirety.

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/ADM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 06-43 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: August 1, 2006.

C.R. Choate,

*Alternate OSD Federal Register Liaison
Officer, Department of Defense.*

BILLING CODE 1505-01-D



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

28 JUL 2006

In reply refer to:

I-06/008039

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. 06-43, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Netherlands for defense articles and services estimated to cost \$200 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 cursive script, reading "Richard J. Millies", is positioned above the typed name.

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. 06-43

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: Netherlands
- (ii) Total Estimated Value:
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 2 million |
| Other | <u>\$198 million</u> |
| TOTAL | \$200 million |
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: establishment of a Continental United States (CONUS)-based Royal Netherlands Air Force F-16 Formal Training Unit (FTU) to include: 130 Laser Guided Training rounds, 150,000 20mm Target Practice training bullets, 3,750 BDU-33 low-drag training bombs, 875 MK-106 high-drag training bombs, pilot training, JP-8 fuel, air refueling support, CONUS base start up, base operating support, facilities, and other related operational/logistics services and support.
- (iv) Military Department: Air Force (NAB)
- (v) Prior Related Cases, if any:
FMS case YFH - \$24 million - 1Oct90
FMS case YFF - \$16 million - 4Dec89
- (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: 2 8 JUL 2006

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

POLICY JUSTIFICATION

Netherlands – F-16 Pilot Training and Logistics Support

The Government of the Netherlands has requested a possible sale to establish a Continental United States (CONUS)-based Royal Netherlands Air Force F-16 Formal Training Unit (FTU) to include: 130 Laser Guided Training rounds, 150,000 20mm Target Practice training bullets, 3,750 BDU-33 low-drag training bombs, 875 MK-106 high-drag training bombs, pilot training, JP-8 fuel, air refueling support, CONUS base start up, base operating support, facilities, and other related operational/logistics services and support. The estimated cost is \$200 million.

This proposed sale contributes to the foreign policy and national security objectives of the U.S. by improving the military capabilities of the Netherlands and enhancing standardization and interoperability with U.S. forces.

Springfield-Beckley Air National Guard Base, Ohio is the location where the Netherlands Air Force will train aircrews in aircraft operations and tactics. This training will enhance the Royal Netherlands Air Force's ability to continue contributions to the Global War on Terrorism, to North Atlantic Treaty Organization air policing operations in Afghanistan, as well as, to possible future coalition operations.

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

The U.S. Air Force will provide program management for the FTU. The Ohio Air National Guard will provide instruction, flight operations, and maintenance support and facilities. There is no prime contractor involved in this program. There are no known offset agreements proposed in connection with this potential sale.

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

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

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DEPARTMENT OF DEFENSE

Department of the Army; Corps of Engineers

Intent To Prepare an Environmental Impact Statement To Evaluate the Impacts Associated With a Previously Authorized Pier Extension in Strait of Georgia at Cherry Point, Near Ferndale, Whatcom County, WA

AGENCY: U.S. Army Corps of Engineers, Department of Defense.

ACTION: Notice of intent.

SUMMARY: The U.S. Army Corps of Engineers (Corps) Seattle District is the permitting agency and lead Federal agency for this action. The U.S. Coast Guard (USCG) is cooperating agency. The Corps is announcing its intent to prepare an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act (NEPA). The EIS will support the Corps' permit evaluation process under Section 10 of the Rivers and Harbors Act for the BP Cherry Point marine pier extension.

DATES: Submit comments by September 15, 2006.