

## Estimating Foreign Military Sales

Foreign Military Sales (FMS) policies derive from U.S. statutes, Presidential directives, and policies of the U.S. Departments of State and Defense. The U.S. offers to sell defense articles and services (including training) under FMS procedures only in response to specific requests from authorized representatives from foreign governments or eligible international organizations.

The following table is in two parts. The first part shows the total dollar value by country of government-to-government FMS Letters of Offer and Acceptance (LOAs) signed in FY 2008, regardless of when the articles and services were or will be delivered.

The second part shows the estimated dollar values projected for FY 2009 and FY 2010. These estimates were derived through:

- a. An analysis of each country's historical FMS sales record (past 10 years).
- b. In-depth, multi-tiered evaluation of each item contained on individual country lists of potential sales (based on inputs by the Security Assistance Offices, Military Departments, and reviewed by DSCA Regional Directorates). Each entry is evaluated for:
  - (i) Likelihood of sale, in and of itself, to be made in the year listed.
  - (ii) Likelihood that the sale will go FMS and not Direct Commercial Sales (DCS).
  - (iii) Release considerations, if any, associated with the item and likelihood for approval and sale after completion of the thorough U.S. Government review process.
  - (iv) A judgment of how essential the listed military equipment of defense service is to the country's defense needs.
  - (v) Whether the country's foreign procurement budget, as a whole, is adequate to fund the listed item in its entirety or possibly, at a lesser amount of quantity and dollars.
  - (vi) Whether the funding required to make the purchase will in fact be approved by the purchasing country's budget process.
- c. Consideration of potential economic and political/military factors over the time frame concerned.

Each phase of the FMS LOA request/offer/acceptance process has many variables that make it difficult to determine exactly when – or even if – a particular sale may occur. Variance of one day in a purchasing country's acceptance of a single significant sales agreement could shift the recording of the transaction from one fiscal year to the next.

## AECA Section 25 Sales Estimates

(\$ in thousands)

	ACTUAL	ESTIMATED	
	FY 2008	FY 2009	FY 2010
<b>Africa:</b>			
African Union	–	–	–
Angola	–	–	–
Benin	–	–	–
Botswana	136	3,850	200
Burkina Faso	–	–	–
Burundi	200	–	–
Cameroon	240	–	–
Cape Verde	200	–	–
Central Africa Republic	–	–	–
Chad	368	–	500
Comoros	895	–	–
Democratic Republic of Congo	250	600	2,450
Djibouti	3,294	2,800	2,500
Eritrea	–	–	–
Ethiopia	2,318	4,000	3,000
Gabon	300	–	200
Gambia	–	–	–
Ghana	139	300	450
Guinea	200	300	200
Kenya	13,999	100	1,000
Lesotho	50	–	–
Liberia	343	1,500	9,000
Madagascar	126	–	–
Malawi	–	–	–
Mali	–	–	200
Mauritania	–	–	–
Mauritius	383	–	–
Mozambique	611	–	–
Niger	–	–	–
Nigeria	285	1,350	1,350
Republic of Congo	–	–	–
Rwanda	–	–	–
Sao Tome & Principe	–	–	–
Senegal	531	–	400
Seychelles	–	–	–
Sierra Leone	250	–	–
South Africa	–	–	800
Swaziland	–	–	–
Tanzania	–	–	200
Togo	–	–	–
Uganda	–	–	300

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(\$ in thousands)

	ACTUAL	ESTIMATED	
	FY 2008	FY 2009	FY 2010
<b>Africa Con't:</b>			
Zambia	–	–	–
<b>Regional Total</b>	<b>25,118</b>	<b>14,800</b>	<b>22,750</b>
<b>East Asia &amp; Pacific:</b>			
Australia	1,138,270	604,600	2,200,000
Brunei	1,500	–	–
Cambodia	304	2,750	1,000
East Timor	1,061	–	1,000
Fiji	–	–	250
Indonesia	3,322	18,000	20,000
Japan	840,523	433,808	1,290,669
Korea (Seoul)	1,127,155	1,084,844	1,006,416
Malaysia	28,979	55,000	642,000
Maldives	–	–	–
Mongolia	7,137	2,000	7,000
New Zealand	14,401	–	–
Papua New Guinea	–	–	–
Rep of Philippines	72,904	18,247	15,650
Singapore	445,655	173,750	231,710
Thailand	56,410	64,080	166,860
Tonga	913	500	750
Vanuatu	–	–	–
Vietnam	–	500	1,345
<b>Regional Total</b>	<b>3,738,534</b>	<b>2,458,079</b>	<b>5,584,650</b>
<b>Europe &amp; Eurasia:</b>			
Albania	9,224	20,200	43,550
Armenia	7,563	3,000	3,000
Austria	14,485	2,000	–
Azerbaijan	5,908	3,000	4,000
Belgium	10,802	30,815	21,641
Bosnia-Herzegovina	3,900	8,000	8,500
Bulgaria	19,164	19,000	13,200
Croatia	515	39,900	4,900
Czech Republic	4,725	6,900	5,900
Denmark	67,820	102,990	61,080
Estonia	5,687	5,200	4,000
Finland	33,534	434,400	11,000
France	120,775	434,600	15,100
Georgia	50,404	11,800	14,000
Germany	166,757	468,293	280,035
Greece	225,097	37,200	–
Hungary	20,784	11,300	2,200

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(\$ in thousands)

	ACTUAL	ESTIMATED	
	FY 2008	FY 2009	FY 2010
<b>Europe &amp; Eurasia Con't:</b>			
Iceland	2,937	–	–
Ireland	562	–	–
Italy	73,593	420,000	160,000
Kosovo	–	6,800	9,000
Latvia	3,189	8,656	7,585
Lithuania	2,793	10,350	7,400
Luxembourg	670	–	332
Macedonia	4,603	10,800	8,500
Malta	–	1,000	–
Moldova	1,130	1,200	1,500
Montenegro	880	1,000	2,200
Netherlands	226,338	84,000	335,610
Norway	283,068	625,400	20,000
Poland	79,800	84,000	104,500
Portugal	51,458	22,300	–
Romania	45,324	75,000	357,750
Serbia	311	1,500	1,500
Slovakia	2,444	2,600	1,500
Slovenia	5,413	1,100	56,000
Spain	130,338	9,100	–
Sweden	14,159	1,200	6,200
Switzerland	25,692	354,200	–
Turkey	366,998	681,236	120,000
Ukraine	7,280	8,400	11,000
United Kingdom	1,100,722	162,825	96,825
<b>Regional Total</b>	<b>3,196,846</b>	<b>4,211,265</b>	<b>1,799,508</b>
<b>Near East:</b>			
Bahrain	85,130	103,000	313,000
Egypt	2,356,968	1,599,906	1,300,000
Iraq	2,548,485	3,500,000	2,200,700
Israel	1,356,802	3,457,300	1,120,000
Jordan	273,130	270,000	775,000
Kuwait	559,459	949,720	481,600
Lebanon	54,406	62,200	100,000
Morocco	2,415,516	232,910	19,220
Oman	34,361	172,750	16,000
Qatar	17,352	124,000	2,701,000
Saudi Arabia	6,107,610	3,527,300	1,402,900
Tunisia	10,073	22,910	20,910
United Arab Emirates	634,600	9,149,912	7,310,000
Yemen	11,670	12,725	23,003
<b>Regional Total</b>	<b>16,465,562</b>	<b>23,184,633</b>	<b>17,783,333</b>

## AECA Section 25 Sales Estimates

(\$ in thousands)

	ACTUAL	ESTIMATED	
	FY 2008	FY 2009	FY 2010
<b>South &amp; Central Asia:</b>			
Afghanistan	1,044	1,000	1,000
Bangladesh	–	1,000	2,500
India	1,006,239	30,500	283,000
Kazakhstan	772	7,000	9,400
Kyrgyz Republic	569	4,000	3,000
Nepal	–	–	1,100
Pakistan	336,894	269,000	500,000
Sri Lanka	–	900	1,600
Tajikistan	–	675	1,500
Turkmenistan	–	150	1,500
Uzbekistan	–	3,000	1,000
<b>Region Total</b>	<b>1,345,518</b>	<b>317,225</b>	<b>805,600</b>
<b>Western Hemisphere:</b>			
Antigua-Barbuda	239	100	653
Argentina	41,427	35,700	3,300
Bahamas	190	150	260
Barbados	–	400	800
Belize	195	200	200
Bolivia	–	–	–
Brazil	349,886	45,000	–
Canada	579,479	177,700	160,700
Chile	62,968	33,000	750
Colombia	258,164	93,300	67,000
Costa Rica	–	1,541	325
Dominica	104	100	653
Dominican Republic	679	1,900	16,000
Ecuador	2,839	4,805	2,615
El Salvador	22,414	4,800	4,800
Grenada	104	100	653
Guatemala	–	500	1,643
Guyana	–	300	735
Haiti	60	1,600	1,600
Honduras	394	900	1,300
Jamaica	370	1,100	1,300
Mexico	4,109	122,700	270,000
Nicaragua	1,396	900	1,300
Panama	733	2,250	2,100
Paraguay	–	111	750
Peru	16,401	3,660	3,000
St. Kitts & Nevis	–	100	653
St. Lucia	50	100	653
St. Vincent & Grenadines	50	100	550

## AECA Section 25 Sales Estimates

(\$ in thousands)

	ACTUAL	ESTIMATED	
	FY 2008	FY 2009	FY 2010
Suriname	–	300	751
Trinidad & Tobago	–	500	750
Uruguay	684	500	20,050
Regional Total	<u>1,342,935</u>	<u>534,417</u>	<u>565,844</u>
<b>Non-Regional:</b>			
Classified Totals (A)	3,010,059	6,545,000	10,260,000
International Org.	47,354	75,280	78,214
<b>Non-Regional Total</b>	<b><u>3,057,413</u></b>	<b><u>6,620,280</u></b>	<b><u>10,338,214</u></b>
Worldwide Total	29,171,926	37,340,699	36,899,899

Note: Totals May Not Add Due To Rounding

(A) For further information, please see the classified annex to this document.