



Defense Security Cooperation Agency
NEWS RELEASE

On the web: <http://www.dsca.mil>

Media/Public Contact: (703) 601-3670

Date: 13 September 2004

Transmittal No. 04-31

Israel – Planning, Design, and Construction Services

On 13 September 2004, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Israel of defense services for the continued construction of two infantry training bases and a storage and logistics base for a reserve-armored division. The total value, if all options are exercised, could be as high as \$350 million.

The Government of Israel has requested a possible purchase of defense services for the continued construction of two infantry training bases and a storage and logistics base for a reserve-armored division. The U.S. Army Corps of Engineers will provide planning, design, acquisition, construction administration, and management services for this program. The estimated cost is \$350 million.

The construction of the proposed bases is part of United States assistance to Israel in support of the Wye River Memorandum, a Middle East Peace agreement signed on October 23, 1998 (hereafter referred to as the "Wye River Accords").

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been, and continues to be, an important force for political stability and economic progress in the Middle East.

The implementation of the Wye River Accords necessitates that certain Israeli Defense Forces' military facilities, along with their respective units, be relocated from occupied territory in the West Bank. By providing military facilities in Israel, the proposed sale of defense construction services will assist Israel in relocating these military units. As the proposed sale will provide only facilities for relocating military units, it should have no adverse impact on the regional military balance.

The proposed sale partially implements United States commitments made to Israel in connection with the Wye River Accords.

The prime contractors for these additional facilities will be selected under a separate solicitation. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of 25 U.S. Government representatives to Israel for six years. There will be technical specialists on a temporary basis to participate 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.