



**Billing Code: 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**(Transmittal Nos. 14-34)**

**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 July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 14-34 with attached transmittal, and policy justification.

Dated: December 31, 2014.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408


DEC 19 2014

The Honorable John A. Boehner  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

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. 14-34, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Iraq for defense articles and services estimated to cost \$579 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,

  
J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 14-34

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: Republic of Iraq

(ii) Total Estimated Value:

Major Defense Equipment:\* \$399 million

Other: \$180 million

TOTAL: \$579 million

(iii) Description and Quantity of Articles or Services under Consideration for Purchase: 1000 M1151A1 Up-Armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs), 1000 M2 .50 cal. machine guns, and 1000 MK-19 40mm grenade launchers with universal mounts, commercial radios, communication equipment, repair and spare parts, publications and technical documentation, tools and test equipment, personnel training and training equipment, U.S. Government and contractor logistics and technical support services, and other related elements of logistics support.

(iv) Military Department: Army (ZAT)

(v) Prior Related Cases, if Any:

FMS case UGP-\$25M-12Feb14

FMS case UAG-\$52M-28Sep12

FMS Case AAH-\$46 million-29May07

FMS Case AAI-\$49 million-29May07

(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: 19 Dec 14

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

## POLICY JUSTIFICATION

### Iraq - M1151A1 Up-Armored High Mobility Multi-Purpose Wheeled Vehicles

The Government of Iraq has requested a possible sale of 1000 M1151A1 Up-Armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs), 1000 M2 .50 cal. machine guns, and 1000 MK-19 40mm grenade launchers with universal mounts, commercial radios, communication equipment, repair and spare parts, publications and technical documentation, tools and test equipment, personnel training and training equipment, U.S. Government and contractor logistics and technical support services, and other related elements of logistics support. The estimated cost is \$579 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a strategic partner. This proposed sale directly supports the Government of Iraq and serves the interests of the people of Iraq and the United States.

The proposed sale of the M1151 HMMWVs would facilitate progress towards increasing the Iraqi Security Force's mobility and self-defense capabilities.. Iraq will use the HMMWVs to increase the safety, effectiveness, and self-reliance of the Iraqi Security Forces. Iraq will have no difficulty absorbing these additional HMMWVs 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 AM General in South Bend, Indiana. There are no known offset agreements proposed in connections with this potential sale.

Implementation of this proposed sale will not require U.S Government or contractor representatives to travel to Iraq.

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