



Defense Security Cooperation Agency
NEWS RELEASE

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Australia – C-17 GLOBEMASTER III Aircraft

On 3 April 2006, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Australia of up to four C-17 GLOBEMASTER III aircraft, as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$2 billion.

The Government of Australia requested a possible sale of up to four C-17 GLOBEMASTER III aircraft, up to 18 Pratt & Whitney F117-PW-100 engines, up to four AN/AAQ-24V(13) Large Aircraft Infrared Countermeasures (LAIRCM) Systems, up to 15 AN/AVS-9 Night Vision Goggles; Personnel Life Support equipment, spare and repair parts, 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 \$2 billion.

Australia is one of our most important allies in the Western Pacific. The strategic location of this political and economic power contributes significantly to ensuring peace and economic stability in the region. Australia's efforts in Operations Iraqi and Enduring Freedom, peacekeeping, and humanitarian operations have made a significant impact to regional, political, and economic stability and have served U.S. national security interests. This proposed sale is consistent with those objectives and facilitates burden sharing with our allies.

Australia does not currently have a heavy airlift capability and must rely on outside sources for these services. 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 Australia's capability to rapidly deploy in support of global coalition operations and will also greatly enhance its ability to lead regional humanitarian/peacekeeping operations.

Australia has the ability to absorb and employ the C-17. It plans on basing the C-17s at Royal Australian Air Force (RAAF) Base Amberly. RAAF Base Amberly will become the primary base for airlift and tanker aircraft and is currently undergoing the infrastructure upgrades required to support the C-17 and other large aircraft Australia has currently contracted to purchase.

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 Corporation	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 at RAAF Base Amberly that will provide logistics support for the C-17 under the current GLOBEMASTER Support Partnership. The proposed plan will require seven each U.S. Government and Australian representatives at the facility. Implementation of this proposed sale will require the assignment of up to ten each U.S. Government and contractor representatives to travel to Australia 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.